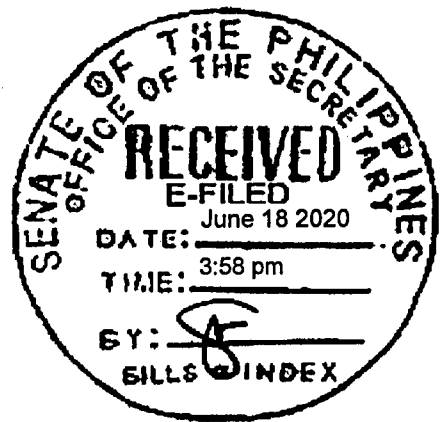


EIGHTEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
Second Regular Session )

SENATE

S.B. No. 1631



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Introduced by Sen. Juan Miguel F. Zubiri

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**AN ACT**  
**AMENDING THE FRANCHISE GRANTED TO PHILIPPINE COLLECTIVE**  
**MEDIA CORPORATION UNDER REPUBLIC ACT NO. 9773, ENTITLED**  
**"AN ACT GRANTING THE PHILIPPINE COLLECTIVE MEDIA**  
**CORPORATION A FRANCHISE TO CONSTRUCT, INSTALL, ESTABLISH,**  
**OPERATE AND MAINTAIN RADIO AND TELEVISION BROADCASTING**  
**STATIONS IN REGION VIII (EASTERN VISAYAS)"**

**EXPLANATORY NOTE**

The Philippine Collective Media Corporation (PCMC) has been in operation since 2009, by virtue of Republic Act No. 9773, which granted it the franchise to construct, install, establish, operate and maintain, for commercial purposes and in the public interest, radio and/or television broadcasting stations in Region VIII. It is the only local television station and a pioneer in radio station in the Eastern Visayas. At present, the network produces and airs local programming, including news, lifestyle, entertainment and reality programs.

This bill seeks to increase the scope of the franchise of PCMC from Eastern Visayas to the entire country, as well as expand its coverage to include digital television system. With its passage, PCMC hopes to continue bringing quality programs not just to Eastern Visayas, and contribute in improving the quality of broadcasting system in the country.

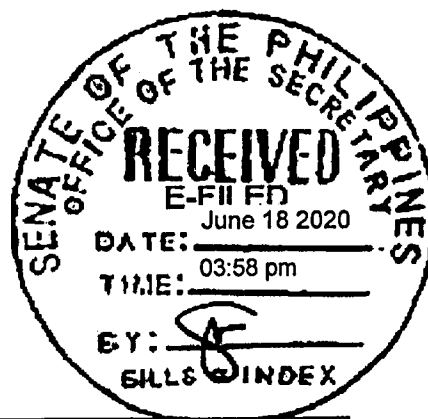
In view of the foregoing, the passage of this bill is earnestly sought.

  
**JUAN MIGUEL F. ZUBIRI**

EIGHTEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
Second Regular Session )

SENATE

S.B. No. 1631



Introduced by Sen. Juan Miguel F. Zubiri

**AN ACT  
AMENDING THE FRANCHISE GRANTED TO PHILIPPINE COLLECTIVE MEDIA CORPORATION UNDER REPUBLIC ACT NO. 9773, ENTITLED "AN ACT GRANTING THE PHILIPPINE COLLECTIVE MEDIA CORPORATION A FRANCHISE TO CONSTRUCT, INSTALL, ESTABLISH, OPERATE AND MAINTAIN RADIO AND TELEVISION BROADCASTING STATIONS IN REGION VIII (EASTERN VISAYAS)"**

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

1       **SECTION 1.** Section 1 of Republic Act No. 9773 is hereby amended to read as  
2 follows:

3  
4       "SECTION. 1. *Nature and Scope of Franchise.* — Subject to the provisions of the  
5 Constitution and applicable laws, rules and regulations, there is hereby granted to  
6 Philippine Collective Media Corporation, hereunder referred to as the grantee, its  
7 successor- or assignees, a franchise to construct, install, establish, operate, and maintain  
8 for commercial purposes and in the public interest, radio and/or television broadcasting  
9 stations in [Region VIII (Eastern Visayas)] THE PHILIPPINES, where frequencies and/or  
10 channels are still available for radio and/or television broadcasting, INCLUDING DIGITAL  
11 TELEVISION SYSTEM, through microwave, satellite or whatever means, AS WELL AS the  
12 use of any new technologY[ies] in TELEVISION AND radio [and television  
13 broadcasting] SYSTEMS, with the corresponding technological auxiliaries and facilities,  
14 special broadcast and other program and distribution services and relay stations."

15  
16       **SEC. 2.** Section 3 of Republic Act No. 9773 is hereby amended to read as follows:

17  
18       "SEC. 3. *Prior Approval of the National Telecommunications Commission.* — The  
19 grantee shall secure from the National Telecommunications Commission (NTC)  
20 the appropriate permits and licenses for the construction and operation of its stations OR  
21 [and] facilities and shall not use any frequency in the radio/television  
22 spectrum without AUTHORIZATION [having been authorized from] BY the NTC  
23 [Commission]. The NTC [Commission], however, shall not unreasonably withhold or delay  
24 the grant of any such authority.

25  
26       THE GRANTEE SHALL NOT DISPOSE OR LEASE ITS FACILITIES EXCEPT TO  
27 ENTITIES WITH A RADIO OR TELEVISION BROADCASTING FRANCHISE: *PROVIDED,*  
28 THAT THE GRANTEE SHALL INFORM AND SECURE WRITTEN AUTHORIZATION FROM  
29 THE NTC TO PROCEED WITH SUCH DISPOSAL OR LEASE, AND REPORT THE  
30 TRANSACTION TO THE NTC WITHIN SIXTY (60) DAYS AFTER ITS COMPLETION:  
31 *PROVIDED, FURTHER,* THAT THE NTC SHALL DETERMINE THE CORRESPONDING  
32 SANCTION FOR ANY VIOLATION OF THIS PROVISION.

33

1 THE NTC SHALL HAVE AUTHORITY TO REVOKE OR SUSPEND, AFTER DUE  
2 PROCESS, THE PERMITS OR LICENSES OF THE GRANTEE FOR ANY VIOLATION OF THE  
3 PROVISIONS OF THE FRANCHISE, AND MAY RECOMMEND TO CONGRESS THE  
4 REVOCATION OF THE FRANCHISE FOR ANY VIOLATION OF THE PROVISIONS THEREOF.  
5

6 **SEC. 3.** Section 4 of Republic Act No. 9773 is hereby amended to read as follows:  
7

8 "SEC 4. *Responsibility to the Public.* — The grantee shall provide, FREE OF  
9 CHARGE, adequate public service time WHICH IS REASONABLE AND SUFFICIENT to  
10 enable the government, through the [said] GRANTEE'S broadcasting stations or facilities,  
11 to reach the PERTINENT populationS OR PORTIONS THEREOF, on important public  
12 issues, AND RELAY IMPORTANT PUBLIC ANNOUNCEMENTS AND WARNINGS  
13 CONCERNING PUBLIC EMERGENCIES AND CALAMITIES, AS NECESSITY, URGENCY OR  
14 THE LAW MAY REQUIRE; provide at all times sound and balanced programming;  
15 PROMOTE PUBLIC PARTICIPATION; assist in the functions of public information and  
16 education; conform to the ethics of honest enterprise; PROMOTE AUDIENCE  
17 SENSIBILITY AND EMPOWERMENT INCLUDING CLOSED CAPTIONING; and not use its  
18 stations [and] OR facilities for the broadcasting of obscene [and] OR indecent language,  
19 speech, act or scene; or for the dissemination of deliberately false information or willful  
20 misrepresentation, to the detriment of the public interest[.]; or to incite, encourage or  
21 assist in subversive or treasonable acts.  
22

23 "PUBLIC SERVICE TIME REFERRED HEREIN SHALL BE EQUIVALENT TO A  
24 MAXIMUM AGGREGATE OF TEN (10%) PERCENT OF THE PAID COMMERCIALS OR  
25 ADVERTISEMENTS WHICH SHALL BE ALLOCATED BASED ON NEED TO THE EXECUTIVE  
26 AND LEGISLATIVE BRANCHES, THE JUDICIARY, CONSTITUTIONAL COMMISSIONS, AND  
27 INTERNATIONAL HUMANITARIAN ORGANIZATIONS DULY RECOGNIZED BY STATUTES:  
28 *PROVIDED*, THAT THE NTC SHALL INCREASE THE PUBLIC SERVICE TIME IN CASE OF  
29 EXTREME EMERGENCY OR CALAMITY. THE NTC SHALL ISSUE RULES AND REGULATIONS  
30 FOR THIS PURPOSE, THE EFFECTIVITY OF WHICH SHALL COMMENCE UPON  
31 APPLICABILITY WITH OTHER SIMILARLY SITUATED BROADCAST NETWORK FRANCHISE  
32 HOLDERS."  
33

34 PURSUANT TO REPUBLIC ACT NO. 8370, OTHERWISE KNOWN AS THE  
35 "CHILDREN'S TELEVISION ACT OF 1997", THE GRANTEE SHALL ALLOT A MINIMUM OF  
36 FIFTEEN PERCENT (15%) OF THE DAILY TOTAL AIR TIME OF EACH BROADCASTING  
37 NETWORK TO CHILD-FRIENDLY SHOWS WITHIN ITS REGULAR PROGRAMMING.  
38

39 **SEC. 4.** A new Section 15 is hereby inserted to read as follows:  
40

41 "SEC. 15. *COMMITMENT TO PROVIDE AND PROMOTE THE CREATION*  
42 *OF EMPLOYMENT OPPORTUNITIES.* — THE GRANTEE SHALL CREATE  
43 EMPLOYMENT OPPORTUNITIES AS WELL AS ACCEPT ON-THE-JOB TRAINEES  
44 IN THEIR FRANCHISE OPERATIONS: *PROVIDED*, THAT PRIORITY SHALL BE ACCORDED  
45 TO THE RESIDENTS OF THE PLACE WHERE THE PRINCIPAL OFFICE OF THE GRANTEE IS  
46 LOCATED: *PROVIDED, FURTHER*, THAT THE GRANTEE SHALL COMPLY WITH THE  
47 APPLICABLE LABOR STANDARDS AND ALLOWANCE ENTITLEMENT UNDER EXISTING  
48 LABOR LAWS, RULES AND REGULATIONS AND SIMILAR ISSUANCES: *PROVIDED*,  
49 *FINALLY*, THAT THE EMPLOYMENT OPPORTUNITIES OR JOBS CREATED SHALL BE  
50 REFLECTED IN THE GENERAL INFORMATION SHEET (GIS) TO BE SUBMITTED TO  
51 THE SECURITIES AND EXCHANGE COMMISSION (SEC) ANNUALLY."  
52

53 **SEC. 5.** Section 15 of Republic Act No. 9773 is hereby renumbered as Section 16,  
54 and amended to read as follows:  
55

56 "SEC. 1[5]6. *Reportorial Requirement.* — The grantee shall submit an annual  
57 report to the Congress of the Philippines, THROUGH THE COMMITTEE ON LEGISLATIVE

1 FRANCHISES OF THE HOUSE OF REPRESENTATIVES AND THE COMMITTEE ON PUBLIC  
2 SERVICES OF THE SENATE, on its compliance with the terms and conditions of the  
3 franchise and on [its operations within sixty (60) days from the end] OR BEFORE APRIL  
4 30 of every year DURING THE TERM OF ITS FRANCHISE.

5  
6 "THE ANNUAL REPORT SHALL INCLUDE AN UPDATE ON THE ROLL-OUT,  
7 DEVELOPMENT, OPERATION AND/OR EXPANSION OF BUSINESS; AUDITED FINANCIAL  
8 STATEMENTS; LATEST GIS OFFICIALLY SUBMITTED TO THE SEC, IF APPLICABLE;  
9 CERTIFICATION OF THE NTC ON THE STATUS OF ITS PERMITS AND OPERATIONS; AND  
10 AN UPDATE ON THE DISPERSAL OF OWNERSHIP UNDERTAKING, IF APPLICABLE.

11  
12 "THE REPORTORIAL COMPLIANCE CERTIFICATE ISSUED BY CONGRESS SHALL BE  
13 REQUIRED BEFORE ANY APPLICATION FOR PERMIT OR CERTIFICATE IS ACCEPTED BY  
14 THE NTC."

15  
16 **SEC. 6.** A new Section 17 is hereby inserted to read as follows:

17  
18 "SEC. 17. *FINE.* – FAILURE OF THE GRANTEE TO SUBMIT THE REQUISITE  
19 ANNUAL REPORT TO CONGRESS SHALL BE PENALIZED BY A FINE OF FIVE HUNDRED  
20 PESOS (P500.00) PER WORKING DAY OF NONCOMPLIANCE. THE FINE SHALL BE  
21 COLLECTED BY THE NTC FROM THE DELINQUENT FRANCHISE GRANTEE SEPARATE  
22 FROM THE REPORTORIAL PENALTIES IMPOSED BY THE NTC AND THE SAME SHALL BE  
23 REMITTED TO THE BUREAU OF TREASURY."

24  
25 **SEC. 7. *Repealability and Non-exclusivity Clause.*** – This franchise shall be subject  
26 to amendment, alteration, or repeal by the Congress of the Philippines when the public  
27 interest so requires and shall not be interpreted as an exclusive grant of the privileges  
28 herein provided for.

29  
30 **SEC. 8. *Separability Clause.*** – If any of the sections or provisions of this Act is held  
31 invalid, all other provisions not affected thereby shall remain valid.

32  
33 **SEC. 9. *Repealing Clause.*** – All laws, decrees, orders, resolutions, instructions,  
34 rules and regulations, and other issuances or parts thereof which are inconsistent with the  
35 provisions of this Act are hereby repealed, amended, or modified accordingly.

36  
37 **SEC. 10. *Effectivity.*** – This Act shall take effect fifteen (15) days after its  
38 publication in the Official Gazette or in a newspaper of general circulation.

Approved,