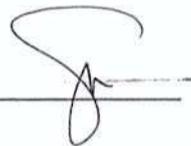


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SENATE



COMMITTEE REPORT NO. 376

Submitted by the Committee on Public Services on DEC 13 2021

Re: **House Bill No. 10152**

Recommending its approval without amendments.

Sponsor: **Senator Grace Poe**

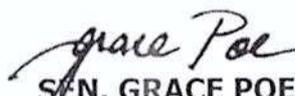
MR. PRESIDENT:

The Committee on Public Services, to which was referred **House Bill No. 10152**, introduced by **Representatives Tejada** and **Alvarez (F.)** entitled:

AN ACT
GRANTING A FRANCHISE TO THE UNIVERSITY OF SOUTHERN MINDANAO TO CONSTRUCT, ESTABLISH, MAINTAIN, AND OPERATE FOR EDUCATIONAL AND OTHER RELATED PURPOSES RADIO BROADCASTING STATIONS IN THE PROVINCE OF COTABATO

has considered the same and has the honor to report back to the Senate with the recommendation that it be approved without amendment.

Respectfully submitted,

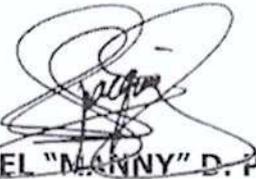

SEN. GRACE POE
Chairperson

Vice-Chairpersons:



SEN. RAMON BONG REVILLA JR.

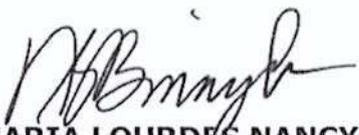
SEN. PANFILO M. LACSON



SEN. EMMANUEL "MANNY" D. PACQUIAO

SEN. WIN GATCHALIAN

Members:



SEN. MARIA LOURDES NANCY S. BINAY



SEN. CHRISTOPHER BONG GO

SEN. FRANCIS "TOL" N. TOLENTINO

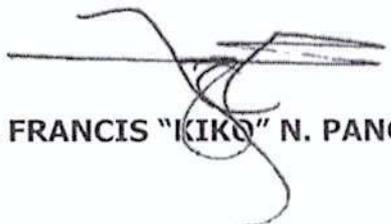


SEN. JOEL VILLANUEVA



SEN. MANUEL "LITO" M. LAPID

SEN. RICHARD J. GORDON



SEN. FRANCIS "KIKO" N. PANGILINAN

SEN. RISA HONTIVEROS

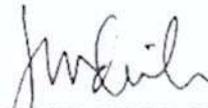
Ex-Officio Members:



SEN. RALPH G. RECTO
Senate President Pro-Tempore



SEN. JUAN MIGUEL F. ZUBIRI
Majority Leader



SEN. FRANKLIN M. DRILON
Minority Leader

HON. VICENTE C. SOTTO III
Senate President



HOUSE OF REPRESENTATIVES

H. No. 10152

BY REPRESENTATIVES TEJADA AND ALVAREZ (F.), PER COMMITTEE REPORT NO. 1191

AN ACT

GRANTING A FRANCHISE TO THE UNIVERSITY OF SOUTHERN MINDANAO TO CONSTRUCT, ESTABLISH, MAINTAIN, AND OPERATE FOR EDUCATIONAL AND OTHER RELATED PURPOSES RADIO BROADCASTING STATIONS IN THE PROVINCE OF COTABATO

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, there is hereby granted to University
3 of Southern Mindanao hereunder referred to as the Grantee, its successors or assignees, a
4 franchise to construct, install, establish, operate, and maintain for educational and other
5 related purposes, and in the public interest, radio broadcasting stations, where frequencies
6 and channels are still available for radio broadcasting, through microwave, satellite or
7 whatever means, as well as the use of any new technology in radio systems, with the
8 corresponding technological auxiliaries or facilities, special broadcast and other program and
9 distribution services and relay stations in the Province of Cotabato.

10
11 **SEC. 2. Manner of Operation of Stations or Facilities.** – The stations or facilities of the
12 Grantee shall be constructed and operated in a manner as will, at most, result only in the
13 minimum interference on the wavelengths or frequencies of existing stations or other stations
14 which may be established by law, without in any way diminishing its own privilege to use its
15 assigned wavelengths or frequencies and the quality of transmission or reception thereon as
16 should maximize rendition of the Grantee's services and availability thereof.

17
18 **SEC. 3. Prior Approval of the National Telecommunications Commission.** – The
19 Grantee shall secure from the National Telecommunications Commission (NTC) the
20 appropriate permits and licenses for the construction and operation of its stations or facilities
21 and shall not use any frequency in the radio spectrum without authorization from the NTC.
22 The NTC, however, shall not unreasonably withhold or delay the grant of any such authority.

23
24 In case of any violation of the provisions of this franchise, the NTC shall have the
25 authority to revoke or suspend, after due process, the permits or licenses it issued pursuant
26 to the franchise. The NTC may recommend to Congress of the Philippines the revocation of
27 the franchise for any violation of the provisions of this franchise.

1 **SEC. 4. Responsibility to the Public.** – The Grantee shall provide, free of charge,
2 adequate public service time which is reasonable and sufficient to enable the government,
3 through the broadcasting stations or facilities of the Grantee, to reach the pertinent
4 populations or portions thereof, on important public issues and relay important public
5 announcements and warnings concerning public emergencies and calamities, as necessity,
6 urgency, or law may require; provide at all times sound and balanced programming; promote
7 public participation; assist in the functions of public information and education; conform to
8 the ethics of honest enterprise; promote audience sensibility and empowerment including
9 closed captioning; and not use its stations or facilities for the broadcasting of obscene or
10 indecent language, speech, act, or scene, the dissemination of deliberately false information
11 or willful misrepresentation, to the detriment of public interest, or to incite, encourage, or
12 assist in subversive or treasonable acts.

13
14 Public service time referred herein shall be equivalent to a maximum aggregate of ten
15 percent (10%) of paid commercials or advertisements which shall be allocated based on need
16 to the Executive and Legislative branches, the Judiciary, Constitutional Commissions, and
17 international humanitarian organizations duly recognized by statutes: *Provided*, That the NTC
18 shall increase the public service time in case of extreme emergency or calamity. The NTC shall
19 issue rules and regulations for this purpose, the effectivity of which shall commence upon
20 applicability with other similarly situated broadcast network franchise holders.

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

24
25 A special right is hereby reserved to the President of the Philippines, in times of war,
26 rebellion, public peril, calamity, emergency, disaster, or disturbance of peace and order, to
27 temporarily take over and operate the stations or facilities of the Grantee; to temporarily
28 suspend the operation of any station or facility in the interest of public safety, security, and
29 public welfare; or to authorize the temporary use and operation thereof by any agency of the
30 government, upon due compensation to the Grantee, for the use of said stations or facilities
31 during the period when these shall be so operated.

32
33 **SEC. 6. Term of Franchise.** – This franchise shall be in effect for a period of twenty-five
34 (25) years from the effectivity of this Act, unless sooner revoked or cancelled. This franchise
35 shall be deemed *ipso facto* revoked in the event the Grantee fails to comply with the following
36 conditions:

- 37
38 (a) commencement of operations within three (3) years from the approval of its
39 operating permit by the NTC;
40 (b) commencement of operations within five (5) years from the effectivity of this
41 Act; and
42 (c) continuous operation for two (2) years.

43
44 **SEC. 7. Self-regulation by and Undertaking of Grantee.** – The Grantee shall not require
45 any previous censorship of any speech, play, act or scene, or other matter to be broadcast
46 from its stations, but if any such speech, play, act or scene, or other matter should constitute
47 a violation of the law or infringement of a private right, the Grantee shall be free from any
48 liability, civil or criminal, for such speech, play, act or scene, or other matter: *Provided*, That
49 the Grantee, during any broadcast, shall cut off the airing of speech, play, act or scene, or

1 other matter being broadcast if the tendency thereof is to propose or incite treason, rebellion,
2 or sedition; or the language used therein or the theme thereof is indecent or immoral:
3 *Provided, further,* That willful failure to do so shall constitute a valid cause for the cancellation
4 of this franchise.
5

6 **SEC. 8. Warranty in Favor of the National and Local Governments.** – The Grantee shall
7 hold the national, provincial, city, and municipal governments of the Philippines free from all
8 claims, liabilities, demands, or actions arising out of accidents causing injury to persons or
9 damage to properties, during the construction or operation of the stations of the Grantee.
10

11 **SEC. 9. Commitment to Provide and Promote the Creation of Employment**
12 **Opportunities.** – The Grantee shall create employment opportunities and accept on-the-job
13 trainees in the franchise operations: *Provided,* That priority shall be accorded to the residents
14 of the place where the principal office of the Grantee is located: *Provided, further,* That the
15 Grantee shall follow applicable civil service rules and regulations and other similar issuances.
16

17 **SEC. 10. Sale, Lease, Transfer, Grant of Usufruct, or Assignment of Franchise.** – The
18 Grantee shall not sell, lease, transfer, grant the usufruct of, nor assign this franchise or the
19 rights and privileges acquired thereunder to any person, firm, company, corporation or other
20 commercial or legal entity.
21

22 **SEC. 11. Reportorial Requirement.** – The Grantee shall submit an annual report on its
23 compliance with the terms and conditions of the franchise and on its operations to the
24 Congress of the Philippines, through the Committee on Legislative Franchises of the House of
25 Representatives and the Committee on Public Services of the Senate, on or before April 30 of
26 every year during the term of its franchise.

27 The annual report shall include an update on the commencement of activities,
28 development, operation, and expansion of business; audited financial statements; latest GIS
29 officially submitted to the SEC, if applicable; certification of the NTC on the status of its
30 permits and operations; and an update on the dispersal of ownership undertaking, if
31 applicable.

32 The reportorial compliance certificate issued by Congress shall be required before any
33 application for permit or certificate is accepted by the NTC.

34 **SEC. 12. Fine.** – Failure of the Grantee to submit the requisite annual report to
35 Congress shall be penalized by a fine of Five hundred pesos (P500.00) per working day of
36 noncompliance to the NTC. The fine shall be collected separately from the reportorial
37 penalties imposed by the NTC, and shall be remitted to the Bureau of the Treasury.

38 **SEC. 13. Equality Clause.** – Any advantage, favor, privilege, exemption, or immunity
39 granted under existing franchises, or which may hereafter be granted for radio broadcasting,
40 upon prior review and approval of Congress, shall become part of this franchise and shall be
41 accorded immediately and unconditionally to the herein grantee: *Provided,* That the
42 foregoing shall neither apply to nor affect the provisions of broadcasting franchises
43 concerning territorial coverage, the term, or the type of service authorized by the franchise.
44

45 **SEC. 14. Repealability and Nonexclusivity Clause.** – This franchise shall be subject to
46 amendment, alteration, or repeal by Congress when the public interest so requires and shall
47 not be interpreted as an exclusive grant of the privileges herein provided for.

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SEC. 15. Separability Clause. – If any of the sections or provisions of this Act is held invalid, all other provisions not affected thereby shall remain valid.

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

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

Approved,