



HOUSE OF REPRESENTATIVES

H. No. 10122

BY REPRESENTATIVES TAN (A.), SUAREZ (A.), SUAREZ (D.), VILLARAZA-SUAREZ, ENVERGA, ALVAREZ (F.), LEGARDA, REVILLA, ALBANO (A.), NIETO, GUYA, GONZALEZ, LUSOTAN AND SAVELLANO, PER COMMITTEE REPORT NO. 1184

AN ACT

GRANTING SOUTHERN LUZON STATE UNIVERSITY A FRANCHISE TO CONSTRUCT, INSTALL, ESTABLISH, OPERATE, AND MAINTAIN FOR EDUCATIONAL AND OTHER RELATED PURPOSES RADIO AND TELEVISION BROADCASTING STATIONS WITHIN ITS CAMPUSES IN THE PROVINCE OF QUEZON

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

1 **SECTION 1. *Nature and Scope of Franchise.*** – Subject to the provisions of the
2 Constitution and applicable laws, rules and regulations, there is hereby granted to Southern
3 Luzon State University hereunder referred to as the Grantee, its successors or assignees, a
4 franchise to construct, install, establish, operate, and maintain for educational, cultural, and
5 other related purposes, and in the public interest, radio and television broadcasting stations,
6 where frequencies and channels are still available for radio and television broadcasting,
7 including digital television system, through microwave, satellite or whatever means, as well
8 as the use of any new technology in television and radio systems, with the corresponding
9 technological auxiliaries and facilities, special broadcast and other program and distribution
10 services and relay stations within its campuses in the Province of Quezon.
11

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

19 **SEC. 3. *Prior Approval of the National Telecommunications Commission.*** – The
20 Grantee shall secure from the National Telecommunications Commission (NTC) the
21 appropriate permits and licenses for the construction and operation of its stations or facilities
22 and shall not use any frequency in the radio or television spectrum without authorization from

1 the NTC. The NTC, however, shall not unreasonably withhold or delay the grant of any such
2 authority.

3
4 In case of any violation of the provisions of this franchise, the NTC shall have the
5 authority to revoke or suspend, after due process, the permits or licenses it issued pursuant
6 to the franchise. The NTC may recommend to Congress of the Philippines the revocation of
7 the franchise for any violation of the provisions of this franchise.

8 **SEC. 4. Responsibility to the Public.** – The Grantee shall provide, free of charge,
9 adequate public service time which is reasonable and sufficient to enable the government,
10 through the broadcasting stations or facilities of the Grantee, to reach the pertinent
11 populations or portions thereof, on important public issues and relay important public
12 announcements and warnings concerning public emergencies and calamities, as necessity,
13 urgency, or law may require; provide at all times sound and balanced programming; promote
14 public participation; assist in the functions of public information and education; conform to
15 the ethics of honest enterprise; promote audience sensibility and empowerment including
16 closed captioning; and not use its stations or facilities for the broadcasting of obscene or
17 indecent language, speech, act, or scene, the dissemination of deliberately false information
18 or willful misrepresentation, to the detriment of public interest, or to incite, encourage, or
19 assist in subversive or treasonable acts.
20

21 Public service time referred herein shall be equivalent to a maximum aggregate of ten
22 percent (10%) of paid commercials or advertisements which shall be allocated based on need
23 to the Executive and Legislative branches, the Judiciary, Constitutional Commissions, and
24 international humanitarian organizations duly recognized by statutes: *Provided*, That the NTC
25 shall increase the public service time in case of extreme emergency or calamity. The NTC shall
26 issue rules and regulations for this purpose, the effectivity of which shall commence upon
27 applicability with other similarly situated broadcast network franchise holders.
28

29 Pursuant to Republic Act No. 8370, otherwise known as the “Children’s Television Act
30 of 1997”, the Grantee shall allot a minimum of fifteen percent (15%) of the daily total air time
31 of each broadcasting network or station to child-friendly shows within its regular
32 programming.

33 **SEC. 5. Right of the Government.** – The radio spectrum is a finite resource that is part
34 of the national patrimony, and the use thereof is a privilege conferred upon the Grantee by
35 the State that may be withdrawn any time after due process.
36

37 A special right is hereby reserved to the President of the Philippines, in times of war,
38 rebellion, public peril, calamity, emergency, disaster, or disturbance of peace and order, to
39 temporarily take over and operate the stations or facilities of the Grantee; to temporarily
40 suspend the operation of any station or facility in the interest of public safety, security, and
41 public welfare; or to authorize the temporary use and operation thereof by any agency of the
42 government, upon due compensation to the Grantee, for the use of said stations or facilities
43 during the period when these shall be so operated.
44

45 **SEC. 6. Term of Franchise.** – This franchise shall be in effect for a period of twenty-five
46 (25) years from the effectivity of this Act, unless sooner revoked or cancelled. This franchise
47 shall be deemed *ipso facto* revoked in the event the Grantee fails to comply with the following
48 conditions:

- 1 (a) commencement of operations within three (3) years from the approval of its
2 operating permit by the NTC;
3 (b) commencement of operations within five (5) years from the effectivity of this
4 Act; and
5 (c) continuous operation for two (2) years.
6

7 **SEC. 7. Self-regulation by and Undertaking of Grantee.** – The Grantee shall not require
8 any previous censorship of any speech, play, act or scene, or other matter to be broadcast
9 from its stations, but if any such speech, play, act or scene, or other matter should constitute
10 a violation of the law or infringement of a private right, the Grantee shall be free from any
11 liability, civil or criminal, for such speech, play, act or scene, or other matter: *Provided*, That
12 the Grantee, during any broadcast, shall cut off the airing of speech, play, act or scene, or
13 other matter being broadcast if the tendency thereof is to propose or incite treason, rebellion,
14 or sedition; or the language used therein or the theme thereof is indecent or immoral:
15 *Provided, further*, That willful failure to do so shall constitute a valid cause for the cancellation
16 of this franchise.
17

18 **SEC. 8. Warranty in Favor of the National and Local Governments.** – The Grantee shall
19 hold the national, provincial, city, and municipal governments of the Philippines free from all
20 claims, liabilities, demands, or actions arising out of accidents causing injury to persons or
21 damage to properties, during the construction or operation of the stations of the Grantee.
22

23 **SEC. 9. Commitment to Provide and Promote the Creation of Employment**
24 **Opportunities.** – The Grantee shall create employment opportunities and accept on-the-job
25 trainees in the franchise operations: *Provided*, That priority shall be accorded to the residents
26 of the place where the principal office of the Grantee is located: *Provided, further* That the
27 Grantee shall follow applicable civil service rules and regulations and other similar issuances.
28

29 **SEC. 10. Sale, Lease, Transfer, Grant of Usufruct, or Assignment of Franchise.** – The
30 Grantee shall not sell, lease, transfer, grant the usufruct of, nor assign this franchise or the
31 rights and privileges acquired thereunder to any person, firm, company, corporation or other
32 commercial or legal entity.
33

34 **SEC. 11. Reportorial Requirement.** – The Grantee shall submit an annual report on its
35 compliance with the terms and conditions of the franchise and on its operations to the
36 Congress of the Philippines, through the Committee on Legislative Franchises of the House of
37 Representatives and the Committee on Public Services of the Senate, on or before April 30 of
38 every year during the term of its franchise.

39 The annual report shall include an update on the commencement of activities,
40 development, operation, and expansion of business; audited financial statements; latest GIS
41 officially submitted to the SEC, if applicable; certification of the NTC on the status of its
42 permits and operations; and an update on the dispersal of ownership undertaking, if
43 applicable.

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

46 **SEC. 12. Fine.** – Failure of the Grantee to submit the requisite annual report to
47 Congress shall be penalized by a fine of Five hundred pesos (P500.00) per working day of

1 noncompliance to the NTC. The fine shall be collected separately from the reportorial
2 penalties imposed by the NTC, and it shall be remitted to the Bureau of the Treasury.

3 **SEC. 13. Equality Clause.** – Any advantage, favor, privilege, exemption, or immunity
4 granted under existing franchises, or which may hereafter be granted for radio broadcasting,
5 upon prior review and approval of Congress, shall become part of this franchise and shall be
6 accorded immediately and unconditionally to the herein Grantee: *Provided*, That the
7 foregoing shall neither apply to nor affect the provisions of broadcasting franchises
8 concerning territorial coverage, the term, or the type of service authorized by the franchise.
9

10 **SEC. 14. Repealability and Nonexclusivity Clause.** – This franchise shall be subject to
11 amendment, alteration, or repeal by Congress when the public interest so requires and shall
12 not be interpreted as an exclusive grant of the privileges herein provided for.
13

14 **SEC. 15. Separability Clause.** – If any of the sections or provisions of this Act is held
15 invalid, all other provisions not affected thereby shall remain valid.
16

17 **SEC. 16. Repealing Clause.** – All laws, decrees, orders, resolutions, instructions, rules
18 and regulations, and other issuances or parts thereof which are inconsistent with the
19 provisions of this Act are hereby repealed, amended, or modified accordingly.
20

21 **SEC. 17. Effectivity.** – This Act shall take effect fifteen (15) days after its publication in
22 the *Official Gazette* or in a newspaper of general circulation.

Approved,