



HOUSE OF REPRESENTATIVES

H. No. 5492

BY REPRESENTATIVES BAGATSING AND TEODORO, PER COMMITTEE REPORT
NO. 1514

AN ACT GRANTING THE TV MARIA FOUNDATION PHILIPPINES,
INCORPORATED A FRANCHISE TO CONSTRUCT, INSTALL,
ESTABLISH, OPERATE AND MAINTAIN TELEVISION
BROADCASTING STATIONS IN THE PHILIPPINES

*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
2 provisions of the Constitution and applicable laws, rules and regulations, there
3 is hereby granted to the TV Maria Foundation Philippines, Incorporated,
4 hereunder referred to as the grantee, its successors or assigns, a franchise to
5 construct, install, establish, operate and maintain for commercial purposes and
6 in the public interest, television broadcasting stations in the Philippines where
7 frequencies and channels are still available for television broadcasting,
8 including digital television system, Internet Protocol-related services and
9 Internet Protocol-value-added services, through microwave, satellite or
10 whatever means, including the use of any new technology that may hereafter or
11 in the future be developed in the field of television broadcasting, with the

1 corresponding technological auxiliaries and facilities, special broadcast and
2 other program and distribution services and relay stations.

3 SEC. 2. *Manner of Operation of Stations or Facilities.* – The stations
4 or facilities of the grantee shall be constructed and operated in a manner as
5 will, at most, result only in the minimum interference on the wavelengths or
6 frequencies of existing stations or other stations which may be established by
7 law, without in any way diminishing its own right to use its selected
8 wavelengths or frequencies and the quality of transmission or reception thereon
9 as should maximize rendition of the grantee's services and/or availability
10 thereof. In no way shall the operator of the grantee nor the radiated power of
11 its stations or facilities exceed that required to cover the area where it is
12 allowed to operate.

13 SEC. 3. *Prior Approval of the National Telecommunications*
14 *Commission (NTC).* – The grantee shall secure from the NTC the appropriate
15 permits and licenses for the construction and operation of its stations or
16 facilities and shall not use any frequency in the radio/television spectrum
17 without having been authorized by the Commission. The Commission,
18 however, shall not unreasonably withhold or delay the grant of any such
19 authority.

20 SEC. 4. *Responsibility to the Public.* – The grantee shall provide
21 adequate public service time to enable the government, through the said
22 broadcasting stations or facilities, to reach the population on important public
23 issues; provide at all times sound and balanced programming; assist in the
24 functions of public information and education; conform to the ethics of honest
25 enterprise; and not use its stations or facilities for the broadcasting of obscene
26 and indecent language, speech, act or scene; or for the dissemination of
27 deliberately false information or willful misrepresentation, to the detriment of

1 the public interest, or to incite, encourage or assist in subversive or treasonable
2 acts.

3 SEC. 5. *Right of Government.* – A special right is hereby reserved to
4 the President of the Philippines, in times of war, rebellion, public peril,
5 calamity, emergency, disaster or disturbance of peace and order, to temporarily
6 take over and operate the stations or facilities of the grantee, to temporarily
7 suspend the operation of any station or facility in the interest of public safety,
8 security and public welfare, or to authorize the temporary use and operation
9 thereof by any agency of the government, upon due compensation to the
10 grantee, for the use of said stations or facilities during the period when they
11 shall be so operated.

12 The radio spectrum is a finite resource that is part of the national
13 patrimony and the use thereof is a privilege conferred upon the grantee by the
14 State and may be withdrawn any time after due process.

15 SEC. 6. *Term of Franchise.* – This franchise shall be for a term of
16 twenty-five (25) years from the date of effectivity of this Act, unless sooner
17 revoked or cancelled. This franchise shall be deemed *ipso facto* revoked in the
18 event the grantee fails to comply with any of the following conditions:

19 (a) Commence operations within one (1) year from the approval of its
20 operating permit by the NTC;

21 (b) Operate continuously for two (2) years; and

22 (c) Commence operations within three (3) years from the effectivity of
23 this Act.

24 SEC. 7. *Acceptance and Compliance.* – Acceptance of this franchise
25 shall be given in writing within sixty (60) days from the effectivity of this Act.
26 Upon giving such acceptance, the grantee shall exercise the privileges granted
27 under this Act. Nonacceptance shall render the franchise void.

1 SEC. 8. *Bond.* – The grantee shall file a bond issued in favor of the
2 NTC, which shall determine the amount, to guarantee the compliance with and
3 fulfillment of the conditions under which this franchise is granted. If after
4 three (3) years from the date of the approval of its permit by the Commission,
5 the grantee shall have fulfilled the same, the bond shall be cancelled by
6 the Commission. Otherwise, the bond shall be forfeited in favor of the
7 government and the franchise *ipso facto* revoked.

8 SEC. 9. *Self-regulation by and Undertaking of Grantee.* – The grantee
9 shall not require any previous censorship of any speech, play, act or scene, or
10 other matter to be broadcast from its stations: *Provided*, That the grantee,
11 during any broadcast, shall cut off from the air the speech, play, act or scene,
12 or other matter being broadcast if the tendency thereof is to propose and/or
13 incite treason, rebellion or sedition; or the language used therein or the theme
14 thereof is indecent or immoral; and willful failure to do so shall constitute a
15 valid cause for the cancellation of this franchise.

16 SEC. 10. *Obligation of Grantee.* – Any person aggrieved by any
17 remark, report, statement, commentary or the like by a broadcaster using the
18 same facilities by the grantee shall have the right to reply in the same program
19 or any other program the aggrieved party may choose.

20 SEC. 11. *Warranty in Favor of National and Local Governments.* –
21 The grantee shall not hold the national, provincial, city and municipal
22 governments of the Philippines liable from all claims, accounts, demands or
23 actions arising out of accidents or injuries, whether to property or to persons,
24 caused by the construction or operation of the stations of the grantee.

25 SEC. 12. *Nontransferability of Franchise.* – The grantee shall not
26 lease, transfer, grant the usufruct of, sell nor assign this franchise or the rights
27 and privileges acquired thereunder to any person, firm, company, corporation
28 or other commercial or legal entity, nor merge with any other corporation or

1 entity, nor shall the controlling interest of the grantee be transferred, whether
2 as a whole or in parts and whether simultaneously or contemporaneously, to
3 any such person, firm, company, corporation or entity without the prior
4 approval of the Congress of the Philippines. Any person or entity to which this
5 franchise is sold, transferred or assigned shall be subject to the same
6 conditions, terms, restrictions and limitations of this Act.

7 SEC. 13. *Equality Clause.* – Any advantage, favor, privilege,
8 exemption or immunity granted under existing franchise, or which may
9 hereafter be granted for television broadcasting, shall *ipso facto* become part of
10 this franchise and shall be accorded immediately and unconditionally to the
11 herein grantee: *Provided, however,* That the foregoing shall neither apply to
12 nor affect provisions of broadcasting franchises concerning territory covered
13 by the franchise, the life span of the franchise or the type of service authorized
14 by the franchise.

15 SEC. 14. *General Broadcast Policy Law.* – The grantee shall comply
16 with and be subject to the provisions of a general broadcast policy law, which
17 Congress may hereafter enact.

18 SEC. 15. *Reportorial Requirement.* – The grantee shall submit an
19 annual report to the Congress of the Philippines on its compliance with the
20 terms and conditions of the franchise and on its operations within sixty (60)
21 days from the end of every year.

22 SEC. 16. *Separability Clause.* – If any of the sections or provisions
23 of this Act is held invalid, all the other provisions not affected thereby shall
24 remain valid.

25 SEC. 17. *Repealability and Nonexclusivity Clause.* – This franchise
26 shall be subject to amendment, alteration or repeal by the Congress of the
27 Philippines when the public interest so requires and shall not be interpreted as
28 an exclusive grant of the privileges herein provided for.

1 SEC. 18. *Effectivity Clause.* – This Act shall take effect fifteen (15)
2 days from the date of its publication, upon the initiative of the grantee, in at
3 least two (2) newspapers of general circulation in the Philippines.

Approved,

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