CONGRESS OF THE PHILIPPINES SEVENTEENTH CONGRESS Second Regular Session

# HOUSE OF REPRESENTATIVES

#### H. No. 6315

## BY REPRESENTATIVES TREÑAS, ALVAREZ (F.), MARCOLETA, CUEVA AND DEFENSOR, PER COMMITTEE REPORT NO. 371

### AN ACT GRANTING THE VOLUNTEER LIFECARE MINISTRIES, INC. A FRANCHISE TO CONSTRUCT, INSTALL, ESTABLISH, OPERATE AND MAINTAIN NONCOMMERCIAL RADIO 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 2 provisions of the Philippine Constitution and applicable laws, rules and 3 regulations, there is hereby granted to Volunteer Lifecare Ministries, Inc., 4 hereunder referred to as the grantee, its successors or assignees, a franchise to 5 construct, install, establish, operate and maintain for noncommercial purposes and in the public interest, radio and/or television broadcasting stations in the 6 7 Philippines, where frequencies and/or channels are still available for radio 8 and/or television broadcasting, including digital television system, through 9 microwave, satellite or whatever means, including the use of any new 10 technology in television and radio systems, with the corresponding 11 technological auxiliaries and facilities, special broadcast, and other program 12 and distribution services and relay stations.

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

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

The grantee shall not dispose nor lease its facilities except to entities with radio or television 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.

22 SEC. 4. Responsibility to the Public. - The grantee shall provide 23 adequate public service time to enable the government, through the said broadcasting stations or facilities, to reach the population on important public 24 25 issues; provide at all times sound and balanced programming; assist in the 26 functions of public information and education; conform to the ethics of honest 27 enterprise; and not use its stations or facilities for the broadcasting of obscene 28 and indecent language, speech, act or scene; or for the dissemination of 29 deliberately false information or willful misrepresentation to the detriment of

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

3 SEC. 5. *Right of Government.* – The radio spectrum is a finite resource 4 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.

A special right is hereby reserved to the President of the Philippines, in 7 8 times of war, rebellion, public peril, calamity, emergency, disaster or 9 disturbance of peace and order: to temporarily take over and operate the 10 stations or facilities of the grantee; to temporarily suspend the operation of any 11 station or facility in the interest of public safety, security and public welfare; 12 or to authorize the temporary use and operation thereof by any agency of the government, upon due compensation to the grantee, for the use of said 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, unless sooner revoked or cancelled. This 17 franchise shall be deemed *ipso facto* revoked in the event the grantee fails to 18 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 effectivity ofthis Act; and

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

SEC. 7. *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 cancelled by the NTC. Otherwise, the bond shall be forfeited in favor of the government and the
 franchise *ipso facto* revoked.

3 SEC. 8. Self-regulation by and Undertaking of the Grantee. - The 4 grantee shall not require any previous censorship of any speech, play, act or 5 scene, or other matter to be broadcast from its stations: Provided. That the 6 grantee, during any broadcast, shall cut off from the air the speech, play, act or 7 scene, or other matter being broadcast if the tendency thereof is to propose 8 and/or incite treason, rebellion or sedition; or the language used therein or the 9 theme thereof is indecent or immoral: Provided, further. That willful failure to do so shall constitute a valid cause for the cancellation of this franchise. 10

11 SEC. 9. Warranty in Favor of the National and Local Governments. – 12 The grantee shall hold the national, provincial, city, and municipal 13 governments of the Philippines free from all claims, liabilities, demands, or 14 actions arising out of accidents causing injury to persons or damage to 15 properties during the construction or operation of the stations of the grantee.

16 SEC. 10. Sale, Lease, Transfer, Grant of Usufruct, or Assignment of 17 Franchise. - The grantee shall not sell, lease, transfer, grant the usufruct of, 18 nor assign this franchise or the rights and privileges acquired thereunder to any person, firm, company, corporation or other commercial or legal entity, nor 19 20 merge with any other corporation or entity, nor shall transfer the controlling 21 interest of the grantee, whether as a whole or in parts, and whether 22 simultaneously or contemporaneously, to any such person, firm, company, 23 corporation or entity without the prior approval of the Congress of the 24 Philippines: Provided, That Congress shall be informed of any sale, lease, 25 transfer, grant of usufruct, or assignment of franchise or the rights and 26 privileges acquired thereunder, or of the merger or transfer of the controlling 27 interest of the grantee, within sixty (60) days after the completion of said 28 transaction: Provided, further, That failure to report to Congress such change 29 of ownership shall render the franchise ipso facto revoked: Provided, finally,

1 That any person or entity to which this franchise is sold, transferred, or 2 assigned, shall be subject to the same conditions, terms, restrictions, and 3 limitations of this Act.

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4 SEC. 11. Reportorial Requirement. - The grantee shall submit an 5 annual report to the Congress of the Philippines, through the Committee on 6 Legislative Franchises of the House of Representatives and the Committee on 7 Public Services of the Senate, on its compliance with the terms and conditions of the franchise and on its operations on or before April 30 of every year 8 9 during the term of its franchise. The reportorial compliance certificate issued by Congress shall be required before any application for permit or certificate is 10 11 accepted by the NTC.

12 SEC. 12. *Fine.* – Failure of the grantee to submit the requisite annual 13 report to Congress shall be penalized with a fine in the amount of five hundred 14 pesos (P500.00) per working day of noncompliance. The fine shall be 15 collected separately by the NTC distinct from the penalties it imposes for 16 noncompliance of its reportorial requirements.

17 SEC. 13. Equality Clause. - Except for taxes and customs duties, any advantage, favor, privilege, exemption, or immunity granted under existing 18 19 franchises, or which may hereafter be granted for radio and/or television 20 broadcasting, upon prior review and approval of Congress, shall become part 21 of this franchise and shall be accorded immediately and unconditionally to the 22 herein grantee: Provided, That the foregoing shall neither apply to nor affect 23 the provisions of broadcasting franchises concerning territory covered by the 24 franchise, the life span of the franchise, or the type of service authorized by the 25 franchise.

SEC. 14. *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.

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SEC. 15. Separability Clause. - If any of the sections or provisions of
 this Act is held invalid, all other provisions not affected thereby shall remain
 valid.

4 SEC. 16. *Repealing Clause.* – All laws, decrees, orders, resolutions, 5 instructions, rules and regulations, and other issuances, or parts thereof which 6 are inconsistent with the provisions of this Act are hereby repealed, amended, 7 or modified accordingly.

 8 SEC. 17. Effectivity. - This Act shall take effect fifteen (15) days after
 9 its publication in the Official Gazette or in a newspaper of general circulation. Approved,

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