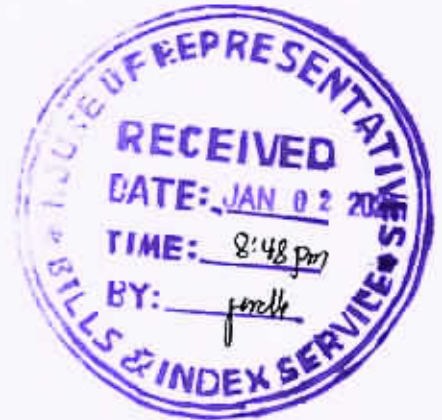




Republic of the Philippines
House of Representatives
Quezon City, Metro Manila

EIGHTEENTH CONGRESS
Second Regular Session
House Bill No. 8286



Introduced by **REPRESENTATIVE ESMAEL "TOTO" G. MANGUDADATU**

AN ACT EXTENDING FOR ANOTHER TWENTY-FIVE (25) YEARS THE FRANCHISE GRANTED TO AMADO L. OLA, PRESENTLY KNOWN AS ESTATE OF MR. AMADO L. OLA, OPC DOING BUSINESS AS AMAPOLA BROADCASTING SYSTEM, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 8214, ENTITLED "AN ACT GRANTING MR. AMADO L. OLA A FRANCHISE TO CONSTRUCT, INSTALL, ESTABLISH, OPERATE AND MAINTAIN RADIO AND TELEVISION BROADCASTING STATIONS IN THE PHILIPPINES"

EXPLANATORY NOTE

Radio and Television Broadcasting have nurtured the information and entertainment needs of countless nations all over the world, including that of the Philippines. Although newspapers and the internet have provided additional avenues for such, radio and television continue to deliver affordable and dependable content. Even during the state of public health emergency and ensuing lockdown that has affected the country, radio and television continued to fulfill its role. Given that we are now shifting to shopping and working from home, and more importantly transitioning to distance learning, radio and television is poised to expand its effect on the Filipino people.

Through many years, Mr. Amado L. Ola, the grantee of the original franchise under RA 8214, provided quality programming with his "Home Channel Network" and "Amapola Broadcasting System" that served the Davao region from his base in Davao City. By providing multiple programming, Mr. Ola was able to contribute to the development and psyche of the people of Davao while it was on its way to establishing itself as one of the most dynamic and progressive cities in the country.

The Estate of Mr. Amado L. Ola, OPC doing business as Amapola Broadcasting System - the successor of Mr. Amado L. Ola - intends to build on this legacy and expand Amapola Broadcasting System not only in terms of scope and coverage, but also in terms of purpose and vision. This, as herein applicant has advocated to meet the challenges brought about by distance-learning as its contribution to the national cause. To address this new and evolving paradigm, herein applicant aims to be the premier educational broadcasting station in the Philippines that provides innovative and relevant programs and services, giving all Filipinos access to in-depth information on health, environmental consciousness and to cultural and educational opportunities.

Given these premises, the immediate approval of this bill is earnestly sought.


ESMAEL G. MANGUDADATU



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AN ACT

EXTENDING FOR ANOTHER TWENTY-FIVE (25) YEARS THE FRANCHISE GRANTED TO AMADO L. OLA, PRESENTLY KNOWN AS ESTATE OF MR. AMADO L. OLA, OPC DOING BUSINESS AS AMAPOLA BROADCASTING SYSTEM, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 8214, ENTITLED "AN ACT GRANTING MR. AMADO L. OLA A FRANCHISE TO CONSTRUCT, INSTALL, ESTABLISH, OPERATE AND MAINTAIN RADIO AND TELEVISION BROADCASTING STATIONS IN THE PHILIPPINES"

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

SECTION 1. Nature and Scope of Franchise. — Subject to the provisions of the 1987 Philippine Constitution and applicable laws, rules and regulations, there is hereby granted to Estate of Mr. Amado L. Ola, OPC doing business as Amapola Broadcasting System, hereunder referred to as the grantee, its successors or assignees, a franchise to construct, install, operate, and maintain, for commercial purposes and in the public interest, radio and television broadcasting stations; Digital Terrestrial Television Broadcasting (DTTB) systems; and pay TV systems, through the use of radio, electromagnetic or microwaves, whether via satellite, terrestrial, or whatever means; as well as the use of any new technology in radio and television systems, with the corresponding auxiliaries and facilities, special broadcast and other program and distribution services and relay stations in the Philippines.

SECTION 2. Manner of Operation of Stations or Facilities. - The stations or facilities of the grantee shall be constructed and operated in a manner as will, at most, result only in the minimum interference on the wavelengths or frequencies of existing stations or other stations which may be established by law, without in any way diminishing its own privilege to

1 use its assigned wavelengths or frequencies and the quality of transmission or reception
2 thereon as should maximize rendition of the grantee's services and/or the availability thereof.

3
4 **SECTION 3. *Prior Approval of the National Telecommunications Commission.*** - The grantee
5 shall secure from the National Telecommunications Commission (NTC) the appropriate
6 permits and licenses for the construction and operation of its stations or facilities and shall
7 not use any frequency in the radio/television spectrum without authorization from the NTC.
8 The NTC, however, shall not unreasonably withhold or delay the grant of any such authority.
9 The grantee shall not dispose or lease its facilities except to entities with radio or television
10 broadcasting franchise: Provided, That the grantee shall inform and secure written
11 authorization to proceed from the NTC, and report the transaction to the NTC within sixty
12 (60) days after its completion: Provided, further, That the NTC shall determine the
13 corresponding sanction for any violation of this provision. In case of violation/s of any of the
14 provisions of this franchise, the NTC shall have the authority to revoke or suspend, after due
15 process, the permits or licenses issued by the NTC pursuant to the franchise. The NTC may
16 also recommend to Congress the revocation of the franchise if there are any violations of the
17 provisions of the said franchise.

18
19 **SECTION 4. *Responsibility to the Public.*** - The grantee shall provide, free of charge, adequate
20 public service time which is reasonable and sufficient to enable the government, through the
21 broadcasting stations or facilities of the grantee, to reach the pertinent populations or
22 portions thereof, on important public issues and relay important public announcements and
23 warnings concerning public emergencies and calamities, as necessity, urgency or law may
24 require; provide at all times sound and balanced programming; promote public participation;
25 assist in the functions of public information and education; conform to the ethics of honest
26 enterprise; promote audience sensibility and empowerment; and not use its stations or
27 facilities for the broadcasting of obscene or indecent language, speech, act, or scene; or for
28 the dissemination of deliberately false information or willful misrepresentation, to the
29 detriment of the public interest; or to incite, encourage, or assist in subversive or treasonable
30 acts. Public service time referred herein shall be equivalent to a maximum aggregate of ten
31 percent (10%) of the paid commercials or advertisements which shall be allocated based on
32 need to the Executive and Legislative branches, the Judiciary, Constitutional Commissions,
33 and international humanitarian organizations duly recognized by statutes: Provided, That the
34 NTC shall increase the public service time in case of extreme emergency or calamity. The NTC
35 shall issue rules and regulations for this purpose, the effectivity of which shall commence
36 upon applicability with other similarly situated broadcast network franchise holders. Pursuant
37 to Republic Act No. 8370, the grantee shall allot a minimum of Fifteen Percent (15%) of the
38 daily total airtime of each broadcasting network to child-friendly shows within its regular
39 programming.

1 **SECTION 5. *Right of the Government.*** - The radio spectrum is a finite resource that is part of
2 the national patrimony and the use thereof is a privilege conferred upon the grantee by the
3 State and may be withdrawn any time after due process. A special right is hereby reserved to
4 the President of the Philippines, in times of war, rebellion, public peril, calamity, emergency,
5 disaster, or disturbance of peace and order, to temporarily take over and operate the stations
6 or facilities of the grantee; to temporarily suspend the operation of any station or facility in
7 the interest of public safety, security and public welfare; or to authorize the temporary use
8 and operation thereof by any agency of the government, upon due compensation to the
9 grantee, for the use of stations or facilities during the period when these shall be so operated.

11 **SECTION 6. *Term of Franchise.*** - This franchise shall be in effect for a period of twenty-five
12 (25) years from the effectivity of this Act, unless sooner revoked or cancelled. This franchise
13 shall be deemed ipso facto revoked in the event the grantee fails to operate continuously for
14 two (2) years.

16 **SECTION 7. *Self-regulation by and Undertaking of the Grantee.*** - The grantee shall not require
17 any previous censorship of any speech, play, act or scene, or other matter to be broadcast
18 from its stations, but if any such speech, play, act or scene, or other matter should constitute
19 a violation of the law or infringement of a private right, the grantee shall be free from any
20 liability, civil or criminal, for such speech, play, act or scene or other matter: Provided, That
21 the grantee, during any broadcast, shall cut off the airing of speech, play, act or scene, or
22 other matter being broadcast if the tendency thereof is to propose and/or incite treason,
23 rebellion or sedition; or the language used therein or the theme thereof is indecent or
24 immoral: Provided, further. That willful failure to do so shall constitute a valid cause for the
25 cancellation of this franchise.

27 **SECTION 8. *Warranty in Favor of the National and Local Governments.*** - The grantee shall
28 hold the national, provincial, city, and municipal governments of the Philippines free from all
29 claims, liabilities, demands, or actions arising out of accidents causing injury to persons or
30 damage to properties, during the construction or operation of the stations of the grantee.

32 **SECTION 9. *Commitment to Provide and Promote the Creation of Employment Opportunities.*** - The grantee shall create employment opportunities and shall allow on-the-
33 job trainings in their franchise operation: Provided, That priority shall be accorded to the
34 residents of the place where their principal office is located: Provided, further, That the
35 grantee shall follow the applicable labor standards and allowance entitlement under existing
36 labor laws, rules and regulations and similar issuances: Provided, finally. That the employment
37 opportunities or jobs created shall be reflected in the General Information Sheet (GIS) to be
38 submitted to the Securities and Exchange Commission (SEC) annually.

1 **SECTION 10. *Sale, Lease, Transfer, Grant of Usufruct, or Assignment of Franchise.*** - The
2 grantee shall not sell, lease, transfer, grant the usufruct of, nor assign this franchise or the
3 rights and privileges acquired thereunder to any person, firm, company, corporation or other
4 commercial or legal entity, nor merge with any other corporation or entity, nor the controlling
5 interest of the grantee be transferred simultaneously or contemporaneously, to any person,
6 firm, company, corporation, or entity without the prior approval of the Congress of the
7 Philippines. Congress shall be informed of any sale, lease, transfer, grant of usufruct, or
8 assignment of franchise or the rights and privileges acquired thereunder, or of the merger or
9 transfer of the controlling interest of the grantee, within sixty (60) days after the completion
10 of the said transaction. Failure to report to Congress such change of ownership shall render
11 the franchise ipso facto revoked. Any person or entity to which this franchise is sold,
12 transferred, or assigned shall be subject to the same conditions, terms, restrictions, and
13 limitations of this Act.

14
15 **SECTION 11. *Dispersal of Ownership.*** — In accordance with the constitutional provision to
16 encourage public participation in public utilities, the grantee shall offer to Filipino citizens at
17 least thirty percent (30%) or a higher percentage that may hereafter be provided by law of its
18 outstanding capital stock in any securities exchange in the Philippines within five (5) years
19 from the commencement of its operations: Provided, That in cases where public offer of
20 shares is not applicable, the grantee shall apply other methods of encouraging public
21 participation by citizens and corporations operating public utilities as allowed by law.
22 Noncompliance therewith shall render the franchise ipso facto revoked.

23
24 **SECTION 12. *Reportorial Requirement.*** - The grantee shall submit an annual report to the
25 Congress of the Philippines, through the Committee on Legislative Franchises of the House of
26 Representatives and the Committee on Public Services of the Senate, on its compliance with
27 the terms and conditions of the franchise and on its operations on or before April 30 of every
28 year during the term of its franchise. The annual report shall include an update on the roll-
29 out, development, operation, and/or expansion of business; audited financial statements;
30 latest GIS officially submitted to SEC, if applicable; certification of the NTC on the status of its
31 permits and operations: and an update on the dispersal of ownership undertaking, if
32 applicable. The reportorial compliance certificate issued by Congress shall be required before
33 any application for permit or certificate is accepted by the NTC.

34
35 **SECTION 13. *Fine.*** - Failure of the grantee to submit the requisite annual report to Congress
36 shall be penalized by a fine of Five hundred pesos (P500.00) per working day of
37 noncompliance. The fine shall be collected by the NTC from the delinquent franchise grantee
38 separate from the reportorial penalties imposed by the NTC and the same shall be remitted
39 to the National Treasury.

1 **SECTION 14. *Equality Clause.*** - Any advantage, favor, privilege, exemption, or immunity
2 granted under existing franchises, or which may hereafter be granted for radio and/or
3 television broadcasting, upon prior review and approval of Congress, shall become part of this
4 franchise and shall be accorded immediately and unconditionally to the herein grantee:
5 Provided, That the foregoing shall neither apply to nor affect the provisions of broadcasting
6 franchises concerning territorial coverage, the term, or the type of service authorized by the
7 franchise.

8
9 **SECTION 15. *Repealability and Nonexclusivity Clause.*** - This franchise shall be subject to
10 amendment, alteration, or repeal by the Congress of the Philippines when the public interest
11 so requires and shall not be interpreted as an exclusive grant of the privileges herein provided.

12
13 **SECTION 16. *Separability Clause.*** - If any of the sections or provisions of this Act is held
14 invalid, all other provisions not affected thereby shall remain valid.

15
16 **SECTION 17. *Repealing Clause.*** — All laws, decrees, orders, resolutions, instructions, rules
17 and regulations, and other issuances or parts thereof which are inconsistent with the
18 provisions of this Act are hereby repealed, amended, or modified accordingly.

19
20 **SECTION 18. *Effectivity.*** - This Act shall take effect fifteen (15) days after its publication in
21 the Official Gazette or in a newspaper of general circulation.

22
23 Approved, _____.