

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

**EIGHTEENTH CONGRESS**  
First Regular Session

**HOUSE BILL NO. 4402**



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Introduced by HON. ERICO ARISTOTLE C. AUMENTADO

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**EXPLANATORY NOTE**

This bill proposes the renewal of the congressional franchise granted under R.A. 8149 to TAGBILARAN BROADCASTING SYSTEM to enable it to continue its operations as a broadcasting company.

Since the commencement of its operations and approval of the congressional franchise, Tagbilaran Broadcasting System has consistently provided its audiences with a variety of programs addressing the information, instructional, and entertainment needs and preferences of the general public.

Given the all-important role media plays in the development of communities, Tagbilaran Broadcasting System seeks to continue this privilege to serve and promote public interest by way of expanding its operations throughout the Philippines and using its expertise developed from many years of serving the general public through its programs that cater to a variety of audiences.

(In view of the foregoing, immediate approval of this bill is earnestly sought.)



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AN ACT RENEWING FOR ANOTHER TWENTY-FIVE YEARS THE FRANCHISE GRANTED TO TAGBILARAN BROADCASTING SYSTEM INC., FORMERLY TAGBILARAN SYSTEM, TO CONSTRUCT, INSTALL, OPERATE, AND MAINTAIN RADIO AND TELEVISION BROADCASTING STATIONS IN THE PROVINCE OF BOHOL AND ANYWHERE IN THE PHILIPPINES

*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, it is hereby granted TAGBILARAN BROADCASTING SYSTEM INC., to construct, install, operate, and maintain for commercial purposes, radio and/or television broadcasting stations where frequencies and/or channels are still available for radio and/or television broadcasting, including digital television systems, with the corresponding technological auxiliaries and facilities, distribution services and relay stations, for another twenty five year (25) years from the effectivity of this Act.

**SECTION 2. *Radio Spectrum.*** —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 that may be withdrawn or modified in the public interest at any time after due process.



**SECTION 3. *Manner of Operation of Facilities.***— The stations or facilities of the grantee shall be constructed and operated in a manner that will at most result only in the minimum interference on the wavelengths of frequencies of the existing stations or other stations which may be established in accordance with law without in any way diminishing its own right to use its selected 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 4. *Prior Approval of the National Telecommunications.***— The grantee shall secure from the National Telecommunications Commission (NTC) the appropriate permits and licenses for its stations and shall not use any frequency in the radio/television spectrum without having been authorized by the NTC.

**SECTION 5. *Responsibility to the Public.*** - The grantee shall provide reasonable public service time to enable the government, through the said broadcasting stations, to reach the population on important public issues; provide at all times sound and balanced programming; assist in the functions of public information, instruction, and education; conform to the ethics of honest and equitable enterprise; and ensure that no obscene or indecent language, speech, act, scene, false information, willful misrepresentation detriment to the public interest, that incite, encourage, or assist in subversive or treasonable acts shall be broadcasted or transmitted.

**SECTION 6. *Right of Government.*** - The President of the Philippines, in times of rebellion, public peril, calamity, emergency, disaster or disturbance of peace and order, may temporarily take over and operate the stations of the grantee, temporarily suspend the operation of the station in the interest of public safety, security and public welfare, or to authorize the temporary use and operation thereof by any department of the government, upon due compensation to the grantee, for the use of said stations during the period when they shall be so be operated.

**SECTION 7. *Term 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. In the event the grantee fails to operate continuously for two (2) years, this franchise shall be deemed *ipso facto* revoked.

**SECTION 8. *Acceptance and Compliance.*** - Acceptance of this 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, [with a copy furnished to the Chairman of the National Telecommunications Commission] within sixty (60) days after the approval of this Act. Upon giving such acceptance, the grantee shall exercise the privileges granted under this Act.

**SECTION 9. *Tax Provisions.*** - The grantee, its successors or assigns shall be liable to pay the same taxes on their real estate, buildings, and personal property, exclusive of this franchise, as other persons or corporations are now or hereafter may be required by law to pay. In addition thereto, the grantee, its successors or assigns shall pay a value added tax on sale of services; pursuant to the relevant provisions of the National Internal Revenue Code (R.A. No.8424), as amended; provided that the grantee, its successors or assigns shall continue to be liable for income taxes under Title II of the National Internal Revenue Code, as amended, pursuant to Section 2 of Executive Order No.72 unless the latter enactment is amended or repealed, in which case the amendment or repeal shall be applicable thereto.

**SECTION 10. *Self-regulation by and Undertaking of Grantee.***- The grantee shall not require any previous censorship of any speech, play, act scene, or other matter to be broadcast and/or telecast from its stations: Provided, That the grantee, during any broadcast and/or telecast, shall cut off from the air such speech, play, act, scene, or other matter being broadcast and/or telecast 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; and willful failure to do so shall constitute a valid cause for the cancellation of this franchise.

**SECTION 11. *Warranty in Favor of National and Local Governments.*** - The grantee shall hold the national, provincial and municipal governments of the Philippines harmless from all claims, accounts, demands or actions, caused by the construction or operation of the stations of the grantee.



**SECTION 12. *Sale, Lease, Transfer, Usufruct, etc.*** - 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 entity not otherwise enfranchised for broadcasting services without the prior approval of the Congress of the Philippines. Any person or entity to which this franchise is sold, transferred or assigned shall be subject to all the same conditions, terms, restrictions, and limitations of this Act.

**SECTION 13. *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 14. *Equality Clause.*** - Any advantage, favor, privilege, exemption, or immunity granted under other existing franchise, or which may hereafter be granted for radio, television broadcasting, and/or cable television station, upon prior approval of Congress, shall become part of this franchise and shall be accorded immediately and unconditionally to the herein grantee.

**SECTION 15. *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 16. *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 17. *Effectivity Clause.*** - This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved.