

Republic of the Philippines  
HOUSE OF REPRESENTATIVES  
Quezon City



SIXTEENTH CONGRESS  
First Regular Session

House Bill No. **3267**

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Introduced by Representatives  
DIOSDADO MACAPAGAL ARROYO and GLORIA MACAPAGAL ARROYO

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AN ACT  
EXTENDING THE CORPORATE LIFE OF THE PHILIPPINE NATIONAL RAILWAYS (P.N.R.) BY ANOTHER TWENTY FIVE (25) YEARS, AMENDING FOR THIS PURPOSE PRESIDENTIAL DECREE 741, AMENDING CERTAIN SECTIONS OF REPUBLIC ACT NO. 4156, ENTITLED "AN ACT CREATING THE PHILIPPINE NATIONAL RAILWAYS, PRESCRIBING ITS POWERS, FUNCTIONS, AND DUTIES AND PROVIDING FOR THE NECESSARY FUNDS FOR ITS OPERATION, AS AMENDED BY REPUBLIC ACT NO. 6366"

EXPLANATORY NOTE

The Philippine National Railways, otherwise known as PNR, was established by virtue of Republic Act No. 4156. It is a state-owned company and an attached agency of the Department of Transportation and Communication (DOTC). It presently operates a commuter rail service in Metro Manila and the Bicol region through the Bicol Express (South Rail) which runs on a daily basis between Manila and Naga City, considered the heart of Bicol.

For almost six decades, the PNR provided dependable, reliable and reasonably affordable fare in transporting people and goods. This made the PNR a strategic backbone and an impetus of economic activity between Metro Manila and the Bicol region but it ceased operation in 1993 after several calamities hit the country, more so in the Southern Luzon area. Since then, there have been efforts in restoring it to its former glory until 2009, when partial rehabilitation was implemented and the first train to traverse the South Rail once again resumed operation.

But the on-going rehabilitation and modernization of PNR lines and stations face an uphill climb since the PNR Charter is set to expire this 2013. If not renewed and extended, PNR will cease to operate and further deprive the Bicol region of a cheap form of transportation, the South Rail being an indispensable ingredient in sustaining trade and industry in this part of the country. Furthermore, it will be detrimental for the country if one major source of mass transportation is discontinued.

In light of the reasons cited above, expeditious passage of this bill into law is earnestly requested.



**DIOSDADO MACAPAGAL ARROYO**  
Second District, Camarines Sur



**GLORIA MACAPAGAL ARROYO**  
Second District, Pampanga

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

SECTION 1. Section 1 of Republic Act No. 4156, as amended by Republic Act No. 6366, is hereby amended to read as follows:

"Sec. 1. Name, Duration and Docile. A Corporation to serve as instrumentality of the Government of the Philippines in providing a nationwide railroad and transportation system is hereby created to be known as the Philippine National Railways which shall exist for a term of fifty (50) years **WITH AN EXTENSION OF ANOTHER TWENTY (25) FIVE YEARS** from the date of approval of this Act. It shall have its main office in the City of Manila, and shall have such branches and agencies within the Philippines as may be necessary for the proper conduct of its business. This Corporation shall be under the Office of the President."

SECTION 2. *Separability Clause.* – If any provision or Section of this Act is held invalid or unconstitutional, the remainder of the law or the provision not otherwise affected shall remain valid and subsisting.

SECTION 3. *Repealing Clause.* – Any law, presidential decree or issuance, executive order, letter of instruction, administrative order, rule or regulation contrary to, or inconsistent with the provisions of this Act is hereby repealed, modified or amended accordingly.

SECTION 4. *Effectivity Clause.* – This Act shall take effect fifteen (15) days after its publication in at least two (2) newspapers of general circulation.

*Approved,*