

Republic of the Philippines  
HOUSE OF REPRESENTATIVES  
Quezon City, Metro Manila

Eighteenth Congress  
First Regular Session



HOUSE BILL NO. 6830

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Introduced by REPRESENTATIVE LEONARDO L. BABASA, JR.

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**EXPLANATORY NOTE**

This bill seeks the renewal of the legislative franchise granted to the Association for Islamic Development Service Cooperative.

Association for Islamic Development Service Cooperative is an entity duly registered with the Cooperative Development Authority. As its main economic activity, the cooperative is an operator of a radio broadcast station in the province of Zamboanga del Sur, granted under Republic Act No. 8090.

As a partner in nation-building, Association for Islamic Development Service Cooperative uses the radio frequency to transmit news and public affairs programs and delivers key information to the public within its operational limits. Its broadcast operation is likewise devoted to the propagation of the Islamic faith and dogma.

It is therefor respectfully requested that the renewal of this congressional franchise subject of this application be granted so that it can continue the operation and maintenance of its radio broadcast station in the province of Zamboanga del Sur.

In view of the foregoing, passage of this bill is earnestly sought.

LEONARDO L. BABASA, JR.

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**AN ACT**  
**RENEWING FOR ANOTHER (TWENTY-FIVE) 25 YEARS THE FRANCHISE GRANTED TO THE ASSOCIATION FOR ISLAMIC DEVELOPMENT SERVICE COOPERATIVE, UNDER REPUBLIC ACT NO. 8090, ENTITLED "AN ACT GRANTING THE THE ASSOCIATION FOR ISLAMIC DEVELOPMENT SERVICE COOPERATIVE A FRANCHISE TO INSTALL, OPERATE AND MAINTAIN RADIO BROADCASTING STATION IN THE PROVINCE OF ZAMBOANGA DEL SUR"**

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

SECTION 1. ***Nature and Scope of Franchise.*** – Subject to the provisions of the Constitution and applicable laws, rules and regulations, the franchise granted to the Association for Islamic Development Service Cooperative, hereunder referred to as the grantee, its successors or assignees, under Republic Act No. 8090, to install, operate and maintain for commercial purposes and in the public interest radio broadcasting station in the Province of Zamboanga del Sur, with the corresponding technological auxiliaries or facilities, special broadcast and other program and distribution services and relay stations, and to install radio communication facilities for the grantee's private use in its broadcast services, is hereby renewed for another twenty-five (25) years from the effectivity of this Act.

SECTION 2. ***Manner of Operation of Stations or Facilities.*** - The station or facilities of the grantee shall be constructed and operated in a manner as will, at most, result only in the minimum interference of the



wavelengths or frequencies of existing stations or other station which may be established by law, without in any way diminishing its own privilege to use its assigned wavelengths or frequencies and the quality of transmission or reception thereon as should maximize rendition of the grantee's services and/or the availability thereof.

**SECTION 3. *Prior Approval of the National Telecommunications Commission.*** - The grantee shall secure from the National Telecommunications Commission (NTC) the appropriate permits and licenses for its station and shall not use any frequency in the radio spectrum without authorization from the NTC. The NTC, however, shall not unreasonably withhold or delay the grant of such authority.

The grantee shall not dispose or lease its facilities except to entities with radio 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.

**SECTION 4. *Responsibility to the Public.*** - The grantee shall provide, free of charge, adequate public service time which is reasonable and sufficient to enable the government, through the said broadcasting station to reach the pertinent populations or portions thereof, on important public issues and relay important public announcements and warnings concerning public emergencies and calamities, as necessity, urgency or law may require: provide at all times sound and balanced programming; promote public participation; assist in the functions of public information and education; conform to the ethics of honest enterprise; promote audience sensibility and empowerment

including closed captioning; and not use its station for the broadcasting of obscene or indecent language, speech, act or scene; or for the dissemination of deliberately false information or willful misrepresentation, to the detriment of public interest: or to incite, encourage or assist in subversive or treasonable acts.

Public service time referred herein shall be equivalent to a maximum of aggregate of ten percent (10%) of the paid commercials or advertisements which shall be allocated based on the need to the Executive and Legislative branches, the 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.

SECTION 5. ***Compliance with Labor Standards.*** - The grantee, its successors or assignees shall comply with the applicable labor standards under existing labor laws, rules and regulations and such other issuances as may be promulgated by the Department of Labor and Employment, taking into consideration the nature and peculiarities of the broadcast industry.

SECTION 6. ***Right of the Government.*** - The radio spectrum is a finite source that is part of the national patrimony and the use thereof is a privilege conferred to upon the grantee by the State and may be withdrawn anytime after due process.

A special right is hereby reserved to the President of the Philippines, in times of war, rebellion, public peril, calamity, emergency, disaster, or disturbance of peace and order: to temporarily suspend the operation of any



station or facility in the interest of public safety, security and public welfare; 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 the stations or facilities during the period when these shall be so operated.

SECTION 7. **Terms of Franchise.** - This franchise shall be in effect for a period of twenty-five (25) years from the effectivity of this Act, unless sooner revoked or cancelled. This franchise shall be deemed *ipso facto* revoked in the event the grantee fails to operate continuously for two (2) years.

SECTION 8. **Acceptance and Compliance.** - Acceptance of this new franchise shall be given in writing to the Congress through the Committee on Legislative Franchises of the House of Representatives and the Committee on Public Services of the 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. Nonacceptance shall render this franchise void.

SECTION 9. **Self-regulation by and Undertaking of the Grantee.** - The grantee shall not require any previous censorship of any speech, play, act or scene, or other matter to be broadcast from its station, but if any such speech, play, act or scene, or other matter should constitute a violation of the law or 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: *Provided*, that the grantee, during any broadcast, shall cut off the airing 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 language used therein or the 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.

SECTION 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 station of the grantee.

SECTION 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 to be transferred, simultaneously or contemporaneously, to any firm, company, corporation, or entity without the prior approval of the Congress of the Philippines. Congress shall be informed of any sale, lease, transfer, grant of usufruct of, or assignment of franchise or the rights and privileges acquired thereunder, or of the merger or transfer of the controlling interest of the grantee, withing sixty (60) days after the completion of the said transaction. Failure to report to Congress such change of ownership shall render the franchise *ipso facto* revoked. Any person or entity to which this franchise is sold, transferred, or assigned shall be subject to the same conditions, terms, restrictions, and limitations of this Act.

SECTION 12. **Reportorial Requirement.** - The grantee shall submit an annual report 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 Senate, on its compliance with the terms and



conditions of the franchise and on its operations on or before April 30 of every year during the term of its franchise.

The annual report shall include an update on the roll-out, development, operation and/or expansion of business; audited financial statements; latest GIS officially submitted to the SEC, if applicable; certification of the NTC on the status of its permits and operations; and an update on the dispersal of ownership undertaking, if applicable.

The reportorial compliance certificate issued by Congress shall be required before any application for permit or certificate is accepted by the NTC.

SECTION 13. **Penalty Clause.** - 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 by the NTC from the delinquent franchise grantee separate from the reportorial penalties imposed by the NTC and the same shall be remitted to the National Treasury.

SECTION 14. **Equality Clause.** - Any advantage, favor, privilege, exemption, or immunity granted under existing franchises, or which may hereafter be granted for radio 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 concerning territorial coverage, the term, or the type of service authorized by the franchise.

SECTION 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.

SECTION 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.

SECTION 17. ***Repealing Clause.*** - All laws, decrees, orders, resolutions, instructions, rules and regulations, and other issuances or parts thereof which are inconsistent with the provisions of this Act are hereby repealed, amended, or modified accordingly.

SECTION 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,