

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



16th CONGRESS

First Regular Session

HOUSE BILL NO. **2850**

Introduced by **HON. FRANZ E. ALVAREZ**

EXPLANATORY NOTE

This bill seeks to regulate the establishment, maintenance, or construction of fuel depots, and warehouses, or storage of other flammable or hazardous chemicals and substances.

We have witnessed the untold miseries and loss of life and destruction of property caused by accidental explosion of large quantities of fuel and other flammable or hazardous chemicals and substances stored in depots and warehouses or storage places located in urban centers and populated areas and communities. The Australian experience a few years back proves that even highly industrialized nations are not spared by such accidents. There has been one particular incident in the country's string of accidental gas leaks that sent to hospital close to hundred students and caused the disruption of classes in the state university.

On the other hand, with the increasing importance of the role played by the country in economic and political concerns of regional and international significance, Filipinos can be the subject of reprisals of international terrorist. The apprehension of international terrorists and confirmed sightings of more notorious terrorists' personalities in the country make this scenario a scary possibility. Worse, recent experience has shown that local terrorists are capable of even more serious violence.

Holding hostage the lives of millions of the innocent public living close to these fuel depots and warehouses or storage places of explosive and hazardous chemicals and substances are among the means of terrorist in realizing their ends.

Under no circumstances should we allow a life to be placed in jeopardy either by accident or design.

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


FRANZ E. ALVAREZ

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AN ACT
REGULATING THE MAINTENANCE, ESTABLISHMENT, OR CONSTRUCTION OF
FUEL DEPOTS AND WAREHOUSES, OR STORAGE OF OTHER FLAMMABLE OR
HAZARDOUS CHEMICALS AND SUBSTANCES AND FOR OTHER PURPOSES

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

SECTION 1. Statement of Policy.- It is the policy of the State to secure the health and safety of public from the hazards posed by fuel depots and storage of other flammable or hazardous chemical and substances.

SECTION 2. Coverage.- This Act shall cover all future and existing publicly and privately-owned fuel depots and warehouses or storage of flammable or hazardous chemicals and substances. These shall include places or establishments not normally intended for such storage or deposits but are equally used for the purpose on a temporary or permanent basis.

The movable character of the depot, warehouse or storage shall not remove the same from the coverage of this Act.

SECTION 3. Location.- No such depot, warehouse or storage shall be maintained, established, or constructed within a dangerous distance from populated area or an area classified as residential. Conversely, areas within the same radius from such depot, warehouse or storage shall not be classified as residential nor shall actually be used as such. The distance shall vary depending upon the volume and nature of the stored fuel, substance, or chemical.

SECTION 4. Period of Compliance.- Existing establishments shall have until five (5) years from the effectivity of this Act to comply with the provisions thereof or sooner in the event that a suitable relocation site is provided by the government. However, depending on the time such compliance is carried out, entitlement to one hundred (100%) tax incentives shall diminish but not less than fifteen (15%) on the fifth and last year.

SECTION 5. Tax Incentives.- Subject to the provisions of the foregoing section, expenses incurred by existing establishments in compliance with the provisions of this Act shall be considered deductible expenses for purposes of taxation. Necessary importations made in compliance thereof shall likewise exempt existing establishments from import taxes and duties.

For the purposes of this Act, a necessary importation shall cover purchase or acquisition of materials or equipment which are not manufactured in the country or, if available, are not in commercial quantity or are not able to meet the requirements of the user.

SECTION 6. Penal Clause. Violations of the provisions of this Act shall be punishable with imprisonment of not less than six (6) years and six (6) months, but not exceeding eight (8) years and shall result in the revocation of the license and charter of the corporation or entity. Prosecution or conviction under this Act of the responsible officers of the corporation or entity shall be without prejudice to their prosecution or conviction for crimes resulting from the violations thereof.

SECTION 7. Implementing Rules.- The Department of Interior an Local Government, Department of National Defense, Department of Energy, Department of Environment and Natural Resources, and the Department of Health shall promulgate the necessary implementing rules and regulations not later than one (1) month from the effectivity of this Act.

SECTION 8. Separability Clause.- If any provision of this Act is declared unconstitutional, the same shall not affect the validity of other provisions which are not otherwise so declared.

SECTION 9. Repealing Clause.- All laws, decrees, orders, rules and regulations, issuances, or parts thereof contrary to or inconsistent with any of the provisions of this Act be deemed repealed, amended, or modified accordingly.

SECTION 10. Effectivity.- This Act shall take effect fifteen (15) days following the completion of its publication in the Official Gazette or in two (2) newspapers of general circulation.

Approved.