

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

FIFTEENTH CONGRESS
First Regular Session

HOUSE BILL No. **4537**

Introduced by Honorable CARMELO F. LAZATIN

EXPLANATORY NOTE

Republic Act No. 8794 otherwise known as, "An Act Imposing a Motor Vehicle User's Charge on Owners of All Types of Motor Vehicles and for other purposes," calls for the provision of ensuring adequate maintenance of national and provincial roads through sufficient funding for the purpose through the imposition of charges on motor vehicles.

Indeed, the disposition of monies collected from the implementation of this Act had funded noteworthy projects that are geared towards the maintenance of roads and improvement of drainage, installation of adequate and efficient traffic lights and road devices including air pollution control. These projects definitely benefit road users as it paves way for the construction of facilities that will ensure road safety and easy access to different areas of the country and at the same time protecting the environment from the hazards cause by gas emissions of motor vehicles.

However, there is a need to include the development of alternative roads/networks and purchase of right of way to fully meet the objectives of the said Act as it also contributes to maintaining traffic order and accessibility of various areas.

In view of the foregoing premises, approval of this bill is ardently sought.


CARMELO F. LAZATIN
First District, Pampanga

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**AN ACT AMENDING SECTION 7 OF REPUBLIC ACT NO. 8754, OTHERWISE KNOWN AS,
"AN ACT IMPOSING A MOTOR VEHICLE USER'S CHARGE ON OWNERS OF ALL TYPES OF
MOTOR VEHICLES FOR OTHER PURPOSES."**

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

SECTION 1. Declaration of Policy.- It is the policy of the State to ensure adequate funds to maintain national and provincial roads through the proper disposition of funds from the implementation of this Act.

SECTION 2. Enforcement of the Act.- Towards this end, Section 7 of RA 8754 shall be read as follows:

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

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

- (1) Fifty percent (50%) shall be allotted to and placed in the Special Road Support Fund;*
- (2) Thirty-five percent (35%) shall be allotted to and placed in the Special Local Road Fund;*
- (3) Seven and one-half percent (7.5%) shall be allotted to and placed in the Special Road Safety Fund; and*
- (4) Seven and one-half percent (7.5%) shall be allotted to and place in the Special Vehicle Pollution Control Fund.*

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

Seventy percent (70%) of the Special Road Support Fund shall be used exclusively for concreting, expansion, and maintenance of, and the improvement of drainage of, national primary roads. The remaining thirty percent (30%) thereof shall be allotted and used for the concreting, expansion, and maintenance of, and the improvement of drainage of national secondary roads throughout the country.

The cost of installation of adequate and efficient traffic lights and road safety devices throughout the country, where such traffic lights and safety devices are needed, shall be taken from the Special Road Safety Fund.

The Special Local Road Fund shall be apportioned to provincial and city governments in accordance with the vehicle population and size of the road network under their respective jurisdictions, and shall be used exclusively for concreting, expansion, maintenance of local roads, traffic management and road safety devices.

A Road Board to implement the prudent and efficient management and utilization of the special funds shall be organized by the President of the Philippines. The Road Board shall be composed of seven (7) members, with the Secretary of the DPWH as ex officio head, and the secretaries of the Department of Finance, Budget and Management, and the Transportation and Communications, as ex officio members. The remaining three (3) members shall come from transport and motorist organizations which have been in existence and active for the last five (5) years prior to this Act. They shall be appointed for a term of two (2) years each by the President of the Philippines upon the recommendation of the secretaries of the DPWH and the DOTC.

SECTION 3. Separability Clause. - If, for any reason, any part or provision of this Act is declared invalid, such declaration shall not affect the other provisions of this Act.

SECTION 4. Repealing Clause. - All laws, decrees, executive orders, issuances, rules or regulations or parts thereof which are inconsistent with the provisions of this Act are hereby deemed repealed, amended or modified accordingly.

SECTION 5. Effectivity - This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in two (2) national newspapers of general circulation.

Approved,