

SEVENTEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
Second Regular Session )



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SENATE

RECEIVED BY: \_\_\_\_\_

SENATE BILL NO. 1554

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INTRODUCED BY SENATOR JOSEPH VICTOR G. EJERCITO

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AN ACT  
ABOLISHING THE ROAD BOARD AS THE REGULATORY  
AGENCY OF THE MOTOR VEHICLE USER'S CHARGE (MVUC)  
AND TRANSFERRING ITS POWERS AND FUNCTION TO THE  
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS (DPWH)  
AND TO THE DEPARTMENT OF TRANSPORTATION (DOTr)

#### EXPLANATORY NOTE

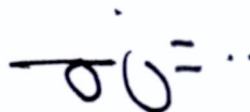
Republic Act No. 8794 entitled "An Act Imposing a Motor Vehicle User's Charge on Owners of All Types of Motor Vehicles and for other purposes" mandates the establishment of Road Board. The law empowered the Board to implement the prudent and efficient management and utilization of the Special Funds for the Motor Vehicle User Charge collected from the owner of the motor vehicle pursuant to the provision of RA No. 8794.

However, over the years, the Road Board has been challenged with issues of discrepancies, misappropriation and is besmirched by allegation of corrupt government employees. Recently, in the 2016 Annual Audit Report, COA found that there are MVUC funds yet to be liquidated and due to the absence of liquidation reports the status of the projects could not be established.

On a different note, there have been observations that the existence of Road Board is redundant as its functions falls within the powers and jurisdiction of the Department of Public Works and Highways and Department of Transportation.

For the purpose of efficiency and removing the redundancy of functions, the proposed measure seeks to abolish the Road Board. Furthermore, it is imperative that the funds sourced out from the Motor Vehicle User's Charge be directly allocated to the National Treasury for the purpose of ensuring the current administration's thrust on building infrastructure projects that advances the quality of life experience and beneficial to the Filipino people, as this will open gates of opportunity and steers forward to the country's 'Golden Age of Infrastructure'.

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



JOSEPH VICTOR G. EJERCITO

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

1 SECTION 1. Paragraph 2, Section 7 of Republic Act No. 8794 is hereby  
2 amended to read as follows:

3  
4 "SECTION 7. *Disposition of Monies Collected.* All  
5 monies collected under this Act shall be earmarked  
6 solely and used exclusively (1) for road maintenance and  
7 the improvement of road drainage, (2) for the  
8 installation of adequate and efficient traffic lights and  
9 road safety devices, and (3) for air pollution control.

10  
11 All such monies collected shall be deposited in  
12 four (4) special trust accounts in the National Treasury,  
13 namely: (1) Special Road Support Fund; (2) Special Local  
14 Road Fund; (3) Special Road Safety Fund; and (4) Special  
15 Vehicle Pollution Control Fund. The distribution of  
16 collections under this Act shall be as follows:

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18 xxx xxx xxx

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20 The Special Road Support Fund, the Special Local  
21 Road Fund, and the Special Road Safety Fund shall be  
22 under the DPWH, whereas the Special Vehicle Pollution  
23 Control Fund shall be under the DOTC.

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[A Road Board to implement the prudent and efficient management and utilization of the special funds shall be organized by the President of the Philippines. The Road Board shall be composed of seven (7) members, with the Secretary of the DPWH as *ex officio* head, and the secretaries of the Department of Finance, Budget and Management, and the Transportation and Communications, as *ex officio* members. The remaining three (3) members shall come from the transport and motorist organizations which have been in existence and active for the last five (5) years prior to this Act. They shall be appointed for the term of two (2) years each by the President of the Philippines upon the recommendation of the secretaries of the DPWH and the DOTC.]

**SECTION 2. Rules and Regulations.**—The secretaries of the Department of Public Works and Highways (DPWH) and the Department of Transportation (DOTr), in consultation with the Department of Budget and Management (DBM), shall jointly promulgate within (30) days from the effectivity of this Act, the rules and regulation to implement and carry out the intent, objectives, purposes, and provisions of this Act, including such structural and procedural improvement in the systems and agencies concerned as may be necessary to ensure the prudent, wise, effective, and efficient utilization of the special funds established under Republic Act No. 8794: Provided, that the Secretary of DPWH shall prepare the portion of their implementing rules and regulations pertaining to the Special Road Support Fund, the Special Local Road Fund, and the Special Road Safety Fund, and the Secretary of the Department of Transportation shall prepare the portion of the implementing rules and regulations pertaining to the collection of the motor vehicle’s user’s charge and on the disposition of the monies accruing to the Special Pollution Control Fund. Provided further, that the secretaries of the DPWH and the DOTr are proscribed from creating a secretariat and may only be assisted by a minimal number of staff in the administration and implementation of the special funds established under Republic Act No. 8974.

1 **SEC. 3. *Separability Clause*** - Should any provision of this Act or part  
2 hereof be declared invalid or unconstitutional, the other provisions or  
3 parts not affected thereby shall remain valid and effective.

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5 **SEC. 4. *Repealing Clause*** - All laws, decrees, orders, and issuances, or  
6 portions thereof, which are inconsistent with the provisions of this Act  
7 are hereby repealed, amended, or modified accordingly.

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9 **SEC. 5. *Effectivity*** - This Act shall take effect fifteen (15) days from its  
10 publication in two (2) newspapers of general circulation.

11  
12 *Approved,*