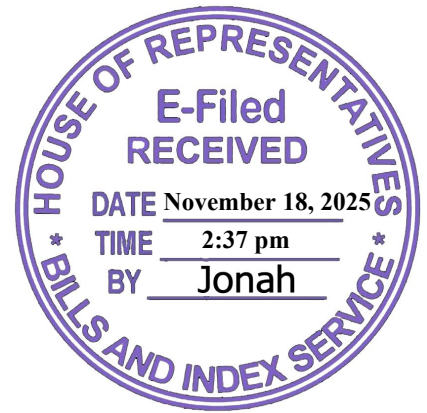


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 6132



**Introduced by Representatives Jose C. Alvarez and Gil
"Kabarangay Jr" A. Acosta**

AN

ACT RENEWING FOR ANOTHER TWENTY-FIVE (25) YEARS THE FRANCHISE GRANTED TO THE PALAWAN COUNCIL FOR SUSTAINABLE DEVELOPMENT (PCSD) UNDER REPUBLIC ACT NO. 8993, ENTITLED, "AN ACT GRANTING THE PALAWAN COUNCIL FOR SUSTAINABLE DEVELOPMENT A FRANCHISE TO CONSTRUCT, INSTALL, ESTABLISH, OPERATE AND MAINTAIN RADIO AND/OR TELEVISION BROADCASTING STATIONS IN THE PROVINCE OF PALAWAN."

EXPLANATORY NOTE

This bill seeks to renew the franchise granted to the Palawan Council for Sustainable Development.

Republic Act No. 8993 granted the Palawan Council for Sustainable Development a franchise to construct, install, establish, operate and maintain radio and/or Television Broadcasting Stations in the Province of Palawan.

The Palawan Council for Sustainable Development was established in 1992 by Republic Act 7611, also known as the Strategic Environmental Plan (SEP) for Palawan Act. The SEP Law is purposefully designated for the Province of Palawan to ensure that the province's fragile environment is protected, conserved, utilized, and managed effectively. It sets out the framework to both the public and private sectors in terms of conservation and development planning and policy formulation, as well as regulating the entry of development projects in the Province of Palawan.

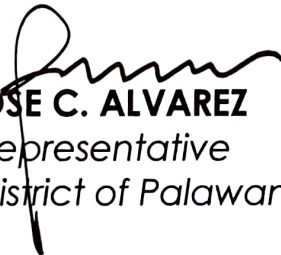
The PCSD is dedicated to transforming Palawan into a globally innovative and dynamic center for sustainable development.

Article II, Section 24 of the 1987 Constitution provides that "The State recognizes the vital role of communication and information in nation building." Communication indeed plays a vital role in the development and growth of our country.

One of the support mechanisms for the full realization of the Strategic Environmental Plan (SEP) for Palawan is effective and inclusive environmental education. The PCSDS' Environmental Education and Extension Program remains one of the primary support mechanisms for promoting sustainable practices across the province, weaning people away from destructive practices and transforming them into effective partners in pursuing sustainable development.

With the legislative franchise granted to PCSDS under Republic Act No. 8993 set to expire in 2026, its renewal is crucial not only for the continuity of this effort, but also for expanding its reach – particularly to remote and far-flung barangays where access to information is often limited.

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



JOSE C. ALVAREZ
Representative
2nd District of Palawan



GIL "KABARANGAYJR" A. ACOSTA
Representative
3rd District of Palawan

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OPERATE AND MAINTAIN RADIO AND/OR TELEVISION
BROADCASTING STATIONS IN THE PROVINCE OF PALAWAN "

*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
2 provisions of the Constitution and applicable laws, rules and
3 regulations, the franchise granted to Palawan Council For
4 Sustainable Development, hereunder referred to as the grantee, its
5 successors or assignees, under Republic Act No. 8993, to construct,
6 establish, maintain, and operate for educational, cultural, and
7 other related purposes, and in the public interest, radio and
8 television broadcasting stations, where frequencies and/or
9 channels are still available for radio and television broadcasting,
10 including digital television system, through microwave, satellite or
11 whatever means, as well as the use of any technology in television
12 and radio systems with the corresponding technological auxiliaries
13 and facilities, special broadcast and other program and distribution
14 services and relay stations within the Province of Palawan, is hereby
15 renewed for another twenty-five (25) years.

16 **Sec. 2. Manner of Operation of Stations or Facilities.** – The
17 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 use its assigned wavelengths or frequencies and the quality of transmission or reception thereon as should maximize rendition of the Grantee's services and availability thereof.

Sec. 3. Prior Approval of the National Telecommunications

Commission. – The Grantee shall secure from the National Telecommunications Commission (NTC) the appropriate permits and licenses for the construction and operation of its stations or facilities and shall not use any frequency in the radio and television spectrums without authorization from the NTC. The NTC, however, shall not unreasonably withhold or delay the grant of such authority.

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

Sec. 4. Responsibility to the Public. – The Grantee shall provide, free of charge, adequate public service time which is reasonable and sufficient to enable government, through the broadcasting stations or facilities of the Grantee, to reach the pertinent populations or portions thereof, on important public issues and relay important public announcements and warnings concerning public emergencies and calamities, as necessity, urgency or law may require; provide at all times sound and balanced programming; promote public participation; assist in the functions of public information and education; conform to the ethics of honest enterprise; promote audience sensibility and empowerment including closed captioning; and not use its stations or facilities for the broadcasting of obscene or indecent language, speech, act or scene, the dissemination of deliberately false information or willful misrepresentation, to the detriment of public interest, or to incite, encourage, or assist in subversive or treasonable acts.

Public service time referred to herein shall be equivalent to a maximum aggregate of ten percent (10%) of paid commercials or advertisements which shall be allocated based in need to the

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

8
9 Pursuant to Republic Act No. 8370, otherwise known as the
10 "Children's Television Act of 1997," the grantee shall allot a
11 minimum of fifteen percent (15%) of the daily total air time of each
12 broadcasting network or station to child-friendly shows within its
13 regular programming.

14 **Sec. 5. Right of the Government.** – The radio spectrum is a
15 finite resource that is part of the national patrimony, and the use
16 thereof is a privilege conferred upon the Grantee by the State that
17 may be withdrawn any time after due process.

18 A special right is hereby reserved to the President of the
19 Philippines, in times of war, rebellion, public peril, calamity,
20 emergency, disaster, or disturbance of peace and order, to
21 temporarily take over and operate the stations or facilities of the
22 grantee; to temporarily suspend the operation of any station or
23 facility in the interest of public safety, security and public welfare;
24 or to authorize the temporary use and operation thereof by any
25 agency of the government, upon due compensation to the
26 Grantee, for the use of said stations or facilities during the period
27 when these shall be so operated.

28 **Sec. 6. Term of Franchise.** – Unless sooner revoked or
29 cancelled, this franchise shall be in effect for a period of twenty-
30 five (25) years from the effectivity of this Act. The franchise shall be
31 deemed *ipso facto* revoked in the event the Grantee fails to
32 operate continuously for two (2) years.

33 **Sec. 7. Self-regulation by and Undertaking of the Grantee.** –
34 The grantee shall not require any previous censorship of any
35 speech, play, act or scene, or other matter to be broadcast from
36 its stations, but if any such speech, play, act or scene, or other
37 matter should constitute a violation of the law or infringement of a
38 private right, the Grantee shall be free from any liability, civil or

1 criminal, for such speech, play, act or scene, or other matter:
2 *Provided*, That the Grantee, during any broadcast, shall cut off the
3 airing of speech, play, act or scene, or other matter being
4 broadcast if the tendency thereof is to propose or incite treason,
5 rebellion, or sedition; or the language used therein or theme thereof
6 is indecent or immoral: *Provided further*, That willful failure to do shall
7 constitute a valid cause for the cancellation of this franchise.

8 **Sec. 8. Warranty in Favor of the National Governments.** -The
9 Grantee shall hold the national, provincial, city, and municipal
10 governments of the Philippines free from all claims, liabilities,
11 demands, or actions arising out of accidents causing injury to
12 persons or damage to properties during the construction or
13 operation of stations of the Grantee.

14 **Sec. 9. Commitment to Provider and Promote the Creation of**
15 **Employment Opportunities.** – The Grantee shall create employment
16 opportunities and accept on-the-job trainees in the franchise
17 operations: **Provided**, that priority shall be accorded to the residents
18 of the place where the principal office of the Grantee is located:
19 **Provided further**, that the Grantee shall comply with the applicable
20 labor standards and allowance entitlement under existing labor
21 laws, rules and regulations and similar issuances.

22 The employment opportunities or jobs created shall be
23 reflected in the General Information Sheet (GIS) to be submitted to
24 the Securities and Exchange Commission (SEC) annually.

25 **Sec. 10. Sale, Lease, Transfer, Grant of Usufruct, or Assignment**
26 **of Franchise.** – The Grantee shall not sell, lease, transfer, grant the
27 usufruct of, nor assign this franchise or the rights and privileges
28 acquired thereunder to any person, firm, company, corporation, or
29 other commercial or legal entity, nor merge with any other
30 corporation or entity, nor shall the controlling interest of the Grantee
31 be transferred, simultaneously or contemporaneously, to any
32 person, firm, company, corporation, or entity without the prior
33 approval of Congress, The Grantee shall inform Congress, through
34 the Office of the Speaker of the House of Representatives and
35 Office of the Senate President, of any sale, lease, transfer, grant of
36 usufruct, or assignment of franchise or the rights and privileges
37 acquired thereunder, or of the merger or transfer of the controlling
38 interest of the Grantee, within sixty (60) days after the completion
39 of the said transaction. Failure to report to Congress such change

1 of ownership shall render the franchise ***ipso facto*** revoked. Any
2 person or entity to which this franchise is sold, transferred, or
3 assigned shall be subject to the same conditions, terms, restrictions,
4 and limitations of this Act.

5 **Sec. 11. Dispersal of Ownership.** – In accordance with the
6 constitutional provision to encourage public participation in public
7 utilities, the Grantee shall offer to Filipino citizens at least thirty
8 percent (30%) of its outstanding capital stock, or a higher
9 percentage that may hereafter be provided by law, in any
10 securities exchange in the Philippines within five (5) years from the
11 effectivity of this Act: *Provided*, That in cases where public offer of
12 shares is not applicable, other methods of encouraging public
13 participation by citizens and corporations operating public utilities
14 must be implemented. Noncompliance therewith shall render the
15 franchise *ipso facto* revoked.

16 **Sec. 12. Reportorial Requirement.** – The Grantee shall submit
17 an annual report on its compliance with the terms and conditions
18 of the franchise and its operations to Congress, through the
19 Committee on Legislative Franchises of the House of
20 Representatives and the Committee on Public Services of the
21 Senate, on or before April 30 of every year during the term of its
22 franchise.

23 The annual report shall include an update of the
24 commencement of activities, development, operation, and
25 expansion of business; audited financial statements; latest GIS
26 officially submitted to the SEC, if applicable; certification of the NTC
27 on the status of its permits and operations; and an update on the
28 dispersal of ownership undertaking, if applicable.

29 A reportorial compliance certificate issued by Congress shall
30 be required before any application for permit or certificate is
31 accepted by the NTC.

32 **Sec. 13. Fine.** – Failure of the Grantee to submit the requisite
33 annual report to Congress shall be penalized by a fine of Five
34 hundred pesos (P500.00) per working day of noncompliance and
35 shall be paid to the NTC. The fine shall be collected separately from
36 the reportorial penalties imposed by the NTC, and it shall be
37 remitted to the Bureau of the Treasury.

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

10
11 **Sec. 15. Repealability and Nonexclusivity Clause.** – This franchise
12 shall be subject to amendment, alteration, or repeal by Congress
13 when the public interest so requires and shall not be interpreted as
14 an exclusive grant of the privileges herein provided for.

15
16 **Sec. 16. Separability Clause.** – If any of the sections or provisions of
17 this Act is held invalid, all other provisions not affected thereby shall
18 remain valid.

19
20 **Sec. 17. Repealing Clause.** – All laws, decrees, orders, resolutions,
21 instructions, rules and regulations, and other issuances or parts
22 thereof which are inconsistent with the provisions of this Act are
23 hereby repealed, amended, or modified accordingly.

24
25 **Sec. 18. Effectivity.** – This Act shall take effect fifteen (15) days after
26 its publication in the *Official Gazette* or in a newspaper of general
27 circulation.

28
29 *Approved,*
30