

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. **6800**



Introduced by: **REP. SALVADOR A. PLEYTO, SR.**

EXPLANATORY NOTE

The Public Transport Assistance Act addresses a critical need to support the public transportation sector in the Philippines, ensuring its stability and affordability for the commuting public. Public transportation is the lifeblood of our economy, enabling millions of Filipinos to access jobs, education, healthcare, and other essential services.

However, rising fuel costs and economic uncertainties pose significant challenges to public utility vehicle (PUV) operators and drivers, threatening the viability of their operations and potentially leading to fare increases that burden commuters.

This bill seeks to institutionalize the Public Transport Assistance Program (PTAP) to provide timely and effective fuel subsidies to qualified PUV operators and drivers. By directly assisting those who provide public transport services, the PTAP aims to alleviate the impact of fluctuating fuel prices, stabilize fares, and ensure the continued operation of public transport routes, especially in underserved and remote areas.

The PTAP will operate through a transparent and efficient mechanism, providing fuel subsidies directly to qualified PUV operators and drivers based on a formula that considers the difference between a base fuel price and a trigger fuel price. This targeted approach ensures that assistance reaches those who need it most, while also promoting fiscal responsibility.

Moreover, this bill promotes energy efficiency and the adoption of alternative fuels in the public transport sector, encouraging a transition towards more sustainable and environmentally friendly transportation options.

The Public Transport Assistance Act is not just an economic measure; it is an investment in the well-being of Filipino commuters and the sustainability of our public transportation system. By providing stability and support to PUV operators and drivers, this bill ensures that public transportation remains accessible and affordable for all Filipinos, contributing to a more inclusive and prosperous society.

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



SALVADOR A. PLEYTO, SR.

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Introduced by: **REP. SALVADOR A. PLEYTO, SR.**

AN ACT INSTITUTIONALIZING THE PUBLIC TRANSPORT ASSISTANCE PROGRAM, PROVIDING FOR THE PURPOSE OF FUEL SUBSIDY TO PUBLIC UTILITY VEHICLE OPERATORS AND DRIVERS, AND APPROPRIATING FUNDS THEREFOR

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

SECTION 1. *Short Title.* - This Act shall be known as the "Public Transport Assistance Act."

SEC. 2. *Declaration of Policy.* - The State recognizes the vital role of public transportation in the economy and the daily lives of Filipinos. It is hereby declared the policy of the State to ensure the affordability and accessibility of public transport services, especially during periods of economic hardship and fluctuating fuel prices. The State shall provide assistance to public utility vehicle (PUV) operators and drivers to alleviate the impact of rising fuel costs and ensure the continued operation of public transport routes.

SEC. 3. *Objectives.* - This Act aims to:

- (a) Institutionalize the Public Transport Assistance Program to provide timely and effective fuel subsidies to PUV operators and drivers.
- (b) Stabilize public transport fares to protect commuters from excessive fare increases.
- (c) Ensure the continued operation of public transport services, especially in underserved and remote areas.

- (d) Promote energy efficiency and the adoption of alternative fuels in the public transport sector.

SEC. 4. *Definition of Terms.* – For purposes of this Act, the following terms shall mean:

(a) Fuel Subsidy – A direct financial assistance provided to qualified PUV operators and drivers to offset the cost of fuel.

(b) Public Utility Vehicle (PUV) – Any motor vehicle providing transportation services to the general public for a fee, including but not limited to buses, jeepneys, taxis, and tricycles, duly franchised or authorized by the Land Transportation Franchising and Regulatory Board (LTFRB) or local government units (LGUs).

(c) Qualified PUV Operator/Driver – A PUV operator or driver who meets the eligibility criteria set forth in this Act and its implementing rules and regulations (IRR).

(d) Base Fuel Price – The average fuel price at the time of the effectivity of this Act.

(e) Trigger Fuel Price – The fuel price level that triggers the provision of fuel subsidies, as determined by the implementing agency.

SEC. 5. *Establishment of the Public Transport Assistance Program.* – The Public Transport Assistance Program (PTAP) is hereby institutionalized under the Department of Transportation (DoTr), in coordination with the LTFRB and other relevant agencies. The PTAP shall provide fuel subsidies to qualified PUV operators and drivers.

SEC. 6. *Eligibility Criteria.* – To qualify for the fuel subsidy, PUV operators and drivers must meet the following criteria:

- (a) Must be a Filipino citizen.
- (b) Must possess a valid PUV franchise or permit issued by the LTFRB or LGU.
- (c) Must have a valid driver's license.
- (d) Must be registered in the LTFRB's database of PUV operators and drivers.
- (e) Must not have any pending violations of traffic laws or LTFRB regulations.
- (f) Other requirements as may be determined by the DoTr and LTFRB.

SEC. 7. *Fuel Subsidy Mechanism.* –

(a) The amount of fuel subsidy shall be determined based on the difference between the base fuel price and the trigger fuel price. The DOTr, in consultation with the Department of Energy (DoE) and the Department of Economy, Planning, and Development (DEPDev) shall establish a formula for calculating the fuel subsidy.

(b) The fuel subsidy shall be provided directly to qualified PUV operators and drivers through a system that ensures efficient and transparent distribution. This may include, but not be limited to, direct cash transfers, fuel vouchers, or other appropriate mechanisms.

(c) The PTAP shall prioritize PUV operators and drivers who serve routes in underserved and remote areas.

SEC. 8. *Funding Source.* – The amount of [amount] is hereby appropriated from the National Treasury, out of any funds not otherwise appropriated, as initial funding for the implementation of this Act. Thereafter, such sums as may be necessary for the continued implementation of this Act shall be included in the annual General Appropriations Act.

SEC. 9. *Implementing Rules and Regulations.* – The DOTr, in coordination with the LTFRB, DOE, DEPDev, and other relevant agencies, shall promulgate the IRR of this Act within sixty (60) days from its effectivity.

SEC. 10. *Monitoring and Evaluation.* – The DOTr shall establish a monitoring and evaluation system to assess the effectiveness of the PTAP in achieving its objectives. The DOTr shall submit an annual report to Congress on the implementation of this Act.

SEC. 11. *Penalties.* – Any person who misrepresents information, submits false documents, or otherwise commits fraud to avail of the benefits under this Act shall be subject to a fine of not less than Ten Thousand Pesos (Php 10,000.00) but not more than Fifty Thousand Pesos (Php P50,000.00) or imprisonment of not less than six (6) months but not more than Two (2) years, or both, at the discretion of the court.

SEC. 12. *Separability Clause.* – If any provision of this Act is declared invalid or unconstitutional, the remaining provisions shall remain in full force and effect.

SEC. 13. *Repealing Clause.* – All laws, decrees, orders, rules, and regulations, or parts thereof, inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SEC. 14. *Effectivity.* - 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,