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

**NINETEENTH CONGRESS**
First Regular Session

**HOUSE BILL NO. 8118**

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Introduced by **HON. KHYMER ADAN T. OLASO**
**Representative, 1st District, Zamboanga City**

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## EXPLANATORY NOTE

This bill seeks the renewal of the legislative franchise granted to Westwind Broadcasting Corporation under RA 8687, and the expansion of its operation to cover the entire Philippines.

In compliance with the policy of the State and as provided for in Article 11 of our Constitution, specifically Section 24, in re: State Policies – that "the State recognizes the vital role of communications and information in nation building," it now seeks to secure the renewal of its Congressional Franchise.

Westwind Broadcasting Corporation served as a tool for news, public information, music and entertainment for Zamboanga City and other areas. It delivers mix of music and public affairs programming styles and is one of the most listened to and trusted radio stations in Zamboanga Peninsula. During its operation, the grantee has demonstrated its unqualified support to the ideals and polices of the government and has managed to maintain a well-balanced programming in the interest of truth, honesty, and integrity.

Given the economic and health challenges brought about by the pandemic, Westwind Broadcasting Corporation aims to continuously improve and innovate the delivery of its brand of service not only within its frequency coverages but to other parts of the Philippines as well.

Our country needs further stimulation of information provided by broadcast stations to provide the public a wider spectrum of ideas, insightful information, and to promote collective involvement in governance and public service. It is for this reason that Westwind Broadcasting Corporation seeks to expand its operation to cover the whole Philippines.

Moreover, the same would enhance competition among legislative franchise holders in the area of public service and generate jobs to the populace.

It is on this note that the passage of this bill is earnestly sought.

**KHYMER ADAN T. OLASO**
Representative
1st District, Zamboanga City

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**AN ACT RENEWING FOR ANOTHER TWENTY FIVE (25) YEARS THE FRANCHISE GRANTED TO WESTWIND BROADCASTING CORPORATION UNDER REPUBLIC ACT NO. 8687, ENTITLED "AN ACT GRANTING THE WESTWIND BROADCASTING CORPORATION A FRANCHISE TO CONSTRUCT, INSTALL, ESTABLISH, OPERATE, AND MAINTAIN RADIO AND TELEVISION STATIONS IN THE VISAYAS AND MINDANAO"**

Be it enacted by the Senate and 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, the franchise granted to WESTWIND BROADCASTING CORPORATION, hereunder referred to as the Grantee, its successors or assignees, under Republic Act No. 8687 to construct, install, establish, operate, and maintain for commercial purposes and in the public interest, radio and/or television broadcasting stations in the Visayas and Mindanao, where frequencies and channels are still available for radio and television broadcasting, including digital television system, through microwave, satellite, or whatever means, as well as the use of any new technology in radio and television systems, with the corresponding technological auxiliaries and facilities, special broadcast, and other program and distribution services, and relay stations, is hereby renewed for another twenty-five (25) years.

**SECTION 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 privilege to use its assigned wavelengths or frequencies, and the quality of transmission or reception thereon should maximize rendition of the Grantee's services and the 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 the construction and operation of its stations or facilities, and shall not use any frequency in the radio spectrum without authorization from

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

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

**SECTION 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 populations or portions thereof, on important public issues and relay important public announcements and warnings concerning public emergencies and calamities, 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 including closed captioning and not use its stations or facilities for the broadcasting of obscene or indecent language, speech, act or scene, the dissemination of deliberately false information or willful misrepresentation, to the detriment of public interest, or to incite, encourage, or assist in subversive or treasonable acts.

Public service time referred herein shall be equivalent to a maximum aggregate of ten percent (10%) of paid commercials or advertisements which shall be allocated based on need to the Executive and Legislative branches, the Judiciary, Constitutional Commissions, and international humanitarian organizations duly recognized by statutes: Provided, that the NTC shall increase the public service time in case of extreme 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.

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

**SECTION 5.** Right of the Government. – 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 any time after due process.

A special right is hereby reserved to the President of the Philippines, in times of war, rebellion, public peril, calamity, emergency, disaster, or 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 these shall be so operated.

**SECTION 6.** 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. This franchise shall be deemed *ipso facto* revoked in the event the Grantee fails to operate continuously for two (2) years.

**SECTION 7.** 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 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: Provided, that the Grantee, during any broadcast, shall cut off the airing of speech, play, act or scene, or other matter being broadcast if the tendency thereof is to propose 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.

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

**SECTION 9.** Commitment to Provide and Promote the Creation of Employment Opportunities. – The Grantee shall create employment opportunities and accept on-the-job trainees in the franchise operations: Provided, that priority shall be accorded to the residents of the place where the principal office of the Grantee is located: Provided, further, that the Grantee shall comply with the applicable labor standards and allowance entitlement under existing labor laws, rules and regulations and similar issuances.

The employment opportunities or jobs created shall be reflected in the General Information Sheet (GIS) to be submitted to the Securities and Exchange Commission (SEC) annually.

**SECTION 10.** Sales, Lease, Transfer, Grant of 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 corporations or entity, nor shall be controlling interest of the Grantee be transferred, simultaneously or contemporaneously, to any person, firm, company, corporation, or entity without the prior approval of Congress. The Grantee shall inform Congress, through the Office of the Speaker of the House of Representatives and Office of the Senate President, of any sale, lease, transfer, grant of usufruct, or assignment of franchise, or the rights and privileges acquired thereunder, or of the merger or transfer of the controlling interest of the Grantee, within sixty (60) days after the completion of the said transaction. Failure to report to Congress such change of ownership shall render the franchise *ipso facto* revoked. Any person or entity to which this franchise is sold, transferred, or assigned shall be subject to the same conditions, terms, restrictions, and limitations of this Act.

**SECTION 11.** Dispersal of Ownership. – In accordance with the constitutional provision to encourage public participation in public utilities, the Grantee shall offer to Filipino citizens at least thirty percent (30%) of its outstanding capital stocks, or a higher percentage that may hereafter be provided by law, in any securities exchange in the Philippines within five (5) years from the effectivity of this Act: Provided, that in cases where public offer of shares is not applicable, other methods of encouraging public participation by citizens and corporations operating public utilities must be implemented. Noncompliance therewith shall render the franchise *ipso facto* revoked.

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

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

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

**SECTION 14.** Penalty Clause. – Failure of the Grantee to submit the requisite annual report to Congress shall be penalized by a fine of Five Hundred Pesos (₱500.00) per working day of noncompliance to the NTC. The fine shall be collected separately from the reportorial penalties imposed by the NTC and it shall be remitted to the Bureau of the Treasury.

**SECTION 15.** 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, that the foregoing shall neither apply to, nor affect the provisions of broadcasting franchises concerning territorial coverage, the term, or the type of service authorized by the franchise.

**SECTION 16.** Repealability and Nonexclusivity Clause. – This franchise shall be subject to amendment, alteration, or repeal by Congress when the public interest so requires, and shall not be interpreted as an exclusive grant of the privileges herein provided for.

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

**SECTION 19.** Effectivity. – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

*Approved,*