


**SEVENTEENTH CONGRESS**  
**REPUBLIC OF THE PHILIPPINES**  
First Regular Session



Senate  
Office of the Secretary

16 JUL 28 AM 11:12

**SENATE**  
**S. B. NO. 913**

BY: 

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**Introduced by SENATOR LOREN LEGARDA**

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**AN ACT ESTABLISHING THE PEOPLE'S BROADCASTING CORPORATION,  
ABOLISHING THE PEOPLE'S TELEVISION NETWORK, INC., AND FOR  
OTHER PURPOSES**

Explanatory Note

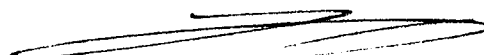
Article II Section 24 of the 1987 Constitution declares that the State recognizes the role of communication and information in nation-building. The rapidly evolving media landscape, together with the need for a reinvigorated government-owned broadcast station, necessitates the abolition of the People's Television Network and in its place to be established the People's Broadcasting Corporation (PBC).

Under this measure, the proposed PBC shall have its own charter to ensure its editorial independence and complete control over programming and content. It will be granted not only television broadcasting rights, but radio broadcasting rights as well. It is envisioned to air radio and television programs distinct from those presently shown in commercial television stations.

Salient features of this measure include the following:

- Assertion of the independence of PBC;
- Recognition of emerging communication technologies;
- Establishment of secondary broadcast hubs in the Visayas and Mindanao to cover the entire Philippine archipelago;
- Annual appropriations for PBC for at least ten years; and
- Consolidation of the assets of the Bureau of Broadcast Services (*Radyo ng Bayan*) with that of the People's Television Network.

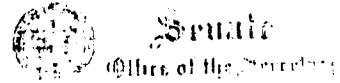
In view of the foregoing, passage of this bill is earnestly requested.



**LOREN LEGARDA**

Senator

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

1 **SECTION 1. Short Title.** – This Act shall be known as the “People’s  
2 Broadcasting Corporation Charter”.

3  
4 **TITLE I. INCORPORATION AND PURPOSE**

5  
6 **SEC. 2. Declaration of Policies.** – In recognition of the important role of  
7 communication and information in nation building and of the broadcast  
8 industry in it, it is hereby declared the policy of the State to:

- 9  
10 (a) Fully develop communication structures suitable to the needs and  
11 aspirations of the nation and in accordance with a policy that respects the  
12 freedom of speech and of the press;  
13 (b) Give priority to education, science and technology, arts, culture and sports  
14 to foster patriotism and nationalism, stimulate creativity, accelerate social  
15 progress, and promote total human liberation and development;  
16 (c) Develop the broadcasting industry as a medium for the development,  
17 promotion and advancement of Filipino nationalism, culture and values that  
18 serve as an instrument in the struggle for Filipino identity, national unity and  
19 integration;  
20 (d) Harness the resources of the government and the private sector towards  
21 balanced cooperation in order to take advantage of technological advances in  
22 the broadcasting industry and help deliver to the public the benefit of emerging  
23 communications technologies and services;  
24 (e) Maintain a broadcast industry system that serves as a vital tool for  
25 participative democracy and effective government information dissemination  
26 through developmental communication, free from any political or partisan  
27 influence and directly accountable to the people;  
28 (f) Encourage the development and broadcast of balanced programs which  
29 feature, among others, educational, informational and wholesome  
30 entertainment, culture, public affairs and sports; and  
31 (g) Provide quality alternative programs for the benefit and moral upliftment of  
32 the citizenry.  
33

1 **SEC. 3. Creation.** – There shall be created a body corporate to be called  
2 “People’s Broadcasting Corporation” referred to as “PBC,” which shall engage in  
3 radio and television broadcasting in the Philippines. PBC shall be a  
4 government-owned and controlled corporation under a Board of Directors to be  
5 appointed by the President of the Philippines.  
6

7 **SEC. 4. Independence.** – PBC shall be independent in all matters concerning  
8 the content of its output, the times and manner in which this is supplied, and  
9 in the management of its affairs, subject to this charter and other laws.  
10

11 **SEC. 5. Corporate Existence.** – The legal existence of PBC shall be for a  
12 period of fifty (50) years from the effectivity of this charter.  
13

14 **SEC. 6. Domicile.** – PBC shall have its principal office and domicile in the  
15 Metropolitan Manila area. It shall also have secondary broadcast hubs in the  
16 Visayas and Mindanao. Furthermore, it may establish offices, branches and/or  
17 stations in any part of the Philippines as its Board of Directors may see fit.  
18

19 The President of the Philippines, upon the recommendation of the Department  
20 of Environment and Natural Resources and its agencies particularly the Land  
21 Management Bureau and the National Mapping and Resource Information  
22 Authority, shall identify and appropriate alienable and disposable lands for  
23 PBC to establish and build its main broadcast center, its secondary broadcast  
24 hubs, and other stations.  
25

## 26 **TITLE II – FRANCHISE AND LICENSE TO OPERATE**

27

28 **SEC. 7. Franchise Grant.** – Subject to the provision of the Constitution, laws,  
29 orders, and decrees not inconsistent herewith, PBC is hereby granted a  
30 franchise to construct, maintain and operate radio and television broadcasting  
31 stations and satellite receiving and transmitting facilities in the Philippines for  
32 a period co-terminous with the corporate existence of the PBC.  
33

34 **SEC. 8. License to Operate.** – The National Telecommunications Commission  
35 (NTC) shall forthwith cause the issuance to PBC of the corresponding licenses  
36 to operate upon compliance with all its requirements.  
37

## 38 **TITLE III. – POWERS AND FUNCTIONS**

39

40 **SEC. 9. Powers of PBC.**– PBC shall have the following powers:  
41

- 42 (a) To sue or be sued in its corporate name;
- 43 (b) To have continuous succession in its corporate name;
- 44 (c) To adopt and use a corporate seal;
- 45 (d) To adopt by-laws not contrary to law, morals, or public policy, and to amend  
46 or repeal the same in accordance with the provisions of existing laws;
- 47 (e) To acquire, purchase, receive, take or grant, hold, convey, sell, lease, pledge,  
48 mortgage, and otherwise deal with real and personal property;
- 49 (f) To establish, purchase, install, construct, use and maintain national,  
50 regional, provincial and community stations and facilities for radio and  
51 television broadcasting in any part of the country;
- 52 (g) To enter into joint ventures or partnerships with other broadcasting  
53 authorities and stations or international agencies or private organizations for  
54 the purpose of promoting its broadcasting services;
- 55 (h) To raise, borrow or obtain funds, from any source, private or government,  
56 foreign or domestic and to enter into any financial or credit arrangements in

1 order to support and carry out its objectives and purposes, subject to the  
2 approval of the Monetary Board of the Bangko Sentral ng Pilipinas upon the  
3 recommendation of the Department of Finance and to pertinent laws governing  
4 public debt and expenditure;  
5 (i) To receive donations and grants from any source whether local or foreign  
6 and avail of official development assistance and concessional loans provided by  
7 foreign governments, foundations, or financial institutions;  
8 (j) To enter into, make, perform, and carry out contracts of any kind and  
9 description in furtherance of the corporate purpose with any person, firm,  
10 association or corporation;  
11 (k) To accept corporate institutional support for developmental programs and to  
12 determine the conditions subject to which the said programs may be accepted  
13 for television transmission; and  
14 (l) To exercise the general powers outlined in the Corporation Code of the  
15 Philippines, as well as such other incidental powers as may be necessary to  
16 carry on its activities.

17  
18 **SECTION 10. Functions.** - PBC shall have the following functions:  
19

- 20 a) To serve primarily as a vehicle for the State for purposes of education,  
21 information, entertainment, science and technology, environment, arts, culture  
22 and sports in order to foster national pride and identity;  
23 b) To serve as a vehicle for bringing the government closer to the people in  
24 order to enhance their awareness of the programs, policies, thrusts, and  
25 directions of the government;  
26 c) To ensure that programs to be broadcast maintain a high general standard  
27 in all respects, and in particular, as to their content and quality and proper  
28 balance of educational, news, public affairs, information, entertainment, and  
29 sports programs;  
30 d) To serve as an effective outlet for alternative programming;  
31 e) To provide subsidized air time to legitimate people's organizations and non-  
32 government organizations in the promotion of their programs and projects  
33 aligned with existing laws;  
34 f) To serve as an effective medium for national unity and political stability by  
35 reaching as much of the Filipino population as possible through the effective  
36 use of modern broadcasting technology; and  
37 g) To ensure that nothing is included in the programs broadcast by the network  
38 which shall:  
39 1) offend public morals, good taste, or decency;  
40 2) offend any racial group or promote ill-will between different races or  
41 different public groups, prescribing such programs as would promote  
42 strictly partisan politics and propaganda;  
43 3) offend the followers of any religious faith, sect, or order; or  
44 4) outrage public feeling in general.

45  
46 **TITLE IV. - CORPORATE STRUCTURE**  
47

48 **SEC. 11. The Board of Directors.**- The corporate powers of PBC shall be  
49 exercised, all its business conducted and all its property controlled and held by  
50 the Board of Directors. The Board shall be composed of seven (7) members who  
51 shall be appointed by the President of the Philippines from a shortlist prepared  
52 by the Governance Commission for Government-owned and Controlled  
53 Corporations (GCG). The Board shall be made up of the following:  
54

- 55 (a) Three (3) members from the government sector;  
56 (b) Three (3) members from the private sector, one (1) of whom shall have at

1 least ten (10) years of experience in the broadcast industry; and  
2 (c) One (1) member from the educational sector.

3  
4 The members shall elect from among themselves their Chairperson. They shall  
5 meet at least twice a month to discuss matters of policy in order to effectively  
6 carry out the provisions of this Act.

7  
8 **SEC. 12. Qualifications of the Members of the Board.** – The members of the  
9 Board shall be of proven and unquestionable probity, integrity, honesty,  
10 impartiality, reputation, and with knowledge of the broadcast industry. They  
11 shall not be, in any way, connected with any other broadcasting corporation or  
12 hold any position that may conflict with their functions and duties as Directors  
13 of PBC. A member who is later appointed to another government office or runs  
14 for any elective position shall be deemed to have vacated membership in the  
15 Board on the day of appointment or filing of candidacy, as the case maybe.

16  
17 **SEC. 13. Term of the Members of the Board.**– The term of office of each  
18 director shall be for one (1) year subject to reappointment by the President.

19  
20 **SEC. 14. The Advisory Council.**– Sixty (60) days from their appointment, the  
21 Board of Directors shall prepare a list of its recommended nominees for the  
22 members of the Advisory Council, which shall be submitted to the Secretary of  
23 the Presidential Communications Operations Office (PCOO) for consideration  
24 and approval. The nominees for Advisory Council shall be chosen from  
25 associations and organizations representing various stakeholders from different  
26 industries such as, but not limited to, cinema, culture and arts, print and  
27 broadcast. They shall serve a fixed term of one (1) year.

28  
29 The Advisory Council shall be composed of seven (7) members with at least five  
30 (5) years of wide experience and expertise in their respective fields of work. The  
31 Advisory Council shall propose and recommend policies relating to the PBC's  
32 operation, programming, broadcasting, technical and creative production,  
33 development and management, which shall be subject to the approval of the  
34 Board of Directors.

35  
36 The members of the Advisory Council shall elect from among themselves a  
37 Chairperson.

38  
39 The members of the Advisory Council shall render voluntary service to PBC. No  
40 member shall be paid any honoraria, allowances and other personnel benefits.

41  
42 **SEC. 15. Functions and Duties of the Board of Directors.** -The general  
43 functions and duties of the Board of Directors shall be as follows:

- 44  
45 a) To carry out the provisions of this charter;  
46 b) To exercise the corporate powers, and conduct all business of the network;  
47 c) To decide matters of policy; and  
48 d) To submit to the President of the Philippines and Congress a comprehensive  
49 annual report on the operation of PBC within the first sixty (60) days of the  
50 fiscal year.

51  
52 **SEC.16. The General Manager.** – The members of the Board shall elect from  
53 among themselves a General Manager. He shall also be the Chief Operating  
54 Officer of PBCand shall be responsible for the proper administration and  
55 management of PBC in accordance with the policies laid down by the Board.  
56 The General Manager shall be subject to the disciplinary powers of the Board

1 and may be removed by the Board for cause.

2  
3 If the General Manager is absent, incapacitated by reason of illness, or for any  
4 other cause temporarily unable to perform his duties, the Board of Directors  
5 may designate an officer-in-charge to act in his place and stead during such  
6 absence from duty.

7  
8 **SEC. 17. Powers and Functions of the General Manager.** – Subject to the  
9 control and supervision of the Board, the General Manager shall have the  
10 following powers and functions:

11  
12 a) Submit policy recommendations and propose measures necessary to carry  
13 out the objectives and functions of PBC for the consideration of the Board;

14 b) Recommend to the Board for approval an organizational structure and  
15 plantilla for personnel of PBC, in accordance with existing laws, rules and  
16 regulations;

17 c) Execute, administer and implement policies and measures approved by the  
18 Board;

19 d) Submit to the Board an annual budget and such supplemental budgets as  
20 may be necessary for its consideration and approval;

21 e) Represent PBC in its dealings with other persons, entities, agencies and  
22 institutions, whether public or private, domestic or foreign, subject to the  
23 limitations and conditions herein provided;

24 f) Appoint, discipline or remove for cause, officers and personnel of PBC in  
25 accordance with the Civil Service Law, rules and regulations; *Provided*, That all  
26 appointments shall subject to confirmation by the Board; and

27 g) Perform such other functions and duties which may be assigned to him by  
28 the Board.

29  
30 **TITLE V. – PROGRAM STANDARDS**

31  
32 **SEC. 18. General Program Standards.**– The Board of Directors is mandated to  
33 set up a Code of Standards, inclusive of the following aspects:

34  
35 (a) Presentations of news;

36 (b) Public affairs programs and commentaries;

37 (c) Public service programs;

38 (d) Educational programs;

39 (e) Children's programs;

40 (f) Agriculture and livelihood programs;

41 (g) Women and youth issues;

42 (h) Locally-produced and foreign produced programs;

43 (i) Trade, service and manufacturing industry programs

44 (j) Disaster preparedness and climate change adaptation programs; and

45 (j) Programs that inspire nationalism.

46  
47 **SEC. 19. Use of Blocktimers.**– The use of blocktimers shall be allowed but  
48 limited to education, information, sports, tourism, entertainment programs,  
49 and such programs which promote public interest, subject to quality standards  
50 set by the Board of Directors. PBC shall assume solidary liability with each of  
51 the individual producers, for the content of all programs shown by blocktimers.

52  
53 **TITLE VI. – FINANCIAL PROVISIONS**

54  
55 **SEC. 20. Capitalization.** – The authorized capital stock of PBC shall be Ten  
56 Billion Pesos (P10,000,000,000.00) divided into ten million shares with par

1 value of One Thousand Pesos (P1,000.00) per share, which shall be subscribed  
2 in full by the government.

3  
4 Thereafter, Congress shall annually appropriate a subsidy for PBC at an  
5 amount not more than the PBC's annual net earnings for the previous year,  
6 until the year 2027.

7  
8 **SEC. 21. Revenue Generation.** – PBC shall be allowed to generate funds from  
9 advertising and airtime sales in accordance with the policies and rates set by  
10 the Board of Directors subject to existing laws. All fees or other revenues  
11 collected or received by PBC shall be retained by it and utilized solely for its  
12 operations and capital expenditure program.

13  
14 **SEC. 22. Exemption from Republic Act No. 7656.** – As provided in Republic  
15 Act No. 7656, the President, upon the recommendation by the Secretary of  
16 Finance, may adjust the percentage of PBC's annual net earnings to be  
17 remitted to the National Treasury: *Provided*, That the annual remaining  
18 unremitted net earnings shall be used solely for its operations and capital  
19 expenditures.

## 20 21 **TITLE VII – ADMINISTRATIVE PROVISIONS**

22  
23 **SEC. 23. Record of Transactions.** – PBC shall keep proper accounts and  
24 records of all its transactions and affairs, and ensure that all payments made  
25 out of its money are correctly made and properly authorized and that adequate  
26 control is maintained over the assets of, or in the custody of, PBC. PBC shall be  
27 subject to audit by the Commission on Audit.

## 28 29 **TITLE VIII – TAX EXEMPTIONS**

30  
31 **SEC. 24. Tax Exemptions on Importations.** – The importation of equipment,  
32 apparatus and materials to be actually, directly and exclusively used in the  
33 operation of PBC, whether purchased from or donated by any foreign  
34 government and/or private entity shall be free from the payment of any and all  
35 forms of taxes, license fees and customs duties. Such equipment and  
36 apparatus shall include cameras, TV monitors and recorders, radio and TV  
37 transmitters, electronic tubes, editing machines, and all such necessary  
38 equipment required for radio and television broadcasting: *Provided*, That the  
39 subsequent importation of the equipment, apparatus and materials shall be  
40 subject to review by the Department of Finance: *Provided, further*, That in the  
41 event the equipment, apparatus and materials are sold to non-tax exempt  
42 persons or entities, the buyers shall be considered the exporters and who shall  
43 then be subject to tax.

44  
45 **SEC. 25.** Gifts and donations of real and personal properties of all kinds to  
46 PBC shall be exempt from donor's tax and the same shall be considered as an  
47 allowable deduction from the gross income of the donor in accordance with the  
48 provisions of the National Internal Revenue Code of 1997, as amended:  
49 *Provided*, That the allowable deduction shall be equivalent to one hundred  
50 percent (100%) of the value of such donation: *Provided, further*, That the said  
51 donation shall be used exclusively for the production of educational, cultural  
52 and historical films and documentaries.

53  
54 Valuation of assistance, other than the money, shall be based on the  
55 acquisition cost of the property. Such valuation shall take into consideration  
56 the depreciated value of property in case said property has been used.

1  
2  
3 **TITLE IX. - EMPLOYEES OF THE NETWORK**

4 **SEC. 26. Civil Service Law Coverage for Employees.** - The hiring,  
5 appointment, employment, promotion, disciplinary control, and other terms  
6 and conditions of the service of all employees of PBC, and such other matters  
7 affecting its employees shall be consistent with the provisions of the Civil  
8 Service law, rules and regulations: *Provided*, That positions considered as  
9 creative and artistic in nature shall be exempted from the qualification  
10 standards and civil service eligibility requirements.

11 **SEC. 27. Salary Scale for Officials and Employees.** - Pursuant to the  
12 provisions of Republic Act No. 10149, the GCG shall develop a compensation  
13 and position classification system which shall apply to all officers and  
14 employees of PBC, subject to the approval of the President of the Philippines.  
15

16 **SEC. 28. GSIS Coverage for Employees.** - All employees hired by PBC shall  
17 be deemed members of the Government Service Insurance System (GSIS) for  
18 the purpose of employee benefits.  
19

20 **TITLE X. - TERMINATION OF PTNI CHARTER AND ABSORPTION OF BBS**

21  
22 **SEC. 29.** The charter creating the People's Television Network Inc. (PTNI) is  
23 hereby terminated. Republic Act No. 7306, as amended by Republic Act No.  
24 10390, is hereby repealed.  
25

26 **SEC. 30.** The Bureau of Broadcast Services (Radyo ng Bayan) created by  
27 Executive Order No. 297, series of 1987 is to be absorbed by PBC.  
28

29 **SEC. 31. Transition Clause.** - All the powers, functions, assets and liabilities,  
30 capital, accounts, contracts and facilities pertaining to the People's Television  
31 Network Inc. (PTNI) and the Bureau of Broadcast Services, and all equipment  
32 relating to radio and television broadcasting owned by the government shall be  
33 transferred to the PBC.  
34

35 **SEC. 32. Organization of PBC.**- Ninety (90) days from the approval of this Act,  
36 the Board of Directors of PBC is hereby empowered to reorganize the former  
37 PTNI. For this purpose, the Board may abolish or create offices, transfer  
38 functions, equipment, properties, records, and personnel, institute cost-cutting  
39 and other related measures to carry out the said objectives, subject to the  
40 provisions of Republic Act No. 10149, otherwise known as the "GOCC  
41 Governance Act of 2011": *Provided*, That any official or employee of the PTNI  
42 who may be affected by reason of the reorganization authorized herein shall be  
43 entitled to such benefits.  
44

45 **SEC. 33. Separation and Retirement Benefits.** - In the event an employee is  
46 separated by reason of reorganization, abolition, or creation of offices, or  
47 institution of cost-cutting and other similar measures, the employee shall be  
48 entitled to a separation benefit equivalent to one (1) month salary for every year  
49 of service in the government: *Provided*, That the separated or displaced  
50 employee has rendered at least one (1) year of service at the time of the  
51 effectivity of this Charter.  
52

53 **TITLE XI. - MISCELLANEOUS PROVISIONS**

54  
55 **SEC. 34. Implementing Rules and Regulations.**- Within ninety (90) days  
56 from the effectivity of this Act, the Presidential Communications Operations



1 Office (PCOO) shall draft the implementing rules and regulations of this charter  
2 in consultation with stakeholders from government and the private sector.

3  
4 **SEC. 35. Separability Clause.** – If any provision or part of this Act is declared  
5 invalid or unconstitutional, the remainder shall not be affected thereby and  
6 shall continue to be in full force and effect.

7  
8 **SEC. 36. Repealing Clause.** – Republic Act No. 7306, as amended by Republic  
9 Act No. 10390, and all laws, decrees, executive orders, administrative orders,  
10 rules and regulations and other issuances or parts thereof inconsistent  
11 herewith are hereby repealed, amended or modified accordingly.

12  
13 **SEC. 37. Effectivity Clause.** – This Act shall take effect fifteen (15) days after  
14 its publication in two (2) national newspapers of general circulation.

15  
16 Approved,