

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

**EIGHTEENTH CONGRESS**  
First Regular Session

HOUSE BILL NO. 3619



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**INTRODUCED BY REPRESENTATIVE ALFRED VARGAS**

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**EXPLANATORY NOTE**

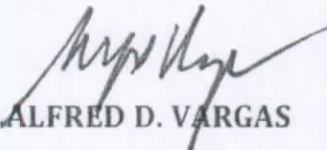
The transportation industry has always been a major cornerstone in national development. An efficient transport system ensures the efficient movement of goods promotes economic activity in both rural and urban areas and encourages the flow of investment that would surely enhance our country's economic growth.

The vision for the Philippine Transport System was initially drawn from the declaration of policy in the creation of the Land Transportation Regulatory Board ("LTFRB") created through Executive Order No. 202, series of 1987 and Land Transportation Office ("LTO") created by virtue of Executive Order No. 125 and as amended by Executive Order No. 226 dated July 25, 1987. However, important considerations should be embarked on to create a central agency that will consolidate the functions of the LTO and LTFRB, in order to avoid confusion as to which agency is tasked to maintain land transportation law and order in the Philippines.

Further, a more comprehensive transportation policy needs to take into account the varied and complex areas in the land transportation industry. Existing policies affect transportation in different ways. Some policies are inadequate, ineffective and are already obsolete.

As we move towards progress, we need a Land Transportation Authority that will address the challenges that we are facing today.

In view of the foregoing, the Approval of this Bill is earnestly sought.

  
**ALFRED D. VARGAS**

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**AN ACT**  
**CREATING THE LAND TRANSPORTATION AUTHORITY REPEALING FOR THE**  
**PURPOSE EXECUTIVE ORDER NO. 202 AND EXECUTIVE ORDER NO. 226, WHICH**  
**CREATED THE LAND TRANSPORTATION AND REGULATORY**  
**BOARD AND LAND TRANSPORTATION OFFICE RESPECTIVELY**

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

**ARTICLE I**

**CREATION, POWERS AND FUNCTIONS**

**SECTION 1. Short Title.** - This act shall be known as the "*Land Transport Act of 2019.*"

**SECTION 2. Policy and Objectives.** - The State recognizes that land transportation is a vital and integral aspect of Philippine society and its economy. Given that it is vested with public interest, it is the duty of the State to ensure safe, reliable, efficient, adequate, modern, well-equipped, economic, and modern land transportation service.

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**SECTION 3. Applicability.** - This Act shall apply to all public land transportation entities in the Philippines

**SECTION 4. Land Transport Authority.** - The Land Transportation Authority ("LTA") is hereby created which shall replace the Land Transportation Regulatory Board ("LTFRB") created through Executive Order No. 202, series of 1987 and Land Transportation Office ("LTO") created by virtue of Executive Order No. 125 dated 18 January 20, 1987 and Executive Order No. 125-A dated April 13, 1987, as amended by 19 Executive Order No. 226 dated July 25, 1987. The Authority shall be an attached agency 20

of the Department of Transportation and shall absorb the powers and functions of the 21 LTFRB and the LTO.

**SECTION 5. Powers and Functions of the Land Transport Authority.** - The Authority shall have the following powers function:

- a. Prepare the National Land Transportation Development Program which will provide a comprehensive roadmap for transport development initially covering Metro Manila, Metro Cebu and Metro Davao and all other Urbanized Cities and municipalities through the following but not limited to: traffic management, construction of expressways both intercity and urban areas, improvement of bus and jeepney services, rationalized route structure, improved terminals and interchange facilities and proposed feasibility studies to the viability of a suburban railway system and integration of the fare structure and ticketing system between routes as well as modes.
- b. To evaluate and package projects and investment programs; and for this purpose, may call on any agency or organization whether public or private whose development plans include land transportation as an integral part thereof, to participate in the preparation and implementation of such programs;
- c. To establish emission control and standards, Road Safety and Inspection and Maintenance to achieve a smoke-free, accident-free and effective road safety management system, and to establish at least one (1) Motor Vehicle Inspection System in each Region, initially, which will determine compliance with emission controls, standards, and road worthiness of all Public and Private Vehicles;
- d. To formulate strategies towards vehicular modernization and the establishment of a sustainable transport system. The Authority may grant incentives such as the grant of discount to registration fees to vehicles that use electric, other emission free energy sources or other forms of sustainable transport;
- e. Enter into contracts with domestic and foreign companies for services and products duly approved in the National Land Transportation Development Program as determined by National Economic and Development Authority and the Department of Transportation.
- f. Promulgate, administer and enforce standards of measurements, designs, and rules and regulations requiring owners of motor vehicles and operator of public land transportation services to equip, install and provide in their utilities and in their stations such devices, equipment, facilities and operating procedures and techniques as may promote safety, protection, comfort and convenience to persons and property in their charge, as well as the safety of persons and property within their areas of operation;
- g. To prescribe fines and regulate routes of service, economically viable capacities and zones or areas of operation of public land transportation services provided by motorized



vehicles in accordance with the public land transportation development plans and programs approved by the Department of Transportation;

h. To issue, amend, revise, suspend or cancel Certificates of Public Convenience or permits authorizing the operation of public Land Transportation services provided by motorized vehicles, and to prescribe the appropriate terms and conditions therefore;

i. To order the impounding of motor vehicles and confiscation of plates or the arrest of violators of laws, rules and regulations governing land transportation

j. To determine, prescribe and approve and periodically review and adjust, reasonable fares, rates and other related charges, relative to the operation of public land transportation services provided by motorized vehicles;

k. To issue preliminary or permanent injunctions, whether prohibitory or mandatory, in all cases in which it has jurisdiction, and in which cases the pertinent provisions of the Rules of Court shall apply;

l. To punish for contempt of the Authority both direct and indirect, in accordance with the pertinent provisions of, and the penalties prescribed by the Rules of Court;

M. To issue subpoena and *subpoena duces tecum* and to summon witnesses to appear in any proceedings of the Authority, to administer oaths and affirmations;

n. To conduct investigations and hearings of complaints for violation of the public service laws on land transportation and of the Authority's rules and regulations, orders, decisions and/ or ruling and to impose fines and/ or penalties for such violations;

O. To review *motu proprio* the decisions/ actions of the Regional Regulatory Office herein created;

P. To promulgate rules and regulations governing proceedings before the authority and the Regional Regulatory Office: Provided, that except with respect to paragraphs d, e, f and g hereof, the rules of procedure evidence prevailing in the courts of law should not be controlling and it is the spirit and intentions of said rules that the Board and the Regional Regulatory Offices shall use every and all reasonable means to ascertain facts in its case speedily and objectively and without regard to technicalities of law and procedures, all in the interest of due process;

q. To fix, impose and collect, and periodically review and adjust, reasonable fees and other related charges for services rendered;

r. To formulate, promulgate, administer, implement and enforce rules and regulations on land transportation public utilities, standard of measurements and/or design, and rules and regulations requiring operators of any public land transportation service to equip, install and provide in their stations such devices, equipment facilities and operating

procedures and techniques as may promote safety, protection, comfort and convenience to persons and property in their charges as well as the safety of persons and property within their areas of operation;

S. To coordinate and cooperate with other government agencies and entities concerned with any aspect involving public land transportation services with the end in view of effecting continuing improvement of such services;

t. To function and maintain a registry of all motorized vehicles and to issue driver's licenses to deserving applicant drivers;

u. To coordinate with the Department of Education ("DEPED") in the licensing and supervision of motorize vehicle driving schools, attendance of which shall be mandatory for a first time non-professional license applicants and professional license applicants and to all professional license renewal applicants;

v. To implement and enforce laws and policies on Land Transportation and deputize traffic law enforcers;

w. To perform such other functions and duties as may be provided by law, as may be necessary, or proper or incidental to the purposes and objectives of this Act.

**SECTION 6. *Board of Directors*** - The Authority's overall directions and thrusts shall be provided and approved by the Board of Directors, hereinafter referred to as the Board which shall be composed of the following:

- (a) Chairman with the same rank, salary and privileges of an Undersecretary;
- (b) One (1) member of the Board who is a member of the Bar and shall have engaged in the practice of law in the Philippines for at least five (5) years;
- (c) One (1) member with a degree in Public Transportation Planning;
- (d) One (1) member should be a holder of a degree in engineering; and
- (e) One (1) member a holder of a degree in management.

**SECTION 7. *Appointment of Members of the Board*** - The members of the Board shall be appointed by the President of the Philippines and shall serve for a term of six (6) years, except that any person appointed to fill-in a vacancy shall serve only the unexpired term of his/her predecessor in office.

All members of the Board shall be professionals of recognized competence and expertise. In shortlisting the nominees for the members of the Board, the President of the Philippines shall give utmost consideration to the nominees recommended by Secretary of Transportation recommending at least three (3) names for every vacant position.



The salaries and compensation and other benefits of the Board shall be determined by the Salaries Standardization Act and other pertinent laws.

**SECTION 8. *Supervision and Control over the Board.*** - The Secretary of Transportation, through his duly designated Undersecretary, shall exercise administrative supervision and control over the Authority.

**SECTION 9. *Powers and Functions of the Board.*** - The Board as the governing and policy-making body of the Authority and shall exercise the following powers and functions:

- (a) Determine the organizational structure of the Authority, define the duties and responsibilities of all officials and employees and adopt a compensation and benefit scheme as determined by the Salaries Standardization Act;
- (b) Prepare the annual and supplemental budgets, if necessary, of the Authority; and
- (c) Submit an annual report on the operation and accomplishments of the Authority to the President of the Philippines, Senate President, and Speaker of the House of Representatives.

**SECTION 10. *Powers and Functions of the Chairman.*** - The Chairman shall exercise the following powers and functions:

- (a) Call and preside over the meetings of the Board and see to it that the policies, programs and rules and regulations promulgated by the Board are properly implemented;
- (b) Call on stakeholders in the formulation and implementation of a comprehensive and integrated plan for the development of the Land Transport;
- (c) Identify solutions to key issues and concerns, taking into account related risks, affected parties and impact, in coordination with the Board and key stakeholders;
- (d) Represent the Board in all dealings or transactions with other government agencies and offices, and with the private sector;
- (e) Accept, on behalf of the Authority, donations, contributions, grants and bequests or gifts, in cash or in kind, from foreign governments, international agencies or organizations, private entities or any individual for purposes that will realize the mandate of the Authority; and
- (f) Call on any government agency or office, LGUs and the host communities to assist the Authority in addressing issues and concerns relating to the implementation of the programs, projects and activities of the Authority.

**SECTION 11. *Executive Officers.*** - The Authority shall be managed by a Director General with the rank, salary and qualifications equivalent to that of a Department Assistant Secretary, who must have sufficient knowledge and background in land transportation management. He/she shall be appointed by and shall serve at the pleasure of the President and shall serve for a fixed term of four (4) years, unless sooner removed by the President of the Philippines upon the recommendation of Board. The President shall act upon any recommendation for removal of the Director General within 90 days from receipt of the same.

The Director-General shall be assisted by four (4) Directors level IV with Salary Grade 28 for Administration and Finance, Plans and Operations, Franchising, and Law Enforcement and Adjudication. The Chiefs should preferably be a Career Executive Service Officer (CESO) possessing at least ten (10) years of experience and practice in land transportation management and administration.

**SECTION 12. Powers of the Director-General.** - As Chief Operating Officer of the Authority, the functions and powers of the heads of the LTO and LTFRB, as well as other laws otherwise not expressly defined in this Act, are now transferred and vested to the Director-General of the Authority, including, but not limited to, the following

- (a) Implement, enforce and apply the policies, programs, guidelines, procedures, rules and regulations promulgated, prescribed, issued and adopted by the Authority
- (b) Manage the affairs of the Authority and ensure the smooth operational efficiency of the national land transportation system;
- (c) Sign contracts, approve expenditures and appoint and discipline employees below the level of Presidential appointees;
- (d) Submit an annual budget to the Board not later than one (1) month before the commencement of the ensuing year;
- (e) Undertake research, studies, investigations, projects and other related activities, and submit reports and recommendations to the Board for its information and or approval; engage the services of experts/consultants either in full time or part time basis as may be required in the performance of his functions and duties as maybe determined by him, subject to the approval of the Board;
- (f) Perform such other functions and duties as the Board may assign from time to time.

**SECTION 13. Retirement Package for the Chairman and Director General-** The Chairman and the Director General of the Authority shall, upon completion of their term or upon becoming eligible for retirement under existing laws, be entitled to the same retirement benefits and the privileges provided for the Presiding Justice and Associate Justices of the Supreme Court, respectively.

**SECTION 14. Enhancement of Technical Competence.** - The Authority shall establish rigorous training programs for its staff for the purpose of enhancing the technical competence of the Authority in the following areas: evaluation of technical performance and monitoring of compliance with service and performance standards, performance based rate-setting reform, environmental standards and such other areas as will enable the Authority to adequately perform its duties and functions. The same shall be appropriated in the General Appropriations Act



**SECTION 15. *Staffing Pattern.*** The Director-General subject to the approval of the Board shall determine the staffing pattern, the number of personnel and field offices of the Authority, the functions of the central office staff, the regional and district offices; define their duties and responsibilities and fix their qualifications, salaries and other emoluments.

The Board shall act on the recommendation within (30) days from its submission, otherwise, the recommendation shall be deemed approved and the same shall be implemented within 90 days from approval thereof.

**SECTION 16. *Appointment and Discipline of Personnel.*** All officials of the Authority, except those appointed by the President, shall be selected and appointed on the basis of merit and fitness as established in a merit system program of the Authority consistent with Civil Service laws and regulations.

**SECTION 17. *Decision of the Authority; Appeals and Review.*** - The Authority, in the exercise of its powers and functions, shall sit and render its decision en banc. Every decision, order, or resolution of the Authority must bear the concurrence and signature of at least majority of its member thereof. A majority of the number of members as fixed in this law shall constitute a quorum for the transaction of business, and every decision of at least a majority of the directors present at a meeting at which there is a quorum shall be valid, except for the election of officers which shall require the vote of a majority of all the members of the board.

The decisions, order or resolution of the Authority shall be appealable to the Secretary within thirty (30) days from receipt of the decision: Provided, that the Secretary may *motu proprio* review any decision or actions of the Authority before the same becomes final.

**SECTION 18. *Creation of the Regional Regulatory Offices.*** - There shall be a Regional Regulatory Office in each of the administrative regions of the country which shall be headed a Regional Director with Salary Grade 27 and rank of Director II

**SECTION 19. *Appeals.*** - The decisions, orders and resolutions of the Regional Regulatory Offices shall be appealable to the Authority within thirty (30) days from receipt of the decision.

## **ARTICLE II**

### **LEGISLATIVE FRANCHISE AND**

#### **REGULATION OF PUBLIC UTILITY VEHICLES**

**SECTION 20. *Rationalization of Issuance of Franchises for PUB, PUVs, PUJs, taxis and other similar services.*** - The Authority, in coordination with the National Economic Development Authority ("NEDA"), Department of Interior and Local Government ("DILG"), and other key stakeholders and associations shall conduct a Land Transportation Study to



determine the actual need for public transportation in the various routes to objectively determine the actual number of public buses, jeeps, taxi's and other public utility vehicles as well as TNVs needed by the public in a certain route, road, street, locality or area. This study will serve as basis for the issuance of a Legislative Franchise.

**SECTION 21. *Franchise.*** - No person shall commence or conduct the business of operating public transportation without first obtaining a franchise. Provided, that the Authority has already determined and set the guidelines for the rationalization of the Issuance of Franchises. Provided, further, that public transport entities found to circumvent this provision through the use of corporate fiction shall have all their franchises ipso facto revoked. The Authority, in granting a Certificate of Public Convenience and Necessity ("CPCN"), upon the applicant's compliance with the Authority's requirements, and the approved legislative franchise, may impose such conditions as to duration and termination of the privilege, concession, or standard or technical aspects of the equipment, rates, or service, not contrary to the terms of the franchise.

The Authority, however, shall not grant a subsequent CPCN for another area of service nor extend the area service coverage of an entity which has not been satisfactorily compliant to the terms and conditions of its original franchise

**SECTION 22. *Franchise Requirements.*** - The holder of such legislative franchise issued should have the following basic requirements:

- a. Should comply with the minimum amount of capitalization in order to ensure that only those operators with adequate financial capacity are allowed to operate public transport
- b. For PUB - Minimum capitalization of Thirty Million Pesos (Php 30,000,000.00).
- c. For PUJ, PUV, Taxi and other similar services - Minimum capitalization of Ten Million Pesos (Php 10,000,000.00)

**SECTION 23. *Franchise Conditions.*** - The holder of such legislative franchise issued should have the following conditions:

- a.) The holder must comply with the constitutional and statutory requirements on maximum foreign ownership throughout the duration of the holder's franchise
- b.) To those holders which already have existing franchises, they are given a period of six (6) months from the grant of legislative franchise within which to comply with the paid up capital requirement.
- c.) The holder must have the adequate experience to operate and maintain its transport units to ensure safety and efficiency. For this reason, the holder must have at least ten (10) years of relevant experience as an operator, or working for an operator, of public transport of good standing.
- d.) The holder must also have the adequate technical and maintenance support facilities capability to operate public transport. The holder must show proof of ownership of

office/s, maintenance building, inspection pit, garage, or terminals and other maintenance support facilities, sufficient in size, all of which must be devoted exclusively for public transport activities. In addition, the applicants must show proof of ownership of the mandatory and indispensable machines and equipment to sufficiently support the maintenance requirement to operate taking into account the number of units the holder hopes to operate.

e.) The holder should maintain adequate personnel for its finance, administration, operation and maintenance group or department. Such department cannot be outsourced to contractors, or any other entity not directly connected to the holder, particularly the maintenance personnel.

f.) Legislative franchise cannot be sold or transferred, whether directly or indirectly, to any other entities. *Provided further*, that such holder of legislative franchise may offer its business to go public through Initial Public Offering in the Philippine Stock Exchange (PSE) subject to the qualifications and requirements of the PSE.

g.) The Authority, in pursuant to its authority to grant Certificate of Public Convenience and Necessity ("CPCN") to the qualified holders of legislative franchise may impose such other conditions necessary for the protection of the riding public and the interest of the government, such as but not limited to the duration and termination of privilege, concession, financial and technical capability, infusion of additional capitalization, disciplinary sanctions, technical standards of equipment to be used, fare rate, or kind of service, and any other aspects which the Authority deems it necessary to regulate.

h.) No subsequent CPCN shall be granted for another service area or to extend the area of service coverage of an entity which has failed to satisfactorily comply with its commitment to the Authority to provide a particular service in the prior authorized area.

**SECTION 24. Administrative Permits.** Notwithstanding the provision of any law to the contrary, the issuance of permits to operate public utility vehicles shall be administratively processed based on rules and regulations/guidelines that the Authority shall promulgate within sixty (60) days, subject to the approval of the Board. Without prejudice to the provisions of R.A. 7160, otherwise known as the Local Government Code of 1991, the permit to operate public utility vehicles shall be issued by the Authority.

**SECTION 25. Requirement for Parking Spaces or Terminal Facility-** Any prospective operators, or operators with residence or business address in Highly Urbanize Cities, shall be required to execute an affidavit which shall be acknowledged before a notary public, attesting to the availability of a terminal facility. The affidavit executed by the operator shall be presented to the Legislative Franchise Committee as a pre-requisite for registration. No franchise permit shall be issued for operators unless the owner thereof submits an affidavit that parking spaces and facilities shall be made available to their units.

**SECTION 26. Operation of Public Utility Vehicles.** - No motor vehicle shall be operated as a public conveyance or for hire without possessing a valid and subsisting



franchise and/or permits issued by the Authority. All existing franchises and permits issued prior to the effectivity of this Act shall remain valid up to the date of its expiry as indicated in the certificate or permit. Any subsequent transaction related thereto shall now be processed and issued pursuant to the rules and regulations of the Authority.

**SECTION 27. Rate Fixing.** - For purposes of fixing of rates of public utility vehicles, the Director-General shall undertake the necessary studies, after due consultation with the involved sectors, and recommend the same to the Board for approval.

**SECTION 28. Authority to Impose Penalties.** - The Director-General is empowered to impose penalties and sanctions in the form of cancellation, revocation, suspension, fines and other forms of penalties allowable by law, or any combination thereof, for violations of the terms and conditions of the permit. Subject to the approval of the Board, the Director-General shall promulgate a set of guidelines containing the administrative procedures in the imposition of sanctions, including the schedule of penalties.

**SECTION 29. Equality of Treatment in the Land Transport Industry.** - Any advantage, favor, privilege, exemption, or immunity granted under the existing franchises of the current franchise holders, shall *ipso facto* become part of such franchises except those which concern territorial coverage, duration and kind of service. As such, the same will be accorded to the holders immediately and unconditionally.

In case of suspension of unit due to vehicular accident, the suspension shall be imposed only to the unit primarily involved in the accident. Any other units under the franchise will not be affected unless the Authority, after due notice and hearing, deems it necessary to suspend the entire units within the franchise.

### **ARTICLE III**

#### **ACCREDITATION OF TRANSPORTATION NETWORK COMPANIES**

**SECTION 30. Accreditation of Transport Network Companies ("TNC")** - A TNC shall mean as an "organization whether a corporation, partnership, or sole proprietor that provides pre-arranged transportation services for compensation using an internet-based digital technology application or digital platform technology to connect passengers with drivers.

The Certificate of TNC Accreditation shall be granted to TNC's providing internet based digital technology application or digital platform technology to facilitate transportation of passengers. TNCs, prior to its application for accreditation by the Authority, must first secure a franchise from Congress.

**SECTION 31. *Application for Accreditation*** - Application for the Issuance of a Certificate of Accreditation shall be made in writing on a form provided by the Authority, and signed and sworn to by the applicant, or if the applicant is a juridical entity, by its duly authorized representative. Each application, in addition to other documents that are required, shall submit the following:

- a.) Business permit or Certificate of Incorporation duly issued by Department of Trade and Industry or Security and Exchange Commission;
- b.) Certificate of registration duly issued by the Bureau of Internal Revenue (BIR);
- c.) Business model proposal
- d.) Business Permit duly issued by the Local Government where the applicant's principal office is located;
- e.) Terms of Service for Passengers;
- f.) Terms of Service for TNVS Operators;
- g.) Proposed Fare rates and/or Service Charges; and
- h.) Proof of Applicant's Financial Capability to pay all judgment and awards that may be rendered for any cause arising out of the operation of a TNC business

As a Transport Network Company (TNC), an owner/operator must pay an accreditation fee to get a 2-year certificate of accreditation from the committee and secure a franchise by submitting the necessary legal documents before starting operations. Non-compliant vehicles will be caught and apprehended.

#### **ARTICLE IV TRANSITORY PROVISIONS**

**SECTION 32. *Abolition***. The Land Transportation Office and the Land Transportation Franchising and Regulatory Board, the Traffic Enforcement Group of the Metropolitan Manila Development Authority are hereby abolished. All properties, assets and liabilities, all powers, functions and duties, rights and courses of actions, vested by law or exercised by said abolished offices and its predecessors are hereby transferred to the Authority.

**SECTION 33. *Early Retirement Incentive Program***. - The Board shall organize the Authority prioritizing the absorption of incumbent officers and employees from the abolished agencies, as far as practicable.

All affected Officers and Employees who are qualified to receive retirement benefits under Republic Act Nos. 1616 and 660 shall be entitled to an additional one (1) month salary for every year of service.

Any Officers or Employees may avail of the same benefits as provided by the immediately preceding paragraph; provided that they voluntarily separate or retire from the service during the transition period; Provided, further, that they are qualified to receive retirement benefits under RA 1616 and RA 660.



"Affected Officers and Employees" as defined by this Act, shall be all Officers and Employees who are involuntarily removed or separated from the service due to the abolition of their respective agencies by this Act.

**SECTION 34. *Organization of the Authority.*** - Any officer/employee who availed the benefits of the foregoing provisions or who would opt to retire or be separated as a result of the rationalization efforts of the LTO and LTFRB shall not qualify for reemployment and appointment in any agency of the Executive Branch, including GOCCs/Government Financial Institutions (GFIS), except in educational institutions and hospitals, within a period of seven (7) years from the date of retirement, separation or resignation.

**SECTION 35. *Saving Clause.*** - Unless otherwise provided in this Act, rights or privileges vested or acquired under the provisions of any other law, rules and regulations prior to the effectivity of this Act shall remain in full force and effect.

**SECTION 36. *Implementing Rules and Regulations.*** - The Authority shall adopt rules and regulations to implement the provisions of this Act within sixty (60) days from the date of its approval.

**SECTION 37. *Congressional Oversight Committee.*** - A Congressional Oversight Committee, hereinafter referred to as the "Committee", is hereby constituted in accordance with the provisions of this Act. The Committee shall be composed of the Chairman of the Senate Committee on Public Services and Chairman of the House Committee on Transportation and four (4) additional members from each House to be designated by the Senate President and the Speaker of the House of Representatives, respectively. The Committee shall, among others, in aid of legislation:

- (a) Monitor and ensure the proper implementation of this Act;
- (b) Review the collection performance of the Authority;
- (c) Review the proper implementation of the programs of the Authority and the use of its collected fund.

In furtherance of the hereinabove cited objectives, the Committee is empowered to require the Authority to submit all pertinent information including, but not limited to, its collection performance data and its annual audited financial statements certified by the Commission on Audit.

The Congressional Oversight Committee shall be in existence for a period of five (5) years, and thereafter, its oversight functions shall be exercised by the Senate Committee on Public Services and the House Committee on Transportation acting separately.

## **ARTICLE VI FINAL PROVISIONS**

**SECTION 38. *Separability Clause.*** - If any part or provision of this Act shall be declared unconstitutional, the other parts or provisions hereof which are not affected thereby, shall continue in full force and effect.

**SECTION 39. *Repealing Clause.*** - All laws, decrees, executive orders, rules and regulations or parts thereof inconsistent with the provisions of this Act are hereby repealed or modified

**SECTION 40. *Effectivity.*** - This Act shall take effect fifteen (15) days after its complete publication in at least newspapers of general circulation.

**SECTION 41. *Transitory Provision*** - All land transport entities which are lawfully operating at the time of the effectivity of this Act, may continue their operations under the terms and conditions approved by the LTFRB, provided that said transport services and public transport services and public transport entities shall secure a legislative franchise within two (2) years from the effectivity of this Act. OC

*Approved,*