

NATIONAL LEGISLATION GRANTING ABS-CBN CORPORATION A LEGISLATIVE FRANCHISE AND ALLOWING IT TO CONSTRUCT, INSTALL, ESTABLISH, OPERATE AND MAINTAIN, FOR COMMERCIAL PURPOSES AND IN THE PUBLIC INTEREST, RADIO AND/OR TELEVISION BROADCASTING STATIONS IN THE PHILIPPINES, INCLUDING A DIGITAL TELEVISION SYSTEM, FOR TWENTY-FIVE YEARS.

REPUBLIC OF THE PHILIPPINES
COMMISSION ON ELECTIONS
MANILA

IN RE: PROPOSAL TO ENACT A
NATIONAL LEGISLATION
ENTITLED "THE ABS-CBN
CORPORATION FRANCHISE ACT,"
THROUGH *PEOPLE'S INITIATIVE*,

HERMINIO C. BAGRO III and
_____ Petitioners, represented
by HERMINIO C. BAGRO III, EIRENE
JHONE E. AGUILA, MICHAEL T. TIU,
JR., DINO S. DE LEON, LEON G.
FLORES III, FRANCIS TOM
TEMPROSA, ALLAN M.
PANGILINAN, DAN CHRISTIAN E.
RAMOS,

P.I.R/ Case No. _____

Petitioners.

PETITION

PETITIONERS, pursuant to Section 32, Article VI, in relation to Section 1, Article VI, of the 1987 Philippine Constitution, and Republic Act No. 6735, as implemented by Commission on Elections Resolution No. 10650, unto this Honorable Commission on Elections, most respectfully state and aver that:

1. We, the Petitioners are (*total number of Petitioners*) Filipinos and are all registered voters with active status in the record of voters of this country, the Republic of the Philippines, who affixed our signatures to this Petition, which per the Certification issued by the Election Records and Statistics Department of this Commission, hereto attached as **Annex " "**, constitute ____ percent (____%) of _____ the total number

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of registered voters in the country, wherein each legislative district is represented by at least three percent (3%) of the total number of registered voters therein. The Petitioners possess all of the qualifications and none of the disqualifications to file the instant Petition;

2. We affixed our signatures to the herein Petition proposing to:

GRANT A LEGISLATIVE FRANCHISE TO ABS-CBN CORPORATION (FORMERLY ABS-CBN BROADCASTING CORPORATION), WHICH HAD PREVIOUSLY BEEN GRANTED A FRANCHISE UNDER REPUBLIC ACT NO. 7966, OR "AN ACT GRANTING ABS-CBN BROADCASTING CORPORATION A FRANCHISE TO CONSTRUCT, INSTALL, ESTABLISH, OPERATE, AND MAINTAIN BROADCASTING STATIONS IN THE PHILIPPINES, AND FOR OTHER PURPOSES" FOR TWENTY-FIVE (25) YEARS FROM THE EFFECTIVITY OF THIS INITIATIVE;

3. We file the above Proposition in line with the principles of popular democracy and sovereignty. Petitioners invoke the People's sovereign right as citizens of the country, as rightfully enshrined in Section 1, Article II of the 1987 Philippine Constitution, that "sovereignty resides in the people and all government authority emanates from them," and all other applicable laws, principles, and rules to commence this Petition;
4. We file this Petition to protect the constitutional rights to information and freedom of the press, the rule of law, and in recognition of the valuable public service that ABS-CBN Corporation has provided in its sixty-five (65) years of operations, more concretely shown by:
 - a. The livelihood given to more or less eleven thousand (11,000) Filipinos and the life-saving benefits that these jobs provide to the families of such workers;
 - b. Its widest reach in terms of news reporting on important issues and political affairs in Philippine society, as well as its timely delivery of crucial information to the people, particularly those who are living in remote areas who can only be reached through the use of the frequency granted under its former franchise;

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- c. Its leadership in corporate social responsibility and its active participation in social and humanitarian causes through various foundations which cater to the welfare of children and the environment;
 - d. Its leadership in the entertainment industry and the provision of creative and cultural production to the people; and
 - e. Its leadership and role in holding public officials accountable for their decisions and actions while in office by providing people news and information;
5. We fully understand the Proposition, together with its rationale, advantages, and disadvantages, as well as its consequences and effects as we have read the full text and contents thereof, and such were likewise clearly explained to us in our own dialect or in a language known to us before we affixed our signatures hereto, reflecting our consent, assent, and full agreement with the Proposition and the filing of this Petition;
6. We duly authorized the following persons to file this Petition, to represent us before this Honorable Commission, to sign any and all pleadings/documents subsequent and as a consequence hereof, and to do or perform any and all acts necessary for this Petition to prosper and succeed:
- a. **HERMINIO C. BAGRO III,** [REDACTED];
 - b. **EIRENE JHONE E. AGUILA,** [REDACTED];
 - c. **MICHAEL T. TIU, JR.,** [REDACTED];
 - d. **DINO S. DE LEON,** [REDACTED];
 - e. **LEON G. FLORES III,** [REDACTED];
 - f. **FRANCIS TOM TEMPROSA,** [REDACTED];

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g. **ALLAN M. PANGILINAN,** [REDACTED]; and

h. **DAN CHRISTIAN E. RAMOS,** [REDACTED];

The processes of this Honorable Commission and other related documents may be served at their address/es as above-stated;

7. We affirm that no public funds have been spent for this Petition;
8. We herein propose, as above-stated, to:

ENACT A NATIONAL LAW GRANTING ABS-CBN CORPORATION A LEGISLATIVE FRANCHISE TO CONSTRUCT, INSTALL, ESTABLISH, OPERATE, AND MAINTAIN BROADCASTING STATIONS IN THE PHILIPPINES, AND FOR OTHER PURPOSES FOR TWENTY-FIVE (25) YEARS FROM THE EFFECTIVITY OF THIS ACT, EFFECTIVELY RENEWING ITS LEGISLATIVE FRANCHISE GRANTED UNDER REPUBLIC ACT NO. 7966.

9. The Proposition is based on Section 11, Article XII of the Constitution allowing the grant of a franchise for the operation of a public utility to corporations or associations organized under the laws of the Philippines at least sixty per centum of whose capital is owned by such citizens, and in relation to the power of the people to directly propose and enact laws through the system of initiative provided, in principle, in Section 32, Article VI of the Constitution, in relation to Section 1 of Article VI of the Constitution, and implemented by Republic Act No. 6735;
10. The Proposition is also based on the protection of the fundamental rights to information and freedom of the press as enshrined in Section 4, Article III of the Constitution, as well as the State policy in Section 18, Article II of the Constitution emphasizing the “affirm[ation] [of] labor as a primary social economic force” and the state duty to “protect the rights of workers and promote their welfare;”

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11. The full text or content of the Proposition is hereunder stated:

AN ACT GRANTING ABS-CBN CORPORATION A LEGISLATIVE FRANCHISE TO CONSTRUCT, INSTALL, ESTABLISH, OPERATE, AND MAINTAIN BROADCASTING STATIONS IN THE PHILIPPINES, AND FOR OTHER PURPOSES FOR TWENTY-FIVE (25) YEARS FROM THE EFFECTIVITY OF THIS ACT

Be it enacted by the People of the Philippines:

SECTION 1. Nature and Scope of Franchise. - Subject to the provisions of the 1987 Philippine Constitution and applicable laws, rules and regulations, a franchise is hereby granted to ABS-CBN Corporation (formerly ABS-CBN Broadcasting Corporation), hereunder referred to as the Grantee, its successors or assignees, to construct, install, establish, operate and maintain for commercial purposes and in the public interest, radio and/or television broadcasting stations in the Philippines, where frequencies and/or channels are still available for radio and/or television broadcasting, including digital television system, through microwave, satellite or whatever means, or the use of any new technologies in television and radio systems, with the corresponding technological auxiliaries and facilities, special broadcast and other program and distribution services and relay stations, 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 and other stations which may be established by law, without in any way diminishing its own right to use its selected 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 the operation of its stations and facilities and shall not use any frequency in the radio/television spectrum without authorization from the NTC. The NTC, however, shall not unreasonably withhold or delay the grant of such permits, licenses, and similar authorities.

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 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

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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. Right of Government. - A special right is hereby reserved to the Congress of the Philippines, in times of war, rebellion, public peril, calamity, emergency, disaster or disturbance of peace and order to authorize the temporarily take-over of the stations and facilities of the Grantee by the President of the Philippines, in the interest of public safety, security and public welfare; or to authorize the temporary use and operation thereof by an agency of the government, upon due compensation to the Grantee, for the use of said stations or facilities during the period when they shall be so operated.

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 and may be withdrawn anytime for just cause and upon due process.

SEC. 6. Term of Franchise. - This franchise shall be in effect for a period of twenty-five (25) years, 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.

SEC. 7. Acceptance and Compliance. - Acceptance of this franchise shall be given in writing to the National Telecommunications Commission within sixty (60) days from the effectivity of this Initiative. Upon giving such acceptance, the Grantee shall exercise the privileges granted under this Initiative. Non-acceptance shall render the franchise void.

SEC. 8. Self-Regulation by and Undertaking of Grantee. - The Grantee shall not require any previous validly censored speech, play, act, or scene, or other matter to be broadcasted through its stations: *Provided*, That the Grantee, during any broadcast, shall cut off from the air the speech, play, act or scene, or other 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 immoral: *Provided, further*, That willful failure to do so shall constitute a valid cause for the cancellation of this franchise, upon observance of due process.

SEC. 9. 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, and 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.

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SEC. 10. Sale, Lease, Transfer, Grant of Usufruct, or Assignment of Franchise. -

The Grantee shall not sell, lease, transfer, grant 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 transfer the controlling interest of the Grantee, whether as a whole or in part and whether simultaneously or contemporaneously, to any such person, firm, company, corporation, or entity without the prior approval of the Congress of the Philippines through the passage of a law: *Provided*, That Congress shall be informed of any sale, lease, transfer, grant of usufruct, or assignment of franchise or the rights or privileges acquired thereunder, or the merger or transfer of the controlling interest of the Grantee, within sixty (60) days after the completion of said transaction: *Provided, further*, That failure to report to Congress such change of ownership shall render the franchise ipso facto revoked: *Provided, finally*, That 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.

SEC. 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 per centum* (30%) or a higher percentage that may hereafter be provided by law of its outstanding stock in any securities exchange in the Philippines within five (5) years from the commencement of its operations: *Provided*, That in cases where public offer of shares is not applicable, establishment of cooperatives and 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.

SEC. 12. Respect for Workers' Rights.

The Grantee, its successors and assigns, shall guarantee respect for workers' and trade union rights, including the workers' rights to self-organization, collective bargaining and negotiations, and peaceful concerted activities, including the right to strike in accordance with law. The Grantee's workers shall participate in policy and decision-making processes of the Grantee affecting their rights and benefits as may be provided by law. The Grantee's workers are entitled to full employment, equality of opportunities, security of tenure, humane conditions of work, and a just share in the Grantee's fruits of operation as prescribed by law.

Within ninety (90) days from effectivity of this Act, a committee composed of three (3) representatives from the management of the Grantee, three (3) representatives from the organized workforce of the Grantee, and an independent member chosen with the assent of both parties, shall adopt, by a vote of at least two-thirds (2/3) of all its members, a policy that improves the status and condition of workers and institutionalizes the participation of workers in decision-making processes on issues affecting their rights and benefits, such as, but not limited to membership in the board of directors. Such policy, when adopted, shall form part of the terms of this franchise.

SEC. 13. Compliance with Laws and Regulations. -

The Grantee shall comply with and be subject to the provisions of any existing laws which regulate the conduct of broadcast media and practices in the industry.

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SEC. 14. Reportorial Requirement. - The Grantee shall submit an annual report to the Congress of the Philippines, through the Committee on Legislative Franchise 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 the succeeding year. The reportorial compliance certificate issued by Congress shall be required before any application for permit or certificate is accepted by the NTC.

SEC. 15. Penalty Clause. - Failure of the Grantee to submit the requisite annual report to Congress shall be penalized by a fine of five thousand pesos (P5,000.00) per working day of noncompliance. The fine shall be collected by the NTC from the delinquent franchise Grantee separate from the reportorial penalties imposed by the NTC. The collected funds shall accrue to the monitoring fund of the NTC in line with its supervisory and regulatory functions.

SEC. 16. Equality Clause. - Any advantage, favor, privilege, exemption, or immunity granted under existing franchises, 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 neither apply to nor affect the provisions of broadcasting franchises concerning territory covered by the franchise, the life span of the franchise or the type of service authorized by the franchise: *Provided, further*, That the foregoing shall not apply to sale, lease, transfer or grant of usufruct of legislative franchise with prior congressional approval.

SEC. 17. Separability Clause. - If any of the sections or provisions of this Initiative is held invalid, all other provisions not affected thereby shall remain valid.

SEC. 18. Repealing and Non-exclusivity Clause. - This franchise shall be subject to amendment, alteration, or repeal by the Congress of the Philippines when the public interest so requires, or in case of noncompliance with its terms, and shall not be interpreted as an exclusive grant of the privileges herein provided.

SEC. 19. Publication. - This Act shall be published, through the initiative of the Grantee, fifteen (15) days after this Initiative is confirmed by the Commission on Elections.

SEC. 20. Effectivity Clause. - This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper or general circulation.

Approved,

12. The rationale of the Proposition is to grant a franchise to ABS-CBN Corporation through a national law and to preserve an important institution of the press, the livelihood provided to thousands of workers, the rule of law, and the continuing provision of crucial

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information about current affairs and government action (or inaction) to the people of this country.

13. The herein Proposition embraces only one subject, which is the grant of a legislative franchise to ABS-CBN Corporation.
14. The herein Proposition is not one of the exceptions under the Constitution, Republic Act. No. 6735, and the implementing resolution of the Honorable Commission on Elections.
15. The required number of signatures was already collected and gathered. The signature sheets therefor were already submitted by the Proponent/s to the concerned Offices of the Election Officer and certifications therefor, hereto attached as **Annexes “___”**, as duly issued by the concerned Election Officers.

PRAYER

WHEREFORE, it is most respectfully prayed that the Honorable Commission on Elections, after due consideration and verification:

1. **FIND** the Petition to be sufficient in both form and substance, pursuant to Section 32, Article VI of the 1987 Constitution, the pertinent provisions of Republic Act No. 6735, and the implementing resolution of this Honorable Commission;
2. **DIRECT** the publication of this Petition, as well as the Proposition in Filipino and English, twice in at least two newspapers of general and circulation, and the submission of proof of publication;
3. **CALL** for a Plebiscite on a date set by it to be conducted under its control and supervision, to allow the Filipino registered voters to express their sovereign will on the herein Proposition; and
4. **GRANT** other reliefs and remedies deemed just and equitable under the premises.

_____, 20____, _____, Philippines.

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LEON G. FLORES III

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ALLAN M. PANGILINAN

DAN CHRISTIAN E. RAMOS

SUBSCRIBED AND SWORN to before me this ____ day of _____, 20____, in the City/Municipality/Province of _____, by the above-named Affiants/Proponents, who, on the basis of the government-issued identification cards presented to me, are known to me as the same persons who signed this Petition:

(Name/s and Details of the Government-Issued Identification Cards of the Proponent/s)

Doc. No. ____;

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Book No. ____;

Series of 2020.