



HOUSE OF REPRESENTATIVES

H. No. 5491

BY REPRESENTATIVES PADILLA AND TEODORO, PER COMMITTEE REPORT
No. 1513

AN ACT GRANTING THE NUEVA VIZCAYA STATE UNIVERSITY A
FRANCHISE TO CONSTRUCT, INSTALL, ESTABLISH, OPERATE
AND MAINTAIN RADIO AND TELEVISION BROADCASTING
STATIONS IN REGION II

*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
2 provisions of the Constitution and applicable laws, rules and regulations, there
3 is hereby granted to the Nueva Vizcaya State University, hereunder referred to
4 as the grantee, its successors or assigns, a franchise to construct, install,
5 establish, operate and maintain for commercial purposes and in the public
6 interest, radio and/or television broadcasting stations in Region II where
7 frequencies and/or channels are still available for radio and/or television
8 broadcasting, including digital radio and television system, internet
9 protocol-related services and internet protocol-value-added services, through
10 microwave, satellite, or whatever means, including the use of any new
11 technology that may hereafter or in the future be developed in the field of radio

1 and television broadcasting, with the corresponding technological auxiliaries
2 and facilities, special broadcast and other program and distribution services
3 and relay stations.

4 SEC. 2. *Manner of Operation of Stations or Facilities.* – The stations
5 or facilities of the grantee shall be constructed and operated in a manner as
6 will, at most, result only in the minimum interference on the wavelengths or
7 frequencies of existing stations or other stations which may be established
8 by law, without in any way diminishing its own right to use its selected
9 wavelengths or frequencies and the quality of transmission or reception
10 thereon as should maximize rendition of the grantee’s services and/or
11 availability thereof. In no way shall the operator of the grantee nor the radiated
12 power of its stations or facilities exceed that required to cover the area where it
13 is allowed to operate.

14 SEC. 3. *Prior Approval of the National Telecommunications*
15 *Commission (NTC).* – The grantee shall secure from the NTC the appropriate
16 permits and licenses for the construction and operation of its stations and
17 facilities and shall not use any frequency in the radio and television spectrum
18 without having been authorized by the Commission. The Commission,
19 however, shall not unreasonably withhold or delay the grant of any such
20 authority.

21 SEC. 4. *Responsibility to the Public.* – The grantee shall provide
22 adequate public service time to enable the government, through the said
23 broadcasting stations or facilities, to reach the population on important public
24 issues; provide at all times sound and balanced programming; assist in the
25 functions of public information and education; conform to the ethics of honest
26 enterprise; and not use its stations and facilities for the broadcasting of obscene
27 and indecent language, speech, act or scene; or for the dissemination of
28 deliberately false information or willful misrepresentation, to the detriment of

1 the public interest, or to incite, encourage or assist in subversive or treasonable
2 acts.

3 SEC. 5. *Right of Government.* – A special right is hereby reserved to the
4 President of the Philippines, in times of war, rebellion, public peril, calamity,
5 emergency, disaster or disturbance of peace and order, to temporarily take over
6 and operate the stations or facilities of the grantee, to temporarily suspend the
7 operation of any station or facility in the interest of public safety, security and
8 public welfare, or to authorize the temporary use and operation thereof by any
9 agency of the government, upon due compensation to the grantee, for the use
10 of said stations or facilities during the period when they shall be so operated.

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

14 SEC. 6. *Term of Franchise.* – This franchise shall be for a term of
15 twenty-five (25) years from the date of effectivity of this Act, unless sooner
16 revoked or cancelled. This franchise shall be deemed *ipso facto* revoked in the
17 event the grantee fails to comply with any of the following conditions:

18 (a) Commence operations within one (1) year from the approval of its
19 operating permit by the NTC;

20 (b) Operate continuously for two (2) years; and

21 (c) Commence operations within three (3) years from the effectivity of
22 this Act.

23 SEC. 7. *Acceptance and Compliance.* – Acceptance of this franchise
24 shall be given in writing within sixty (60) days from the effectivity of this Act.
25 Upon giving such acceptance, the grantee shall exercise the privileges granted
26 under this Act. Nonacceptance shall render the franchise void.

27 SEC. 8. *Bond.* – The grantee shall file a bond issued in favor of the
28 NTC which shall determine the amount, to guarantee the compliance with and

1 fulfillment of the conditions under which this franchise is granted. If after three
2 (3) years from the date of the approval of its permit by the Commission, the
3 grantee shall have fulfilled the same, the bond shall be cancelled by the
4 Commission. Otherwise, the bond shall be forfeited in favor of the government
5 and the franchise *ipso facto* revoked.

6 SEC. 9. *Self-regulation by and Undertaking of the Grantee.* – The
7 grantee shall not require any previous censorship of any speech, play, act or
8 scene, or other matter to be broadcast from its stations: *Provided*, That the
9 grantee, during any broadcast, shall cut off from the air the speech, play, act or
10 scene, or other matter being broadcast if the tendency thereof is to propose
11 and/or incite treason, rebellion or sedition; or the language used therein or the
12 theme thereof is indecent or immoral; and willful failure to do so shall
13 constitute a valid cause for the cancellation of this franchise.

14 SEC. 10. *Obligation of the Grantee.* – Any person aggrieved by any
15 remark, report, statement, commentary or the like by a broadcaster using the
16 same facilities of the grantee shall have the right to reply in the same program
17 or any other program the aggrieved party may choose.

18 SEC. 11. *Warranty in Favor of National and Local Governments.* –
19 The grantee shall not hold the national, provincial, city and municipal
20 governments of the Philippines liable from all claims, accounts, demands or
21 actions arising out of accidents or injuries, whether to property or to persons,
22 caused by the construction or operation of the stations of the grantee.

23 SEC. 12. *Nontransferability of Franchise.* – The grantee shall not lease,
24 transfer, grant the usufruct of, sell nor assign this franchise or the rights and
25 privileges acquired thereunder to any person, firm, company, corporation or
26 other commercial or legal entity, nor merge with any other corporation or
27 entity, nor shall the controlling interest of the grantee be transferred, whether
28 as a whole or in parts and whether simultaneously or contemporaneously, to

1 any such person, firm, company, corporation or entity without the prior
2 approval of the Congress of the Philippines. Any person or entity to which this
3 franchise is sold, transferred or assigned, shall be subject to the same
4 conditions, terms, restrictions and limitations of this Act.

5 SEC. 13. *Equality Clause.* – Any advantage, favor, privilege,
6 exemption or immunity granted under existing franchise, or which may
7 hereafter be granted for radio and television broadcasting, shall *ipso facto*
8 become part of this franchise and shall be accorded immediately and
9 unconditionally to the herein grantee: *Provided, however,* That the foregoing
10 shall neither apply to nor affect provisions of broadcasting franchises
11 concerning territory covered by the franchise, the life span of the franchise or
12 the type of service authorized by the franchise.

13 SEC. 14. *General Broadcast Policy Law.* – The grantee shall comply
14 with and be subject to the provisions of a general broadcast policy law, which
15 Congress may hereafter enact.

16 SEC. 15. *Reportorial Requirement.* – The grantee shall submit an
17 annual report to the Congress of the Philippines on its compliance with the
18 terms and conditions of the franchise and on its operations within sixty (60)
19 days from the end of every year.

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

23 SEC. 17. *Repealability and Nonexclusivity Clause.* – This franchise
24 shall be subject to amendment, alteration or repeal by the Congress of the
25 Philippines when the public interest so requires and shall not be interpreted as
26 an exclusive grant of the privileges herein provided for.

1 SEC. 18. *Effectivity Clause.* – This Act shall take effect fifteen (15)
2 days from the date of its publication, upon the initiative of the grantee, in at
3 least two (2) newspapers of general circulation in the Philippines.

Approved,

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