

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

17th CONGRESS
Regular Session

House Bill No. 3716



Introduced by **Congressman AURELIO "DONG" GONZALES, JR.**

EXPLANATORY NOTE

While recent surveys and reports show that the Philippine economy steadily grows, it is ironic to know that the nation continues to lose billions of pesos daily as a result of the worsening traffic and congestion crisis, especially in Greater Metro Manila. Without the implementation of effective and adequate solutions to ease the crisis, several factors, such as the fuel costs, value of time lost due to delay, vehicle operating costs, health impact and greenhouse gas emissions, contribute to the rapid rise of the costs of traffic. There is more fuel expenditure, additional pollution, delays in the movement of goods, decreased turnover and the aggravation of poverty.

The crisis has also caused the disruption of the normal Filipino family life. With the horrendous daily traffic situation, the working individual is stuck in traffic instead of being at the office to start work. A family man spends his time on a traffic jam on the road, instead of being at home to spend quality time with his spouse and children. Too much productivity and quality hours are being wasted.

While the traffic problem has been around for more than a decade already, the past administration's underspending on infrastructures and road works, aggravated by today's presence of more vehicles on the road, a bigger population, and the increase in the number of people migrating to Metro Manila and urbanized cities and areas, has caused the traffic and congestion crisis in the National Capital Region and other urbanized cities to worsen at an alarming pace. This problem has now assumed the nature and magnitude of a national emergency which necessitates the urgent need to grant special powers to the President of the Philippines. Without these powers granted immediately, time will not be on our side and our country can never recover from the crisis.

While some sectors are skeptical about the idea of granting special or emergency powers to the President, it should be pointed out that this grant of powers is only for a limited period and subject to certain conditions and limitations. More so, this will not be the first time

that the Commander-in-Chief would be having such powers. Then president, Fidel V Ramos, was granted emergency powers to effectively address electricity and water shortages during his term.

Thus, there is a need for this bill to address the traffic and congestion crisis in the Philippines, which is now in the magnitude of a national emergency.



Congressman Aurelio "Dong" Gonzales, Jr.



REPUBLIC OF THE PHILIPPINES
HOUSE OF REPRESENTATIVES
Quezon City

Seventeenth Congress
First Regular Session

H. NO. 3716

Introduced by Rep. AURELIO "DONG" D. GONZALES, JR.

AN ACT
GRANTING THE PRESIDENT OF THE REPUBLIC OF THE PHILIPPINES SPECIAL
POWERS TO ADDRESS THE TRAFFIC AND CONGESTION CRISIS IN THE
COUNTRY.

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

SECTION 1. *Short Title.* - "This Act shall be known as the Traffic and Congestion Crisis Act of 2016"

SECTION 2. *Declaration of Existence of Traffic and Congestion Crisis.* - The traffic and congestion crisis in Greater Metro Manila and other highly urbanized cities and areas in the country have assumed the nature and magnitude of a national emergency. With the increasing volume of motor vehicles plying inadequate roads and highways in the metropolis and in other growing cities, increasing air passenger traffic beyond the capacity of the country's existing terminals, and heavy congestion of ports, Philippine transportation infrastructure has been unable to keep up with the demands of rising economy and growing population. These result in severe disruption of the normal Filipino family life and in billion-peso losses in terms of overall productivity, health risks and social costs.

Thus, the existence of a traffic and congestion crisis in Greater Metro Manila, other highly urbanized cities, and other areas in the country is hereby declared.

SECTION 3. *Declaration of Policy.* It is hereby declared a State policy to adopt adequate and effective measures that will immediately address the crisis brought about by land, air, and sea traffic congestion and mass transportation shortage in Greater Manila, other highly urbanized cities, and other areas around the country.

Consistent with the Constitutional mandate to promote the general welfare and social justice in all phase of national development, the State shall promote a shift towards safe, secure, efficient, viable, competitive, dependable, integrated, environmentally sustainable, people-oriented, seamless, and inclusive transportation system for the benefit of all citizens, the economy, and society.

Toward this end, the State shall adopt a strong system of accountability and transparency in the pursuit of its objectives, as well as rationalize and strengthen existing institutions and adopt responsive measures to address the traffic and congestion crisis. The State shall also properly plan infrastructure projects that will respond to this paradigm shift in the transportation system, increase mobility options of the general public, and promote the uses of alternative modes of transportation to address the crisis and increase economic productivity and tourism appeal.

The extraordinary remedy of granting emergency powers to the president or Executive Branch is for the purpose of addressing this national emergency and is limited to the period specified in this Act. In line with this, the State shall, after the period of the emergency, adopt short-term, mid-term, and long-term development plans for the efficient and cheaper transport of people and delivery of goods and services, as well as a comprehensive long-term national transport policy, in order to sustain the significant gains and to meaningfully reduce the risk of a traffic and congestion crisis from happening again in the future.

SECTION 4. *Definition of Terms.* - For purposes of this Act, the following terms shall mean:

- a. "Emergency Power" - The authority granted by Congress to the President under Section 23 (2), Article VI of the 1987 Philippine Constitution, to exercise, for a limited period and subject to such restriction as the former may prescribe, powers necessary and proper to carry out a declared policy.
- b. "Traffic and Congestion Crisis" - The current traffic situation, both land and air-based, the nature of which constitutes a national emergency.
- c. "Greater Metro Manila" - The National Capital Region (NCR) of the Philippines and the provinces of Rizal, Bulacan, Cavite, Laguna, and Batangas;
- d. "Other Highly Urbanized Cities" - Identified cities in the Philippines, such as but not limited to Metro Cebu and Metro Davao, which are on the threshold of full urbanization

and motorization, with the carrying capacities of the road network in urban centers, notably at the city centers or Central Business Districts (CBDs), on the verge of being unable to cope with the increasing volume of vehicles;

- e. "Other Areas" or Areas" - Other areas which, while not being part of Greater Metro Manila and Other Highly Urbanized Cities, are also experiencing a high level of traffic congestion or where such congestion is imminent.
- f. "Procuring Entity" - Any branch, department, office, agency, or instrumentally of the government procuring goods, infrastructure, and consulting services for Transportation Projects as hereinafter defined.
- g. "Transportation Project" - A project involving the construction, repair, rehabilitation, improvement, operation, or maintenance of any public transportation facility to ensure the safety and convenience of the commuting public, including all projects aimed at reducing traffic congestion in Greater Metro Manila and Other Highly Urbanized Cities and Areas.

SECTION 5. *Grant of Emergency Powers to the President/Executive Branch.* - The President is hereby authorized to exercise all powers necessary and proper to carry out the above-declared State policy. As such, the President, along the heads of the department and agencies under the Executive Branch involved in transportation and traffic management projects and issues, is hereby granted Emergency Powers to urgently utilize all necessary government resources, exercise police power, and employ executive actions and measures to ensure the traffic and congestion crisis, unhampered by existing laws, agreements, regulations, court orders, and procedures that may cause delay in addressing the crisis.

SECTION 6. *Creation, Reorganization and Abolition of Offices.* The President may reorganize and rationalizes the existing structure of the Department of Transportation (DOTs), Land Transportation Office (LTO), Land Transportation Franchising and Regulatory Board (LTFRB), Civil Aviation Authority of the Philippines (CAAP), Civil Aeronautics Board (CAB), Metro Manila Development Authority (MMDA), the Highway Patrol Group of the Philippine National Police, and all other agencies in the transportation sector.

To this end, the President may abolish, merge, split, or create agencies, offices and positions; realign funds for the purpose, adopt a rationalization plan, transfer functions, equipment, properties, records and personnel; institute drastic cost-cutting measures; and take such other related actions necessary to carry out the declared State policy. As far as practicable, and to ensure the effective implementation of the programs pursuant to this Act, the reorganization and nationalization of these departments and agencies must be implemented within six (6) months from the passage of this Act.

SECTION 7. *Formulation of the Decongestion and Transportation Network Reform Plan.* - The Executive Branch shall adopt a comprehensive, integrated and sustainable Decongestion and Transportation Network Reform Plan (hereinafter the "Plan").

The Plan shall provide shall provide a roadmap and list of projects for the national and local intermodal transport system aimed at decongesting Greater Metro Manila and Other Highly Urbanized Cities and Areas, with the end in view of spurring development in all region in the country, providing sufficient transport infrastructure and linkages, and ensuring transport safety and security.

SECTION 8. *Appointment of a Traffic Crisis Manager.* - The Secretary of the DOTr is hereby designated as the Traffic Crisis Manager. As such, he shall exercise overall traffic management and control, as well as oversee the implementation of the plan.

SECTION 9. *Single Authority over Traffic Management.* - For the duration of the emergency powers herein granted, all the powers, authority, and functions over land traffic management of the Metro Manila Development Authority (MMDA) under section 3 (b), Section 5 (e) and (f) and other related provisions of Republic Act No. 7924, Local Government Units under Sec 447 (4) (vi) and Sec 458 (5) (v) of the Local Government Code of 1991, Land Transportation Office (LTO), Land Transportation Franchising and Regulatory Board (LTFRB), Philippine National Police (PNP), Toll Regulatory Board (TRB) and the Philippine Ports Authority (PPA); the powers, authority and functions over air route and airway facilities air traffic service and air navigation of the Civil Aviation Authority of the Philippines (CAAP), Civil Aeronautics Board (CAB), Manila International Airport Authority (MIAA) and other agencies and instrumentalities involved in air transportation; and the powers, authority and functions over seaports of the Philippine Ports Authority (PPA) shall be vested in the Traffic Crisis Manager.

SECTION 10. *Powers of the Traffic Crisis Manger.* - The Traffic Crisis Manager shall have the following powers:

A. Land-based transportation.

The Traffic Crisis Manager may modify, amend, or expand the functions of the MMDA, LTO, LTFRB, PNP, and TRB, as well as override the permits and licenses issued by the said agencies, the traffic ordinances of affected Local Government Units, and other relevant rules and procedures.

He/She may also implement such measures as exigencies may require, including, but not limited to, the following;

- a. Integration of different transportation modes to the public transport infrastructure network;
- b. Takeover and operation of public transport systems and infrastructures;
- c. Rationalization of public transport routes, intermodal terminals, and rail alignments;
- d. Transfer and relocation of transport terminals;
- e. Modernization of common carriers and standardization of prescribed specifications for them;
- f. Adoption of regulatory policies on vehicle ownership and parking;
- g. Issuance and revocation of driver's licenses;
- h. Construction of structures or implementation of roadworks that improve traffic flow;
- i. Rapid response to road safety and traffic-blocking accidents and incidents;
- j. Implementation of the number coding scheme and other traffic volume reduction schemes;
- k. Opening up of private roads, whether or not with the imposition of toll fees, as additional access points for motorists;
- l. Implementation of staggered work hours in government offices; and

B. Rail Transportation and Toll Roads.

The Traffic Crisis Manger may override the LRTA, PNR, TRB, and other pertinent government agencies or instrumentalities, with respect to regulations, permits, and licenses issued by them, as well as other relevant rules and procedures, and implement such other measures as exigencies may require. These include, but are not limited to, the following:

- a. The Traffic Crisis Manger and the LRTA shall have the authority to procure rail system spare parts which are of limited availability (due to being Original Equipment Manufacturer [OEM] parts, limited supply chain, or the numbers or volumes that exceed the relevant rail system's inventory requirements for one year, as may be determined by the Traffic Crisis Manager of the LRTA. The type of

spare parts covered by this authority and the number or volume thereof that may be procured shall, in any case, be consistent with international best practices; and

The Traffic Crisis Manager, through the LRTA or PNR, or his/her authorized representative shall have the authority to acquire any land or property for the purpose of developing future rail projects, in order to minimize cost of acquisition, and maximize value capture opportunities for government.

C. Air-based Transportation.

The Traffic Crisis Manager may override regulations, permits, and licenses, as well as relevant rules and procedures.

He/She may also implement such measures as exigencies may require, including, but not limited to, the following:

- a. Comprehensive evaluation of the airports, current airspace, runway, and terminal capacities, air traffic and surface operation, and runway access points;
- b. Optimization of existing airports and transfer to alternative airports;
- c. Development of new airports;
- d. Augmentation of the air and land-side facilities;
- e. Relocation of general aviation activities;
- f. Grant exemption from travel tax and excise tax on aviation fuel for Clark International Airport and other airports to increase utilization thereof; and
- g. Hastening of ground servicing of aircrafts and adjustment of passenger loading times.

D. Seaports.

The Traffic Crisis Manager may modify, amend, or expand the functions of Philippine Ports Authority (PPA) and Maritime Industry Authority (MARINA), and override their permits and licenses, as well as relevant rules and procedures.

He/She may also implement such measures as exigencies may require, including, but not limited to, the following:

- a. Expansion of the capacity of the Port of Manila to received cargo;
- b. Shifting of international container traffic to Batangas and Subic ports;
- c. Staffing of Batangas and Subic ports with sufficient Bureau of Customs (BOC) and PPA personnel;
- d. Provision of cargo handling equipment, berth capacity, and container yard capacity that are commensurate to the volume of cargo and transaction targeted to be diverted from the Port of Manila;
- e. Construction of a new and large deep-sea port outside Metro Manila to be identified under the Plan; and
- f. Adoption of a rationalization plan for future port development and investment programs for ports in the National Capital Region, Central Luzon, and Southern Tagalog Region.

SECTION 11. *Power of Eminent Domain.* - All concerned government agencies shall coordinate and jointly work with the Traffic Crisis Manager for the immediate resolution of congestion and other issues on transport and traffic infrastructure. This shall include the exercise of the power of eminent domain for right-of-way acquisitions necessary for infrastructure projects or public convenience.

The definition of "national government projects" under Republic Act No. 10752 shall be deemed to include projects for the resettlement of informal settlers or other persons or families affected by any national government infrastructure project implemented pursuant to Republic Act No. 6957, as amended by Republic Act No. 7718;

SECTION 12. *Special Modes of Procurement for Transportation Projects.* - The Traffic Crisis Manager, is hereby authorized to adopt the following modes or procurement for goods, infrastructure, and consulting services for Transportation Projects aimed at the reduction of traffic congestion in Greater Metro Manila and Other Highly Urbanized Cities and Areas:

- a. **Direct Contracting**, which involves directly requesting a contractor, supplier or consultant, who meets the financial, technical and legal qualifications set by the Procuring Entity, to submit a price quotation or a pro-forma invoice together with the contractual terms and conditions;
- b. **Repeat Order**, which involves a direct procurement of goods from a previous supplier whenever there is a need to replenish goods as needed and determined by the procuring Entity; and
- c. **Direct Negotiation of Contracts**, which involves direct negotiation with a project proponent who complies with all the pre-qualification requirements as set forth under R.A. No. 7718 otherwise known as the Build-Operate-Transfer Law.

Exemption shall be granted from all taxes and fees due on the transfer of assets, whether nominally or beneficially, from the government to a private sector concessionaire of a rail PPP project, and from the private sector concessionaire back to the government at the end of the concession period: Provided. That this exemption shall only apply to rail PPP projects signed and executed after the effectivity of this Act.

SECTION 13. *Prohibition on the Issuance of Temporary Restraining Orders and Preliminary Injunctions.* – In the implementation of the Act, no court, except the Supreme Court may issue any temporary restraining order or preliminary injunction against the government or any of its subdivisions, official or any person or entity, hether public or private, acting under the government direction, to restrain, prohibit or compel the following acts:

- a. Acquisition, clearance, and development of the right-of-way site or location of any transportation project identified by the Traffic Crisis Manager;
- b. Procurement of transportation projects, including infrastructure projects, goods, and consulting services;
- c. Commencement, prosecution, execution, implementation, operation of any transportation project;
- d. Termination or rescission of any Transportation Project; and
- e. Undertaking or authorization of any other lawful activity necessary for any Transportation Project.

SECTION 14. *Right to information.* – Upon perfection of each contract entered into by the Government pursuant of Section 12 hereof, the terms and conditions of the same, with the name and qualification of the contractor, together with the description, the budgetary estimates involved and other salient features, shall be published in a website created for this purpose.

SECTION 15. *Duration of powers.* – The authority granted to the Executive Branch under the Act shall be valid and effective for a period of three (3) years from the effectivity hereof, unless sooner withdrawn by a joint resolution of Congress, without prejudice to rights and benefits that may have been vested and liabilities that may have been incurred in the meantime.

SECTION 16. *Oversight Committees.* – There is hereby created an Oversight Committee in each House of Congress, which shall monitor the implementation of this Act and the exercise of the powers herein granted. Each Committee shall be composed of five (5) members, to be designated by the Senate President, in the case of the Senate, and the Speaker, in the case of the House of Representatives.

The Oversight Committees shall periodically submit reports, evaluations, and recommendations to the Senate and the House of Representatives.

SECTION 17. *Report to Congress.* – The Executive Branch shall submit a quarterly report to Congress on the implementation of this Act.

SECTION 18. *Private Legal Assistance and Indemnification.* – The Traffic Crisis Manager and his subordinates may, at costs to the government, engage the legal services of the private lawyers whenever criminal or civil cases are filed against them in connection with the lawful exercises of their functions and duties hereunder, and shall be indemnified for all other costs and exercise of their functions and duties hereunder, and shall be indemnified for all other costs and expenses incurred in connection with such cases.

SECTION 19. *Funding.* – The amount needed for the implementation of this Act shall be sourced from the following:

- a. The Motor Vehicle Users Charge Fund under RA 8794;
- b. Ten per centum of the Philippine Amusement and Gaming Corporation annual aggregate gross earnings; and

- c. Current fiscal year's appropriation of the agencies involved in the implementation of this Act.

SECTION 20. *Transitory Provision.* – As far as practicable, the provisions of this act shall apply to all procurements, which have already commenced but with no Notice of Award yet issued.

SECTION 21. *Separability Clause* – In the event that any provision of this Act is declared unconstitutional, invalid, or illegal, the constitutionality, validity, or legality of the remainder of the provisions of this Act shall not be affected thereby.

SECTION 22. *Repealing Clause.* – All laws, presidential decrees, letters of instructions, executive orders, rules, regulations, and other issuances or parts thereof which are contrary to or inconsistent with the provisions of – this Act are hereby revoked, repealed, amended or modified accordingly.

SECTION 23. *Effectivity* – This Act shall take effect fifteen (15) days following the completion of its publication in two (2) newspapers of general circulation


Cong. Aurelio Dong D. Gonzales, Jr.