

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

18th Congress
First Regular Session

House Bill No. 559



Introduced by **HON. RODRIGO A. ABELLANOSA**

EXPLANATORY NOTE

The traffic situation in the country today has gone from bad to worse. It has become so bad, it has now escalated into a traffic crisis in the metropolitan areas. Despite the government's efforts to improve our transport infrastructure, the populace is just growing too fast for the development to catch up. The past few years have seen a growth in the automotive industry in the double digits, signifying a constant rapid increase in the number of motor vehicles plying our streets. Nowadays, a 10-km commute in the metropolitan areas would take at least 30 minutes. On bad days, you could even find yourself stuck in a gridlock of traffic.

Aside from the extra cost from increased fuel consumption, traffic congestion is costing the economy more in the form of reduced productivity. As our countrymen have no choice but to brave through traffic every day, this bill proposes to adopt a comprehensive land-based traffic management policy to address traffic woes in the three metropolitan areas: Manila, Cebu, and Davao.

This bill names the Secretary of Transportation as the de officio traffic chief, and mandates the formulation of specially-designed traffic management plans for each of the three areas.

As traffic conditions will only continue to worsen without appropriate measures, passage of this Bill is highly recommended.

A handwritten signature in black ink, appearing to read "Rodrigo A. Abellanos".

RODRIGO A. ABELLANOSA

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AN ACT
PRESCRIBING AN URGENT, COMPREHENSIVE, AND INTEGRATED
LAND-BASED TRAFFIC MANAGEMENT TO EFFECTIVELY ADDRESS THE
TRAFFIC CONGESTION CRISIS IN MANILA, METROPOLITAN CEBU, AND
METROPOLITAN DAVAO AND APPROPRIATING FUNDS THEREFOR

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 "Traffic Crisis Act of 2019. Makiisa. Makisama. Magkaisa".

SEC. 2. Declaration of Policy. — It is hereby declared the policy of the State to:

(a) Adopt responsive, effective, and comprehensive measures that address the crisis brought about by land traffic congestion and gridlock and the shortage of efficient, safe, secure, and accessible mass transportation in the Metropolitan Manila, Metropolitan Cebu, and Metropolitan Davao;

(b) Establish a strong primary policy-making, planning, programming, coordinating, implementing, regulating, enforcement authority under the control and supervision of the Department of Transportation (DOTr) vested with exclusive power to control, manage, and regulate land-based traffic and structure in Metropolitan Manila, Metropolitan Cebu, and Metropolitan Davao;

(c) Harmonize all traffic rules, regulations, ordinances, issuances, and policies in the metropolitan areas to achieve a comprehensive, cohesive and integrated statutory and regulatory framework for land-based traffic;

(d) Reform, modernize, and streamline the mass transportation systems for the purpose of attaining sustainable, organized, predictable, accessible and safe networks of public transportation leading into and out of and within the metropolitan areas;

(e) Institute a system of responsibility and accountability for all land-based traffic stakeholders, including public officials, public utility operators, road users, private property owners and business establishments, in the furtherance of mobility within the metropolitan areas; and

(f) Ensure transparency, accountability and compliance with applicable legal requirements in the procurement, award and execution of all projects implemented pursuant to this Act and with the objective of alleviating the land-traffic crisis.

SEC. 3. Definition of Terms. — As used in this Act:

(a) *Covered agencies* refer to the government agencies, offices, bureaus and units enumerated under Section 6 of this Act and any and all other government agencies, bureaus, and offices tasked or empowered by law or regulation to control, oversee, regulate, or manage any aspect of land-based traffic or road use in any or all of the metropolitan areas;

(b) *Metropolitan Manila* refers to the National Capital Region of the Philippines composed of the cities of Manila, Quezon, Caloocan, Las Piñas, Makati, Malabon, Mandaluyong, Marikina, Muntinlupa, Navotas, Parañaque, Pasay, Pasig, San Juan, Taguig, and Valenzuela and the Municipality of Pateros;

(c) *Metropolitan* refers to any or all, as the case may be, of the three (3) metropolitan areas, namely: the Metropolitan Manila Area, Metropolitan Cebu, and Davao City;

(d) *Metropolitan Cebu* refers to the area composed of the cities of Cebu, Mandaue, Lapu-Lapu and any other city or municipality in the Province of Cebu as may be identified for inclusion by the Traffic Chief, upon the recommendation of the Metropolitan Cebu Traffic Coordinating Council;

(e) *Metropolitan Davao* refers to the City of Davao;

(f) *Priority projects* refer to the projects identified by the Traffic Chief and submitted to the Joint Congressional Oversight Committee (JCOC) as priority or critical undertakings for the purpose of immediately alleviating and managing the traffic crisis; and

(g) *Traffic crisis* refers to the prevailing and exponentially worsening land traffic congestion and gridlock and mass transportation shortage and inefficiency within the metropolitan areas and in the areas leading into and out of these areas that disrupt the country's economic and social growth and development, and recognized to be of such nature, scope, and magnitude as to be considered a national emergency.

SEC. 4. Coverage. — This Act shall be limited in scope, application and effect to the metropolitan areas and the priority projects to be implemented under this Act. This Act shall authorize and apply only to such priority projects, programs, policies, rules, and regulations that will have immediate, significant, and measurable impact on the land-based traffic crisis as defined herein.

Notwithstanding the limited scope of this Act, the Traffic Chief may implement similar systems and mechanisms provided in this Act in other cities and municipalities experiencing land traffic crisis as defined in this Act.

SEC. 5. Duration of the Act. — Except as otherwise provided herein, the authority granted under this Act shall subsist and be valid and effective for a period of three (3) years from the effectivity of this Act, unless sooner withdrawn by a Joint Resolution of Congress, without prejudice to the rights and benefits that may have been vested and culpabilities and liabilities that may have been incurred under its provisions.

The following provisions of this Act shall continue to take effect unless revoked or repealed by other subsequent laws:

(a) Section 6 on the continuing reorganization power of the President of the Philippines;

(b) Section 9 and 10 on the existence of the Metropolitan Cebu Traffic Coordinating Council and the Davao Traffic Administrator, without prejudice to the prerogative and power of Congress to replace the same and create new development authorities covering the said areas, and Section 11 on their policy-making power, including that of the Metropolitan Manila Development Authority (MMDA);

(c) Section 7(c) which will then be continuing powers of the MMDA and the Metropolitan Cebu Traffic Coordinating Council and the Davao Traffic Administrator or the development authorities as may have been created, to issue and enact, and review, harmonize, amend, revise, or repeal regulations, policies, ordinances, orders, and circulars issued and enacted by the covered agencies and the component local government units (LGUs) pertaining to land-based traffic and road use, regulation, and management;

(d) Section 13, on the mandatory updating of the Traffic Management Plan (TMP) at least once a year and its continued implementation;

(e) Section 14, on the extension of the opening of friendship routes, private village and subdivision roads as additional access points for motorists subject to the determination of the Traffic Chief that the necessity for the use of such additional access road still exists and compliance with the minimum procedure and standards set forth in Section 14;

(f) Section 15, on continued route rationalization;

(g) Section 19, on public utility vehicle (PUV) operator obligations and responsibilities;

(h) Section 21, on the requirement of obtaining a development clearance certificate from the relevant metropolitan development authority;

(i) Sections 24, on testing for professional driver's license holders;

(j) Sections 25, on roadworthiness testing; and

(k) Section 37, on the requirements for publication of information.

SEC. 6. *The Traffic Chief; Supervision and Control.* — The Secretary of Transportation is hereby designated as the *de officio* Traffic Chief during the effectivity of this Act, with full power and authority as herein provided, to streamline the management of traffic and transportation, and to control road use in the identified metropolitan areas.

During the effectivity of this Act, the Traffic Chief shall have the power of supervision and control over:

(a) Metropolitan Manila Development Authority (MMDA)

(b) Metropolitan Cebu Traffic Coordinating Council created under Section 9 of this Act;

(c) Philippine National Police-Highway Patrol Group (PNP-HPG);

(d) Land Transportation Office (LTO);

(e) Land Transportation Franchising and Regulatory Board (LTFRB)

(f) Road Board;

(g) All other executive agencies, bureaus, and offices with functions related to land transportation regulation; and

(h) Davao Traffic Administrator created under Section 10 of this Act.

The Traffic Chief shall supervise all LGUs within the metropolitan areas with respect to the enforcement of rules, regulations, policies, and programs enacted pursuant to this Act and for the harmonization and enforcement of all traffic rules and regulations, the implementation of this Act and the unified traffic system throughout each of the metropolitan areas, inclusive of ingress and egress into such areas.

The primary authority for the implementation of the plans, programs, and priority projects pursuant to this Act shall be with the Traffic Chief, who may delegate the same to the MMDA, Metropolitan Cebu Traffic Coordinating Council, or the Davao Traffic Administrator, in coordination with the component LGUs, the covered agencies, and other relevant and appropriate national government agencies.

To ensure the effective management of land-based traffic during the effectivity of this Act, the President of the Philippines may abolish or create offices; split, group, or merge offices; transfer functions, equipment, properties, records, and personnel in accordance with existing law; and take such other actions necessary to carry out the purposes of this Act: *Provided*, That there is no resulting diminution of the present salaries and benefits of the personnel of the agencies and any official or employee who may be terminated from employment by reason of the reorganization is entitled to such benefits as may be provided by existing retirement laws, in coordination with the Commission on Audit (COA) and the Civil Service Commission (CSC).

SEC. 7. Powers and Functions of the Traffic Chief. — The Traffic Chief shall have the following powers and functions during the effective period of this Act:

(a) Formulate, coordinate and monitor policies, standards, programs, and projects to rationalize the existing public transport operations, infrastructure requirements, the use of thoroughfares, and promotion of safe and convenient movement of persons and goods;

(b) Administer and implement all traffic enforcement operations, traffic engineering services, and traffic education programs;

(c) Issue, enact, review, harmonize, amend, revise, revoke, or repeal existing traffic regulations, policies, ordinances, orders, and circulars issued and enacted by the covered agencies to promote efficient mobility in the three (3) metropolitan areas. Such issuances and enactments shall specifically address, among others:

(1) Licensing, operation and regulation of PUVs and registration and regulation of private vehicles;

(2) Testing and licensing of drivers;

(3) Clearing of sidewalks and side streets;

(4) Regulation of street parking of vehicles;

(5) Enforcement of setbacks and construction of driveways, especially on main thoroughfares;

(6) Establishment and operation of transport terminals and removal of illegal terminals on the road;

(7) Regulation of licensing of, and commencement and operation of businesses with direct negative impact on traffic flow; and

(8) Closure of or imposition of monetary and other penalties on businesses that consistently or continuously impede traffic for, among others, failure to provide sufficient parking to customers, adequate ingress and egress for PUVs, and the required setback on streets and main thoroughfares.

(d) Modify, amend, or expand the functions and authority of any of the covered agencies and officers in relation to matters affecting land-based traffic as approved by the President of the Philippines;

(e) Ensure a single traffic coordinator in each of the metropolitan areas and establish and implement therein a comprehensive and unified road use plan and a unified traffic management system to be followed by all component LGUs, by harmonizing the provisions of the following existing laws related to traffic

management, road use, and all rules, regulations, ordinances, and orders duly issued and implemented by the covered agencies pursuant to such laws:

- (1) Republic Act No. 7160 or the "Local Government Code of 1991
- (2) Republic Act No. 6975 or the "Department of the Interior and Local Government Act of 1990";
- (3) Republic Act No. 7924 or An Act Creating the Metropolitan Manila Development Authority;
- (4) Republic Act No. 4136 or the "Land Transportation and Traffic Code"; and
- (5) Executive Order No. 292, as amended or the "Administrative Code of 1987";
- (f) Enforce all traffic laws and regulations in the metropolitan areas, enlisting and deputizing for the purpose, members of the PNP-HPG, traffic enforcers of LGUs, duly licensed security guards, or members of nongovernmental organizations to whom certain authority may be delegated, subject to such conditions and requirements as the Traffic Chief may impose;

(g) Review, modify, override, or cancel franchises, concessions, contracts, permits, and license issued by any of the covered agencies of component LGUs, as well as the rules of procedures for awarding such;

(h) Establish and administer within each of the metropolitan areas a single ticketing system which shall fix, impose, and collect unified, graduated fines and penalties for all kinds of violations of traffic rules and regulations, whether moving or non-moving in nature; and

(i) Confiscate, suspend, or revoke driver's licenses for violations of traffic laws and regulations, the provisions of Republic Act No. 4136, Presidential Decree No. 1605, granting the Metropolitan Manila Commission certain powers related to traffic management and control in Metropolitan Manila, and Republic Act No. 7924 to the contrary notwithstanding.

In the interest of efficiency, the Traffic Chief may delegate any of the *aforementioned powers and authority to the MMDA, the Metropolitan Cebu Traffic Coordinating Council, or to the Davao Traffic Administrator.*

The Traffic Chief, the Undersecretaries, Assistant Secretaries, and Directors of the DOTr, and officers of the MMDA, Cebu Traffic Coordinating Council Coordinator, and the Davao Traffic Administrator shall be required to take at least once a week of mode of public transportation, whether land, rail, or maritime, primarily used by the masses, in order to monitor the traffic crisis during the effectivity of this Act.

SEC. 8. Comprehensive Traffic Rule Handbook. — The Traffic Chief, in coordination with the covered agencies, shall develop and issue a comprehensive traffic rules and regulations handbook for the metropolitan areas which, among others, identifies traffic-related violations and offenses and imposes corresponding graduated penalties, including the following:

- (a) Reckless driving;
- (b) Obstruction of roads and intersections
- (c) Counterflow;
- (d) Lack of or inadequate parking spaces, setback, or driveway;
- (e) Illegal loading and unloading of passengers or cargo; and
- (f) Such other traffic violations that may be determined by the Traffic Chief to be contrary to the policies set forth by this Act.

The final list of traffic violations and corresponding penalties shall be submitted to the JCOC, created under Section 12 hereof, with ninety (90) days from the effectivity of this Act.

SEC. 9. Metropolitan Cebu Traffic Coordinating Council. — There shall be established a Metropolitan Cebu Traffic Coordinating Council, hereinafter to be referred to as the Council, which shall be the sole and central authority for land-based traffic in Metropolitan Cebu. The decisions of the Council shall be made by a majority vote of its members in a meeting called for the purpose, there being a quorum. The Council shall be composed of the local chief executives of component LGUs of Metropolitan Cebu. It shall convene with fifteen (15) days from the effectivity of this Act and, within the same period, appoint a Metropolitan Cebu Traffic Coordinator who must be a resident of Metropolitan Cebu, and must possess the appropriate academic background and work experience on land transportation and traffic management.

In case of the Council's failure to appoint a Metropolitan Cebu Traffic Coordinator, the Traffic Chief shall immediately appoint one. Upon the appointment by the Council or the Traffic Chief, as the case may be, the Metropolitan Cebu Traffic Coordinator, as *alter ego* of the Traffic Chief, shall head the Council.

The component LGUs of Metropolitan Cebu and Davao City shall set aside funds from any available local revenues to fund the creation of the Council and the Metropolitan Davao Traffic Administrator.

SEC. 10. Davao Traffic Administrator. — The Traffic Chief shall, in consultation with the component barangays of Davao City, appoint the Davao Traffic Administrator, who must be a resident of Davao City and must possess the appropriate academic background and work experience on land transportation and traffic management.

SEC. 11. Policy-Making Power of the MMDA, the Council, and the Davao Traffic Administrator. — The MMDA, the Council, and the Davao Traffic Administrator, with the approval of the Traffic Chief, shall set the policies on land-based traffic and road use in their respective metropolitan areas, and shall coordinate and regulate the implementation of all programs and projects on traffic management pertaining to enforcement, engineering and education.

Upon the request of the Traffic Chief, the MMDA, the Council, or the Davao Traffic Administrator, all other government agencies, LGUs and offices involved in traffic management and enforcement shall provide personnel and logistical support, among other forms of assistance.

SEC. 12. Joint Congressional Oversight Committee. — There is hereby created a Joint Congressional Oversight Committee (JCOC) tasked with the monitoring of the implementation of this Act during the effectivity of this Act:

The JCOC shall be composed of the following members:

- (a) Senate President;
- (b) Speaker of the House of Representatives;
- (c) Chairperson of the Committee on Public Services of the Senate;
- (d) Chairperson of the Committee on Transportation of the House of Representatives;
- (e) Chairperson of the Committee on Finance of the Senate;
- (f) Chairperson of the Committee on Appropriations of the House of Representatives;
- (g) Member of the Committee on Public Services of the Senate; and

(h) Member of the Committee on Transportation of the House of Representatives.

The JCOC shall constitute an Executive Committee (ExeCom), to be headed by an Executive Director, who shall oversee the day-to-day coordination with the concerned public officers and stakeholders.

The JCOC shall hold bimonthly meetings which shall be hosted alternately by the Senate and the House of Representatives. Any action or decision of the JCOC as mandated under this Act must be approved by a majority of its members at a duly constituted meeting where a quorum is present throughout.

The Traffic Chief shall submit a monthly report to the JCOC on the efficiency and effectiveness of the measures undertaken to implement this Act and alleviate the traffic crisis. The JCOC shall conduct ocular inspections of the priority projects at least once per quarter.

Upon the expiration of the term of the JCOC, which shall be coterminous with the effectivity period of this Act, the JCOC shall submit a comprehensive report to Congress on the implementation of this Act and shall recommend appropriate measures to ensure the continued effective regulation and management of land traffic within the metropolitan areas and their surrounding areas.

SEC. 13. Traffic Management Plan. — The Traffic Chief shall, in consultation with the affected private stakeholders, the MMDA, the Council, and Davao Traffic Administrator, as the case may be, formulate a separate Traffic Management Plan (TMP) for each of the metropolitan areas.

The TMP must sufficiently detail the concrete steps to be taken to immediately and effectively alleviate the traffic crisis in the metropolitan areas in a measurable or quantifiable manner. The TMP shall include the following minimum components:

(a) Organizational structure allocating the respective duties and responsibilities of the covered agencies for traffic management and regulation, including traffic law enforcement;

(b) Route rationalization of PUVs, as provided in Section 15 of this Act;

(c) Promotion of sustainable transport including the setting up of bicycle lanes,

(d) Coordinated, odd-even, number coding or other vehicle volume reduction scheme throughout the metropolitan areas;

(e) Synchronized truck ban throughout the metropolitan areas;

(f) Creation of a traffic flow system, including identification and designation of one-way streets and u-turn slots;

(g) Identification of friendship routes and private village or subdivision roads to serve as alternate or secondary routes;

(h) Designation of PUV terminals including the relocation of existing or removal of illegal terminals;

(i) Removal of traffic signs and PUV stops which block or encroach upon the right-of-way to or along major thoroughfares;

(j) Prohibition against and designation of parking areas on certain roads;

(k) Clearing of sidewalks and determination of the need for elevated crosswalks and their suitable locations which must be integrated to the designated PUV terminals and bus stops, and the design for such crosswalks which should be sustainable, safe, and convenient and accessible to persons with disability;

(l) Efficient and coordinated waste and flood management;

(m) Comprehensive traffic rules and regulations handbook which identifies traffic-related violations and offenses and imposes corresponding graduated penalties;

(n) Single ticketing system, including procedures on the confiscation, suspension, or revocation of driver's licenses for violations of traffic laws and regulations;

(o) Traffic system for roads leading to airport terminals and ports in the three (3) metropolitan areas

(p) Procedures for the expeditious reporting, processing and clearing of vehicular accidents to avoid vehicular congestion, including among others, the requirements for the filing of the police report or other traffic investigation reports: *Provided*, That digital photographs shall be considered as sufficient and acceptable basis of such reports or any other report of similar nature as may be allowed by the Insurance Commission for processing of insurance claims;

(q) A clear policy on ridesharing or carpooling technologies and other traffic management programs; and

(r) A Clark Airport Development Plan, to be developed in coordination with the Clark International Airport Corporation, Clark Development Corporation, Department of Tourism (DOT), Bases Conversion and Development Authority (BCDA), Philippine Overseas Employment Administration (POEA), and the Regional Development Council (RDC).

Except for the route rationalization plan for PUVs, which must be studied and completed within eight (8) months from the effectivity of this Act, the TMPs must be completed within ninety (90) days from the effectivity of this Act. At such time, the Traffic Chief shall submit the TMPs to the JCOC.

The TMP shall be updated at least once every year, and even after the lapse of the effectivity of this Act.

SEC. 14. Friendship Routes. — The Traffic chief, in coordination with the component LGUs, shall identify the private subdivision or village roads which shall be designated as friendship routes and shall serve as additional access points and secondary channels for road traffic.

The procedures and standards for the establishment of friendship routes are as follows:

(a) Conduct of two (2) public consultations with the affected private village residents;

(b) Reasonable determination that there are no other available public route other than the proposed friendship route;

(c) Implementation by government of other remedial measures such as road clearing and sidewalk clearing in the contiguous or adjacent public roads; and

(d) Exercise by a private road owner of the option to impose toll fees in the form of selling pass-through stickers to pay for road maintenance and security, without prejudice to the government's right to expropriate the private road if it is deemed to be in the best interest of the public.

The friendship routes shall be open to the public only during the effective period of this Act. The opening and public use of any such friendship route may be extended by the Traffic Chief subject to the determination that the necessity for the use of such additional access road still exists beyond the duration of this Act and the observance of the maximum procedures and standards set forth in this section.

SEC. 15. Route Rationalization for Public Utility Vehicles. — There shall be established a Route Rationalization Plan for PUVs which shall be submitted to the JCOC not later than eight (8) months from the effectivity of this Act. It shall include the following minimum components:

(a) Procedure for integration of different transportation modes into a unified public transport infrastructure network;

(b) Identification of the various primary, secondary, and ancillary routes, with the corresponding determination of the primary and secondary routes' measured capacity based on the passenger demand and the destination of the demand during certain times of the day, with particular focus on traffic rush hours and road size;

(c) Determination of the size, type, and number of PUVs including double-decker bus, articulated bus, minibus, jeepney, Asian utility vehicle, multicab, and tricycle appropriate to a particular route's measured capacity.

(d) Determination of the applicable fares per type of PUV for each of the identified routes; and

(e) Design, roll-out, and maintenance of unified or single dispatching mechanism with minimum safe headway between PUVs.

SEC. 16. Revocation and Modification of PUV Franchises and Permits. — The Traffic Chief, upon consultation with the LTFRB and other relevant covered agencies and the conduct of public hearings, may revoke or modify a PUV franchise to conform to the viable capacity of a certain route.

Upon determination of the optimal number of PUVs in a route and that such route requires larger PUVs, the Traffic Chief shall, through the LTFRB, restrict the issuance of PUV franchise to operators employing PUVs with the appropriate capacity to serve the route. Any previously issued PUV franchise covering smaller capacity PUVs, such as tricycles and pedicabs, shall be revoked within a period of (6) months after the publication of the notice of revocation in a newspaper of general circulation in the locality and the posting of such notice for four (4) consecutive weeks in the concerned barangay, city and municipal halls.

No cancellation of franchise shall take place without compensation to PUV operators and proper social support mechanisms provided to the displaced workers in accordance with Sections 22 and 23 of this Act.

SEC. 17. Suspension of PUV Franchising Authority. — The power of LGUs in the metropolitan areas to issue franchises to *padyak*, tricycles, and all other PUV units as provided in the Local Government Code is hereby suspended during the effective period of this Act.

The Traffic Chief, or upon delegation, the LTFRB, can revoke or revise the franchise previously issued by LGUs to tricycles and other forms of PUVs. A franchise may not be cancelled without compensation to the concerned PUV operator in accordance with Section 22 of this Act. Likewise, workers displaced by the cancellation of a franchise shall be socially alleviated in accordance with Section 23 of this Act.

After the effective period of this Act, and upon resumption of the LGUs' franchise-issuance power under the Local Government Code, the LTFRB shall:

(a) Designate the particular routes in the metropolitan areas which tricycles, pedicabs, and other small PUVs can ply and for which the LGUs may issue the appropriate franchise. Such routes shall be limited to secondary and tertiary roads, which are not serviceable by bigger PUVs such as jeepneys or minibuses; and

(b) Set the maximum number of PUV franchises that an LGU may issue for each particular route. All PUV franchises to be issued by the LGUs shall be automatically reviewed by the LTFRB.

The exercise of the LGU's power to issue franchises to PUVs and the franchises shall be subject to review and amendment by the DOTr, through the LTFRB.

SEC. 18. *Government Take-Over of the Operations of a PUV Franchise.* — In accordance with Section 17, article XII of the 1987 constitution, the Traffic Chief may take over or direct the operation of any PUV franchise as may be necessary to implement this Act and related rules and regulations. To the extent feasible, the management of such PUV franchises shall be directed and supervised by the Traffic Chief, or the latter's designated representative. The Traffic Chief shall render a full accounting to the President of the Philippines and the JCOC of the operations of such transportation services taken over. *Provided*, That whenever the President or the Traffic Chief shall determine that the further use of operation by the government of such PUV franchise or enterprise is no longer necessary under existing conditions, the same shall be restored to the person entitled to the possession thereof.

SEC. 19. *PUV Operator Obligations and Responsibilities.* — A PUV driver shall work no more than twelve (12) hours per shift within a twenty-four (24) hour period. The Department of Labor and Employment (DOLE) shall determine the appropriate work shift for the different classes of PUVs.

A PUV Operator must ensure compliance with all labor laws and standards, including the payment to drivers of a minimum prescribed monthly salary based on applicable laws and regulations. For this purpose, the DOLE and the LTRFB shall, within sixty (60) days from the effectivity of this Act, complete a wage study to determine, among others, the different minimum wages appropriate and applicable based on the type of PUV driven by covered drivers. The study shall be submitted to the JCOC upon completion.

All public transit operators, including taxi operators, must maintain and update in a publicly accessible website, a list of all drivers in their employ and their respective professional driver's license details, as well as information on their franchise number or LTRFB case number and the vehicles or units owned and operated by the PUV operator under its franchise, including the chassis numbers of said vehicles.

Failure of the PUV franchise to disclose complete and accurate information regarding its professional drivers and franchised units shall be a sufficient ground for the revocation or suspension of such franchise, depending on the gravity of the nondisclosure or misrepresentation.

SEC. 20. *Traffic Impact Plan.* — During the effective period of this Act, the Traffic Chief, in coordination with the LGUs and other relevant covered agencies shall:

(a) Prescribe the rules, regulations, and standards for large mixed-use property developments to ensure adherence to best practices for long-term sustainability, avoid disturbance to adjoining communities and public convenience, and to minimize adverse environmental impact; and

(b) Prescribe rules, regulations, and development standards to optimize and rationalize land use and transportation development to promote urban dispersal to decongest the metropolitan areas and provide direction to urban growth and expansion.

SEC. 21. *Development Clearance Certificate.* — The Traffic Chief shall pass upon and approve or disapprove all plans, programs, and projects proposed by LGUs, government offices and agencies within the metropolitan areas, the Department of Public Works and Highways (DPWH), public corporations, and private persons or

enterprises where such plans, programs or projects, including expansion or rehabilitation of existing infrastructure are either located along any of the radial or circumferential roads and their respective arterial roads within or leading into or out of the metropolitan areas or any other road, street, or thoroughfare as may be identified by the Traffic Chief, or are determined to have potential adverse effects on traffic flow, movement, or management of any of the roads, streets, or thoroughfare as identified herein, regardless of their location in the metropolitan area.

The approval of the Traffic Chief shall take the form of a development clearance certificate that shall be issued prior to any land development and shall be in lieu of all other permits such as those issued by the MMDA and the LGUs, except the Environmental Compliance Certificate issued by the Department of Environment and Natural Resources (DENR) or the Environmental Management Bureau. The Traffic Chief shall issue the development clearance certificate within a non-extendable period of five (5) working days from the submission of any plan, program or project to be undertaken within the relevant metropolitan area and the required supporting documents, otherwise the latter shall be considered approved.

Among other criteria, the Traffic Chief and the LGU concerned shall ensure compliance with the Traffic Impact Plan, the mandated setbacks, provisions for sufficient vehicle parking and other requirements of the National Building Code and other applicable statutes prior to the issuance of the Development Clearance Certificate.

The Traffic Chief, or any duly designated agent or representative is hereby empowered to institute necessary legal proceedings before the Special Traffic Crisis Court to be created under Section 34 of this Act, against any person who shall commence or continue the implementation, without previous clearance from the Traffic Chief under this section, of any plan, program or project within the relevant metropolitan area: Provided, That any local government office, agency, public corporation, private person, or enterprise whose plans, programs, or projects have been disapproved by the Traffic Chief may, within fifteen (15) days from receipt of such disapproval, appeal such decision to the Office of the President, whose decision on the matter shall be final: Provided, further, That the expansion plans of existing developments shall be considered as new plans subject to the review of the Traffic Chief.

SEC. 22. Compensation to PUV Operators. — Public transportation operators whose franchises are revoked or modified as a consequence of the policies carried out pursuant to this Act, such as the shortening of routes, reduction of covered PUV units, shall be compensated based on the number of units affected or rendered redundant.

Compensation shall be based on depreciated value of the units affected, upon presentation of the actual unit and validation that the unit and its chassis numbers are included in the list of registered vehicles that have been issued a Certificate of Public Convenience and Necessity (CPCN).

Likewise, loss of income shall also be compensation based on the average annual income generated by that unit from a particular route, as evidenced by the affected parties' official receipts and income tax returns filed in the last three (3) preceding years. The one-time compensation for the loss of income shall be equivalent to such annual average income and shall be exempt from income and other taxes.

The benefit of compensation under this section, may be availed only if the franchise holder, within the five (5)-year period immediately preceding the revocation,

has fully complied with all statutory and regulatory requirements pertaining to the operation of its PUVs and the exercise of its privileges under its franchise, and does not have any derogatory record with the LTFRB, MMDA, LGU, or any other relevant government agency or office.

SEC. 23. Social Support Mechanisms. — Drivers, driver's assistants, mechanics, and other employees of a PUV operator affected by a revocation or modification of franchise is entitled to financial assistance and other social support services in the following forms:

(a) The Department of Social Welfare and Development (DSWD) shall extend financial assistance using funding from available social protection programs and services. The DSWD shall report the availability of such programs and any disbursement made to the JCOC. In coordination with the LGUs, the LTFRB shall identify under oath the displaced employees based on eligibility and profiling requirements. Upon identification, the employee shall be included and immediately be classified as qualified persons under the available social protection programs of the DSWD;

(b) The Technical Education and Skills Development Authority (TESDA) shall prioritize the training of affected employees in its training courses to empower them to pursue alternative gainful employment or source of livelihood;

(c) The DOLE and the POEA shall obtain a list of displaced professional drivers and mechanics and shall assist them in looking for employment, whether here or abroad;

(d) Displaced employees shall be entitled to separation pay as mandated under the Labor Code of the Philippines; and

(e) The legal dependents of affected employee shall be qualified for scholarships from the government. In accordance with the applicable rules and regulations of the DSWD, the Department of Education (DepEd), or the TESDA.

SEC. 24. Professional Driver's Examination. — Effective January 1, 2019, licensed professional drivers operating PUVs in the metropolitan areas must undergo testing and examination prior to the issuance of new professional driver's licenses. The test shall be specifically designed for the type of vehicle that the driver intends to operate. The LTO shall administer the retesting free of charge.

Professional drivers operating PUVs within the metropolitan area who are found to have not complied with this requirement will have their professional driver's licenses revoked and shall be banned from driving professionally for a period of two (2) years.

The LTO shall coordinate with established driving schools that have existed, operated, and have been in good standing for at least ten (10) years, in preparing the written and driving test appropriate to the vehicle and route the applicant intends to operate. The LTO is hereby authorized to accredit established driving schools to conduct the professional driver's examination.

Only drivers who have passed the new LTO test and provided a suitable bond as may be required by the LTO, shall be allowed to operate PUVs in the areas covered by this Act.

New driver's license cards with special determinable features shall be issued to professional drivers corresponding exclusively to the type of PUVs they have been tested for and the metropolitan area where they will be licensed to drive. Such driver's license may not be used to lawfully operate any other type of PUV in any other area or locality.

SEC. 25. Roadworthiness. — Within ninety (90) days from the effectivity of this Act, the LTO shall conduct roadworthiness testing of all PUVs operating within the metropolitan areas. The testing shall cover the following:

- (a) Emission testing;
- (b) Chassis stability and actual capacity as determined by the manufacturer
- (c) Working headlights, break lights, and signal lights; and
- (d) Other testing that may be done by the LTO using equipment that it presently has.

The Secretary of the DOTr, or upon delegation, the LTO, shall work with established vehicle manufacturers to determine and conduct the appropriate roadworthiness test and vehicle limitations such as number of passengers and load limits per type of vehicle. Vehicle manufacturers possessing equipment to determine roadworthiness of certain types of PUVs can be accredited for this purpose.

New license plates or stickers that make the existing license plates of PUVs discernible shall be issued to PUVs that have passed the roadworthiness test and shall be authorized to operate within the metropolitan areas. The license plate shall authorize the PUV to operate only within the designated metropolitan area.

Noncompliance by a PUV operator with the requirement of roadworthiness testing shall be penalized with the cancellation of the unit's franchise, immediate impounding, and a fine of not more than ten thousand pesos (P10,000.00)

In the event that the LTO is unable to accredit private vehicle manufacturers and dealers to conduct the roadworthiness testing of vehicles, the LTO shall directly conduct such testing in the metropolitan areas.

SEC. 26. Financial Assistance to PUV Modernization. — The Development Bank of the Philippines (DBP) shall reserve funds to facilitate the improvement and enhancement of PUVs in the metropolitan areas.

The DBP shall extend financial assistance to existing public transportation operators with valid franchise to enable them to modernize their units. It shall provide financial to qualified applicants at preferred rates and shall report to the JCOC on the funding made available to support the implementation of this section.

The DBP can only offer this loan facility for procurement of vehicles with engines that are Euro 4-compliant, hybrid, fully electric-powered or those which are more environment-friendly: *Provided*, That the said vehicles are accessible to persons with disability.

SEC. 27. Priority Projects. — Pursuant to the enumerated policies of this Act, it is hereby declared and recognized that the traffic crisis is in the nature of a man-made calamity or catastrophe; that time is of the essence and immediate action is urgently necessary to prevent further damage to the national economy, public health, and social welfare or loss of life and property as a result of the traffic crisis; and that there is urgent necessity as well to restore, improve, and make accessible vital public transportation services, infrastructure, and facilities.

As such, the traffic crisis is declared to be an emergency case, as defined in Section 53 of Republic Act No. 9184 or the Government Procurement Reform Act (GPRA) and Section 53.2 of its Implementing Rules and Regulations (IRR). In accordance with Republic Act No. 9184, the President of the Philippines, through the Traffic Chief, is hereby authorized, during the effective period of this Act and without prejudice to the use of other available procurement methods under the GPRA, to enter into negotiated contracts for priority projects for the construction, repair, restoration, rehabilitation, improvement, or maintenance of critical infrastructure,

projects, and facilities, and any directly related procurement of goods or services, subject to the following requirements and conditions:

(a) The priority projects must be aimed to immediately and effectively alleviate the traffic crisis, thereby promoting public interest;

(c) The Traffic Chief, in coordination with the covered agencies, must submit a list of priority projects to the JCOC together with their respective description, the budgetary estimates, identification of necessary rights-of-way, and other salient features, within ninety (90) days from the effectivity of this Act.

The bidding or procurement of priority projects submitted to the JCOC shall be conducted by the Procurement Service of the Department of Budget and Management (PS-DBM). The procurement method or negotiated contract process resorted to for any procurement related to the certified priority projects must be complete, clear, transparent, and in accordance with Republic Act No. 9184.

The contracts for projects to be carried out pursuant to and in accordance with this Act shall be awarded only to contractors or project proponents with:

- (1) Proven competence in, capability and experience with similar projects;
- (2) Competent and qualified key personnel and sufficient and reliable equipment and facilities;
- (3) Sound financial capacity; and
- (4) Legal capacity consistent with Republic Act No. 9184 and its IRR.

All awarded priority projects shall be subject to existing government auditing rules and regulations governing negotiated contracts.

Contracts or concession agreements covering the priority projects shall have no confidentiality clause, except with respect to matters protected by the intellectual Property Code of the Philippines. In case of technology-related priority projects, the terms of reference (TOR) and contract or agreement must explicitly provide for technology transfer and assignment of any and all source codes to the DOTr.

SEC. 28. Priority Projects, Disclosure Mechanism. — The list of priority projects and their pertinent details shall be published in a newspaper of general circulation within the metropolitan area concerned within (15) days from submission to the JCOC. In addition, the said list shall also be published with its own separate category in the Philippine Government Electronic Procurement System (PhilGEPS) established under Republic Act No. 9184.

SEC. 29. Rescission or Nullification of Contracts. — Contracts covering the priority projects and any other procurement of goods and services resorted to in furtherance of this Act shall be subject to rescission in accordance with Article 1191 of the Civil Code of the Philippines or shall be declared null and void if found to be manifestly and grossly disadvantageous to the government, whether or not the public officer involved profited or will profit thereby. Any action for such rescission or declaration of nullity shall fall within the exclusive jurisdiction of the Special Traffic Crisis Courts to be created under Section 34 of this Act and shall be initiated only upon the recommendation of the Traffic Chief.

Sufficient funds shall be appropriated to answer for any compensation and damages that may be adjudicated to the counterparties.

SEC. 30. Suspension of Statutes Otherwise Applicable to Priority Projects. — To promptly address the traffic crisis, the following are hereby temporarily suspended throughout the effectivity of this Act, but only insofar as they apply to the priority projects under this Act:

(a) Provisions of the Local Government Code requiring prior consultation with, and approval of LGUs, with respect to traffic-related projects within their respective localities; and

(b) Provisions of the Labor Code of the Philippines requiring clearance and permits for the employment of foreigners, specifically foreign technicians and experts working in traffic-related projects.

SEC. 31. *Liability for Priority Projects.* — The following persons may be held liable for noncompliance with Republic Act No. 9184 and other applicable statutes and violations against the provisions of this Act in relation to the implementation of priority project contracts:

- (a) DOTr Secretary;
- (b) DOTr Undersecretary responsible;
- (c) Chief Executive Officer of President of private concessionaires;
- (d) Directors of private concessionaires; and
- (e) Persons directly involved in the implementation of the projects.

The liability of the above persons for the violation of Republic Act No. 9184 shall be incurred without prejudice to any criminal liability under any other laws or statutes, such as the Revised Penal Code, Republic Act No. 3019 or the Anti-Graft and Corrupt Practices Act, and Republic Act No. 6713 or the Code of Conduct and Ethical Standards for Public Officials and Employees.

Presentation or submission to the JCOC of the priority projects shall not exempt the responsible officials and private persons from criminal or administrative liability if it is duly proven that they have engaged in acts that influenced the determination of and award to the winning concessionaire or violated any provision of other applicable statutes.

SEC. 32. *Review of Existing Contracts and Concessions.* — The Traffic Chief, in coordination with the covered agencies, shall review contracts, permits, and licenses entered into or issued by any of the covered agencies within the metropolitan areas or component LGUs for the purpose of determining whether they contribute to the alleviation of the traffic crisis and are advantageous to the government, and the level of compliance of the other party or grantee with its statutory and contractual undertakings and obligations.

The review must be completed within forty-five (45) days from the effectivity of this Act.

Within sixty (60) days from the effectivity of this Act, the Traffic Chief shall submit to the JCOC a list of contracts and concessions that may be the subject of modification, revocation, rescission, or nullification.

Upon submission to the JCOC, the Traffic Chief, or the duly designated representative may initiate any action necessary to effect the modification, revocation, rescission, or nullification of the identified contracts and concessions.

SEC. 33. *Power of Eminent Domain.* — The Traffic Chief shall reasonably exercise the power of eminent domain for right-of-way acquisition or expropriation of private property necessary for priority projects, including the construction, rehabilitation or maintenance of infrastructure projects, road widening, and clearance on the construction of road setback.

For the approved priority projects to be implemented under this Act, the DOTr and the relevant covered agencies must determine whether it is appropriate to lease real property to facilitate a temporary right-of-way necessary for the construction of

temporary terminals until permanent ones are constructed, or to purchase or expropriate land for right-of-way purposes.

The rules and procedure prescribed under Republic Act No. 10752 or "The Right-of-Way Act" for the negotiated sale or expropriation of a right-of-way shall apply to the priority projects.

Government financial institutions shall issue for a reasonable fee the appraisal and valuation report for the private property to be expropriated for the priority projects.

SEC. 34. *Special Traffic Crisis Court.* — There shall be created a Special Traffic Crisis Court in each of the metropolitan areas. The Special Traffic Crisis Court have exclusive jurisdiction to hear and expeditiously resolve all actions that may emanate from the implementation of this Act. These cases include the:

(a) Legality or constitutionality of priority projects, programs, policies, rules and regulations to be implemented under this Act;

(b) Bidding and award of a priority project and the nullification or rescission of contracts covering such priority projects;

(c) Necessary right-of-way acquisition for the priority projects;

(d) Relocation of utilities or facilities and of informal settlers to implement the priority projects;

(e) Opening of private village gates necessary to provide alternate routes or friendship route throughout the effectivity of this Act;

(f) Termination or amendment of PUV franchises;

(g) Violations involving the implementation of any plan, program, and project without the requisite Development Clearance Certificate; and

(h) Criminal violations penalized under this Act, unless they fall within the exclusive jurisdiction of the Ombudsman and/or Sandiganbayan.

All judicial actions arising from the implementation or violation of this Act must be heard in accordance with the Supreme Court's guidelines on continuous trials.

Resolutions, orders, and decisions issued by the Special Traffic Crisis Court may not be enjoined unless by a temporary restraining order or writ of preliminary injunction issued by the Supreme Court.

Where an action for expropriation of private property is necessary for a priority project, the government is entitled to the immediate issuance of a writ of possession over the subject private property upon presentation of an appraisal report issued by a government financial institution, and the deposit of just compensation set at one hundred twenty percent (120%) of fair market value. Right-of-way cases shall be resolved within thirty (30) days from filing with the Special Traffic Crisis Court.

All right-of-way and expropriation cases pending in other courts that will affect any priority project shall immediately be transferred to the Special Traffic Crisis Courts for immediate resolution.

SEC. 35. *Temporary Restraining Order (TRO).* — In the implementation of this Act and except as otherwise provided herein, no other court other than the Supreme Court may issue a TRO or preliminary injunction against the government or any of its subdivisions, officials, or any person or entity, whether public or private acting under government direction, to restrain, prohibit or compel the following acts:

(a) Bidding out or procurement of the priority projects, including infrastructure projects, software or information technology components and

attendant acquisition of necessary goods and consulting services, as identified by the Traffic Chief and submitted to the JCOC;

(b) Acquisition, clearance, and development of the right-of-way or site of location of any transportation project identified by the Traffic Chief and submitted to the JCOC;

(c) Commencement, prosecution, execution, implementation, and operation of any transportation project;

(d) Termination or cancellation of any transportation project;

(e) Opening of private village gates necessary to provide alternate routes throughout the effective period of this Act;

(f) Termination or amendment of PUV franchises; and

(g) Undertaking or authorization of any other lawful activity necessary for any transportation project.

Upon their creation, the Special Traffic Crisis Courts shall have the power to issue TROs and preliminary injunctions on matters enumerated herein.

SEC. 36. *Actions of the Commission on Audit and the Civil Service Commission.*

— The COA and the CSC shall resolve issues arising from the implementation of this Act falling within their constitutional and statutory jurisdiction within thirty (30) days from their cognizance of such issues.

The COA and the CSC shall monitor the implementation of this Act, immediately determine possible issues, and recommend measures to rectify such issues.

SEC. 37. *Publication of Information.* — The DOTr must maintain a separate website for the publication of complete accurate information regarding the implementation of this Act. The website should contain information on:

(a) All traffic-related policies, rules, and regulations with updates on all new issuances;

(b) The TMP and its updates;

(c) Information on traffic data and projects;

(d) Information on the priority projects and policies that are being or intended to be implemented under this Act;

(e) Status of priority projects during bidding or negotiation, award, and implementation;

(f) Project budget and implementation status including right-of-way acquisition;

(g) Cost of each project indicating the specific source of funds and the breakdown of allocations;

(h) Terms of reference of the priority projects, including the terms and conditions of any applicable concession agreements;

(i) Detailed minutes of meetings including pre-bid and negotiations, during bidding and awarding of projects;

(j) Master list of all franchised and licensed public transit operators in the metropolitan areas, with the names and license details of their PUV drivers and the brands, types, models and chassis numbers of the vehicles covered by the respective franchises;

(k) List of public officials involved in the implementation of the priority projects, including the statement of assets, liabilities, and net worth of public officials involved in the bidding and negotiation of priority projects;

- (l) List of consultants and contractors engaged for the priority projects with sworn statement on previous employment, projects undertaken, and experience; and
- (m) Centralized database for traffic violations.

SEC. 38. *Protection Against Law Suits.* — Public officers involved in the implementation of policies and priority projects covered by this Act shall be insured against litigation by the Government Service Insurance System (GSIS) in the event that the Office of the Solicitor General or the Office of the Government Corporate Counsel is not authorized to represent them. The concerned public officer shall obtain the needed insurance coverage from the GSIS and hire legal counsel, unless the GSIS itself determines that such official has clearly violated the laws.

SEC. 39. *Penalties for Violations Under this Act.* — As part of the TMP, the Traffic Chief, in coordination with the MMDA, Council, and Davao Traffic Administrator, shall, within the metropolitan areas:

- (a) Formulate and administer a single ticketing system;
- (b) Fix, impose and collect graduated fines and penalties for all kinds of violations of traffic rules and regulations, whether moving or non-moving in nature; and
- (c) Confiscate and suspend or revoke driver's licenses in the enforcement of such traffic rules and regulations.

Any violation of or noncompliance with this Act that qualifies as a criminal offense under the Revised Penal Code or any special penal act shall be subject to the penalties of imprisonment or fine as stipulated in such other laws: *Provided*, That the maximum applicable penalty shall be imposed for violations of this Act. Convicted public officers shall, in addition to penalties imposed, be removed from the office and be perpetually disqualified from holding any public office.

The resolution of any administrative complaint against a public officer *pertaining to the performance of functions under this Act, including malfeasance, misfeasance, and nonfeasance* in relation to a particular priority project, program, policy, or the implementation of this Act shall not absolve the erring public officer concerned from criminal liability under this Act or any other applicable penal statute.

SEC. 40. *Appropriation of Funds.* — The amount needed for the implementation of this Act shall be taken from:

- (a) The Motor Vehicle User's Charge Special Vehicle Pollution Control Fund created under Section 7 of Republic Act No. 8794 or the "Anti-Overloading Act of 2000"; and
- (b) Current fiscal year's appropriation of the agencies involved in the implementation of this Act.

Thereafter, the amount needed for the implementation of this Act shall be included in the annual General Appropriations Act.

SEC. 41. *Traffic Education.* — The DOTr, LTO, LTFRB, DepEd, and TESDA shall jointly develop a program for driver's education and for road and pedestrian etiquette education that shall be incorporated as a mandatory subject in the senior high school curriculum.

SEC. 42. *Separability Clause.* — In the event that any provision of this Act is declared unconstitutional, invalid, or illegal, the constitutionality, validity, or legality of the remaining provisions of this Act shall not be affected thereby.

SEC. 43. *Repealing Clause.* — Pertinent provisions of the following laws which are inconsistent with this Act are hereby repealed or amended accordingly:

- (a) Sections 21, 25, 447, 458, and 468 of the Local Government Code of 1991;
- (b) Republic Act No. 6975, Department of the Interior and Local Government Act of 1990;
- (c) Batas Pambansa Blg. 129, The Judiciary Reorganization Act of 1980;
- (d) Republic Act No. 7924, MMDA Charter;
- (e) Presidential Decree No. 1112, Toll Regulatory Board Charter;
- (f) Republic Act No. 4136, Land Transportation and Traffic Code;
- (g) Republic Act No. 9184, Government Procurement Reform Act;
- (h) Section 7 of Republic Act No. 8794, creating the Motor Vehicle User's Charge; and
- (i) Presidential Decree No. 612, as amended, or Insurance Code of the Philippines.

SEC. 44. *Effectivity.* — This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,