

Republic of the Philippines  
**House of Representatives**  
Quezon City

*SEVENTEENTH CONGRESS*  
First Regular Session

HOUSE BILL NO. **3855**



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**Introduced by Hon. Anthony M. Bravo**  
**COOP-NATCCO PARTYLIST**

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**EXPLANATORY NOTE**

**AN ACT AMENDING SEC. 7 OF R.A 8794, ABOLISHING THE OFFICE OF ROAD BOARD, AND TRANSFERRING ITS POWERS AND FUNCTION TO THE DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS (DPWH) AND TO THE DEPARTMENT OF TRANSPORTATION (DOTR)**

Republic Act No. 8794 or the "Act Imposing a Motor Vehicle Users Charge on Owners of All Typed of Motor Vehicles and for Other Purposes" created the Road Board to implement the proper and efficient use of the special funds collected via Road Users Tax ("Road Fund"), which were earmarked solely and used exclusively for (1) Road maintenance and the improvement of road drainage, (2) installation of adequate and efficient traffic lights and road safety devices and, (3) air pollution control.

Under Sec. 7 of R.A No. 8794 as well as its IRR, the MVUC Act mandated the establishment of the 1) Road Board, 2) DPWH Road Program Office and 3) DOTC Special Vehicle Pollution Control Fund Committee.

The Road Board is the implementing body of the MVUC and is composed of seven members such as the Secretary of DPWH as the Ex-Officio Head, the Secretaries of DOF, DBM and DOTC as Ex-Officio Members, and 3 other members from transportation organizations recommended by DPWH and DOTC.

The Road Board is mandated to 1) supervise projects and activities, 2) Impose control on auditing and accounting procedures, 3) Monitor income and expenditures, 4) Approve and review program of work and bidding procedures, 5) Monitor used of Special Funds and 6) Raise awareness on MVUC Special Funds.

Latest available figure estimate the Road Fund collections at P112.5 Billion from 2001 up to 2014. However COA in one of its report declared that there was failure to ensure the utilization of the P 199 Million worth of motor vehicle inspection system (MVIS) equipment that were purchased for the LTO. Instead, the Road Board financed infrastructure projects that were beyond its mandated functions while other projects were either delayed or not implemented at all despite the release of funds, the COA report said.

Road Board has yet to account for approximately P 415 Million in MVUC funds that had been suspended and disallowed by the COA because of violations of the policies on the use of public funds. It also noted that P 463 Million of the MVUC funds has remained unliquidated for more than

three years after the funds were released to the Road board Secretariat, the DOTC now the DOTr, DPWH and LGUs.

The need to curb instances of fund misuse, misappropriation and general graft and corruption in the agency necessitates no less than the abolition of this regulatory agency which have been viewed by many as milking cow of some unscrupulous individuals. Its funds would be better utilized if such are rechanneled to the DPWH and the DOTr which will both implement road safety measures and projects.

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



HON. ANTHONY M. BRAVO

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**AN ACT ABOLISHING THE ROAD BOARD CREATED BY VIRTUE OF REPUBLIC ACT NO. 8794 AND TRANSFERRING ITS POWERS AND FUNCTIONS TO THE DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS AND TO THE DEPARTMENT OF TRANSPORTATION AND COMMUNICATIONS, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 8794**

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

**SECTION 1.** Section 7 of Republic Act No. 8794 is hereby amended to read as follows:

"SECTION 7. Disposition of Monies Collected. All monies collected under this Act shall be earmarked solely and used exclusively (1) for road maintenance and the improvement of road drainage, (2) for the installation of adequate and efficient traffic lights and road safety devices, and (3) for air pollution control.

All such monies collected shall be deposited in four (4) special trust accounts in the National Treasury, namely: (1) Special Road Support Fund; (2) Special Local Road Fund; (3) Special Road Safety Fund; and (4) Special Vehicle Pollution Control Fund. The distribution of collections under this Act shall be as follows:

x x x

The Special Road Support Fund, the Special Local Road Fund, and the Special Road Safety Fund shall be under the DPWH, whereas the Special Vehicle Pollution Control Fund shall be under the DOTC.

x x x

[A Road Board to implement the prudent and efficient management and utilization of the special funds shall be organized by the President of the Philippines. The Road Board shall be composed of seven (7) members, with the Secretary of the DPWH as ex officio head, and the secretaries of the Department of Finance, Budget and Management, and the Transportation and Communications, as ex officio members. The remaining three (3) members shall come from the transport and motorist

organizations which have been in existence and active for the last five (5) years prior to this Act. They shall be appointed for the term of two (2) years each by the President of the Philippines upon the recommendation of the secretaries of the DPWH and the DOTC.]

**SECTION 2.** Rules and Regulations. – The Secretaries of the Department of Public Works and Highways (DPWH) and the Department of Transportation and Communications (DOTC) shall jointly promulgate within thirty (30) days from the effectivity of this Act, the rules and regulations to implement and carry out the intent, objectives, purposes, and provisions of this Act, including such structural and procedural improvement in the systems and agencies concerned as may be necessary to ensure prudent, wise, effective, and efficient utilization of the special funds established under Republic Act No 8794; provided, that the Secretary of the DPWH shall prepare the portion of their implementing rules and regulations pertaining to the Special Road Support Fund, the Special Local Road Fund, and the Special Road Safety Fund, and the Secretary of the DOTC shall prepare the portion of the implementing rules and regulations pertaining to the collection of the motor vehicle's user charge and on the disposition of the monies accruing to the Special Pollution Control Fund. Provided further that the secretaries of the DPWH and the DOTC are proscribed from creating a secretariat and may only be assisted by a minimal number of staff in the administration and implementation of the special funds established under Republic Act No. 8794.

**SECTION 3.** Separability Clause. – Should any provision of this Act or part thereof be declared invalid or unconstitutional, the other provisions or parts not affected thereby shall remain valid and effective.

**SECTION 4.** Repealing Clause. – All laws, decrees, order, and issuances, or portions thereof, which are inconsistent with the provisions of this Act are hereby repealed, amended or modified accordingly.

**SECTION 5.** Effectivity. – This Act shall take effect fifteen (15) days from its publication in two (2) newspapers of general circulation.

*Approved.*