



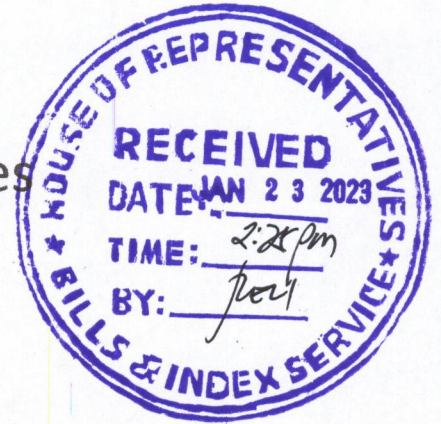
Republic of the Philippines

House of Representatives

Quezon City, Metro Manila

Nineteenth Congress
First Regular Session

HOUSE BILL NO. **6818**



Introduced by Representative Christian S. Unabia

EXPLANATORY NOTE

This bill seeks to grant the municipal government of Talisayan in the Province of Misamis Oriental, a franchise to construct, install, establish, operate and maintain a frequency modulation (FM) radio station in the eastern part of the province.

Section 24, Article II of the 1987 Constitution provides that “The State recognizes the vital role of communication and information in nation building,” and Section 7, Article III declares that “The right of the people to information on matters of public concern shall be recognized. xxx.”

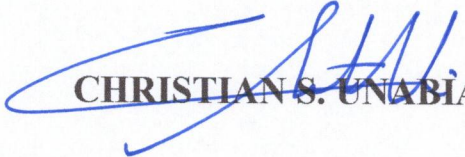
Radio stations play an indispensable role to the fulfillment and realization of the right to information on matters of public concern, freedom of expression and of the press, the rights that are mandated and protected by the 1987 Constitution. In relation to this, the local government of the Municipality of Talisayan desires to operate an FM radio station to provide real-time information and broadcasts of the most recent updates to its local listeners 24 hours a day. The local government unit - owned FM station will also provide a valuable source of information and serve as a connection to its people to address community problems and concerns.

Talisayan is a 4th class coastal municipality in the Province of Misamis Oriental, with a population of 25,761 and a density of 184 inhabitants per square kilometer based on the 2020 Census of Population and Housing. The main economic sources of the people of Talisayan are fisheries, agriculture, food production and tourism.

With a one-kilowatt transmitter located in Talisayan, Misamis Oriental, which will broadcast FM radio programming of 91.3 megahertz, the radio station can provide signal coverage to the whole Municipality of Talisayan and neighboring municipalities.

This proposed measure of granting a franchise to the municipal government of Talisayan, Misamis Oriental aims to spread awareness, through a radio station, to Talisaynons and inform them of current important events, natural disasters, community messages, local sports, agricultural concerns and local businesses. With these information, Talisaynons and the rest of the people of the eastern part of Misamis Oriental will effectively make informed decisions that will improve their lives and community.

In view of the foregoing, the immediate approval of this bill is earnestly sought.


CHRISTIAN S. UNABIA



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AN ACT

1
2 **GRANTING THE MUNICIPAL GOVERNMENT OF TALISAYAN,**
3 **PROVINCE OF MISAMIS ORIENTAL A FRANCHISE TO**
4 **CONSTRUCT, INSTALL, ESTABLISH, OPERATE AND MAINTAIN A**
5 **FREQUENCY MODULATION (FM) RADIO BROADCASTING**
6 **STATION IN THE EASTERN PART OF THE PROVINCE OF MISAMIS**
7 **ORIENTAL**

8
9 *Be it enacted by the Senate and House of Representatives of the Philippines in*
10 *Congress assembled:*

11
12 SECTION 1. *Nature and Scope of Franchise.* – Subject to the provisions
13 of the 1987 Philippine Constitution and applicable laws, rules and regulations,
14 there is hereby granted to the municipal government of Talisayan, Province of
15 Misamis Oriental, hereinafter referred to as the *Grantee*, its successors or
16 assignees, a franchise to construct, install, establish, operate and maintain for
17 commercial and non-commercial purposes and in the public interest, a frequency
18 modulation (FM) radio broadcasting station in the eastern part of the Province of
19 Misamis Oriental , where frequencies or channels are still available for radio

1 broadcasting, utilizing the latest technological advances or innovations, with
2 corresponding technological auxiliaries or facilities, special broadcast and other
3 programs, and distribution services and relay stations. The franchise includes the
4 operation of a multi-hazard early warning system to provide accurate and timely
5 advice to national or local emergency response organization and the general
6 public.

7 **SEC. 2. *Manner of Operation of Stations or Facilities.*** – The Grantee
8 shall construct and operate the stations or facilities with minimum interference on
9 the wavelengths or frequencies of existing stations or other stations, which may
10 be established by law, without in any way diminishing the privilege to use the
11 assigned wavelengths or frequencies and the quality of transmission or reception
12 to maximize the availability and rendition of the Grantee’s services.

13 **SEC. 3. *Prior Approval of the National Telecommunications***
14 ***Commission.*** – The Grantee shall secure from the National Telecommunications
15 Commission (NTC) the appropriate permits and licenses for the construction and
16 operation of its stations and facilities and shall not use any frequency in the radio
17 spectrum without authorization from the NTC. The NTC, however, shall not
18 unreasonably withhold or delay the grant of any such authority.

19 In case of any violation of the provisions of this franchise, the NTC shall
20 have the authority to revoke or suspend, after due process, the permits or licenses
21 it issued pursuant to the franchise. The NTC may recommend to Congress of the

1 Philippines the revocation of the franchise for any violation of the provisions of
2 this franchise.

3 SEC. 4. *Responsibility to the Public.* – The Grantee shall:

4 (a) Provide, free of charge, adequate public service time, which is
5 reasonable and sufficient, to enable the government, through the broadcasting
6 stations or facilities, to reach the pertinent populations or portions thereof, on
7 important public issues and relay important public announcements and warnings
8 concerning public emergencies and calamities, as necessity, urgency or law may
9 require;

10 (b) Provide at all times, sound and balanced programming;

11 (c) Promote public participation;

12 (d) Assist in the functions of public information and education;

13 (e) Conform to the ethics of honest enterprise;

14 (f) Promote audience sensibility and empowerment through closed
15 captioning; and

16 (g) Avoid the broadcasting of obscene or indecent language, speech, act
17 or scene, or deliberately disseminate false information or willful
18 misinterpretation, to the detriment of the public interest, or to incite, encourage
19 or assist in subversive or treasonable acts.

20 For purposes of this section, public service time is equivalent to a
21 maximum aggregate of ten percent (10%) of the paid commercials or
22 advertisements, which shall be allocated based on need of the executive,

1 legislative, judiciary, constitutional commissions and international humanitarian
2 organizations duly recognized by statutes: *Provided*, That the NTC shall increase
3 the public service time in case of extreme emergency or calamity. The NTC shall
4 issue rules and regulations for this purpose, the effectivity of which shall
5 commence upon applicability with other similarly situated broadcast network
6 franchise holders.

7 **SEC. 5. *Right of Government.*** – The radio spectrum is a finite resource
8 that is part of the national patrimony and the use thereof is a privilege conferred
9 upon the Grantee by the State and may be withdrawn any time after due process.

10 A special right is hereby reserved to the President of the Philippines, in
11 times of war, rebellion, public peril, calamity, emergency, disaster, or disturbance
12 of peace and order: to temporarily take over and operate the stations or facilities
13 of the Grantee; to temporarily suspend the operation of any station or facility in
14 the interest of public safety, security and public welfare; or to authorize the
15 temporary use and operation thereof by any agency of the government, upon due
16 compensation to the Grantee, for the use of said stations or facilities during the
17 period when these shall be so operated.

18 **SEC. 6. *Term of Franchise.*** – This franchise shall be in effect for a period
19 of twenty-five (25) years from the effectivity of this Act, unless sooner revoked
20 or cancelled. This franchise is deemed *ipso facto* revoked in the event the Grantee
21 fails to comply with any of the following conditions:

1 (a) Commence operations within one (1) year from the approval of its
2 operating permit by the NTC;

3 (b) Commence operations within three (3) years from the effectivity of
4 this Act; and

5 (c) Operate continuously for two (2) years.

6 **SEC. 7. *Renewal or Extension of Franchise.*** – The Grantee shall apply
7 for the renewal or extension of its franchise three (3) years before its expiration
8 which shall be reckoned from fifteen (15) days after publication of the franchise
9 in the *Official Gazette* or in a newspaper of general circulation.

10 **SEC. 8. *Acceptance.*** – Acceptance of the terms of this franchise shall be
11 given in writing to the Congress of the Philippines, through the Committee on
12 Legislative Franchises of the House of Representatives and the Committee on
13 Public Services of the Philippine Senate, within sixty (60) days from the
14 effectivity of this Act. Upon giving such acceptance, the Grantee shall exercise
15 the privileges granted under this Act. Nonacceptance shall render the franchise
16 void.

17 **SEC. 9. *Bond.*** – The Grantee shall file a bond with the NTC, in the amount
18 that the NTC shall determine, to guarantee compliance with and fulfillment of the
19 conditions under which this franchise is granted. If after three (3) years from the
20 date of the approval of its permit by the NTC, the Grantee shall have fulfilled the
21 same, the bond shall be released by the NTC. Otherwise, the bond shall be
22 forfeited in favor of the government and the franchise *ipso facto* revoked.

1 SEC. 10. *Payment of Taxes and Other Fees.* – The Grantee, its successors
2 or assignees, shall continue to be subject to all applicable taxes, duties, fees, or
3 charges and other impositions under the National Internal Revenue Code, as
4 amended, Republic Act No. 7160, otherwise known as the “Local Government
5 Code of 1991,” as amended, and other applicable laws.

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

17 SEC. 12. *Warranty in Favor of the National and Local Governments.* –
18 The Grantee shall hold the national, provincial, city and municipal governments
19 of the Philippines free from all claims, liabilities, demands, or actions arising out
20 of accidents causing injury to persons or damage to properties, during the
21 construction or operation of the stations of the Grantee.

1 SEC. 13. *Creation of Employment Opportunities.* – The Grantee shall
2 create employment opportunities and accept on the job trainees in the franchise
3 operations: Provided, That priority shall be accorded to the residents of the place
4 where the principal office of the Grantee is located: Provided, further, That the
5 Grantee shall ensure that at least sixty percent (60%) of its employees are regular
6 employees and in no case shall the percentage of contractual employees and
7 independent contractors combined exceed forty percent (40%) of its total
8 workforce: Provided, finally, That the Grantee shall follow the applicable labor
9 standards and allowance entitlement under existing labor laws, rules, regulations
10 and similar issuances: Provided, finally, That the Grantee shall follow applicable
11 civil service rules and regulations and other similar issuances.

12 SEC. 14. *Sale, Lease, Transfer, Usufruct, or Assignment of Franchise.*

13 – The Grantee shall not sell, lease, transfer, grant the usufruct of, nor assign this
14 franchise or the rights and privileges acquired thereunder to any person, firm,
15 company, corporation or other commercial or legal entity, nor merge with any
16 other corporation or entity, nor the controlling interest of the grantee be
17 transferred, whether as a whole or in part, and whether simultaneously or
18 contemporaneously, to any such person, firm, company, corporation, or entity
19 without the prior approval of the Congress of the Philippines: *Provided*, That
20 Congress shall be informed of any sale, lease, transfer, grant of usufruct, or
21 assignment of franchise or the rights and privileges acquired thereunder, or of the
22 merger or transfer of the controlling interest of the grantee, within sixty (60) days

1 after the completion of the transaction: *Provided, further*, That failure to report
2 to Congress such change of ownership shall render the franchise *ipso facto*
3 revoked: *Provided, finally*, That any person or entity to which this franchise is
4 sold, transferred or assigned shall be subject to the same conditions, terms,
5 restrictions, and limitations of this Act.

6 **SEC. 15. Reportorial Requirement.** – The Grantee shall submit an annual
7 report to Congress, through the Committee on Legislative Franchises of the
8 House of Representatives and the Committee on Public Services of the Senate,
9 on its compliance with the terms and conditions of the franchise and on its
10 operations on or before April 30 of every year during the term of its franchise.

11 The annual report shall include an update on the commencement of
12 activities, development, operation, and expansion of business, audited financial
13 statements, and certification of the NTC on the status of its permits and
14 operations.

15 The reportorial compliance certificate issued by Congress shall be required
16 before any application for permit or certificate is accepted by the NTC.

17 **SEC. 16. Fine.** – Failure of the Grantee to submit the requisite annual
18 report to Congress shall be penalized by a fine of Five hundred pesos (P500.00)
19 per working day of noncompliance. The fine shall be collected separately by the
20 NTC distinct from the penalties it imposes for noncompliance of its own
21 reportorial requirements.

1 SEC. 17. *Equality Clause.* – Any advantage, favor, privilege, exemption,
2 or immunity granted under existing franchises, or which may hereafter be granted
3 for radio broadcasting, upon prior review and approval of Congress, shall become
4 part of this franchise and shall be accorded immediately and unconditionally to
5 the grantee: *Provided,* That the foregoing shall neither apply to nor affect the
6 provisions of broadcasting franchises pertaining to the term, type of service or
7 territorial coverage of the franchise.

8 SEC. 18. *Repealability and Nonexclusivity Clause.* – This franchise is
9 subject to amendment, alteration, or repeal by the Congress of the Philippines
10 when the public interest so requires and is not interpreted as an exclusive grant of
11 the privileges herein provided for.

12 SEC. 19. *Separability Clause.* – If any provision or part of this Act is
13 declared invalid or unconstitutional, the remaining parts or provisions not
14 affected shall remain in force and effect.

15 SEC. 20. *Repealing Clause.* – All laws, executive orders, issuances, rules
16 and regulations inconsistent with or contrary to the provisions of this Act are
17 repealed, amended or modified accordingly.

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

20 Approved,