

(AS AMENDED BY THE SENATE)

CONGRESS OF THE PHILIPPINES  
EIGHTEENTH CONGRESS  
*Second Regular Session*

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HOUSE OF REPRESENTATIVES

H. No. 7616

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BY REPRESENTATIVES GO (M.), GARCIA (P.J.), HOFER, VARGAS, VILLANUEVA (E.), RIVERA AND  
ALVAREZ (F.), PER COMMITTEE REPORT NO. 474

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AN ACT

**RENEWING FOR ANOTHER TWENTY-FIVE (25) YEARS THE FRANCHISE GRANTED TO THE UNIVERSITY OF THE PHILIPPINES SYSTEM UNDER REPUBLIC ACT NO. 8160 TO CONSTRUCT, ESTABLISH, MAINTAIN, AND OPERATE FOR EDUCATIONAL AND OTHER RELATED PURPOSES RADIO AND TELEVISION BROADCASTING STATIONS WITHIN THE UNIVERSITY OF THE PHILIPPINES AND IN OTHER AREAS WITHIN THE SCOPE OF ITS OPERATIONS**

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

1           **SECTION 1. *Nature and Scope of Franchise.*** – Subject to the provisions of the  
2 Constitution and applicable laws, rules and regulations, the franchise granted to the  
3 University of the Philippines System, hereunder referred to as the grantee, its successor  
4 or assignees under Republic Act No. 8160, to construct, establish, maintain, and  
5 operate for educational and other related purposes and in the public interest, radio and  
6 television broadcasting stations within the campuses of the University of the Philippines  
7 and in other places within the scope of its operations, where frequencies and/or  
8 channels are still available for radio and television broadcasting, including digital  
9 television system, through microwave, satellite or whatever means, as well as the use of  
10 any new technology in television and radio systems, with the corresponding  
11 technological auxiliaries and facilities, special broadcast and other program and  
12 distribution services and relay stations, is hereby renewed for another twenty-five (25)  
13 years.  
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15           **SEC. 2. *Manner of Operation of Stations or Facilities.*** – The stations or  
16 facilities of the grantee shall be constructed and operated in a manner as will, at most,  
17 result only in the minimum interference on the wavelengths or frequencies of existing  
18 stations or other stations which may be established by law, without in any way  
19 diminishing its own privilege to use its assigned wavelengths or frequencies and the

1 quality of transmission or reception thereon as should maximize rendition of the  
2 grantee's services and availability thereof.

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4 **SEC. 3. *Prior Approval of the National Telecommunications Commission.*** –

5 The grantee shall secure from the National Telecommunications Commission (NTC) the  
6 appropriate permits and licenses for the construction and operation of its stations or  
7 facilities and shall not use any frequency in the radio and television spectrums without  
8 authorization from the NTC. The NTC, however, shall not unreasonably withhold or  
9 delay the grant of any such authority.

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11 In case of any violation of the provisions of this franchise, the NTC shall have the  
12 authority to revoke or suspend, after due process, the permits or licenses it issued  
13 pursuant to the franchise. The NTC may recommend to Congress of the Philippines the  
14 revocation of this franchise for any violation of its provisions.

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16 **SEC. 4. *Responsibility to the Public.*** – [~~The grantee shall strictly comply with  
17 the provisions of the Constitution, statutes, rules and regulations, including labor laws  
18 and standards.~~] The grantee shall reach the pertinent populations or portions thereof on  
19 important public issues and relay important public announcements and warnings  
20 concerning public emergencies and calamities, as necessity, urgency or law may  
21 require; provide, at all times sound and balanced programming; promote public  
22 participation; assist in the functions of public information and education; conform to the  
23 ethics of honest enterprise; promote audience sensibility and empowerment including  
24 closed captioning; and not use its stations or facilities for the broadcasting of obscene  
25 or indecent language, speech, act or scene, the dissemination of deliberately false  
26 information or willful misrepresentation, to the detriment of public interest , or to incite,  
27 encourage, or assist in subversive or treasonable acts.

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29 Pursuant to Republic Act No. 8370, otherwise known as the “Children’s  
30 Television Act of 1997”, the grantee shall allot a minimum of fifteen percent (15%) of the  
31 daily total air time of each broadcasting network to child-friendly shows within its regular  
32 programming.

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35 **SEC. 5. *Right of the Government.*** – The radio spectrum is a finite resource that  
36 is part of the national patrimony, and the use thereof is a privilege conferred upon the  
37 grantee by the State that may be withdrawn any time after due process.

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39 A special right is hereby reserved to the President of the Philippines, in times of  
40 war, rebellion, public peril, calamity, emergency, disaster, or disturbance of peace and  
41 order, to temporarily take over and operate the stations or facilities of the grantee; to  
42 temporarily suspend the operation of any station or facility in the interest of public  
43 safety, security and public welfare; or to authorize the temporary use and operation  
44 thereof by any agency of the government, upon due compensation to the grantee, for  
45 the use of said stations or facilities during the period when these shall be so operated.

1           **SEC. 6. Term of Franchise.** – This franchise shall be in effect for a period of  
2 twenty-five (25) years from the effectivity of this Act, unless sooner revoked or  
3 cancelled. This franchise shall be deemed *ipso facto* revoked in the event the grantee  
4 fails to operate continuously for two (2) years.

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6           **SEC. 7. RENEWAL OR EXTENSION OF FRANCHISE.** – THE GRANTEE  
7 SHALL APPLY FOR THE RENEWAL OR EXTENSION OF ITS FRANCHISE  
8 THREE (3) YEARS BEFORE ITS EXPIRATION WHICH SHALL BE RECKONED  
9 FROM FIFTEEN (15) DAYS AFTER THE PUBLICATION OF THE FRANCHISE IN  
10 THE *OFFICIAL GAZETTE* OR IN A NEWSPAPER OF GENERAL CIRCULATION.

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12           **SEC. [7-] 8. Tax Provision.** – Being part of the government, the grantee shall be  
13 exempt from paying all taxes and fees as provided in Section 25 of Republic Act No.  
14 9500 or “The University of the Philippines Charter of 2008”.

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16           **SEC. [8-] 9. Self-regulation by and Undertaking of Grantee.** – The grantee  
17 shall not require any previous censorship of any speech, play, act or scene, or other  
18 matter to be broadcast from its stations, but if any such speech, play, act or scene, or  
19 other matter should constitute a violation of the law or infringement of a private right, the  
20 grantee shall be free from any liability, civil or criminal, for such speech, play, act or  
21 scene, or other matter: *Provided*, That the grantee, during any broadcast, shall cut off  
22 the airing of speech, play, act or scene, or other matter being broadcast if the tendency  
23 thereof is to propose and/or incite treason, rebellion or sedition; or the language used  
24 therein or the theme thereof is indecent or immoral: *Provided, further*, That willful failure  
25 to do so shall constitute a valid cause for the cancellation of this franchise.

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27           **SEC. [9-] 10. Warranty in Favor of the National and Local Governments.** –  
28 The grantee shall hold the national, provincial, city, and municipal governments of the  
29 Philippines free from all claims, liabilities, demands, or actions arising out of accidents  
30 causing injury to persons or damage to properties, during the construction or operation  
31 of the stations of the grantee.

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33           **SEC. 11. COMMITMENT TO PROVIDE AND PROMOTE THE CREATION OF**  
34 **EMPLOYMENT OPPORTUNITIES.** – THE GRANTEE SHALL CREATE  
35 EMPLOYMENT OPPORTUNITIES AND ACCEPT ON-THE-JOB TRAINEES IN  
36 THE FRANCHISE OPERATIONS: *PROVIDED*, THAT PRIORITY SHALL BE  
37 ACCORDED TO THE RESIDENTS OF THE PLACE WHERE THE PRINCIPAL  
38 OFFICE OF THE GRANTEE IS LOCATED: *PROVIDED, FURTHER*, THAT THE  
39 GRANTEE SHALL ENSURE THAT AT LEAST SIXTY PERCENT (60%) OF ITS  
40 EMPLOYEES ARE REGULAR EMPLOYEES AND IN NO CASE SHALL THE  
41 PERCENTAGE OF CONTRACTUAL EMPLOYEES, JOB ORDER AND CASUAL  
42 EMPLOYEES, AND INDEPENDENT CONTRACTORS COMBINED, EXCEED

1 FORTY PERCENT (40%) OF ITS TOTAL WORKFORCE: *PROVIDED*,  
2 *FURTHERMORE*, THAT THE GRANTEE SHALL FOLLOW THE APPLICABLE  
3 LABOR STANDARDS AND ALLOWANCE ENTITLEMENT UNDER EXISTING  
4 LABOR LAWS, RULES AND REGULATIONS, AND SIMILAR ISSUANCES:  
5 *PROVIDED, FINALLY*, THAT THE GRANTEE SHALL FOLLOW APPLICABLE  
6 CIVIL SERVICE RULES AND REGULATIONS AND OTHER SIMILAR  
7 ISSUANCES.  
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10 **SEC. [10.] 12. Sale, Lease, Transfer, Grant of Usufruct, or Assignment of**  
11 **Franchise.** – The grantee shall not sell, lease, transfer, grant the usufruct of, nor  
12 assign this franchise or the rights and privileges acquired thereunder to any person,  
13 firm, company, corporation or other commercial or legal entity.  
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15 **SEC. [11.] 13. Reportorial Requirement.** – The grantee shall submit an annual  
16 report on its compliance with the terms and conditions of the franchise and on its  
17 operations to the Congress, through the Committee on Legislative Franchises of the  
18 House of Representatives and the Committee on Public Services of the Senate, on or  
19 before April 30 of every year during the term of its franchise.  
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21 The annual report shall include an update on the roll-out, development, operation  
22 and/or expansion of business; audited financial statements; and certification of the NTC  
23 on the status of its permits and operations.  
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25 The reportorial compliance certificate issued by Congress shall be required  
26 before any application for permit or certificate is accepted by the NTC.  
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28 **SEC. [12.] 14. Fine.** – The failure of the grantee to submit the requisite annual  
29 report to Congress shall be penalized by a fine of Five hundred pesos (P500.00) per  
30 working day of noncompliance. The fine shall be collected by the NTC from the  
31 delinquent franchise grantee separate from the reportorial penalties imposed by the  
32 NTC and the same shall be remitted to the Bureau of the Treasury.  
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34 **SEC. [13.] 15. Equality Clause.** – Any advantage, favor, privilege, exemption, or  
35 immunity granted under existing franchises, or which may hereafter be granted for radio  
36 and/or television broadcasting, upon prior review and approval of Congress, shall  
37 become part of this franchise and shall be accorded immediately and unconditionally to  
38 the herein grantee: *Provided*, That the foregoing shall neither apply to nor affect the  
39 provisions of broadcasting franchises concerning territorial coverage, the term, or the  
40 type of service authorized by the franchise.  
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42 **SEC. [14.] 16. Repealability and Nonexclusivity Clause.** – This franchise shall  
43 be subject to amendment, alteration, or repeal by Congress when the public interest so  
44 requires and shall not be interpreted as an exclusive grant of the privileges herein  
45 provided for.  
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1           **SEC. [15.] 17. *Separability Clause.*** – If any of the sections or provisions of this  
2 Act is held invalid, all other provisions not affected thereby shall remain valid.

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4           **SEC. [16.] 18. *Repealing Clause.*** – All laws, decrees, orders, resolutions,  
5 instructions, rules and regulations, and other issuances or parts thereof which are  
6 inconsistent with the provisions of this Act are hereby repealed, amended, or modified  
7 accordingly.

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9           **SEC. [17.] 19. *Effectivity.*** – This Act shall take effect fifteen (15) days after its  
10 publication in the *Official Gazette* or in a newspaper of general circulation.

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12           Approved,