



SENATE

S. No. 1597

(In Substitution of Senate Bill Nos. 662, 945 and 1226)

PREPARED AND SUBMITTED JOINTLY BY THE COMMITTEES
ON EDUCATION, ARTS AND CULTURE; PUBLIC SERVICES;
AND WAYS AND MEANS, WITH SENATORS AQUINO IV,
ANGARA, GATCHALIAN, ESCUDERO, POE, VILLANUEVA,
VILLAR, DE LIMA, RECTO, ZUBIRI, BINAY, DRILON,
EJERCITO, GORDON, HONASAN II, HONTIVEROS,
LACSON, LEGARDA, PACQUIAO, PANGILINAN, PIMENTEL
III, SOTTO III, AND TRILLANES IV AS AUTHORS THEREOF

AN ACT INSTITUTIONALIZING THE GRANT OF
STUDENT FARE DISCOUNT PRIVILEGES ON
PUBLIC TRANSPORTATION 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 also be
2 known as the “Student Fare Discount Act”.

3 SEC. 2. *Declaration of Policy.* – Pursuant to Article
4 XIV, Section 1 of the Constitution, “The State shall protect
5 and promote the right of all citizens to quality education at

1 all levels and shall take appropriate steps to make such
2 education accessible to all." In addition, Paragraph 3,
3 Section 2 thereof directs the State to establish and
4 maintain a system of scholarship grants, student loan
5 programs, subsidies and other incentives which shall be
6 available to deserving students in both public and private
7 schools, especially to the underprivileged.

8 SEC. 3. *Purpose.* – Consistent with these Constitutional
9 mandates, this Act aims to:

10 (a) Establish a mechanism that ensures the
11 mandatory grant of fare discount privilege to students;

12 (b) Enlist the cooperation and support of
13 transportation utility owners to extend assistance to
14 students as a social responsibility through the observance
15 of this grant; and

16 (c) Encourage students, especially the poor and
17 underprivileged, to pursue quality education to secure
18 their future and make them responsible citizens.

19 SEC. 4. *Definition of Terms.* – For purposes of this
20 Act:

1 (a) *Student* refers to any Filipino citizen currently
2 enrolled in duly authorized basic and tertiary education
3 institutions, including technical-vocational schools.
4 Specifically excluded are those enrolled in dancing and
5 driving schools, short term courses of seminar type, and
6 post-graduate studies (those taking up medicine, law,
7 masteral, doctoral degrees; and the like); and

8 (b) *Transportation utilities* refer to both public and
9 private companies engaged in the conveyance of
10 passengers, either by land, water, air, or rail for a fixed
11 rate of fees, excluding school transport service providers.

12 SEC. 5. *Coverage.* – This Act shall cover all Filipino
13 students, except those specifically excluded in Section 4
14 hereof, engaging the services of transportation utilities.
15 Land transport includes, but not be limited to, public
16 utility buses (PUBs), public utility jeepneys (PUJs), taxis,
17 tricycles, Transport Network Vehicle Services (TNVS),
18 Transport Network Companies (TNCs), shuttle services,
19 and public and private railways, such as the Light Rail

1 Transit (LRT), Mass Rail Transit (MRT), and the
2 Philippine National Railways (PNR).

3 The fare discount and other privileges under this Act
4 shall be available for the entire period the student is
5 enrolled, including weekends and holidays. In the event of
6 a promotional fare discount, the student may avail of the
7 promotional discount or the discount provided herein.

8 *SEC. 6. Privilege of Students Involving Domestic*
9 *Travel.* – The students under this Act shall be entitled to a
10 grant of twenty percent (20%) discount on regular fares,
11 upon presentation of their duly issued school Identification
12 Cards (IDs) or current validated enrollment forms
13 supported by other documents to properly establish
14 identity, subject to an appropriate verification mechanism
15 to be provided in the Implementing Rules and Regulations
16 (IRR): *Provided*, That in the case of air transportation
17 utilities, the discount shall only apply to the base fare or
18 the price of the ticket before taxes and costs for ancillary
19 services.

1 SEC. 7. *Privilege of Students Involving International*
2 *Travel.* – All laws to the contrary notwithstanding, Filipino
3 students who will travel abroad for education, training,
4 and competition shall be exempt from the payment of
5 travel tax upon proper showing of proof or documentation
6 of intended purpose.

7 SEC. 8. *Prohibitions on Availment of Double*
8 *Discounts.* – The privileges mentioned in this Act shall not
9 be claimed if the student claims a higher discount as may
10 be granted by the transportation utility or under other
11 existing laws or in combination with other discount
12 programs.

13 SEC. 9. *Filing of Complaints.* – Students who are
14 refused from availing of the privileges under this Act may
15 file their complaints with the following proper authorities:

16 (a) The Land Transportation Franchising and
17 Regulatory Board (LTFRB) for land transportation
18 utilities;

19 (b) The Maritime Industry Authority (MARINA) for
20 sea/water transportation utilities;

1 (c) The Civil Aeronautics Board (CAB) for air
2 transportation utilities;

3 (d) The Legal Service of the Department of
4 Transportation (DOTr) for rail transportation utilities,
5 including the LRT, MRT and the PNR; and

6 (e) Local government units concerned for tricycles.

7 All complaints disposed of by such regulatory agency
8 may be brought to the Office of the Secretary of the DOTr
9 for review.

10 SEC. 10. *Penalties.* – After due investigation and
11 finding the complaint against any transportation utility to
12 be true and valid, the following penalties shall be imposed
13 as herein specified:

14 (a) For Land Transportation Utilities: A fine of Five
15 thousand pesos (P5,000.00) for the first offense; a fine of
16 Ten thousand pesos (P10,000.00) and impounding of unit
17 for thirty (30) days for the second offense; and a fine of
18 Fifteen thousand pesos (P15,000.00) and cancellation of
19 Certificate of Public Convenience (CPC) for the third and
20 subsequent offenses;

1 (b) For Water Transportation Utilities: A fine
2 ranging from Ten thousand pesos (P10,000.00) to Fifty
3 thousand pesos (P50,000.00) and warning for the first
4 offense; a fine ranging from Twenty thousand pesos
5 (P20,000.00) to Sixty thousand pesos (P60,000.00) and
6 suspension of operation of the ship for a period not
7 exceeding thirty (30) days for the second offense; and a fine
8 ranging from Thirty thousand pesos (P30,000.00) to
9 Seventy thousand pesos (P70,000.00) and suspension of
10 operation of the ship for the third and subsequent offenses:
11 *Provided*, That the imposition of the ranges of penalties
12 under this sub-paragraph shall be based on the ship's
13 volume in gross tonnage;

14 (c) For Air Transportation Utilities: A fine ranging
15 from Fifty thousand pesos (P50,000.00) to One hundred
16 thousand pesos (P100,000.00) for the first offense; a fine
17 ranging from One hundred thousand pesos (P100,000.00)
18 to One hundred fifty thousand pesos (P150,000.00) and a
19 warning for the second offense; and a fine ranging from
20 One hundred fifty thousand pesos (P150,000.00) to Two

1 hundred thousand pesos (P250,000.00) and other sanctions
2 as may be determined by CAB, for the third and
3 subsequent offenses; and

4 (d) For Rail Transportation Utilities: All rail
5 transportation utilities are mandated to observe the
6 aforesaid fare discount privilege and designate a
7 student/senior citizen fare booth in their boarding stations.
8 Violations thereof shall be sanctioned or fined under the
9 existing Civil Service Rules. For private railways, the
10 amount of fines prescribed under sub-paragraph (b) of this
11 section shall apply, to be imposed by the DOTr.

12 Upon filing of an appropriate complaint, and after
13 due notice and hearing, the proper authorities in
14 subparagraphs (b), (c), and (d), with respect to private
15 railways, of this section may also cause the cancellation or
16 revocation of CPC, permit to operate, franchise, licenses
17 and other privileges granted to the transportation utilities
18 who fail to comply with the provisions of this Act.

19 SEC. 11. *Use of Falsified Identification Documents*
20 *and Misrepresentation.* - Any person who avails or

1 attempts to avail of the privileges under this Act through
2 the use of falsified identification documents, fraud or any
3 form of misrepresentation shall be denied said privileges
4 and may be subject to civil and penal liabilities prescribed
5 by law.

6 SEC. 12. *Implementing Rules and Regulations.* – The
7 DOTr and its attached agencies, in consultation with the
8 LTFRB, MARINA, and the CAB, and the Department of
9 Finance, shall promulgate, within one hundred twenty
10 (120) days upon approval of this Act, the necessary rules
11 and regulations for the effective implementation of the
12 provisions of this Act: *Provided*, That the failure of the
13 concerned agencies to promulgate the said rules and
14 regulations shall not prevent the implementation of this
15 Act upon its effectivity.

16 SEC. 13. *Repealing Clause.* – All provisions of laws,
17 decrees, orders, including rules and regulations
18 inconsistent herewith are hereby repealed or modified
19 accordingly.

1 SEC. 14. *Separability Clause.* – If any portion or
2 provision of this Act is declared invalid or unconstitutional,
3 the remainder of this Act or any provisions not affected
4 thereby shall remain in full force and in effect.

5 SEC. 15. *Effectivity Clause.* – This Act shall take
6 effect fifteen (15) days following its publication in the
7 *Official Gazette* or in at least two (2) newspapers of general
8 circulation.

Approved,