

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session



HOUSE BILL NO. 229

Introduced by **REPRESENTATIVE AUDREY KAY T. ZUBIRI**

AN ACT

RENEWING FOR ANOTHER TWENTY-FIVE (25) YEARS THE FRANCHISE GRANTED TO CENTRAL MINDANAO UNIVERSITY UNDER REPUBLIC ACT NO. 9044, ENTITLED "AN ACT GRANTING THE CENTRAL MINDANAO UNIVERSITY A FRANCHISE TO CONSTRUCT, INSTALL, ESTABLISH, OPERATE AND MAINTAIN FOR EDUCATIONAL AND NONCOMMERCIAL PURPOSES RADIO AND TELEVISION BROADCASTING STATIONS IN CENTRAL MINDANAO UNIVERSITY, MUNICIPALITY OF MARAMAG, PROVINCE OF BUKIDNON"

EXPLANATORY NOTE

The Central Mindanao University (CMU) was granted a congressional franchise under Republic Act No. 9044 in March 2001 to operate and maintain radio and television broadcasting stations for educational and non-commercial purposes. Since its enactment, CMU has been duly authorized by the National Telecommunications Commission (NTC) to operate 5-kilowatt (5KW) AM and FM radio stations. These stations serve audiences in the Province of Bukidnon and parts of the neighboring provinces of North Cotabato, Lanao del Sur, and Davao del Norte.

In addition to providing public service, news, and entertainment, CMU's broadcast operations serve as an effective platform for delivering instructional content and conducting training programs in partnership with government agencies and local government units (LGUs). One of its notable initiatives is the "School-on-the-Air Program", facilitated by experts from CMU's College of Agriculture in cooperation with the Department of Agriculture. This program specifically caters to the needs of farmers across the station's coverage area.

With the challenge of poor internet connectivity in some communities in the Region, television broadcasting of the CMU serves a viable alternative to the institution's Distance Learning Education (DLE) initiatives. This medium allows access to high-quality instructional content without the need for internet access, enabling unlimited participants—especially in remote communities—to benefit from educational broadcasts free of charge.

Furthermore, this bill affirms the State's adherence to Article III, Section 7 of the 1987 Philippine Constitution, which guarantees the people's right to access information on matters of public concern. Through its broadcast platforms, CMU upholds this right by consistently providing accurate, relevant, and educational programming to the public.

CMU's existing franchise is set to expire in March 2026. In line with the government's commitment to promoting inclusive education and accessible public service, this bill seeks to renew the franchise granted to CMU for another twenty-five (25) years, thereby empowering the university to further expand and enhance its responsible media operations in support of national development.

In view of the foregoing, the immediate passage of this measure is respectfully and earnestly sought.


AUDREY KAY T. ZUBIRI
Representative, 3rd District of Bukidnon

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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 the
2 Constitution and applicable laws, rules and regulations, the franchise granted to Central
3 Mindanao University, hereunder referred to as the Grantee, its successors or assigns, under
4 Republic Act No. 9004, to construct, install, establish, operate and maintain for educational
5 and noncommercial purposes and in the public interest, radio and television broadcasting
6 stations in Central Mindanao University, Municipality of Maramag, Province of Bukidnon,
7 where frequencies and/or channels are still available for radio and television broadcasting
8 stations through microwave, satellite or whatever means, including the use of any new
9 technologies in television and radio systems, with the corresponding technological auxiliaries
10 and facilities, special broadcast and other program and distribution services and relay stations,
11 is hereby renewed for another twenty-five (25) years.

12
13 **SEC. 2.** *Manner of Operation of Stations or Facilities.* -The stations or facilities of the
14 grantee shall be constructed and operated in a manner as will, at most, result only in the

1 minimum interference on the wavelengths or frequencies of existing stations or other stations
2 which may be established by law, without in any way diminishing its own right to use its
3 selected wavelengths or frequencies and the quality of transmission or reception thereon as
4 should maximize rendition of the grantee's services and/or availability thereof.
5

6 **SEC. 3. *Prior Approval of the National Telecommunications Commission.*** - The
7 grantee shall secure from the National Telecommunications Commission (NTC) the
8 appropriate permits and licenses for the construction and operation of its stations and facilities
9 and shall not use any frequency in the radio/television spectrum without having been
10 authorized by the Commission. The Commission, however, shall not unreasonably withhold
11 or delay the grant of any such authority.
12

13 In case of violation of the provisions of the franchise, the NTC shall have the authority
14 to revoke or suspend, after due process the permits or licenses it issued pursuant to the franchise
15 for any violation of the provisions of this franchise.
16

17 **SEC. 4. *Responsibility to the Public.*** - The Grantee shall provide, free of charge,
18 adequate public service time which is reasonable and sufficient to enable the government,
19 through the said broadcasting stations or facilities, to reach the pertinent populations or
20 portions thereof, on important public issues and relay important public announcements and
21 warnings concerning public emergencies and calamities, as necessity, urgency, or law may
22 require; provide at all times sound and balanced programming; assist in the function of public
23 information and education; conform to the ethics of honest enterprise; and not use its stations
24 or facilities for the broadcasting of obscene and indecent language, speech, act or scene; or for
25 the dissemination of deliberately false information or willful misrepresentation, to the
26 detriment of the public interest, or to incite, encourage or assist in subversive or treasonable
27 acts.
28

29 Public service time referred herein shall be equivalent to a maximum aggregate of ten
30 percent (10%) of paid commercials or advertisements which shall be allocated based on need
31 to the Executive and Legislative branches, the Judiciary, Constitutional Commissions and
32 international humanitarian organizations duly recognized by statutes: *Provided*, That the NTC
33 shall increase the public service time in case of extreme emergency or calamity. The NTC shall

1 issue rules and regulations for this purpose, the effectivity of which shall commence upon
2 applicability with other similarly situated broadcast network franchise holders.

3
4 Pursuant to Republic Act No. 8370, otherwise known as the Children's Television Act
5 of 1997", the Grantee shall allot a minimum of fifteen percent (15%) of the daily total air time
6 of each broadcasting network or station to child-friendly shows within its regular
7 programming.

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

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

20
21 **SEC. 6. Term of Franchise.** - This franchise shall be for a term of twenty-five (25) years
22 from the date of effectivity of this Act, unless sooner revoked or cancelled. This franchise shall
23 be deemed *ipso facto* revoked in the event the grantee fails to operate continuously for two (2)
24 years.

25
26 **SEC. 7. Self-regulation by and Undertaking of the Grantee.** – The Grantee shall not
27 require any previous censorship of any speech, play, act or scene, or other matter to be
28 broadcasted from its stations, but if any such speech, play, act or scene, or other matter:
29 *Provided*, That the Grantee, during any broadcast, shall cut off airing of the speech, play, act
30 or scene, or other matter being broadcasted if the tendency thereof is to propose or incite
31 treason, rebellion, or sedition; or other language used therein or the theme thereof is indecent
32 or immoral; *Provided*, further, That willful failure to do so shall constitute a valid cause for the
33 cancellation of the franchise.

1 **SEC. 8. *Warranty in Favor of the National and Local Governments*** – The Grantee shall
2 hold the national, provincial, city, and municipal governments of the Philippines free from all
3 claims, liabilities, demands, or actions arising out of accidents causing injury to persons or
4 damages to properties, during the construction or operation of the stations of the Grantee.
5

6 **SEC. 9. *Commitment to Provide and Promote the Creation of Employment***
7 *Opportunities.* – The grantee shall file a bond issued in favor of the NTC, which shall determine
8 the amount, to guarantee the compliance with and fulfillment of the conditions under which
9 this franchise is granted. If after three (3) years from the date of the approval of its permit by
10 the Commission, the grantee shall have fulfilled the same, the bond shall be cancelled by the
11 Commission. Otherwise, the bond shall be forfeited in favor of the government and the
12 franchise *ipso facto* revoked.
13

14 **SEC. 10. *Sale, Lease, Transfer, Usufruct, or Assignment of Franchise.*** – The Grantee
15 shall not sell, lease, transfer, grant the usufruct of, nor assign this franchise or the rights and
16 privileges acquired thereunder to any person, firm, company, corporation or other commercial
17 or legal entity, nor merge with any other corporation or entity, nor shall the controlling interest
18 of the Grantee be transferred, simultaneously or contemporaneously, to any such person, firm,
19 company, corporation or entity without the prior approval of the Congress of the Philippines.
20 The Grantee shall inform Congress, through the Office of the Speaker of the House of
21 Representatives and the Office of the Senate President, of any sale, lease, transfer, grant of
22 usufruct, or assignment of franchise of the rights and privileges acquired thereunder, or of the
23 merger or transfer of the controlling interest of the Grantee, within sixty (60) days after the
24 completion of the said transaction. Failure to report to Congress such change of ownership
25 shall render the franchise *ipso facto* revoked. Any person or entity to which such franchise is
26 sold, transferred, or assigned shall be subject to the same conditions, terms, restrictions, and
27 limitations of this Act.
28

29 **SEC. 11. *Dispersal of Ownership Obligation of Grantee.*** – In accordance with the
30 constitutional provision to encourage public participation in public utilities, the Grantee shall
31 offer to Filipino citizens at least thirty percent (30%) of its outstanding capital stocks, or a
32 higher percentage that may hereafter be provided by law, in any securities exchange in the
33 Philippines within five (5) years from the effectivity of this Act: Provided, That in cases where
34 public offer of shares is not applicable, other methods encouraging public participation by

1 citizens and corporations operating public utilities must be implemented. Non-compliance
2 therewith shall render the franchise ipso facto revoked.

3
4 **SEC. 12. Reportorial Requirement.** – The Grantee shall submit an annual report on its
5 compliance with the terms and conditions of the franchise and on its operations to the Congress
6 of the Philippines, through the Committee on Legislative Franchises of the House of
7 Representatives and the Committee on Public Services of the Senate, on or before April 30 of
8 every year during the term of its franchise.

9
10 The annual report shall include an update on the commencement of the activities,
11 development, operation, and expansion of business; audited financial statements, latest GIS
12 officially submitted to the SEC, if applicable; certification of the NTC on the status of its
13 permits and operations; and an update on the dispersal of ownership undertaking, if applicable.

14
15 The reportorial compliance certificate issued by the Congress shall be required before
16 any application for permit or certificate is accepted by the NTC.

17
18 **SEC. 13. Fine.** – Failure of the Grantee to submit the requisite annual report to Congress
19 shall be penalized by a fine of One Hundred Pesos (Php100.00) per working day of non-
20 compliance to the NTC. The fine shall be collected separately from the reportorial penalties
21 imposed by the NTC, and it shall be remitted to the Bureau of Treasury.

22
23 **SEC. 14. Equality Clause.** - Any advantage, favor, privilege, exemption, or immunity
24 granted under existing franchises, or may hereafter be granted, shall *ipso facto* become part of
25 previously granted telecommunications franchises and shall be accorded immediately and
26 unconditionally to the grantees of such franchises: *Provided, however,* That the foregoing shall
27 neither apply to nor affect provisions of telecommunications franchises concerning territory
28 covered by the franchise, the life-span of the franchise, or the type of service authorized by the
29 franchise.

30
31 **SEC. 15. Repealability and Nonexclusivity Clause.** - This franchise shall be subject to
32 amendment, alteration or repeal by the Congress of the Philippines when the public interest so
33 requires and shall not be interpreted as an exclusive grant of the privileges herein provided for.

1 **SEC. 16. *Separability Clause.*** - If any of the sections or provisions of this Act is held
2 invalid, all the other provisions not affected thereby shall remain valid.

3
4 **SEC. 17. *Repealing Clause.*** – All laws, decrees, orders, resolutions, instructions, rules
5 and regulations, and other issuances or parts thereof which are inconsistent with the provisions
6 of this Act are hereby repealed, amended, or modified accordingly.

7
8 **SEC. 18. *Effectivity.*** - This Act shall take effect fifteen (15) days from the date of its
9 publication, upon the initiative of the grantee, in at least two (2) newspapers of general
10 circulation in the Philippines.

Approved,