

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

18th Congress

2nd Regular Session

HOUSE RESOLUTION NO. 1083

Sponsored by Rep. Jesus Crispin C. Remulla



RESOLUTION

URGING THE COMMITTEE ON LEGISLATIVE FRANCHISES TO CONSIDER AMENDMENTS IN ITS INTERNAL RULES IN VIEW OF THE TWG REPORT, CONTAINING ITS FINDINGS AND RECOMMENDATIONS, ISSUED LAST JULY 10, 2020, PURSUANT TO THE JOINT HEARINGS CONDUCTED WITH THE COMMITTEE ON GOOD GOVERNMENT AND PUBLIC ACCOUNTABILITY ON THE FRANCHISE APPLICATION OF THE ABS-CBN CORPORATION

Whereas, the Committee of Legislative Franchises conducted 12 joint hearings with the Committee on Good Government and Public Accountability on the franchise application of the ABS-CBN Corporation;

Whereas, after the joint hearings were concluded, the Committee on Legislative Franchises formed a Technical Working Group (TWG) composed of Rep. Pablo John F. Garcia, Rep. Xavier Jesus D. Romualdo and Rep. Stella Luz A. Quimbo, who then prepared a report entitled: FINDINGS AND RECOMMENDATIONS, which recommended the denial of the said franchise application;

Whereas, on July 10, 2020, the Committee on Legislative Franchises by a vote of 70-11, denied the franchise application of ABS-CBN Corporation;

Whereas, the said report contained the following findings, which was the basis of the denial of the grant, thus: I. AMERICAN CITIZENSHIP OF EUGENIO LOPEZ III; II. PHILIPPINE DEPOSITARY RECEIPTS; III. ON THE 50-YEAR LIMIT ON FRANCHISES; IV. RETURN OF ABS-CBN TO THE LOPEZ FAMILY AFTER MARTIAL LAW; V. ABS-CBN TV PLUS AND THE KBO PAY-PER-VIEW; VI. ABS-CBN AND AMCARA; VII. FAILURE TO REGULARIZE ITS EMPLOYEES; VIII. TAX AVOIDANCE; and IX. BASED REPORTING, INAPPROPRIATE PROGRAM CONTENT AND POLITICAL MEDDLING;

Whereas, the TWG Report exhaustively discussed the following: 1. Mr. Lopez's American citizenship and doubtful Filipino citizenship and allegiance to the Philippines; 2. ABS-CBN's possible violation of the constitutional prohibition against ownership and management of mass media by foreigners; 3. ABS-CBN's numerous

violations of the terms of its legislative franchise; 4. ABS-CBN's questionable and unjust, if not immoral, tax avoidance schemes; 5. ABS-CBN's apparent use of a dummy; and 6. ABS-CBN's less than exemplary labor practices;

Whereas, there is need to amend the Proposed Internal Rules of the Committee on Legislative Franchises in order that these findings and recommendations be implemented in order to prevent their re-occurrence, as they are in violation of the mandate of the committee, which is to *"advance the interests and promote the welfare of the people."* (1st par., sec. 2, II. Internal Rules, Proposed Internal Rules, Committee on Legislative Franchises);

Whereas, the Documentary Requirements (Sec. 23, *ibid.*) may also be amended, requiring the submission of certified true copies of the birth certificates of stockholders and the directors and corporate officers, among others, in order to faithfully comply with the strict requirements of Section 11(1), Article XVI, **1987 Constitution** which provides that: *"The ownership and management of mass media shall be limited to citizens of the Philippines, or to corporations, cooperatives or associations, wholly owned and managed by such citizens;"*

Whereas, the oversight responsibilities of the committee may likewise be invoked, as the basis for its continuing obligation *"to determine whether or not laws and programs addressing subjects within its jurisdiction are being implemented and carried out in accordance with the intent of Congress, and whether or not they should be continued, amended or eliminated."* (2nd par., sec. 2, *ibid.*);

NOW, THEREFORE, be it resolved, as it is hereby resolve, to urge the Committee on Legislative Franchises to consider amendments in its internal rules in view of the TWG Report, containing its FINDINGS AND RECOMMENDATIONS, issued last July 10, 2020, pursuant to the joint hearings conducted with the Committee on Good Government and Public Accountability on the franchise application of the ABS-CBN Corporation, and make it the norm in mass media franchise applications filed with the House of Representatives and subsequently referred to it.

Adopted,



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