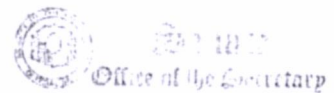


SEVENTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Third Regular Session)



SENATE

~~18~~ SEP 19 A10 :47

COMMITTEE REPORT NO. 466

Submitted by the Committee on Public Services on SEP 19 2018

Re: House Bill no. 6315

Recommending the approval of HBN 6315 with amendments.

Sponsors: Senator Grace Poe

MR. PRESIDENT:

The Committee on Public Services to which was referred House Bill No. 6315 introduced by Representatives Treñas, Alvarez (F.), Marcoleta, Cueva and Defensor entitled:

**"AN ACT
GRANTING THE VOLUNTEER LIFECARE MINISTRIES, INC. A
FRANCHISE TO CONSTRUCT, INSTALL, ESTABLISH, OPERATE AND
MAINTAIN NONCOMMERCIAL RADIO BROADCASTING STATIONS IN
THE PHILIPPINES."**

has considered the same and has the honor to report it back to the Senate with the recommendation that the attached H.B. No. 6315 be approved with the following amendments:

1. On page 2, line 22, after the word provide, insert the words "**FREE OF CHARGE,**";

2. On the same page, line 23, after the word "time", insert the phrase "**WHICH IS REASONABLE AND SUFFICIENT**"; also on the same line, delete the word "said";
3. On the same page, line 24 after the word "facilities" insert the words "**OF THE GRANTEE**"; after the article "the", insert the word "**PERTINENT**"; pluralize the word "**POPULATION**" and insert the phrase "**OR PORTIONS THEREOF**" after it;
4. On the same page, line 25, after the word "issues", insert the phrase "**AND RELAY IMPORTANT PUBLIC ANNOUNCEMENTS AND WARNINGS CONCERNING PUBLIC EMERGENCIES AND CALAMITIES, AS NECESSITY, URGENCY OR LAW MAY REQUIRE**"; after the word "programming" and semi colon (;) insert the phrase "**PROMOTE PUBLIC PARTICIPATION**";
5. On same page, line 27 after the word "enterprise" and semi colon (;), insert the phrase "**PROMOTE AUDIENCE SENSIBILITY AND EMPOWERMENT INCLUDING CLOSED CAPTIONING**"; and after the word "stations" delete the conjunction "or" and in lieu thereof replace it with "**AND**"
6. On the same page, line 28, before the word "indecent", delete the conjunction "and" and in lieu thereof replace it with "**OR**";
7. On the same page, line 29, after the word "information" delete "or" and replace it with "**AND**";
8. On page 3, after line 2, insert a new paragraph which shall read as follows:

PUBLIC SERVICE TIME REFERRED HEREIN SHALL BE EQUIVALENT TO A MAXIMUM AGGREGATE OF TEN (10%) PERCENT OF PAID COMMERCIALS OR ADVERTISEMENTS WHICH SHALL BE

ALLOCATED BASED ON NEED TO THE EXECUTIVE, LEGISLATIVE, JUDICIARY, CONSTITUTIONAL COMMISSIONS AND INTERNATIONAL HUMANITARIAN ORGANIZATIONS DULY RECOGNIZED BY STATUTES: *PROVIDED*, THAT THE NTC SHALL INCREASE THE PUBLIC SERVICE TIME IN CASE OF EXTREME EMERGENCY OR CALAMITY. THE NTC SHALL ISSUE RULES AND REGULATIONS FOR THIS PURPOSE, THE EFFECTIVITY OF WHICH SHALL COMMENCE UPON APPLICABILITY WITH OTHER SIMILARLY SITUATED BROADCAST NETWORK FRANCHISE HOLDERS.;

9. On page 4, after line 15, insert new provisions which shall read as follows:

"SEC. 10. COMMITMENT TO PROVIDE AND PROMOTE THE CREATION OF EMPLOYMENT OPPORTUNITIES. – THE GRANTEE SHALL CREATE EMPLOYMENT OPPORTUNITIES AND SHALL ALLOW ON-THE-JOB TRAININGS IN THEIR FRANCHISE OPERATION. PROVIDED, THAT PRIORITY SHALL BE ACCORDED TO THE RESIDENTS WHERE THEIR PRINCIPAL OFFICE IS LOCATED. PROVIDED, FURTHER, THAT THE GRANTEE SHALL FOLLOW THE APPLICABLE LABOR STANDARDS AND ALLOWANCE ENTITLEMENT UNDER EXISTING LABOR LAWS, RULES AND REGULATIONS AND SIMILAR ISSUANCES, PROVIDED FINALLY, THAT THE EMPLOYMENT OPPORTUNITIES OR JOBS CREATED SHALL BE REFLECTED IN THE GENERAL INFORMATION SHEET (GIS) TO BE SUBMITTED TO SECURITIES AND EXCHANGE COMMISSION ANNUALLY.";

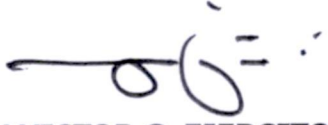
"SEC. 11. TAX PROVISIONS. – THE GRANTEE, ITS SUCCESSORS OR ASSIGNEES, SHALL CONTINUE TO BE SUBJECT TO ALL APPLICABLE TAXES, DUTIES, FEES OR CHARGES AND OTHER IMPOSITIONS UNDER REPUBLIC ACT NO. 8424, OTHERWISE KNOWN AS 'THE NATIONAL INTERNAL REVENUE CODE OF 1997', AS AMENDED; REPUBLIC ACT NO. 7160, OTHERWISE KNOWN AS THE 'LOCAL

GOVERNMENT CODE OF 1991', AS AMENDED, AND OTHER APPLICABLE LAWS."

10. On page 4, line 24 delete the phrase "That Congress shall be informed of any sale, lease,"; also delete lines 25 to 29 of the same page;
11. On page 5, line 27, after the title of the Section, delete the phrase "Except for taxes and customs duties,"; and
12. Renumber the sections accordingly.

RESPECTFULLY SUBMITTED


GRACE POE
Chairperson
Committee on Public Services



JOSEPH VICTOR G. EJERCITO
Vice-Chairperson
Committee on Public Services



FRANCIS "Chiz" G. ESCUDERO
Vice-Chairperson
Committee on Public Services


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Majority Floor Leader


FRANKLIN M. DRILON
Minority Floor Leader

HON. VICENTE C. SOTTO III
Senate President



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:*

1 SECTION 1. *Nature and Scope of Franchise.* – Subject to the
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
6 and in the public interest, radio and/or television broadcasting stations in the
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.

16 The grantee shall not dispose nor lease its facilities except to entities
17 with radio or television franchise: *Provided,* That the grantee shall inform and
18 secure written authorization to proceed from the NTC, and report the
19 transaction to the NTC within sixty (60) days after its completion: *Provided,*
20 *further,* That the NTC shall determine the corresponding sanction for any
21 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
24 broadcasting stations or facilities, to reach the population on important public
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 ^{or} and indecent language, speech, act or scene; or for the dissemination of
29 deliberately false information or willful misrepresentation to the detriment of

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

7 A special right is hereby reserved to the President of the Philippines, in
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
13 government, upon due compensation to the grantee, for the use of said stations
14 or facilities during the period when these shall be so operated.

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:

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

21 (b) Commence operations within three (3) years from the effectivity of
22 this Act; and

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

24 SEC. 7. *Bond.* – The grantee shall file a bond with the NTC, in the
25 amount that the NTC shall determine, to guarantee compliance with and
26 fulfillment of the conditions under which this franchise is granted. If, after
27 three (3) years from the date of the approval of its permit by the NTC, the
28 grantee shall have fulfilled the same, the bond shall be cancelled by the NTC.

1 Otherwise, the bond shall be forfeited in favor of the government and the
2 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
10 do so shall constitute a valid cause for the cancellation of this franchise.

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
19 person, firm, company, corporation or other commercial or legal entity, nor
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.

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
8 of the franchise and on its operations on or before April 30 of every year
9 during the term of its franchise. The reportorial compliance certificate issued
10 by Congress shall be required before any application for permit or certificate is
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
18 advantage, favor, privilege, exemption, or immunity granted under existing
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.

26 SEC. 14. *Repealability and Nonexclusivity Clause.* – This franchise
27 shall be subject to amendment, alteration, or repeal by the Congress of the
28 Philippines when the public interest so requires and shall not be interpreted as
29 an exclusive grant of the privileges herein provided for.

1 SEC. 15. *Separability Clause.* – If any of the sections or provisions of
2 this Act is held invalid, all other provisions not affected thereby shall remain
3 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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