

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SEVENTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 4290



INTRODUCED BY: REPRESENTATIVE JOSE "PINGPING" I. TEJADA

EXPLANATORY NOTE

This bill seeks to renew and expand the coverage granted to NOTRE DAME BROADCASTING CORPORATION (NDBC) under Republic Act (R.A.) No. 8109 entitled "**AN ACT GRANTING THE NOTRE DAME BROADCASTING CORPORATION (NDBC) A FRANCHISE TO CONSTRUCT, INSTALL, OPERATE AND MAINTAIN RADIO BROADCASTING STATIONS IN THE PHILIPPINES FOR RELIGIOUS, EDUCATIONAL AND CULTURAL AS WELL AS FOR COMMERCIAL PURPOSES.**" NDBC was initially granted a franchise on July 9, 1995, and is in force for a period of twenty-five (25) years.

While advances in technology have given people access to significant amount of information, radio continues to play an important role in information sharing. Radio broadcasts have become a source of reliable information as it cut through borders, reaching the audience in the rural and distant range. Stations can give services and cater to areas where there is limited supply of electricity with the use of battery operated radios. People have access to airwaves even there is poor internet signal, or when there's none at all. Radio broadcasts remain to have a significant role in giving effective access to news and relevant information, that have become the basic and fundamental instrument in encouraging people participation and cooperation.

NDBC has been in the service for more than two decades, that it has become one of the most important medium through which the right to information and freedom of expression are realized. A wide audience even in the far-flung areas may take part in dealing with matters that affect and concern them, as news and relevant information are gathered and delivered to them. NDBC has been providing the platform for a multiplicity of voices to be heard. The station has become instrumental in the negotiation process of peace and reconciliation, promotion of health care and rehabilitation, introduction of culture and formal discipline, spiritual inspiration, and publication of social services. NDBC has been able to seek and impart information and ideas, giving the people in the provinces of Maguindanao, North Cotabato and South Cotabato, the whole of South Central Mindanao, their right to information and consent.

In this measure, this representation encourages the extension of the franchise and to broaden the coverage to the entire Philippines. NDBC is presently established in the cities of Cotabato, Kidapawan, and Koronadal, with its frequency reaching the whole of South Central Mindanao. NDBC provides the public with strong leadership and commitment to serving the local communities, making it relevant in the political, economic, environment and social landscape of the whole nation.

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



JOSE "PINGPING" I. TEJADA
3rd District, Province of (North) Cotabato

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SEVENTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. **4290**

INTRODUCED BY: REPRESENTATIVE JOSE "PINGPING" I. TEJADA

AN ACT

RENEWING THE FRANCHISE GRANTED TO NOTRE DAME BROADCASTING CORPORATION UNDER REPUBLIC ACT NO. 8109 ENTITLED "AN ACT GRANTING THE NOTRE DAME BROADCASTING CORPORATION A FRANCHISE TO CONSTRUCT, INSTALL, OPERATE AND MAINTAIN RADIO BROADCASTING STATIONS IN THE PHILIPPINES FOR RELIGIOUS, EDUCATIONAL, AND CULTURAL AS WELL AS FOR COMMERCIAL PURPOSES" FOR ANOTHER TWENTY-FIVE (25) YEARS FROM EFFECTIVITY OF THIS ACT.

1 **Section 1. Nature and Scope of Franchise.** – Subject to the provisions of the 1987 Philippine
2 Constitution and applicable laws, rules and regulations, the franchise granted to NOTRE DAME
3 BROADCASTING CORPORATION, hereunder referred to as the grantee, its successors or assignees, under
4 Republic Act No. 8109 entitled "AN ACT GRANTING THE NOTRE DAME BROADCASTING CORPORATION A
5 FRANCHISE TO CONSTRUCT, INSTALL, OPERATE AND MAINTAIN RADIO BROADCASTING STATIONS IN
6 THE PHILIPPINES FOR RELIGIOUS, EDUCATIONAL, AND CULTURAL AS WELL AS FOR COMMERCIAL
7 PURPOSES", to construct, install, establish, operate, and maintain for commercial purposes and in the
8 public interest, radio broadcasting stations, where frequencies and/or channels are still available for
9 radio broadcasting, through microwave, satellite or whatever means, including the use of any new
10 technologies in radio systems, with the corresponding technological auxiliaries and facilities, special
11 broadcast and other program and distribution services and relay stations in the Philippines, is hereby
12 renewed for another twenty-five (25) years from the effectivity of this Act.
13

14 **Section 2. Manner of Operation of Stations or Facilities.** – The stations or facilities of the grantee shall
15 be constructed and operated in a manner as will, at most, result only in the minimum interference on
16 the wavelengths or frequencies of existing stations or other stations which may be established by law,
17 without in any way diminishing its own privilege to use its assigned wavelengths or frequencies and the
18 quality of transmission or reception thereon as should maximize rendition of the grantee's services
19 and/or the availability thereof.
20

21 **Section 3. Prior Approval of the National Telecommunications Commission.** – The grantee shall secure
22 from the National Telecommunications Commission (NTC) the appropriate permits and licenses for the
23 construction and operation of its stations and facilities and shall not use any frequency in the radio
24 spectrum without authorization from the NTC. The NTC, however, shall not unreasonably withhold or
25 delay the grant of any such authority.
26

Section 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 reach the population on important public issues; provide at all times sound and balanced programming; assist in the functions of public information and education; conform to the ethics of honest enterprise; and not use its stations and facilities for the broadcasting of obscene and indecent language, speech, act or scene, or for the dissemination of deliberately false information or willful misrepresentation, to the detriment of the public interest, or to incite, encourage, or assist in subversive or treasonable acts.

Section 5. Right of Government. – 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 take over and operate the stations or facilities of the grantee; 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 its stations or facilities during the period when they shall be so operated.

The radio spectrum is a finite resource that is part of the national patrimony and the use thereof is a privilege conferred upon the grantee by the State and may be withdrawn anytime after due process.

Section 6. Term of Franchise. – This franchise shall be in effect for a period of twenty-five (25) years from the effectivity of the 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 7. Acceptance and Compliance. – Acceptance of this new 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 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. Non-acceptance shall render the franchise void.

Section 8. Self-regulation by and Undertaking of Grantee. – The grantee shall not require any previous censorship of any speech, play, act or scene, or other matter to be broadcast from its stations: *Provided*, That the grantee, during any broadcast, shall cut off from the air the 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 9. Warranty in Favor of National and Local Governments. – The grantee shall hold the national, provincial, city and municipal governments of the Philippines free from all claims, accounts, demands, or actions arising out of accidents or injuries, whether to property or to persons, caused by the construction or operation of the stations of the grantee.

Section 10. Sale, Lease, Transfer, Grant of Usufruct, or Assignment of Franchise. – The grantee shall not lease, transfer, grant the usufruct of, sell 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 shall transfer the controlling interest of the grantee, whether as a whole or in parts, and whether simultaneously or contemporaneously, to any such person, firm, company, corporation or entity without the prior approval of the Congress of the Philippines: *Provided*, That Congress shall be informed of any sale, lease, transfer, grant of usufruct of, or assignment of franchise or the rights or privileges acquired thereunder, or the merger or transfer of the

controlling interest of the grantee, within sixty (60) days after the completion of said transaction: *Provided, further*, That failure to report to Congress such change of ownership shall render the franchise *ipso facto* revoked: *Provided, finally*, That 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 11. Dispersal of Ownership. – In accordance with the constitutional provision to encourage public participation in public utilities, the grantee shall offer to Filipino citizens at least thirty per cent (30%) or a higher percentage that may hereafter be provided by law of its outstanding capital stock in any securities exchange in the Philippines within five (5) years from the commencement of its operations: *Provided*, That in cases where public offer of shares is not applicable, establishment of cooperatives and other methods of encouraging public participation by citizens and corporations operating public utilities must be implemented. Noncompliance therewith shall render the franchise *ipso facto* revoked.

Section 12. General Broadcast Policy Law. – The grantee shall comply with and be subject to the provisions of a general broadcast policy law, which Congress may hereafter enact.

Section 13. 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 reportorial compliance certificate issued by Congress shall be required before any application for permit or certificate is accepted by the NTC.

Section 14. Penalty Clause. – Failure of the grantee to submit the requisite annual report to Congress will be penalized by a fine in the amount of Five hundred pesos (P500.00) per working day of noncompliance. The fine will be collected by the NTC from the delinquent franchise grantee separate from the reportorial penalties imposed by the NTC.

Section 15. Equality Clause. – Any advantage, favor, privilege, exemption, or immunity granted under existing franchises, or which may hereafter be granted for radio and/or television 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 territory covered by the franchise, the life span of the franchise or the type of service authorized by the franchise.

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. Repealability and Non-exclusivity 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 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