

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 90



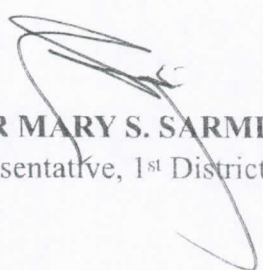
Introduced by Representative Edgar Mary S. Sarmiento

EXPLANATORY NOTE

This bill seeks to mandate the Executive Department, with the leadership of the Department of Transportation, to create a roadmap for the infrastructure development of various transportation sectors for ten (10) years.

The country's transportation problem has been an impediment in the growth of its economy. Moreover, it gravely affects the daily lives of the people because of the inconvenience that it causes. It is clear that there is a dire need to improve the current state of our transportation infrastructure. The bill aims to do so through the implementation of a comprehensive program which will be formulated by the relevant agencies of the government. Once identified, the projects to be funded cannot be changed anymore. The bill ensures that the projects will continue despite the changes in our government.

In view thereof, approval of this bill is earnestly sought.


EDGAR MARY S. SARMIENTO
Representative, 1st District Samar

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 90

Introduced by Representative Edgar Mary S. Sarmiento

1
2 **AN ACT PROVIDING FOR THE MODERNIZATION OF THE PHILIPPINE**
3 **TRANSPORTATION INFRASTRUCTURE, APPROPRIATING FUNDS THEREFOR,**
4 **AND FOR OTHER PURPOSES**

5
6 *Be in enacted by the Senate and House of Representatives of the Philippines in Congress*
7 *assembled:*
8

9 SECTION 1. Short Title. – This Act shall be known as the “Philippine Transportation
10 Infrastructure Modernization Act”

11 SECTION 2. Declaration of Policy. – It is hereby declared the policy of the State to implement an
12 infrastructure modernization program for the transportation industry across the country with the
13 end view of developing an efficient and reliable transportation system.

14 SECTION 3. Components of the Transportation Infrastructure Modernization Program. – The
15 Transportation Infrastructure Modernization Program shall consist of the following components:

- 16 a. Infrastructure Development Upgrading – The objectives of this component are:
17 1. Upgrading and continuing development of transportation infrastructure including, but
18 not limited to, buildings, terminals, runways, ports, stations, railways, roads, and other
19 support facilities such as facilities for the benefit of the passengers
20 2. Development, procurement, and management of information and communications
21 technology systems and automated systems
22 3. Real estate acquisition, titling, and management
23
24 b. Equipment Upgrading and Acquisition Planning – The objectives of this component are
25 upgrading and procurement planning and continuous acquisition of modern equipment that
26 shall be used by the transportation management.

SECTION 4. Submission of the Transportation Infrastructure Modernization Program. – Within ninety (90) days from the effectivity of this Act, the Secretary of the Department of Transportation, in consultation with the National Economic Development Authority, Department of Public Works and Highways, Department of Budget and Management, and the other sectoral agencies listed below, is mandated to submit the Transportation Infrastructure Modernization Program containing specific plans for the aviation, railway, maritime and land transportation sectors, to the Congressional Oversight Committee, created under this Act, for its consideration. The following agencies shall also be consulted in creating the Transportation Infrastructure Modernization Program with respect to their sector:

- a. Land Transportation Sector – Land Transportation Franchising and Regulatory Board
- b. Railway Sector – Philippine National Railways, Light Rail Transit Authority, and North Luzon Railways Corporation
- c. Maritime Sector – Philippine Ports Authority, Maritime Industry Authority, and Cebu Ports Authority
- d. Aviation Sector – Civil Aviation Authority of the Philippines, Manila International Airport Authority, Clark International Airport Corporation, Civil Aeronautics Board, Mactan-Cebu International Airport Authority, and Philippine Aerospace Development Corporation

The Transportation Infrastructure Modernization Program shall indicate the following:

- a. A concrete development roadmap for the aviation, railway, maritime and land transportation sectors in the country for the next ten (10) years;
- b. The modernization projects and activities under the program to be undertaken and the particular component and corresponding objective to which such projects and activities relate to;
- c. The priorities, schedules, and phases of implementation of modernization projects and activities;
- d. The estimated average cost of each modernization project or activity to be undertaken.

The projects to be funded under the Transportation Infrastructure Modernization Program, once final, may not be changed.

SECTION 5. Procurement System. – In addition to the provisions of existing laws, rules and regulations governing the acquisition of real estate, buildings, facilities and equipment, the DOTr and other appropriate government entities, shall strengthen its procurement system and procedures taking into consideration the following:

- a. The Secretary of DOTr, pursuant to the Transportation Infrastructure Modernization Program Projects and Appropriations approved by Congress may, subject to the approval of the President and consistent with the provisions of existing laws and regulations, including those of the Commission on Audit's and under such terms and conditions most favorable to the government, enter into multi-year contracts and other contractual arrangements.
- b. For multi-year contracts and other contractual arrangements, lease, lease-purchase agreements and similar agreements, Congress shall, upon issuance of a multi-year

obligation authority by the Department of Budget and Management and certification by the President, make the corresponding appropriation for the ensuing fiscal year; *Provided*, that the Department of Budget and Management shall issue the implementing guidelines to ensure consistency with the Transportation Infrastructure Modernization Program and existing guidelines in the contracting of multi-year projects. It shall only appropriate such funds as may be necessary to pay any unpaid amount where the funds appropriated for the current fiscal year are not sufficient or available to meet such payment in full or in part.

- c. The Secretary of DOTr shall submit to the Congressional Oversight Committee created under this Act, the Secretary of Finance and the Secretary of Budget and Management, copies of these multi-year contracts and other agreements to enable Congress to appropriate funds. The funds appropriate for the Transportation Infrastructure Modernization Program under this Act shall be treated by the Secretary of the DOTr as a distinct and separate budget item from the regular appropriations of the agency.

SECTION 6. Prioritization of Transportation Projects and Activities. – Within ninety (90) days from the effectivity of this Act, the DOTr shall submit to Congress, for its consideration, approval and funding, the schedule of priority projects and activities, as well as the yearly estimated average cost, by phases, to serve as the basis for appropriate executive and legislative actions to enable immediate implementation until full realization. This schedule may include infrastructure and equipment acquisition and modernization of various airports, ports, government-owned or operated land and railway terminals.

SECTION 7. Appropriation for the Transportation Infrastructure Modernization Program. – The amount necessary for the implementation of this Act shall be treated as a distinct and separate budget item from the regular appropriation of the Department of Transportation, its sectoral and attached agencies.

SECTION 8. Period of Implementation – The Transportation Infrastructure Modernization Program shall be implemented over a period of ten (10) years. The payment for the amortization of outstanding multi-year contract obligations incurred under this Act may extend beyond such period.

SECTION 9. Congressional Oversight Committee. – There is hereby created a Congressional Oversight Committee to monitor and oversee the implementation of the provisions of this Act. The committee shall be composed of six (6) members from the senate and six (6) members from the House of Representatives with the Chairperson of the Committee on Transportation of both Houses as Joint Chairpersons. The five (5) other members from each Chamber shall be designated by the Senate President and the Speaker of the House of Representatives, respectively.

The Minority shall have at least two (2) representatives from both Chambers.

SECTION 10. Annual Reports – Not later than the end of the first quarter of every year of implementation, the Secretary of Transportation shall:

- a. Submit to the President and Congress an annual report on the status of the Transportation Infrastructure Modernization Act Trust Fund;

- b. Submit to the President and Congress, an annual report containing the progress of the implementation of the Transportation Infrastructure Modernization Program under this Act.

SECTION 11. Penalties – Failure of the appropriate government officials to implement the provisions under this Act shall subject them to existing administrative and penal sanctions.

SECTION 12. Review – Within five (5) years after the effectivity of this Act, the Congressional Oversight shall conduct a review or systematic evaluation of the accomplishments and impact of the Transportation Infrastructure Modernization Program, as well as the performance and organizational structure of the implementing agencies, for purposes of determining remedial legislations.

SECTION 13. Implementing Rules and Regulations. – The Secretary of Transportation, in coordination with the Secretary of Budget and Management, shall promulgate the necessary rules and regulations within one hundred (180) days from the approval of this Act for its effective implementation.

SECTION 14. Repealing Clause. – All other existing laws, rules and regulations inconsistent with this Act are hereby repealed or modified accordingly.

SECTION 15. Separability Clause. – If any part or section of this Act is declared unconstitutional, such declaration shall not affect the other parts or sections of this Act.

SECTION 16. Effectivity Clause. – This Act shall take effect fifteen (15) days after its publication in two (2) newspapers of general circulation or in the Official Gazette.

Approved.