

REPUBLIC OF THE PHILIPPINES
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session

House Bill No. 4095



Introduced by Pangasinan Fifth District Representative
HON. RAMON N. GUICO JR.

EXPLANATORY NOTE

The 2019 LRT 2 debacle is only one among a series of rail incidents and mishaps of a rapidly deteriorating railway system. The 9-month suspension of LRT 2 operations from Santolan to Anonas Station had brought much chagrin to the daily Filipino commuter and has exacerbated the already dismal traffic conditions in Metro Manila. And, as if the damage done had not been severe enough, the LRTA revealed that they do not have a disaster recovery plan prepared to immediately address the problem, which most probably explains the ridiculous 9-month long suspension.

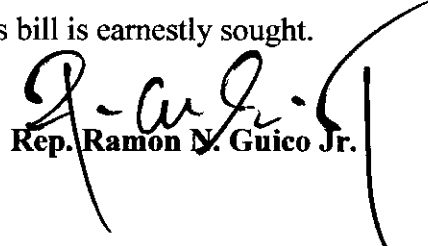
In matters of public transportation, this level of service response and delivery is unacceptable. A sliver of gap in railway management and safety practices could mean tragedy for too many people. Moreover, considering that rail transportation is one of the government's primary solutions to address Metro Manila's traffic woes, a largely disparate, incoherent, and uncoordinated railway system certainly would not be of any help. Following best practices from multiple countries, we find that a dedicated agency for railroad administration is as necessary as investing heavily on rail equipment and infrastructure.

More importantly, in President Ferdinand Marcos Jr.'s first State of the Nation Address, he committed himself to the modernization of our railway system, acknowledging that rail is the cheapest way of transporting goods and passengers. His administration is also set to finish the following rail projects, namely: the North-South Commuter Railway System; the 33-kilometer Metro Manila Subway Project; the 147-kilometer North-South Commuter Railway System; the 12-kilometer LRT-1 Cavite Extension; the 23-kilometer MRT-7; a Common Station that will connect LRT-1, MRT-3 and MRT-7; the 102-kilometer Mindanao Railway Project; Panay Railway Project; and the Cebu railway system. Considering the scale of these projects, proper rail development and management is highly necessary and should be performed by tried and tested railway engineers and relevant experts.

As such, the establishment of the National Railroad Administration (NRA) is proposed. The NRA shall be the foremost authority in rail management in the country and shall be given the power to formulate and implement a National Rail Plan, including the evaluation and integration of existing rail policies, programs, and projects unto the said plan to achieve its goal of providing for the country a reliable, safe, and effective rail transport service. It is also tasked to execute regulatory and inspection functions in five areas of rail safety disciplines, namely: transporting hazardous materials; motive power and equipment inspection; operating practices; signal and train control; and rail track. This is to prevent any future train incidents from happening or, should the worst come, be able to mitigate the impact of any such incidents.

It is said that failure is the seed of growth. If so, we have had more than our fair share of failures in improving and maintaining the Philippine railway system and the only thing that is left is for us to learn and grow from our erring ways. Let the National Railroad Administration be the budding attempt to pursue long-term economic growth brought forth by a resilient national railway system.

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


Rep. Ramon N. Guico Jr.

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AN ACT
ESTABLISHING THE NATIONAL RAILROAD ADMINISTRATION DEFINING ITS
POWERS, FUNCTIONS, AND RESPONSIBILITIES, APPROPRIATING FUNDS
THEREFOR, AND FOR OTHER PURPOSES

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

1 **SECTION 1. *Short Title.***—This Act shall be known as the “**Railroad Administration Act.**”

2 **SEC. 2. *Declaration of Policy.***—It is hereby declared the policy of the State to promote the
3 effective and efficient management of the country’s railroad network to ensure rail safety, reliable rail
4 service delivery, innovation in rail practices and technologies, and integrated rail planning for the
5 whole country.

6 **SEC. 3. *Establishing the National Railroad Administration.***—There shall be established under
7 the Department of Transportation (DOTr) a National Railroad Administration (NRA) the purpose of
8 which is to promulgate and enforce rail safety regulations and policies; conduct railroad assistance
9 programs; undertake research and development initiatives with an end goal of improving railroad safety
10 and national rail transportation policy; and consolidate government support of rail transportation
11 activities.

12 **SEC. 4. *Powers and Functions.***—To carry out the purposes of this Act, the Administration,
13 through its Board hereinafter constituted, is hereby vested with the following powers:

- 14 a. To formulate and adopt a National Rail Plan to develop a long-term rail plan
15 consistent with the rail needs of the country as determined by the Secretary in order
16 to promote an integrated, cohesive, efficient, and optimized national rail system for
17 the movement of goods and people;
- 18 b. To evaluate the existing rail policies, programs, and projects of all agencies and
19 instrumentalities having to do with rail industry development and to integrate and
20 coordinate the various facets of such activities with the view of attaining efficiency
21 and effectiveness in the implementation of the National Rail Plan;
- 22 c. To execute regulatory and inspection responsibilities for five (5) rail safety
23 disciplines focusing on compliance and enforcement in:

- 1 **1. Transporting hazardous materials**, which shall pertain to the movement of
2 hazardous materials (including dangerous goods) throughout the country's
3 rail transportation system, including shipments transported to and from
4 international organizations, such as but not limited to petroleum and chemical
5 products, or other such toxic and hazardous substances or nuclear wastes as
6 determined by Republic Act No. 6969 or the Toxic Substances and
7 Hazardous and Nuclear Wastes Control Act of 1990;
- 8 **2. Motive power and equipment inspection**, which shall pertain to the
9 inspection of railroad locomotives and freight cars to ensure mechanical
10 compliance and the improvement and advancement of railroad safety in areas
11 related to design, construction, inspection, maintenance, and use of railroad
12 rolling stock and related accessories;
- 13 **3. Operating Practices**, which shall pertain to railroad carrier operating rules,
14 employee qualification guidelines, and carrier training and testing programs
15 to determine compliance with occupational safety and health standards and
16 accident and personal injury reporting requirements;
- 17 **4. Signal and Train Control**, which shall pertain to the design, installation,
18 maintenance, inspection, and testing of train signal systems, and the
19 necessary system components adjustment, repair, or replacement, as well as
20 the associated record-keeping and reporting requirements; and
- 21 **5. Rail tracks**, which shall pertain to the development and issuance of
22 compliance manuals and technical bulletins and participation in the
23 development of rail safety program proposals, plans, rules, and standards.
24 Moreover, it shall also pertain to accident investigations and direct
25 investigation of reports of complaints regarding railroad track conditions;
26 conduct of detailed analysis of requests for regulatory relief from standards
27 administered by the NRA; and participation in development of industry and
28 consensus standards useful for the enhancement of railroad safety,
- 29 d. To collaborate with other agencies and rail stakeholders to develop comprehensive
30 strategies for maintaining current rail services and infrastructure, strategically
31 expanding and improving the national rail network to accommodate growing travel
32 and freight demand, and providing leadership in national and regional system
33 planning and development;
- 34 e. To ensure safe, efficient, and reliable movement of people and goods by rail through
35 basic and applied research, and development of innovations and solutions;
- 36 f. To develop safety improvements and encourage expansion and upgrade of passenger
37 and freight rail infrastructure services through competitive and dedicated grant
38 programs;
- 39 g. To receive and administer funds provided by law; to draw, with the approval of the
40 Secretary, funds from existing appropriations as may be necessary in support of its
41 program, and to accept donations, grants, gifts and assistance of all kinds from

1 international and local private foundations, associations or entities, and to administer
2 the same in accordance with the instructions or directions of the donor or, in default
3 thereof, in the manner it may in its direction determine;

- 4 h. To borrow the necessary funds from local and international financing institutions,
5 and to issue bonds and other instruments of indebtedness, subject to existing rules
6 and regulations of the Bangko Sentral ng Pilipinas, for the purpose of financing
7 programs and projects deemed vital and necessary for the early attainment of its
8 goals and objectives;
- 9 i. To formulate and recommend for adoption by other agencies and instrumentalities,
10 such programs and projects as are necessary to accelerate rail industry development;
- 11 j. To enter into, make and execute contracts of any kind as may be necessary or
12 incidental to the attainment of its purposes and, generally, to exercise all the powers
13 necessary to achieve the purposes and objectives for which it is organized.

14 **SEC. 5. Governing Board.**—The Administration shall be governed by a Board of five (5)
15 members, who shall meet as often as necessary, composed of:

- 16 a. Undersecretary for Railways as Chairman;
17 b. Undersecretary, Philippine Railway Institute as Vice Chairman;
18 c. DOST Undersecretary for Science and Technological Services; and
19 d. Two (2) representatives at-large of the private sector, to be appointed by the
20 President, who shall have recognized competence in the many facets of the
21 rail industry and be leaders of the industry acknowledged by both the
22 government and private sector members of the rail development community.

23 **SEC. 6. Administrator of the NRA.**—The management of the Administration shall be vested in
24 an administrator, to be appointed by the Board, who shall have the following powers and duties:

- 25 a. To direct and manage the affairs and business of the administration, in accordance
26 with policies and plans enunciated by the Board;
27 b. To recommend and, upon approval of the Board, to establish and maintain an
28 organization with specific functions and responsibilities for each operating unit;
29 c. To appoint and fix the number, with the approval of the Board, of such officials and
30 employees of the Administration as may be necessary for the proper discharge of its
31 functions and responsibilities, and with the approval likewise of the Board, to
32 remove, suspend, and otherwise discipline, for just cause, any subordinate personnel
33 thereof;
34 d. To prepare and submit thirty days after the close of each fiscal year an annual report
35 to the President, and such periodic reports of activities as may be required from time
36 to time; and
37 e. To perform such other duties as may be designated to him by the Board from time to
38 time.

39 **SEC. 7. Appropriations.**— To carry out the purposes of this Act an initial fund of one billion
40 Pesos (P1,000,000,000) is hereby appropriated out of any funds in the National Treasury not otherwise

1 appropriated. Thereafter, the expenses of the NRA, for the purposes above-described, shall be provided
2 for in the annual General Appropriations Act.

3 **SEC. 8. *Repealing Clause.***—All laws, decrees, executive orders or parts thereof inconsistent
4 with the provisions of this Act is hereby repealed or modified accordingly.

5 **SEC. 9. *Separability Clause.***—If any part or provision of this Act is declared invalid or
6 unconstitutional, the other parts not otherwise affected shall remain in full effect and force.

7 **SEC. 10. *Effectivity.***—This Act shall take effect fifteen (15) days after its publication in the
8 Official Gazette or at least two newspapers of general circulation.

Approved,