

H. No. 4631

Republic of the Philippines
Congress of the Philippines
Metro Manila
Seventeenth Congress
First Regular Session

Begun and held in Metro Manila, on Monday, the twenty-fifth day of July, two thousand sixteen.

[REPUBLIC ACT NO. 10925]

AN ACT RENEWING FOR ANOTHER TWENTY-FIVE (25) YEARS THE FRANCHISE GRANTED TO REPUBLIC BROADCASTING SYSTEM, INC., PRESENTLY KNOWN AS GMA NETWORK, INC., AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 7252, ENTITLED "AN ACT GRANTING THE REPUBLIC BROADCASTING SYSTEM, INC. A FRANCHISE TO CONSTRUCT, INSTALL, OPERATE AND MAINTAIN RADIO AND TELEVISION BROADCASTING STATIONS IN THE PHILIPPINES"

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

SECTION 1. Republic Act No. 7252 is hereby amended to read as follows:

"SECTION 1. *Nature and Scope of Franchise.*
- Subject to the provisions of the 1987 Constitution and applicable laws, rules and regulations, the

franchise granted to Republic Broadcasting System, Inc., presently known as GMA Network, Inc., hereunder referred to as the grantee, its successors or assignees, under Republic Act No. 7252 to construct, install, establish, operate and maintain for commercial purposes and in the public interest radio and television broadcasting stations in the Philippines, including digital television system, through microwave, satellite, terrestrial or whatever means, or the use of any new technologies in television and radio systems, with the corresponding auxiliary, 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 is hereby renewed for another twenty-five (25) years from the effectivity of this Act.

"SEC. 2. *Manner of Operation of Stations or Facilities.* - The stations or facilities of the grantee shall be constructed and operated in a manner as will, at most, result only in 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 assigned 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.

"SEC. 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/television spectrum without having been authorized by the NTC.

"SEC. 4. *Responsibility to the Public.* - The grantee shall provide free of charge, adequate public service time which is reasonable and sufficient to enable the government, through the broadcasting stations or facilities of the grantee, to reach the

pertinent population/s or portions thereof on important public issues and relay important public announcements and warnings as necessity, urgency or law may require; provide at all times sound and balanced programming; promote public participation; assist in the functions of public information and education; conform to the ethics of honest enterprise; promote audience sensibility and empowerment through, but not limited to, closed captioning; and not use its stations or facilities for the broadcasting of obscene and indecent language, speech, act or scene; or for the dissemination of deliberately false information or willful misrepresentation, to the detriment of the public interest, or to incite, encourage, or assist in subversive or treasonable acts.

"Public service time referred herein shall be equivalent to ten percent (10%) of the paid commercials or advertisements which shall be allocated based on need to the executive, legislative, judiciary, constitutional commissions and international humanitarian organizations duly recognized by statutes: *Provided*, That the NTC shall increase the public service time in case of emergency or calamity. The NTC shall issue rules and regulations for this purpose, the effectivity of which shall commence upon applicability with other similarly situated broadcast network franchise holders.

"SEC. 5. *Compliance with Labor Standards.* - The grantee, its successors or assignees shall comply with the applicable labor standards under existing labor laws, rules and regulations and such other issuance as may be promulgated by the Department of Labor and Employment, taking into consideration the nature and peculiarities of the broadcast industry.

"SEC. 6. *Right of the 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 the stations or facilities of the grantee during the period when these shall be so operated.

"SEC. 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.

"SEC. 8. *Acceptance and Compliance.* - This franchise shall become effective upon acceptance given in writing by the grantee 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, within sixty (60) days from the effectivity of this Act. Upon giving such acceptance, the grantee shall exercise the privileges granted under this Act. Nonacceptance of the grantee shall render the franchise void.

"SEC. 9. *Tax Provisions.* - The grantee, its successors or assignees shall continue to be subject to all applicable taxes, duties, fees or charges and other impositions under Republic Act No. 8424, otherwise known as 'The National Internal Revenue Code of 1997', as amended, Republic Act No. 7160, otherwise known as 'The Local Government Code of 1991', as amended, and other applicable laws.

"SEC. 10. *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 to be broadcast and/or telecast from

its stations; but if any such speech, play, act or scene, or other matter should constitute a violation of the law or infringement of a private right, the grantee shall be free from any liability, civil or criminal, for such speech, play, act or scene, or other matter from its stations: *Provided*, That the grantee, during any broadcast and/or telecast, shall not allow to be aired the speech, play, act or 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: *Provided, further*, That willful failure to do so shall constitute a valid cause for the cancellation of this franchise.

"SEC. 11. *Warranty in Favor of National and Local Governments.* - The grantee shall hold the national, provincial, city and municipal 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.

"SEC. 12. *Sale, Lease, Transfer, Usufruct or Assignment of Franchise.* - The grantee shall not sell, lease, transfer, grant the usufruct of nor assign this franchise or the rights and privileges acquired thereunder to any person, firm, company, corporation or other commercial or legal entity, nor merge with any other corporation or entity, nor shall the controlling interest of the grantee be transferred, whether as a whole or in parts, and whether simultaneously or contemporaneously, to any such private person, firm, company, corporation or entity without the prior approval of the Congress of the Philippines: *Provided*, That 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.

"SEC. 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.

"SEC. 14. *Reportorial Requirement.* – The grantee shall submit an annual report 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, on its compliance with the terms and conditions of the franchise and on its operations on or before April 30 of every year during the term of the franchise.

"SEC. 15. *Equality Clause.* – Any advantage, favor, privilege, exemption, or immunity granted under existing franchise, or which may hereafter be granted for radio and/or television 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*, That the foregoing shall not apply to nor affect provisions of broadcasting franchises concerning territory covered by the franchise, the lifespan of the franchise or the type of service authorized by the franchise.


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


"SEC. 17. *Repealability and Nonexclusivity 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.

"SEC. 18. x x x."


SEC. 2. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,


AQUILINO "KOKO" PIMENTEL III
President of the Senate



PANTALEON D. ALVAREZ
Speaker of the House of Representatives

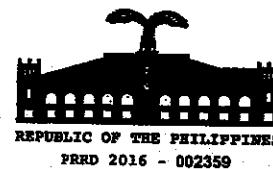
This Act which originated in the House of Representatives was passed by the House of Representatives on January 16, 2017, amended by the Senate on March 13, 2017, and which amendments were concurred in by the House of Representatives on March 14, 2017.


LUTGARDO B. BARBO
Secretary of the Senate


CESAR STRAIT PAREJA
Secretary General House of Representatives

Approved: APR 21 2017


RODRIGO ROA DUTERTE
President of the Philippines



CERTIFIED COPY:


MARIANITO M. DIMAANDAL
CHIEF DIRECTOR IV
MALACANANG RECORDS OFFICE

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