

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

**SEVENTEENTH CONGRESS**  
First Regular Session

**HOUSE BILL NO. 2702**



Introduced by Rep. Winston "Winnie" Castelo

#### EXPLANATORY NOTE

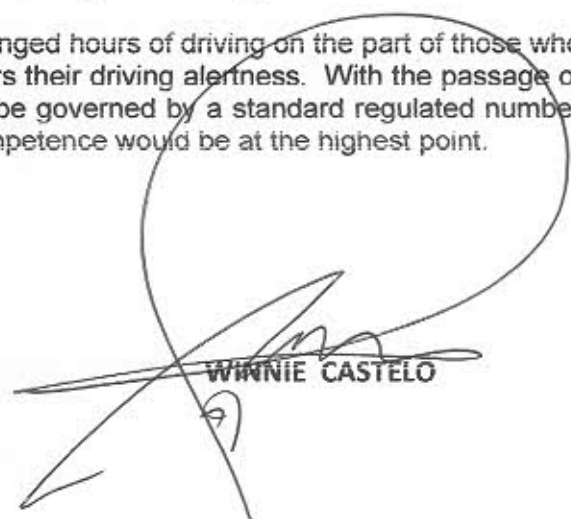
This bill seeks to abolish the "boundary" system, which has blighted the bus and jeepney operation for the longest time. The boundary system is the main culprit in traffic jams and many vehicular accidents in urban areas. In the boundary system, the driver pays the jeepney owner or bus company a fixed amount (the "boundary") for driving a passenger vehicle. It is as though the driver is renting the vehicle. What he earns from passenger fares above the "boundary," minus what he paid for the gas and oil, is his take-home pay. If he is "slow," he takes home less money; if he drives faster he earns more.

It is this "boundary" system that forces the stiff competition among bus and jeepney drivers. They race in the busy and crowded streets in an effort to get to the waiting passengers first. And this often results in accidents. They swerve out of bus lanes and swerve recklessly in and out of traffic in an effort to get ahead of the competition. The drivers know they are violating traffic rules but they are forced to do it, otherwise they would take home less money (Neal Cruz, 2012).

Hence, the "boundary" system has to be abolished and put in place a more acceptable and equitable wage system in the bus and jeepney operation. Drivers of passenger vehicles should be paid an equitable fixed income above the standard wage rate to be determined by the Department of Labor and Employment (DOLE). In this way, a more systematic implementation of traffic rules will be achieved ensuring the safety of the general riding public.

Moreover, the boundary system gives rise to prolonged hours of driving on the part of those who want to make a decent living, which in turn, impairs their driving alertness. With the passage of this measure, drivers of buses and jeepneys will be governed by a standard regulated number of hours of operation within which their driving competence would be at the highest point.

The passage of this bill is earnestly sought.

  
WINNIE CASTELO

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**AN ACT**

**ABOLISHING THE BOUNDARY SYSTEM IN THE BUS AND JEEPNEY OPERATION, REGULATING INTO EIGHT (8) HOURS THEIR OPERATION PER DRIVER AND PROVIDING PENALTIES FOR VIOLATIONS THEREOF AND FOR OTHER PURPOSES**

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

SECTION 1. Title. This Act shall be known as the "Abolition of the Boundary System in Bus and Jeepney Operation Act of 2016."

SEC. 2. Declaration of Policy. The State shall abolish the "boundary" system in the compensation of drivers of buses and jeepneys and shall ensure their welfare by granting them equal labor protection and equitable fixed income.

SEC. 3. Abolition of the "boundary" system. The "boundary" system is hereby abolished and supplanted by a uniform equitable wage system in which drivers of buses and jeepneys are granted a fixed monthly salary.

SEC. 4. Enforcement of Eight-hour PUV driving policy. The eight-hour PUV driving policy is hereby imposed prohibiting every bus or jeepney operator to employ a driver for more than eight (8) hours per day.

In the event of a petition for overtime work, the PUB or PUJ operator may grant a driver a maximum of two (2) hours of overtime work per day, provided, that the driver requesting for such overtime is established to be in good health condition; has demonstrated his driving competence with his flawless driving record for the past six (6) months.

SEC. 5. Implementation of this Act. The abolition of the boundary system including the determination of the equitable salary rate shall be undertaken by the Department of Labor and Employment (DOLE).

SEC. 6. Penalties. Any bus or jeepney operator found to be guilty of non-compliance shall be meted out a penalty of imprisonment for a minimum of six (6) months to one (1) year and/or a fine of One Hundred Thousand Pesos (Php100,000.00);

In case the bus or jeepney operator's violation results in slight physical injuries to any party, the penalty to be imposed shall be imprisonment of one (1) year plus a fine of Two Hundred Thousand Pesos (Php200,000.00).

In case the bus or jeepney operator's violation results in less serious physical injuries to any party, the penalty to be imposed shall be imprisonment of three (3) years plus a fine of Five Hundred Thousand Pesos (Php500,000.00).

In case the bus or jeepney operator's violation results in serious physical injuries to any party, the penalty to be imposed shall be imprisonment of five (5) years plus a fine of One Million Pesos (Php1,000,000.00).

In case the bus or jeepney operator's violation results in death, permanent disability or mutilation of any body part of any party, the penalty to be imposed shall be imprisonment of ten (10) years plus a fine of Two Million Pesos (Php2,000,000.00).

When the violation of the act covered by this article results in damage to the property of another, the violator shall be punished by imprisonment of one (1) to two (2) years and/or a fine ranging from an amount equal to the value of said property to three times such value, but which shall in no case be less than One Hundred Thousand Pesos (Php100,000.00).

The trial court shall also award the actual, moral and exemplary damages to the victim/s, based on the evidence presented and pursuant to existing rules and jurisprudence.

**SEC. 7. Repeat Offenders** – In the event a bus or jeepney operator is found guilty of violating this Act for two (2) or more times committed within a period of five (5) years, the same shall be a ground for the permanent revocation of his franchise by the Land Transportation Franchising and Regulatory Board (LTFRB).

**SEC. 8. Separability Clause** – If any part, section or provision of this Act shall be held invalid or unconstitutional, the other provisions not affected by such declaration shall remain in full force and effect.

**SEC. 9. Repealing Clause** – All laws, acts, decrees, executive orders, rules and regulations or other issuances or parts thereof, which are inconsistent with this Act, are hereby modified and repealed.

**SEC. 10. Effectivity** - This Act shall take effect fifteen (15) days following its publication in the Official Gazette or in at least two (2) newspapers of general circulation.

*Approved,*