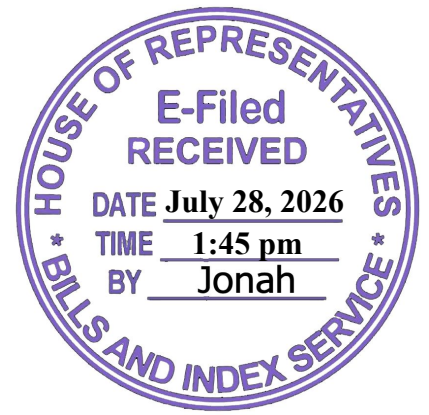


REPUBLIC OF THE PHILIPPINES
20TH Congress
House of Representatives
Second Regular Session



HOUSE BILL NO. 10286

Introduced by Representative ALEXANDER T. PIMENTEL
2nd District of Surigao del Sur

**AN ACT PROVIDING INCENTIVES AND FINANCIAL ASSISTANCE FOR
THE MODERNIZATION OF PUBLIC UTILITY JEEPNEYS AND TRICYCLES,
ENSURING THE PROTECTION OF DRIVERS AND SMALL OPERATORS
DURING THE TRANSITION**

EXPLANATORY NOTE

The transition to modernized public utility vehicles has left many small, individual jeepney and tricycle operators and their drivers behind, unable to shoulder the cost of new units and fearful of losing their livelihood to consolidation requirements favoring large corporate operators.

This bill ensures that the modernization program includes accessible financing, extended and graduated compliance timelines for small operators, and guaranteed priority hiring of displaced drivers by modernized fleets, so that modernization improves rather than eliminates the livelihood of ordinary drivers.

Respectfully submitted,


REP. ALEXANDER T. PIMENTEL

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

SECTION 1. This Act shall be known as the "Inclusive Public Transport Modernization Act."

SECTION 2. Declaration of Policy. — The State shall pursue the modernization of public transportation in a manner that protects the livelihood of small operators and drivers, and does not result in their displacement without adequate support.

SECTION 3. Low-Interest Financing. — The Land Bank of the Philippines and the Development Bank of the Philippines shall offer a special financing window for the acquisition of modernized public utility vehicles by individual and small cooperative operators, at an interest rate not exceeding four percent (4%) per annum, payable over a period of not less than seven (7) years.

SECTION 4. Graduated Compliance Timeline. — Small operators owning three (3) units or fewer shall be given an extended compliance period of not less than five (5) years from the effectivity of this Act, and shall not be compelled to consolidate with corporate operators against their will.

SECTION 5. Driver Protection. — Displaced drivers of phased-out units shall be given priority in hiring by modernized fleet operators servicing the same route, and shall be entitled to free retraining under the Technical Education and Skills Development Authority (TESDA).

SECTION 6. Transitional Livelihood Assistance. — Drivers whose units are undergoing modernization-related downtime shall receive a transitional livelihood allowance for a period not exceeding three (3) months.

SECTION 7. Separability Clause. — If any provision of this Act is declared invalid, the other provisions not affected shall remain in force.

SECTION 8. Repealing Clause. — All laws, decrees, executive orders, and issuances inconsistent with this Act are hereby repealed or modified accordingly.

SECTION 9. Effectivity. — This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.