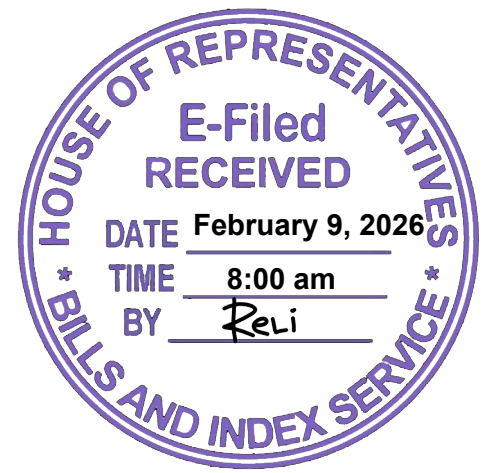


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session



COMMITTEE REPORT NO. 109

Submitted by the Committee on Legislative Franchises on February 9, 2026

Re: House Bill No. **7646**

Recommending its approval in substitution of House Bill No. 4466 Sponsors:

Representatives Jeffrey P. Ferrer and Cheeno Miguel D. Almario

Mr. Speaker:

The Committee on Legislative Franchises to which was referred House Bill No. 4466, introduced by Rep. Cheeno Miguel D. Almario, entitled:

ACT RENEWING FOR ANOTHER TWENTY-FIVE YEARS THE FRANCHISE GRANTED TO BENGUET BROADCASTING CORPORATION, CURRENTLY KNOWN AS SPHERE ENTERTAINMENT INC., UNDER REPUBLIC ACT NO. 9119, AS AMENDED, ENTITLED "AN ACT GRANTING THE BENGUET BROADCASTING CORPORATION A FRANCHISE TO CONSTRUCT, INSTALL, ESTABLISH, OPERATE AND MAINTAIN RADIO AND TELEVISION BROADCASTING STATIONS IN THE PHILIPPINES"

has considered the same and recommends that the attached House Bill No. **7646**, entitled:

AN ACT RENEWING FOR ANOTHER TWENTY-FIVE YEARS THE FRANCHISE GRANTED TO BENGUET BROADCASTING CORPORATION, CURRENTLY KNOWN AS SPHERE ENTERTAINMENT INC., UNDER REPUBLIC ACT NO. 9119, AS AMENDED, ENTITLED "AN ACT GRANTING THE BENGUET BROADCASTING CORPORATION A FRANCHISE TO CONSTRUCT, INSTALL, ESTABLISH, OPERATE AND MAINTAIN RADIO AND TELEVISION BROADCASTING STATIONS IN THE PHILIPPINES"

be approved in substitution of House Bill No. 4466 with Reps. Cheeno Miguel D. Almario, Arlyn P. Ayon, and Jeffrey P. Ferrer as authors thereof.

Respectfully submitted:

A handwritten signature in dark ink, appearing to read 'JEFFREY P. FERRER', with a stylized flourish extending from the end.

Chairperson

Committee on Legislative Franchises

**THE HONORABLE SPEAKER
HOUSE OF REPRESENTATIVES
QUEZON CITY**

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session

House Bill No. **7646**
(In substitution of House Bill No. 4466)

Introduced by Representatives Cheeno Miguel D. Almario, Arlyn P. Ayon, and
Jeffrey P. Ferrer

**AN ACT RENEWING FOR ANOTHER TWENTY-FIVE YEARS THE FRANCHISE
GRANTED TO BENGUET BROADCASTING CORPORATION, CURRENTLY
KNOWN AS SPHERE ENTERTAINMENT INC., UNDER REPUBLIC ACT NO.
9119, AS AMENDED, ENTITLED "AN ACT GRANTING THE BENGUET
BROADCASTING CORPORATION A FRANCHISE TO CONSTRUCT, INSTALL,
ESTABLISH, OPERATE AND MAINTAIN RADIO AND TELEVISION
BROADCASTING STATIONS IN THE PHILIPPINES"**

*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 provisions of the
2 Constitution and applicable laws, rules and regulations, the franchise
3 granted to Benguet Broadcasting Corporation, currently known as Sphere
4 Entertainment Inc., hereunder referred to as the Grantee, its successors or
5 assignees, under Republic Act No. 9119, to construct, install, establish,
6 operate and maintain for commercial purposes and in the public interest,
7 radio and television broadcasting stations in the Philippines, where
8 frequencies and/or channels are still available for radio and/or television
9 broadcasting, through microwave, satellite or whatever means including
10 the use of any new technologies in television and radio broadcasting
11 systems, with the corresponding technological auxiliaries and facilities,
12 special broadcast and other program and distribution services and relay
13 stations, is hereby renewed for another twenty-five (25) years.

14
15 **Sec. 2. *Manner of Operation of Stations or Facilities.*–** The stations or
16 facilities of the Grantee shall be constructed and operated in a manner as
17 will, at most, result only in the minimum interference on wavelengths or
18 frequencies of existing stations or other stations which may be established
19 by law, without in any way diminishing its own right to use its selected

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.*—

The Grantee shall secure from the National Telecommunications Commission (NTC) the appropriate permits and licenses for the construction and operation of its stations and facilities and shall not use any frequency in the radio/television spectrum without having been authorized by the NTC. The NTC, however, shall not unreasonably withhold or delay the grant of any 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 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 the 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; conform to the ethics of honest enterprise; promote public participation; assist in the functions of public information and education; promote audience sensibility and empowerment including closed captioning; and not use its stations or facilities for the broadcasting of obscene and indecent language, speech, act or scene, 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.

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

Pursuant to Republic Act No. 8370, otherwise known as the

1 "Children's Television Act of 1997", the Grantee shall allot a minimum
2 fifteen percent (15%) of the daily total airtime of each broadcasting network
3 or station to child-friendly shows within its regular programming.

4
5 **Sec. 5. *Right of Government.***– The radio spectrum is a finite resource that
6 is a part of the national patrimony and the use thereof is a privilege
7 conferred upon the Grantee by the State and may be withdrawn anytime
8 after due process.

9
10 A special right is hereby reserved to the President of the
11 Philippines, in times of war, rebellion, public peril, calamity, emergency,
12 disaster or disturbance of peace and order: to temporarily take over and
13 operate the stations or facilities of the Grantee; to temporarily suspend the
14 operation of any station or facility in the interest of public safety, security
15 and public welfare; or to authorize the temporary use and operation thereof
16 by any agency of the government, upon due compensation to the Grantee,
17 for the use of said stations or facilities during the period when they shall
18 be so operated.

19
20 **Sec. 6. *Term of Franchise.***– This franchise shall be for a term of twenty-five
21 (25) years from the date of effectivity of this Act, unless sooner revoked or
22 cancelled. This franchise shall be deemed *ipso facto* revoked in the event
23 the Grantee fails to operate continuously for two (2) years.

24
25 **Sec. 7. *Self-regulation by and Undertaking of Grantee.***– The Grantee shall
26 not require any previous censorship of any speech, play, act or scene, or
27 other matter to be broadcast from its stations, but if any speech, play, act
28 or scene, or other matter should constitute a violation of the law or
29 infringement of a private right, the Grantee shall be free from any liability,
30 civil or criminal, for such speech, play, act or scene, or other matter:
31 *Provided, That* the Grantee, during any broadcast, shall cut off the airing of
32 speech, play, act or scene, or other matter being broadcast if the tendency
33 thereof is to propose and or incite treason, rebellion or sedition; or the
34 language used therein or the theme thereof is indecent or immoral:
35 *Provided, further,* That willful failure to do so shall constitute a valid cause
36 for the cancellation of this franchise.

37
38 **Sec. 8. *Warranty in Favor of the National and Local Governments.***– The
39 Grantee shall hold the national, provincial, city, and municipal governments
40 of the Philippines free from all claims, liabilities, demands, or actions
41 arising out of accidents, causing injury to persons or damage to properties,
42 during the construction or operation of the stations of the Grantee.

43
44 **Sec. 9. *Commitment to Provide and Promote the Creation of Employment***

1 **Opportunities.**— The Grantee shall create employment opportunities and
2 shall allow on-the-job training in its franchise operation: *Provided*, That
3 priority shall be accorded to the residents of the place where its principal
4 office is located: *Provided, further*, That the Grantee shall follow the
5 applicable labor standards and allowance entitlement under existing labor
6 laws, rules and regulations and similar issuances.

7
8 The employment opportunities or jobs created shall be reflected in
9 the General Information Sheet (GIS) to be submitted to the Securities and
10 Exchange Commission (SEC) annually.

11 **Sec. 10. Sale, Lease, Transfer, Usufruct, or Assignment of Franchise.** – The
12 Grantee shall not sell, lease, transfer, grant the usufruct of, or assign this
13 franchise or the rights and privileges acquired thereunder to any person,
14 firm, company, corporation, or other commercial or legal entity, or merge
15 with any other corporation, or entity, or transfer the controlling interest of
16 the Grantee, whether in whole or in part, and whether simultaneously or
17 contemporaneously, to any such person, firm, company, corporation, or
18 entity without the prior approval of Congress: *Provided*, That Congress
19 shall be informed of any lease, transfer, grant of usufruct of, sale, or
20 assignment of franchise or the rights and privileges acquired thereunder,
21 or of the merger, or transfer of the controlling interest within sixty (60) days
22 after the completion of said transaction: *Provided, further*, That any such
23 transfer, sale, or assignment is in accordance with the constitutional
24 limitations: *Provided, furthermore*, That failure to report to Congress such
25 change of ownership shall render the franchise *ipso facto* revoked:
26 *Provided, finally*, That any person or entity to which this franchise is sold,
27 transferred, or assigned, shall be subject to the same conditions, terms,
28 restrictions, and limitations of this Act.

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

38
39 **Sec.12. Reportorial Requirement.**— The Grantee shall submit an annual
40 report to the Congress of the Philippines, through the Committee on
41 Legislative Franchises of the House of Representatives and the Committee
42 on Public Services of the Senate, on its compliance with the terms and
43 conditions of the franchise and on its operations on or before April 30 of

1 every year during the term of its franchise.
2

3 The annual report shall include an update on the roll-out,
4 development, operation and/or expansion of business; audited financial
5 statements; latest GIS officially submitted to the SEC, if applicable;
6 certification of the NTC on the status of its permits and operations; and
7 an update on the dispersal of ownership undertaking, if applicable.
8

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

13 **Sec.13. *Fine.*–** The failure of the Grantee to submit the requisite annual
14 report to Congress shall be penalized with a fine in the amount of Five
15 hundred pesos (P500.00) per working day of non-compliance which shall
16 be collected by the NTC. The fine shall be collected separately from the
17 reportorial penalties imposed by the NTC and shall be remitted to the
18 Bureau of the Treasury.
19

20 **Sec.14. *Equality Clause.*–** Any advantage, favor, privilege, exemption, or
21 immunity granted under existing franchises, or which may hereafter be granted,
22 upon prior review and approval of Congress, shall become part of this franchise
23 and shall be accorded immediately and unconditionally to herein Grantee:
24 *Provided, however,* That the foregoing shall neither apply to nor affect
25 provisions concerning territory covered by the franchise, the term of the
26 franchise, or the type of service authorized by the franchise: *Provided, further,*
27 That the foregoing shall not apply to the sale, lease, transfer, grant of usufruct,
28 or assignment of legislative franchises with prior congressional approval.
29

30 **Sec.15. *Repealability and Non-exclusivity Clause.*–**This franchise shall be
31 subject to amendment, alteration, or repeal by Congress when public interest
32 so requires and shall not be interpreted as an exclusive grant of the privileges
33 herein provided.
34

35 **Sec.16. *Separability Clause.*–**If any of the sections or provisions of this Act is
36 held invalid, all other provisions not affected thereby shall remain valid.
37

38 **Sec.17. *Repealing Clause.* –** All laws, presidential decrees, executive orders,
39 letters of instruction, administrative rules and regulations or parts thereof,
40 which are contrary to or inconsistent with the provisions of this Act, are hereby
41 repealed or modified accordingly.
42

43 **Sec.18. *Effectivity.*–** This Act shall take effect fifteen (15) days after its
44 publication in the *Official Gazette* or in a newspaper of general circulation.
45

46 Approved,

FACT SHEET

House Bill No. **7646**
(In substitution of House Bill No. 4466)

AN ACT RENEWING FOR ANOTHER TWENTY-FIVE YEARS THE FRANCHISE GRANTED TO BENGUET BROADCASTING CORPORATION, CURRENTLY KNOWN AS SPHERE ENTERTAINMENT INC., UNDER REPUBLIC ACT NO. 9119, AS AMENDED, ENTITLED "AN ACT GRANTING THE BENGUET BROADCASTING CORPORATION A FRANCHISE TO CONSTRUCT, INSTALL, ESTABLISH, OPERATE AND MAINTAIN RADIO AND TELEVISION BROADCASTING STATIONS IN THE PHILIPPINES"

*Introduced by: **REPRESENTATIVES CHEENO MIGUEL D. ALMARIO,
ARLYN P. AYON, and JEFFREY P. FERRER***

*Committee Referral: **COMMITTEE ON LEGISLATIVE FRANCHISES**
Committee Chairperson: **HON. JEFFREY P. FERRER***

OBJECTIVE:

- To allow the Benguet Broadcasting Corporation, currently known as the Sphere Entertainment Inc., to continue its commercial radio and television broadcasting operations in the Philippines

KEY PROVISIONS:

- Renews the franchise of the Benguet Broadcasting Corporation, currently known as the Sphere Entertainment Inc., for another twenty-five (25) years for continuous commercial radio and television broadcasting operations in the Philippines;
- Mandates the Grantee to secure the appropriate permits and licenses for the construction, installation and operation of its radio stations or facilities from the National Telecommunications Commission (NTC);
- Requires the Grantee to provide an adequate public service time equivalent to a maximum aggregate of ten percent (10%) of the paid advertisements, to inform the population on important public issues and assist in the performance of the functions of public information and education;
- Requires the Grantee to allot a minimum of fifteen percent (15%) of the daily total airtime of each broadcasting network or station to child-friendly shows within its regular programming;
- Prohibits the Grantee to use its stations for the broadcasting of obscene and indecent language, speech, act or scene or for the dissemination of deliberately false information or willful misrepresentation, or to incite, encourage, or assist in subversive or treasonable acts;

- Reserves the right of the President of the Philippines 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 in times of war, rebellion, public peril, calamity, emergency, disaster or disturbance of peace and order;
- Provides that the national and local governments shall not be held liable for any damage to properties or injury to persons caused by accidents during construction or operation of the stations;
- Prohibits the Grantee from leasing, transferring, selling nor assigning the franchise or the controlling interest thereof without the prior approval of Congress;
- Requires the Grantee to submit an annual report to Congress on its compliance with the terms and conditions of the franchise and its operation on or before April 30 of every year;
- Imposes a fine in the amount of Five hundred pesos (P500.00) per working day of noncompliance in the submission of its annual report to Congress and to be collected separately from the reportorial penalties imposed by the NTC; and
- Provides an equality clause which aims to grant existing and potential franchise grantees equal privilege.

RELATED LAWS:

- Republic Act No. 9119, entitled “An act granting the Benguet Broadcasting Corporation a franchise to construct, install, establish, operate and maintain radio and television broadcasting stations in the Philippines”
- Republic Act No. 8370, otherwise known as the “Children’s Television Act of 1997”