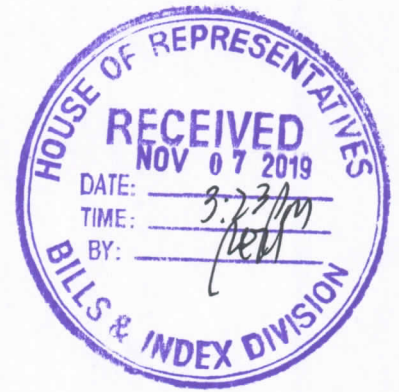


REPUBLIC OF THE PHILIPPINES  
HOUSE OF REPRESENTATIVES  
Quezon City

EIGHTEENTH CONGRESS  
First Regular Session

House Bill No. **5396**



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Introduced by **Pangasinan Fifth District Representative**  
**HON. RAMON V. GUICO III**

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**EXPLANATORY NOTE**

The recent LRT 2 debacle is only one among a series of rail incidents and mishaps of a rapidly deteriorating railway system. The 9-month suspension of LRT 2 operations from Santolan to Anonas Station had brought much chagrin to the daily Filipino commuter and has exacerbated the already dismal traffic conditions in Metro Manila. And, as if the damage done had not been severe enough, the LRTA revealed that they do not have a disaster recovery plan prepared to immediately address the problem, which most probably explains the ridiculous 9-month long suspension.

In matters of public transportation, this level of service response and delivery is unacceptable. A sliver of gap in railway management and safety practices could mean tragedy for too many people. Moreover, considering that rail transportation is one of the government's main squeeze to address Metro Manila's traffic woes, a largely disparate, incoherent, and uncoordinated railway system certainly would not be of any help. Following best practices from multiple countries, we find that a dedicated agency for railroad administration is as necessary as investing heavily on rail equipment and infrastructure.

As such, the establishment of the Philippine National Railroad Administration (PNRA) is proposed. The PNRA shall be the foremost authority in rail management in the country and shall be given the power to formulate and implement a National Rail Plan, including the evaluation and integration of existing rail policies, programs, and projects unto the said plan in order to achieve its goal of providing for the country a reliable, safe, and effective rail transport service. It is also tasked to execute regulatory and inspection functions in five areas of rail safety disciplines, namely: hazardous materials; motive power and equipment; operating practices; signal and train control; and track. This is to prevent any future train incidents from happening or, should the worst come, be able to mitigate the impact of any such incidents.

It is said that failure is the seed of growth. If so, we have had more than our fair share of failures in improving and maintaining the Philippine railway system and the only thing that is left is for us to learn and grow from our erring ways. Let the PNRA be the budding attempt to pursue long-term growth.

In view of the foregoing, immediate passage of this bill is earnestly sought.

  
**Rep. Ramon V. Guico III**

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AN ACT  
ESTABLISHING THE PHILIPPINE NATIONAL RAILROAD ADMINISTRATION  
DEFINING ITS POWERS, FUNCTIONS, AND RESPONSIBILITIES, APPROPRIATING  
FUNDS 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 as the “**Railroad Administration Act.**”

2       **SEC. 2. Declaration of Policy.**—It is hereby declared the policy of the State to promote the  
3 effective and efficient management of the country’s railroad network to ensure rail safety, reliable rail  
4 service delivery, innovation in rail practices and technologies, and integrated rail planning for the  
5 whole country.

6       **SEC. 3. Establishing the National Railroad Administration.**—There shall be established under  
7 the Department of Transportation (DOTr) a Philippine National Railroad Administration (PNRA) the  
8 purpose of which is to promulgate and enforce rail safety regulations and policies; conduct railroad  
9 assistance programs; undertake research and development initiatives with an end goal of improving  
10 railroad safety and national rail transportation policy; and consolidate government support of rail  
11 transportation activities.

12       **SEC. 4. Powers and Functions.**—To carry out the purposes of this Act, the Administration,  
13 through its Board hereinafter constituted, is hereby vested with the following powers:

- 14           a. To formulate and adopt a National Rail Plan to develop a long-term rail plan  
15           consistent with the rail needs of the country as determined by the Secretary in order  
16           to promote an integrated, cohesive, efficient, and optimized national rail system for  
17           the movement of goods and people;  
18           b. To evaluate the existing rail policies, programs, and projects of all agencies and  
19           instrumentalities having to do with rail industry development and to integrate and  
20           coordinate the various facets of such activities with the view of attaining efficiency  
21           and effectiveness in the implementation of the National Rail Plan;  
22           c. To execute regulatory and inspection responsibilities for five (5) rail safety  
23           disciplines focusing on compliance and enforcement in:



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1. Hazardous materials
2. Motive power and equipment
3. Operating Practices
4. Signal and Train Control
5. Track

- d. To collaborate with other agencies and rail stakeholders to develop comprehensive strategies for maintaining current rail services and infrastructure, strategically expanding and improving the national rail network to accommodate growing travel and freight demand, and providing leadership in national and regional system planning and development;
- e. To ensure safe, efficient, and reliable movement of people and goods by rail through basic and applied research, and development of innovations and solutions;
- f. To develop safety improvements and encourage expansion and upgrade of passenger and freight rail infrastructure services through competitive and dedicated grant programs;
- g. To receive and administer funds provided by law; to draw, with the approval of the Secretary, funds from existing appropriations as may be necessary in support of its program, and to accept donations, grants, gifts and assistance of all kinds from international and local private foundations, associations or entities, and to administer the same in accordance with the instructions or directions of the donor or, in default thereof, in the manner it may in its direction determine;
- h. To borrow the necessary funds from local and international financing institutions, and to issue bonds and other instruments of indebtedness, subject to existing rules and regulations of the Bangko Sentral ng Pilipinas, for the purpose of financing programs and projects deemed vital and necessary for the early attainment of its goals and objectives;
- i. To formulate and recommend for adoption by other agencies and instrumentalities, such programs and projects as are necessary to accelerate rail industry development;
- j. To enter into, make and execute contracts of any kind as may be necessary or incidental to the attainment of its purposes and, generally, to exercise all the powers necessary to achieve the purposes and objectives for which it is organized.

**SEC. 5. Governing Board.**—The Administration shall be governed by a Board of five (5) members, who shall meet as often as necessary, composed of:

- a. Undersecretary for Railways as Chairman;
- b. Undersecretary, Philippine Railway Institute as Vice Chairman;
- c. DOST Undersecretary for Science and Technological Services; and
- d. Two (2) representatives at-large of the private sector, to be appointed by the President, who shall have recognized competence in the many facets of the rail industry and be leaders of the industry acknowledged by both the government and private sector members of the rail development community.

**SEC. 6. Administrator of the PNRA.**—The management of the Administration shall be vested in an administrator, to be appointed by the Board, who shall have the following powers and duties:

- a. To direct and manage the affairs and business of the administration, in accordance with policies and plans enunciated by the Board;
- b. To recommend and, upon approval of the Board, to establish and maintain an organization with specific functions and responsibilities for each operating unit;
- c. To appoint and fix the number, with the approval of the Board, of such officials and employees of the Administration as may be necessary for the proper discharge of its functions and responsibilities, and with the approval likewise of the Board, to remove, suspend, and otherwise discipline, for just cause, any subordinate personnel thereof;
- d. To prepare and submit thirty days after the close of each fiscal year an annual report to the President, and such periodic reports of activities as may be required from time to time; and
- e. To perform such other duties as may be designated to him by the Board from time to time.

**SEC. 7. Appropriations.**— To carry out the purposes of this Act an initial fund of one billion Pesos (P1,000,000,000) is hereby appropriated out of any funds in the National Treasury not otherwise appropriated. Thereafter, the expenses of the PNRA, for the purposes above-described, shall be provided for in the annual General Appropriation Act.

**SEC. 8. Repealing Clause.**—All laws, decrees, executive orders or parts thereof inconsistent with the provisions of this Act is hereby repealed or modified accordingly.

**SEC. 9. Separability Clause.**—If any part or provision of this Act is declared invalid or unconstitutional, the other parts not otherwise affected shall remain in full effect and force.

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

*Approved,*