

**Republic of the Philippines
House of Representatives
Quezon City**

**Seventeenth Congress
Second Regular Session**

House Bill No. 7475



**Introduced by Representatives
Estrellita B. Suansing and Horacio P. Suansing, Jr.**

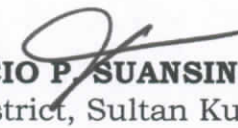
EXPLANATORY NOTE

The freedom of religion is enshrined in Section 4 of the 1987 Constitution which states, "No law shall be made respecting an establishment of religion or prohibiting the free exercise thereof. The free exercise and enjoyment of religious profession and worship, without discrimination, or preference, shall forever be allowed...", elevated to a global level in Article 18 of the Universal Declaration of Human Rights adopted by the United Nations General Assembly on December 10, 1948 further strengthening such right: "Everyone has the right to freedom of thought, conscience and religion; this right includes the freedom to change his religion or belief, and freedom, either alone or in community with others and in public or private, to manifest his religion or belief in teaching, practice, worship, and observance."

The basic right to worship the faith of your choice is considered by several people and most of the world to be a fundamental human right. It is thus the intent of this bill to extend another 25 years the franchise granted to the Iglesia ni Cristo or INC to establish, maintain and operate radio broadcasting stations, for private communications, within the Philippines as provided under Republic Act No. 4339, as amended by Republic Act No. 7225. The INC, like any other faith in the country, needs to minister to its faithful irrespective of one's educational, economic or social standing, aside from transmitting essential information on a regular basis. The private telecommunications network has proven its worth to the INC to establish effective communication lines to more than 100 ecclesiastical districts all over the archipelago and more in foreign countries.

This bill does not confine the franchise to exclusive ownership because as its Section 11 prescribes, that in pursuit of the constitutional provision to encourage public participation in public utilities, the franchise grantee shall offer to Filipino citizens at least 30% or a higher percentage that may hereafter be provided by law of its outstanding capital stock in any securities exchange in the Philippines within 5 years from the commencement of its operations. Without a doubt, this franchise will not only benefit the INC but others as well. Hence, the passage of this bill is urgently sought.


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AN ACT

**RENEWING FOR ANOTHER TWENTY-FIVE YEARS THE FRANCHISE
GRANTED TO THE IGLESIA NI CRISTO TO ESTABLISH, MAINTAIN AND
OPERATE RADIO BROADCASTING STATIONS FOR PRIVATE
COMMUNICATIONS WITHIN THE PHILIPPINES UNDER REPUBLIC ACT
NO. 4339, AS AMENDED BY REPUBLIC ACT NO. 7225**

*Be it enacted by the Senate and House of Representatives of the Philippines in
Congress assembled:*

1 **SECTION 1. *Nature and Scope of Franchise.*** – Subject to the provisions of
2 the Constitution and applicable laws, rules and regulations, the franchise
3 granted to Iglesia ni Cristo, hereunder referred to as the grantee, its successor
4 or assignees, under Republic Act No. 4339, to construct, establish, maintain
5 and operate, for private communications, radio broadcasting stations through
6 microwave, satellite, terrestrial or whatever means including the use of any
7 new technologies in radio systems, with the corresponding technological
8 auxiliaries and facilities, special broadcast and other program and
9 distribution services and relay stations in the Philippines, is hereby renewed
10 for another twenty-five years.

11
12 **SECTION 2. *Manner of Operation of Stations or Facilities.*** – The stations
13 or facilities of the grantee shall be constructed and operated in a manner as
14 will, at most, result only in the minimum interference on the wavelengths or
15 frequencies of existing stations or other stations which may be established by
16 law, without in any way diminishing its own privilege to use its assigned
17 wavelengths or frequencies and the quality of transmission or reception
18 thereon as should maximize rendition of the grantee's services and/or
19 availability thereof.

20
21 **SECTION 3. *Prior Approval of the National Telecommunications***
22 ***Commission.*** – The grantee shall secure from the National
23 Telecommunications Commission (NTC) the appropriate permits and licenses
24 for the construction and operation of its stations or facilities and shall not use
25 any frequency in the radio spectrum without authorization from the NTC.

1 **SECTION 4. Responsibility to the Public.** – The grantee shall provide, free
2 of charge, adequate public service time which is reasonable and sufficient to
3 enable the government, through the broadcasting stations or facilities of the
4 grantee, to reach the pertinent population/s or portions hereof on important
5 public issues and relay important public announcements and warnings
6 concerning public emergencies and calamities, as necessity, urgency, or law
7 may require; provide at all times sound and balanced programming; promote
8 public participation; assist in the functions of public information and
9 education; conform to the ethics of honest enterprise; promote audience
10 sensibility and empowerment through, but not limited to, closed captioning;
11 and not use its stations or facilities for the broadcasting of obscene or
12 indecent language, speech, act or scene; or for the dissemination of
13 deliberately false information or willful misrepresentation, to the detriment of
14 the public interest; or to incite, encourage or assist in subversive or
15 treasonable acts.

16
17 Public service time referred herein shall be equivalent to a maximum
18 aggregate of ten percent (10%) of the paid commercials or advertisements
19 which shall be allocated, based on need, to the executive, legislative, judiciary,
20 constitutional commissions and international humanitarian organizations
21 duly recognized by statutes: *Provided*, That the NTC shall increase the public
22 service time in case of extreme emergency or calamity. The NTC shall issue
23 rules and regulations for this purpose, the effectivity of which shall commence
24 upon applicability with other similarly situated broadcast network franchise
25 holders.

26
27 **SECTION 5. Compliance with Labor Standards.** – The grantee, its
28 successors or assignees shall comply with the applicable labor standards
29 under existing labor laws, rules and regulations and such other issuances as
30 may be promulgated by the Department of Labor and Employment, taking
31 into consideration the nature and peculiarities of the broadcast industry.

32
33 **SECTION 6. Right of the Government.** – The radio spectrum is a finite
34 resource that is part of the national patrimony and the use thereof is a
35 privilege conferred upon the grantee by the State and may be withdrawn any
36 time after due process.

37
38 A special right is hereby reserved to the President of the Philippines, in
39 times of war, rebellion, public peril, calamity, emergency, disaster, or
40 disturbance of peace and order: to temporarily take over and operate the
41 stations or facilities of the grantee; to temporarily suspend the operation of
42 any station or facility in the interest of public safety, security and public
43 welfare; or to authorize the temporary use and operation thereof by any
44 agency of the government, upon due compensation to the grantee, for the use
45 of said stations or facilities during the period when these shall be so operated.

1 **SECTION 7. Term of Franchise.** – This franchise shall be in effect for a
2 period of twenty-five (25) years from the effectivity of this Act, unless sooner
3 revoked and cancelled. This franchise shall be deemed *ipso facto* revoked in
4 the event the grantee fails to operate continuously for two (2) years.

5
6 **SECTION 8. Self-regulation by and Undertaking of Grantee.** – The grantee
7 shall not require any previous censorship of any speech, play, act or scene,
8 or other matter to be broadcast from its stations, but if any such speech, play,
9 act or scene, or other matter should constitute a violation of the law or
10 infringement of a private right, the grantee shall be free from any liability, civil
11 or criminal, for such speech, play, act or scene, or other matter from its
12 stations: *Provided*, That the grantee, during any broadcast shall not allow to
13 be aired the speech, play, act or scene, or other matter to be broadcast if the
14 tendency thereof is to propose and/or incite treason, rebellion or sedition; or
15 the language used therein or the theme thereof is indecent or immoral:
16 *Provided, further*, That willful failure to do so shall constitute a valid cause for
17 the revocation and cancellation of this franchise.

18
19 **SECTION 9. Warranty in Favor of the National and Local Governments.**
20 – The grantee shall hold the national, provincial, city, and municipal
21 governments of the Philippines free from all claims, liabilities, demands or
22 actions arising out of accidents causing injury to persons or damage to
23 properties, during the construction or operation of the stations of the grantee.

24
25 **SECTION 10. Sale, Lease, Transfer, Usufruct, or Assignment of**
26 **Franchise.** – The grantee shall not sell, lease, transfer, grant the usufruct of,
27 nor assign this franchise or the rights and privileges acquired thereunder to
28 any person, firm, company, corporation, or other commercial or legal entity,
29 nor merge with any other corporation or entity, nor the controlling interest of
30 the grantee be transferred, whether as a whole or in part, and whether
31 simultaneously or contemporaneously, to any such person, firm, company,
32 corporation, or entity without the prior approval of the Congress of the
33 Philippines: *Provided*, That failure to report to Congress such change of
34 ownership shall render the franchise *ipso facto* revoked: *Provided, finally*, That
35 any person or entity to which this franchise is sold, transferred or assigned,
36 shall be subject to the same conditions, terms, restrictions, and limitations of
37 this Act.

38
39 **SECTION 11. Dispersal of Ownership.** – In accordance with the
40 constitutional provision to encourage public participation in public utilities,
41 the grantee shall offer to Filipino citizens at least thirty percent (30%) or a
42 higher percentage that may hereafter be provided by law of its outstanding
43 capital stock in any securities exchange in the Philippines within five (5) years
44 from the commencement of its operations: *Provided*, That in cases where
45 public offer of shares is not applicable, the grantee shall apply other methods
46 of encouraging public participation by citizens and corporations operating

1 public utilities as allowed by law. Noncompliance therewith shall render the
2 franchise *ipso facto* revoked.

3
4 **SECTION 12. Reportorial Requirement.** – The grantee shall submit an
5 annual report to the Congress of the Philippines, through the Committee on
6 Legislative Franchises of the House of Representatives and the Committee on
7 Public Services of the Senate, on its compliance with the terms and conditions
8 of the franchise and on its operations on or before April 30 of every year during
9 the term of its franchise. The reportorial compliance certificate issued by the
10 Congress shall be required before any application for permit or certificate is
11 accepted by the NTC.

12
13 **SECTION 13. Fine.** – Failure of the grantee to submit the requisite annual
14 report to Congress shall be penalized by a fine of Five hundred pesos (P500.00)
15 per working day of noncompliance. The fine shall be collected by the NTC from
16 the delinquent franchise grantee separate from the reportorial penalties
17 imposed by the NTC and the same shall be remitted to the National Treasury.

18
19 **SECTION 14. Equality Clause.** – Any advantage, favor, privilege, exemption,
20 or immunity granted under existing franchises, or which may hereafter be
21 granted for radio broadcasting, upon prior review and approval of Congress,
22 shall become part of this franchise and shall be accorded immediately and
23 unconditionally to the herein grantee: *Provided*, That the foregoing shall
24 neither apply to nor affect the provisions of broadcasting franchises
25 concerning territorial coverage, the term, or the type of service authorized by
26 the franchise.

27
28 **SECTION 15. Separability Clause.** – If any section or provision of this Act
29 is held invalid, all other provisions not affected thereby shall remain valid.

30
31 **SECTION 16. Repealability and Nonexclusivity Clause.** – This franchise
32 shall be subject to amendment, alteration, or repeal by the Congress of the
33 Philippines when the public interest so requires and shall not be interpreted
34 as an exclusive grant of the privileges herein provided for.

35
36 All laws, decrees, orders, resolutions, instructions, rules and
37 regulations, and other issuances, or parts thereof which are inconsistent with
38 the provisions of this Act are hereby repealed, amended or modified
39 accordingly.

40
41 **SECTION 17. Effectivity.** – This Act shall take effect fifteen (15) days after
42 its publication in the *Official Gazette* or in any newspaper of general
43 circulation.

Approved,