

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
Third Regular Session

HOUSE BILL NO. 10781



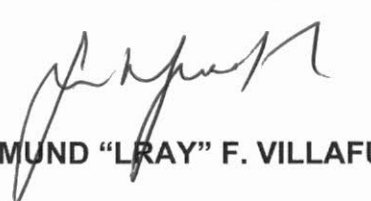
Introduced by **HON. LUIS RAYMUND "LRAY" F. VILLAFUERTE, JR.**

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

This bill seeks to establish the Transportation Cooperatives Development Loan Fund to make available loan facilities to transportation cooperatives to provide them with sustainable employment opportunities.

Transportation cooperatives can hardly access credit facilities of the government or commercial financing institutions because of stringent security requirements. Their deprivation of financial assistance is one of the main road blocks in their compliance with modernization program on land and sea safety standards for public utility vehicles and vessels. Transportation Cooperatives, like other cooperatives, should be ensured of technical guidance, financial assistance and other services to develop them into viable and responsive economic enterprises.

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


LUIS RAYMUND "LRAY" F. VILLAFUERTE, JR.

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
Third Regular Session

HOUSE BILL NO. 10781

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

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 (P5,000,000,000.00) 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;
 - 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,