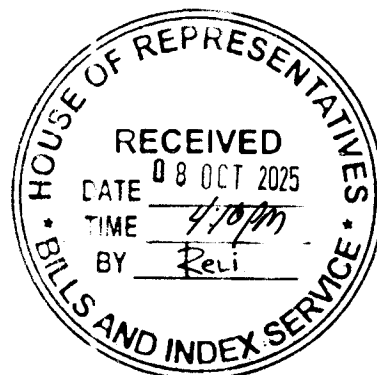




Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

Twentieth Congress
First Regular Session

HOUSE BILL NO. **5347**



Introduced by Representative Ramon Rodrigo L. Gutierrez

EXPLANATORY NOTE

For millions of Filipinos, the daily act of commuting is marked by long hours, fatigue, and lost opportunities. It has become routine for workers and students alike to wake before sunrise just to get to their destinations on time, only to return home late at night exhausted from hours spent in congested roads and long queues. These lost hours, which could otherwise be devoted to rest, livelihood, or time with family, are the hidden cost of a broken transportation system.

At the heart of this ongoing crisis is the chronic undersupply of mass public transportation. Despite a rapidly growing population and increasing demand for accessible and efficient mobility, the number of public utility vehicles (PUVs) has not only failed to match this demand but, in many cases, has actually decreased. This mismatch has left many areas underserved, further exacerbating daily traffic woes and reducing the quality of life of ordinary Filipinos.

Local government units (LGUs), with their proximity to and knowledge of the day-to-day realities of their constituents, are well-positioned to address this public transport deficit. Even the Department of Transportation has acknowledged the capacity of LGUs to more accurately assess and respond to the mobility needs of their communities. Empowering LGUs to take on a more active role in developing local transportation systems is a critical step toward sustainable and inclusive urban mobility.

Given this context, there is a pressing need for legislation that equips LGUs with the tools and authority necessary to actively participate in and lead public transportation initiatives. The proposed measure, to be known as the “LGU Public Transportation Act”, seeks to respond to this need by amending the Local Government Code of 1991. It specifically aims to:

1. Authorize LGUs to establish, operate, and maintain local mass public transportation systems and facilities suited to their constituents’ needs;
2. Enable LGUs to enter into service contracts, form joint ventures or partnerships, and access loans, grants, and investments in order to fund and sustain local transportation initiatives; and

3. Grant local sanggunians, whether municipal, city, or provincial, the power to regulate LGU-led or LGU-contracted transportation services to ensure effective oversight and accountability.

This measure affirms the principle of local autonomy and positions LGUs as essential drivers of mobility reform. It is a step towards addressing the long-standing transportation crisis, and towards ensuring that the right to safe, affordable, and dignified travel is not a privilege, but a guarantee for all Filipinos.

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


RAMON RODRIGO L. GUTIERREZ
1-Rider Partylist Representative



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HOUSE BILL NO. **5347**

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AN ACT

EXPANDING THE POWERS OF LOCAL GOVERNMENT UNITS TO PROVIDE LOCAL MASS PUBLIC TRANSPORTATION SYSTEMS, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 7160, OTHERWISE KNOWN AS THE "LOCAL GOVERNMENT CODE OF 1991", 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 **LGU PUBLIC TRANSPORTATION ACT**.

SECTION 2. Section 17 of Republic Act No. 7160, otherwise known as the "Local Government Code of 1991, is hereby amended by inserting a new subsection (k), as follows:

"Section 17. Basic Services and Facilities. -

(a) xxx

xxx

(K) ALL LOCAL GOVERNMENT UNITS SHALL ENDEAVOR TO PROVIDE SAFE, AFFORDABLE, ACCESSIBLE AND SUSTAINABLE MASS PUBLIC TRANSPORTATION SYSTEMS, SUCH AS MODERN RAIL-BASED SYSTEMS, PERSONAL RAPID TRANSIT SYSTEMS, MONORAILS, RAILWAYS, SUBWAYS, CABLE CARS, TRAMS, BUS RAPID TRANSITS, AND OTHER MEANS OF TRANSPORTATION, AND TRANSPORTATION FACILITIES, SUCH AS BUT NOT LIMITED TO TERMINALS, STATIONS, AND BUS STOPS, CONSISTENT WITH THE CONCEPT OF LIVABLE AND SUSTAINABLE SMART CITIES, THROUGH LOANS, GRANTS, CAPITAL INVESTMENTS, PARTNERSHIPS, SERVICE CONTRACTS, AND JOINT VENTURES WITH BOTH PRIVATE AND PUBLIC INSTITUTIONS OR ENTITIES, WHETHER DOMESTIC OR INTERNATIONAL, WITHOUT SOVEREIGN GUARANTY, FOR THE CONCEPTUALIZATION, ESTABLISHMENT, OPERATION, AND MAINTENANCE OF MODERN AND STATE-OF-THE-ART MASS TRANSPORTATION SYSTEMS: PROVIDED THAT, INTERCONNECTIVITY AND INTEGRATION WITH EXISTING AND PROPOSED NATIONAL INTERMODAL

TRANSPORTATION SYSTEMS AS WELL AS THOSE OF OTHER LCOAL GOVERNMENT UNITS SHALL BE CONSIDERED, AND CONSULTATIONS WITH RELEVANT NATIONAL GOVERNMENT TRANSPORTATION AND PLANNING AGENCIES SHALL BE CONDUCTED.

LOCAL GOVERNMENT UNITS MAY, THROUGH APPROPRIATE ORDINANCES, CONSOLIDATE OR COORDINATE THEIR EFFORTS, SERVICES, AND RESOURCES IN THE IMPLEMENTATION OF PROJECTS UNDER THE PROGRAM TO ENSURE THE ENHANCEMENT OF OPERATIONAL EFFICIENCY, EFFECTIVE UTILIZATION OF PUBLIC RESOURCES, REALIZATION OF PROJECT OUTCOMES, AND STRENGTHENING OF MECHANISMS FOR INTER-LOCAL COOPERATION. IN SUPPORT OF SUCH UNDERTAKING, THE LGUS CONCERNED MAY CONTRIBUTE FUNDS, REAL ESTATE, EQUIPMENT, AND OTHER KINDS OF PROPERTY, AND APPOINT OR ASSIGN PERSONNEL UNDER SUCH TERMS AND CONDITIONS AS MAY BE AGREED UPON BY THE PARTICIPATING LGUS, THROUGH A MEMORANDUM OF AGREEMENT.

Costs may also be charged for the delivery of basic services or facilities enumerated in this Section.”

SECTION 3. Section 447 of Republic Act No. 7160 is hereby amended to read as follows:

“Section 447. *Powers, Duties, Functions and Compensation.* –

(a) The sangguniang bayang, as the legislative body of the municipality, shall enact ordinances, approve resolutions and appropriate funds for the general welfare of the municipality and its inhabitants pursuant to Section 16 of this Code and in the proper exercise of the corporate powers of the municipality as provided for under Section 22 of this Code, and shall:

(1) xxx

xxx

(3) Subject to the provisions of Book II of this Code, grant franchises, enact ordinances authorizing the issuance of permits or licenses, or enact ordinances levying taxes, fees and charges upon such conditions and for such purposes intended to promote the general welfare of the inhabitants of the municipality, and pursuant to this legislative authority shall:

(i) xxx

xxx

(vi) IN CONSULTATION WITH THE DEPARTMENT OF TRANSPORTATION, REGULATE THE OPERATIONS OF ALL LOCAL GOVERNMENT-INITIATED AND CONTRACTED PUBLIC TRANSPORTATION SERVICES AND GRANT FRANCHISES FOR THE OPERATION THEREOF WITHIN THE TERRITORIAL JURISDICTION OF THE MUNICIPALITY;

xxx”

SECTION 4. Section 458 of Republic Act No. 7160 is hereby amended to read as follows:

“Section 458. *Powers, Duties, Functions, and Compensation.*

(a) The sangguniang panlungsod, as the legislative body of the city, shall enact ordinances, approve resolutions and appropriate funds for the general welfare of the city and its inhabitants pursuant to Section 16 of this Code and in the proper exercise of the corporate powers of the city as provided for under Section 22 of this Code, and shall:

(1) xxx

xxx

(3) Subject to the provisions of Book II of this Code, enact ordinances granting franchises and authorizing the issuance of permits or licenses, upon such conditions and for such purposes intended to promote the general welfare of the inhabitants of the city and pursuant to this legislative authority shall:

(i) xxx

xxx

(vi) IN CONSULTATION WITH THE DEPARTMENT OF TRANSPORTATION, REGULATE THE OPERATION OF ALL LOCAL GOVERNMENT-INITIATED AND CONTRACTED PUBLIC TRANSPORTATION SERVICES AND GRANT FRANCHISES FOR THE OPERATION THEREOF WITHIN THE TERRITORIAL JURISDICTION OF THE CITY;

xxx”

SECTION 5. Section 468 of Republic Act No. 7160 is hereby amended by inserting a new subsection (a)(3)(iii), as follows:

“Section 468. *Powers, Duties, Functions and Compensation.*

(a) The Sangguniang panlalawigan, as the legislative body of the province, shall enact ordinances, approve resolutions and appropriate funds for the general welfare of the province and its inhabitants pursuant to Section 16 of this Code and in the proper exercise of the corporate powers of the province as provided for under Section 22 of this Code, and shall:

(1) xxx

xxx

(3) Subject to the provisions of Book II of this Code, grant franchises, approve the issuance of permits or licenses, or enact ordinances levying taxes, fees and charges upon such conditions and for such purposes intended to promote the general welfare of the inhabitants of the province, and pursuant to this legislative authority, shall:

(i) xxx

xxx

(iii) IN CONSULTATION WITH THE DEPARTMENT OF TRANSPORTATION, REGULATE THE OPERATION OF ALL LOCAL GOVERNMENT-INITIATED AND CONTRACTED PUBLIC TRANSPORTATION SERVICES AND GRANT FRANCHISES FOR THE OPERATION THEREOF WITHIN THE TERRITORIAL JURISDICTION OF THE PROVINCE.

xxx”

SECTION 6. *Implementing Rules and Regulations.* – Within sixty (60) days from the effectivity of this Act, the Department of Interior and Local Government, in consultation with the Department of Budget and Management, Department of Transportation, Department of Public Works and Highways, Department of Finance, Department of Economy, Planning, and Development, League of Provinces, League of Cities, League of Municipalities, and other government agencies concerned, shall jointly promulgate the implementing rules and regulations to effectively implement the provisions of this Act.

SECTION 7. *Separability Clause.* – If any portion or provision of this Act is declared unconstitutional, the remainder of this Act or any provision not affected thereby shall remain in force and effect.

SECTION 8. *Repealing Clause.* – All laws, presidential decrees, executive orders, rules and regulations and other issuances, or any part thereof, inconsistent with this Act are hereby repealed, modified, or amended accordingly.

SECTION 9. *Effectivity Clause.* – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in at least two (2) newspapers of general circulation.

Approved,

