



HOUSE OF REPRESENTATIVES

H. No. 6914

BY REPRESENTATIVES ZUBIRI, MARAÑON, CORVERA, MADRONA, OUANO-DIZON, ALMARIO (C.M.), ROMAN, FERRER (A.), GARCIA (K.H.), LORIA, ONGCHUAN, ANGELES, DALOG, BELTRAN, LAGDAMEO (M.Y.M.), CAGAS, AYON, DAZA, ACOSTA, DE JESUS, DAGOOC, PADIERNOS, RODRIGUEZ (R.), DEL MAR, VELOSO, EMANO AND FERRER (J.)

AN ACT

RENEWING FOR ANOTHER TWENTY-FIVE (25) YEARS THE FRANCHISE GRANTED TO CENTRAL MINDANAO UNIVERSITY UNDER REPUBLIC ACT NO. 9044, ENTITLED "AN ACT GRANTING THE CENTRAL MINDANAO UNIVERSITY A FRANCHISE TO CONSTRUCT, INSTALL, ESTABLISH, OPERATE AND MAINTAIN FOR EDUCATIONAL AND NONCOMMERCIAL PURPOSES RADIO AND TELEVISION BROADCASTING STATIONS IN CENTRAL MINDANAO UNIVERSITY, MUNICIPALITY OF MARAMAG, PROVINCE OF BUKIDNON"

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 granted to
3 Central Mindanao University, hereunder referred to as the Grantee, its successors or
4 assignees, to construct, install, establish, operate and maintain for educational and
5 non-commercial purposes, and in the public interest, radio and television
6 broadcasting stations in Central Mindanao University, Municipality of Maramag,
7 Province of Bukidnon, where frequencies and/or channels are still available for radio
8 and/or television broadcasting, through microwave, satellite or whatever means
9 including the use of any new technologies in television and radio broadcasting
10 systems, with the corresponding technological auxiliaries and facilities, special
11 broadcast and other program and distribution services and relay stations, is hereby
12 renewed for another twenty-five (25) years.

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

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

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

33
34 **Sec. 4. Responsibility to the Public.** – The Grantee shall provide, free of charge,
35 adequate public service time which is reasonable and sufficient to enable the
36 government, through the broadcasting stations or facilities of the Grantee, to reach
37 the pertinent populations or portions thereof, on important public issues and relay
38 important public announcements and warnings concerning public emergencies and
39 calamities, as necessity, urgency, or law may require; provide at all times sound and
40 balanced programming; conform to the ethics of honest enterprise; promote public
41 participation; assist in the functions of public information and education; promote
42 audience sensibility and empowerment including closed captioning; and not use its
43 stations or facilities for the broadcasting of obscene and indecent language, speech,
44 act or scene, the dissemination of deliberately false information or willful

1 misrepresentation, to the detriment of the public interest, or to incite, encourage or
2 assist in subversive or treasonable acts.

3
4 Public service time referred herein shall be equivalent to a maximum
5 aggregate of ten percent (10%) of paid commercials or advertisements which shall
6 be allocated based on need to the Executive and Legislative branches, the Judiciary,
7 Constitutional Commissions, and international humanitarian organizations duly
8 recognized by statutes: *Provided*, That the NTC shall increase the public service time
9 in case of extreme emergency or calamity. The NTC shall issue rules and regulations
10 for this purpose, the effectivity of which shall commence upon applicability with other
11 similarly situated broadcast network franchise holders.
12

13 Pursuant to Republic Act No. 8370, otherwise known as the "Children's
14 Television Act of 1997", the Grantee shall allot a minimum fifteen percent (15%) of
15 the daily total airtime of each broadcasting network or station to child-friendly shows
16 within its regular programming.
17

18 **Sec. 5. Right of Government.** – The radio spectrum is a finite resource that is a part
19 of the national patrimony and the use thereof is a privilege conferred upon the
20 Grantee by the State and may be withdrawn anytime after due process.
21

22 A special right is hereby reserved to the President of the Philippines, in times
23 of war, rebellion, public peril, calamity, emergency, disaster or disturbance of peace
24 and order, to temporarily take over and operate the stations or facilities of the
25 Grantee, to temporarily suspend the operation of any station or facility in the interest
26 of public safety, security and public welfare, or to authorize the temporary use and
27 operation thereof by any agency of the government, upon due compensation to the
28 Grantee, for the use of said stations or facilities during the period when they shall be
29 so operated.
30

31 **Sec. 6. Term of Franchise.** – This franchise shall be for a term of twenty-five (25)
32 years from the date of effectivity of this Act, unless sooner revoked or cancelled. This
33 franchise shall be deemed *ipso facto* revoked in the event the Grantee fails to operate
34 continuously for two (2) years.
35

36 **Sec. 7. Self-regulation by and Undertaking of Grantee.** – The Grantee shall not
37 require any previous censorship of any speech, play, act or scene, or other matter to
38 be broadcast from its stations, but if any speech, play, act or scene, or other matter
39 should constitute a violation of the law or infringement of a private right, the Grantee
40 shall be free from any liability, civil or criminal, for such speech, play, act or scene,
41 or other matter: *Provided*, That the Grantee, during any broadcast, shall cut off the
42 airing of speech, play, act or scene, or other matter being broadcast if the tendency
43 thereof is to propose and or incite treason, rebellion or sedition; or the language used

1 therein or the theme thereof is indecent or immoral: *Provided, further,* That willful
2 failure to do so shall constitute a valid cause for the cancellation of this franchise.

3
4 **Sec. 8. Warranty in Favor of the National and Local Governments.** – The Grantee
5 shall hold the national, provincial, city, and municipal governments of the Philippines
6 free from all claims, liabilities, demands, or actions arising out of accidents, causing
7 injury to persons or damage to properties, during the construction or operation of the
8 stations of the Grantee.

9
10 **Sec. 9. Commitment to Provide and Promote the Creation of Employment**
11 **Opportunities.** – The Grantee shall create employment opportunities and shall allow
12 on-the-job training in its franchise operation: *Provided,* That priority shall be accorded
13 to the residents of the place where its principal office is located: *Provided, further,*
14 That the Grantee shall follow the applicable labor standards and allowance
15 entitlement under existing labor laws, rules and regulations and similar issuances.

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

32 **Sec. 11. Reportorial Requirement.** – The Grantee shall submit an annual report to
33 the Congress of the Philippines, through the Committee on Legislative Franchises of
34 the House of Representatives and the Committee on Public Services of the Senate,
35 on its compliance with the terms and conditions of the franchise and on its operations
36 on or before April 30 of every year during the term of its franchise.

37
38 The annual report shall include an update on the roll-out, development,
39 operation and/or expansion of business; audited financial statements; and
40 certification of the NTC on the status of its permits and operations.

1 The reportorial compliance certificate issued by Congress shall be required
2 before any application for permit or certificate is accepted by the NTC.
3

4 **Sec. 12. *Fine.*** – The failure of the Grantee to submit the requisite annual report to
5 Congress shall be penalized with a fine in the amount of Five hundred pesos
6 (P500.00) per working day of non-compliance which shall be collected by the NTC.
7 The fine shall be collected separately from the reportorial penalties imposed by the
8 NTC and shall be remitted to the Bureau of the Treasury.
9

10 **Sec. 13. *Equality Clause.*** – Any advantage, favor, privilege, exemption, or immunity
11 granted under existing franchises, or which may hereafter be granted, upon prior
12 review and approval of Congress, shall become part of this franchise and shall be
13 accorded immediately and unconditionally to herein Grantee: *Provided, however,*
14 That the foregoing shall neither apply to nor affect provisions concerning territory
15 covered by the franchise, the term of the franchise, or the type of service authorized
16 by the franchise: *Provided, further,* That the foregoing shall not apply to the sale,
17 lease, transfer, grant of usufruct, or assignment of legislative franchises with prior
18 congressional approval.
19

20 **Sec. 14. *Repealability and Non-exclusivity Clause.*** – This franchise shall be subject
21 to amendment, alteration, or repeal by Congress when public interest so requires and
22 shall not be interpreted as an exclusive grant of the privileges herein provided.
23

24 **Sec. 15. *Separability Clause.*** – If any of the sections or provisions of this Act is held
25 invalid, all other provisions not affected thereby shall remain valid.
26

27 **Sec. 16. *Repealing Clause.*** – All laws, presidential decrees, executive orders, letters
28 of instruction, administrative rules and regulations or parts thereof, which are contrary
29 to or inconsistent with the provisions of this Act, are hereby repealed or modified
30 accordingly.
31

32 **Sec. 17. *Effectivity.*** – This Act shall take effect fifteen (15) days after its publication in
33 the *Official Gazette* or in a newspaper of general circulation.

Approved,