

[REPUBLIC ACT NO. 7306, March 26, 1992]

**AN ACT PROVIDING FOR THE ESTABLISHMENT OF THE PEOPLE'S
TELEVISION NETWORK, INCORPORATED, DEFINING ITS
POWERS AND FUNCTIONS, PROVIDING FOR ITS SOURCES OF
FUNDING AND FOR OTHER PURPOSES**

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

TITLE I - GENERAL PROVISIONS

SECTION 1. *Title.* - This Act shall be known as the "Charter of the People's Television Network, Incorporated".

SEC. 2. *Declaration of Policies.* - In consonance with the Constitutional recognition of the vital role of communication and information in nation-building, and the important aspect played by the broadcasting industry, it is hereby declared as the policy of the State to:

- a. Fully develop communication structures suitable to the needs and aspirations of the nation and in accordance with a policy that respects the freedom of speech and of the press;
- b. Give priority to education, science and technology, arts, culture, and sports to foster patriotism and nationalism, accelerate social progress, and promote total human liberation and development;
- c. Develop the broadcasting industry as a medium for the development, promotion and advancement of Filipino nationalism, culture and values that serve as an instrument in the struggle for Filipino sovereignty, identity, national unity and integration;
- d. Harness the resources of the government and the private sector towards a close, continuous and balanced cooperation in order to take advantage of technological advances in the broadcasting industry;
- e. Maintain a broadcast industry system that serves as a vital link for participative democracy and effective government information dissemination through developmental communication, free from any political or partisan influence and held accountable directly to the people;
- f. Encourage the development and broadcast of balanced programs which feature, among others, educational, wholesome entertainment, cultural, public affairs and sports; and
- g. Detach government television from advertising and commercial interest as far as practicable so as not to unduly compete with the private television sector and ensure that government television shall provide quality alternative programs for the benefit and moral upliftment of the citizenry.

TITLE II - CREATION AND DOMICILE

SEC. 3. *Creation.* - There shall be created a body corporate to be called "The People's Television Network, Incorporated," hereinafter referred to as the "Network," which shall engage in television broadcasting in the Philippines. The Network shall be a government-owned and controlled corporation under a Board of Directors to be appointed by the President of the Philippines.

SEC. 4. *Corporate Existence.* - The legal existence of the Network shall be for a period of fifty (50) years from the effectivity of this Act.

SEC. 5. *Domicile.* - The Network shall have its principal office and domicile in the Metropolitan Manila area. It may also establish offices, branches and/or stations in any part of the Philippines as its Board of Directors may see fit.

TITLE III - FRANCHISE AND LICENSE TO OPERATE

SEC. 6. *Franchise Grant.* - Subject to the provision of the Constitution, laws, orders, decrees not inconsistent herewith, the network is hereby granted a franchise to construct, maintain and operate television broadcasting stations and satellite receiving and transmitting facilities in the Philippines for a period co-terminous with the corporate existence of the Network.

SEC. 7. *License to Operate.* - The National Telecommunications Commission (NTC) shall forthwith cause the issuance to the Network of the corresponding licenses to operate upon compliance with all its requirements.

TITLE IV - POWERS AND FUNCTIONS

SEC. 8. *Powers of the Network.* - The Network shall have the following powers:

- a. to sue or be sued in its corporate name;
- b. to have continuous succession in its corporate name;
- c. to adopt and use a corporate seal;
- d. to adopt by-laws, not contrary to law, morals, or public policy, and to amend or repeal the same in accordance with the provisions of existing laws;
- e. to purchase, receive, take or grant, hold, convey, sell lease, pledge, mortgage and otherwise deal with such real and personal property;
- f. to establish, purchase, install, construct, use and maintain national, regional, provincial and community stations and facilities for television broadcasting throughout and in any part of the country;
- g. to enter into joint ventures or partnerships with other broadcasting authorities and stations or international agencies or private organizations for the purpose of promoting its broadcasting services;
- h. to raise, borrow or obtain funds, from any source, private or government, foreign or domestic and to enter any financial or credit arrangements in order to support or carry out its objectives and purposes, subject to the pertinent laws governing public debt and expenditure;
- i. to receive donations and grants from any source whether local or foreign and avail of official development assistance and concessional loans provided by foreign governments, foundations, or financial institutions;

- j. to enter into, make, perform and carry out contracts of any kind and description in furtherance of the corporate purpose with any person, firm, association or corporation;
- k. to accept corporate institutional support for developmental programs and to determine the conditions subject to which the said programs may be accepted for television transmission; and
- l. to exercise the general powers outlined in the Corporation Code of the Philippines, as well as such other incidental powers as may be necessary to carry on its activities.

SEC. 9. *Functions of the Network.* - The Network shall have the following functions:

- a. to serve primarily as a vehicle for the State for purposes of education, science and technology, arts, culture, and sports in order to foster national pride and identity;
- b. to serve as a vehicle for bringing the Government closer to the people in order to enhance their awareness of the programs, policies, thrusts, and directions of the Government;
- c. to ensure that the programs broadcast by the Network maintain a high general standard in all respects, and in particular, in respect to their content and quality and proper balance of educational, news, public affairs, entertainment, and sports programs;
- d. to serve as an effective outlet for alternative programming;
- e. to provide subsidized air time to legitimate people's organizations and NGOs in the promotion of their programs and projects;
- f. to serve as an effective medium for national unity and political stability by reaching as much of the Filipino population as possible through the effective use of modern broadcasting technology; and
- g. to ensure that nothing is included in the programs broadcast by the Network which shall:
 - 1. offend public morals, good taste, or decency;
 - 2. offend any racial group or promote ill-will between different races or different public groups, prescribing such programs as would promote strictly partisan politics and propaganda;
 - 3. offend the followers of any religious faith, sect, or order; or
 - 4. outrage public feeling in general.

TITLE V - CORPORATE STRUCTURE

SEC. 10. *The Board of Directors.* - The corporate powers of the Network shall be exercised, all its business conducted and all its property controlled and held by the Board of Directors. It shall be composed of five (5) members who shall be appointed by the President of the Philippines. The Board shall be made up of the following:

- a. two (2) members from the Government sector;
- b. two (2) members from the private sector, one (1) of whom shall have at least ten (10) years of experience in the broadcast industry; and
- c. one (1) member from the education sector.

SEC. 11. *Qualifications of the Members of the Board.* - The members of the Board shall be of proven and unquestionable probity, integrity, honesty, impartiality, reputation, and knowledgeable of the broadcast industry. They shall not be, in any

way, connected with any other broadcasting corporation or hold any position that may conflict with their functions and duties as Directors of the Network.

If a member shall be appointed to another government office or runs for any elective position, he shall be deemed to have vacated membership in the Board on the day of his appointment or filing of his candidacy, as the case maybe.

SEC. 12. *Term of the Members of the Board.* - The initial appointees of the President of the Philippines shall have the following terms:

- a. Three (3) directors, one from each sector, for two (2) years; and
- b. The other two (2) directors, one (1) each from the government and private sector, for four (4) years.

Subsequent appointees shall serve a term of four (4) years, without reappointment. Appointment to any vacancy in the Board shall be for the unexpired portion of the term of the predecessor.

The members shall elect among themselves one who will serve as Chairman of the Board. The Board shall meet at least twice a month to discuss matters of policy in order to effectively carry out the provisions of this Act.

SEC. 13. *Functions and Duties of the Board of Directors.* - The general functions and duties of the Board of Directors shall be as follows:

- a. to carry out the provisions of this Act;
- b. to exercise the corporate powers, and conduct all business of the Network;
- c. to decide matters of policy; and
- d. to submit to the President of the Philippines and the Congress a comprehensive annual report on the operation of the Network within the first sixty (60) days of the fiscal year.

SEC. 14. *The Network General Manager.* - The Network General Manager shall be elected by the Board, of which he need not be a member. In the latter cases, he shall serve as an ex officio member of the Board. He shall also be the Chief Operating Officer of the Network, who shall be responsible for the proper administration and management of the Network in accordance with the policies laid down by the Board.

If the Network General Manager is absent, or is incapacitated by reason of illness or for any other cause, is temporarily unable to perform his duties, the Board of Directors may designate an officer-in-charge to act in his place and stead during such absence from duty.

SEC. 15. *Powers and Functions of the Network General Manager.* - Subject to the control and supervision of the Board, the Network General Manager shall have the following powers and functions:

- a. submit policy recommendations and propose measures necessary to carry out the objectives and functions of the Network for the consideration of the Board;
- b. recommend to the Board for approval an organizational structure and plantilla for personnel of the Network, in accordance with existing laws, rules and regulations;