



Republic of the Philippines
House of Representatives
Quezon City



TWENTIETH CONGRESS

First Regular Session

House Bill No. **9263**

Introduced by Representative Albert S. Garcia

EXPLANATORY NOTE

1 This bill seeks to grant Poweradio 104.7 FM & Mobile Services a legislative
2 franchise to construct, install, establish, operate, and maintain radio broadcasting
3 stations and mobile services in the Province of Bataan.

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5 Section 24, Article II of the 1987 Constitution recognizes the vital role of
6 communication and information in nation-building, while Section 7, Article III declares
7 the recognition of the right of the people to information on matters of public concern.

8
9 Radio stations and mobile services play an indispensable role in ensuring the
10 right to information on matters of public concern, freedom of expression, and of the
11 press, as mandated by our Basic Law. Pursuant to this, the Proponent seeks to install
12 and operate radio broadcast stations and mobile services to provide real-time
13 information on important events, dispense entertainment, and serve as a connection to
14 potential listeners in addressing community problems and concerns. The same can
15 provide signal coverage throughout the Province of Bataan.

16
17 The passage of this timely measure is most respectfully sought.
18


REP. ALBERT S. GARCIA
Second District, Bataan



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1 **AN ACT**
2 **GRANTING POWERADIO 104.7 FM & MOBILE SERVICES A FRANCHISE TO**
3 **CONSTRUCT, INSTALL, ESTABLISH, OPERATE AND MAINTAIN RADIO**
4 **BROADCASTING STATIONS AND MOBILE SERVICES IN**
5 **THE PROVINCE OF BATAAN**

6
7 *Be it enacted by the Senate and the House of Representatives of the Philippines in*
8 *Congress assembled:*
9

10
11 **SECTION 1. Nature and Scope of Franchise.** Subject to the provisions of the
12 Constitution and applicable laws, rules and regulations, there is hereby granted to
13 Poweradio 104.7 FM & Mobile Services, hereinafter referred to as the Grantee, its
14 successors or assignees, a franchise to construct, install, establish, operate and
15 maintain for commercial purposes and in the public interest, radio broadcasting stations
16 and mobile services in the Province of Bataan, where frequencies are still available for
17 radio broadcasting, utilizing any new technology or innovations in radio systems, with
18 the corresponding technological auxiliaries or facilities, special broadcast and other
19 programs, and distribution services and relay stations, and to install radio
20 communications facilities for the grantee's private use in its broadcast and mobile
21 services.

22 **SECTION 2. Manner of Operation of Stations or Facilities.** The stations or facilities
23 of the Grantee shall be constructed and operated in a manner as will, at most, result
24 only in the minimum interference on the wavelengths or frequencies of existing stations
25 or other stations which may be established by law, without in any way diminishing its
26 own privilege to use its assigned wavelengths or frequencies and the quality of
27 transmission or reception thereon as should maximize rendition of the Grantee's
28 services and the availability thereof.

29 **SECTION 3. Prior Approval of the National Telecommunications Commission.**
30 The Grantee shall secure from the National Telecommunications Commission (NTC)
31 the appropriate permits and licenses for the construction and operation of its stations
32 and facilities and shall not use any frequency in the radio spectrum without authorization

1 from the NTC. The NTC, however, shall not unreasonably withhold or delay the grant
2 of any such authority.

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

7 **SECTION 4. Responsibility to the Public.** The Grantee shall:

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

14 b. Provide at all times, sound and balanced programming;

15 c. Promote public participation;

16 d. Assist in the functions of public information and education;

17 e. Conform to the ethics of honest enterprise;

18 f. Promote audience sensibility and empowerment through closed
19 captioning; and

20 g. Avoid the broadcasting of obscene or indecent language, speech, act or
21 scene, or deliberately disseminate false information or willful misinterpretation,
22 to the detriment of the public interest, or to incite, encourage or assist in
23 subversive or treasonable acts.

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

32 **SECTION 5. Right of Government.** The radio spectrum is a finite resource that is part
33 of the national patrimony and the use thereof is a privilege conferred upon the Grantee
34 by the State and may be withdrawn at any time after due process.

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

42 **SECTION 6. Term of Franchise.** This franchise shall be in effect for a period of twenty-
43 five (25) years from the effectivity of this Act, unless sooner revoked or cancelled. This

1 franchise is deemed ipso facto revoked in the event the Grantee fails to comply with
2 any of the following conditions:

3 a. Commence operations within three (3) years from the approval of its
4 operating permit by the NTC;

5 b. Commence operations within five (5) years from the effectivity of this Act;
6 and

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

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

18 **SECTION 8. Warranty in Favor of the National and Local Governments.** – The
19 Grantee shall hold the national, provincial, city, and municipal governments of the
20 Philippines free from all claims, liabilities, demands, or actions arising out of accidents
21 causing injury to persons or damage to properties, during the construction or operation
22 of the stations of the Grantee.

23 **SECTION 9. Commitment to Provide and Promote the Creation of Employment**
24 **Opportunities.** The Grantee shall create employment opportunities and accept on the
25 job trainees in the franchise operations: *Provided*, That priority shall be accorded to the
26 residents of the Province of Bataan where the principal office of the Grantee is located:
27 *Provided, further*, That the Grantee shall comply with the applicable labor standards
28 and allowance entitlement under existing labor laws, rules and regulations and similar
29 issuances.

30 **SECTION 10. Sale, Lease, Transfer, Grant of Usufruct, or Assignment of**
31 **Franchise.** The Grantee shall not sell, lease, transfer, grant the usufruct of, nor assign
32 this franchise or the rights and privileges acquired thereunder to any person, firm,
33 company, corporation or other commercial or legal entity, nor merge with any other
34 corporation or entity, nor the controlling interest of the Grantee be transferred,
35 simultaneously or contemporaneously, to any such person, firm, company, corporation,
36 or entity without the prior approval of Congress. Congress shall be informed of any sale,
37 lease, transfer, grant of usufruct, or assignment of franchise or the rights and privileges
38 acquired thereunder, or of the merger or transfer of the controlling interest of the
39 grantee, within sixty (60) days after completion of the said transaction. Failure to report
40 to Congress such change of ownership shall render the franchise ipso facto revoked.
41 Any person or entity to which this franchise is sold, transferred or assigned shall be
42 subject to the same conditions, terms, restrictions, and limitations of this Act.

43 **SECTION 11. Dispersal of Ownership.** In accordance with the constitutional provision
44 to encourage public participation in public utilities, the grantee shall offer to the Filipino
45 citizens at least thirty percent (30%) of its outstanding capital stocks or a higher
46 percentage that may hereafter be provided by law, in any securities exchange in the
47 Philippines within five (5) years from the effectivity of this Act; *Provided*, That in cases

1 where the public offer of shares is not applicable other methods of encouraging public
2 participation by the citizens and corporations operating public utilities must be
3 implemented. Non-compliance therewith shall render the franchise ipso facto revoked.

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

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

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

14 **SECTION 13. Fine.** Failure of the Grantee to submit the requisite annual report to
15 Congress shall be penalized by a fine of five hundred pesos (P500.00) per working day
16 of noncompliance. The fine shall be collected separately by the NTC, distinct from the
17 penalties it imposes for noncompliance with its own reportorial requirements.

18 **SECTION 14. Equality Clause.** Any advantage, favor, privilege, exemption, or
19 immunity granted under existing franchises, or which may hereafter be granted for radio
20 broadcasting, upon prior review and approval of Congress, shall become part of this
21 franchise and shall be accorded immediately and unconditionally to the grantee:
22 *Provided,* That the foregoing shall neither apply to nor affect the provisions of
23 broadcasting franchises pertaining to the term, type of service authorized by the
24 franchise.

25 **SECTION 15. Repealability and Nonexclusivity Clause.** This franchise is subject to
26 amendment, alteration, or repeal by Congress when the public interest so requires and
27 is not interpreted as an exclusive grant of the privileges herein provided for.

28 **SECTION 16. Separability Clause.** If any provision or part of this Act is declared invalid
29 or unconstitutional, all other provisions not affected thereby shall remain valid.

30 **SECTION 17. Repealing Clause.** All laws, decrees, orders, resolutions, instructions,
31 regulations and other issuances or parts thereof which are inconsistent with the
32 provisions of this Act are repealed, amended, or modified accordingly.

33 **SECTION 18. Effectivity.** This Act shall take effect fifteen (15) days after its publication
34 in the Official Gazette or in a newspaper of general circulation.