

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 343



Introduced by **HON. MARLO C. BANCORO**
First District, Zamboanga Sibugay

EXPLANATORY NOTE

Article II, Section 24 of the Philippine Constitution states that, "*The State recognizes the vital role of communication and information in nation-building.*"

In line with this constitutional mandate, this bill seeks to grant **RSV BROADCASTING NETWORK INCORPORATED** a legislative franchise to construct, install, establish, operate, and maintain radio and television broadcasting stations throughout the Philippines, including the use of satellite, internet, and other broadcasting systems and technologies that may now or hereafter be developed, for a period of **twenty-five (25) years**.

RSV BROADCASTING NETWORK INCORPORATED is a duly registered corporation interested in the telecommunications business for domestic audiences and other related businesses. It aims to operate radio and television stations throughout the Philippines with its central base of operations at San Jose, Malaybalay City, Bukidnon. Its vision is to deliver timely, relevant, and quality programming that informs, educates, inspires, and entertains the public.

With the ever-growing demand for accessible and responsible media, the grant of this franchise will enable RSV to contribute to the development of a dynamic and pluralistic broadcasting industry in the country. The franchise will likewise promote media accessibility and press freedom, encourage regional content development, provide a platform for educational and civic programming, and offer opportunities for employment and economic growth in the broadcasting sector.

Given the importance of ensuring that information and entertainment services reach even the remotest communities, the approval of this legislative franchise will support the government's commitment to inclusive communication and nation-building.

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


ATTY. MARLO C. BANCORO

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AN ACT
GRANTING THE RSV BROADCASTING NETWORK INCORPORATED, A
FRANCHISE TO CONSTRUCT, INSTALL, ESTABLISH, OPERATE AND
MAINTAIN RADIO AND TELEVISION BROADCASTING STATIONS
THROUGHOUT 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 Constitution and applicable laws, rules and regulations, there is hereby granted to RSV BROADCASTING NETWORK INCORPORATED, hereinafter referred to as the grantee, its successors or assignees, a franchise to construct, install, establish, operate, and maintain for commercial purposes and in the public interest, "radio and/or television broadcasting stations throughout the Philippines", with its central base of operations located at San Jose, Malaybalay City, Bukidnon, where frequencies and/or channels are still available for radio and/or television broadcasting, including digital television system, through microwave, satellite, or whatever means, including the use of new technologies in television and radio systems, with the corresponding technological auxiliaries and facilities, special broadcast and other program and distribution services and relay stations.

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

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

SEC. 4. *Responsibility to the Public.* - The grantee shall provide adequate public service time to enable the government, through the broadcasting stations or

facilities, to reach the population on important public issues; provide at all times sound and balanced programming; assist in the functions of public information and education; conform to the ethics of honest enterprise; and shall not use its stations and facilities for the broadcasting of obscene and indecent language, speech, act or scene or for the dissemination of deliberately false information or willful misrepresentation, to the detriment of the public interest, or to incite, encourage, or assist in subversive or treasonable acts.

SEC. 5. *Right of the Government.* -A special right is hereby reserved to the President of the Philippines, in times of war, rebellion, public peril, calamity, emergency, disaster, or disturbance of peace and order: to temporarily take over and operate the stations or facilities of the grantee; to temporarily suspend the operation of any station or facility in the interest of public safety, security, and public welfare; or to authorize the temporary use and operation thereof by any agency of the government, upon due compensation to the grantee, for the use of said stations or facilities during the period when these shall be so operated.

The telecommunication spectrum is finite resource that is part of the national patrimony and the use thereof is a privilege conferred upon the grantee by the State and may be withdrawn anytime after due process.

SEC. 6. *Term of Franchise.* -The Franchise shall be in effect for a period of twenty-five (25) years, unless sooner revoked or cancelled. The franchise shall be deemed *ipso facto*, revoked in the event the grantee fails to comply with any of the following conditions:

- a) Commence operations within one (1) year from the approval of its operating permit by the NTC;
- b) Commence operations within three (3) years from the effectivity of this Act;
- c) Operate continuously for two (2) years.

SEC. 7. *Acceptance and Compliance.* -Acceptance of this franchise shall be given in writing within sixty (60) days from the effectivity of this Act through the Committee on Legislative Franchises of the House of Representatives and the Committee on Public Services of the Senate. Upon giving such acceptance, the grantee shall exercise the privileges granted under this Act. Nonacceptance shall render the franchise void.

SEC. 8. *Bond.* - The grantee shall file a bond issued in favor of the NTC in the amount the NTC shall determine to guarantee the compliance with and fulfillment of the conditions under which this franchise is granted. If after three (3) years from the date of approval of its permit by the Commission, the grantee shall have fulfilled the same, the bond shall be cancelled by the Commission. Otherwise, the bond shall be forfeited in favor of the government and the franchise *ipso facto* revoked.

SEC. 9. *Self-regulation by and Undertaking of Grantee.* -The grantee shall not require any previous censorship of any speech, play, act or scene, or other matter to be broadcast from its stations: *Provided*, That the grantee, during any broadcast, shall cut off the airing of speech, play, act or scene, or other matter being broadcast if the tendency thereof is to propose and/or incite treason, rebellion, or sedition; or the language used therein or the theme thereof is indecent or immoral:

Provided, further, That willful failure to do so shall constitute a valid cause for the cancellation of this franchise.

SEC. 10. Warranty in Favor of the National and Local Governments.

- The grantee shall hold the national, provincial, city, and municipal governments of the Philippines free from all claims, accounts, demands, or actions arising out of accidents or injuries, whether to property or to persons, caused by the construction or operation of the stations of the grantee.

SEC. 11. Sale, Lease, Transfer, Grant of Usufruct, or Assignment of Franchise. -The grantee shall not sell, lease, transfer, grant the usufruct of, nor assign this franchise or the rights and privileges acquired thereunder to any person, firm, company, corporation or other commercial or legal entity, nor merge with any other corporation or entity, nor shall transfer to controlling interest of the grantee, whether as a whole or in part, and whether simultaneously or contemporaneously, to any person, firm, company, corporation, or entity without the prior approval of Congress.

The Grantee shall inform Congress, through the Office of the Speaker of the House of Representatives and Office of the Senate President, of any sale, lease, transfer, grant of usufruct, or assignment of franchise, or the rights and privileges acquired thereunder, or of the merger or transfer of the controlling interest of the grantee, within sixty (60) days after the completion of the said transaction.

Failure to report to Congress such change of ownership shall render the franchise *ipso facto* revoked. Any person or entity to which this franchise is sold, transferred, or assigned shall be subject to the same conditions, terms, restrictions, and limitations of this Act.

SEC. 12. Dispersal of Ownership. -In accordance with the constitutional provision to encourage public participation in public utilities, the grantee shall offer to Filipino citizens at least thirty percent (30%) of its outstanding capital stocks, or a higher percentage that may hereafter be provided by law, in any securities exchange in the Philippines within five (5) years from the effectivity of this Act: *Provided*, that in cases where public offer of shares is not applicable, establishment of cooperatives and other methods of encouraging public participation by citizens and corporations operating public utilities must be implemented. Non-compliance therewith shall render the franchise *ipso facto* revoked.

SEC. 13. General Broadcast Policy Law. -The grantee shall comply with and be subject to the provisions of a general broadcast policy law, which Congress may hereafter enact.

SEC. 14. Reportorial Requirement. -The grantee shall submit an annual report on its compliance with the terms and conditions of the franchise and on its operations to the Congress of the Philippines, through the Committee on Legislative Franchises of the House of Representatives and the Committee on Public Services of the Senate, on or before April 30 of every year during the term of its franchise.

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

SEC. 15. Penalty Clause. - Failure of the grantee to submit the requisite annual report to Congress shall be penalized by a fine of Five Hundred Pesos

(P500.00) per working day of noncompliance to the NTC. The fine shall be collected separately from the reportorial penalties imposed by the NTC and it shall be remitted to the Bureau of the Treasury.

SEC. 16. *Equality Clause.* -Any advantage, favor, privilege, exemption or immunity granted under existing franchises, or which may hereafter be granted for radio and/or television broadcasting, upon prior review and approval of Congress, shall become part of this franchise and shall be accorded immediately and unconditionally to the herein grantee: *Provided*, That the foregoing shall neither apply to, nor affect the provisions of broadcasting franchises concerning territorial coverage, the term, or the type of service authorized by the franchise.

SEC. 17. *Separability Clause.* -If any of the sections or provisions of this Act is held invalid, all other provisions not affected thereby shall remain valid.

SEC. 18. *Repealability and Nonexclusivity Clause.* -This franchise shall be subject to amendment, alteration, or repeal by Congress when the public interest so requires, and shall not be interpreted as an exclusive grant of the privileges herein provided for.

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

Approved,