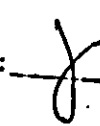


SIXTEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
Third Regular Session )



Senate  
Office of the Secretary

'16 FEB -1 P6:41

RECEIVED BY: 

SENATE

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COMMITTEE REPORT NO. 457

Submitted by the Committee on Public Services on FEB 0 1 2016

RE : H. B. No. 6168

Recommending its approval without amendment.

Sponsor : Senator Osmeña III

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MR. PRESIDENT:


The Senate Committee on Public Services to which was referred H. B. No. 6168, introduced by Representatives Madrona and Teodoro, entitled:

**"AN ACT AMENDING THE  
FRANCHISE GRANTED TO BYERS COMMUNICATIONS,  
INC. UNDER REPUBLIC ACT NO. 8107, EXPANDING ITS  
SCOPE INTO A NATIONAL COVERAGE, AND RENEWING  
ITS TERM FOR ANOTHER TWENTY-FIVE (25) YEARS."**

has considered the same and has the honor to report it back to the Senate with the recommendation that the attached H. B. No. 6168 be approved without amendment.

Respectfully submitted:

**RAMON BONG REVILLA JR.**  
Chairperson  
Committee on Public Services

  
**SERGIO R. OSMEÑA III**  
Acting Chairperson  
Committee on Public Services

**MEMBERS:**



**SONNY ANGARA**

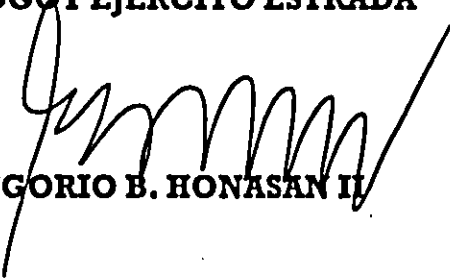


**PIA S. CAYETANO**

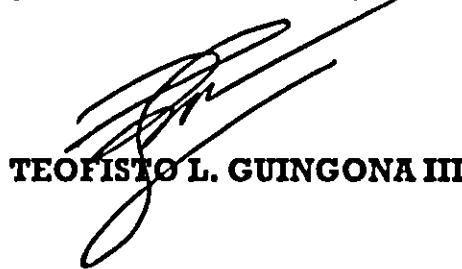


**JINGGOY EJERCITO ESTRADA**

**JOSEPH VICTOR G. EJERCITO**



**GREGORIO B. HONASAN II**



**TEOFISTO L. GUINGONA III**

**GRACE POE**

**ANTONIO "SONNY" F. TRILLANES IV**



**CYNTHIA A. VILLAR**

**EX-OFFICIO MEMBERS:**

**RALPH G. RECTO**  
*President Pro-Tempore*



**JUAN PONCE ENRILE**  
*Minority Floor Leader*

**ALAN PETER S. CAYETANO**  
*Majority Floor Leader*

**FRANKLIN M. DRILON**  
*Senate President*  
*Pasay City*



**HOUSE OF REPRESENTATIVES**

**II. No. 6168**

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**BY REPRESENTATIVES MADRONA AND TEODORO**

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**AN ACT AMENDING THE FRANCHISE GRANTED TO BYERS COMMUNICATIONS, INC. UNDER REPUBLIC ACT NO. 8107, EXPANDING ITS SCOPE INTO NATIONAL COVERAGE, AND RENEWING ITS TERM FOR ANOTHER TWENTY-FIVE (25) YEARS**

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

1           **SECTION 1.** Republic Act No. 8107 is hereby amended to read as  
2 follows:

3                   \*[SECTION 1. Subject to the provisions of the Constitution,  
4 as well as other applicable laws and their amendments, the Byers  
5 Communications, Inc., its successors or assigns, hereunder  
6 referred to as the grantee, shall be granted a franchise to  
7 construct, establish, operate and maintain for commercial  
8 purposes and in the public interest radio broadcasting and  
9 television stations within the National Capital Region and  
10 Central Visayas Region.

1           "SEC. 2. The radio broadcasting and television stations  
2 shall not be put in actual operation until the National  
3 Telecommunications Commission shall have allotted to the  
4 grantee the frequencies, wavelengths, and channels to be used  
5 under this franchise and determined the stations to and from  
6 which each frequency and wavelength may be used, and issued  
7 licenses for such use.

8           "The National Telecommunications Commission, on  
9 reasonable notice to the grantee may, at any time, change, cancel,  
10 or modify, in whole or in part, any or all of the allotments of  
11 frequencies or wavelengths to be used. It may take such action:  
12 (1) whenever in its judgment such frequencies and wavelengths  
13 have been used or there is danger that they will be  
14 used by the grantee to impair electrical communications, or  
15 stifle competition, or to obtain a monopoly in electrical  
16 communications, or to secure unreasonable rates for such  
17 communications, or to violate otherwise the laws or public policy  
18 of the Philippine Republic; (2) whenever in its judgment the  
19 public interest of the Republic of the Philippines requires that  
20 such frequencies and wavelengths be used for other purposes  
21 than those of the grantee, either by the government of the  
22 Philippines or by other individuals or corporations licensed by it;  
23 and (3) whenever in its judgment, for any reason, the public  
24 interest of the Philippines so requires.

25           "SEC. 3. This franchise is granted for a period of  
26 twenty-five (25) years and upon the express condition that the  
27 same shall be void unless the construction of one station be

1 completed within two (2) years from the date of the approval of  
2 this Act.

3 "SEC. 4. This franchise is likewise granted on the  
4 condition that the grantee shall provide adequate public service  
5 time to enable the government, through the said radio  
6 broadcasting and television stations, to reach the population on  
7 important public issues; assist in the functions of public  
8 information and education; conform to the ethics of honest  
9 enterprise; and not use its stations for the broadcasting and/or  
10 telecasting of obscene or indecent language, speech, act or scene,  
11 or for the dissemination of deliberately false information or  
12 willful misinterpretation to the detriment of the public interest, or  
13 to incite, encourage, or assist in subversive or treasonable acts.

14 "SEC. 5. The grantee, its heirs, successors or assigns,  
15 shall so construct and operate its radio and television stations so  
16 as not to interfere with the operations of other radio and  
17 television stations maintained and operated in the Philippines.

18 "SEC. 6. The grantee shall not require any previous  
19 censorship of any speech, play, act, scene or other matter to be  
20 broadcast and/or telecast from its stations: *Provided*, That, the  
21 grantee, during any broadcast and/or telecast, shall cut off from  
22 the air the speech, play, act, scene or other matter being  
23 broadcast and/or telecast, if the tendency thereof is to propose  
24 and/or incite treason, rebellion, or sedition, or the language used  
25 therein or the theme thereof is indecent or immoral, and willful  
26 failure to do so shall constitute a valid cause for the cancellation  
27 of this franchise.

1           **"SEC. 7.** The grantee shall hold the national, provincial,  
2 and municipal governments of the Philippines free from all  
3 claims, accounts, demands or actions arising out of accidents or  
4 injuries, whether to property or to person, caused by the  
5 construction or operation of the stations of the grantee.

6           **"SEC. 8.** A special right is hereby reserved to the  
7 President of the Philippines in times of war, rebellion, public  
8 peril, calamity, emergency, disaster, or disturbance of peace and  
9 order, to take over and operate the said stations or to authorize  
10 the temporary use and operation thereof by any agency of the  
11 government, upon due compensation to the grantee, for the use  
12 of said stations during the period when they shall be so operated.

13           **"SEC. 9.** The President of the Philippines shall have the  
14 power and authority to permit the construction of said stations or  
15 any of them on any land of the public domain upon such terms  
16 and conditions as he may prescribe.

17           **"SEC. 10.** No private property shall be taken for any  
18 purpose by the grantee of this franchise, its successors or assigns,  
19 without proper condemnation proceedings and just compensation  
20 paid or tendered thereof, and any authority to take and occupy  
21 land obtained herein shall not authorize the taking, use, or  
22 occupation of any land except such as is required for the actual  
23 necessary purposes for which this franchise is granted. All lands  
24 or rights of use and occupation of lands granted to the grantee,  
25 its heirs, successors or assigns shall, upon termination of this  
26 franchise or upon its revocation or repeal, revert to the national,  
27 provincial, or municipal government to which such land or right  
28 to use and occupy belonged at the time of the grant hereof or the

1 right to use and occupy the same was conceded to the grantee  
2 herein, its heirs, successors or assigns.

3 "SEC. 11. The right is hereby reserved to the government  
4 of the Philippines, through the National Telecommunications  
5 Commission or such other government agencies as may hereafter  
6 be duly authorized, to fix the maximum rate or charges to be  
7 charged by the grantee.

8 "SEC. 12. As a condition of the granting of this franchise,  
9 the grantee shall execute a bond in favor of the government of  
10 the Philippines in the sum of Fifty thousand pesos (P50,000.00)  
11 in form and with sureties satisfactory to the Secretary of  
12 Transportation and Communications conditioned upon the  
13 faithful performance of the grantee's obligations hereunder  
14 during the first four (4) years of the life of this franchise. If, after  
15 four (4) years from the date of the approval of this franchise, the  
16 grantee shall have fulfilled the said conditions, the bond  
17 shall be cancelled by the Secretary of Transportation and  
18 Communications, otherwise it shall be forfeited in favor of the  
19 government.

20 "SEC. 13. Acceptance of this franchise shall be given in  
21 writing within six (6) months after approval of this Act. Upon  
22 acceptance by the grantee and upon approval of the bond  
23 required under Section 12 of this Act by the Secretary of  
24 Transportation and Communications, the grantee shall be  
25 empowered to exercise the privileges granted thereby.

26 "SEC. 14. The grantee shall not lease, transfer, grant the  
27 usufruct of, sell nor assign this franchise, or the rights or  
28 privileges acquired thereunder to any person, firm, company.

1 corporation or other commercial or legal entity, nor merge with  
2 any other person, company or corporation organized for the same  
3 purpose, without the prior approval of the Congress of the  
4 Philippines. Any corporation to which this franchise may be  
5 sold, transferred, or assigned shall be subject to all conditions,  
6 terms, restrictions, and limitations of this franchise as fully and  
7 completely and to the same extent as if the franchise had been  
8 originally granted to the said person, firm, company, corporation  
9 or other commercial or legal entity.

10 "SEC. 15. In the event of any competing individual,  
11 partnership or corporation receiving from the Congress a similar  
12 franchise in which there shall be any term or terms more  
13 favorable than those herein granted or tending to place the herein  
14 grantee at any disadvantage, then such term shall *ipso facto*  
15 become part of the terms hereof and shall operate equally in  
16 favor of the grantee as in the case of said competing individual,  
17 partnership or corporation.

18 "SEC. 16. The grantee shall be liable to pay the same  
19 taxes on their real estate, buildings and personal property,  
20 exclusive of this franchise, as other persons, natural or juridical,  
21 are now or hereafter may be required by law to pay.

22 "In addition thereto, the grantee, its successors or assigns,  
23 shall pay a franchise tax at such percentage as may be required  
24 by law on all gross receipts of the radio/television business  
25 transacted under this franchise by the grantee, its successors or  
26 assigns: *Provided*, That the grantee, its successors or assigns,  
27 shall continue to be liable for income taxes payable under Title II  
28 of the National Internal Revenue Code pursuant to Section 2 of



1 Executive Order No. 72 unless the latter enactment is amended  
2 or repealed, in which case the amendment or repeal shall be  
3 applicable thereto. The grantee shall file the return with and pay  
4 the tax due thereon to the Commissioner of Internal Revenue or  
5 his duly authorized representative in accordance with the  
6 National Internal Revenue Code and the return shall be subject to  
7 audit by the Bureau of Internal Revenue.

8 \*SEC. 17. This franchise shall be subject to amendment,  
9 alteration or repeal by the Congress of the Philippines when the  
10 public interest so requires and shall not be interpreted as an  
11 exclusive grant of the privileges herein provided for.

12 \*SEC. 18. This Act shall take effect upon its approval.]

13 \*SECTION 1. *NATURE AND SCOPE OF FRANCHISE.*

14 - SUBJECT TO THE PROVISIONS OF THE 1987 PHILIPPINE  
15 CONSTITUTION AND APPLICABLE LAWS, RULES AND  
16 REGULATIONS, THE FRANCHISE GRANTED TO BYERS  
17 COMMUNICATIONS, INC., HEREUNDER REFERRED TO AS THE  
18 GRANTEE, ITS SUCCESSORS OR ASSIGNEES, UNDER REPUBLIC  
19 ACT NO. 8107, TO CONSTRUCT, INSTALL, ESTABLISH,  
20 OPERATE, AND MAINTAIN FOR COMMERCIAL PURPOSES,  
21 INCLUDING PAY-SERVICE, AND IN THE PUBLIC INTEREST,  
22 RADIO AND/OR TELEVISION BROADCASTING STATIONS  
23 THROUGHOUT THE PHILIPPINES, WHERE FREQUENCIES  
24 AND/OR CHANNELS ARE STILL AVAILABLE FOR RADIO AND/OR  
25 TELEVISION BROADCASTING, INCLUDING DIGITAL TELEVISION  
26 SYSTEM, THROUGH MICROWAVE, SATELLITE OR WHATEVER  
27 MEANS, INCLUDING THE USE OF NEW TECHNOLOGIES IN  
28 TELEVISION AND RADIO SYSTEMS, WITH THE CORRESPONDING

1       TECHNOLOGICAL AUXILIARIES AND FACILITIES, SPECIAL  
2       BROADCAST AND OTHER PROGRAM AND DISTRIBUTION  
3       SERVICES AND RELAY STATIONS, IS HEREBY RENEWED FOR  
4       ANOTHER TWENTY-FIVE (25) YEARS FROM THE EFFECTIVITY  
5       OF THIS ACT.

6       "SEC. 2. *MANNER OF OPERATION OF STATIONS OR*  
7       *FACILITIES.* - THE STATIONS OR FACILITIES OF THE  
8       GRANTEE SHALL BE CONSTRUCTED AND OPERATED IN A  
9       MANNER AS WILL, AT MOST, RESULT ONLY IN THE MINIMUM  
10      INTERFERENCE ON THE WAVELENGTHS OR FREQUENCIES OF  
11      EXISTING STATIONS OR OTHER STATIONS WHICH MAY BE  
12      ESTABLISHED BY LAW, WITHOUT IN ANY WAY DIMINISHING ITS  
13      OWN RIGHT TO USE ITS SELECTED WAVELENGTHS OR  
14      FREQUENCIES AND THE QUALITY OF TRANSMISSION OR  
15      RECEPTION THEREON AS SHOULD MAXIMIZE RENDITION OF  
16      THE GRANTEE'S SERVICES AND/OR THE AVAILABILITY  
17      THEREOF.

18      "SEC. 3. *PRIOR APPROVAL OF THE NATIONAL*  
19      *TELECOMMUNICATIONS COMMISSION (NTC).* - THE GRANTEE  
20      SHALL SECURE FROM THE NTC THE APPROPRIATE PERMITS  
21      AND LICENSES FOR THE CONSTRUCTION AND OPERATION OF  
22      ITS STATIONS AND FACILITIES AND SHALL NOT USE ANY  
23      FREQUENCY IN THE RADIO/TELEVISION SPECTRUM WITHOUT  
24      AUTHORIZATION FROM THE NTC. THE NTC, HOWEVER,  
25      SHALL NOT UNREASONABLY WITHHOLD OR DELAY THE GRANT  
26      OF SUCH AUTHORITY.

27      "SEC. 4. *RESPONSIBILITY TO THE PUBLIC.* - THE  
28      GRANTEE SHALL PROVIDE ADEQUATE PUBLIC SERVICE TIME  
29      TO ENABLE THE GOVERNMENT, THROUGH THE SAID  
30      BROADCASTING STATIONS OR FACILITIES, TO REACH THE

1 POPULATION ON IMPORTANT PUBLIC ISSUES; PROVIDE AT ALL  
2 TIMES SOUND AND BALANCED PROGRAMMING; PROMOTE  
3 PUBLIC PARTICIPATION SUCH AS IN COMMUNITY  
4 PROGRAMMING; ASSIST IN THE FUNCTIONS OF PUBLIC  
5 INFORMATION AND EDUCATION; CONFORM TO THE ETHICS OF  
6 HONEST ENTERPRISE; AND NOT USE ITS STATIONS AND  
7 FACILITIES FOR THE BROADCASTING OF OBSCENE AND  
8 INDECENT LANGUAGE, SPEECH, ACT OR SCENE; OR FOR THE  
9 DISSEMINATION OF DELIBERATELY FALSE INFORMATION OR  
10 WILLFUL MISREPRESENTATION, TO THE DETRIMENT OF THE  
11 PUBLIC INTEREST; OR TO INCITE, ENCOURAGE, OR ASSIST IN  
12 SUBVERSIVE OR TREASONABLE ACTS.

13 *"SEC. 5. RIGHT OF GOVERNMENT. - A SPECIAL RIGHT*  
14 *IS HEREBY RESERVED TO THE PRESIDENT OF THE*  
15 *PHILIPPINES, IN TIMES OF WAR, REBELLION, PUBLIC PERIL,*  
16 *CALAMITY, EMERGENCY, DISASTER OR DISTURBANCE OF*  
17 *PEACE AND ORDER: TO TEMPORARILY TAKE OVER AND*  
18 *OPERATE THE STATIONS OR FACILITIES OF THE GRANTEE; TO*  
19 *TEMPORARILY SUSPEND THE OPERATION OF ANY STATION OR*  
20 *FACILITY IN THE INTEREST OF PUBLIC SAFETY, SECURITY AND*  
21 *PUBLIC WELFARE; OR TO AUTHORIZE THE TEMPORARY USE*  
22 *AND OPERATION THEREOF BY ANY AGENCY OF THE*  
23 *GOVERNMENT, UPON DUE COMPENSATION TO THE GRANTEE,*  
24 *FOR THE USE OF SAID STATIONS OR FACILITIES DURING THE*  
25 *PERIOD WHEN THESE SHALL BE SO OPERATED.*

26 *"THE RADIO SPECTRUM IS A FINITE RESOURCE THAT IS*  
27 *PART OF THE NATIONAL PATRIMONY AND THE USE THEREOF IS*  
28 *A PRIVILEGE CONFERRED UPON THE GRANTEE BY THE STATE*  
29 *AND MAY BE WITHDRAWN ANYTIME AFTER DUE PROCESS.*

1           **"SEC. 6. TERM OF FRANCHISE. - THIS FRANCHISE**  
2           **SHALL BE IN EFFECT FOR A PERIOD OF TWENTY-FIVE (25)**  
3           **YEARS FROM THE EFFECTIVITY OF THIS ACT, UNLESS SOONER**  
4           **REVOKED OR CANCELLED. THIS FRANCHISE SHALL BE**  
5           **DEEMED *IPSO FACTO* REVOKED IN THE EVENT THE GRANTEE**  
6           **FAILS TO OPERATE CONTINUOUSLY FOR TWO (2) YEARS.**

7           **"SEC. 7. ACCEPTANCE AND COMPLIANCE. -**  
8           **ACCEPTANCE OF THIS FRANCHISE SHALL BE GIVEN IN**  
9           **WRITING TO THE CONGRESS OF THE PHILIPPINES, THROUGH**  
10           **THE COMMITTEE ON LEGISLATIVE FRANCHISES OF THE**  
11           **HOUSE OF REPRESENTATIVES AND THE COMMITTEE ON**  
12           **PUBLIC SERVICES OF THE SENATE, WITHIN SIXTY (60) DAYS**  
13           **FROM THE EFFECTIVITY OF THIS ACT. UPON GIVING SUCH**  
14           **ACCEPTANCE, THE GRANTEE SHALL EXERCISE THE**  
15           **PRIVILEGES GRANTED UNDER THIS ACT. NONACCEPTANCE**  
16           **SHALL RENDER THE FRANCHISE VOID.**

17           **"SEC. 8. SELF-REGULATION BY AND UNDERTAKING OF**  
18           **THE GRANTEE. - THE GRANTEE SHALL NOT REQUIRE ANY**  
19           **PREVIOUS CENSORSHIP OF ANY SPEECH, PLAY, ACT OR SCENE,**  
20           **OR OTHER MATTER TO BE BROADCAST FROM ITS STATIONS:**  
21           **PROVIDED, THAT THE GRANTEE, DURING ANY BROADCAST,**  
22           **SHALL CUT OFF FROM THE AIR THE SPEECH, PLAY, ACT OR**  
23           **SCENE, OR OTHER MATTER BEING BROADCAST IF THE**  
24           **TENDENCY THEREOF IS TO PROPOSE AND/OR INCITE TREASON,**  
25           **REBELLION, OR SEDITION; OR THE LANGUAGE USED THEREIN**  
26           **OR THE THEME THEREOF IS INDECENT OR IMMORAL:**  
27           **PROVIDED, FURTHER, THAT WILLFUL FAILURE TO DO SO**  
28           **SHALL CONSTITUTE A VALID CAUSE FOR THE CANCELLATION**  
29           **OF THIS FRANCHISE.**

1           **\*SEC. 9. WARRANTY IN FAVOR OF THE NATIONAL AND**  
2           **LOCAL GOVERNMENTS. - THE GRANTEE SHALL HOLD THE**  
3           **NATIONAL, PROVINCIAL, CITY AND MUNICIPAL GOVERNMENTS**  
4           **OF THE PHILIPPINES FREE FROM ALL CLAIMS, ACCOUNTS,**  
5           **DEMANDS, OR ACTIONS ARISING OUT OF ACCIDENTS OR**  
6           **INJURIES, WHETHER TO PROPERTY OR TO PERSONS, CAUSED**  
7           **BY THE CONSTRUCTION OR OPERATION OF THE STATIONS OF**  
8           **THE GRANTEE.**

9           **\*SEC. 10. SALE, LEASE, TRANSFER, GRANT OF**  
10           **USUFRUCT, OR ASSIGNMENT OF FRANCHISE. - THE GRANTEE**  
11           **SHALL NOT SELL, LEASE, TRANSFER, GRANT THE USUFRUCT OF**  
12           **NOR ASSIGN THIS FRANCHISE OR THE RIGHTS AND PRIVILEGES**  
13           **ACQUIRED THEREUNDER TO ANY SUCH PERSON, FIRM,**  
14           **COMPANY, CORPORATION OR OTHER COMMERCIAL OR LEGAL**  
15           **ENTITY, NOR MERGE WITH ANY OTHER CORPORATION OR**  
16           **ENTITY, NOR SHALL THE CONTROLLING INTEREST**  
17           **OF THE GRANTEE BE TRANSFERRED, WHETHER AS A WHOLE**  
18           **OR IN PARTS, AND WHETHER SIMULTANEOUSLY OR**  
19           **CONTEMPORANEOUSLY, TO ANY SUCH PERSON, FIRM,**  
20           **COMPANY, CORPORATION OR ENTITY WITHOUT THE PRIOR**  
21           **APPROVAL OF THE CONGRESS OF THE PHILIPPINES:**  
22           **PROVIDED, THAT CONGRESS SHALL BE INFORMED OF**  
23           **ANY SALE, LEASE, TRANSFER, GRANT OF USUFRUCT, OR**  
24           **ASSIGNMENT OF FRANCHISE OR THE RIGHTS AND PRIVILEGES**  
25           **ACQUIRED THEREUNDER, OR OF THE MERGER OR TRANSFER**  
26           **OF THE CONTROLLING INTEREST OF THE GRANTEE, WITHIN**  
27           **SIXTY (60) DAYS AFTER THE COMPLETION OF SAID**  
28           **TRANSACTION: PROVIDED, FURTHER, THAT FAILURE TO**  
29           **REPORT TO CONGRESS SUCH CHANGE OF OWNERSHIP SHALL**

1        RENDER THE FRANCHISE *IPSO FACTO* REVOKED: *PROVIDED*,  
2        *FINALLY*, THAT ANY PERSON OR ENTITY TO WHICH THIS  
3        FRANCHISE IS SOLD, TRANSFERRED, OR ASSIGNED, SHALL BE  
4        SUBJECT TO THE SAME CONDITIONS, TERMS, RESTRICTIONS,  
5        AND LIMITATIONS OF THIS ACT.

6        \*SEC. 11. *DISPERSAL OF OWNERSHIP*. - IN  
7        ACCORDANCE WITH THE CONSTITUTIONAL PROVISION TO  
8        ENCOURAGE PUBLIC PARTICIPATION IN PUBLIC UTILITIES, THE  
9        GRANTEE SHALL OFFER TO FILIPINO CITIZENS AT LEAST  
10       THIRTY PERCENT (30%) OR A HIGHER PERCENTAGE THAT  
11       MAY HEREAFTER BE PROVIDED BY LAW OF ITS OUTSTANDING  
12       CAPITAL STOCK IN ANY SECURITIES EXCHANGE IN THE  
13       PHILIPPINES WITHIN FIVE (5) YEARS FROM THE  
14       COMMENCEMENT OF ITS OPERATIONS: *PROVIDED*, THAT IN  
15       CASES WHERE PUBLIC OFFER OF SHARES IS NOT APPLICABLE,  
16       ESTABLISHMENT OF COOPERATIVES AND OTHER METHODS OF  
17       ENCOURAGING PUBLIC PARTICIPATION BY CITIZENS AND  
18       CORPORATIONS OPERATING PUBLIC UTILITIES MUST  
19       BE IMPLEMENTED. NONCOMPLIANCE THEREWITH SHALL  
20       RENDER THE FRANCHISE *IPSO FACTO* REVOKED.

21       \*SEC. 12. *EQUALITY CLAUSE*. - ANY ADVANTAGE,  
22       FAVOR, PRIVILEGE, EXEMPTION, OR IMMUNITY GRANTED  
23       UNDER EXISTING FRANCHISES, OR WHICH MAY HEREAFTER BE  
24       GRANTED FOR RADIO AND/OR TELEVISION BROADCASTING,  
25       UPON PRIOR REVIEW AND APPROVAL OF CONGRESS, SHALL  
26       BECOME PART OF THIS FRANCHISE AND SHALL BE ACCORDED  
27       IMMEDIATELY AND UNCONDITIONALLY TO THE HEREIN  
28       GRANTEE: *PROVIDED*, THAT THE FOREGOING SHALL NEITHER  
29       APPLY TO NOR AFFECT THE PROVISIONS OF BROADCASTING  
30       FRANCHISES CONCERNING TERRITORY COVERED BY THE

1 FRANCHISE, THE LIFE SPAN OF THE FRANCHISE OR THE TYPE  
2 OF SERVICE AUTHORIZED BY THE FRANCHISE.

3 **"SEC. 13. GENERAL BROADCAST POLICY LAW. -** THE  
4 GRANTEE SHALL COMPLY WITH AND BE SUBJECT TO THE  
5 PROVISIONS OF A GENERAL BROADCAST POLICY LAW WHICH  
6 CONGRESS MAY HEREAFTER ENACT.

7 **"SEC. 14. REPORTORIAL REQUIREMENT. -** THE  
8 GRANTEE SHALL SUBMIT AN ANNUAL REPORT TO THE  
9 CONGRESS OF THE PHILIPPINES, THROUGH THE COMMITTEE  
10 ON LEGISLATIVE FRANCHISES OF THE HOUSE OF  
11 REPRESENTATIVES AND THE COMMITTEE ON PUBLIC  
12 SERVICES OF THE SENATE, ON ITS COMPLIANCE WITH THE  
13 TERMS AND CONDITIONS OF THE FRANCHISE AND ON ITS  
14 OPERATIONS ON OR BEFORE APRIL 30 OF EVERY YEAR DURING  
15 THE TERM OF ITS FRANCHISE. THE REPORTORIAL  
16 COMPLIANCE CERTIFICATE ISSUED BY CONGRESS SHALL BE  
17 REQUIRED BEFORE ANY APPLICATION FOR PERMIT OR  
18 CERTIFICATE IS ACCEPTED BY THE NTC.

19 **"SEC. 15. PENALTY CLAUSE. -** FAILURE OF THE  
20 GRANTEE TO SUBMIT THE REQUISITE ANNUAL REPORT TO  
21 CONGRESS SHALL BE PENALIZED BY A FINE OF FIVE HUNDRED  
22 PESOS (P500.00) PER WORKING DAY OF NONCOMPLIANCE.  
23 THE FINE SHALL BE COLLECTED BY THE NTC FROM THE  
24 DELINQUENT FRANCHISE GRANTEE SEPARATE FROM THE  
25 REPORTORIAL PENALTIES IMPOSED BY THE NTC.

26 **"SEC. 16. SEPARABILITY CLAUSE. -** IF ANY OF THE  
27 SECTIONS OR PROVISIONS OF THIS ACT IS HELD INVALID, ALL  
28 OTHER PROVISIONS NOT AFFECTED THEREBY SHALL REMAIN  
29 VALID.

1           **"SEC. 17. REPEALABILITY AND NONEXCLUSIVITY**  
2           **CLAUSE. - THIS FRANCHISE SHALL BE SUBJECT TO**  
3           **AMENDMENT, ALTERATION, OR REPEAL BY THE CONGRESS OF**  
4           **THE PHILIPPINES WHEN THE PUBLIC INTEREST SO REQUIRES**  
5           **AND SHALL NOT BE INTERPRETED AS AN EXCLUSIVE GRANT OF**  
6           **THE PRIVILEGES HEREIN PROVIDED FOR."**

7           **SEC. 2. Effectivity. - This Act shall take effect fifteen (15) days after**  
8           **its publication in the *Official Gazette* or in a newspaper of general circulation.**

Approved,

O