

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



Senate
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13 JUL 16 P4:59

SENATE

S. No. 817

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Introduced by Senator Antonio "SONNY" F. Trillanes IV

Explanatory Note

The Constitution recognizes the vital role of communication and information in nation-building. 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 channelled through a truly independent media.

In our country, media has been undeniably dominated by commercial or privately-owned companies that depend on advertising to be able to sustain itself. 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.

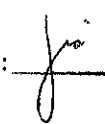
In view of the foregoing, early passage of this bill is earnestly sought.


ANTONIO "SONNY" F. TRILLANES IV
Senator

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SENATE

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Introduced by Senator Antonio "SONNY" F. Trillanes IV

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

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

TITLE I. - GENERAL PROVISIONS

SECTION 1. Title. - This Act shall be known as the "*Public Service Broadcast System Act of 2013.*"

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. 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.

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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. 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.

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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,