

Republic of the Philippines  
Congress of the Philippines  
Metro Manila  
Twelfth Congress

Second Regular Session



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

[ REPUBLIC ACT NO. **9213** ]

AN ACT AMENDING REPUBLIC ACT NO. 7477, ENTITLED "AN ACT GRANTING THE PEOPLE'S BROADCASTING SERVICE, INC. A FRANCHISE TO CONSTRUCT, INSTALL, OPERATE AND MAINTAIN FOR COMMERCIAL PURPOSES RADIO BROADCASTING AND TELEVISION STATIONS IN THE PHILIPPINES, AND FOR OTHER PURPOSES"

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

SECTION 1. Section 9 of Republic Act No. 7477 is hereby amended to read as follows:

"SEC. 9. *Democratization of Ownership.* – In compliance with the constitutional mandate to democratize ownership of public utilities, the herein grantee shall make public offering through

the stock exchange of at least thirty percent (30%) of its outstanding capital stock or a higher percentage that may hereafter be provided by law, in any securities exchange in the Philippines within five (5) years from the time it has achieved the status of a national broadcasting network. A "national broadcasting network" is hereby defined as one that operates three (3) or more radio and/or television stations: *Provided*, That the offer to the public through any securities exchange in the Philippines of at least thirty percent (30%) of the number of shares of a holding company that owns at least a majority of the capital stock of the grantee sufficient to constitute an offer of at least thirty percent (30%) interest in the outstanding capital stock of the grantee shall be deemed compliance with the requirement herein provided. Noncompliance therewith shall be a cause for revocation of the franchise: *Provided*, That no single person or entity shall be allowed to own more than five percent (5%) of the stock offerings."

SEC. 2. A new Section 10 is hereby inserted after the present Section 9 of Republic Act No. 7477, to read as follows:

"SEC. 10. *Self-regulation by, and Undertaking of the 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: *Provided*, That the grantee, during any broadcast, shall cut off from the air the speech, play, act or scene, or the matter being broadcast 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; and willful failure to do so shall constitute a valid cause for the cancellation of this franchise."

SEC. 3. Section 10 of Republic Act No. 7477 is hereby renumbered as Section 11.

SEC. 4. Section 11 of Republic Act No. 7477 is hereby renumbered as Section 12 and is amended to read as follows:

"SEC. 12. *Sale, Lease, Transfer, Usufruct. Etc.* – The grantee shall not lease, transfer, grant the usufruct of, sell nor assign this franchise or the rights and privileges acquired thereunder to any person, firm, company, corporation, or other

commercial or legal entity, nor shall the controlling interest in the grantee be transferred to any such private person, firm, company, corporation or entity without the prior approval of the Congress of the Philippines: *Provided*, That the foregoing limitation shall not apply to: (1) any transfer or issuance of shares to any investor pursuant to or in connection with any increase in the grantee's authorized capital stock which shall result in the dilution of the stockholdings of the grantee's then existing stockholders; (2) any transfer or sale of shares of stock to an investor or investors; (3) any sale, transfer or assignment of shares by the stockholders of the grantee in favor of a holding company whose stockholders are identical to the stockholders of the grantee; (4) any combination thereof where such transfer, sale or issuance is effected in order to enable the grantee to raise the necessary capital or financing for the provision of any services authorized by this Act and/or carry out any of the purposes for which the grantee has been incorporated or organized: *Provided, further*, That any such transfer, sale or issuance is in accordance with any applicable constitutional limitation. 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. 5. A new Section 13 is hereby inserted after the new Section 12 of Republic Act No. 7477, to read as follows:

"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. 6. Section 12 of Republic Act No. 7477 is hereby renumbered as Section 14.

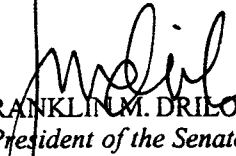
SEC. 7. Section 13 of Republic Act No. 7477 is hereby renumbered as Section 15.

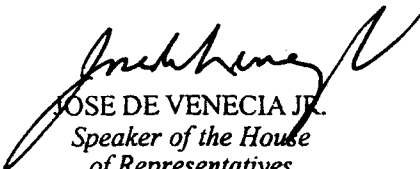
SEC. 8. Section 14 of Republic Act No. 7477 is hereby renumbered as Section 16.

SEC. 9. Section 15 of Republic Act No. 7477 is hereby renumbered as Section 17.


SEC. 10. *Effectivity.* – This Act shall take effect fifteen (15) days from the date of its publication, upon the initiative of the grantee, in at least two (2) newspapers of general circulation in the Philippines.

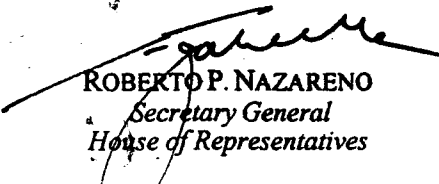
Approved,

  
FRANKLIN M. DRILON  
*President of the Senate*

  
JOSE DE VENEZIA JR.  
*Speaker of the House  
of Representatives*

This Act which originated in the House of Representatives was finally passed by the House of Representatives and the Senate on May 20, 2003 and May 12, 2003, respectively.

  
OSCAR G. YABES  
*Secretary of the Senate*

  
ROBERTO P. NAZARENO  
*Secretary General  
House of Representatives*

Approved: JUL 23 2003

  
GLORIA MACAPAGAL-ARROYO  
*President of the Philippines*



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