

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

TWENTIETH CONGRESS
Second Regular Session



HOUSE BILL NO. 10262

Introduced by
HON. ATTY. GERVILLE "JINKY BITRICS" R. LUISTRO

EXPLANATORY NOTE

Public Utility Vehicle (PUV) drivers and operators serve as the backbone of the country's transportation system, providing millions of Filipinos with accessible and affordable mobility every day. Their services are indispensable to economic productivity, commerce, education, healthcare access, and the overall functioning of communities throughout the nation.

Despite their critical role, PUV drivers and operators remain among the sectors most vulnerable to fluctuations in fuel prices. Sudden and sustained increases in the cost of petroleum products significantly reduce their daily earnings, increase operational expenses, and threaten the viability of public transportation services. In many instances, transport operators are unable to immediately adjust fares to reflect rising fuel costs, resulting in diminished income for drivers and financial strain on transport operators.

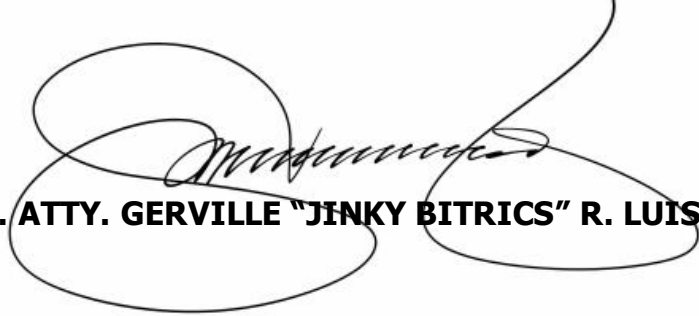
While the government has periodically implemented fuel subsidy programs to mitigate the effects of fuel price increases, such interventions are often temporary, reactive, and dependent on available appropriations. The absence of a permanent and institutionalized mechanism leaves transport workers uncertain about the availability of assistance during periods of economic instability and prolonged fuel price surges.

There is therefore a compelling need to establish a sustainable and predictable fuel subsidy program that provides timely assistance to qualified PUV drivers and operators. Such a program will help safeguard their livelihoods, maintain the continuity of public transportation services, and protect commuters from the adverse effects of transport disruptions. Moreover, institutionalizing fuel assistance will contribute to economic resilience by ensuring that public transportation remains operational and accessible despite fluctuations in global energy markets.

This proposed measure seeks to establish a Permanent Public Utility Vehicle (PUV) Fuel Subsidy Program that will provide targeted, data-driven, and digitally administered fuel assistance to eligible beneficiaries. The program shall utilize modern payment systems, transparent beneficiary databases, and clear eligibility criteria to ensure the efficient, accountable, and equitable distribution of government support. It also aims to strengthen coordination among relevant government agencies to enhance monitoring, evaluation, and program effectiveness.

By providing a reliable safety net for PUV drivers and operators, this measure promotes transportation stability, protects the welfare of transport workers, supports economic activity, and advances the State's commitment to a responsive and inclusive public transportation system.

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



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AN ACT
INSTITUTIONALIZING A FUEL SUBSIDY OR GASOLINE ALLOWANCE
FOR PUBLIC UTILITY VEHICLE (PUV) DRIVERS AND OPERATORS,
PROVIDING 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 "PUV Fuel
2 Subsidy Institutionalization Act."

3
4 **SECTION 2. Declaration of Policy.** It is hereby declared the policy of
5 the State to recognize public utility vehicle (PUV) drivers and operators as
6 essential contributors to national development and public mobility, and to
7 ensure the sustainability, accessibility, and reliability of public transportation
8 services across the country.

9
10 **SECTION 3. Coverage.** - This Act shall cover all registered public utility
11 vehicle (PUV) drivers and operators, including but not limited to:

- 12
13 (a) Jeepneys (traditional and modernized)
14 (b) Buses (public utility buses)
15 (c) UV Express vans
16 (d) Taxis
17 (e) Transport Network Vehicle Services (TNVS), subject to guidelines
18 (f) Tricycles, subject to LGU coordination

19
20 All beneficiaries must be duly registered with the appropriate
21 government agencies.

22
23 **SECTION 4. Establishment of the PUV Fuel Subsidy Program.** -
24 There is hereby established a PUV Fuel Subsidy Program, which shall provide

1 qualified beneficiaries with a fuel allowance in the form of Direct cash transfer
2 or Fuel vouchers. The subsidy shall be released on a monthly or periodic basis,
3 as determined by implementing agencies.

4
5 **SECTION 5. Subsidy Determination.** The amount of the fuel subsidy
6 shall be based on:

- 7 a. Prevailing fuel prices;
- 8 b. Average daily fuel consumption of each PUV type;
- 9 c. Route distance and operational frequency; and
- 10 d. Other relevant economic indicators.

11
12 The Department of Energy (DOE), in coordination with relevant
13 agencies, shall recommend adjustments to the subsidy as necessary.

14
15 **SECTION 6. Implementing Agencies.** The program shall be jointly
16 implemented by:

- 17 a. Department of Transportation (DOTr) – lead implementing agency;
- 18 b. Department of Energy (DOE) – fuel price monitoring and subsidy
19 computation;
- 20 c. Land Transportation Franchising and Regulatory Board (LTFRB) –
21 beneficiary validation; and
- 22 d. Land Transportation Office (LTO) – vehicle registration verification

23
24 **SECTION 7. Beneficiary Identification and Registration.** - All
25 beneficiaries under this Act shall be duly identified and registered in accordance
26 with the requirements set forth herein. They must be included in a centralized
27 national database to be maintained by the implementing agencies, possess a
28 valid and subsisting franchise or authority to operate, and be registered under
29 a verified digital identification system to ensure proper authentication.
30 Furthermore, all beneficiaries shall comply with the program requirements,
31 including the regular updating and verification of their records, as may be
32 prescribed under the implementing rules and regulations.

33
34 **SECTION 8. Funding.** The initial funding for the implementation of this
35 Act shall be charged against the current year's appropriations of the
36 Department of Transportation and other relevant agencies. Thereafter, such
37 sums as may be necessary for its continued implementation shall be included
38 in the annual General Appropriations Act. Additional funding sources may
39 include excess revenues from fuel excise taxes, savings from other transport-
40 related programs, and such other lawful sources as may be determined by
41 Congress.

42
43 **SECTION 9. Safeguards and Accountability Measures.** - To
44 ensure transparency and accountability, a regular audit shall be conducted by
45 the Commission on Audit (COA), a grievance mechanism shall be established
46 to address complaints and disputes, public disclosure of program reports shall
47 be required, and strict penalties shall be imposed for any fraud or misuse of
48 the subsidy.

SECTION 10. Prohibited Acts. - The following acts are prohibited:

- a. Falsification of documents to qualify for the subsidy;
- b. Misuse or diversion of fuel subsidy funds;
- c. Creation of fictitious beneficiaries; and
- d. Unauthorized sale or transfer of fuel cards or benefits.

SECTION 11. Penalties. - Any person found guilty of violating this Act shall suffer:

- a. Imprisonment of six (6) months to six (6) years;
- b. A fine of not less than ₱50,000 but not more than ₱500,000; and
- c. Disqualification from participation in any government subsidy program.

If the offender is a public official, the penalty shall include perpetual disqualification from public office.

SECTION 12. Implementing Rules and Regulations. - Within ninety (90) days from the effectivity of this Act, the DOTr, in coordination with concerned agencies, shall promulgate the necessary rules and regulations for its effective implementation.

SECTION 13. Separability Clause. If any provision of this Act is declared unconstitutional, the remainder shall remain in force.

SECTION 14. Repealing Clause. All inconsistent laws are hereby repealed or modified accordingly.

SECTION 15. Effectivity. This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,