

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

**SEVENTEENTH CONGRESS**  
**First Regular Session**

**House Bill No. 2446**

HOUSE OF REPRESENTATIVES	
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**INTRODUCED BY REPRESENTATIVE ARTHUR C. YAP**

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**EXPLANATORY NOTE**

The port of Tagbilaran is the main seaport in the island province of Bohol. Travelers to and from Bohol uses the port as its main mode of entry, more so than the airport. The port attends to more or less 5,000 passengers daily on board fast crafts and regular ferries coming from Cebu, from Manila and other cities and provinces in the south like Cagayan de Oro, Iligan, Dipolog and Dumaguete. The Tagbilaran seaport also caters to cargo ships. It has an average cargo handling capacity of 49,000 tons. It can accommodate 10 to 20 footer vans with container traffic of 5,142 TEUs.

About 54 kilometers from Tagbilaran City, is the Tubigon seaport. It has just been newly renovated with newly completed 2 RORO terminals. There are several and regular shipping companies that service the port with several vessels plying the Tubigon-Cebu City route. Being almost adjacent to Cebu City, the port plays host solely to sea vessels plying the Tubigon-Cebu City route. It is a major choice of travelers bound for Cebu and vice versa because of its numerous boat schedules.

The third Bohol seaport is the Jagna Seaport. This seaport is considered as the gateway portal to Mindanao. It was once the main hub of maritime activities in Bohol. However, due to the upgrading of other ports of Bohol, the volume of passengers dwindled. Lately however, the Jagna Port was expanded. It is now part of the Strong Republic Nautical Highway (SRNH) system conceptualized by the government to interconnect by land and sea the island provinces of the country through RORO, cargo vessels, ferry boats, and fast crafts.

And then, there are the smaller ports. One is Talibon that serves travelers hailing from Cebu City. Also there is Ubay, which is a principal gateway to Leyte, and those coming via bus trips that pass by the Mayon Volcano, Sorsogon, crossing the sea on board a RORO boat to Samar, then

to San Juanico Bridge and to Leyte. The port of Loon, wherein RORO vessels ply from Argao in Cebu. The port of Getafe, the nearest to Cebu City, and where many large outrigger boats ply. The other ports include the Asinan Port of Buenavista, the Daet River Quay and Inabanga Port in Inabanga, and the port of Clarin, all primarily designed for smaller vessels such as motorized bancas or outrigger boats and fishing boats.

These seaports are instrumental in enhancing investment opportunities in the province. They are likewise the keys to agro-industrial development and the flourishing of trade and commerce.

But most important, the ports are very important in promoting Bohol as a tourist destination. The province has consistently been in the top ten tourist destinations in the Philippines. As a primary eco-cultural tourism destination, the entire Island Province of Bohol, by virtue of Republic Act No. 9446, has been declared as a national tourism zone.

In order to further the progress of the local economy, to enhance its promotion as a tourist destination, and over all, to advance the development and welfare of the Boholanos, there is a need to drastically alter the systems and management of sea ports of the province. There is a need to establish an autonomous provincial port body similar to that in progressive Cebu Province.

Under this proposed measure, the Bohol Ports Authority is being created. This Authority shall be separated from the Philippine Ports Authority (PPA). It shall be independent in administering and managing all the facilities of the ports.

A Bohol Port Commission shall be established. It is to be composed of the Secretary of the Department of Transportation and Communication (DOTC) who shall be the Chairman, the Provincial Governor who shall be the Vice-Chairman, and five (5) Commissioners who shall elect among themselves the General Manager.

The Commissioners, who to be are appointed by the President of the Philippines, shall represent the ship-owners and shipping operators, cargo-handling labor sector and business sector. On the other hand, the General Manager shall direct and control the management of the day-to-day business and operations of the Ports.

With the passage of this bill, Bohol Province shall not be enjoy tourism growth, it shall also enjoy a robust economy and progressive society.

It is in this view that the immediate passage of the bill, filed by the undersigned in the Sixteenth Congress as House Bill No. 416, is earnestly sought.

A stylized, handwritten signature in black ink, consisting of a large, sweeping 'A' followed by a smaller 'Y' and a final flourish.

**ARTHUR C. YAP**

*Representative*

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**AN ACT**  
**CREATING THE BOHOL PORTS AUTHORITY,**  
**DEFINING ITS POWERS AND FUNCTIONS,**  
**PROVIDING APPROPRIATIONS THEREFOR, AND**  
**FOR OTHER PURPOSES**

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

1       **SECTION 1.     Short Title.** — This Act shall be known and cited  
2 as the "Charter of the Bohol Ports Authority."

3       **SECTION 2.     Declaration of Policy.** — It is the declared policy  
4 of the State to promote the establishment and growth of autonomous  
5 provincial port bodies to produce an efficient, safe, economical and  
6 coordinated system of movement of goods and persons through the port,  
7 consistent with the constitutional mandate to give all provinces of the  
8 country optimum opportunity to develop.

9       **SECTION 3.     Creation of the Port Authority.** — There is  
10 hereby created public-benefit corporation to be known as the Bohol Ports  
11 Authority, hereinafter referred to as the Authority.

1           This Authority shall be under the supervision of the Department of  
2   Transportation and Communications for purposes of policy coordination.

3           **SECTION 4.       Definition of Terms.** — For purposes of this Act,  
4   unless the context indicates otherwise, the terms used herein shall mean as  
5   follows:

6           (a)   "Port facility" shall include wharves, piers, slips, docks,  
7   bulkheads, basins, warehouses, cold storage, loading and unloading  
8   equipment, and passenger terminals and accessories;

9           (b)   "Transportation facility" includes passenger and cargo boats,  
10   ferry boats, tugs, barges, scows, harbor craft of any kind, and any other kind  
11   of facility now in use or hereafter designated for use of the transportation or  
12   carriage of persons or goods;

13          (c)   "Navigable waters" means all navigable portions of the seas,  
14   estuaries and inland waterways;

15          (d)   "Wharf" means a continuous structure built parallel to or along  
16   the margin of the sea or alongside riverbanks, canals or other waterways  
17   where vessels may lie alongside to receive and discharge cargo or passenger,  
18   or lie at rest;

19          (e)   "Pier" includes any stage, stair, landing stage, jetty, floating  
20   barge or pontoon, and any bridge or other works connected therewith;

21          (f)   "Dock" includes locks, cuts, entrances, graving docks, inclined  
22   planes, slipways, quays and other works relative thereto;

23          (g)   "Bulkhead" means any structure serving to divide land and  
24   water areas;

(h) "Basin" means any naturally or artificially enclosed or nearly enclosed body of water in free communication with the sea;

(i) "Warehouse" means any building for storage or shed for cargo;

(j) "Lighter" means any large flat-bottomed boat or barge used in transporting goods, or in loading or unloading of vessels not lying alongside piers or wharves;

(k) "Anchorage" means any place with sufficient depth of water where vessels anchor or may ride at anchor within the harbor;

(l) "Goods" includes wares and merchandise of every description;

(m) "Rates" includes tolls, fees, dues and rent imposed by the Authority;

(n) "Vehicle" includes any carriage traveling on its own wheels or runners and used or intended to be used for the conveyance or carrying of persons, animals or goods; and

(o) "Vessels" includes any ship, boat or any waterborne craft used in the conveyance or carrying of persons animals or goods.

**SECTION 5. Purposes and Objectives.** — The Authority shall have the following purposes and objectives:

(a) To integrate and coordinate the planning, development, construction and operations of ports and port facilities within its territorial jurisdiction, consistent with the needs and requirements of the province;

(b) To enhance the flow of international and domestic commerce passing through or utilizing the provincial ports; and

1           (c) To promote provincial development by providing support  
2 services to sustain the growth of export and other priority industries in the  
3 province.

4           **SECTION 6. Territorial Jurisdiction.** — The territorial  
5 jurisdiction of the Authority shall include all seas, lakes, rivers and all other  
6 navigable inland waterways within the Province of Bohol, including  
7 waterways within the said province and all other cities existing and which  
8 may hereafter be created therein.

9           **SECTION 7. Powers.** — The Authority shall have the power  
10 and responsibility to:

11           (a) Have perpetual succession under its corporate name until  
12 otherwise provided by law;

13           (b) Prescribe its bylaws and such rules and regulations as may be  
14 found necessary to promote or enhance the business of the Authority;

15           (c) Adopt and use a seal;

16           (d) Sue and sued in any court;

17           (e) Enter into contracts, transactions, and undertakings of whatever  
18 nature, which are necessary or incidental to its functions and objectives, with  
19 any natural or juridical persons or with any government institutions,  
20 domestic or foreign;

21           (f) Acquire, own, hire, use, operate and dispose of personal  
22 property and to acquire, own, use, lease, operate and dispose of real property  
23 and interests thereon and to make improvements on such real property,  
24 including the reclamation, for port purposes, of foreshore and submerged  
25 lands within its territorial jurisdiction; which reclaimed land shall ipso facto



1 be deemed transferred in ownership to the Authority; and to enter into  
2 contracts with any public or private entity for such reclamation under such  
3 terms and conditions as it may deem to be for the public interest; aisa dc

4 (g) Purchase, hold, alienate, mortgage, pledge or otherwise dispose  
5 of the shares of the capital stock of, or any bond, security or other evidences  
6 or indebtedness created by any other corporation or co-partnership of this or  
7 any other country, and while the owner of said stock, to exercise all the  
8 rights of ownership, including the right to vote thereon;

9 (h) Exercise the right of eminent domain;

10 (i) Exercise all other powers not contrary to law which may be  
11 necessary or incidental to the effectuation of is authorized purposes or to the  
12 exercise of any of the foregoing powers, except the power to levy taxes  
13 assessments and, in general, to exercise in connection with property within  
14 its control all powers which may be exercised by a natural or juridical person  
15 over its property and affairs;

16 (j) Levy dues and impose rates and charges for the use of the  
17 premises, works, appliances, facilities or for services provided by or  
18 belonging to the Authority, or any other organization concerned with port  
19 operations;

20 (k) Make expenditures in foreign countries to pay commissions and  
21 hire or contract experts and consultants, both foreign and local;

22 (l) Make expenditures for promotion of the business affairs of the  
23 Authority; and

24 (m) Exercise all the powers of a corporation under the Corporation  
25 Law insofar as they are not inconsistent with the provisions of this Act.



1           **SECTION 8.       Governing Body.** — The powers and functions of

2   the Authority shall be vested in and exercised by a Bohol Port Commission  
3   composed of a Chairman, a Vice-Chairman and five (5) other  
4   Commissioners. The Chairman shall be the Secretary of the Department of  
5   Transportation and Communications. The Vice-Chairman shall be the  
6   Provincial Governor of Bohol. The Commissioners shall elect from among  
7   themselves the designated Bohol Port General Manager.

8           The Commissioners shall be appointed by the President of the  
9   Philippines and shall represent the following sectors:

- 10           (a)   Shipowners and shipping operators;  
11           (b)   Cargo-handling labor sector; and  
12           (c)   Business sector.

13           **SECTION 9.       Powers and Functions of the Commission.** —

14   The powers and functions of the Bohol Port Commission shall be as follows:

15           (a)   To manage, administer, operate, maintain, improve and  
16   develop, coordinate and otherwise govern the activities of all the ports  
17   within its territorial jurisdiction;

18           (b)   To investigate, prepare, adopt, implement and execute a  
19   comprehensive and orderly plan for the overall development of all ports  
20   within its territorial jurisdiction, and to update such plans, as may be  
21   warranted from time to time;

22           (c)   To raise revenues for the Authority through fees, tolls, charges,  
23   rentals and the like for the use of any property, equipment or facility owned  
24   or controlled by it;

1           (d)    To raise and administer, together with such revenues as may by  
2   law accrue to the Authority, capital outlays by means of loans from any local  
3   or foreign financial institution to finance its projects;

4           (e)    To determine by survey and establish by engineering design the  
5   exact location, system and character of any and all port facilities which it  
6   may own, construct, establish, effectuate, operate or control;

7           (f)    To provide and maintain port facilities including accessory  
8   buildings and installations within its territorial jurisdiction on its own or  
9   through the private sector;

10          (g)    To prescribe and enforce rules and regulations on the use  
11   wharves, piers and anchorages by ships and other watercraft;

12          (h)    To determine the organization of the Authority and create such  
13   functional units therein as it may deem necessary in the proper and efficient  
14   implementation of the functions and purposes of the Authority, including the  
15   appointment of officials and employees, it being understood that the security  
16   of tenure of these workers shall be respected consistent with existing laws;

17          (i)    To define the duties and fix the compensation and benefits of  
18   the General Manager, Deputy General Manager, Port Managers, and other  
19   officers of the Authority, in accordance with the rules and regulations of the  
20   Civil Service Commission and the Department of Budget and Management;

21          (j)    To approve the annual budget of the Authority and/or such  
22   supplemental budgets thereof as may be submitted by the General Manager  
23   from time to time; and

24          (k)    To perform such other duties as may be necessary and  
25   convenient for the attainment of the objectives of the Authority.

1           **SECTION 10. Term of Office.** — The members of the Bohol Port

2 Commission shall be appointed for a term of three (3) years: Provided, That  
3 any person appointed to fill a vacancy shall hold office only for the  
4 unexpired term of the Commissioner whom he succeeds.

5           **SECTION 11. Quorum, Per Diems and Allowances.** — Four (4)

6 members of the Commission shall constitute a quorum for the transaction of  
7 business.

8 Unless otherwise fixed by the Commission, the Chairman and all the  
9 members shall each receive a per diem of Five thousand pesos (P5,000),  
10 exclusive of traveling expenses, for each day of meeting of the Commission,  
11 which shall not exceed four (4) meetings a month.

12           **SECTION 12. General Manager.** — The management of the day-

13 to-day business and operations of the Authority shall be under the direction  
14 and control of the General Manager. He shall have the following powers and  
15 duties:

16           (a) To manage, direct and supervise the operations and internal  
17 administration of the Authority, subject to the control and supervision of the  
18 Commission;

19           (b) To prepare all memoranda pertaining to each and every item in  
20 the agenda for the meetings of the Commission and to submit for the  
21 consideration thereof such proposals or recommendations which he believes  
22 to be necessary to carry out effectively and beneficially the business of the  
23 Authority;

24           (c) To implement the policies and administer the measures  
25 approved by the Commission;

1           (d) To devise the executive organization pattern of the Authority,  
2 submit from time to time to the Commission the corresponding  
3 organizational and functional charts, and enforce the executive elements  
4 thereof;

5           (e) To appoint and employ the services of subordinate officials and  
6 employees subject to the confirmation of the Commission;

7           (f) To prepare and submit to the Commission budget proposals of  
8 all kinds; and

9           (g) To perform such other duties and exercise such other powers as  
10 may be directed or authorized specifically by the Commission.

11           **SECTION 13. Prohibition Against Conflict of Interest.** — No  
12 members of the Commission shall be financially interested, directly or  
13 indirectly, in any contract entered into by the Authority or in any special  
14 privilege granted by it. Violation of this prohibition shall constitute a ground  
15 for dismissal.

16           **SECTION 14. Application of Civil Service Laws.** — All officers  
17 and employees of the Authority shall be subject to the Civil Service  
18 Commission and the Department of Budget and Management rules and  
19 regulations, except those whose positions may, upon recommendation of the  
20 Port Commission, be declared by the President of the Philippines as policy  
21 determining, primarily confidential or highly technical in nature.

22           **SECTION 15. Supplies and Services Other Than Personal.** — All  
23 purchases or contracts for services, except for personal services, entered into  
24 by the Authority shall be done only after public bidding therefor is held:  
25 Provided, That such bidding may be required when an emergency, as

1 explained and certified to by the General Manager, requires immediate  
2 delivery of the supplies or performance of the services and the unit costs or  
3 prices of such emergency procurement do not exceed the latest costs or  
4 prices paid by the Authority for the same or similar goods or services:  
5 Provided, further, That the General Manager shall report under oath to the  
6 Commission the details of any such emergency procurement within two (2)  
7 weeks after its consummation, including a statement of assurance that the  
8 transaction constitutes the best arrangement possible under the  
9 circumstances.

10       **SECTION 16. Capitalization.** — The Authority shall have an  
11 authorized capital stock equal to and consisting of:

12       (a) The value of fixed assets, including port facilities and  
13 equipment administered by or belonging to the Port of Bohol and such other  
14 properties, movable and immovable, within the territorial jurisdiction of the  
15 Authority as defined in Section 6 hereof, valued on the date of the effectivity  
16 of this Act; and

17       (b) Government contribution in such amount as may be deemed an  
18 appropriate initial balance. Such initial amount, as approved by the President  
19 of the Philippines, shall be more or less equivalent to six (6) months working  
20 capital requirement of the Authority.

21       **SECTION 17. Auditor and Personnel.** — The Commission on  
22 Audit shall appoint a representative who shall be the Auditor of the  
23 Authority and the necessary personnel to assist said representative in the  
24 performance of his duties. The operating expenses of the auditing office and  
25 the salaries of both officials and employees shall be paid by the Authority.

1           **SECTION 18. Power to Issue Bonds.** — The Authority, to incur  
2 indebtedness or to issue bonds to carry out approved capital investment  
3 projects, shall be approved by the affirmative vote of at least four (4) of all  
4 members of the Commission is a special meeting called for the purpose and  
5 approved by the President of the Philippines upon the recommendation of  
6 the Secretary of Finance and the Central Bank of the Philippines.

7           **SECTION 19. Bond Limits.** — The bonds that may be issued by the  
8 Authority shall in no case exceed the total amount of One billion pesos  
9 (P1,000,000,000): Provided, That no single issue shall be made if at least  
10 seventy percent (70%) of the immediately preceding issue is not yet sold.

11           The bonds shall be issued only in such amounts as will be needed at  
12 only one (1) integral operation not exceeding one (1) year duration, taking  
13 into account the state at which said bonds may be absorbed by the buying  
14 public and the fund requirements of the project ready for execution, and  
15 considering further a proper balance between productive and non-productive  
16 projects so that inflation shall be held to a minimum.

17           **SECTION 20. Form, Rate of Interest, etc. of Bonds.** — The  
18 Secretary of Finance, in consultation with the Monetary Board, shall  
19 prescribe the form, the rate of interest, the denominations, maturities,  
20 negotiability, convertibility, call and redemption features, and all other terms  
21 and conditions of issuances, placement, sale, servicing, redemption and  
22 payment of all bonds issued under the provisions of this Act.

23           The bonds issued by virtue of this Act shall be made payable both as  
24 to principal and interest in Philippine currency and shall be acceptable as

1 security in any transaction with the Government in which such security is  
2 required.

3       **SECTION 21. Transfer of Existing Facilities and Intangible**  
4 **Assets.** — All existing facilities including wharves, piers, slips, docks,  
5 bulkheads, cargo terminals, warehouses, cold storage, loading and unloading  
6 equipment, and passenger terminals and accessories, within the territorial  
7 jurisdiction of the Authority; other lands, buildings and other properties,  
8 movable or immovable, belonging to or presently administered by the  
9 Philippine Ports Authority; and all assets, powers, rights, interests and  
10 privileges relating to port works or operations, including all equipment, are  
11 hereby transferred to the Authority.

12       **SECTION 22. Projects in Progress.** — All ongoing projects relating  
13 to the rehabilitation and/or construction of port facilities and supply of  
14 equipment shall be administered and undertaken by the Authority.

15       **SECTION 23. Transfer of Liabilities and Debts.** — Upon the  
16 transfer to and acceptance by the Authority of the existing physical facilities,  
17 intangible assets and completed projects referred to in the preceding  
18 sections, all debts, liabilities and obligations of the Philippine Ports  
19 Authority in respect of such physical facilities, tangible assets and completed  
20 projects within the ports shall likewise be assumed by the Authority.

21       **SECTION 24. Abolition of the Port Management Office of Bohol**  
22 **as a Port Management Unit of the Philippine Ports Authority.** — The  
23 Port Management Office of Bohol is hereby abolished. The General  
24 Manager of the Authority shall ensure the smooth transfer of responsibility  
25 from the abolished entity to the Authority as well as the determination of



1 personnel to be retained: Provided, That all officials and employees whose  
2 services are terminated shall, if not eligible for retirement, be given  
3 gratuities equivalent to one (1) month salary for every year of continuous  
4 satisfactory service on the basis of the highest salary received in addition to  
5 other benefits accorded to them by existing laws.

6 **SECTION 25. Annual Report.** — An annual report of the Authority  
7 shall be submitted to the President of the Philippines within sixty (60) days  
8 after the close of each fiscal year.

9 The original of said report shall be submitted to the President of the  
10 Philippines and copies thereof to the House of Representatives and the  
11 Senate of the Philippines and the Department of Transportation and  
12 Communications. The report shall include a financial statement duly  
13 certified by the Auditor of the Authority.

14 **SECTION 26. Appropriations.** — The amount necessary to carry  
15 out the provisions of this Act shall be included in the General  
16 Appropriations Act of the year following its enactment into law and  
17 thereafter.

18 **SECTION 27. Separability Clause.** — If any provision of this Act  
19 or the application of such provision to any person or circumstance is  
20 declared unconstitutional, the remainder of this Act or the application of  
21 such provision to other persons or circumstances shall not be affected by  
22 such declaration.

23 **SECTION 28. Repealing Clause.** — All acts, charters, executive  
24 orders, administrative orders, rules and regulations, or parts thereof, in  
25 conflict with this Act hereby repealed or modified accordingly.

1           **SECTION 29. Effectivity Clause.** — This Act shall take effect  
2   fifteen (15) days after its publication in at least two (2) national newspapers  
3   of general circulation or in the Official Gazette, whichever comes earlier.

**APPROVED.**