

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

SENATE

S. B. No. 2080



'18 OCT 18 P4:30

INTRODUCED BY SENATOR JOSEPH VICTOR G. EJERCITO

RECEIVED

A handwritten signature, likely of Senator Joseph Victor G. Ejercito, is written over the "RECEIVED" stamp and extends to the right.

AN ACT

EXTENDING THE FRANCHISE GRANTED TO CATHOLIC BISHOPS CONFERENCE OF THE PHILIPPINES, INC. (FORMERLY THE CATHOLIC WELFARE ORGANIZATION) UNDER REPUBLIC ACT NO. 7530 TO CONSTRUCT, INSTALL, ESTABLISH, OPERATE AND MAINTAIN RADIO AND/OR TELEVISION BROADCASTING STATIONS IN THE PHILIPPINES FOR ANOTHER TWENTY-FIVE (25) YEARS AND FOR OTHER PURPOSES

EXPLANATORY NOTE

Religious institutions are important in the life of our nation as they play a major role in the proper moral formation of the people, espousing doctrines which are complementary to the principles of responsible citizenship.

The Catholic Bishops' Conference of the Philippines (CBCP) is the permanent organizational assembly of Roman Catholic bishops in the Philippines. The purpose of this episcopal conference is to promote solidarity in the Philippine Church. With about 80% of Filipinos adhering with Roman Catholic beliefs and faith, the CBCP serves as a shepherd in engaging the Philippine Church actively in the thrusts of the universal Catholic Church and propagates the good news of God through catholic doctrines.

With its the vast membership and followers, it is considerable to provide the religious organization with an efficient and effective communication and broadcast system. It is just right that the government continues to grant the CBCP a franchise to establish radio and television broadcasting stations for an effective dissemination of information.

Accodngly, this proposed measure seeks to extend for another 25 years the franchise given to the Catholic Bishops' Conference of the Philippines, Inc. under Republic Act No. 7530.

In view of the foregoing, the immediate enactment of this measure is earnestly sought.

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

SECTION 1. *Nature and Scope of the Franchise.* Subject to the provisions of the 1987 Philippine Constitution and applicable laws, rules and regulations, the franchise granted to Catholic Bishops' Conference of the Philippines, Inc. (formerly Catholic Welfare Organization), hereunder referred to as the grantee, and/or its successors and assignees to construct, install, establish, operate and maintain for religious, educational, cultural, non-stock and non-profit purposes and in the interest of the public, radio and/or television broadcasting stations in the Philippines, where frequencies and/or channels are still available or are assigned for radio and/or television broadcasting, including digital television and/or radio systems, through microwave, satellite, or the use of any new technologies in television and/or radio systems, with the corresponding technological auxiliaries and/or facilities, special broadcast, and other program and distribution services and relay stations, under Republic Act No. 7530 is hereby extended for another twenty five years (25) years from 04 August 2017.

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

8
9 **SEC. 3. Prior Approval of the National Telecommunications**
10 **Commission.** -The grantee shall secure from the National Telecommunications
11 Commission (NTC) appropriate permits and licenses for its stations and shall not use
12 any frequency in the radio and television spectrum without having been authorized by
13 the NTC. The NTC, however, shall not unreasonably withhold or delay the grant the
14 grant of any such authority.

15
16 **SEC. 4. Responsibility to the Public.** - The grantee shall provide reasonable
17 public service time to enable the Government, through the said broadcasting stations,
18 to reach the population on important public issues; provide at all times sound and
19 balanced programming; promote public participation such as in community
20 programming; assist in the functions of public information and education; conform to
21 the ethics of honest enterprise; and not use its stations for the broadcasting of
22 obscene and indecent language, speech, act or scene, or for the dissemination of
23 deliberately false information or willful misrepresentation, or to the detriment of the
24 public interest, or to incite, encourage, or assist in subversive or treasonable acts.

25
26 **SEC. 5. Right of Government.** - A special right is hereby reserved to the
27 President of the Philippines, in times of rebellion, public peril, calamity, emergency,
28 disaster or disturbance of peace and order, to temporarily take over and operate the
29 stations of the grantee to temporarily suspend the operation of any station in the
30 interest of public safety, security and public welfare, or to authorize the temporary
31 use and operation thereof by any agency of the Government, upon due compensation

1 to the grantee, for the use of said stations during the period when they shall be so
2 operating.

3
4 **SEC. 6. Term of Franchise.** -This franchise shall be for a term of twenty-five
5 (25) years from 04 August 2017, unless sooner revoked or cancelled. In the event the
6 grantee fails to operate continuously for two (2) years, this franchise shall be deemed
7 ipso facto revoked.

8
9 **SEC. 7. Acceptance and Compliance.** - Acceptance of this extension of
10 franchise shall be given in writing to the Congress of the Philippines, through the
11 Committee on Legislative Franchises of the House of Representatives and Committee
12 on Public Services of the Senate, within sixty (60) days after the effectivity of this Act.
13 Upon giving such acceptance, the grantee shall exercise the privileges granted under
14 this Act. Refusal or failure to accept the franchise or to operate within the prescribed
15 period shall render the franchise void.

16
17 **SEC. 8. Tax Provisions.** - In consideration of its outstanding public service in
18 the fields of education, culture and public information and in consideration of the equal
19 value of the free use of its facilities including radio broadcast time by the Philippine
20 Government, the grantee shall be exempt from payment of taxes, customs duties and
21 other similar charges on the importation of equipment, spare parts and supplies to be
22 actually, directly and exclusively used in and for its radio and/or television broadcast
23 operations as certified by the National Telecommunications Commission or its legal
24 successors: *Provided*, that, any violation of such condition will subject the importation
25 involved to the payment of taxes, customs duties and other similar charges at double
26 the rates assessed.

27
28 Unless exempted therefrom, the grantee shall be liable for taxes on its real
29 estate, buildings and personal property, used in the operation of its radio broadcasting
30 and television stations, exclusive of the franchise, as other persons or corporations
31 are now or hereafter may be required by law to pay. The grantee shall pay all other

1 taxes that may be imposed by the National Internal Revenue Code by reason of this
2 franchise.

3
4 **SEC. 9. Self-Regulation by and Undertaking of Grantee.** - The grantee
5 shall not require any previous censorship of any speech, play, act, scene or other
6 matter to be broadcast and/or telecast from its stations; but if any such speech, play,
7 act, scene or other matter should constitute a violation of the law infringement of a
8 private right, the grantee shall be free from any liability, civil or criminal, for -such
9 speech, play, act, scene or other matter: *Provided*, that the grantee, during any
10 broadcast and telecast, shall cut-off from the air the speech, play, act scene or other
11 matter being broadcast if the tendency thereof is to propose and/or incite treason
12 rebellion or sedition; or the language used therein or the theme thereof is indecent or
13 immoral; and willful failure to do so shall constitute a valid cause for the cancellation
14 of this franchise.

15
16 **SEC. 10. Warranty in Favor of National and Local Governments.** - The
17 grantee shall hold the national, provincial and municipal governments of the
18 Philippines harmless from all claims, accounts, demands or actions arising out of
19 accidents or injuries, whether to property or to persons, caused by the construction
20 or operation of the stations of the grantee.

21
22 **SEC 11. General Broadcast Policy Act.** The grantee shall comply with and
23 be subject to the provisions of a general broadcast policy law that may hereafter be
24 enacted.

25
26 **SEC 12. Sale, Lease, Transfer, Usufruct, etc.** - The grantee shall not lease,
27 transfer, grant the usufruct of, sell or assign this franchise nor the rights and privileges
28 acquired hereunder to any person, firm, company, corporation or other commercial or
29 legal entity, nor shall the controlling interest in the grantee be transferred to any such
30 private person, firm, company, corporation or entity without the prior approval of the
31 Congress of the Philippines. Any person or entity to which this franchise is sold,

1 transferred or assigned shall be subject to all the same conditions, terms, restrictions
2 and limitations of this Act.

3
4 **SEC. 13. Parity Clause.** In the event any entity, individual, partnership
5 or corporation has received or shall receive from the Congress of the Republic of the
6 Philippines similar broadcasting franchise, whether for radio and/or television including
7 digital broadcasting through satellite, microwave or any new technology, containing
8 any term or terms more favorable than those herein granted or tending to place the
9 herein grantee at any disadvantage, then such term or terms shall ipso facto become
10 a part of the terms hereof and operate equally in favor of the grantee as in the case
11 of said competing individual, partnership or corporation.

12
13 Any advantage, favor, privilege, exemption or immunity granted under existing
14 franchise or which may hereafter be granted for radio and/or television broadcasting,
15 upon prior review and approval of Congress, shall become part of this franchise and
16 shall be accorded immediately and unconditionally to the herein grantee: *Provided,*
17 however, that the foregoing shall neither apply to nor affect the provisions, of
18 broadcasting franchises concerning territory covered by the franchise, the life span of
19 the franchise or the type of service authorized by the franchise: *Provided, further,* that
20 the foregoing shall not apply to sale, lease, transfer, grant of usufruct or assignment
21 of legislative franchise with prior Congressional Approval.

22
23 **SEC. 14. Reportorial Requirement.** The grantee shall submit an annual
24 report of operations to the Congress of the Republic of the Philippines on its
25 compliance with the terms and conditions of the franchise and on its operations within
26 sixty (60) days from the end of every year.

27
28 **SEC. 15. Separability Clause.** - If any of the sections or provisions of this
29 Act is held invalid, all the other provisions not affected thereby shall remain valid.

1 **SEC. 16. *Repealing and Non-Exclusivity Clause.*** – The franchise shall be
2 subject to amendment, alteration or repeal by the Congress of the Philippines when
3 the public so requires and shall not be interpreted as an exclusive grant of the
4 privileges herein provided for.

5
6 **SEC. 17. *Effectivity.*** – This Act shall take effect fifteen (15) days after its
7 publication in the Official Gazette or in two (2) newspapers of general circulation.

Approved,