

REPUBLIC ACT No. 8107

AN ACT GRANTING THE BYERS COMMUNICATIONS, INC.,  
A FRANCHISE TO CONSTRUCT, ESTABLISH, OPERATE  
AND MAINTAIN RADIO BROADCASTING AND  
TELEVISION STATIONS WITHIN THE NATIONAL  
CAPITAL REGION AND CENTRAL VISAYAS REGION

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

SECTION 1. Subject to the provisions of the Constitution, as well as other applicable laws and their amendments, the Byers Communications, Inc., its successors or assigns, hereunder referred to as the grantee, shall be granted a franchise to construct, establish, operate and maintain for commercial purposes and in the public interest radio broadcasting and television stations within the National Capital Region and Central Visayas Region.

SEC. 2. The radio broadcasting and television stations shall not be put in actual operation until the National Telecommunications Commission shall have allotted to the grantee the frequencies, wavelengths and channels to be used under this franchise and determined the stations to and from which each frequency and wavelength may be used, and issued licenses for such use.

The National Telecommunications Commission, on reasonable notice to the grantee may, at any time, change, cancel, or modify, in whole or in part, any or all of the allotments of frequencies or wavelengths to be used. It may take such action: (1) whenever in its judgment such frequencies and wavelengths have been used or there is danger that they will be used by the grantee to impair electrical communications, or stifle competition, or to obtain a monopoly in electrical communications, or to secure unreasonable rates for such communications, or to violate otherwise the laws or public policy of the Philippine Republic; (2)

whenever in its judgment the public interest of the Republic of the Philippines requires that such frequencies and wavelengths be used for other purposes than those of the grantee, either by the government of the Philippines or by other individuals or corporations licensed by it; and (3) whenever in its judgment, for any reason, the public interest of the Philippines so requires.

SEC. 3. This franchise is granted for a period of twenty-five (25) years and upon the express condition that the same shall be void unless the construction of one station be completed within two (2) years from the date of the approval of this Act.

SEC. 4. This franchise is likewise granted on the condition that the grantee shall provide adequate public service time to enable the government, through the said radio broadcasting and television stations, to reach the population on important public issues; assist in the functions of public information and education; conform to the ethics of honest enterprise; and not use its stations for the broadcasting and/or telecasting of obscene or 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.

SEC. 5. The grantee, its heirs, successors or assigns, shall so construct and operate its radio and television stations so as not to interfere with the operations of other radio and television stations maintained and operated in the Philippines.

SEC. 6. The grantee shall not require any previous censorship of any speech, play, act, scene or other matter to be broadcast and/or telecast from its stations: *Provided, That*, the grantee, during any broadcast and/or telecast, shall cut off from the air the speech, play, act, 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, and willful failure to do so shall constitute a valid cause for the cancellation of this franchise.

SEC. 7. The grantee shall hold the national, provincial, 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 person, caused by the construction or operation of the stations of the grantee.

SEC. 8. 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 take over and operate the said stations 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 during the period when they shall be so operated.

SEC. 9. The President of the Philippines shall have the power and authority to permit the construction of said stations or any of them on any land of the public domain upon such terms and conditions as he may prescribe.

SEC. 10. No private property shall be taken for any purpose by the grantee of this franchise, its successors or assigns, without proper condemnation proceedings and just compensation paid or tendered thereof, and any authority to take and occupy land obtained herein shall not authorize the taking, use, or occupation of any land except such as is required for the actual necessary purposes for which this franchise is granted. All lands or rights of use and occupation of lands granted to the grantee, its heirs, successors or assigns shall, upon termination of this franchise or upon its revocation or repeal, revert to the national, provincial, or municipal government to which such land or right to use and occupy belonged at the time of the grant hereof or the right to use and occupy the same was conceded to the grantee herein, its heirs, successors or assigns.

SEC. 11. The right is hereby reserved to the government of the Philippines, through the National Telecommunications Commission or such other government agencies as may hereafter be duly authorized, to fix the maximum rate or charges to be charged by the grantee.

SEC. 12. As a condition of the granting of this franchise, the grantee shall execute a bond in favor of the government of the Philippines in the sum of Fifty thousand pesos (P50,000) in form and with sureties satisfactory to the Secretary of Transportation and Communications conditioned upon the faithful performance of the grantee's obligations hereunder during the first four (4) years of the life of this franchise. If, after four (4) years from the date of the approval of this franchise, the grantee shall have fulfilled the said conditions, the bond shall be cancelled by the Secretary of Transportation and Communications, otherwise it shall be forfeited in favor of the government.

SEC. 13. Acceptance of this franchise shall be given in writing within six (6) months after approval of this Act. Upon acceptance by the grantee and upon approval of the bond required under Section 12 of this Act by the Secretary of Transportation and Communications, the grantee shall be empowered to exercise the privileges granted thereby.

SEC. 14. The grantee, shall not lease, transfer, grant the usufruct of, sell nor assign this franchise, or the rights or privileges acquired thereunder to any person, firm, company, corporation or other commercial or legal entity, nor merge with any other person, company or corporation organized for the same purpose, without the prior approval of the Congress of the Philippines. Any corporation to which this franchise may be sold, transferred, or assigned shall be subject to all conditions, terms, restrictions, and limitations of this franchise as fully and completely and to the same extent as if the franchise had been originally granted to the said person, firm, company, corporation or other commercial or legal entity.

SEC. 15. In the event of any competing individual, partnership or corporation receiving from the Congress a similar franchise in which there shall be any term or terms more favorable than those herein granted or tending to place the herein grantee at any disadvantage, then such term shall *ipso facto* become part of the terms hereof and shall operate equally in favor of the grantee as in the case of said competing individual, partnership or corporation.

SEC. 16. The grantee shall be liable to pay the same taxes on their real estate, buildings and personal property, exclusive of this franchise, as other persons, natural or juridical, are now or hereafter may be required by law to pay.

In addition thereto, the grantee, its successors or assigns, shall pay a franchise tax at such percentage as may be required by law on all gross receipts of the radio/television business transacted under this franchise by the grantee, its successors or assigns: *Provided*, That the grantee, its successors or assigns, shall continue to be liable for income taxes payable under Title II of the National Internal Revenue Code pursuant to Section 2 of Executive Order No. 72 unless the latter enactment is amended or repealed, in which case the amendment or repeal shall be applicable thereto. The grantee shall file the return with and pay the tax due thereon to the Commissioner of Internal Revenue or his duly authorized representative in accordance with the National Internal Revenue Code and the return shall be subject to audit by the Bureau of Internal Revenue.

SEC. 17. 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. This Act shall take effect upon its approval.

Lapsed into law on July 9, 1995 without the President's signature, pursuant to Sec. 27(1), Article VI of the Constitution.