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

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SENATE

_{S. No.} 532

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

EXPLANATORY NOTE

The Constitution recognizes the vital role of communication and information in nationbuilding. 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.

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.

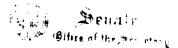
Recognizing the need to assert the idea of highest journalistic standards and the preservation of press freedom, this bill aims to establish a public service broadcasting system which shall function wholly independent of the governmental and commercial influences and free from political or other bias or interference. Through this measure, the Public Service Broadcast System (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 immediate passage of this bill is earnestly sought.

ANTOPIO"SONNY" F. TRILLANES IV Senator



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

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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 the 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 2016."

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; and
- f) encourage the development and broadcast of balanced programs which feature public
 affairs;

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

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a) The term "advertisement" refers to any public announcement intended to promote the sale, purchase or rental of a product or service, to advance a cause or idea or to bring about some other effect desired by the advertiser, for which broadcasting time has been given up to the advertiser for remuneration or similar consideration;

b) The term "facilities and equipment" refers to apparatus necessary for production, interconnection, captioning, broadcast, or other distribution of programming, including, but not limited to, studio equipment, cameras, microphones, audio and video storage or reproduction equipment or both, signal processors and switchers, towers, antennas, transmitters, translators, microwave equipment, industrial utility vehicle and appropriate mobile equipment, satellite communications equipment, instructional television fixed service equipment, subsidiary communications authorization transmitting and receiving equipment, cable television equipment, video and audio cassettes and discs, optical fiber communications equipment, and other means of transmitting, emitting, storing, and receiving images and sounds, or intelligence: *Provided*. That such term does not include the buildings to house such apparatus (other than small equipment shelters which are part of satellite earth stations, translators, microwave interconnection facilities, and similar facilities).

TITLE II CREATION AND DOMICILE

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

The PSBS shall run news and public affairs coverage, and commentaries for twentyfour hours, seven days a week, for television and radio broadcasting. Further, it shall provide equal coverage of both local and national events. Furthermore, foreign events shall also be covered by the PSBS.

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

TITLE III FRANCHISE AND LICENSE TO OPERATE

45 **SEC. 6.** *Franchise Grant.* - Subject to the provision of the Constitution, laws, orders, 46 decrees not inconsistent herewith, the PSBS is hereby granted a franchise to construct, 47 maintain and operate television broadcasting stations and satellite receiving and transmitting 48 facilities in the Philippines for a period co-terminus with the corporate existence of the PSBS. 49

1 SEC. 7. License to Operate. - The National Telecommunications Commission (NTC) 2 shall forthwith cause the issuance to the PSBS of the corresponding license to operate upon 3 compliance with all its requirements. 4 5 TITLE IV **POWERS AND FUNCTIONS** 6 7 8 SEC. 8. Powers of the PSBS. - The PSBS shall have the following powers: 9 a) to establish, install, use, and maintain national, regional, provincial and community-10 stations for television and radio broadcasting throughout and in any part of the 11 country; 12 13 14 b) to provide, equip, and maintain studios and other premises for television and radio production and broadcasting purposes; 15 16 17 c) to accept advertising materials for television and radio broadcasting upon payment of 18 such charges as may be determined from time to time by the PSBS, and to determine 19 the conditions subject to which the said advertisements may be accepted for transmission; 20 21 22 d) to adopt and use a PSBS seal; 23 24 e) to adopt by-laws, not contrary to law, morals, or public policy, and to amend or repeal 25 the same in accordance with the provisions of existing laws; 26 27 f) to purchase, receive, take or grant, hold, convey, sell, lease, pledge, mortgage and 28 otherwise deal with such real and personal property; 29 30 g) to establish, purchase, install, construct, use and maintain national, regional, provincial and community stations and facilities for television broadcasting 31 32 throughout and in any part of the country: 33 34 h) to enter into joint ventures or partnerships with other broadcasting authorities and stations or international agencies or private organizations for the purpose of 35 36 promoting its broadcasting services; and 37 38 i) to exercise such other powers as may be necessary to carry-out the purpose for which the PSBS was established or which from time to time may be declared by the Board 39 of Directors to be necessary, useful, incidental or auxiliary to accomplish such 40 41 purposes. 42 43 SEC. 9. Independence of the PSBS. - The PSBS shall be independent in all matters 44 concerning the content of its output, the times and manner in which this is supplied, and in 45 the operational management of its affairs, such that the Oversight Committee provided for in 46 Section 12 of this Act may not question the PSBS on matters relating to the aforementioned. 47 SEC. 10. Functions of the PSBS. - The PSBS shall have the following functions: 48 49 50 a) to serve the public interest;

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2 3	b)	to serve primarily as a vehicle for communicating the news and public affairs to the public; and
4 5 6	c)	to provide subsidized airtime to legitimate people's organizations and NGOs in the promotion of their programs and projects.
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8		TITLE V
9 10	•	CORPORATE STRUCTURE
10		SEC. 11. The Board of Directors The PSBS shall be governed by the PSBS Board
12	of Dire	ectors, hereinafter referred to as the Board.
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14		The Board shall be composed of fifteen (15) members. The members of the Board
15	shall b	e elected from the following organizations:
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17	a)	Seven (7) directors, representing each of the seven (7) biggest national broadcast
18 19		media organizations in the country, in terms of membership: <i>Provided</i> , That the three
19 20		(3) directors shall represent each of the three (3) biggest regional broadcast media organizations in Luzon, Visayas, and Mindanao, respectively, in terms of
21		membership;
22		interiorienip,
23	b)	Two (2) directors representing each of the two (2) biggest investigative media
24		organizations in the country, in terms of membership;
25		
26	c)	Five (5) directors representing each the five (5) biggest national newsprint media
27 28		organizations in the country, in terms of membership; and
20 29	(h	The Dean of the University of the Philippines College of Mass Communication will
30	ω)	serve as a director, representing the academe.
31		
32	Th	e initial members of the Board shall have a two (2) - year term. Subsequent directors
33	shall s	erve a term of four (4) years: Provided, That they shall be eligible for re-election for
34		r term of four (4) years. Replacement for any vacancy in the Board shall be for the
35		red portion of the term of the predecessor. Except for the Dean of the UP College of
36 37		Communications, the Directors of the Board for the subsequent terms shall be duly
38		by members of their respective organizations. The Directors shall elect among elves, one who will serve as Chairman of the Board.
39	themse	aves, one who will serve as channian of the board.
40		The Board shall meet at least twice a month to discuss matters of policy in order to
41	effectiv	vely carry out the provision of this Act.
42		
43	<u> </u>	The Chairman of the Board shall have a salary grade equivalent to a Cabinet
44	Secretary. The other members of the Board shall carry a salary grade equivalent to a Cabine	
45 46	Unders	secretary.
46 47		SEC. 12. Qualifications of the Members of the Board The members of the Board
48	shall b	e of proven and unquestionable probity, integrity, honesty, impartiality, reputation, and
49	knowle	edgeable of the broadcast industry. They shall not be holding key positions with other

broadcasting corporation or hold any position that may conflict with their functions andduties as Directors of the PSBS.

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

9 SEC. 13. Powers and Functions of the Board. - The Board shall have the following
 10 powers and functions:

- a) The Board shall elect the Officers of the PSBS, hereinafter referred to as the Officers: *Provided*, That the officers shall be chosen from among the duly accredited broadcast organizations in the country.
- b) The Board has overall responsibility for the determination of internal policy, for ensuring compliance with all policies set out in this Act, for ensuring that the PSBS meets the highest standards of decency, integrity and value for money, for appointment of senior staff, including the members of the Board, and for setting the overall strategy of PSBS.
- c) The Board shall have the power to fix the other allowances and fringe benefits of its officers and employees, subject to the provisions of pertinent compensation laws and regulations.
- d) The Board shall not interfere with the day-to-day management of the PSBS or with the editorial independence of the staff, although it does have responsibility for ensuring the overall editorial policy respects of the PSBS.

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

36 SEC. 14. The Officers of the PSBS. - The Officers of the PSBS, hereinafter referred 37 to as the Officers, shall be elected by the Board, of which the latter shall not be members of. 38 The initial Officers shall have a three (3) - year term. Subsequent Officers shall serve a term 39 of four (4) years: *Provided*, That they shall be eligible for re-election for another term of four 40 (4) years. The elected President shall carry the salary grade equivalent to a Cabinet 41 Undersecretary. The other officers shall carry the salary grade equivalent to an Assistant 42 Secretary.

Other broadcast media organizations not represented in the Board shall be given an opportunity to make representations. All nominations and the corresponding positions to be filled in shall be submitted to the Board for review and selection before the deadline set by the Board. Each member of the Board is entitled to one (1) vote.

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49 SEC. 15. *Positions.* - The following positions shall be created and filled up for the
 50 proper and effective functioning of the Office:

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2	a)	One (1) President;	
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4	b)	One (1) Vice President for Finance;	
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6	c)	One (1) Vice President for Marketing;	
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8	d)	One (1) Vice President for Human Resource Development;	
9	2)	One (1) View Breed had 6 . O di	
10 11	ej	One (1) Vice President for Operations;	
12	f)	One (1) Vice President for Legal Affairs; and	
13	1)	One (1) vice i resident for Legal Affairs, and	
14	g)	One (1) Vice President for News and Current Affairs.	
15	6/	one (r) the resident for news and current Atlans.	
16		SEC. 16. Powers and Functions of the Officers of the PSBS Subject to the control	
17	and supervision of the Board, the Officers shall have the following powers and functions:		
18			
19	a)	submit policy recommendations and propose measures necessary to carry out the	
20		objectives and functions of the PSBS for the consideration of the Board, and propose	
21		guidelines that liberate rather than restrict program makers;	
22			
23	b)	recommend to the Board, for approval, an organizational structure and plantilla for	
24		personnel of the PSBS, in accordance with existing laws, rules and regulations;	
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26	c)	execute, administer and implement policies and measures approved by the Board;	
27	(h	where it to the Decidence and the test of test	
28 29	a)	submit to the Board an annual budget and such supplemental budgets as may be	
29 30		necessary for its consideration and approval;	
31	e)	represent the PSBS, its dealings with other persons, entities, agencies and institutions,	
32	•)	whether public or private, domestic or foreign, subject to the limitations and	
33		conditions herein provided;	
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35	f)	appoint, subject to the confirmation by the Board, discipline or remove for cause,	
36		officer and personnel of the PSBS in accordance with the Civil Service Law, Rules	
37		and Regulations; and	
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39	g)	perform such other functions and duties which may be assigned to them by the Board.	
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41	TITLE VI		
42		PROGRAM STANDARDS	
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44	SEC. 17. General Program Standards Broadcasters must ensure that due		
45	impartiality and truthfulness are observed in news and public affairs issues of public		
46 47	importance. Due impartiality requires programs producers to deal even-handedly when		
47 48	opposing points of view are presented in a program. On matters of public importance, balance		
48 49	should be sought through the presentation, as far as possible, of principal viewpoints.		
49 50	Programs should not be slanted by the exclusion of facts or by misleading emphasis. Every reasonable effort must be made to ensure that the factual content of programs is accurate.		
50	i cusoin	alle enter must be made to ensure that the factual content of programs is accurate.	
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 SEC. 18. Use of Block-timers. - The use of block-timers shall be allowed but limited to education and sports programs only. The PSBS shall assume solidary liability with each of the individual producers, for the content of all programs shown by block-timers.
 TITLE VII
 FINANCIAL PROVISIONS
 SEC. 19. Initial Appropriation. - The authorized initial funding of the PSBS shall be

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One Billion, Five Hundred Million Pesos (P1,500,000,000.00) for facilities and equipment modernization, which shall be released from funds of the National Treasury upon the effectivity of this Act: *Provided*, That the sum of Two Hundred Million Pesos (P200,000,000.00) in addition to the current fiscal appropriation for the National Broadcasting Network (NBN-4), absorbed by the PSBS, shall be allocated from the National Budget of the year following the approval of this Act.

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

The National Government shall have fifty percent (50%) share from all fees and revenues collected or received by the PSBS. Forty-five percent (45%) shall be retained by the PSBS and utilized solely for facilities and equipment modernization. The remaining five percent (5%) shall be earmarked for additional expenditure to the PSBS employees' benefits.

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

SEC. 21. Fiscal Autonomy. - The PSBS shall enjoy fiscal autonomy. 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, there shall be a ten percent (10%) automatic increase in the budget of the PSBS every five (5) years: *Provided*, That there was no increase in its annual budget for five (5) consecutive fiscal years.

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

TITLE VIII MINISTRATIVE PROVISIO

ADMINISTRATIVE PROVISIONS

43 SEC. 22. Record of Transactions. - The PSBS shall keep proper accounts and records 44 of all its transactions and affairs, and shall do all things necessary to ensure that all payments 45 made out of its moneys are correctly made and properly authorized, and that adequate control 46 is maintained over the assets of, or in the custody of, the PSBS and the expenditures incurred 47 by the PSBS. The PSBS shall be subject to audit by the Commission on Audit. 48

1	TITLE IX
2	EMPLOYEES OF THE PSBS
3	EMILOTEES OF THE FSBS
4	SEC. 23. Civil Service Law Coverage for Employees The hiring, appointment,
5	employment, promotion, disciplinary control, and other terms and conditions of the service of
6	all employees of the PSBS, and such other matter affecting its employees shall be consistent
7	with the provisions of the Civil Service Law, Rules and Regulations.
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9	SEC. 24. Salary Scale for Officials and Employees The rates of compensation and
10	classes of positions in the PSBS shall be covered by the Salary Standardization Law.
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12	SEC. 25. GSIS Coverage for Employees All employees hired by the PSBS shall be
13	deemed members of the Governments Service Insurance System (GSIS) for the purpose of
14	employee benefits.
15	TITLE X
16	OVERSIGHT
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18	SEC. 26. Oversight Committee The House of Representatives and Senate chairman
19	of the Committee on Public Information and Mass Media shall have authority to hold public
20	hearings on matters relating to financial management of the PSBS. The PSBS must at all
21	reasonable times upon demand, allow the Committee to examine any of its accounts and
22	furnish the Committee with all forecasts, estimates, reconciliations, information and
23	documents, which the Committee may require, in such format as the Committee may require,
24	with financial transactions and engagements of the PSBS.
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26 27	TITLE XI
27	MISCELLANEOUS PROVISIONS
28 29	SEC 27 Transition Clause All the neurone functions and the little in the
30	SEC. 27. <i>Transition Clause.</i> - All the powers, functions, assets and liabilities, capital, accounts, contracts, and facilities pertaining to the National Broadcasting Network (NBN-4),
31	and all equipment relating to television broadcasting owned by the government shall be
32	transferred to the PSBS.
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34	SEC. 28. Transitory Provision The Officers shall recommend to the Board of
35	Directors a corporate plan that includes programming direction, budget, organizational plan
36	and structure, a staffing pattern and compensation plan within ninety (90) days from the
37	effectivity of this Act. Said corporate structure shall be implemented by the Officers within
38	thirty (30) days after its approval by the Board of Directors: <i>Provided, that</i> the current career
39	employees of the National Broadcasting Network (NBN-4) shall be absorbed and
40	accommodated by the PSBS.
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42	SEC. 29. Amendments The provisions of this Act shall be subject to amendments,
43	alteration or repeal by the Congress of the Philippines, when public interest so requires.
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45	SEC. 30. Separability Clause If any provision or part of this Act is declared invalid
46	or unconstitutional, the remainder shall not be affected thereby and shall continue to be in full
47	force and effect.
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49	SEC. 31. Repealing Clause Republic Act 7306, and all other laws, presidential
50	decrees, executive orders, rules and regulations or proclamations and other issuances,

contrary or inconsistent with the provisions of this Act are hereby repealed or amended
 accordingly.

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

Approved,