

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
Third Regular Session

HOUSE BILL NO. 10332



Introduced by **HON. JOY MYRA R. SALVADOR-TAMBUNTING**

EXPLANATORY NOTE

Mobility is an important discourse in any economy. It allows people to fully participate in our society. As such the importance of the transport sector could not be overstated. With the onset of the COVID-19 pandemic, the country's transport sector was among the hardest hit. But even prior the ongoing global health crisis, the transport sector has been constantly confronted with numerous issues and challenges. This is where transportation cooperatives come in. They formulate policies, guidelines and plans geared towards the welfare of member public utility vehicle drivers. They initiate projects that will lift-up economic status of every member. They also provide various services to their members such as trainings, seminars, and the like so that members may upgrade their skills and knowledge. Transport cooperatives for years has allowed for the sector to render unhampered service to the public—cementing their role as a government partner in providing mobility to the public.

In this regard, this measure seeks to assist transport cooperatives into growing and to ensure transport cooperatives' viability as the primary provider and source of safe, efficient, and environment-friendly land and sea transport service. This measure shall establish a Transportation Cooperatives Development Loan Fund in the amount of Five Billion Pesos which shall be sourced from Motor Vehicle User's Charge on owners of all types of motor vehicles as provided for under Republic Act No. 8794. This Fund shall be the principal source of financial assistance to the Transportation Cooperative Sector to pursue its various economic activities to attain its primary objective of improving the lives of the land and sea public transport workers.

On behalf of the people of Parañaque City's Second District, and for the common good of the Filipino people, the approval of the said measure is earnestly sought.


JOY MYRA R. SALVADOR-TAMBUNTING

2nd District, Parañaque City

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AN ACT
ESTABLISHING THE TRANSPORTATION COOPERATIVES DEVELOPMENT LOAN FUND,
APPROPRIATING AND SOURCING FUNDS THEREOF AND FOR OTHER PURPOSES

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 “Transportation Cooperatives Development Loan Fund Act.”

SEC. 2. Declaration of Policy. – It is hereby declared the policy of the State to promote the viability and growth of the transportation cooperative sector as the primary provider and source of safe, efficient, and environment-friendly land and sea transport service in the transport of passengers and goods geared towards structural economic growth and development of the country.

Towards this end, the State shall recognize the transportation cooperative system as a tool towards the integration of land and sea public transport system, not only as a means to effect economy and efficiency in the movement of goods and passengers, but also as a measure to ameliorate the social and economic conditions of public transportation workers and their families through various strategies that will ensure sustainable employment opportunities.

The government and all its branches, subdivisions, instrumentalities and agencies shall ensure the provision of technical guidance, financial assistance and other incentives to the transportation cooperative sector as partner of the government in building a sustainable nation.

SEC. 3. Transportation Cooperatives Development Loan Fund. – There is hereby established a “Transportation Cooperative Development Loan Fund” as principal source of financial assistance to the Transportation Cooperative Sector to pursue its various economic activities to attain its primary objective of improving the lives of the land and sea public transport workers, more so in the implementation of the Public Utility Vehicle Modernization Program (PUVMP).

The Fund, in the amount of FIVE (5) BILLION (P 5,000,000,000.00) PESOS, shall be sourced from the Motor Vehicle User's Charge on owners of all types of motor vehicles as provided for under Republic Act No. 8794.

SEC. 4. Use of the Funds. – The Fund herein established and appropriated will be used as a principal source of financial assistance exclusively for Transportation cooperatives duly registered with the Cooperative Development Authority and accredited with the Department of Transportation (DOTr), thru the Office of Transportation Cooperatives (OTC), which shall include but not limited to:

1. Transport modernization or vehicle/vessel acquisition programs that conform to land and sea safety standards taking in consideration the roadworthiness of public utility vehicles pursuant to DOTr Department Order No. 2002-30, LTFRB Memorandum Circular No. 2012-017 and Resolution No. 2013-01, MARINA's modernization program, and DOTr DO No. 2017-011;
2. Engagement in Allied Businesses pursuant to Art. 112 of R.A. 9520 and Rule V, Section 2 of its implementing Rules and Regulations as follows:
 - a. Importation, distribution and marketing of petroleum products in accordance with existing laws;
 - b. Operation of gasoline stations and transportation service centers;
 - c. Importation, distribution and marketing of spare parts and supplies; and
 - d. Marketing of vehicle/drivers insurance policies.
3. Establishment of manufacturing/assembly and repair shops for the transportation cooperative sector's land and sea requirements.

SEC. 5. Administration of the Funds. – To administer the Fund and provide policy guidelines in the usage of the same, a Board of Administrators is hereby created and shall be composed of the following:

DOTr Sec or Usec. for Land Transportation – CHAIRPERSON
OTC Chairperson – VICE-CHAIRPERSON
LTFRB Chairperson – MEMBER
CDA Chairperson – MEMBER
Department of Energy Representative – MEMBER
DBP Representative – MEMBER
NFTC Representative – MEMBER
Sectoral Apex Organization for Public Utilities President – MEMBER

Likewise, the Board of Administrators shall create and organize a Management Group to handle the operation and management of the Fund.

SEC. 6. Implementing Rules and Regulations. – The Board of Administrators created under Section 4 likewise shall promulgate the necessary Implementing Rules and Regulations for the effective and efficient implementation of this Act.

SEC. 7. Effectivity. – This Act shall take effect fifteen (15) days after its publication in two (2) newspapers of general circulation.

Approved,