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SENATE
S.B. 2153

RECEIVED BY: *Jan*

Introduced by Senator Grace Poe

**AN ACT
ENHANCING THE CAPABILITIES, MANDATE, AND ORGANIZATIONAL
STRUCTURE OF THE
MOVIE AND TELEVISION REVIEW AND CLASSIFICATION BOARD (MTRCB),
AMENDING FOR THE PURPOSE PRESIDENTIAL DECREE 1986**

EXPLANATORY NOTE

The 1987 Philippine Constitution provided the following guarantees, in Article XIV:

- “The State shall foster the preservation, enrichment, and dynamic evolution of a Filipino national culture based on the principle of unity in diversity in a climate of free artistic and intellectual expression.”
- “Arts and letters shall enjoy the patronage of the State. The State shall conserve, promote, and popularize the nation’s historical and cultural heritage and resources, as well as artistic creations.”
- “All the country’s artistic and historic wealth constitutes the cultural treasure of the nation and shall be under the protection of the State which may regulate its disposition.”

The equivalent constitutional provisions in the 1935 and 1973 fundamental law served as backdrops for the issuance of P.D. No. 1986, the present Movie and Television Review and Classification Board (MTRCB). The same statute recognizes the crucial role of prudent film and television regulation. In addition to classification and review, P.D. No. 1986 states that film and television regulation includes developing the industry “to make it viable as a source for fuelling the national economy.”

The MTRCB has been frequently modified and upgraded to adequately address the demands of our constantly changing media industry. Its earliest precursor is the Board of Censors which was established in 1960 through R.A. No. 3060. The Board as then constituted had the power to censor or prohibit the introduction of motion pictures which were deemed “immoral, indecent, contrary to law and/or good custom or injurious to the prestige of the Republic of the Philippines or its people” and to classify those approved for exhibition. In addition, it was empowered to appoint its own personnel, to promulgate its internal procedures and to charge fees for each review. These powers and functions have remained essentially unchanged.

The significance of any film and television regulatory agencies can be mirrored in establishing an equilibrium of balancing conflicting interests and satisfying consumer demand for quality entertainment. For example, in one of the most effective regulatory laws on film and television, the law governing the Australian Communications and Media Authority (ACMA), the following are among its powers:

- a. Plan the availability of segments of the broadcasting services bands on an area basis.
- b. Allocate, renew, suspend and cancel licenses and to take other enforcement action (including conducting investigations, designing and administering price-based systems for the allocation of licenses and collecting fees).
- c. Conduct or commission research into community attitudes on issues relating to programs.
- d. Assist broadcasting service providers in developing codes of practice and monitor compliance.
- e. Keep itself and the Minister informed on technological advances and service trends in the broadcasting industry.¹

With these information as rationale, this policy measure is submitted. Likewise, in addition to the constitutional provisions on arts and culture mentioned, the pro-active dictates that, “[t]he State shall provide the policy environment for the full development of Filipino capability and the emergence of communication structures suitable to the needs and aspirations of the nation” is a strong boost to the proposed improvement on the MTRCB Charter.

The MTRCB must be able to adequately address the changing demands of our film and television industry and protect generations and generations of Filipinos, and hence, the swift and timely approval of this bill is urgently sought.


GRACE POE

¹ *Australian Communications and Media Authority Act of 2005*,

SIXTEENTH CONGRESS OF THE REPUBLIC
OF THE PHILIPPINES
First Regular Session

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AMENDING FOR THE PURPOSE PRESIDENTIAL DECREE 1986**

Be it enacted by the Senate and the House of Representatives of the Philippines in Congress assembled:

SEC. 1. Section 1 of P.D. No. 1986 is hereby amended to read as follows:

“SEC 1. TITLE. – THIS ACT SHALL BE KNOWN AS THE “MOVIE AND TELEVISION REVIEW AND CLASSIFICATION BOARD OF 2014”. THE BOARD SHALL BE PLACED under the Office of the President AND shall have its principal office in Metropolitan Manila.

SEC. 2. Section 2 of P.D. No. 1986 is hereby amended to read as follows:

“SEC. 2. Composition: Qualification; Benefits. - The BOARD shall be composed of a ChairPERSON, a Vice-ChairPERSON and thirty (30) members, who shall all be appointed by the President of the Philippines. The ChairPERSON shall hold office for a term of THREE (3) YEARS, while the Vice-Chairman, and the members of the BOARD shall hold office for a term of TWO (2) YEARS, unless in all cases sooner removed by the President for cause; *Provided*, that the CHAIRPERSON, VICE-CHAIRPERSON AND THIRTY (30) MEMBERS OF THE BOARD shall be eligible for reappointment after the expiration of their respective terms. If the ChairPERSON, or the Vice-ChairPERSON or any member of the BOARD fails to complete his/HER term, any person appointed to fill the vacancy shall serve only for the unexpired portion of the term of the officer whom he succeeds. *PROVIDED, FURTHER, THAT THE INCUMBENT CHAIRPERSON, VICE-CHAIRPERSON AND MEMBERS OF THE BOARD SHALL CONTINUE TO HOLD OFFICE UNTIL THEIR SUCCESSORS SHALL HAVE BEEN APPOINTED AND DULY QUALIFIED.*

No person shall be appointed to the BOARD, unless he/SHE is a natural-born citizen of the Philippines, not less than twenty-one (21) years of age, and of

good moral character and standing in the community; *Provided*, that in the selection of the members of the BOARD due consideration shall be given to such qualifications as would produce a multi-sectoral combination of expertise in the various aspects of motion picture and television industries; *Provided, further*, that at least SEVEN (7) members of the BOARD shall be members of the Philippine Bar, NOT COUNTING THE CHAIRPERSON AND THE VICE-CHAIRPERSON; *Provided, finally*, that at least fifteen (15) members of the BOARD, ASIDE FROM THE CHAIRPERSON AND THE VICE-CHAIRPERSON, SHALL come from the movie and television industries, PREFERABLY nominated by legitimate associations representing the various sectors of said industries.

THE CHAIRPERSON SHALL HAVE THE RANK, SALARY, RIGHTS, PRIVILEGES, BENEFITS, DISQUALIFICATIONS AND PROHIBITIONS EQUIVALENT TO A DEPARTMENT UNDERSECRETARY BASED ON CURRENT APPROVED UNIFIED COMPENSATION AND POSITION CLASSIFICATION SYSTEM OF THE GOVERNMENT. THE VICE CHAIRPERSON AND THE MEMBERS OF THE BOARD SHALL BE ENTITLED TO REASONABLE PER DIEM, HONORARIA AND ALLOWANCES AS MAYBE DETERMINED BY THE BOARD, BASED ON EXISTING LAWS, RULES AND REGULATIONS.

SEC. 3. Section 3 of P.D. No. 1986 is hereby amended to read as follows:

“SEC. 3. Powers and Functions. - The Board shall have the following functions, powers and duties:

- a) [To] promulgate such rules and regulations as are necessary or proper for the implementation of this Act, and the accomplishment of its purposes and objectives, including guidelines and standards for production, advertising and titles. Any such rules and regulations shall take effect after fifteen (15) days following their publication in newspapers of general circulation in the Philippines;
- b) [To] screen, review and examine all motion pictures as herein defined, television programs, including publicity materials such as advertisements, trailers and stills, whether such motion pictures and publicity materials be for theatrical or non-theatrical distribution, for television broadcast or for general viewing, imported or produced in the Philippines, and in the latter case, whether they be for local viewing or for export;
- c) [To] approve or disapprove objectionable portions from and/or prohibit the importation, exportation, production, copying, distribution, sale, lease, exhibition and/or television broadcast of the motion pictures, television programs and publicity materials subject of the preceding paragraph, which, in the judgment of the BOARD, applying contemporary Filipino cultural values as standard, are objectionable for being immoral, indecent, contrary to law and/or good customs, injurious to the prestige of the Republic of the Philippines or its people, or with a dangerous tendency to encourage the commission of violence or of a wrong or crime, such as but not limited to:
 - i. Those which tend to incite subversion, insurrection, rebellion or sedition against the State, or otherwise threaten the economic and/or political stability of the State;
 - ii. Those which tend to undermine the faith and confidence of the people in their government and/or the duly constituted authorities;
 - iii. Those which glorify criminals or condone crimes;

- iv. Those which serve no other purpose but to satisfy the market for violence or pornography;
- v. Those which tend to abet the traffic in and use of prohibited drugs;
- vi. Those which are libelous or defamatory to the good name and reputation of any person, whether living or dead; and
- vii. Those which may constitute contempt of court or of any quasi-judicial tribunal, or pertain to matter which are sub-judice in nature.

Provided, however, that deletions or cuts must not be made on the master negative of the films, and that such master negative shall be deposited with the Film Archives of the Philippines and shall be released for export purposes to the film owner only upon showing of the proper export permit; *Provided, finally*, that the film owner shall execute his own undertaking that such master negative shall be exclusively used for export purposes and not for local viewing;

- d) [To] supervise, regulate, and grant, deny or cancel, permits for the importation, exportation, production, copying, distribution, sale, lease, exhibition, and/or television broadcast of all motion pictures, television programs and publicity materials, to the end that no such pictures, programs and materials as are determined by the BOARD to be objectionable in accordance with paragraph (c) hereof shall be imported, exported, produced, copied, reproduced, distributed, sold, leased, exhibited and/or broadcast by television;
- e) [To] classify motion pictures, television programs and similar shows into categories such as "G" or "For General Patronage" (all ages admitted), "P" or "Parental Guidance Suggested", "R" or "Restricted" (for adults only), "X" or "Not for Public Viewing", or such other categories as the BOARD may determine for the public interest;
- f) [To] close movie houses and other similar establishments engaged in the public exhibition of motion pictures, television programs and publicity materials, which violate the provisions of this Act and the rules and regulations promulgated by the BOARD pursuant hereto;
- g) [To] levy, assess and collect, and periodically adjust and revise the rates of, fees and charges for the work of review and examination and for the issuance of the licenses and permits which the BOARD is authorized to grant in the exercise of its powers and functions and in the performance of its duties and responsibilities;
- h) [To] deputize representatives from the government and from the various associations in the movie industry, whose main duties shall be to help ensure compliance with all laws relative to the importation, exportation, copying, distribution, sale, lease, exhibition and/or television broadcast of motion pictures, television programs, advertisements and publicity materials. For this purpose, the BOARD may constitute such Regulatory Council or Councils composed of representatives from the government and the movie and television industry as may be appropriate to implement the purposes and objectives of this Act. The BOARD may also call on any law enforcement agency for assistance in the implementation and enforcement of its decisions, orders or awards;
- i) [To] cause the prosecution, on behalf of the People of the Philippines, of violators of this Act, of anti-trust, obscenity, censorship and other laws pertinent to the movie and television industry;

- J) HEAR AND RESOLVE ADMINISTRATIVE CASES AGAINST VIOLATORS OF THIS ACT AND IMPOSE ADMINISTRATIVE SANCTIONS INCLUDING, BUT NOT LIMITED TO, THE IMPOSITION OF FINES AND PENALTIES; PREVENTIVE CUSTODY OF EQUIPMENT AND MATERIALS USED IN THE EXHIBITION AND/OR COPYING OF MOTION PICTURES; SUSPENSION, NON-RENEWAL OR CANCELLATION OF THE LICENSES OR PERMITS TO OPERATE AND/OR EXHIBIT; SUSPENSION OF TELEVISION PROGRAMS; SEIZURE AND CONFISCATION OF THE OBJECTIONABLE MATERIAL BEING EXHIBITED OR SHOWN WITHOUT APPROVAL OF THE BOARD OR IN VIOLATION OF THIS ACT; AND THE CLOSURE OF MOVIE THEATERS, TELEVISION STATIONS, CABLE TELEVISION NETWORKS, ESTABLISHMENTS OR ENTITIES ENGAGED IN THE PUBLIC EXHIBITION OF MOTION PICTURES, TELEVISION PROGRAMS AND PUBLICITY MATERIALS THAT VIOLATE THE PROVISIONS OF THIS ACT AND ITS RULES AND REGULATION. FOR THIS PURPOSE, THE BOARD SHALL HAVE THE POWER TO CITE IN CONTEMPT PERSONS OR ENTITIES WILLFULLY DISREGARDING ITS PROCESSES AND TO ISSUE SUBPOENA OR SUBPOENA *DUCES TECUM* TO COMPEL THE ATTENDANCE OF WITNESSES AND PRODUCTION OF DOCUMENTS AND OTHER EFFECTS;
- k) [To] prescribe the internal and operational procedures for the exercise of its powers and functions as well as the performance of its duties and responsibilities, including the creation and vesting of authority upon sub-committees of the BOARD for the work of review and other related matters; and
- L) ACQUIRE, UTILIZE OR DISPOSE OF, IN ANY MANNER RECOGNIZED BY LAW, REAL OR PERSONAL PROPERTY IN THE PHILIPPINES OR ELSEWHERE NECESSARY TO CARRY OUT THE PURPOSES OF THIS ACT;
- M) HAVE THE POWER OF SUCCESSION, TO SUE AND BE SUED IN COURTS OF LAW, AND TO ENTER INTO, MAKE, PERFORM AND CARRY OUT CONTRACTS OF EVERY KIND AND DESCRIPTION WITH ANY PERSON, FIRM OR ASSOCIATION OR CORPORATION, DOMESTIC OR FOREIGN;
- N) TO INVEST, OWN OR OTHERWISE PARTICIPATE IN EQUITY IN ANY ESTABLISHMENT, FIRM OR ENTITY;
- O) ADOPT FROM TIME TO TIME A BUDGET OF CAPITAL AND OPERATING EXPENDITURES IN THE INTEREST OF EFFECTIVE ADMINISTRATION AND OPERATIONS AGAINST ALL FUNDS AVAILABLE TO THE BOARD UNDER THIS ACT, AS WELL AS, TO APPROVE THE ANNUAL AND SUPPLEMENTAL BUDGET OF RECEIPTS AND EXPENDITURES INCLUDING SALARIES AND ALLOWANCES OF BOARD PERSONNEL;
- P) COMPROMISE, CONDONE OR RELEASE, IN WHOLE OR IN PART, ANY INTEREST, PENALTY OR ANY CIVIL LIABILITY TO THE BOARD IN CONNECTION WITH THE FEES AND CHARGES IMPOSED BY THE BOARD, UNDER SUCH TERMS AND CONDITIONS AS IT MAY PRESCRIBED;

Q) APPROVE THE BOARD'S ORGANIZATIONAL AND ADMINISTRATIVE STRUCTURES AND STAFFING PATTERN, AND TO ESTABLISH, FIX, REVIEW, REVISE AND ADJUST THE APPROPRIATE COMPENSATION PACKAGE FOR THE OFFICERS AND EMPLOYEES OF THE BOARD, IN ACCORDANCE WITH THE PROVISIONS OF THIS ACT.

r) [To] exercise such powers and functions as may be necessary or incidental to the attainment of the purposes and objectives of this Act, and to perform such other related duties and responsibilities as may be directed by the President of the Philippines.

SEC. 4. Section 4 of P.D. No. 1986 is hereby amended to read as follows:

“SEC. 4. Decision. - The decision of the BOARD either approving or disapproving for exhibition in the Philippines a motion picture, television program, still and other pictorial advertisement submitted to it for examination and review must be rendered within a period of ten (10) days which shall be counted from the date of receipt by the BOARD of an application for the purpose, together with motion picture, television program, still or other pictorial advertisement to be reviewed.

For each review session, the ChairPERSON of the BOARD shall designate a sub-committee composed of at least three (3) BOARD Members to undertake the work of review. Any disapproval or deletion must be approved by a majority of the sub-committee members so designated. After receipt of the written decision of the sub-committee, a motion for reconsideration in writing may be made, upon which the ChairPERSON of the BOARD shall designate a sub-committee of five (5) MEMBERS OF THE BOARD to undertake a second review session, whose decision on behalf of the BOARD shall be rendered through a majority of the sub-committee members so designated and present at the second review session. This second review session shall be presided over by the ChairPERSON, or the Vice-ChairPERSON, or by a member designated by the ChairPERSON. The decision of the BOARD in the second review session shall be rendered within five (5) days from the date of receipt of the motion for reconsideration.

Every decision of the BOARD disapproving a motion picture, television program or publicity material for exhibition in the Philippines must be in writing, and shall state the reasons or grounds for such disapproval. No film or motion picture intended for exhibition at movie houses or theaters or on television shall be disapproved by reason of its topic, theme or subject matter, but upon the merits of each picture or program considered in its entirety.

A DECISION OF THE BOARD IN THE SECOND REVIEW SESSION shall be final, with the exception of a decision disapproving or prohibiting a motion picture or television program in its entirety which shall be appealable to the President of the Philippines, who may himself decide the appeal, or be assisted either by an *ad hoc* committee he may create or by the Appeals Committee herein created.

An Appeals Committee in the Office of the President of the Philippines is hereby created composed of a ChairPERSON and four (4) members to be appointed by the President of the Philippines, which shall submit its recommendations to the President. The Office of the DEPUTY EXECUTIVE SECRETARY for Legal Affairs shall serve as the Secretariat of the Appeals Committee.

The decision of the President of the Philippines on any appealed matter shall be final.

SEC. 5. Section 5 of P.D. No. 1986 is hereby amended to read as follows:

“SEC. 5. Executive Officer. - The ChairPERSON of the BOARD shall be the Chief Executive Officer of the BOARD. He shall exercise the following functions, powers and duties:

- a. execute, implement and enforce the decisions, orders, awards, rules and regulations issued by the BOARD;
- b. direct and supervise the operations and the internal affairs of the BOARD;
- c. establish the internal organization and administrative procedures of the BOARD, and recommend to the BOARD the appointment of the necessary administrative and subordinate personnel; and
- d. exercise such other powers and functions and perform such duties as are not specifically lodged in the BOARD.

The Chief Executive Officer shall be assisted by an Executive Director who shall be appointed by the President of the Philippines. The Executive Director shall hold office for a term of TWO (2) YEARS, unless sooner removed by the President of the Philippines for any cause; *Provided*, that any appointee shall be eligible for re-appointment after the expiration of his/HER term.

UNLESS OTHERWISE PROVIDED BY LAW, THE EXECUTIVE DIRECTOR SHALL HAVE THE RANK, SALARY, RIGHTS, PRIVILEGES AND BENEFITS EQUIVALENT TO A DIRECTOR IV UNDER THE PREVAILING COMPENSATION AND POSITION CLASSIFICATION SYSTEM OF THE GOVERNMENT.

SEC. 6. Section 6 of P.D. No. 1986 is hereby amended to read as follows:

“SEC. 6. Examination and Review. - Except members of the BOARD AND persons specifically authorized by the BOARD, no person shall be allowed inside the REVIEW room during the examination and review of a motion picture, television program or publicity material. Before each review session, the distributor or producer shall submit to the BOARD a sworn statement declaring the exact number of prints made for the picture or material to be examined or reviewed, AND SUCH OTHER INFORMATION AS THE BOARD MAY REQUIRE.

SEC. 7. Section 7 of P.D. No. 1986 is hereby amended to read as follows:

“SEC. 7. PROHIBITED ACTS. -

- A) It shall be unlawful for any person or entity to distribute or exhibit or cause to be distributed or exhibited in any movie theater, television, CABLE TELEVISION OR SIMILAR ESTABLISHMENTS, any motion picture, television program, publicity material OR ADVERTISEMENT WHICH, IN THE JUDGMENT OF THE BOARD APPLYING CONTEMPORARY FILIPINO CULTURAL VALUES AS STANDARD, IS OBJECTIONABLE FOR BEING IMMORAL, INDECENT, CONTRARY TO LAW, PUBLIC POLICY OR GOOD CUSTOMS, OR WITH DANGEROUS TENDENCY TO ENCOURAGE THE COMMISSION OF VIOLENCE, OR OF A WRONG, OR CRIME, SUCH AS BUT NOT LIMITED TO: THOSE WHICH GLORIFY CRIMINALS OR CONDONE CRIMES; THOSE WHICH SERVE NO OTHER PURPOSE BUT TO SATISFY THE MARKET FOR VIOLENCE OR PORNOGRAPHY;

THOSE WHICH TEND TO ABET THE TRAFFIC IN AND USE OF PROHIBITED DRUGS; THOSE WHICH ARE LIBELOUS OR DEFAMATORY TO THE GOOD NAME AND REPUTATION OF ANY PERSON, WHETHER LIVING OR DEAD; OR THOSE WHICH MAY CONSTITUTE CONTEMPT OF COURT OR OF ANY QUASI-JUDICIAL TRIBUNAL, OR PERTAIN TO MATTERS SUB-JUDICE IN NATURE.

- B) IT SHALL BE UNLAWFUL FOR ANY MOVIE THEATER, TELEVISION NETWORKS, CABLE TELEVISION STATIONS AND OTHER PERSONS OR ENTITIES ENGAGED IN THE MOVIE, TELEVISION AND ADVERTISING INDUSTRY TO EXHIBIT MOTION PICTURES, TELEVISION PROGRAMS, PUBLICITY MATERIALS AND ADVERTISEMENTS, WITHOUT THE ENTITY FIRST BEING REGISTERED WITH THE BOARD.
- C) IT SHALL BE UNLAWFUL FOR ANY PERSON OR ENTITY TO DISTRIBUTE OR EXHIBIT OR CAUSE TO BE DISTRIBUTED OR EXHIBITED IN ANY MOVIE THEATER, TELEVISION, CABLE TELEVISION OR SIMILAR ESTABLISHMENTS, ANY MOTION PICTURE, TELEVISION PROGRAM, PUBLICITY MATERIAL OR ADVERTISEMENT THAT HAS NOT BEEN OR DIFFERENT FROM THAT AS REVIEWED, CLASSIFIED AND APPROVED FOR DISTRIBUTION OR EXHIBITION BY THE BOARD, OR WHICH, ALTHOUGH PREVIOUSLY CLASSIFIED, ARE COVERED BY PERMITS THAT HAVE ALREADY EXPIRED, OR CANCELLED, OR HAVE BEEN TAMPERED WITH.
- D) IT SHALL BE UNLAWFUL TO PRINT OR CAUSE TO BE PRINTED ON ANY MOTION PICTURE, TELEVISION OR CABLE TELEVISION PROGRAM, PUBLICITY MATERIAL OR ADVERTISEMENT A LABEL OR NOTICE TO THE EFFECT THAT THE SAME HAS BEEN OFFICIALLY CLASSIFIED BY THE BOARD WHEN IN FACT IT HAS NOT BEEN SO CLASSIFIED.
- E) IT SHALL BE UNLAWFUL FOR ANY PERSON OR ENTITY TO DECEIVE THE PUBLIC BY EXHIBITING A MOTION PICTURE OTHER THAN THE ONE ADVERTISED AS SHOWING EVEN IF THE FILM SHOWN HAS A VALID PERMIT.
- F) IT SHALL BE UNLAWFUL FOR ANY PERSON OR ENTITY TO EXHIBIT OR CAUSE THE EXHIBITION IN MOVIE THEATERS, CINEMAS OR SIMILAR ESTABLISHMENTS OF ANY MOTION PICTURE WHICH HAD ALREADY BEEN SHOWN, WITHOUT THE WORD "RE-ISSUE" CLEARLY AND BOLDLY STAMPED IN THE PUBLICITY MATERIALS OF THE SAID MOTION PICTURE.
- G) IT SHALL BE UNLAWFUL FOR ANY PERSON OR ENTITY TO DISTRIBUTE, EXHIBIT OR SHOW OR CAUSE THE DISTRIBUTION, EXHIBITION OR SHOWING OF ANY MOTION PICTURE, TELEVISION PROGRAM, PUBLIC MATERIAL AND ADVERTISEMENT THAT HAVE BEEN DISAPPROVED FOR PUBLIC EXHIBITION BY THE BOARD.
- H) IT SHALL BE UNLAWFUL FOR ANY FOR ANY PERSON OR ENTITY TO EXHIBIT OR CAUSE THE EXHIBITION OF ANY MOTION PICTURE, TELEVISION OR CABLE TELEVISION PROGRAM,

PUBLICITY MATERIAL OR ADVERTISEMENT BELOW THE AUDIENCE SUITABILITY AS INDICATED IN THE "PERMIT TO EXHIBIT."

- I) IT SHALL BE UNLAWFUL FOR ANY PERSON BELOW EIGHTEEN (18) YEARS OLD TO ENTER, MISREPRESENT OR MAKE USE OF ANY FALSE EVIDENCE ABOUT HIS/HER AGE IN ORDER TO GAIN ADMISSION INTO A MOVIE THEATER OR SIMILAR ESTABLISHMENT SHOWING A MOTION PICTURE CLASSIFIED BY THE BOARD AS "R" OR "STRICTLY FOR ADULTS."
- J) IT SHALL BE UNLAWFUL FOR ANY PERSON TO MISREPRESENT OR MAKE USE OF ANY FALSE EVIDENCE ABOUT THE AGE OF A MINOR IN ORDER TO GAIN ADMISSION INTO A MOVIE THEATER OR SIMILAR ESTABLISHMENT SHOWING A MOTION PICTURE CLASSIFIED BY THE BOARD AS NOT SUITED TO THE MINOR'S AGE.
- K) IT SHALL BE UNLAWFUL FOR ANY MOVIE THEATER, CINEMA OR SIMILAR ESTABLISHMENT TO ALLOW THE ADMISSION OF ANY PERSON BELOW THE AGE QUALIFICATION REQUIRED BY THE FILM'S CLASSIFICATION AS INDICATED IN THE "PERMIT TO EXHIBIT." IN CASE OF DOUBT AS TO THE AGE OF THE PERSON SEEKING ADMISSION, THE LATTER SHALL BE REQUIRED TO PRESENT HIS OR HER RESIDENCE CERTIFICATE OR OTHER PROOF OF AGE. IT SHALL NOT BE A DEFENSE FOR THE PERSON ADMITTING THE MINOR THAT HE OR SHE DID NOT KNOW OR WAS NOT AWARE OF THE REAL AGE OF THE MINOR SEEKING ADMISSION TO THE MOVIE THEATER.

SEC. 8. Section 8 of P.D. No. 1986 is hereby amended to read as follows:

"SEC. 8. Posting or Display of THEATRICAL PERMIT TO EXHIBIT or CERTIFICATE OF REGISTRATION. - The motion picture exhibitors shall post and/or display the THEATRICAL PERMIT TO EXHIBIT of approval of the motion picture by the BOARD, and shall post or display, or cause to be posted or displayed, the said THEATRICAL PERMIT TO EXHIBIT or CERTIFICATE OF REGISTRATION at conspicuous places near the entrances to theaters or places of exhibition, and shall include in all their cinema advertisements announcements stating the classification RATING of the motion picture being exhibited or advertised.

SEC. 9. Section 9 of P.D. No. 1986 is hereby amended to read as follows:

SEC. 9. EXEMPTIONS. - MOTION PICTURES, TELEVISION PROGRAMS, PUBLICITY MATERIALS, OR ADVERTISEMENTS PRODUCED, IMPRINTED OR EXHIBITED BY THE PHILIPPINE GOVERNMENT AND/OR ITS DEPARTMENTS AND AGENCIES, AND NEWSREELS SHALL NOT BE UNDER THE JURISDICTION OF THE BOARD. *PROVIDED*, HOWEVER, THAT NEWS BROADCASTS THAT TEND TO ADVERSELY AFFECT THE SECURITY OF THE STATE OR COMPROMISE POLICE AND MILITARY OPERATIONS SHALL BE SUBJECT TO THE JURISDICTION OF THE BOARD.

Section 11 of P.D. No. 1986 is hereby amended to read as follows:

SEC. 10. Section 11 of P.D. No. 1986 is hereby amended to read as follows:

“SEC. 11. Penalty. - Any person who violates the provisions of this Decree and/or the implementing rules and regulations issued by the BOARD, shall, upon conviction, be punished by a mandatory penalty of three (3) months and one day to one (1) year imprisonment plus a fine of not less than fifty thousand pesos but not more than one hundred thousand pesos. The penalty shall apply whether the person shall have committed the violation either as principal, accomplice or accessory. If the offender is an alien, he shall be deported immediately. The license to operate the movie house, theater, or television station shall also be revoked. Should the offense be committed by a juridical person, the chairman, the president, secretary, treasurer, or the partner responsible therefore, shall be the persons penalized.

The provisions of Presidential Decree No. 968 (Probation Law), as amended, shall not apply in cases of violations of this ACT.

SEC. 11. Section 12 of P.D. No. 1986 is hereby amended to read as follows:

“SEC. 12. Banning of Motion Pictures and Television Programs. - In the event a motion picture or television program, after examination and review by the BOARD, is declared unfit for exhibition in the Philippines, the said motion picture or television program shall be returned by the importer or distributor thereof to the country of origin or to any other place outside of the Philippines within a period of thirty (30) days, which shall be counted from the date of receipt by the importer or distributor of the decision of the BOARD banning the motion picture or television program for exhibition in the Philippines.

SEC. 12. Section 14 of P.D. No. 1986 is hereby amended to read as follows:

“SEC. 14. EXEMPTION FROM TAX, LEGAL PROCESS AND LIEN. -ALL LAWS TO THE CONTRARY NOTWITHSTANDING, THE BOARD AND ALL ITS ASSETS AND PROPERTIES, ALL FEES AND CHARGES COLLECTED AND ALL ACCRUALS THERETO AND INCOME OR INVESTMENT EARNINGS THEREFROM, AS WELL AS ALL SUPPLIES, EQUIPMENT, PAPERS OR DOCUMENTS SHALL BE EXEMPT FROM ANY TAX, ASSESSMENT, FEE, CHARGE, OR CUSTOMS OR IMPORT DUTY, AND SHALL NOT BE LIABLE TO ATTACHMENTS, GARNISHMENTS, LEVY OR SEIZURE BY OR UNDER ANY LEGAL OR EQUITABLE PROCESS WHATSOEVER. NO TAX MEASURE OF WHATEVER NATURE ENACTED SHALL APPLY TO THE BOARD, UNLESS IT EXPRESSLY REVOKES THE TAX EXEMPTION HEREIN GRANTED. ANY TAX ASSESSMENT AGAINST THE BOARD SHALL BE NULL AND VOID.

SEC. 13. Section 15 of P.D. No. 1986 is hereby amended to read as follows:

“SEC. 15. REORGANIZATION OF THE BOARD. - WITHIN ONE YEAR FROM EFFECTIVITY OF THIS ACT, THE BOARD SHALL REORGANIZE ITS STAFFING PATTERN AND PERSONNEL AS MAY BE NECESSARY FOR EFFICIENT ADMINISTRATION AND OPERATION; *PROVIDED*, THAT SUCH REORGANIZATION SHALL BE CARRIED OUT IN A MANNER THAT WILL ENSURE THE LEAST DISRUPTION OF OPERATIONS. ALL PERSONNEL AFFECTED BY THE REORGANIZATION SHALL BE DEEMED SEPARATED FROM THE SERVICE, UNLESS REAPPOINTED TO APPROPRIATE POSITIONS IN THE BOARD.

INCUMBENT PERSONNEL OF THE BOARD SHALL CONTINUE TO HOLD OFFICE UNTIL APPROVAL OF THE NEW STAFFING PATTERN AND NEW APPOINTMENTS ARE ISSUED IN ACCORDANCE WITH THIS ACT. THE INCUMBENT PERSONNEL SHALL BE ABSORBED, RETAINED

AND APPOINTED TO NEW POSITIONS IN THE BOARD TO WHICH THEY MAY QUALIFY UNDER THE NEW STAFFING PATTERN WITHOUT LOSS OF SENIORITY OR RANK OR DECREASE IN EMOLUMENTS. *PROVIDED*, THAT, THOSE WHO SHALL BE GIVEN NEW APPOINTMENTS SHALL BE ENTITLED TO ALL COMPENSATION AND BENEFITS DUE THEM UNDER EXISTING LAWS. *PROVIDED, FURTHER*, THAT, ANY AFFECTED OFFICER OR EMPLOYEE NOT RE-APPOINTED, OR WHO REFUSES HIS RE-APPOINTMENT, OR WHO DESIRES TO BE SEPARATED AS A RESULT OF THE IMPLEMENTATION OF THIS ACT SHALL BE PAID IN LUMP SUM THE MONEY VALUE OF HIS ACCUMULATED VACATION AND SICK LEAVES AND SUCH SEPARATION BENEFITS COMPUTED AT ONE AND A HALF MONTH SALARY FOR EVERY YEAR OF SERVICE. *PROVIDED, FINALLY*, THAT THOSE AFFECTED PERSONNEL WHO HAVE RENDERED SERVICE TO THE BOARD FOR THE LAST FIVE (5) YEARS SHALL BE ENTITLED TO SEPARATION PAY OF THREE (3) MONTHS SALARY FOR EVERY YEAR OF SERVICE AND ALL OTHER BENEFITS ACCRUING TO THEM UNDER EXISTING LAWS AT THE TIME OF THEIR SEPARATION.

SEC. 14. Section 18 of P.D. No. 1986 is hereby amended to read as follows:

“SEC. 18. Commission on Audit. - The ChairPERSON of the Commission on Audit (COA) shall be the *ex-officio* Auditor of the BOARD. For this purpose, he/SHE may appoint a representative who shall be the auditor of the BOARD, together with the necessary personnel to assist said representative in the performance of his/HER duties. The number and salaries of the auditor and said personnel shall be determined by the ChairPERSON of the Commission on Audit.

The Auditor shall, as soon as practicable, but not later than three (3) months after the accounts have been submitted to audit, send an annual report to the BOARD. The Auditor shall also submit such periodic or special reports as the BOARD may deem necessary or proper.

SEC. 15. Section 19 of P.D. No. 1986 is hereby amended to read as follows:

“SEC. 19. Annual Report. - The BOARD shall, within three (3) months after the end of every fiscal year, submit its annual report to the President OF THE PHILIPPINES. The annual report shall include, among others, a statement of the BOARD's accomplishments together with its plans and recommendations to improve and develop its operations and the supervision and regulation of the movie and television industry.

SEC. 16. Section 20 of P.D. No. 1986 is hereby amended to read as follows:

“SEC. 20. SPECIAL REVOLVING FUND. - Notwithstanding any provision of law, rule or regulation, executive or administrative order to the contrary, there is hereby established a SPECIAL REVOLVING FUND, to be MAINTAINED and administered at all times by the BOARD AND WITHOUT NEED OF REMITTANCE TO THE NATIONAL TREASURY BUT SUBJECT TO EXISTING GOVERNMENT AUDITING RULES AND REGULATIONS, DERIVED FROM ANY AND all fees, charges, impositions and/or penalties levied, assessed, and collected by the BOARD which shall be at immediate disposal of the BOARD to be used for MAINTENANCE, operational administrative AND OTHER MISCELLANEOUS expenses of the BOARD and for the acquisition of necessary PROPERTIES, facilities, supplies and equipment.

SEC. 17. Section 22 of P.D. No. 1986 is hereby amended to read as follows:

SEC. 22. Repealing Clause. - ALL laws, ORDINANCES, ruleS, and regulationS, decreeS, executive or administrative orderS, AND OTHER ISSUANCES OR PARTS THEREOF, WHICH ARE inconsistent with the provisions of this Act, are hereby repealed, or modified accordingly.

SEC. 18. Section 23 of P.D. No. 1986 is hereby amended to read as follows:

SEC. 23. Separability Clause. - The provisions of this ACT are hereby deemed separable. If any provision HEREOF IS declared invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the other provisions which shall remain in full force and effect.

SEC. 19. Section 24 of P.D. No. 1986 is hereby amended to read as follows:

SEC. 24. Effectivity. - This ACT shall take effect fifteen (15) days AFTER ITS COMPLETE publication in the Official Gazette or in a newspaper of general circulation in the Philippines.

APPROVED.