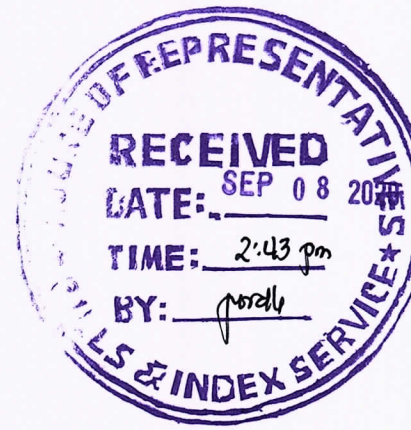


Republic of the Philippines
House of Representatives
Quezon City, Metro Manila

EIGHTEENTH CONGRESS

Second Regular Session

House Bill No. 7602



**INTRODUCED BY
REP. ALFRED VARGAS**

**AN ACT
CREATING THE SPECIAL MASS TRANSIT SYSTEM SUPPORT FUND
AMENDING FOR THE PURPOSE SECTION 7 OF REPUBLIC ACT NO.
8794, AS AMENDED**

EXPLANATORY NOTE

The traffic congestion in the country particularly in Metro Manila has long been a problem for the government and the commuting public. In 2017, a research study reported that Metro Manila ranked third in having the worst traffic in Southeast Asia, where commuters and motorists alike spend more than an hour on average in traffic every day.¹

The opportunity cost of the traffic problem in Metro Manila, measured by wasted time, fuel, and lost productivity, was estimated at P3.5 billion a day in 2017 and projected to increase to as much as P5.4 billion daily by 2035.²

Transport advocates and urban planners have long-suggested that a probable solution to this daunting concern of traffic congestion is the development of an effective mass transit system. An effective public transport system can aid the commuting public for faster mobility, while promoting the environment and decongesting traffic caused by an insurmountable trail of private vehicles.

Especially in challenging times like the COVID-19 pandemic, the government must take necessary steps and opportunities to promote

¹ Boston Consulting Group. 2017 "Unlocking Cities"

² Japan International Cooperation Agency (JICA) Philippines. 2018. "Partners in Nation Building: Annual Report 2018."

mobility and introduce new developments for a safer and more effective mass transit system.

This bill seeks to amend the Motor Vehicle User's Charge (MVUC) Act by realigning funds from the MVUC for the construction, improvement, and rehabilitation of our mass transit system. The development and expansion of our mass transport systems would not only ease the traffic problem, but would benefit the lives and productivity of the commuting public and result to a cleaner environment.

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



ALFRED VARGAS

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

SECTION 1. *Short Title.* – This Act shall be known as the "Special Mass Transit System Support Fund Act".

SECTION 2. *Disposition of Monies Collected.* – Section 7 of R.A. No. 8794, as amended, is hereby further amended to read as follows:

"Sec. 7. Disposition of Monies Collected. – All monies collected under this Act shall be [~~remitted to the National Treasury under a special account in the General Fund to be~~] earmarked solely **AND USED EXCLUSIVELY** for the construction, [~~upgrading, repair~~] **IMPROVEMENT**, and rehabilitation of [~~roads, bridges, and road drainage~~] **OUR MASS TRANSIT SYSTEM, INCLUDING THE ACQUISITION OF ROAD RIGHT-OF-WAY FOR SUCH PROJECTS** to be included in the annual General Appropriations Act.

ALL SUCH MONIES COLLECTED SHALL BE REMITTED TO THE NATIONAL TREASURY UNDER A SPECIAL ACCOUNT IN THE GENERAL FUND TO BE KNOWN AS THE SPECIAL MASS TRANSIT SYSTEM SUPPORT FUND. THE SAID FUND SHALL BE UNDER THE DEPARTMENT OF TRANSPORTATION (DOTR).

SECTION 3. A new Section 8 is hereby inserted after Section 7 of the same

Act to read as follows:

"SEC. 8. THE SPECIAL FUND ESTABLISHED UNDER THIS ACT SHALL BE DISTINCT AND SEPARATE FROM AND IN ADDITION TO ANY APPROPRIATION AUTHORIZED AND GRANTED YEARLY TO THE DOTR TO COVER EXPENDITURES FOR THE IDENTIFIED OBJECTS OF EXPENDITURES UNDER THIS ACT. CONGRESS SHALL CONTINUE TO APPROPRIATE AN AMOUNT IN THE GENERAL APPROPRIATIONS ACT FOR THE CONSTRUCTION, IMPROVEMENT, AND REHABILITATION OF THE MASS TRANSIT SYSTEM UNDER THE DOTR: PROVIDED, HOWEVER, THAT ANY SAVINGS FOR EACH YEAR OUT OF SUCH APPROPRIATION SHALL REVERT TO THE GENERAL FUND. ANY SAVINGS FROM THE SPECIAL FUND CREATED HEREIN SHALL ACCRUE TO THIS SPECIAL FUND."

SECTION 4. The succeeding sections of the same Act are hereby renumbered accordingly.

SECTION 5. *Implementing Rules and Regulations.* – The Department of Budget and Management, in coordination with the Bureau of the Treasury and the DOTr, shall within sixty (60) days from the effectivity of this Act, promulgate the rules and regulations to effectively implement the provisions of this Act.

SECTION 6. *Separability Clause.* – If any portion or provision of this Act is declared unconstitutional, the remainder of this Act or any provisions not affected thereby shall remain in force and effect.

SECTION 7. *Repealing Clause.* – Any law, presidential decree or issuance, executive order, letter of instruction, rule or regulation inconsistent with the provisions of this Act is hereby repealed or modified accordingly.

SECTION 8. *Effectivity Clause.* – This Act shall take effect after fifteen (15) days following its complete publication in the Official Gazette or in at least two (2) newspapers of general circulation.

Approved,