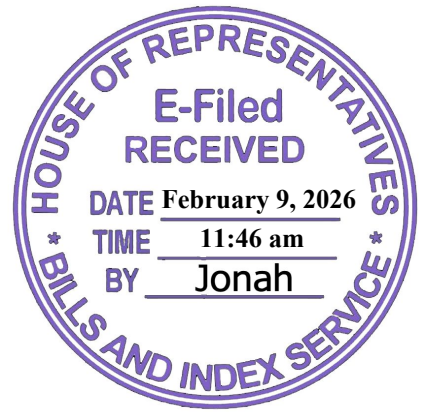




Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 7651



Introduced by HON. LEODY "ODIE" F. TARRIELA

**AN ACT GRANTING ONE OKSI FM RADIO BROADCASTING OPC A
FRANCHISE TO CONSTRUCT, INSTALL, ESTABLISH, OPERATE, AND
MAINTAIN ITS OWN RADIO STATION IN THE PHILIPPINES**

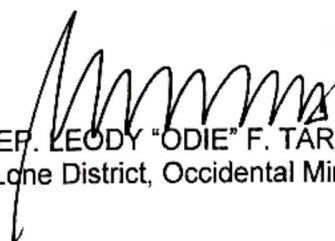
EXPLANATORY NOTE

The importance of information and communication to nation-building is embodied in Article II, Section 24 of the 1987 Constitution, emphasizing that mass media in its many forms are crucial for the education and enlightening of the public on important issues, as well as promotion of unity and the preservation of Filipino values and traditions.

While the province of Occidental Mindoro has been blessed with the bounties of the bodies of water surrounding it, it is also presented with the challenges that come with such geographical location. Primary to these challenges include communication and information dissemination, often disrupted by electricity blackouts and weak signal strength. These issues are likewise shared by other geographically isolated and disadvantaged areas (GIDAs) in the Philippines.

As such, this bill seeks to grant a franchise to ONE OKSI FM RADIO BROADCASTING OPC for a term of twenty-five (25) years, allowing them to continuously deliver news and public affairs, health, education, music, and entertainment programs to the Filipinos. The radio station will serve as a platform, not just for public service, but also for casual listeners who wish to be entertained.

With this, the passage of this bill is earnestly sought.


REP. LEODY "ODIE" F. TARRIELA
Lone District, Occidental Mindoro

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Quezon City, Metro Manila

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*Be it enacted by the Senate and the House of Representatives in 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, there is hereby granted to
3 ONE OKSI FM RADIO BROADCASTING OPC, hereunder referred to as the grantee,
4 its successors or assignees, a franchise to construct, install, operate and maintain for
5 commercial purposes and in the public interest, radio and/or television broadcasting
6 stations in the Philippines, where frequencies and/or channels are still available for
7 radio and/or television broadcasting, including digital television system, through
8 microwave, satellite or whatever means, as well as the use of any new technology in
9 television and radio systems, with the corresponding technological auxiliaries and
10 facilities, special broadcast and other program and distribution services and relay
11 stations.
12

13 **Section 2. Manner of Operations of Stations or Facilities.** - The stations or
14 facilities of the grantee shall be constructed and operated in a manner as will, at most,
15 result only in the minimum interference on the wavelengths or frequencies of existing
16 stations or other stations which may be established by law, without in any way
17 diminishing its own right to use its selected wavelengths or frequencies and the quality
18 of transmission or reception thereon as should maximize rendition of the grantee's
19 services or the availability thereof.
20

21 **Section 3. Prior Approval of the National Telecommunications**
22 **Commission (NTC).** - The grantee shall secure from the NTC the appropriate permits
23 and licenses for the construction and operation of its stations and facilities and shall
24 not use any frequency in the radio/television spectrum without having been authorized
25 by the NTC. The NTC, however, shall not unreasonably withhold or delay the grant of
26 any such authority.
27

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

32
33 **Section 4. Responsibility to the Public.** - The grantee shall provide adequate
34 public service time to enable the government, through the said broadcasting stations
35 or facilities, to reach the population on important public issues; provide at all times
36 sound and balanced programming; assist in the functions of public information and
37 education; conform to the ethics of honest enterprise; and not use its stations or
38 facilities for the broadcasting of obscene and indecent language, speech, act or scene,
39 or for the dissemination of deliberately false information or willful misrepresentation,
40 to the detriment of the public interest, or to incite, encourage or assist in subversive or
41 treasonable acts.

42
43 Public service time referred herein shall be equivalent to a maximum aggregate
44 of ten percent (10%) of the paid commercials or advertisements which shall be
45 allocated based on need to the Executive and Legislative branches, the Judiciary,
46 Constitutional Commissions, and international humanitarian organizations duly
47 recognized by statutes: Provided, That the NTC shall increase the public service time
48 in case of extreme emergency or calamity. The NTC shall issue rules and regulations
49 for this purpose, the effectivity of which shall commence upon applicability with other
50 similarly situated broadcast network franchise holders.

51
52 Pursuant to Republic Act No. 8370, otherwise known as the "Children's
53 Television Act of 1997", the grantee shall allot a minimum of fifteen percent (15%) of
54 the daily total airtime of each broadcasting network to child-friendly shows within its
55 regular programming.

56
57 **Sec. 5. Right of the Government.** - The radio spectrum is a finite resource that
58 is part of the national patrimony, and the use thereof is a privilege conferred upon the
59 grantee by the State and may be withdrawn any time after due process.

60
61 A special right is hereby reserved to the President of the Philippines, in times
62 of war, rebellion, public peril, calamity, emergency, disaster, or disturbance of peace
63 and order: to temporarily take over and operate the stations or facilities of the grantee;
64 to temporarily suspend the operation of any station or facility in the interest of public
65 safety, security and public welfare; or to authorize the temporary use and operation
66 thereof by any agency of the government, upon due compensation to the grantee, for
67 the use of the stations or facilities during the period when these shall be so operated.

68
69 **Sec. 6. Term of Franchise.** - This franchise shall be in effect for a period of
70 twenty-five (25) years from the effectivity of this Act, unless sooner revoked or
71 cancelled. This franchise shall be deemed ipso facto revoked in the event the grantee
72 fails to operate continuously for two (2) years.

73 **Sec. 7. Self-regulation by and Undertaking of Grantee.** - The grantee shall
74 not require any previous censorship of any speech, play, act or scene, or other matter
75 to be broadcast from its stations, but if any such speech, play, act or scene, or other
76 matter should constitute a violation of the law or infringement of a private right, the
77 grantee shall be free from any liability, civil or criminal, for such speech, play, act or
78 scene, or other matter: Provided, That the grantee, during any broadcast, shall cut off
79 from the air the speech, play, act or scene, or other matter being broadcast if the
80 tendency thereof is to propose and/or incite treason, rebellion or sedition; or the
81 language used therein or the theme thereof is indecent or immoral; and willful failure,
82 to do so shall constitute a valid cause for the cancellation of this franchise.

83
84 **Sec. 8. Warranty in Favor of the National and Local Governments.** - The
85 grantee shall hold the national, provincial and municipal governments of the
86 Philippines harmless from all claims, accounts, demands or actions arising out of
87 accidents or injuries, whether to property or to persons, caused by the construction or
88 operation of the stations of the grantee.

89
90 **Sec. 9. Commitment to Provide and Promote the Creation of Employment**
91 **Opportunities.** - The grantee shall create employment opportunities as well as accept
92 on-the-job trainees in their radio and television station operations: Provided, That
93 priority shall be accorded to the residents of the place where their principal office is
94 located: Provided, further, That the grantee shall follow the applicable labor standards
95 and allowance entitlement under existing labor laws, rules and regulations and similar
96 issuances.

97
98 **Sec. 10. Sale, Lease, Transfer, Usufruct, etc.** - The grantee shall not lease,
99 transfer, grant the usufruct of, sell nor assign this franchise or the rights and privileges
100 acquired thereunder to any person, firm, company, corporation or other commercial or
101 legal entity, nor merge with any other corporation or entity, nor shall the controlling
102 interest of the grantee be transferred, whether as a whole or in parts and whether
103 simultaneously or contemporaneously, to any such person, firm, company, corporation
104 or entity without the prior approval of the Congress of the Philippines. Any person or
105 entity to which this franchise is sold, transferred or assigned shall be subject to the
106 same conditions, terms, restrictions and limitations of this Act.

107
108 **Sec. 11. Dispersal of Ownership.** - In accordance with constitutional
109 provisions to encourage public participation in public utilities, the grantee shall offer at
110 least thirty percent (30%) of its outstanding capital stock or a higher percentage that
111 may hereafter be provided by law in any securities exchange in the Philippines within
112 five (5) years from the time it has achieved the status of a national broadcasting
113 network. A "national broadcasting network" is hereby defined as one that operates
114 three or more radio and/or television stations. Noncompliance therewith shall render
115 the franchise ipso facto revoked.

116

Sec. 12. Reportorial Requirements. - The grantee shall submit an annual report to the Congress of the Philippines, through the Committee on Legislative Franchise of the House of Representatives and the Committee on Public Services of the Senate, on its compliance with the terms and conditions of the franchise and on its operations on or before April 30 of every year during the term of its franchise.

The annual report shall include an update on the roll-out development, operation and/or expansion of business; audited financial statements; and certification of the NTC on the status of its permits and operations.

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

Sec. 13. Fine. - Failure of the grantee to submit the requisite annual report to the Congress shall be penalized with a fine of Five Hundred Pesos (PhP500.00) per working day of noncompliance. The fine shall be collected by the NTC from the delinquent franchise grantee separate from the reportorial penalties imposed by the NTC and the same shall be remitted to the Bureau of the Treasury.

Sec. 14. 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. 15. Repealability and Non-exclusivity Clause. - This franchise shall be subject to amendment, alteration, or repeal by the Congress of the Philippines when the public interest so requires and shall not be interpreted as an exclusive grant of the privilege herein provided for.

Sec. 16. Separability Clause. - If any provision of this Act is declared unconstitutional, the remainder thereof not otherwise affected shall remain in full force and effect.

Sec. 17. Repealing Clause. - All laws, presidential decrees, executive orders, letters of instruction, proclamations, or administrative orders, rules or regulations that are inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

Sec. 18. Effectivity Clause. - This Act shall take effect immediately upon its publication in the Official Gazette or in a newspaper of general circulation.

Approved,