CONGRESS OF THE PHILIPPINES SEVENTEENTH CONGRESS Second Regular Session

## HOUSE OF REPRESENTATIVES

## H. No. 6165

BY REPRESENTATIVES TREÑAS, DEFENSOR, ALVAREZ (F.), MARCOLETA AND VIOLAGO, PER COMMITTEE REPORT NO. 349

AN ACT GRANTING THE DEUS AMOR EST BROADCASTING, INC. A FRANCHISE TO CONSTRUCT, INSTALL, ESTABLISH, OPERATE, AND MAINTAIN RADIO AND TELEVISION BROADCASTING STATIONS IN THE PHILIPPINES

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

SECTION 1. Nature and Scope of Franchise. - Subject to the 1 provisions of the Philippine Constitution and applicable laws, rules and 2 regulations, there is hereby granted to Deus Amor Est Broadcasting, Inc., 3 hereunder referred to as the grantee, its successors or assignees, a franchise to 4 construct, install, establish, operate, and maintain for noncommercial purposes 5 6 and in the public interest, radio and television broadcasting stations in the 7 Philippines, where frequencies or channels are still available for radio and television broadcasting, utilizing the technological advances or innovations in 8 9 the future; to originate, distribute, transmit, and receive through said systems, news and documentaries, entertainment, informational and educational radio 10 11 and television programs, both live and recorded; and to establish, construct, 12 maintain, and operate such other systems as are essential and convenient to 13 carry out the purpose of this franchise.

SEC. 2. Manner of Operation of Stations or Facilities. - The stations 1 or facilities of the grantee shall be constructed and operated in a manner as 2 will, at most, result only in the minimum interference on the wavelengths or 3 frequencies of existing stations or other stations which may be established by 4 5 law, without in any way diminishing its own privilege to use its assigned wavelengths or frequencies and the quality of transmission or reception 6 thereon as should maximize rendition of the grantee's services and/or the 7 8 availability thereof.

SEC. 3. Prior Approval of the National Telecommunications 9 10 Commission. - The grantee shall secure from the National Telecommunications Commission (NTC) the appropriate permits and licenses 11 for the construction and operation of its stations or facilities and shall not use 12 13 any frequency in the radio/television spectrum without authorization from the NTC. The NTC, however, shall not unreasonably withhold or delay the grant 14 15 of any such authority.

The grantee shall not dispose nor lease its facilities except to entities with radio or television broadcasting franchise: *Provided*, That the grantee shall inform and secure written authorization to proceed from the NTC, and report the transaction to the NTC within sixty (60) days after its completion: *Provided, further*, That the NTC shall determine the corresponding sanction for any violation of this provision.

SEC. 4. *Responsibility to the Public.* – The grantee shall provide adequate public service time to enable the government, through the said broadcasting stations or facilities, to inform the population on important public issues; provide at all times sound and balanced programming; assist in the performance of the functions of public information and education; conform to the ethics of honest enterprise; and to refrain from broadcasting obscene and indecent language, speech, act or scene, or disseminating deliberately false

2

information or willful misrepresentation to the detriment of the public interest;
 or inciting, encouraging, or assisting in subversive or treasonable acts.

3 SEC. 5. *Right of the Government.* – The radio spectrum is a finite 4 resource that is part of the national patrimony and the use thereof is a privilege 5 conferred upon the grantee by the State and may be withdrawn any time after 6 due process.

7 A special right is hereby reserved to the President of the Philippines, in times of war, rebellion, public peril, calamity, emergency, disaster, or 8 disturbance of peace and order: to temporarily take over and operate the 9 stations or facilities of the grantee; to temporarily suspend the operation of any 10 station or facility in the interest of public safety, security and public welfare; 11 or to authorize the temporary use and operation thereof by any agency of the 12 government, upon due compensation to the grantee, for the use of the stations 13 or facilities during the period when these shall be so operated. 14

15 SEC. 6. *Term of Franchise.* – This franchise shall be in effect for a 16 period of twenty-five (25) years from the 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:

(a) Commence operations within one (1) year from the approval of itsoperating permit by the NTC;

(b) Commence operations within three (3) years from the effectivityof this Act; and

(c) Operate continuously for two (2) years.

SEC. 7. Acceptance of Franchise. – Acceptance of the terms of this franchise shall be given in writing to the Congress of the Philippines, through the Committee on Legislative Franchises of the House of Representatives and the Committee on Public Services of the Philippine Senate, within sixty (60) days from the effectivity of this Act. Upon giving such acceptance, the grantee shall exercise the privileges granted under this Act. 1

Nonacceptance of this franchise shall render it void.

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

SEC. 9. Self-regulation by and Undertaking of the Grantee. - The 9 10 grantee shall not require any previous censorship of any speech, play, act or 11 scene, or other matter to be broadcast from its stations, but if any such speech, play, act or scene, or other matter should constitute a violation of the law or 12 13 infringement of a private right, the grantee shall be free from any liability, civil or criminal, for such speech, play, act or scene, or other matter: 14 Provided, That the grantee, during any broadcast, shall cut off the airing of 15 16 speech, play, act or scene, or other matter being broadcast if the tendency thereof is to propose and/or incite treason, rebellion or sedition; or the 17 language used therein or the theme thereof is indecent or immoral: Provided, 18 19 further. That willful failure to do so shall constitute a valid cause for the 20 cancellation of this franchise.

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

SEC. 11. Sale, Lease, Transfer, Grant of Usufruct, or Assignment of *Franchise.* – The grantee shall not sell, lease, transfer, grant the usufruct of,
nor assign this franchise or the rights and privileges acquired thereunder to any
person, firm, company, corporation, or other commercial or legal entity, nor

merge with any other corporation or entity, nor the controlling interest of the grantee be transferred, whether as a whole or in part, and whether 2 simultaneously or contemporaneously, to any such person, firm, company, 3 4 corporation or entity without the prior approval of the Congress of the 5 Philippines: Provided, That Congress shall be informed of any sale, lease, transfer, grant of usufruct, or assignment of franchise or the rights and 6 7 privileges acquired thereunder, or of the merger or transfer of the controlling 8 interest of the grantee, within sixty (60) days after the completion of the said 9 transaction: Provided, further, That failure to report to Congress such change 10 - of ownership shall render the franchise ipso facto revoked: Provided, finally, 11 That any person or entity to which this franchise is sold, transferred or 12 assigned shall be subject to the same conditions, terms, restrictions, and 13 limitations of this Act.

14 SEC. 12. Reportorial Requirement. - The grantee shall submit an 15 annual report to the Congress of the Philippines, through the Committee on 16 Legislative Franchises of the House of Representatives and the Committee on 17 Public Services of the Philippine Senate, on its compliance with the terms and 18 conditions of the franchise and on its operations on or before April 30 of every 19 year during the term of its franchise. The reportorial compliance certificate 20 issued by Congress shall be required before any application for permit or 21 certificate is accepted by the NTC.

SEC. 13. *Fine.* - Failure of the grantee to submit the requisite annual
 report to Congress shall be penalized by a fine of five hundred pesos (P500.00)
 per working day of noncompliance. The fine shall be collected separately by
 the NTC distinct from the penalties it imposes for noncompliance of its own
 reportorial requirements.

SEC. 14. Equality Clause. - Except for taxes and customs duties, any
advantage, favor, privilege, exemption, or immunity granted under existing
franchises, or which may hereafter be granted for radio and/or television

5

broadcasting, upon prior review and approval of Congress, shall become part of this franchise and shall be accorded immediately and unconditionally to the herein grantee: *Provided*, That the foregoing shall neither apply to nor affect the provisions of broadcasting franchises pertaining to the term, the type of service, or the territorial coverage of the franchise.

SEC. 15. Repealability and Nonexclusivity Clause. - This franchise
shall be subject to amendment, alteration, or repeal by the Congress of the
Philippines when the public interest so requires and shall not be interpreted as
an exclusive grant of the privileges herein provided for.

SEC. 16. 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. 17. *Repealing Clause*. – All laws, decrees, executive orders, rules
 and regulations or parts or provisions thereof which are not consistent with this
 Act are hereby repealed, amended, or modified accordingly.

 SEC. 18. Effectivity. – This Act shall take effect fifteen (15) days after
 its publication in the Official Gazette or in a newspaper of general circulation. Approved,