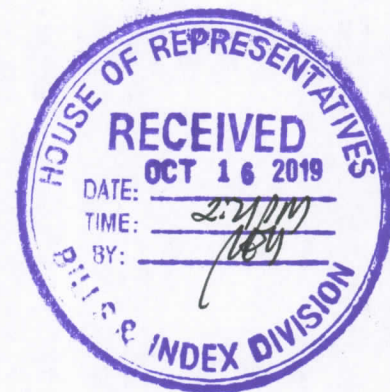


Republic of the Philippines
House of Representatives
Quezon City, Metro Manila

EIGHTEENTH CONGRESS
First Regular Session



HOUSE BILL NO. 5154

INTRODUCED BY REP. ALFRED VARGAS

AN ACT
RENEWING THE FRANCHISE GRANTED TO
CENTURY COMMUNICATIONS MARKETING CENTER, INC.
UNDER REPUBLIC ACT NO. 8133, ENTITLED "AN ACT GRANTING CENTURY
COMMUNICATIONS, INC., A FRANCHISE TO CONSTRUCT, INSTALL, OPERATE
AND MAINTAIN FOR COMMERCIAL PURPOSES, RADIO AND TELEVISION
BROADCASTING STATIONS AND STATIONS FOR TELEVISION IN THE PHILIPPINES
AND FOR OTHER PURPOSES" FOR ANOTHER TWENTY-FIVE (25) YEARS

EXPLANATORY NOTE

Century Communications Marketing Center, Inc. (CCMI) was established in 1984, initially as a broadcast consultancy firm composed of industry professionals. In 1992, due to rapid growth of the industry, CCMI moved to petition and was subsequently granted the authority by the Congress of the Philippines to establish for commercial purposes, radio and television stations nationwide. Its franchise was granted under Republic Act 8133, which was passed on July 16, 1996.

CCMI, through its balanced programming, has been a long-time partner of the state for more than twenty-four years now, in disseminating vital day to day information to the people and rendering public service, inherent in and among broadcast media networks.

Being one of the most active radio broadcasting networks in the country today with fifteen (15) radio stations, the renewal of its franchise would allow CCMI to continue providing effective public service.

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


ALFRED VARGAS

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

SECTION 1. Nature and Scope of Franchise. - Subject to the provisions of the 1987 Philippine Constitution and applicable laws, rules and regulations, there is hereby granted to Century Communications Marketing Center, Inc., hereunder referred to as the grantee, its successors and assigns, a franchise to construct, install, operate and maintain, for commercial purposes and in the public interest, radio and television broadcasting stations in the Philippines 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.

SECTION 2. Manner of Operation of Stations and Facilities. - The stations of facilities of the grantee shall be constructed and operated in a manner that will, at most, result only into the minimum interference on the wavelengths or frequencies of existing stations or other stations which may be established by law, without in any way diminishing its own right to use its selected wavelengths or frequencies and the quality of transmission or reception thereon should maximize rendition of the grantee's services and/or 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 stations and shall not use any frequency in the radio or television spectrum without having been authorized by the Commission.

SECTION 4. Responsibility to the Public. - The grantee shall, provide adequate public service time to enable the government through the said broadcasting stations of facilities, to reach the population on important public issues, provide at all times sound and balanced programming, promote public participation, assist in the functions of public information and knowledge. The grantee shall conform to the ethics of honest enterprise and shall not use its stations for the broadcasting of obscene and indecent language, speech, act of scene, or for the dissemination of deliberately false information or willful misrepresentation/disinformation, 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 serious 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 said stations or facilities during the period when they shall be so operated.

SECTION 6. Term of Franchise. - This franchise shall be for a term of twenty-five (25) years, unless sooner revoked or cancelled. In the event that grantee fails to operate continuously for two (2) years, this franchise shall be deemed ipso facto revoked.

SECTION 7. Acceptance and Compliance. - Acceptance of this franchise shall be given in writing to the Congress of the Philippines, through the Committee on Legislative Franchise 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. Tax provisions. - The grantee, its successors and assigns, shall be liable to pay the same taxes on the 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 (RA 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.

The grantee shall file the return with and pay the tax thereon to the Commissioner of Internal Revenue or his duly authorized representative in accordance with the National Internal Revenue Code and the return shall be subject to audit by the Bureau of Internal Revenue.

SECTION 9. 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 for broadcast and telecast 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 broadcasted if the tendency thereof is indecent or immoral; Provided further, that willful failure to do so shall constitute a valid cause for the cancellation of franchise.

SECTION 10. Warranty in Favor of National and Local Government. - The grantee shall hold the national, provincial, city and municipality 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 11. 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 to the rights and privileges acquired thereunder to any person, firm, company, corporation or other commercial or legal entity, nor shall the controlling interest of the grantee be transferred to any such private person, firm, company, corporation or entity without the prior approval of the Congress of the Philippines. Any person or entity which this franchise is sold, transferred or assigned shall be subject to all the same conditions, terms restrictions and limitations of this Act.

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. 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, however, that the foregoing shall neither apply to nor affect provisions of broadcasting franchises or the type of service authorized by the franchise. Provided further, that the foregoing shall not apply to sale, lease, transfer or grant of usufruct of legislative franchise with prior congressional approval.

SECTION 14. 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 15. Repealing 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.

SECTION 16. 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,