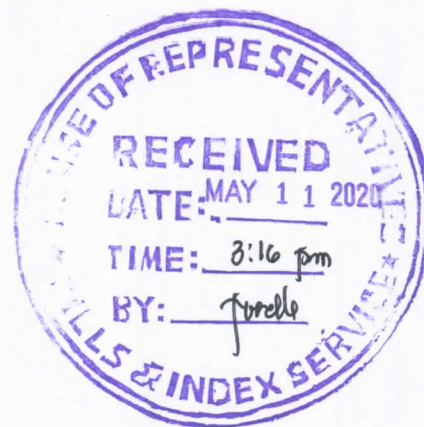


Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Quezon City

**EIGHTEENTH CONGRESS**  
First Regular Session

House Resolution No. 853



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**INTRODUCED BY HON. PAOLO Z. DUTERTE, HON. ABRAHAM N. TOLENTINO,  
AND HON. ERIC G. YAP**

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**RESOLUTION DIRECTING THE COMMITTEE ON LEGISLATIVE FRANCHISES TO INQUIRE, IN AID OF LEGISLATION, ON THE PROBABLE VIOLATIONS OF ABS-CBN CORPORATION OF ITS LEGISLATIVE FRANCHISE UNDER REPUBLIC ACT NO. 7966**

**WHEREAS**, Republic Act No. 7966 granted ABS-CBN Corporation a franchise to construct, operate and maintain television and radio broadcasting stations throughout the Philippines.

**WHEREAS**, ABS-CBN Corporation is operating a pay-per-view channel through free-to-air signals in violation of its legislative franchise. By charging the public with its pay-per-view Kapamilya Box Office (KBO) channel through ABS-CBN TV Plus, it has been gaining huge profits at the expense of the public while using the air frequencies provided by the government for free.

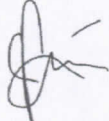
**WHEREAS**, ABS-CBN Corporation's operation of a pay-per-view channel through free-to-air signals despite being ordered by the National Telecommunication Commission (NTC) to refrain from doing so, and await the issuance of appropriate guidelines, is a violation of the terms of its legislative franchise.

**WHEREAS**, ABS-CBN Corporation's issuance of Philippine Depository Receipts (PDRs) to non-Filipino citizens through ABS-CBN Holdings violates the foreign ownership restriction of mass media in Section 11, Article XVI of the 1987 Constitution.


**WHEREAS**, the resulting foreign equity in ABS-CBN Corporation also violates Republic Act No. 7042 (Foreign Investments Act of 1991) as amended by Republic Act No. 8179, Executive Order No. 184 (Promulgating the Tenth Regular Foreign Investment Negative List), and Presidential Decree No. 1018 (Limiting the Ownership and Management of Mass Media to Citizens of the Philippines and for Other Purposes).

**NOW THEREFORE BE IT RESOLVED AS IT IS HEREBY RESOLVED**, that the Committee on Legislative Franchises be directed to conduct an inquiry in aid of legislation on the probable violations by ABS-CBN Corporation of its legislative franchise under Republic Act No. 7966, and Section 11, Article XVI of the 1987 Constitution and its related laws.

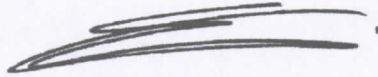
Adopted,



**PAOLO Z. DUTERTE**



**ABRAHAM N. TOLENTINO**



**ERIC G. YAP**