



Republic of the Philippines  
House of Representatives  
Quezon City



TWENTIETH CONGRESS  
First Regular Session

House Bill No. 9385

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Introduced by HON. MONIQUE YAZMIN MARIA Q. LAGDAMEO

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Explanatory Note

This legislative measure seeks to renew the legislative franchise of the PRIMAX BROADCASTING NETWORK, INC. to construct, install, establish, operate and maintain radio and television broadcasting stations throughout the Philippines.

The Primax Broadcasting Network, Inc. (Primax, for brevity) was incorporated and registered at the Securities and Exchange Commission with a primary purpose of establishing radio and television broadcasting stations in the Philippines for a commercial purpose and in the public interest and to the extent that it may be authorized by law. It is guided by the tenet that broadcasting is a public trust and the network is mindful of its duty to share in the task of nation-building. With its twenty-five years of existence, it strives to serve more audiences in more areas possible.

The Primax will be embarking to set the pace by establishing stations in areas that are underserved, if not served at all, by free-to-air broadcasting. Hence, there is an urgent need to seek a legislative authorization for its continued operations.

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

HON. MONIQUE YAZMIN MARIA Q. LAGDAMEO  
Makati City, First Legislative District



20 technological auxiliaries and facilities, special broadcast and other program and  
21 distribution services and relay stations in the Philippines is hereby renewed for another  
22 twenty-five (25) years from the effectivity of this Act.

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

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

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

45 SEC. 5. *Right of Government.* - A special right is hereby reserved to the President of  
46 the Philippines, in times of war, rebellion, public peril, calamity, emergency, disaster  
47 or disturbance of peace and order: to temporarily take over and operate the stations or

48 facilities of the grantee; to temporarily suspend the operation of any station or facility  
49 in the interest of public safety, security and public welfare; or to authorize the  
50 temporary use and operation thereof by any agency of the government, upon due  
51 compensation to the grantee, for the use of said stations or facilities during the period  
52 when these shall be so operated.

53 The radio spectrum is a finite resource that is part of the national patrimony and  
54 the use thereof is a privilege conferred upon the grantee by the State and may be  
55 withdrawn any time after due process.

56 SEC. 6. *Term of Franchise.* - This franchise shall be in effect for a period of twenty-  
57 five (25) years, unless sooner revoked or cancelled. This franchise shall be deemed  
58 *ipso facto* revoked in the event the grantee fails to operate continuously for two (2)  
59 years.

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

66 SEC. 8. *Self-regulation by and Undertaking of Grantee.* - The grantee shall not require  
67 any previous censorship of any speech, play, act or scene, or other matter to be  
68 broadcast from its stations: Provided, That the grantee, during any broadcast, shall cut  
69 off from the air the speech, play, act or scene, or other matter being broadcast if the  
70 tendency thereof is to propose and/or incite treason, rebellion or sedition; or the  
71 language used therein or the theme thereof is indecent or immoral: Provided, further,  
72 That willful failure to do so shall constitute a valid cause for the cancellation of this  
73 franchise.

74 SEC. 9. *Warranty in Favor of National and Local Governments.* - The grantee shall  
75 hold the national, provincial, city and municipal governments of the Philippines free  
76 from all claims, accounts, demands or actions arising out of accidents or injuries,  
77 whether to property or to persons, caused by the construction or operation of the  
78 stations of the grantee.

79 SEC. 10. *Sale, Lease, Transfer, Grant of Usufruct, or Assignment of Franchise.* - The  
80 grantee shall not lease, transfer, grant the usufruct of, sell nor assign this franchise or  
81 the rights and privileges acquired thereunder to any person, firm, company,  
82 corporation or other commercial or legal entity, nor merge with any other corporation  
83 or entity, nor shall the controlling interest of the grantee be transferred, whether as a  
84 whole or in parts, and whether simultaneously or contemporaneously, to any such  
85 person, firm, company, corporation or entity without the prior approval of the  
86 Congress of the Philippines: Provided, That Congress shall be informed of any lease,  
87 transfer, granting the usufruct of, sale or assignment of franchise or the rights and  
88 privileges acquired thereunder, or of the merger, or transfer of controlling interest of  
89 the grantee, within sixty (60) days after the completion of said transaction: Provided,  
90 further, That failure to report to Congress such change of ownership shall render the  
91 franchise *ipso facto* revoked: Provided, finally, That any person or entity to which this  
92 franchise is sold, transferred or assigned shall be subject to the same conditions, terms,  
93 restrictions and limitations of this Act.

94 SEC. 11. *General Broadcast Policy Law.* - The grantee shall comply with and be  
95 subject to the provisions of a general broadcast policy law, which Congress may  
96 hereafter enact.

97 SEC. 12. *Reportorial Requirement.* - The grantee shall submit an annual report to the  
98 Congress of the Philippines, through the Committee on Legislative Franchises of the  
99 House of Representatives and the Committee on Public Services of the Senate, on its  
100 compliance with the terms and conditions of the franchise and on its operations on or  
101 before April 30 of every year during the term of the franchise.

102 SEC. 13. *Penalty Clause.* - Failure to submit the annual report to Congress will be  
103 penalized with a fine of five hundred pesos (Php500.00) per working day of  
104 noncompliance. The fine shall be collected by the NTC from the delinquent franchise  
105 grantee separate from the reportorial penalties imposed by the NTC. The collected  
106 funds shall accrue to the monitoring fund of the NTC in line with its supervisory and  
107 regulatory functions. The reportorial compliance certificate issued by Congress shall  
108 be required before any application for permit or certificate is accepted by the NTC.

109 SEC. 14. *Equality Clause.* - Any advantage, favor, privilege, exemption, or immunity  
110 granted under existing franchises, or which may hereafter be granted for radio and/or  
111 television broadcasting, upon prior review and approval of Congress, shall become  
112 part of this franchise and shall be accorded immediately and unconditionally to the  
113 herein grantee: Provided, however, That the foregoing shall neither apply to nor affect  
114 provisions of broadcasting franchises concerning territory covered by the franchise,  
115 the life span of the franchise, or the type of service authorized by the franchise:  
116 Provided, further, That the foregoing shall not apply to sale, lease, transfer, or grant of  
117 usufruct of legislative franchise with prior congressional approval.

118 SEC. 15. *Separability Clause.* - If any of the sections or provisions of this Act is held  
119 invalid, all other provisions not affected thereby shall remain valid.

120 SEC. 16. *Repealability and Nonexclusivity Clause.* - This franchise shall be subject to  
121 amendment, alteration, or repeal by the Congress of the Philippines when the public  
122 interest so requires and shall not be interpreted as an exclusive grant of the privileges  
123 herein provided for.

124 SEC. 17. *Effectivity Clause.* - This Act shall take effect fifteen (15) days after its  
125 publication in at least two (2) newspapers of general circulation.

126 Approved,