

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SEVENTEENTH CONGRESS
Second Regular Session

HOUSE BILL NO. 6467



Introduced by **HON. LUIS RAYMUND "LRAY" F. VILLAFUERTE, JR.**

EXPLANATORY NOTE

Technology is advancing our lives in ways we never imagined. It saves time, increases production, and improves communication. It changes the way we purchase products, the way we communicate and the way we travel.

The law is also not immune to changes brought by technological advances. **As man-made creations, laws are not always entirely encompassing, as future conditions may change conditions that could not have been perceived or accounted for by the legislators.**¹ Recently, the country was faced with a legal query that involves technology: What is the status of Transport Network Companies (TNCs) and Transport Network Vehicle Services (TNVS) in the Philippines? TNCs and TNVS are hounded by their vague legal and regulatory status whenever they enter a new market. As such, regulators have struggled with finding the correct regulatory path to take.

Transportation network companies use an online-enabled platform to connect passengers with drivers using their personal, non-commercial, vehicles². TNCs in the Philippines include Grab and Uber. Compared to taxicabs, TNCs offer advantages to riders including the ability to request service via mobile map or website, track the location of the driver, and get a receipt via email.³ Additionally, TNC drivers are subject to background checks, training, drug and alcohol policies.⁴

TNVS have also ventured into pooling rides to achieve better load efficiency and reducing costs for commuters going to similar destinations. These developments

¹ G.R. No. 176951 (LEAGUE OF CITIES OF THE PHILIPPINES, ET AL. v. COMMISSION ON ELECTIONS, ET AL.); G.R. No. 177499 (LEAGUE OF CITIES OF THE PHILIPPINES, ET AL. v. COMMISSION ON ELECTIONS, ET AL.); G.R. No. 178056 (LEAGUE OF CITIES OF THE PHILIPPINES, ET AL. v. COMMISSION ON ELECTIONS, ET AL.), June 28, 2011

² "DECISION ADOPTING RULES AND REGULATIONS TO PROTECT PUBLIC SAFETY WHILE ALLOWING NEW ENTRANTS TO THE TRANSPORTATION INDUSTRY" (PDF). California Public Utilities Commission. December 20, 2012.

³ Megan McArdle (July 20, 2015). "Uber Serves the Poor by Going Where Taxis Don't". BloombergView.com.

⁴ Marcus Gee (May 18, 2015). "Uber is here to stay, and that's a good thing". The Globe and Mail. Available URL: <https://beta.theglobeandmail.com/news/toronto/uber-is-here-to-stay-and-thats-a-good-thing/article24481955/?ref=http://www.theglobeandmail.com&>

have even encouraged some car owners to leave cars at home — a welcome development in reducing traffic.⁵ The worsening traffic situation in the Philippines results in losing \$2.74 Billion (P137B) per year from lost productivity.⁶

Uber and Grab entered the Philippine market in 2015. Subsequently, the Department of Transportation (DOTr) issued Department Order No. 2015-011 which introduced TNVS as a new mode of transportation in the Philippines. The Land Transportation Franchising and Regulatory Board (LTFRB) issued Memorandum Circular No. 2015-017, which sets the guidelines for the acceptance of applications for a Certificate of Public Convenience to operate a TNVS.

As of December 2016, GrabCar and Uber were reportedly used by more than 2 million users combined.⁷ These numbers attest to the emergence of TNVS as a viable alternative and existing modes of point-to-point transportation.

On July 21, 2016, the LTFRB issued Memorandum Circular 2016-008 suspending all applications for provisional authority or temporary permits to operate for TNVS to pave the way for a review of the existing regulatory framework applicable to TNVS providers.⁸ The LTFRB is currently threatening to impound the vehicles of TNVS operators who do not have certificates of public convenience. Thus, the vague legal and regulatory status of TNVS hangs over the heads of TNVS operators and their passengers.

The aforementioned issuance of the memorandum circular and threat resulted in public uproar. At present, more than 100,000 commuters have signed up in an online petition expressing their anger over LTFRB's plan, citing the benefits of TNVS.⁹ For the commuting public, TNVS are the sought-after change and innovation in transportation.

This bill seeks to create a separate regulatory framework for TNCs and TNVS — given its unique character. Many countries like Malaysia, United States (states like Florida, Texas, North Carolina & California), United Arab Emirates, United Kingdom, and Singapore already enacted state-wide regulation on transportation network companies. In Florida, a TNC or a TNC driver (TNVS) is not a common carrier, or motor carrier and does not provide taxicab or for-hire vehicle service. In addition, a TNC is not required to register the vehicle that the TNC driver uses to provide pre-arranged rides as a commercial motor vehicle or a for-hire

⁵ Raoul Villegas and John Michael Delos Reyes (February 23, 2017). "The entry of transport network companies (TNCs)" BusinessWorld Online Available URL: [http://www.bworldonline.com/content.php?section=Economy&title=the-entry-of-transport-network-companies-\(tncs\)&id=141120](http://www.bworldonline.com/content.php?section=Economy&title=the-entry-of-transport-network-companies-(tncs)&id=141120)

⁶ Japan International Cooperation Agency Study, 2015

⁷ <http://www.entrepreneur.com.ph/news-and-events/grab-vs-uber-in-ph-who-s-getting-the-riders-and-making-money-a00178-20161221>

⁸ <http://www.sunstar.com.ph/manila/local-news/2017/07/20/poe-compromise-reached-among-ltfrb-uber-grab-553799>

⁹ Ibid.

vehicle.¹⁰ Similarly, this bill does not classify TNVS as common carriers — they are rather private carriers. The distinction is significant in the sense that the rights and obligations of the parties to a contract of private carriage are governed principally by their stipulations, not by the law on common carriers.¹¹

On one hand, common carriers are persons, corporations, firms or associations engaged in the business of carrying or transporting passengers or goods or both, by land, water, or air, for compensation, offering their service to the public (Article 1732, Civil Code of the Philippines). On the other hand, a private carrier is one who, without holding himself out to the public as ready to act for all who may desire his or its services, undertake, by special agreement in a particular instance only, to transport goods or persons from one place to another either gratuitously or for hire.

The contract of transportation is a consensual contract. Hence, a common carrier engages in a continuous offer. If you flag a common carrier down, the contract becomes perfected (consistent with the idea that entering with a contract with a common carrier is a matter of right and not permission). In the case at bar, TNVS or TNC drivers can go “offline” if desired and can decide to accept or reject a ride request according to their personal travel itinerary. Although many drivers appear to give full time transport service, some may be doing it under unique circumstances.

Meanwhile, a TNC is a technology company that does not provide transportation services and the company is not a transportation provider. They merely link the customer with a third party driver and are not parties to the transportation contract. The Supreme Court ruling in *Crisostomo v. CA*¹² may apply by analogy wherein it declared that a travel agency merely arranges the booking of a person but the act of actual transporting the customer is done by the airline. Thus, the travel agency is not a common carrier. The agreement between the travel agency and the customer is merely an ordinary service contract.

It appears beyond question that the Department of Transportation (DOTr), broadly speaking, has the authority to regulate TNCs and TNVS. The authority of DOTr over transportation matters has been described by the Court in *Mirasol vs. DPWH* : "Under EO 546, among the functions of the [DOTC], were to regulate, whenever necessary, activities relative to transportation and communications. [I]t is the DOTC which is authorized to administer and enforce all laws, rules and regulations in the field of transportation and to regulate related activities."

As previously discussed, TNCs and TNVS are not common carriers. The

¹⁰ An Act Relating to Transport Network Companies, 12 May 2017

¹¹ *Lea Mer Industries, Inc. v. Malayan Insurance Co., Inc.*, 508 Phil. 656, 663 (2005), citing *National Steel Corporation v. Court of Appeals*, 347 Phil. 345, 362 (1997).

¹² GR 138334 (25 August 2003)

LTFRB, therefore, has no authority towards the same. The LTFRB's authority includes the following: (i) regulation of areas of operation of public land transportation services, (ii) issuance of permits for land transport services by motorized vehicles, and (iii) prescribing rates for the foregoing. Stated simply, the LTFRB regulates public land transportation. It has authority over land "common carriers" — the delicate consideration that may set apart TNCs and TNVS in terms of proper regulation.¹³

The question now arises, "Will the riding public be sufficiently protected given that TNCs and TNVS are not considered as common carriers?" The answer is in the affirmative. TNCs and TNVS may be exempted from the regulation for common carriers but they must be permitted by DOTr and meet requirements. These requirements include but not limited to:

1. Securing a comprehensive insurance;
2. Conducting a safety inspection of a prospective driver's vehicle before it is approved for use;
3. Overseeing drivers (background check and other safety measures); and
4. Submitting and satisfying other requirements of DOTr.

Under the proposed bill, DOTr may also promulgate rules concerning administration, fees, penalties, additional safety requirements, and financial responsibility requirements. Moreover, a driver may not provide services unless the TNC has matched the driver to a rider. In other words, hailing is not permitted. Once matched to a rider, a TNC driver must provide service regardless of race, ethnicity, gender, sexual orientation, gender identity, or disability.

The State must rethink and address decade-old rules and entrenched interests to continue to maintain the efficiencies of the new ridesharing movement introduced by TNCs like Uber and Grab. It can be argued that to some extent, TNCs are self-regulating. Self-regulation is not the absence of regulation, but it is the reorganization of the responsibility to maintain safety and quality standards to an industry-specific organization or company rather than to traditional government oversight.¹⁴ For example, a deficient vehicle is likely to receive a negative rating. The self-regulatory organization (SRO) will receive the rating and either remove the vehicle from the fleet or address it with the service provider. Research with TNC drivers show that in general, TNC platforms respond to feedback effectively, and administrators follow-up with every negative comment.¹⁵ Scholars suggest that instead of strict government regulation, TNCs should self-regulate in order to

¹³ Atty. Paul Cornelius Castillo. Road Rules: Is the law apt for an app? (August 19, 2015) Available URL: <https://www.autoindustriya.com/features/road-rules-is-the-law-apt-for-an-app.html>

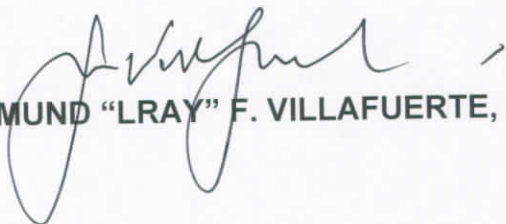
¹⁴ Cohen, "Self-Regulation and Innovation," 116

¹⁵ Edelman, "Efficiencies and Regulatory Shortcuts," 22

mitigate safety and supply concerns while preventing government failures through over-regulation.

In the case at bar, we should strike a balance. The State shall provide a prudent regulation that welcomes technological innovations and ensures a high degree of service to the riding public. TNCs like Uber and Grab can serve as platforms that enforce quality and safety standards, balance asymmetrical information, and internalize externalities before and during the transaction, with minimum mandates from the government.

The immediate approval of this bill is earnestly sought.



LUIS RAYMUND "LRAY" F. VILLAFUERTE, JR.

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SEVENTEENTH CONGRESS
Second Regular Session

HOUSE BILL NO. 6467

Introduced by **HON. LUIS RAYMUND "LRAY" F. VILLAFUERTE, JR.**

**AN ACT RECOGNIZING TRANSPORT NETWORK COMPANIES AND
TRANSPORT NETWORK VEHICLE SERVICES PRESCRIBING REQUIREMENTS
AND GUIDELINES FOR THEIR OPERATION, PROVIDING PENALTIES FOR
VIOLATION THEREOF, AND FOR OTHER PURPOSES**

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

CHAPTER 1
GENERAL PROVISIONS

SECTION 1. *Short Title.* This act shall be known as the "*TNC and TNVS Act of 2017*"

SECTION 2. *Declaration of Policy.* It is the declared policy of the government to set in motion State policies and mandates in the 1987 Philippine Constitution, namely:

1. The State recognizes the indispensable role of the private sector, encourages private enterprise and provides incentives to needed investments. (Article II, Section 20)
2. The State shall regulate the transfer and promote the adaptation of technology from all sources for the national benefit. It shall encourage the widest participation of private groups, local governments and community-based organizations in the generation and utilization of science and technology. (Article XIV, Section 12)
3. The use of property bears a social function, and all economic agents shall contribute to the common good. (Article XII, Section 6)

SECTION 3. *Definitions.* As used in this Act:

1. "**Department**" shall refer to the Department of Transportation (DOTr);

2. **"Digital network"** means any online-enabled application, website, or system offered or used by a transportation network company that enables the prearrangement of rides between passengers and drivers.
3. **"Digitally prearranged ride"** means a ride in a personal vehicle between points chosen by the passenger that is prearranged through a digital network.
4. **"Personal vehicle"** means a vehicle that:
 - a. is owned, leased, or otherwise authorized for use by a driver; and
 - b. is not a taxicab, limousine, or other vehicle regulated by LTFRB
5. **"Transportation Network Company (TNC)"** means a corporation, partnership, sole proprietorship, or other entity that, for compensation, enables a passenger to prearrange with a driver, exclusively through a digital network, a digitally prearranged ride. The term does not include an entity that provides:
 - a. street-hail taxicab services;
 - b. limousine or other car services arranged by a method other than through a digital network;
 - c. shared expense carpool or vanpool arrangements not arranged via TNC digital network; or
 - d. a type of ride service for which:
 - i. the fee received by the driver does not exceed the driver's costs of providing the ride; or
 - ii. the driver receives a fee that exceeds the driver's costs associated with providing the ride but makes not more than three round-trips per day between the driver's or passenger's place of employment and the driver's or passenger's home.
6. **"Transportation Network Vehicle Service (TNVS)"** means transportation of passenger/s between points chosen by the passenger and that is prearranged through the use of a digital network. The TNVS begins the from the moment the driver accepts a request for transportation on a service platform and ends when the driver completes the transactions on the service platform or when it trip is complete and the passenger exits the vehicle, whichever is later.
7. **"Transport Network Vehicle Operators (TNVO)"** mean the owners of TNVS that provide transport network services.
8. **"Ridesharing"** means the arrangement of a trip between a driver and passenger through a digital network that:
 - a. Electronically communicates requests for services from passengers to driver;
 - b. Provides total fare estimates to passengers before requesting the trip; and

- c. Reasonably enables passengers to identify drivers and vehicles

SECTION 4. *Nature of Transportation Network Companies, Drivers, and Vehicles.* – Transportation network companies and drivers logged in to the company's digital network are not common carriers, or motor carrier and does not provide taxicab or for-hire vehicle service. A TNC is not required to register the vehicle that the TNC driver uses to provide pre-arranged rides as a commercial motor vehicle or a for-hire vehicle.

SECTION 5. *Drivers logged-in to Digital Network.* – This provision applies to a driver logged-in to a digital network applies while the driver is logged in to receive requests for digitally prearranged rides and while the driver is logged in and providing a digitally prearranged ride.

CHAPTER 2 PERMIT

SECTION 6. *Permit Required.* A person, firm or corporation shall be allowed to operate a TNC by obtaining a permit ("Certificate of Transport Network Company") issued under this Act. The Department shall issue the Certificate to each applicant that meets the requirements of this Act and pays the necessary fee.

SECTION 7. *TNVO Accreditation.* Any interested TNVO submits to the accredited TNC, either in person or electronically, the following accreditation requirements: (1) Official Receipt and Certificate of Registration of the vehicles; (2) Notarized Special Power of Attorney; and (3) Proof of Filipino Citizenship. Nothing in this Section shall be interpreted to prevent the TNC from imposing additional requirements.

The TNC will collect and collate all TNVO submissions and will submit the requirements electronically to the Department using an online application system. The Department will electronically review all submissions by logging on to the online application system and can either approve or deny the same. The TNC shall be informed of the decision of the Department within five (5) working days and shall issue the appropriate accreditation documents.

The TNC shall activate the vehicles approved by the Department.

SECTION 8. *Fee.* A transportation network company shall annually pay to the Department a fee to maintain a permit under this Act in an amount determined by the Department to cover the costs of administering this Act.

SECTION 9. *Term.* A permit under this Act is valid for two (2) years unless sooner revoked by the Department for reasonable cause. The Department shall prescribe the form and requirements necessary for the renewal of permit.

CHAPTER 3 OPERATION OF TRANSPORTATION NETWORK COMPANIES

SECTION 10. *Insurance Required.* TNVS shall secure a Passenger Accident Insurance.

SECTION 11. *Shared Rides.* Multiple passengers may wholly or partly share a digitally prearranged ride, if the passengers consent to sharing the ride.

SECTION 12. *Fares.* A transportation network company that charges a fare for a digitally prearranged ride shall provide, through the digital network, to the passenger requesting the ride:

- a. the applicable rates being charged; and
- b. the option to receive an estimated fare.

SECTION 13. *Digital Network Identification of Drivers and Vehicles to Passengers.* A transportation network company shall, before a passenger enters a vehicle for a digitally prearranged ride, provide through the company's digital network to the passenger requesting the ride:

1. the driver's first name and picture; and
2. the make, model, and license plate number of the driver's vehicle.

SECTION 14. *Electronic Receipt.* Within a reasonable time following the completion of a digitally prearranged ride, the transportation network company whose digital network was used to prearrange the ride shall transmit, through electronic mail or text message, a receipt to the passenger who requested the ride that includes:

1. the origin and destination of the ride;
2. the total time and distance of the ride; and
3. an itemization of the total fare paid, if any.

SECTION 15. *Intoxicating Substance Policy.* A transportation network company shall implement an intoxicating substance policy that prohibits a driver who is logged-in to the company's digital network from any amount of intoxication.

A transportation network company shall include on its website:

1. a notice concerning the company's intoxicating substance policy; and
2. the means to make a complaint about a suspected violation of the policy.

On receipt of a passenger complaint alleging a violation of the intoxicating substance policy, a transportation network company shall:

1. conduct an investigation into the reported incident; and
2. immediately suspend the driver's access to the company's digital network for the duration of the investigation.

A transportation network company shall maintain records relevant to a complaint for a period of at least two years after the date the complaint is received.

SECTION 16. *Driver's Requirements.* Before permitting an individual to log in as a driver on the company's digital network, a transportation network company must:

1. Require the individual to submit an application that includes at least all of the following:
 - a. The individual's name, address, and age;
 - b. Information on the individual's driver's license;
 - c. Proof of motor vehicle registration for the personal vehicle the individual will use to provide service through transport network company;
 - d. Proof of availability of an off-street parking space for the vehicle; and
 - e. Proof of motor liability insurance coverage as required under Section 8 of this Act.
2. Conduct, or have a third party conduct, a criminal background check for the individual.

A transport network company shall not approve an application submitted under this Section and shall disqualify an applicant who:

1. Is below eighteen (18) years of age;
2. As shown in the criminal background check required under this Section, has been convicted within the past five (5) years of any felony;
3. Does not possess a valid non-professional driver's license;
4. Does not possess proof of motor vehicle registration; or
5. Does not possess proof of motor vehicle liability insurance.

A transport network company shall permanently disqualify an applicant who:

1. Makes a material misrepresentation in his or her application;
2. Submits falsified documents;
3. Has been convicted for reckless imprudence resulting in serious physical injuries or homicide;
4. Is a convicted sex offender; or
5. Is a convicted terrorist.

A person whose application has been approved shall be issued a certificate which shall contain the name, address and picture of the driver, and the registration plate number of the vehicle that he will use the form of the certificate shall be approved by the Department.

SECTION 17. *Digitally Prearranged Rides Only.* A driver who is logged in to a digital network may not solicit or provide a ride for compensation unless the passenger has been matched to the driver through the digital network.

SECTION 18. *Passenger acting in unlawful, disorderly or endangering manner.* A driver who has accepted a digitally prearranged ride may refuse to transport a passenger acting in an unlawful, disorderly, or endangering manner.

SECTION 19. *Display of Digital Identification.* In this section, "digital identification" means information stored on a digital network that may be accessed by a driver and that:

1. serves as proof of the identity of the driver;
2. serves as proof that the insurance coverage requirements are satisfied;
3. displays a photo of the driver; and
4. identifies the make, model, and license plate number of the vehicle used by the driver.

SECTION 20. *Vehicle Requirements.* A transportation network company shall, for each motor vehicle used by a driver to provide digitally prearranged rides through the company's digital network:

1. require the vehicle to meet the requirements of the Department; and
2. confirm that the vehicle has:
 - a. four doors; and
 - b. not more than 10 years old.

A vehicle used to provide digitally prearranged rides may be owned, leased, or rented by, or otherwise made available to, the driver.

SECTION 21. *Non-discrimination; Accessibility.* A transportation network company shall adopt a policy that prohibits a driver logged in to the company's digital network from:

1. discriminating on the basis of a passenger's or potential passenger's location or destination, race, color, national origin, religious belief or affiliation, sex, disability, or age; and
2. refusing to provide service to a potential passenger with a service animal.

A transportation network company shall notify each person authorized to log in as a driver on the company's digital network of the nondiscrimination policy. A driver logged in to the company's digital network shall comply with the nondiscrimination policy.

A transportation network company may not impose an additional charge for transportation of individuals with physical disabilities because of those disabilities.

SECTION 22. *Drivers as Service Providers.* A driver who is authorized to log in to a transportation network company's digital network is considered a service provider for all purposes, and not an employee of the company in any manner, if:

1. the company does not:
 - a. prescribe the specific hours during which the driver is required to be logged in to the company's digital network;
 - b. impose restrictions on the driver's ability to use other transportation network companies' digital networks;

- c. limit the territory within which the driver may provide digitally prearranged rides; or
 - d. restrict the driver from engaging in another occupation or business; and
- 2. the company and the driver agree in writing that the driver is a service provider.

CHAPTER 3 RECORDS AND OTHER INFORMATION

SECTION 23. *Retention and Submission of Records.* A transportation network company shall maintain:

- 1. Records evidencing compliance with the requirements of this Act for a period of two years;
- 2. Individual ride records for at least five years after the date the ride was provided; and
- 3. Driver records for at least five years after the date the driver ceases to be authorized to log in as a driver on the company's digital network.

The Department shall provide a means for information required to be submitted for the purposes of this chapter to be submitted electronically.

SECTION 24. *Collection, Use or Disclosure of Records and Other Company Information.* Any records, data, or other information disclosed to a public entity, including the Department, by a transportation network company, including names, addresses, and any other personally identifiable information of drivers is not subject to the provisions of Republic Act No. 10173 or the Data Privacy Act of 2012.

A public entity, including the Department, may not disclose any records, data, or other information provided by a transportation network company under this chapter to a third party except in compliance with a court order or subpoena. If information provided under this Act is sought through a court order or subpoena, the public entity shall promptly notify the transportation network company to afford the company the opportunity to take actions to prevent disclosure.

In collecting, using, or disclosing any records, data, or other information submitted by a transportation network company under this chapter, a public entity, including the Department, shall:

- 1. consider the potential risks to the privacy of the individuals whose information is being collected, used, or disclosed;
- 2. ensure that the information to be collected, used, or disclosed is necessary, relevant, and appropriate to the proper administration of this chapter; and

3. take all reasonable measures and make all reasonable efforts to protect, secure, and, where appropriate, encrypt or limit access to the information.

A transportation network company required to submit, disclose, or otherwise provide personally identifiable information of drivers to a public entity, including the Department, is not liable in any civil or criminal action for any unauthorized disclosure, misuse, alteration, destruction, access or acquisition, or use of the information that occurs while the information is in the possession of any public entity of this state.

SECTION 25. *Passenger Disclosure.* A transportation network company may disclose a passenger's personal identifying information to a third party only if:

1. the passenger consents; or
2. the disclosure is required by a legal obligation; or
3. the disclosure is required to:
 - a. protect or defend the terms of use of the transportation network company service; or
 - b. investigate a violation of those terms.

Notwithstanding the first par of this Section, a transportation network company may share a passenger's name and contact number with a driver accessing the company's digital network to facilitate:

1. identification of the passenger by the driver; or
2. communication between the passenger and the driver.

CHAPTER 4 ENFORCEMENT

SECTION 26. *Permit Suspension or Revocation.* The Department, after due notice and hearing, may suspend or revoke a permit issued to a transportation network company that violates a provision of this Act including but not limited to the following:

1. Makes a material misrepresentation in any application filed under this Act;
2. Fails to comply with the provisions of this Act or any rule promulgated pursuant to this Act;
3. Violates any other law that substantially relates to the operation of transport network companies;
4. Fails to cooperate with the Department, or fails to timely respond to a request for information, in connection with an investigation pursuant to this Act or
5. Fails to maintain the qualifications for a permit.

SECTION 27. *Penalties.* The Department shall determine the amount of the administrative penalty to be imposed on a person, firm, corporation or entity found violating the provisions of this Act, after considering the following factors:

1. The seriousness of the violation or failure to comply, including the nature, circumstances, extent, and gravity of the violation, and the harm or injury that may arise as a result of the violation;
2. The history of contraventions of or failures to comply;
3. The efforts made to correct the violation; and
4. Any other factor that may be just and reasonable under the circumstances.

SECTION 28. Fees and Other Charges. The TNCs shall be subject to an annual supervision fee, to be determined by the Department. The Department shall promulgate rules and regulations governing the collection of such fees, which shall likewise be reviewed periodically and any proposed increase shall be published in two (2) newspapers of general circulation.

CHAPTER 5 FINAL PROVISIONS

SECTION 29. Implementing Rules and Regulations. Within sixty (60) days from the effectivity of this Act, the Department shall promulgate the implementing rules and regulations as may be necessary to ensure the efficient and effective implementation of this Act.

SECTION 30. Appropriation. The amount necessary to carry out the provisions of this Act shall be included in the annual General Appropriations Act.

SECTION 31. Separability Clause. If any portion or provision of this Act or the application thereof shall be declared invalid or unconstitutional, the validity of other parts or provisions not affected thereby shall continue to be in full force and effect.

SECTION 32. Repealing Clause. All laws, decrees, executive issuances, rules and regulations inconsistent with this Act are hereby repealed or modified accordingly.

SECTION 33. Effectivity Clause. This Act shall take effect fifteen (15) days after its publication in at least two (2) newspaper of general circulation.

Approved,