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SENATE
P.S.R. No. 1219

RECEIVED BY: 

Introduced by SENATOR CYNTHIA A. VILLAR

RESOLUTION

DIRECTING THE SENATE COMMITTEE ON GOVERNMENT CORPORATIONS AND PUBLIC ENTERPRISES, TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE MANDATE, POWERS AND RESPONSIBILITIES OF THE MANILA INTERNATIONAL AIRPORT AUTHORITY (MIAA) IN THE LIGHT OF THE ISSUES SURROUNDING ITS ISSUANCE OF MEMORANDUM CIRCULAR NO. 8 SERIES OF 2014, WITH THE END IN VIEW OF INTRODUCING REFORMS, REVISIONS, AND AMENDMENTS TO ITS CHARTER, IF NECESSARY, IN ORDER TO ENSURE THAT ITS POWERS AND FUNCTIONS ARE BEING EXERCISED CONSISTENT WITH EXISTING LAWS AND PUBLIC INTEREST

WHEREAS, Section 16, Article XII of the 1987 Constitution provides that Government-owned or controlled corporations may be created or established by special charters in the interest of the common good and subject to the test of economic viability;

WHEREAS, the MIAA is a Government-Owned and Controlled Corporation (GOCC) created by virtue of Executive Order No. 903 dated July 21, 1983, also known as the "Revised Charter of the Manila International Airport Authority," and thus acknowledged to be vested with functions relating to public needs whether governmental or proprietary in nature, as provided by Section 3 [o], Republic Act No. 10149, also known as the GOCC Governance Act of 2011;

WHEREAS, Section 4 (b) of Executive Order No. 903 provides that one of the objectives of MIAA is "To formulate and adopt for application in the Airport, internationally acceptable standards of airport accommodation and service;" Section 5 (c) thereof provides that the MIAA shall have the power "to promulgate rules and regulations governing the planning, development, maintenance, operation and improvement of the Airport;" Section 5 (k) thereof provides that MIAA shall have the power "to levy and collect dues, charges, fees or assessments for the use of the airport premises, works, appliances, facilities or concessions, or for any service provided by the Authority;" and Section 5 (n) thereof provides that the MIAA shall likewise have the power to "perform such other acts and transact business, directly or indirectly necessary, incidental or conducive to the attainment of the purposes and objectives of the Authority, including the adoption of necessary measures to remedy congestion in the Airport;"

WHEREAS, Section 35 of Republic Act No. 8042, also known as the "Migrant Worker's Act," as amended by Republic Act No. 10002, provides that the migrant workers or the Overseas Filipino Workers (OFWs) shall be exempt from the payment of travel tax and airport fee upon proper showing of proof of entitlement by the Philippine Overseas Employment Authority.

WHEREAS, Section 21 of Republic Act No. 6847, also known as the “Philippine Sports Commission Act,” states that the “Commission and its delegation or representatives to any international sports convention, conference and meeting, and athletes, coaches and other officials to any international competition shall be exempt from the payment of travel tax, airport tax and any other travel related taxes or fees now or hereafter imposed by law or regulation.”

WHEREAS, in order to address alleged congestion in airport terminals, the MIAA issued Memorandum Circular No. 8, Series of 2014 directing the integration by default of the International Passenger Service Fee (IPSC) or airport terminal fee at the point of sale where the collection will be performed by the Air Carriers for every international air ticket purchased by all departing passengers with enplanement in Manila;

WHEREAS, by virtue of the same Memorandum Circular No. 8, Series of 2014, those statutorily exempted to pay the IPSC are still being charged the IPSC by the Air Carriers at the point of sale and the Air Carriers are required to promptly remit to the MIAA the collected IPSC, although paragraph 29, Section VIII of the Memorandum Circular provides that the MIAA shall refund the IPSC to those exempted to pay it upon presentation of the required documents mentioned therein;

WHEREAS, the MIAA has not addressed the situation where those exempted to pay the IPSC fail to seek reimbursement; and thus, MIAA could be possessing and using funds which it is not entitled to collect in the first place;

WHEREAS, MIAA’s collection of the IPSC without distinguishing between exempted and non-exempted persons and MIAA’s custody and use of unreimbursed IPSC payments collected from exempted persons are public interest concerns as these are alleged to be illegal, arbitrary and essentially confiscatory;

WHEREAS, there is a need to determine if the implementation of Memorandum Circular No. 8, Series of 2014 will actually result in the decongestion of airport terminals and if MIAA’s possession and use of unreimbursed IPSC payments are legal;

WHEREAS, there is a need to review the mandate, powers and responsibilities of MIAA and to adopt measures to address the issue of the payment of IPSC by exempted persons in relation to MIAA’s custody of unreimbursed IPSC payments that it was not entitled to collect in the first place in order to ensure that the MIAA is legally and effectively pursuing its corporate purposes and objectives and performing its functions in the planning, development, maintenance, operation and improvement of airport terminals.

NOW, THEREFORE, BE IT RESOLVED AS IT IS HEREBY RESOLVED, direct the Senate Committee on Government Corporations and Public Enterprises, to conduct an inquiry, in aid of legislation, on the mandate, powers and responsibilities of the Manila International Airport Authority in the light of the issues surrounding its issuance of Memorandum Circular No. 8 series of 2014, with the end in view of introducing reforms, revisions, and amendments to its charter, if necessary, in order to ensure that its powers and functions are being exercised consistent with existing laws and the public interest.

Adopted,


CYNTHIA A. VILLAR