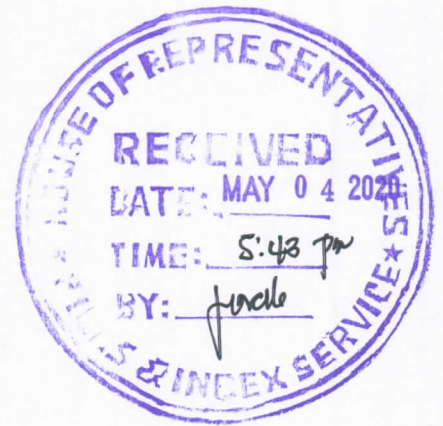


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 6680



Introduced by REPRESENTATIVE PROSPERO A. PICHAY, JR.

EXPLANATORY NOTE

Nearly every household in the Philippines owns a radio and/or television. Radios and televisions are two of the most important sources of information in this era since they keep us informed and up-to-date with breaking news around the world. They also expand our minds by teaching us about different people, cultures, ideas and places we might never encounter in real life. Moreover, radios and televisions are rich sources of entertainment which is very cheap and accessible to everyone. However, while having a television and radio seem to be a great advantage, the disadvantages are also threatening. Radios and televisions can be at the same time considered as a media running in everyone's home carrying misinformation thereby warping the watcher's or listener's perception of the world. It is in such situation that it becomes the responsibility of the government to regulate and supervise radio and television broadcast stations.

In order to protect the public from the harmful effects of television and radio, various measures were passed. To name a few, the Radio Control Law (Act No. 3846), as amended and the Public Telecommunications Policy Act of 1995 (RA 7925) were passed to regulate the installation, operation and maintenance of radio stations both for private and public use. Also, Executive Order No. 546 and Executive Order No. 205 were passed

to regulate and supervise radio and television broadcast stations, cable television (CATV) and pay television.

Section 16 of RA 3846 expressly provides that no person, firm, company, association or corporation shall construct, install, establish, or operate a radio station within the Philippine Islands without having first obtained a franchise therefor from the Philippine Legislature. This law provides the franchise requirement for radio stations. After the enactment of this law in 1963, there was no measure providing the same requirement with regard to television stations.

In 1995, the Public Telecommunications Policy Act (RA 7925) was enacted. However, Republic Act No. 7925 does not provide that a broadcasting (television and radio) entity needs a franchise. This is because first paragraph of Section 16 of Republic Act No. 7925 only provides that no person shall commence or conduct the business of being a PUBLIC TELECOMMUNICATIONS ENTITY without first obtaining a FRANCHISE. Under the same law, the terms "telecommunications", "broadcasting", "public telecommunications entity" and "franchise" were clearly defined. The definition of a public telecommunications entity does not include broadcasting. Neither does the definition of franchise includes the same. Clearly, there is a gap in the law because only public telecommunications entities are required to obtain a franchise which excludes those persons engaged in broadcasting companies.

This bill seeks to amend Sections 1, 2, 3 and 16 of RA No. 7925 to address this gap. The amendments will include radio and television broadcasting entities in securing first a franchise in order for them to broadcast their shows and/or programs.

In this regard, the urgent passage of this bill is earnestly requested.


REP. PROSPERO A. PICHAY, JR.

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HOUSE BILL NO. 6680

Introduced by REPRESENTATIVE PROSPERO A. PICHAY, JR.

AN ACT
AMENDING SECTIONS 1, 2, 3 AND 16 OF REPUBLIC ACT NO. 7925
OTHERWISE KNOWN AS THE PUBLIC TELECOMMUNICATIONS POLICY
ACT OF THE PHILIPPINES

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

SECTION 1. Section 1 of Republic Act No. 7925 is hereby amended to read as follows:

"Section 1. *Short Title.* - This Act shall be known as the "Public Telecommunications [Policy] **AND BROADCASTING** Act of the Philippines."

SECTION 2. Section 2 of Republic Act No. 7925 is hereby amended to read as follows:

"Section 2. *Scope and Application.* - This Act shall apply to all public telecommunications **AND BROADCASTING** entities in the Philippines."

SECTION 3. Section 3 of Republic Act No. 7925 is hereby amended to read as follows:

"Section 3. *Definitions and Interpretations.* - For purposes of this Act, the following terms shall be used:

(a) x x x

(b) x x x

(c) x x x

(d) Franchise - a privilege conferred upon a telecommunications entity **AND A BROADCASTING (TELEVISION AND RADIO) ENTITY** by congress, authorizing **SUCH ENTITIES** [that entity] to engage in a certain type of telecommunications service **AND BROADCASTING SERVICE.**

(e) x x x

(f) x x x

(g) x x x

(h) x x x

(i) x x x

(j) x x x

(k) x x x"

SECTION 4. Section 16 of Republic Act No. 7925 is hereby amended to read as follows:

"Section 16. *Franchise.* - No person shall commence or conduct the business of being a public telecommunications entity **AND A BROADCASTING (TELEVISION AND RADIO) ENTITY** without first obtaining a franchise.

The Commission, in granting a Certificate of Public Convenience and Necessity (CPCN), may impose such conditions as to duration and termination of the privilege, concession, or standard or technical aspects of the equipment, rates, or service, not contrary to the terms of the franchise. In no case, however, shall the CPCN be shorter than five (5) years, nor longer than the life of the franchise. A CPCN expiring at the same time as the franchise shall be deemed to have been renewed for the same term if the franchise itself is also renewed or extended.

Expansion and financing of networks and services, utilizing equipment compatible with or homologous to existing or previously approved plant and facilities, in order to service additional demand in the same areas where the previously approved network and services have been installed, shall not require any approval by the Commission.

The upgrading of existing plant and network facilities including the financing thereof, for the purpose of retiring or replacing obsolete or outmoded equipment with state of the art equipment and technology

in order to improve the quality or grade of service being rendered to the public within the same areas covered by the existing plant and facilities previously approved, shall likewise not require the approval of the Commission.

The Commission, however, shall not grant a subsequent CPCN for another segment of service or extend the area service coverage of an entity which has failed to satisfactorily comply with its commitments to the Commission to provide a particular service in the original area coverage under an earlier authorization."

SECTION 5. *Transitory Clause.* – The National Telecommunications Commission (NTC) shall grant **BROADCASTING (TELEVISION AND RADIO) ENTITIES** with pending applications and/or expired or expiring franchises a transitory period of five (5) years from the approval of this Act, to comply with the requirements herein set forth.

SECTION 6. *Separability Clause.* – If any portion or provision of this Act is held unconstitutional or invalid, the other sections or provisions not otherwise affected shall remain in full force and effect.

SECTION 7. *Repealing Clause.* – All laws, decrees, executive orders, rules and regulations or other issuances or parts thereof inconsistent with the provisions of this Act are hereby repealed or amended accordingly.

SECTION 8. *Effectivity.* – This Act shall take effect after fifteen (15) days following the completion of its publication either in the Official Gazette, or in a newspaper of general circulation in the Philippines.

Approved.