

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

FIFTEENTH CONGRESS
First Regular Session

House Bill No. 299

Introduced by **Honorable Roilo Golez**

EXPLANATORY NOTE

The state must view with alarm the increasing global threats of terrorist attacks on the transportation system and facilities particularly on air transportation in the light of the September 11, 2001 attacks on the U.S. Pentagon and towers of the World Trade Center in the United States of America which resulted in tragic loss of human lives, damage to property and further global disruption in air commerce operation as diminishing confidence in aviation safety and security measures heightened.

The takeover in 2003 of an air traffic control tower in NAIA by armed elements was a tragedy that could have been averted or prevented with unified security at NAIA.

These untoward incidents demonstrate the need for and require the State to adopt comprehensive security measures, install and implement civil aviation security program throughout the country to prevent if not eradicate security threats to human lives and properties.

The State likewise recognizes the vital role of transportation in nation-building and the right of the citizenry to a well secured transportation system for their safety and well being. To achieve these ends, the State promotes the installation of transportation security measure aimed to improve and effect a secured safe air transportation system – whose standards and practices are internationally recognized and considered world class- with the installation of measures, programs, plans and activities that foster security and safety in all means and modes of public transportation.

The state must also bolster a system of coordination and cooperation among citizenry, the transportation sector and law enforcement, and public security and safety agencies.

The State must establish measures to prevent weapons, explosives or other dangerous, persons, elements, devices and cargoes which may be used to commit an act of unlawful interference, the carriage or bearing of which is not authorized, from being introduced by any means whatsoever, on board a transport system.

Various organizations of nations and international communities and economies-like the United Nations, ASEAN, APEC and other regional organization of nations – have been promoting and have placed

in operation inter-modal transportation security system to be in full consistency and control over the safety and convenience of all inter-modal transport system.

The Philippines as a member of the international community of nations has been far-off, if not helplessly, lagging behind, in adopting and setting up security systems and effective security enforcement in all ports, terminals and facilities over land, air and water nationwide. It is in the interest of national honor and benefit that the Philippines must be in full accord with the other countries' minimum safety and security requirement in public transportation by being compliant with internationally accepted standards and practices prescribed for transportation security.

Passage of this bill is earnestly sought.



ROILO GOLEZ

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An Act
Creating the Philippine Transportation Security Authority, Authorizing The Appropriation of
Funds Therefor and For Other Purposes

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

Section 1. Title. This act shall be known as the Philippine Transportation Security Authority Act of 2010.

Sec. 2. Declaration of Policy.-The State recognizes the vital role of transportation and commerce in nation building and in promotion of international and domestic trade relations for economic growth, globalization and comity among nations.

The State preserves and protects the right of the people to well-secured and safe transportation system. The State supports and promotes the installation and implementation of transportation security measures to improve and maintain an effective, secure and safe transportation system in accordance with internationally recognized standards and practices that foster security and safety of public transportation in the Philippines.

The State declares all out support in the implementation and enforcement of the strictest measures to stamp out terrorism, economic sabotage and all forms of criminal interference that tend to breach the integrity, safety and security of international and domestic transportation systems.

The State adopts generally accepted principles of international law and universal recommendations on the standards and practices on transportation security measures as part of the laws of the land and adheres to the policy of comity and cooperation with other nations.

Sec. 3. Coverage and Definition of Terms.

- a) **"Acts of unlawful or criminal interference"**- These are felonious or criminal acts, whether isolated or habitual, independent or in conspiracy or concerted acts, in whatever criminal stage

or execution, which tend to jeopardize or threaten or have jeopardized or threatened the safety and security of transportation.

- b) **"Security Check"**- An inspection of the interior of an aircraft, vessel or vehicle to which passengers may have had access and an inspection of the hold for the purpose of discovering suspicious objects, weapons, explosives or other dangerous devices.
- c) **"Appropriate authority for transport security"**- the authority designated to be responsible for the development, implementation and maintenance of the transportation security measures, systems and programs. This is in reference to the Philippine Transportation Security Authority as herein created.
- d) **"Background Check"**- A check of a person's identity and previous experience, including any criminal history, if appropriate, as part of the assessment of an individual's suitability.
- e) **"Baggage"**- Personal property of the passengers or crew carried on an aircraft by agreement with the operator.
- f) **"Baggage container"**- A receptacle in which baggage is loaded for conveyance.
- g) **"Baggage storage area"**- Space in which checked / held baggage is stored pending transport and space in which mishandled baggage may be held until forwarded, claimed or otherwise disposed of.
- h) **"Bomb Alert"**- A status of alert put in place by competent security authorities to activate an intervention plan intended to counter the possible consequences arising from a communicated threat, anonymous or otherwise, or arising from the discovery of a suspect device or other suspect item or person on a public transport or any transport facility.
- i) **"Bomb threat"**- A communicated threat, anonymous or otherwise suggests or infers, true or false, that the safety of a public transport, or of passengers, crew and cargo, or any transport facility or any person may be in danger from an explosive or other item or device.
- j) **"Cargo"**- Any property carried on a public transport other than mail, stores and accompanied or mishandled baggage.
- k) **"Cargo area"**- All the ground space and facilities provided for cargo handlings. It includes aprons, cargo buildings and warehouses, vehicle parks and roads associated therewith.
- l) **"Dangerous Goods"**- Articles or substances which are capable of posing risk to health, safety, property or the environment and which are shown in the list of dangerous goods in the technical instructions or which are classified according to instructions.
- m) **"Director General"**- The undersecretary of Transportation for Security who shall be the head official of the authority
- n) **"Facilitation"**- The efficient management of a necessary control process with the objective to expedite clearance of persons or goods and prevent unnecessary operational delays.
- o) **"Hijacking"**- the unlawful seizure of a civil, commercial or cargo aircraft for whatever purpose, either while in flight or on the ground. It includes any act aimed to compel a change in course or destination of an aircraft or to seize or usurp the control thereof.
- p) **"Identification Cards (or Permits)"**- A permit system consisting of cards or other documentation issued to individual persons employed on airports or who otherwise have a need for the authorization access to a transportation facility, terminal or security restricted area. Its purpose is to identify the individual and facilitate access. Vehicle permits are issued and used for similar purpose to allow vehicular access. Occasionally referred to as airport identity cards or passes.
- q) **"Mail"**- Dispatches of correspondence and other items tendered by and intended for delivery to postal services in accordance with the rules of the postal systems.

- r) **"Mishandled Baggage"**- Baggage involuntarily or inadvertently separated from passenger crew.
- s) **"Operator"**- A person, organization or enterprise engaged in or offering to engage in a transportation operation.
- t) **"Passenger Area"**- All the ground space and facilities provided for passenger processing. It includes aprons, passenger buildings, vehicle parks and roads.
- u) **"Persons"**- refers to an individual, corporation, company, association, firm, partnership, society, joint-stock company, or government authority. It includes trustee, assignee, successor, or similar representative of any of them.
- v) **"Positive target identification"**- Information regarding the target such as an "N" registration number of an airplane, a crewmember's full name, a valid baggage tag number, industry-type nomenclature, or any other normally non-public information included in a bomb threat indicating firsthand or unique knowledge of targets.
- w) **"Regulated Agents"**- An agent, freight forwarder or any other entity who conducts business with an operator and provides security controls that are accepted or required by the appropriate authority in respect of cargo, courier and express parcels or mail.
- x) **"Sabotage"**- An act or omission which may cause damage, delay or confusion to any transport system or an act resulting in an unlawful interference with national or international transportation and its facilities.
- y) **"Screening"**- the application of technical or other means which are intended to identify and / or detect weapons, incendiaries, explosives or other dangerous devices which may be used to commit an act of unlawful interference.
- z) **"Security"**- A combination of measures of human and material resources intended to safeguard passengers, goods or both and transportation facilities, service or equipment against illegal acts or other acts of unlawful interference.
- aa) **"Security Control"**- A means by which the introduction of weapons, explosives or other dangerous devices which maybe utilized to commit an act of unlawful interference can be prevented.
- bb) **"Security Programmes"**- Measure adopted to safeguard international and domestic transportation system against acts of unlawful interference.
- cc) **"Security Equipment"**- Devices of a specialized nature for use , individually or as part of a system in the prevention or detection of acts of unlawful interference with transportation and its facilities.
- dd) **"Sensitive Security Information"**- Any information that could help anyone determine how to defeat security systems such that it must be protected and considered beyond the scope of public disclosure. It includes information about security programs, vulnerability assessments, technical specifications of certain screening equipment, and such information of highly confidential security concerns. Information is sensitive when its release or public disclosure would be detrimental to the safety of persons and property in transportation.
- ee) **"Small Arms"**- A general description applied to all handheld firearms.
- ff) **"Transportation"**- Any activity pertaining to the conveyance of passengers or goods or both, by land, air or water.
- gg) **"Transportation Facilities"**- any facility or property used or intended to be used for furtherance of transportation business, including but not limited to vehicle, buses, aircraft, vessels, trains, transport stations, airports, seaports, piers, buildings and structure and their perimeter lot and such other equipments and facilities devoted for transportation business.

- hh) **"Transportation Security Regulations (TSR)"**- The regulations issued by the Philippine Transportation Security Authority.
- ii) **"Transportation System"**- Modes or means of conveyance of passenger or goods or both by land, air, or water.
- jj) **"Unaccompanied Baggage"**- Baggage which is transported as cargo and may or may not be carried on the same public transport with the person to whom it belongs.
- kk) **"Unclaimed Baggage"**- Baggage which arrives at a transport facility and is not retrieved or claimed by a passenger.
- ll) **"Unidentified Baggage"**- Baggage at a transport facility, with or without a baggage tag, which is not picked-up by or identified with a passenger.
- mm) **"Unlawful Interference"**- Any intentional or unintentional act or acts committed or directed upon a transportation facility causing danger, damage loss or great waste or ruin, or which tends to compromise or breach the security and safety, or to interfere with the efficiency, smooth and regularity of operations of a transportation facility, system or service.
- nn) **"Vulnerability Assessment"**- Pertains to any examination of a transportation system, vehicle or facility to determine its vulnerability to unlawful interference.
- oo) **"Vulnerable Point"**- Any facility on or connected with a transport system or complex which, if damaged or destroyed, would seriously impair the functioning of the transport facility.

SEC. 4 Creation and Mandate of the Philippine Transportation Security Authority- There is hereby created an authority to be known as the Philippine Transportation Security Authority herein referred as to the Authority, an attached agency to the Department of Transportation and Communication (DOTC) for general direction and coordination.

The Authority shall be organized, trained and equipped primarily for the performance of the transportation police and security functions. The Authority shall render, for enforcement purposes, reciprocal support and coordination to the Civil Aeronautics Board and the Air Transportation Office on the economic and technical aspects of civil aviation.

The Authority, as the central security agency of all transport systems in the Philippines shall encourage, promote, formulate, implement and ensure the installation of standard security and safety measures and policies that are internationally acceptable for the prevention of transportation disasters and for the protection, security, and safety of passengers, transportation facilities and properties.

SEC. 5 Powers and Functions. The Authority shall have the following powers and functions:

- a) Exercise control and supervision over all police and security agencies performing or rendering services in the transportation sector;
- b) Responsible for the security of all modes and means of public transportation system in the Philippines that are exercised by the different government agencies including but not limited to screening of passengers, baggage or cargoes; hiring and retention of screening personnel; training and testing security screening personnel;
- c) Advise the President, directly or through the Secretary of Transportation and Communications and the National Security Council, on all matters involving security concerns in the transportation sector. In cases of urgency or necessity where the time element is of the essence, the Authority, through the Director General or Deputy director

- General, may report directly to the President on matters pertaining to national or international security.
- d) Formulate, promulgate and develop in coordination with appropriate government agencies, comprehensive and flexible security plans, policies, measures and programs to ensure the safety and security of all means of transportation in the Philippines.
 - e) Implement, review and upgrade such security plans, policies, measures and programs periodically to improve transportation security and safety on sound professional concepts and principles;
 - f) Examine and audit, and thereafter establish the standards on a continuing basis, the security, performance, activities and facilities of all public transportation systems throughout the country;
 - g) Prepare a security manual/master plan or programs prescribing rules and regulation for the efficient and safe operation of air transportation systems including procedures and screening for the issuance of security clearances of the entire complement and membership of the Authority;
 - h) Prescribe security and safety standards in all transportation systems in the Philippines in accordance with existing laws, rules, regulations and international conventions;
 - i) Exercise jurisdiction and police authority over all cases of unlawful interference of the transportation systems: *Provided*, that the authority may delegate such power to and request assistance from law enforcement agencies which necessarily involves the transportation sector; provided, further that the authority may deputize law enforcement personnel as may be necessary to carry out its functions and attain its mandates;
 - j) Actively pursue *motu proprio* or in supervision with law enforcement agencies the investigation and prosecution of any illegal act or unlawful interference committed at or directed to any domestic and international public transportation system, effect the arrest of offenders in accordance with law, and file appropriate charges related thereto through the Office of the Solicitor General;
 - k) Acquire, purchase, own, administer, lease, mortgage, sell, or otherwise dispose of or encumber any real or personal property, equipments, assets and rights in furtherance of its mandate. The Authority shall be exempt from payment of any or all direct and indirect taxes, capital gains taxes, local and national taxes, duties, fees and charges of any nature on all of its real and personal properties, assets, income and revenues importations, transactions, loans and obligations (principal or interests) as acquired and incurred in the exercise of its mandate under the provision of this Act;
 - l) Sue and be sued with its consent;
 - m) Procure, own and carry firearms; and have the authority to issue mission orders thereon, subject to existing laws, rules and regulations;
 - n) Perform such other functions necessary to effectively carry out the provisions of this act and as the President of the Philippines or the Secretary for Transportation may direct.

Sec. 6. Organizational Structure . – The Authority shall be headed by one (1) full time Director General with a rank of Undersecretary and assisted by one (1) full tome Deputy Director General with the rank of Assistant Secretary, with the following operating bureaus, all to be headed by Directors:

- a) **Staff Services Bureau-** which shall provide the necessary services relating to records, correspondence, supplies, property, equipment and general services, and the

- maintenance and utilization of facilities; and provide services relating to manpower, career planning and development, personnel placements and employees welfare;
- b) **Legal Affairs Bureau-** which shall provide the Authority with efficient and effective service as legal counsel of the Authority; draft or study contracts affecting the Authority; review reports relative to investigation conducted by the Authority and submit recommendations pertaining thereto; and render legal opinions arising from the administration and operation of the Authority;
 - c) **Intelligence and Security Bureau-** which shall be the enforcement bureau responsible for the collection and monitoring of information concerning actual and potential threat, situation or condition that affects or compromises the integrity, security and safety of transportation system; implement security and safety measures adopted by the Authority to counter or prevent any impending or potential threat to transport facilities;
 - d) **Air Enforcement Bureau-** which shall conduct continuous inspection, monitoring and audit of facilities and operations at all levels of air transportation system and shall monitor the implementation of the Authority's projects, programs and regulations relative to security and safety of air transportation facility and submit recommendation relative thereto.
 - e) **Maritime Enforcement Bureau-** which shall conduct continuous inspection, monitoring and audit of facilities and operations at all levels of maritime transportation system and shall monitor the safety and security regulations relative to maritime transportation; to conduct investigation on all matters involving illegal acts or unlawful interference committed upon or directed against maritime transportation facilities and submit recommendations relative thereto;
 - f) **Land Enforcement Bureau-** which shall conduct continuous inspection, monitoring and audit of facilities and operations at all levels of land and rail transportation at all levels of land rail transportation system and shall monitor the implementation of the Authority's projects, programs and regulation relative to security and safety of land and rail transportation; to conduct investigation on all matters involving illegal acts or unlawful interference committed upon or directed to land and rail transportation facility and submit recommendation relative thereto.
 - g) **Communications and Compliance Bureau-** which shall be responsible for information and data gathering, collation and dissemination (only upon official orders and need-to-know basis) relative to matters of national interest on civil aviation security and air safety. The Bureau shall undertake the training/readiness programs and implementation of security measures and procedures for enforcement and marshal functions.

Incidental matters that may be uncovered by any bureau which may pertain to another office, agency or bureau holding office, working or operating within transportation facilities and complexes may be reported to appropriate enforcement agencies; unless done *in flagranti*, the same be subjected to direct control and police action by the operatives and elements of the Authority.

The Authority may create, merge, consolidate or abolish such other functional offices or bureaus as it may deem proper and appropriate to achieve its mandates and objectives.

SEC. 7. Director General and Deputy Director General: Qualifications, Appointment and Terms of Office- The Director General shall be a natural born citizen of the Philippines, at least forty five (45) year old, a member in good standing of the Philippine Bar or holder of a Master's degree in National Security Administration (MNSA) or of other Master's degrees related to national or international security and with at least five (5) years experience in a field directly related to transportation or security. The Director General must be a Career Executive Service Officer or Career Service Executive eligible as declared and certified by the Career Executive Service Board of the Civil Service Commission.

The Director General shall be appointed by the President of the Philippines upon recommendation of the Secretary of the Transportation and Communications. The Director General shall serve for a fixed term of seven (7) years to be counted from the time he assumes office.

The Deputy Director General shall be subject to the same qualifications, appointment and term of office as the Director General. All other official appointments in the Authority shall be subject to Civil Service laws, rules and regulations. For purposes of law enforcement actions in the exercise of police functions, the Director General and the Deputy Director General are deemed persons in authority while subordinate officials and personnel are deemed agents of persons in authority.

SEC. 8. Removal; Filling of Vacancy – The Director General may be removed from office by the President only for cause in accordance with the Civil Service laws, rules and regulations and after observance of due process.

In case of vacancy in the Authority due to death, resignation, removal or permanent disability of the incumbent Director General, the Deputy Director General shall serve as Acting Director General in concurrent capacity until a new Director General has been appointed for a full term.

SEC. 9. Prohibition – The Director General, Deputy Director General and all other officials, officers, entire staff and personnel of the Authority shall not own shares of stock in or bonds of a transportation or security enterprise or in an enterprise that manufactures equipment that could be used for security purposes.

Any violation of this prohibition shall be dealt with in accordance with existing concept and doctrine of conflict of interests as defined in the rules and regulations concerning accountability of public officers.

SEC. 10 Membership in the National Security Council – The Authority shall automatically be a member of the National Security Council and report directly to the President of the Philippines regarding sensitive security information.

SEC. 11. Functions, Powers and Duties of the Director General – The Director General shall have the following functions, powers and duties:

- a) The power to interpret the provisions of this Act subject to certiorari by the Court of Appeals or the Supreme Court of any decision of the Director General on grounds of grave abuse of discretion amounting to lack or excess of jurisdiction.
- b) The power to interpret and promulgate rules and regulations to effectively implement the provisions of this Act.
- c) The sole responsibility to determine sensitive security information. The Director General may prohibit the disclosure of information, files or records or data of any sort if, in his opinion, the disclosure of such information would:
 - 1) Be detrimental to the security of any transport system or facility;
 - 2) Be detrimental to the safety of persons traveling in transportation; or
 - 3) Result in the revelation of trade secrets or privileged or confidential information obtained from any person.

In view hereof, the Authority and all of its officers, staff and personnel may not be compelled to give any information, report, or testimony in any inquiry of whatever nature unless authorized by the President;

- d) To carry out, administer and implement, subject to existing laws, rules and regulations, the mandate, powers and functions of the Authority;
- e) To direct and supervise the management, operation, and administration of the Authority so as to provide international standards of transportation security measures and to ensure transportation safety in accordance with the approved programs, plans, policies, procedures and guidelines;
- f) To administer, implement and enforce decisions, orders and regulatory rules and regulations prescribed by law and/or issued by the authority;
- g) To exercise visitorial and inspection powers of the transportation facilities, complexes, buildings, offices and terminals; issue travel and mission orders for the implementation of the same. All transportation operators or entities shall be obliged to accommodate on non-revenue basis the enforcement team duly designated by the Authority for the purpose.
- h) To undertake, research, studies, investigations and other activities related to the present transportation security and safety and future development requirements thereof, on his own initiative or upon instruction of higher authorities, and to submit comprehensive reports and appropriate recommendation to the Secretary for Transportation for his information and action;
- i) To formulate, implement and update security and operational plans which shall either be national in scope and/or specific for any transport system area;

- j) To prescribe collection procedures for and schedule of security fees, rates and charges consistent with prevailing international standards for the use of airports and other transportation terminals and facilities. The revenues collected thereon shall be reported to the Philippine Treasury and shall thereafter be disbursed by the Authority for the continuing support and upgrading the administration, operation and services of the Authority, and for effectively carrying out the mandates of this Act, subject to existing auditing and accounting laws, regulation and procedures;
- k) To appoint, transfer, suspend, remove or otherwise discipline any subordinate officer or employee of the Authority, subject to Civil Service laws, rules and regulations and approval of the Secretary for Transportation;
- l) To provide for employee's benefits programs and policies on promotions and salary standardization;
- m) To organize or reorganize the structure of the Authority to meet changing conditions or as the need arises subject to the approval of the Secretary of Transportation;
- n) To assess threats to transportation; and to receive, assess and distribute on a timely basis, all intelligence information related to transportation security;
- o) To develop policies, strategies, and plans for dealing with prevention and management of crisis and threats to transportation security; and ensure the installation of a security master plan in all transportation systems in the Philippines.
- p) To perform such other functions necessary to carry out the provisions of this Act and as the President of the Philippines or the Secretary of Transportation may direct.

SEC. 12. Policy Control, Supervisory and Delegation Powers – The Authority shall have precedence in control over the movement of persons, cargoes, or both within the operational area of any transport system and shall therefore, possess authority to prescribe and issue security access passes within any transport operational area.

The Enforcement Personnel of the Authority shall have the power to effect arrest in accordance with the Rules of Court or take police action on any criminal act committed within its jurisdiction and shall endorse the records of arrest and apprehension to the local police of the political subdivision where the transport system is located.

The Authority exercises primary investigative jurisdiction over acts of unlawful interference committed against any transport entity but may delegate or endorse such power to any police or investigative agency to whom authority has been endorsed for investigation of unlawful interference are obliged to accept the same until prompt conclusion. The Authority reserves its right to supervise, monitor and coordinate all, some or any of the stages of investigation.

SEC. 13. Integration and Personnel Complement. – For the purpose of implementing the provisions of this Act, the Philippine Coast Guard and Philippine Ports Authority, all Airport Police, Customs Police, the units of the Philippine National Police for maritime and aviation security and traffic management, and all other government agencies having the duty and function of providing

transportation security and safety shall be integrated into and under the administrative control and supervision of the Authority. Subject to the limitation provided for in this Act, the personnel complement of these agencies shall be the initial personnel complement of the Authority.

SEC. 14. Entry level Into the Authority - The entry eligibility of the absorbed integrated personnel for the Authority, other than the Director General, Deputy Director General up to the bureau chiefs, shall be waived by the Civil Service Commission, provided that the absorbed and integrated personnel possess equivalent qualifications in the terms of training in basic security of not less than one hundred (100) hours and extensive experience for at least two (2) years actual experience in the fields of investigation, intelligence and security.

SEC. 15 The Promotion and Selection Board – There shall be a Promotion and Selection Board within the Authority which shall screen and evaluate for the purpose of promotion personnel who are already organic to the Authority. The appointment and promotion process shall follow the procedures prescribed in this Act.

All positions in the Authority that shall be hereinafter created shall be filled up in accordance with the Authority's organizational and operational manual, which shall define the qualification standards consistent with the minimum requirements of the Civil Service Commission.

SEC. 16. Transfer of Existing Facilities. – All existing facilities, equipments and all other assets and properties, rights, interests and privileges belonging to the absorbed and integrated agencies are hereby transferred to the Authority.

SEC. 17. Unlawful Interference, Definition of Terms.-

- a) **"Conspiracy"**- There is conspiracy to commit transportation terrorism when two or more persons come to an agreement to commit transportation terrorism and decide to commit it.
- b) **"Transportation Terrorism"**- Transportation terrorism is defined as any act of unlawful interference committed with the intention of instilling a state of panic or fear, common danger, or of coercing or intimidating the public or government towards religious, political or racial ends when committed within, or against, or specifically directed upon any transport system.
- c) **"Drop"** – any unauthorized or clandestine introduction into the Philippine territory of dangerous persons, elements, machineries, supplies, substance or chemicals, contrabands or materials, or others of a similar nature, intended to perpetuate criminal interference or disturbance within;
- d) **"Complicity"** – committed by any person who is privy to or allows the shipping loading and carrying of dangerous persons, cargoes, elements or other contraband on a transport system.

SEC. 18. Legal Counsel – The Solicitor General shall be the legal counsel of the Authority.

SEC. 19. Jurisdiction Over Cases Concerning Breach of Security; What Constitutes Unlawful and Criminal Interference – Any intentional or unintentional act or acts committed or directed upon a transportation facility causing danger, damage, loss or great waste or ruin, or which tends to compromise or breach the security and safety, or to interfere with the efficiency, smooth and regularity of operations of a transportation facility, system or service.

SEC. 20. Violation and Penalties.-

- a) Any employee, officer, director or any person who may have access to any sensitive security information and releases or relays the same to any person not authorized to receive such information shall suffer imprisonment of not less than one (1) year and a fine of twenty-five thousand pesos (P25,000) without prejudice to the proper administrative penalties.
- b) Any person who fails to disclose any information concerning a breach of security that would result to unlawful interference will suffer an imprisonment of not less than four (4) years and a fine of fifty thousand pesos (P50,000).
- c) Any person who will commit any act of unlawful interference shall suffer imprisonment of six (6) to twenty (20) years and fine of fifty thousand pesos (P50,000) to two hundred fifty thousand pesos (P250,000).

Any person who will commit transportation terrorism shall suffer the same penalty as above, without prejudice to the punishment of conspiracy if present.

If a conspiracy exists between perpetrators, the penalty of life imprisonment shall be imposed on all conspirators.

- d) Any person who commits a "drop" as defined in sec.17 of this Act, shall suffer the penalty of four (4) years imprisonment.
- e) Any person who commits "complicity" as defined in sec. 17 of this Act, shall suffer the penalty of four (4) years imprisonment and a fine of fifty thousand (50,000) pesos.
- f) Any other act of commission or omission tending to endanger public safety and convenience or breach the integrity and security of a transportation system shall suffer imprisonment of not less than one (1) year and a fine of twenty five thousand (25,000) Pesos.

SEC. 21. Implementing Rules and Regulations. – Within ninety (90) days from appointment, the Director General shall promulgate rules and regulations necessary to ensure the effective implementation of this Act.

Immediately upon appointment and assumption of power and authority by the Director General, all financial and logistical resources, facilities, and equipment shall be released and put

under the control of the Authority. All organizations and agencies integrated and absorbed by the Authority shall use funds or resources on quarterly basis upon enactment of this Act.

The initial batch of Bureau Directors shall be appointed by the Secretary of the Department of Transportation and Communications upon recommendation of the Director General of the Authority to form the Ad Hoc Committee for the preparation and development of the implementing Rules and Regulations of the Authority to cover all aspects of the administration, management, operations, logistics and finance, law enforcements, standard measures and practices of safety and security and all other matters affecting or related to the full operation of the Authority as well as further define and provide corresponding penalties for other acts of unlawful interference consonant with prevailing modern and advance technological circumstances.

There shall be a Selection and Qualification Committee, which shall recommend to the Director General the appointment of all other personnel not herein provided.

The implementing Rules and Regulations (IRR) shall be accomplished and recommended for approval by the President of the Philippines within one hundred and eighty (180) days from constitution of the Ad Hoc Committee.

SEC. 22. Transfer and Integration of Personnel, Facilities, Equipments, Property, and other Assets and Liabilities. – The absorption and integration process shall commence on the first day of the quarter of the year following the completion of the Implementing Rules and Regulations of this Act.

Initially appointed members of the Ad Hoc Committee may continue to serve in their official capacities with the Authority if duly qualified and appointed in accordance with civil service laws, rules and regulations on eligibility. Member employees and personnel of the absorbed or integrated offices and agencies may opt to remain with their original government affiliation or be transferred and absorbed with the Authority which must be exercised within ninety (90) days from notice of the absorption and integration.

SEC. 23. Headquarters Offices and Location – The National Transportation and Security Center for the Authority shall have its central office and headquarters at the Philippine Transportation Security Authority Hangar (formerly PADC hangar 4) along the Domestic Road, Pasay City.

The Amount of Fifteen Million Pesos (P15,000,000) or at least Ten (10) percent of the initial funding of the Authority shall be appropriated to refurbish and renovate the hangar into a security center as well as to re locate the PADC to another hangar of choice for its transferred offices.

SEC. 24. Appropriation. – For purposes of reorganizing and constituting the Authority, and for carrying out the provisions of this Act, the Authority shall have an initial funding of One Hundred Million Pesos (P100,000,000). In addition, the appropriation, funding and/or budget of the integrated agencies under Section 13 of this Act shall be transferred to the Authority. Appropriation for the succeeding years shall be included in the annual General Appropriations Act.

SEC. 25. Repealing Clause. – All laws, executive orders, letters of instructions, rules and regulations and other issuances or provisions thereof, which are inconsistent with the provisions of this Act are hereby repealed, amended or modified accordingly.

SEC. 26. Separability Clause – The provisions of this act are hereby declared separable. If any provision or portion thereof shall be held invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the other provisions and will remain in full force and effect.

SEC 27. Effectivity. – This act shall take effect after fifteen (15) days following its complete publication in two (2) national newspapers of general circulation or in the Official Gazette.

Approved,