

REPUBLIC OF THE PHILIPPINES
HOUSE OF REPRESENTATIVES
Quezon City

SIXTEENTH CONGRESS
First Regular Session

House Bill No. **3579**



Introduced by **MAGDALO Party List Representatives**
Francisco Ashley L. Acedillo and Gary C. Alejano

EXPLANATORY NOTE

The transportation sector plays a vital role in the continued growth of the Philippine economy. The transport industry provides Filipinos the necessary access to work and services that fuel the continued growth of our economy. With 7,107 islands, and three major island groups, various modes of transportation, specifically Land, Air, Water, and Rail, play their roles in the movement of passengers in the country. These modes have their respective markets and geographic coverage.

The rapid urbanization of the Philippines provided for the increased used in the different transport modes in the country. An estimated 70% of the Filipinos take public transport; this could be as high as 80% in urbanized cities. There are currently over 23,000 buses, 36,000 taxis, and about 217,000 jeepneys present in our roads throughout the country providing public transportation services. The transport sector has contributed significantly in our country's economic growth.

However, there are a number of issues in the transport sector that the government needs to address among which are: the decline in the quality of public transport facilities, increased air pollution, road accidents, and the issue of transportation security.

The Philippines has been a signatory to various international conventions with regard to transportation security, the transportation security administration in Maritime travel under the International Maritime Organization (IMO) and in Civil Aviation under the International Civil Aviation Organization (ICAO). The Office for Transportation Security (OTS) was created by virtue of Executive Order No. 277 in January 30, 2004 by Pres. Gloria Macapagal-Arroyo. On April 26, 2004, the OTS was designated as the single authority responsible for the security of the transportation systems of the country.

Since the terror attack in the US on September 11, 2001, which claimed thousands of lives, governments around the world committed themselves to introduce various security measures to combat terrorism. The Philippines has not been spared from these terror attacks. On August 5, 2011, a suspected car bomb in Cotabato City killed at least eight (8) people and injured over thirty (30). On September 30, 2013, a powerful explosion ripped through a passenger bus and killed three (3) people in Zamboanga City. The Rizal Day bombing of the Light Rail Transit as well as the bombing of the Davao International Airport and the Sasa Warf highlight the need to empower and strengthen transportation security in our country.

This measure seeks to create the Philippine Transportation Security Authority (PTSA), to be attached to the Department of Transportation and Communications (DOTC), which shall replace the OTS. The PTSA shall formulate, develop, adopt, prescribe and implement transport security standards. It shall also render regulatory and oversight functions on prescribed transportation security standards undertaken by agencies involved in transportation security services.

In view of the foregoing, the immediate passage of this measure is earnestly sought.


FRANCISCO ASHLEY L. ACEDILLO


GARY C. ALEJANO

REPUBLIC OF THE PHILIPPINES
HOUSE OF REPRESENTATIVES
Quezon City

SIXTEENTH CONGRESS
First Regular Session

House Bill No. 3579

Introduced byMAGDALO Party List Representatives
Francisco Ashley L. Acedillo and Gary C. Alejano

AN ACT
PROVIDING FOR A TRANSPORTATION SECURITY REGULATORY PROGRAM,
CRIMINALIZING ACTS OF UNLAWFUL INTERFERENCES IN THE
TRANSPORTATION SYSTEM, LEGISLATING FOR THE PURPOSE THE CREATION
OF THE PHILIPPINE TRANSPORTATION SECURITY AUTHORITY (PTSA),
DEFINING ITS POWERS AND FUNCTIONS AND APPROPRIATING FUNDS
THEREFOR

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

Title I

General Provision

SECTION 1. Short Title. - This Act shall be known as the "*Philippine Transportation
Security Act of 2013*".

SEC. 2. Declaration of Policy. - It is hereby declared to be the policy of the State to
recognize the vital role of public transportation and commerce in nation building and in the
promotion of international and domestic trade relations for economic growth among nations. For
this purpose, the State, in preserving and protecting the rights of its people to a secured public
transport system, hereby supports and promotes the installation and implementation of
consolidated transportation security management to improve and maintain safe, convenient and
effective modes of air, land and water transportation systems, in full compliance with the
international laws, standards, regulations and practices, likewise fostering state of the art security
measures in the country's transportation system.

SEC. 3. Compliance with International Conventions.- As a member of the community
of nations and signatory state to international conventions, the Philippines shall dutifully comply
with the provisions of the transportation security administration in Maritime travel under
International Maritime Organization (IMO) as stated in Chapter XI-2-Regulation 1, Definitions
No.1 and 4 of the International Ship and Port Facility Security Code (ISPS CODE) and in Civil

Aviation under Chapter 3 (3.1.2) of Annex 17 of the International Civil Aviation Organization (ICAO).

Title II

Unlawful Interference, Others

SEC. 4. Prohibited Acts. - The following acts and omissions shall be considered prohibited acts:

- a) Unlawful interference in the transportation system refers to acts or omissions that breach the security or interfere with the efficient, smooth and regular operation of transportation system, ports, airports, terminals, services or facilities, thereby causing death, physical injury, damage to, or loss of property;
- b) Providing material, financial or moral support in aid of unlawful interference in a public transport service, facility or system except in the furtherance of legitimate protest, grievance or advocacy;
- c) Malicious reporting of incident or releasing, without authority, any classified transport security information, which may jeopardize the security of public transportation system in the Philippines;
- d) Failure or refusal to implement transportation security regulations in a public transportation system as required by this Act;
- e) Abuse the use of public transport franchise permit, and other certificates of public convenience; and
- f) Failure or refusal to disclose, or report information concerning any breach in transportation security.

SEC. 5. Penal Provisions.- a) The penalty of imprisonment of six (6) years and one (1) day to twelve (12) years and a fine ranging from Fifty thousand pesos (P50,000.00) to Five hundred thousand pesos (P500,000.00) shall be imposed upon any person or group of persons who shall violate Section 4(a) of this act.

The penalty of imprisonment of (6) months and one (1) day to six (6) years and a fine ranging from Twenty thousand pesos (P20,000.00) to Three hundred thousand pesos (P300,000.00) shall be imposed upon any person who shall violate Section 49(b), (c), (d), (e) and (f) of this act.

Title III

Creation of the Philippine Transportation Security Authority (PTSA)

SEC. 6. The Philippine Transportation Securing Authority (PTSA). - There is hereby created a transportation security regulatory body to be known as the Philippine Transportation

Security Authority (PTSA), which is authorized to implement the IMO-ISPS Code and Annex 17 of the ICAO Convention and the National Transportation Security Program (NTSP) under this act. It shall be an agency attached to the Department of Transportation and Communications (DOTC), and shall exercise the following mandate;

a) Render regulatory and oversight function on prescribed transportation security standards undertaken by agencies like the Civil Aeronautics Board (CAB), the Civil Aviation Authority of the Philippines (CAAP), the Philippine Ports Authority (PPA), Maritime Industry Authority (MARINA), Subic Bay Metropolitan Authority (SBMA), Cebu ports Authority (CPA), Bases Conversion Development Authority (BCDA), Philippine Veterans Investment and Development Corporation (PHIVIDEDEC), Land Transportation Office (LTO), Land Transportation Franchising and Regulatory Board (LTFRB), Philippine National Police-Aviation Security Group (PNP-ASG), Maritime Group (PNP-MARIG), Traffic Management Group (PNP-TMG), Armed Forces of the Philippines (AFP) when appropriate, Philippine Coast Guard (PCG), Airport Police (AP), Customs Police (CP), Metro Manila Development Authority (MMDA), Light Rail Transit Authority (LRTA), Philippine National Railways (PNR), Metro Rail Transit 3 (MRT 3) Office, Autonomous Region for Muslim Mindanao (ARMM) and such other agencies and instrumentalities related to transportation security;

b) Formulate, develop, adopt, prescribe and implement security standards, security regulations and measures, international protocol, procedures and policies including universally accepted standards for the prevention of security risks and incidents, and;

c) Collect fees and impose fines for the regulation and prevention of transportation security incidents and for the protection and security of passengers, crews, cargoes, baggage, personnel, transportation facilities, infrastructure and others.

SEC. 7. Powers and Functions. - the PTSA shall have the following powers and functions:

a) Ensure safe and efficient security measures exercised by the different government agencies involved in the transportation system, including but not limited to, the inspection of passengers, baggages and cargoes as well as the hiring and training of personnel in security screening, inspection, verification and audit;

b) Determine tariffs, fares, rates, charges and fees as it may deem necessary for air, land and water transport security services and prescribe the manner by which fees shall be paid and collected, subject to the provisions of this Act, notwithstanding any laws to the contrary;

c) Formulate and adopt a National Transportation Security Program for air, land and water; Prescribe rules and regulations for the issuance of security access pass and the determination of levels of security clearance for all air, land and water transportation facilities and infrastructures;

- d) Promulgate and issue rules and regulations governing the technical, economic, and security aspects of the transport system for the security, safety, benefit and interest of the public;
- e) Investigate any act of unlawful interference against public transportation system, facilities and infrastructures, and coordinate the filing appropriate charges related thereto in accordance with law;
- f) Acquire, purchase, own, administer, lease, mortgage, sell, encumber, or otherwise dispose of personal and real properties, equipment, property rights, and interest therein;
- g) Sue and be sued in its corporate name;
- h) Determine the original structure of the Authority; establish a human resources management system based on the merit and fitness, and adopt a rational compensation and benefit scheme;
- i) Receive and assess intelligence information related to transport security threats;
- j) Develop policies, plans and strategies against transportation security threats for all air, land and maritime transportation system in the Philippines, and;
- k) Perform such other functions necessary to effectively carry out the provisions of this act.

SEC. 8. National Transportation Security Committee (NTSC). - There is hereby created a National Transportation Security Committee (NTSC) for the different modes of transport, which shall cover air, maritime, and land transportation, respectively. The composition of the respective National Committees shall be designated through a department order issued by the Secretary of DOTC upon the recommendation of the PTSA;

SEC. 9. Duties of the respective NTSC. - The respective NTSC for Air, Maritime, and Land Transportation shall;

- a) Help coordinate and allocate security activities among the agencies of the government, airport, and seaport authorities, aircraft and sea-craft operators, terminals and bus and train operators or entities concerned with or responsible for the implementation of the National Transportation Security Program.
- b) Recommend policy guidance for the promotion and development of transportation security as provided in this Act, and;
- c) Submit an annual assessment report to the President of the Philippines.

SEC. 10. Meetings.- the NTSC shall meet regularly at least once a year and may hold special meetings to consider urgent matters upon call of the Chairman or any (3) members of its respective membership. The PTSA shall serve as the secretariat of the NTSC.

1 **SEC. 11. Organizational Structure of the PTSA.-** The Authority shall consist of the
2 Board of Directors, Administrator, Deputy Administrator and the Service Directors.

3
4 **SEC. 12. Board of Directors.-** The corporate powers of the Authority shall be exercised
5 by and vested in a Board of seven (7) members, which shall be composed of the Chairman, Vice
6 Chairman and five (5) members.

7 The Secretary of Transportation and Communications shall be the ex-officio Chairman of
8 the Board. The PTSA Administrator shall be the ex-officio Vice-Chairman of the Board and five
9 (5) other members shall be representatives of the private sector, all of whom must be at least
10 forty five (45) years of age; must have experience in a field directly related to transportation
11 security and must have at least five (5) years experience in the management of a field directly
12 related to security or allied services. The five (5) members of the Board of Directors shall serve a
13 term of five (5) years of initial appointments, the first three (3) members appointed shall hold
14 office for five years, and the last two (2) members shall hold office for three (3) years.
15 Appointment to any vacancy shall be only for the unexpired portion of the term of the
16 predecessor. In no case shall any member be appointed or designated in a temporary or acting
17 capacity.

18 The Board shall meet regularly once a month and as often as the exigency of the service
19 demand. The presence of at least four (4) members shall constitute a quorum; and the vote of a
20 majority of the members or representatives present, there being a quorum, shall be necessary for
21 the adoption of any rule, regulation, resolution, decision or any other act of the Board¹.

22
23 **SEC. 13. Functions, Powers and Duties of the Board -** Without prejudice to the powers
24 vested in the Board by virtue of the other Sections herein, the Board shall have the following
25 powers and duties:

- 26 a) To define and approve the national transportation security programs, plans, policies,
27 procedures and guidelines of the Authority;
28 b) To recommend to the President of the Philippines, for appointment the administrator
29 of the Authority who shall be the Chief Executive Officer of the Authority;
30 c) To approve the Authority's organizational and administrative structure, staffing
31 pattern, operating and capital expenditures, and financial budgets, prepared in
32 accordance with corporate plan of the Authority, upon recommendation of the
33 Administrator;
34 d) Ensure that each airport, seaport or terminals shall establish and implement a written
35 Security Plan (SP) appropriate to meet the requirements of the national
36 Transportation Security Program;
37 e) Review, define and allocate tasks to coordinate activities among the agencies of the
38 government, airport, seaport and/or land authorities, aircraft, seaport and land

1 transport operators and other entities concerned with or responsible for the
2 implementation of the various aspects of the National Transportation Security
3 Program, and;

- 4 f) All other functions and powers necessary or incidental to attain the purpose and
5 objectives of this law.
6

7 **SEC. 14. Administrator and Deputy Administrator.** - The PTSA shall be headed by
8 an Administrator, to be assisted by a Deputy Administrator, who shall be responsible for the
9 general administration and management of the agency. The Administrator must be a natural born
10 citizen of the Philippines, at least thirty-five (35) years of age, with at least ten (10) years of
11 experience in the field of transportation or security, five (5) years of which shall be in the field
12 directly related to a security or allied services. The deputy administrator shall have the same
13 qualifications as the Administrator.

14 The Administrator and Deputy Administrator shall be appointed by the President of the
15 Philippines for a term of six (6) years from the date of their appointment to office.
16

17 **SEC. 15. Powers and Functions of the Administrator.** - The Administrator shall have
18 the following powers and functions:

- 19 a) Execute, administer and implement the objectives, policies and programs of the
20 Authority and enforce decisions, orders, rules, and regulations approved or prescribed
21 by the Board of Directors;
22 b) Determine sensitive security information and prohibit the disclosure of information,
23 files or records or data of any sort, if in his option, the disclosure of such information
24 shall, (1) be detrimental to the security of persons and things in the transportation
25 sector; (2) reveal trade secrets, privileged or confidential information obtained from
26 any person, natural or juridical; (3) constitute unwarranted invasion of privacy of
27 persons, including but not limited to, information contained in any personnel, medical
28 or similar file; (4) undermine public trusts and confidence in duly constituted
29 authorities in the exercise of judgment calls and discretions in any or all risk
30 managements and preventive or preemptive actions undertaken.

31 In view hereof, the officials and employees of the Authority shall not be
32 compelled to be a witness, report, inform, or testify in any inquiry or forum of
33 whatever nature called for the purpose unless authorized in writing and within the
34 scope of authorized inquiry by the President of the Republic of the Philippines or
35 either Houses of Congress of the Philippines.

- 36 c) Direct and supervise the management, operations, and administration of the Authority
37 in accordance with international standards of transportation security, and impose
38 fines, penalties and similar sanctions for any violations thereof;

- 1 d) Exercise visitorial, surveillance and inspection powers in all areas within the
2 jurisdiction of the Authority including but not limited to transportation terminals,
3 stations and buildings, offices, and seaports and airports, tarmacs, wharfs and similar
4 infrastructures and issue travel and mission orders for the purpose;
- 5 e) Undertake research studies, investigations and other activities related to contemporary
6 transportation system security and future innovative requirements thereof, on his own
7 initiative or upon instruction of higher authorities, and to submit comprehensive
8 reports and appropriate recommendations to the Board for proper actions;
- 9 f) Recommend the formulation, development, implementation, revision and update of
10 the Air, Land and Maritime National Transportation Security Programs and
11 Operational Plans or Manuals;
- 12 g) Prescribe schedules for security fees, rates and charges consistent with prevailing
13 international standards for the use of airports, seaports, terminals and other
14 transportation facilities or infrastructures. The revenues collected thereon shall be
15 reported to the National Treasury and shall thereafter be disbursed by the Authority
16 for the continuing support and upgrade of the administration, operation and services
17 of the Authority to effectively carry out the objects of this Act, subject to existing
18 auditing and accounting laws, rules, regulations and procedures;
- 19 h) Appoint, transfer, suspend, remove or otherwise discipline any subordinate officer or
20 employee of the Authority, subject to Civil Service laws, rules and regulations; and
- 21 i) Perform such other functions necessary to effectively carry out the provisions of this
22 act.
- 23

24 **SEC. 16. Removal for Cause.** - The Administrator may be removed from office for
25 cause as provided by law. In case of death, resignation, removal or permanent disability of the
26 Administrator, the Deputy Administrator shall act as Administrator in a concurrent capacity until
27 the new Administrator shall have been appointed and qualified.

28

29 **SEC. 17. Prohibition.** - The Administrator, the Deputy Administrator, the Directors and
30 all other officials and employees of the authority shall not own any shares of stock or bond in
31 any transportation or security enterprise or in an enterprise that manufactures facilities and/or
32 equipment used for transport security. They shall strictly avoid conflict of interest in the conduct
33 of their office. Any violation hereof shall be dealt with in accordance with law.

34

35 **SEC. 18. Membership in the National Security Council.** - The Administrator or his
36 representative is hereby designated as member of the National Security Council and shall report
37 directly to the President of the Philippines regarding sensitive transportation security
38 information.

Sec. 19. Oversight Personnel. - For the purposes of implementing the provisions of this Act and in addition to the personnel of PTSA, the personnel of units or offices of the Philippine Coast Guard (PCG); Philippine Ports Authority Police (PPAP); Airport Police; Customs Police; PNP-Maritime Group (PNP-MARIG); PNP-Aviation Security Group (PNP-ASG); PNP-Traffic Management Group (PNP-TMG); Philippine National Railways Police (PNR Police); Civil Security Unit-Air Transportation Office (CSU-ATO) and all other government agencies with the primary duty and functions of providing transportation security maybe enlisted or deputized to act as oversight auditors for the authority.

SEC. 20. Promotion and Selection Board. - There shall be established a Promotion and Selection Board within the Authority which shall screen and evaluate its personnel for promotion. The appointment and promotion process shall be in accordance with the Civil Service laws, rules and regulations.

All positions in the PTSA shall be filled up in accordance with the Administration's organizational structure, which shall define the qualification standards consistent with the minimum requirements under the Civil Service Rules and Regulations.

The Chairman of the Board, in the interim and in the exigency of the service, shall appoint the initial batch of Directors upon the recommendations of the PTSA Administrator.

Likewise, there shall be a Selection and Qualification Committee, which shall recommend to the Administrator the appointment of all other personnel not provided herein.

SEC. 21. Headquarters, Offices and Location. - The principal office of the PTSA shall be in Metro Manila, but it may establish regional or field offices as may become necessary for the proper conduct of its business.

SEC. 22. Appropriations. - For the purposes of organizing and constituting the PTSA, and to carry out the provisions of this Act, the amount of Five Hundred Million Pesos (P500,000,000.00) is hereby appropriated out of any funds available or from any other sources that may be identified for the purpose. In addition, the appropriations of the absorbed agency for the current fiscal year shall be transferred to the Administration.

Thereafter, such amount as may be necessary to carry out the provisions of this Act shall be included in the annual General Appropriations Act.

SEC. 23. Transitory Provisions. - The Office for Transportation Security (OTS) under the Department of Transportation and Communications (DOTC) is hereby abolished. The officials and employees of the OTS shall be absorbed by the PTSA on the basis of merit and fitness and shall serve as the initial personnel complement of the Authority: Provided, That the Administrator, the Deputy Administrator and the Directors that may be absorbed under this Act,

1 shall initially be exempt from eligibility requirements of the Civil Service Commission upon
2 entry into the Authority; Provided, however, that the said personnel shall have at least one
3 hundred (100) hours of basic security training and at least two (2) years of extensive experience
4 in actual investigation, intelligence and security functions or assignments.

5 Officials and employees of the absorbed agencies may continue to serve in their official
6 capacity with the Authority without service record interruption; Provided, that they are qualified
7 and eligible for appointment in accordance with Civil Service laws, rules and regulations.

8 All existing facilities, equipment and all other assets, properties, rights, interest and
9 privileges which, upon the effectivity of this act, are vested in, and owned by, the OTS and such
10 other agencies performing transportation security functions that may be absorbed by the PTSA,
11 are hereby transferred to the PTSA.

12 All financial and logistical resources, facilities and equipment shall be released and put
13 under the control of the PTSA. All organizations and agencies whose functions are transferred to
14 PTSA shall disburse their funds and resources through the Authority.

15
16 **SEC. 24. Implementing Rules and Regulations (IRR).** - Within ninety (90) days from
17 his appointment, the Administrator shall promulgate the rules and regulations necessary to
18 ensure the effective implementation of this Act for the approval of the Board of Directors.

19
20 **SEC. 25. Repealing Clause.** - All laws, executive orders, letters of instructions, rules and
21 regulations and other issuances, or provisions thereof, inconsistent with any provisions of this act
22 hereby repealed or amended accordingly.

23
24 **SEC. 26. Separability Clause.** - If for any reason any provision of this Act is declared
25 unconstitutional or invalid, parts or provisions of this Act which are not affected shall continue to
26 be in full force and effect.

27
28 **SEC. 27. Effectivity.** - This Act shall take effect fifteen (15) days after its publication in
29 at least two (2) national newspapers of general circulation in the country.

Approved,