


FIFTEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
First Regular Session )

SENATE  
OFFICE OF THE SECRETARY

10 JUL -1 A .22

SENATE

S. No. 12

RECEIVED BY: 

Introduced by Senator Antonio "Sonny" F. Trillanes IV

**EXPLANATORY NOTE**

The Constitution recognizes the vital role of communication and information in nation-building.<sup>1</sup> Public information inevitably creates awareness of significant issues and can also be a mechanism for the transparency of policies and programs of the government if used effectively. Being a critical part of democracy, it can only be efficiently channeled through a truly independent media.<sup>2</sup>

In our country, media has been undeniably dominated by commercial or privately-owned companies that depend on advertising to be able to sustain itself.<sup>3</sup> Consequently, the growth and the independence of our journalists are encumbered by practices and schemes that are primarily dictated by the economic interests of their proprietors or advertisers. The existing public broadcast system, on the other hand, does not enjoy the trust of the people as it is perceived as a propaganda vehicle of the incumbent administrations and hence, is deemed inutile in the effective delivery of broadcasting as a public good. Thus, important concepts of transparency and accountability are unquestionably compromised by the situation.

Recognizing the need to assert the idea of highest journalistic standards and the preservation of press freedom, this bill aims to establish a public service broadcasting system which shall function wholly independently of the governmental and commercial influences and free from political or other bias or interference. Through this measure, the PSBS shall be independent in all matters concerning the content of its output, the times and manner in which this is supplied, and in the management of its affairs. Moreover, this bill grants fiscal autonomy to the PSBS such that appropriations for the PSBS may not be reduced by the Legislature below the amount appropriated for the previous year, and after approval shall be automatically and regularly released. Further, this bill creates a Board of Directors whose membership is not appointed by the President. With the aforementioned provisions, this measure seeks to create a healthy distance between the media and the potential meddling arm of the State and commercial private interests. Of twin importance is the measure's provision of general program standards. Broadcasters must ensure that due impartiality and truthfulness are observed in news and other issues of public importance.

This bill, in essence, seeks to promote high quality public service broadcasting, the free flow of information in the public interest, and the responsible exercise of journalism through a broadcast channel that will fill the gap in the ratings-driven, commercially-dominated Philippine broadcast media and propaganda-driven state broadcasting system.

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

  
**ANTONIO "SONNY" F. TRILLANES IV**  
Senator

<sup>1</sup> 1987 Constitution, Article 2, Section 24.

<sup>2</sup> Data retrieved at [www.ncca.gov.ph/about-culture-and-arts/articles-on-c-n-a/article.php](http://www.ncca.gov.ph/about-culture-and-arts/articles-on-c-n-a/article.php) on 11 June 2010.

<sup>3</sup> *Ibid.*

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AN ACT  
ESTABLISHING AN INDEPENDENT BROADCAST SYSTEM IN THE COUNTRY,  
PROVIDING FUNDS THEREFOR, AND FOR OTHER PURPOSES

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

TITLE I. — GENERAL PROVISIONS

SECTION 1. *Short Title.* — This Act shall be known as the "*Public Service Broadcast System Act of 2010.*"

SEC. 2. *Declaration of Policies.* — In consonance with the Constitutional recognition of the vital role of communication and information in nation-building, and the important aspect played by the broadcasting industry, it is hereby declared as the policy of the State to:

- a) promote the provision of high-quality broadcast programming to the public at large;
- b) promote and guarantee the independence of the public service broadcaster from political or commercial interference within a framework of accountability to the public;
- c) fully develop communication structures suitable to the needs and aspirations of the nation and in accordance with a policy that respects the freedom of speech and of the press;
- d) harness the resources of the government and the private sector towards a close, continuous and balanced cooperation in order to take advantage of technological advances in the broadcasting industry;
- e) maintain a broadcast industry system that serves as a vital link for participative democracy and effective government information dissemination through developmental communication, free from any political or partisan influence and held accountable directly to the people;
- f) encourage the development and broadcast of balanced programs which feature public affairs;

1           **SEC 3. *Definition of Terms.*** - In this Act, unless the context otherwise requires:

- 2 a) The term “*advertisement*” refers to any public announcement intended to promote the sale,  
3 purchase or rental of a product or service, to advance a cause or idea or to bring about some  
4 other effect desired by the advertiser, for which broadcasting time has been given up to the  
5 advertiser for remuneration or similar consideration;
- 6 b) The term “*facilities and equipment*” refers to apparatus necessary for production,  
7 interconnection, captioning, broadcast, or other distribution of programming, including, but  
8 not limited to, studio equipment, cameras, microphones, audio and video storage or  
9 reproduction equipment, or both, signal processors and switchers, towers, antennas,  
10 transmitters, translators, microwave equipment, industrial utility vehicle and appropriate  
11 mobile equipment, satellite communications equipment, instructional television fixed service  
12 equipment, subsidiary communications authorization transmitting and receiving equipment,  
13 cable television equipment, video and audio cassettes and discs, optical fiber  
14 communications equipment, and other means of transmitting, emitting, storing, and receiving  
15 images and sounds, or intelligence, *Provided*, That such term does not include the buildings  
16 to house such apparatus (other than small equipment shelters which are part of satellite earth  
17 stations, translators, microwave interconnection facilities, and similar facilities).

18  
19   **TITLE II. — CREATION AND DOMICILE**

20           **SEC. 4. *Creation.*** – There shall be created a body corporate to be called the Public  
21 Service Broadcast System hereinafter referred to as the "PSBS," which shall engage in television  
22 broadcasting in the Philippines. The PSBS shall have the independence of a Constitutional  
23 Commission under a Board of Directors (hereinafter referred to as the Board), *Provided*, That no  
24 member of the Board shall be appointed by the President of the Philippines.

25           The PSBS shall run news and public affairs coverage, and commentaries for twenty-four  
26 hours, seven days a week, for television and radio broadcasting. *Further*, It shall provide equal  
27 coverage of both local and national events. *Furthermore*, foreign events shall also be covered by  
28 the PSBS.

1           **SEC. 5. *Domicile.*** – The PSBS shall have its principal office and domicile in the  
2 Metropolitan Manila area. It may also establish offices, branches and/or stations in any part of  
3 the Philippines as its Board may see fit.

4                                   **TITLE III. — FRANCHISE AND LICENSE TO OPERATE**

5           **SEC. 6. *Franchise Grant.*** – Subject to the provision of the Constitution, laws, orders,  
6 decrees not inconsistent herewith, the PSBS is hereby granted a franchise to construct, maintain  
7 and operate television broadcasting stations and satellite receiving and transmitting facilities in  
8 the Philippines for a period co-terminus with the corporate existence of the PSBS.

9           **SEC. 7. *License to Operate.*** – The National Telecommunications Commission (NTC)  
10 shall forthwith cause the issuance to the PSBS of the corresponding license to operate upon  
11 compliance with all its requirements.

12                                   **TITLE IV. — POWERS AND FUNCTIONS**

13           **SEC. 8. *Powers of the PSBS.*** – The PSBS shall have the following powers:

- 14 a) to establish, install, use, and maintain national, regional, provincial and community-stations  
15 for television and radio broadcasting throughout and any part of the country;
- 16 b) to provide, equip, and maintain studios and other premises for television and radio production  
17 and broadcasting purposes;
- 18 c) to accept advertising materials for television and radio broadcasting upon payment of such  
19 charges as may be determined from time to time by the PSBS, and to determine the conditions  
20 subject to which the said advertisements may be accepted for transmission;
- 21 d) to adopt and use a PSBS seal;
- 22 e) to adopt by-laws, not contrary to law, morals, or public policy, and to amend or repeal the  
23 same in accordance with the provisions of existing laws;
- 24 f) to purchase, receive, take or grant, hold, convey, sell, lease, pledge, mortgage and otherwise  
25 deal with such real and personal property;
- 26 g) to establish, purchase, install, construct, use and maintain national, regional, provincial and  
27 community stations and facilities for television broadcasting throughout and in any part of the

1 country;

2 h) to enter into joint ventures or partnerships with other broadcasting authorities and stations or

3 international agencies or private organizations for the purpose of promoting its broadcasting

4 services;

5 i) to exercise such other powers as may be necessary to carry-out the purpose for which the

6 PSBS was established or which from time to time may be declared by the Board of Directors to

7 be necessary, useful, incidental or auxiliary to accomplish such purposes.

8

9 **SEC. 9. *Independence of the PSBS.*** – The PSBS shall be independent in all matters

10 concerning the content of its output, the times and manner in which this is supplied, and in the

11 operational management of its affairs, such that the Oversight Committee provided for in Section

12 26 of this Act may not question the PSBS on matters relating to the aforementioned.

13 **SEC. 10. *Functions of the PSBS.*** – The PSBS shall have the following functions:

- 14 a. to serve the public interest;
- 15 b. to serve primarily as a vehicle for communicating the news and public affairs to the public;
- 16 c. to provide subsidized airtime to legitimate people's organizations and NGOs in the promotion
- 17 of their programs and projects;

18

19 **TITLE V. — CORPORATE STRUCTURE**

20 **SEC. 11. *The Board of Directors.*** – The PSBS shall be governed by the PSBS Board

21 of Directors, hereinafter referred to as the Board.

22 The Board shall be composed of fifteen (15) members. The members of the Board shall

23 be elected from the following organizations:

- 24 a. Seven (7) directors, representing each of the seven (7) biggest national broadcast
- 25 media organizations in the country, in terms of membership; *Provided*, That the three
- 26 (3) directors, shall represent each of the three (3) biggest regional broadcast media
- 27 organizations in Luzon, Visayas, and Mindanao, respectively, in terms of
- 28 membership;

- 1           b. Two (2) directors representing each of the two (2) biggest investigative media  
2           organizations in the country, in terms of membership;
- 3           c. Five (5) directors representing each the five (5) biggest national newsprint media  
4           organizations in the country, in terms of membership;
- 5           d. The Dean of the University of the Philippines College of Mass Communication will  
6           serve as a director, representing the academe.

7           The initial members of the Board shall have a two (2) – year term. Subsequent  
8           directors shall serve a term of four (4) years, *Provided* That they shall be eligible for re-  
9           election for another term of four (4) years. Replacement for any vacancy in the Board shall  
10          be for the unexpired portion of the term of the predecessor. Except for the Dean of the UP  
11          College of Mass Communications, the Directors of the Board for the subsequent terms shall  
12          be duly elected by members of their respective organizations. The Directors shall elect  
13          among themselves one who will serve as Chairman of the Board.

14          The Board shall meet at least twice a month to discuss matters of policy in order to  
15          effectively carry out the provision of this Act.

16          The Chairman of the Board shall have a salary grade equivalent to a Cabinet Secretary.  
17          The other members of the Board shall carry a salary grade equivalent to a Cabinet  
18          Undersecretary.

19          **SEC. 12. *Qualifications of the Members of the Board.*** – The members of the Board  
20          shall be of proven and unquestionable probity, integrity, honesty, impartiality, reputation, and  
21          knowledgeable of the broadcast industry. They shall not be holding key positions with other  
22          broadcasting corporation or hold any position that may conflict with their functions and duties as  
23          Directors of the PSBS.

24          If a member shall be appointed or employed as employee or consultant to another  
25          government office, political party, or shall run for any elective position, he shall be deemed to  
26          have vacated membership in the Board on the day of his appointment or filing of his candidacy,  
27          as the case may be.

1           **SEC. 13. Powers and Functions of the Board.** – The Board shall have the following  
2 powers and functions:

3           a) The Board shall elect the Officers of the PSBS, hereinafter referred to as the Officers,  
4           *Provided*, That the officers shall be chosen from among the duly accredited broadcast  
5 organizations in the country.

6           b) The Board has overall responsibility for the determination of internal policy, for ensuring  
7 compliance with all policies set out in this Act, for ensuring that PSBS meets the highest  
8 standards of decency, integrity and value for money, for appointment of senior staff,  
9 including the members of the Board, and for setting the overall strategy of PSBS.

10          c) The Board shall have the power to fix the other allowances and fringe benefits of its  
11 officers and employees, subject to the provisions of pertinent compensation laws and  
12 regulations.

13          d) The Board shall not interfere with the day-to-day management of the PSBS or with the  
14 editorial independence of the staff, although it does have responsibility for ensuring the  
15 overall editorial policy respects of the PSBS.

16          All members of the Board shall be independent and impartial in the exercise of their  
17 functions and shall, at all times, seek to promote the policies as declared in Section 2 of this Act.  
18 Board members shall act at all times in the overall public interest and shall not use their  
19 appointment to advance their personal interests, or the personal interests of any other party or  
20 entity.

21  
22          **SEC. 14. The Officers of the PSBS.** – The Officers of the PSBS, hereinafter referred to  
23 as the Officers, shall be elected by the Board, of which the latter shall not be members of. The  
24 initial Officers shall have a three (3) – year term. Subsequent Officers shall serve a term of four  
25 (4) years, *Provided* That they shall be eligible for re-election for another term of four (4) years.  
26 The elected President shall carry the salary grade equivalent to a Cabinet Undersecretary. The  
27 other officers shall carry the salary grade equivalent to an Assistant Secretary.

28          Other broadcast media organizations not represented in the Board shall be given an  
29 opportunity to make representations. All nominations and the corresponding positions to be filled

1 in shall be submitted to the Board for review and selection before the deadline set by the Board.

2 Each member of the Board is entitled to one (1) vote.

3  
4 **SEC. 15. Positions.** – The following positions shall be created and filled up for the  
5 proper and effective functioning of the Office:

- 6 a. One (1) President
- 7 b. One (1) Vice President for Finance
- 8 c. One (1) Vice President for Marketing
- 9 d. One (1) Vice President for Human Resource Development
- 10 e. One (1) Vice President for Operations
- 11 f. One (1) Vice President for Legal Affairs
- 12 g. One (1) Vice President for News and Current Affairs

13  
14 **SEC. 16. Powers and Functions of the Officers of the PSBS.** — Subject to the control  
15 and supervision of the Board, the Officers shall have the following powers and functions:

- 16 a) submit policy recommendations and propose measures necessary to carry out the  
17 objectives and functions of the PSBS for the consideration of the Board; and propose  
18 guidelines that liberate rather than restrict program makers;
- 19 b) recommend to the Board for approval an organizational structure and plantilla for  
20 personnel of the PSBS, in accordance with existing laws, rules and regulations;
- 21 c) execute, administer and implement policies and measures approved by the Board;
- 22 d) submit to the Board an annual budget and such supplemental budgets as may be  
23 necessary for its consideration and approval;
- 24 e) represent the PSBS, its dealings with other persons, entities, agencies and institutions,  
25 whether public or private, domestic or foreign, subject to the limitations and conditions  
26 herein provided;
- 27 f) appoint, subject to the confirmation by the Board, discipline or remove for cause, officer  
28 and personnel of the PSBS in accordance with the Civil Service Law, Rules and  
29 Regulations; and



1 g) perform such other functions and duties which may be assigned to them by the Board.

2  
3 **TITLE VI. — PROGRAM STANDARDS**

4 **SEC. 17. *General Program Standards.*** - Broadcasters must ensure that due  
5 impartiality and truthfulness are observed in news and public affairs issues of public importance.  
6 Due impartiality requires programs producers to deal even-handedly when opposing points of  
7 view are presented in a program. On matters of public importance, balance should be sought  
8 through the presentation, as far as possible, of principal viewpoints. Programs should not be  
9 slanted by the exclusion of facts or by misleading emphasis. Every reasonable effort must be  
10 made to ensure that the factual content of programs is accurate.

11 **SEC. 18. *Use of Blocktimers.*** - The use of blocktimers shall be allowed but limited to  
12 education and sports programs only. The PSBS shall assume solidary liability with each of the  
13 individual producers, for the content of all programs shown by blocktimers.

14 **TITLE VII. — FINANCIAL PROVISIONS**

15 **SEC. 19. *Initial Appropriation.*** - The authorized initial funding of the PSBS shall be  
16 One Billion, Five Hundred Million Pesos (P1,500,000,000.00) for facilities and equipment  
17 modernization, which shall be released from funds of the National Treasury upon the effectivity  
18 of this Act; *Provided*, That the sum of Two Hundred Million Pesos (P200,000,000.00) in  
19 addition to the current fiscal appropriation for the National Broadcasting Network (NBN-4),  
20 absorbed by the PSBS, shall be allocated from the National Budget of the year following the  
21 approval of this Act.

22  
23  
24 **SEC. 20. *Revenue Generation.*** - The PSBS shall be allowed to generate funds from  
25 advertising and air time sales in accordance with the policies and rates set by the Board of  
26 Directors.

27 The National Government shall have fifty percent (50%) share from all fees and revenues  
28 collected or received by the PSBS. Forty-five percent (45%) shall be retained by the PSBS and

1 utilized solely for facilities and equipment modernization. The remaining five percent (5%) shall  
2 be earmarked for additional expenditure to the PSBS employees' benefits.

3 Further, the PSBS may sell the content of its news and current affairs programs to foreign  
4 stations.

5  
6 **SEC. 21. *Fiscal Autonomy.*** – The PSBS shall enjoy fiscal autonomy. Appropriations for  
7 the PSBS may not be reduced by the Legislature below the amount appropriated for the previous  
8 year, and after approval shall be automatically and regularly released.

9 Further, there shall be a ten percent (10%) automatic increase in the budget of the PSBS  
10 every five years, *Provided*, That there was no increase in its annual budget for five (5)  
11 consecutive fiscal years.

12 The salary of the Board and Officers of the PSBS shall be fixed by law. During their  
13 continuance in office, their salary shall not be decreased.

14  
15 **TITLE VIII. — ADMINISTRATIVE PROVISIONS**

16 **SEC. 22. *Record of Transactions.*** – The PSBS shall keep proper accounts and records  
17 of all its transactions and affairs, and shall do all things necessary to ensure that all payments  
18 made out of its moneys are correctly made and properly authorized, and that adequate control is  
19 maintained over the assets of, or in the custody of, the PSBS and the expenditures incurred by  
20 the PSBS. The PSBS shall be subject to audit by the Commission on Audit.

21 **TITLE IX. — EMPLOYEES OF THE PSBS**

22 **SEC. 23. *Civil Service Law Coverage for Employees.*** – The hiring, appointment,  
23 employment, promotion, disciplinary control, and other terms and conditions of the service of all  
24 employees of the PSBS, and such other matter affecting its employees shall be consistent with  
25 the provisions of the Civil Service Law, Rules and Regulations.

26

1           **SEC. 24. *Salary Scale for Officials and Employees.*** – The rates of compensation and  
2 classes of positions in the PSBS shall be covered by the Salary Standardization Law.

3  
4           **SEC. 25. *GSIS Coverage for Employees.*** – All employees hired by the PSBS shall be  
5 deemed members of the Governments Service Insurance System (GSIS) for the purpose of  
6 employee benefits.

7   **TITLE X. — OVERSIGHT**

8           **SEC. 26. *Oversight Committee.*** – The House of Representatives and Senate chairmen of  
9 the Committee on Public Information and Mass Media shall have authority to hold public  
10 hearings on matters relating to financial management of the PSBS. The PSBS must at all  
11 reasonable times upon demand, allow the Committee to examine any of its accounts and furnish  
12 the Committee with all forecasts, estimates, reconciliations, information and documents, which  
13 the Committee may require, in such format as the Committee may require, with financial  
14 transactions and engagements of the PSBS.

15  
16   **TITLE XI. — MISCELLANEOUS PROVISIONS**

17           **SEC. 27. *Transition Clause.*** - All the powers, functions, assets and liabilities, capital,  
18 accounts, contracts, and facilities pertaining to the National Broadcasting Network (NBN-4), and  
19 all equipment relating to television broadcasting owned by the government shall be transferred to  
20 the PSBS.

21  
22           **SEC. 28. *Transitory Provision.*** – The Officers shall recommend to the Board of  
23 Directors a corporate plan that includes programming direction, budget, organizational plan and  
24 structure, a staffing pattern and compensation plan within ninety (90) days from the effectivity of  
25 this Act. Said corporate structure shall be implemented by the Officers within thirty (30) days  
26 after its approval by the Board of Directors: *Provided, that* The current career employees of the  
27 National Broadcasting Network (NBN-4) shall be absorbed and accommodated by the PSBS.

”  
\*  
1           **SEC. 29. *Amendments.*** – The provisions of this Act shall be subject to amendments,  
2 alteration or repeal by the Congress of the Philippines, when public interest so requires.

3  
4           **SEC. 30. *Separability Clause.*** – If any provision or part of this Act is declared invalid  
5 or unconstitutional, the remainder shall not be affected thereby and shall continue to be in full  
6 force and effect.

7  
8           **SEC. 31. *Repealing Clause.*** – Republic Act 7306, and all other laws, presidential  
9 decrees, executive orders, rules and regulations or proclamations and other issuances, contrary or  
10 inconsistent with the provisions of this Act are hereby repealed or amended accordingly.

11  
12           **SEC. 32. *Effectivity Clause.*** – This Act shall take effect fifteen (15) days following its  
13 publication in the *Official Gazette* or in two (2) national newspapers of general circulation.

Approved,