

TWENTIETH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)



HOUSE OF REPRESENTATIVES
HOUSE BILL No. 4871

Introduced by REPRESENTATIVE CLAUDINE DIANA D. BAUTISTA-LIM

AN ACT
PROVIDING FOR LIBRENG SAKAY BY INSTITUTIONALIZING THE SERVICE CONTRACTING PROGRAM AND PROVIDING FUNDS THEREFOR

EXPLANATORY NOTE

Public transportation is the lifeblood of the Filipino workforce, ensuring access to jobs, education, healthcare, and essential services. When the COVID-19 pandemic hit the country, the public transport sector was among the most severely affected. The imposition of lockdowns crippled the sector, leaving thousands of public transport workers and their families without livelihood. To alleviate their plight, the government implemented the Service Contracting Program (SCP) and the Libreng Sakay Program which provided stable income for public transport drivers and operators while easing the commuting burden of millions of Filipinos.

The SCP has proven effective in professionalizing the sector by giving performance-based payouts, ensuring predictable earnings for drivers, and promoting reliable transport service. Likewise, Libreng Sakay has benefited students, workers, and the general commuting public by reducing transportation costs amid inflation and rising fuel prices.

However, these programs have remained dependent on yearly budget appropriations without permanent legal basis. Institutionalizing the program ensures sustainability, continuity, and accountability.

This bill seeks to establish the Libreng Sakay under Service Contracting Program as a permanent strategy of the Department of Transportation (DOTr) and the Land Transportation Franchising and Regulatory Board (LTFRB). Through dedicated funding support, this measure guarantees livelihood security for transport workers and ensures affordable, safe, and accessible transport for commuters.

Approval of this bill is earnestly sought.


REP. CLAUDINE DIANA D. BAUTISTA-LIM
DUMPER PTDA Partylist

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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 “**Libreng Sakay Act.**”

SEC. 2. Declaration of Policy. It is hereby declared the policy of the State to:

- a. promote affordable, accessible, safe, and reliable public transport for all Filipinos;
- b. protect the livelihood and welfare of transport workers by ensuring stable and predictable income;
- c. support the Public Utility Vehicle Modernization Program (PUVMP) by incentivizing compliance with regulatory standards and modernization requirements; and
- d. institutionalize government intervention to address fare affordability and transport efficiency during economic shocks, fuel crises, or national emergencies.

SEC. 3. Service Contracting Program (SCP). – The SCP shall be implemented nationwide by the Department of Transportation (DOTr) through the Land Transportation Franchising and Regulatory Board (LTFRB). Under this program, the government shall enter into service contracts with public transport operators and cooperatives to:

- a. provide performance-based payouts based on kilometers run and service quality;
- b. ensure predictable income for drivers and operators;
- c. improve commuter safety, reliability, and satisfaction.

SEC. 4. Libreng Sakay Program. –

- a. The Libreng Sakay Program shall be institutionalized as part of the SCP to provide free rides to priority groups such as students, workers, senior citizens, persons with disabilities, and other vulnerable sectors.
- b. The DOTr may expand the scope of the program nationwide subject to budgetary availability.

SEC. 5. Annual Report. – The LTFRB shall annually publish a full report covering implementation of this Act. The report shall be submitted to the President, the Speaker of the House of Representatives and the President of the Senate.

SEC. 6. Funding. – An initial amount of **₱5 billion** shall be appropriated from the General Appropriations Act (GAA) to implement this Act, subject to annual review and adjustments by Congress.

SEC. 7. Implementing Rules and Regulations (IRR). – Within ninety (90) days from the effectivity of this Act, the DOTr and LTFRB, in consultation with transport stakeholders, shall promulgate the IRR to carry out the objectives of this Act.

SEC. 8. Separability Clause. – If any provision of this Act is declared unconstitutional, the remaining provisions shall not be affected thereby.

SEC. 9. Repealing Clause. – All laws, decrees, executive orders, and other issuances inconsistent with this Act are hereby repealed, amended, or modified accordingly.

SEC. 10. Effectivity. – This Act shall take effect fifteen (15) days after its complete publication in the Official Gazette or in at least two (2) national newspapers of general circulation.

Approved,