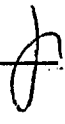


EIGHTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Second Regular Session)

SENATE

SEP 29 2020



COMMITTEE REPORT NO. 125

Submitted by the Committee on Public Services on SEP 29 2020

Re: House Bill No. 6919

Recommending the approval of House Bill No. 6919, taking into consideration Senate Bill Nos. 1597 and 1631, with amendments.

Sponsor: Senator Grace Poe

MR. PRESIDENT:

The Committee on Public Services, to which was referred **House Bill No. 6919**, introduced by Representatives Romualdez (Y.M.), Romualdez (F.M.), and Alvarez (F.), entitled:

"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)'"

taking into consideration Senate Bill No. 1597, introduced by Senator Ramon Bong Revilla, Jr., entitled:

"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)'"

and Senate Bill No. 1631, introduced by Senator Juan Miguel F. Zubiri, entitled:

"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)'"

has considered the same and has the honor to report them back to the Senate with the recommendation that House Bill No.6919 be approved with the following amendments:

1. On page 2, line 42, a new section is hereby inserted to read as follows:

"Sec. 4. Section 11 of RA 9773 is hereby amended as follows:

SEC 11. *Non transferability of Franchise.* — The grantee shall not lease, transfer, grant the usufruct of, sell nor assign this franchise or the rights and privileges acquired thereunder to any person, firm, company, corporation or

other commercial or legal entity, nor merge with any other corporation or entity, nor shall the controlling interest of the grantee be transferred, whether as a whole or in parts and whether simultaneously or contemporaneously, to any such person, firm, company, corporation or entity without the prior approval of the Congress of the Philippines. **CONGRESS SHALL BE INFORMED OF ANY SALE, LEASE, TRANSFER, GRANT OF USUFRUCT, OR ASSIGNMENT OF FRANCHISE OR THE RIGHTS AND PRIVILEGES ACQUIRED THEREUNDER, OR OF THE MERGER OR TRANSFER OF THE CONTROLLING INTEREST OF THE GRANTEE, WITHIN SIXTY (60) DAYS AFTER THE COMPLETION OF THE SAID TRANSACTION. FAILURE TO REPORT TO CONGRESS SUCH CHANGE OF OWNERSHIP SHALL RENDER THE FRANCHISE IPSO FACTO REVOKED.** Any person or entity to which this franchise is sold, transferred or assigned, shall be subject to the same conditions, terms, restrictions and limitations of this Act."

2. On page 2, line 43, a new section is hereby inserted to read as follows:

"Sec. 5. Section 12 of RA 9773 is hereby amended as follows:

SEC 12. Dispersal of Ownership. — In accordance with the constitutional provision to encourage public participation in public utilities, the grantee shall offer at least thirty per centum (30%) of its outstanding capital stock or a higher percentage that may hereafter be provided by law in any securities exchange in the Philippines within five (5) years from the [time it has achieved the status of a national broadcasting network. A "national broadcasting network" is hereby defined as one that operates three (3) or more radio and/or television stations.] **RENEWAL OF ITS FRANCHISE; PROVIDED, THAT IN CASES WHERE PUBLIC OFFER OF SHARES IS NOT APPLICABLE, THE GRANTEE SHALL APPLY OTHER METHODS OF ENCOURAGING PUBLIC PARTICIPATION BY CITIZENS AND CORPORATIONS OPERATING PUBLIC UTILITIES AS ALLOWED BY LAW.** Noncompliance therewith shall render the franchise ipso facto revoked."

3. Renumber the sections accordingly.

Respectfully submitted:


GRACE POE
Chairperson

Vice Chairpersons


PANFILO M. LACSON

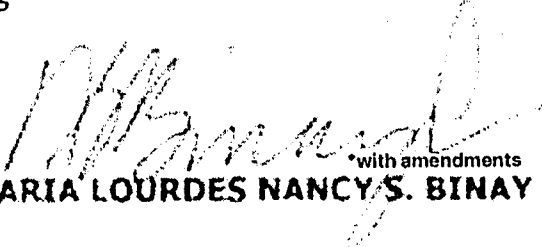

RAMON BONG REVILLA, JR.


*will interpolate
EMMANUEL D. PACQUIAO

WIN GATCHALIAN

Members

CHRISTOPHER "BONG" GO


*with amendments
MARIA LOURDES NANCY S. BINAY


FRANCIS "TOL" N. TOLENTINO


JOEL VILLANUEVA

PHILIPPINE COLLECTIVE MEDIA – House Bill No. 6919 (SBNs 1597 & 1631)



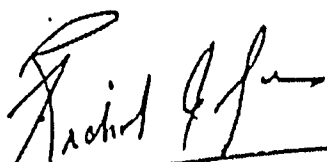
WIN GATCHALIAN



CHRISTOPHER "BONG" GO
(Co-author of SBN 1631 with Senator Zubiri)



FRANCIS "TOL" N. TOLENTINO



RICHARD J. GORDON



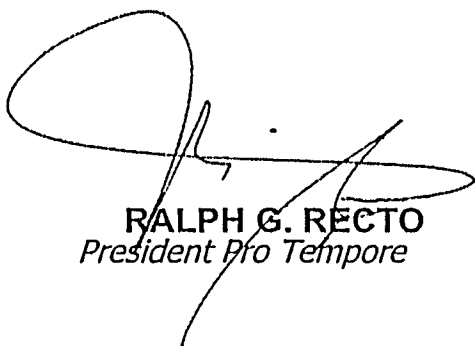
MANUEL "LITO" M. LAPID

FRANCIS "KIKO" PANGILINAN



RISA HONTIVEROS

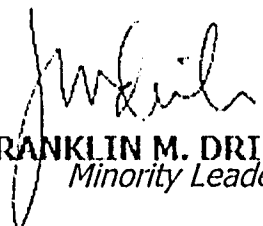
Ex Officio Members



RALPH G. RECTO
President Pro Tempore



JUAN MIGUEL F. ZUBIRI
Majority Leader



FRANKLIN M. DRILON
Minority Leader

VICENTE C. SOTTO III
Senate President

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 6919
(In substitution of House Bill No. 6351)

Introduced by REPS. YEDDA MARIE K. ROMUALDEZ, FERDINAND MARTIN G. ROMUALDEZ
and FRANZ E. ALVAREZ

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

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

2 "**SECTION. 1. Nature and Scope of Franchise.** — Subject to the provisions of
3 the

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

14
15 **SEC. 2.** Section 3 of Republic Act No. 9773 is hereby amended to read as follows:

16
17 "**SEC. 3. Prior Approval of the National Telecommunications Commission.** — The
18 grantee shall secure from the National Telecommunications Commission (NTC) the
19 appropriate permits and licenses for the construction and operation of its stations OR [and]
20 facilities and shall not use any frequency in the radio/television spectrum
21 without AUTHORIZATION [having been authorized from] BY the NTC [Commission].
22 The NTC [Commission], however, shall not unreasonably withhold or delay the grant
23 of any such authority.

24
25 **THE GRANTEE SHALL NOT DISPOSE OR LEASE ITS FACILITIES EXCEPT TO ENTITIES**
26 **WITH A RADIO OR TELEVISION BROADCASTING FRANCHISE: PROVIDED, THAT THE GRANTEE**
27 **SHALL INFORM AND SECURE WRITTEN AUTHORIZATION FROM THE NTC TO PROCEED WITH**
28 **SUCH**

1 DISPOSAL OR LEASE, AND REPORT THE TRANSACTION TO THE NTC WITHIN SIXTY (60) DAYS
2 AFTER ITS COMPLETION: *PROVIDED, FURTHER*, THAT THE NTC SHALL DETERMINE THE
3 CORRESPONDING SANCTION FOR ANY VIOLATION OF THIS PROVISION.
4

5 THE NTC SHALL HAVE AUTHORITY TO REVOKE OR SUSPEND, AFTER DUE PROCESS,
6 THE PERMITS OR LICENSES OF THE GRANTEE FOR ANY VIOLATION OF THE PROVISIONS OF
7 THE FRANCHISE, AND MAY RECOMMEND TO CONGRESS THE REVOCATION OF THE
8 FRANCHISE FOR ANY VIOLATION OF THE PROVISIONS THEREOF.
9

10 **SEC. 3.** Section 4 of Republic Act No. 9773 is hereby amended to read as follows:
11

12 "**SEC 4. Responsibility to the Public.** — The grantee shall provide, FREE OF CHARGE,
13 adequate public service time WHICH IS REASONABLE AND SUFFICIENT to enable the
14 government, through the [said] GRANTEE'S broadcasting stations or facilities, to reach the
15 PERTINENT populationS OR PORTIONS THEREOF, on important public issues, AND
16 RELAY IMPORTANT PUBLIC ANNOUNCEMENTS AND WARNINGS CONCERNING
17 PUBLIC EMERGENCIES AND CALAMITIES, AS NECESSITY, URGENCY OR THE LAW MAY
18 REQUIRE; provide at all times sound and balanced programming; PROMOTE PUBLIC
19 PARTICIPATION; assist in the functions of public information and education; conform to the
20 ethics of honest enterprise; PROMOTE AUDIENCE SENSIBILITY AND EMPOWERMENT
21 INCLUDING CLOSED CAPTIONING; and not use its stations [and] OR facilities for the
22 broadcasting of obscene [and] OR indecent language, speech, act or scene; or for the
23 dissemination of deliberately false information or willful misrepresentation, to the
24 detriment of the public interest[.]; or to incite, encourage or assist in subversive or
25 treasonable acts.
26

27 "PUBLIC SERVICE TIME REFERRED HEREIN SHALL BE EQUIVALENT TO A
28 MAXIMUM AGGREGATE OF TEN (10%) PERCENT OF THE PAID COMMERCIALS OR
29 ADVERTISEMENTS WHICH SHALL BE ALLOCATED BASED ON NEED TO THE EXECUTIVE
30 AND LEGISLATIVE BRANCHES, THE JUDICIARY, CONSTITUTIONAL COMMISSIONS,
31 AND INTERNATIONAL HUMANITARIAN ORGANIZATIONS DULY RECOGNIZED BY
32 STATUTES: *PROVIDED*, THAT THE NTC SHALL INCREASE THE PUBLIC SERVICE TIME IN
33 CASE OF EXTREME EMERGENCY OR CALAMITY. THE NTC SHALL ISSUE RULES AND
34 REGULATIONS FOR THIS PURPOSE, THE EFFECTIVITY OF WHICH SHALL COMMENCE
35 UPON APPLICABILITY WITH OTHER SIMILARLY SITUATED BROADCAST NETWORK
36 FRANCHISE HOLDERS."
37

38 PURSUANT TO REPUBLIC ACT NO. 8370, OTHERWISE KNOWN AS THE
39 "CHILDREN'S TELEVISION ACT OF 1997", THE GRANTEE SHALL ALLOT A MINIMUM OF
40 FIFTEEN PERCENT (15%) OF THE DAILY TOTAL AIR TIME OF EACH BROADCASTING NETWORK
41 TO CHILD-FRIENDLY SHOWS WITHIN ITS REGULAR PROGRAMMING.
42

43 **SEC. 4.** A new Section 15 is hereby inserted to read as follows:
44

45 "**SEC. 15. COMMITMENT TO PROVIDE AND PROMOTE THE CREATION**
46 **OF EMPLOYMENT OPPORTUNITIES.** — THE GRANTEE SHALL CREATE
47 EMPLOYMENT OPPORTUNITIES AS WELL AS ACCEPT ON-THE-JOB TRAINEES IN
48 THEIR FRANCHISE OPERATIONS: *PROVIDED*, THAT PRIORITY SHALL BE ACCORDED TO THE
49 RESIDENTS OF THE PLACE WHERE THE PRINCIPAL OFFICE OF THE GRANTEE IS LOCATED:
50 *PROVIDED FURTHER*, THAT THE GRANTEE SHALL COMPLY WITH THE APPLICABLE
51 LABOR STANDARDS AND ALLOWANCE ENTITLEMENT UNDER EXISTING LABOR LAWS,
52 RULES AND REGULATIONS AND SIMILAR ISSUANCES: *PROVIDED, FINALLY*, THAT THE
53 EMPLOYMENT OPPORTUNITIES OR JOBS
54

1 CREATED SHALL BE REFLECTED IN THE GENERAL INFORMATION SHEET (GIS) TO
2 BE SUBMITTED TO THE SECURITIES AND EXCHANGE COMMISSION (SEC) ANNUALLY.”
3

4 SEC. 5. Section 15 of Republic Act No. 9773 is hereby renumbered as Section 16, and
5 amended to read as follows:
6

7 "SEC. 1[5]6. *Reportorial Requirement.* — The grantee shall submit an annual report to
8 the Congress of the Philippines, THROUGH THE COMMITTEE ON LEGISLATIVE FRANCHISES OF
9 THE HOUSE OF REPRESENTATIVES AND THE COMMITTEE ON PUBLIC SERVICES OF THE
10 SENATE, on its compliance with the terms and conditions of the franchise and on [its
11 operations within sixty (60) days from the end] OR BEFORE APRIL 30 of every year DURING
12 THE TERM OF ITS FRANCHISE.

13
14 "THE ANNUAL REPORT SHALL INCLUDE AN UPDATE ON THE ROLL-OUT,
15 DEVELOPMENT, OPERATION AND/OR EXPANSION OF BUSINESS; AUDITED FINANCIAL
16 STATEMENTS; LATEST GIS OFFICIALLY SUBMITTED TO THE SEC, IF APPLICABLE;
17 CERTIFICATION OF THE NTC ON THE STATUS OF ITS PERMITS AND OPERATIONS; AND AN
18 UPDATE ON THE DISPERSAL OF OWNERSHIP UNDERTAKING, IF APPLICABLE.
19

20 "THE REPORTORIAL COMPLIANCE CERTIFICATE ISSUED BY CONGRESS SHALL BE
21 REQUIRED BEFORE ANY APPLICATION FOR PERMIT OR CERTIFICATE IS ACCEPTED BY
22 THE NTC.”
23

24 SEC. 6. A new Section 17 is hereby inserted to read as follows:
25

26 "SEC. 17. *FINE.* — FAILURE OF THE GRANTEE TO SUBMIT THE REQUISITE
27 ANNUAL REPORT TO CONGRESS SHALL BE PENALIZED BY A FINE OF FIVE HUNDRED PESOS
28 (P500.00) PER WORKING DAY OF NONCOMPLIANCE. THE FINE SHALL BE COLLECTED BY THE
29 NTC FROM THE DELINQUENT FRANCHISE GRANTEE SEPARATE FROM THE REPORTORIAL
30 PENALTIES IMPOSED BY THE NTC AND THE SAME SHALL BE REMITTED TO THE BUREAU OF
31 TREASURY.”
32

33 SEC. 7. *Repealability and Non-exclusivity Clause.* — This franchise shall be subject to
34 amendment, alteration, or repeal by the Congress of the Philippines when the public interest
35 so requires and shall not be interpreted as an exclusive grant of the privileges herein
36 provided for.
37

38 SEC. 8. *Separability Clause.* — If any of the sections or provisions of this Act is held
39 invalid, all other provisions not affected thereby shall remain valid.
40

41 SEC. 9. *Repealing Clause.* — All laws, decrees, orders, resolutions, instructions, rules
42 and regulations, and other issuances or parts thereof which are inconsistent with the
43 provisions of this Act are hereby repealed, amended, or modified accordingly.
44

45 SEC. 10. *Effectivity.* — This Act shall take effect fifteen (15) days after its publication in
46 the Official Gazette or in a newspaper of general circulation.
47

48 Approved,