

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



SENATE

'17 NOV 22 P5:00

COMMITTEE REPORT NO. 171 RECORDED

Submitted jointly by the Committee on Public Works and the Committee on Public Services on
NOV 22 2017

Re: S.B. No. 1620

Recommending its approval in Substitution of S.B. Nos. 114, 986 and 1554

Sponsor: Senator Pacquiao

MR. PRESIDENT:

The Committees on Public Works; and Public Services to which were referred

S.B. No. 114, introduced by Sen. Aquilino "Koko" Pimentel III and Zubiri, entitled:

**"AN ACT ABOLISHING THE ROAD BOARD CREATED BY VIRTUE OF
REPUBLIC ACT NO. 8794 AND TRANSFERRING ITS POWERS AND
FUNCTIONS TO THE DEPARTMENT OF PUBLIC WORKS
AND HIGHWAYS AND TO THE DEPARTMENT OF TRANSPORTATION
AND COMMUNICATIONS, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 8794"**

S. B. No. 986, introduced by Sen. Win Gatchalian, entitled:

**"AN ACT ABOLISHING THE ROAD BOARD AND TRANSFERRING ITS POWERS AND
FUNCTIONS TO THE DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS
TO THE DEPARTMENT OF TRANSPORTATION, AMENDING FOR THE PURPOSE
REPUBLIC ACT NO. 8794, OTHERWISE KNOWN AS THE
MOTOR VEHICLE USER'S CHARGE"**

S.B. No. 1554, introduced by Sen. Joseph Victor G. Ejercito, entitled:

**"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)"**

have considered the same and have the honor to report them back to the Senate with the recommendation that the attached S.B. No. 1620, prepared by the Committees, entitled

AN ACT ABOLISHING THE ROAD BOARD AND TRANSFERRING ITS POWERS AND FUNCTIONS INCLUDING THE MANAGEMENT OF THE MOTOR VEHICLES USER'S CHARGE FUNDS TO THE DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS (DPWH) AND TO THE DEPARTMENT OF TRANSPORTATION (DOTr), AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 8794, OTHERWISE KNOWN AS "THE MOTOR VEHICLES USER'S CHARGE

be approved in substitution of S. B. Nos. 114, 986 and 1554 with Pimentel III, Gatchalian, Ejercito, Pacquiao and Zubiri as authors thereof.

Respectfully submitted:


GRACE POE
Chairperson
Committee on Public Services


EMMANUEL D. PACQUIAO
Chairperson
Committee on Public Works


JOSEPH VICTOR G. EJERCITO


MEMBERS


FRANCIS "CHIZ" G. ESCUDERO


LOREN B. LEGARDA


RICHARD J. GORDON


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JUAN MIGUEL "MIGZ" F. ZUBIRI


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SONNY ANGARA


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ANTONIO "SONNY" F. TRILLANES



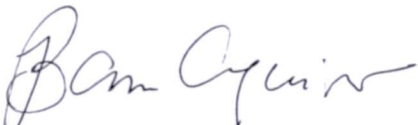
WIN GATCHALIAN

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FRANCIS "KIKO" PANGILINAN

and interpellate/and



PAOLO BENIGNO "BAM" AQUINO IV

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RISA HONTIVEROS

stay interpellate

EX-OFFICIO MEMBERS



RALPH G. RECTO
President Pro-Tempore



VICENTE C. SOTTO III
Majority Leader



FRANKLIN M. DRILON
Minority Leader

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


Senate
Secretary

SENATE

S.B. No. 1620

NOV 22 P5:00

(In Substitution of Senate Bill Nos. 114, 986 and 1554)



PREPARED JOINTLY BY THE COMMITTEES ON PUBLIC WORKS AND PUBLIC SERVICES,
WITH SENATORS PIMENTEL, ZUBIRI, GATCHALIAN, EJERCITO, AND PACQUIAO AS
AUTHORS THEREOF

AN ACT
ABOLISHING THE ROAD BOARD AND TRANSFERRING ITS POWERS AND FUNCTIONS
INCLUDING THE MANAGEMENT OF THE MOTOR VEHICLES USER'S CHARGE FUNDS
TO THE DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS (DPWH) AND TO THE
DEPARTMENT OF TRANSPORTATION (DOTr), AMENDING FOR THE PURPOSE
REPUBLIC ACT NO. 8794, OTHERWISE KNOWN AS THE MOTOR VEHICLES USER'S
CHARGE

Be is 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 amended to read as follows:
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3 SECTION 7. Disposition of Monies Collected – All monies collected under this Act shall be
4 earmarked solely and used exclusively (1) for road maintenance and the improvement of road
5 drainage, (2) for the installation of adequate and efficient traffic lights and road safety devices,
6 and (3) for air pollution control.
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8 [All such monies collected shall be deposited in four (4) special trust accounts in the National
9 Treasury, namely: (1) Special Road Support Fund; (2) Special Local Road Fund; (3) Special Road
10 Safety Fund; and (4) Special Vehicle Pollution Control Fund. The distribution of collections under
11 this Act shall be as follows:]
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14 ALL SUCH MONIES COLLECTED SHALL BE DEPOSITED IN FOUR (4) SPECIAL
15 TRUST ACCOUNTS IN THE NATIONAL TREASURY, NAMELY: (1) SPECIAL ROAD
16 SUPPORT FUND WHICH SHALL BE UNDER THE MANAGEMENT AND DISPOSAL OF THE
17 DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS; (2) SPECIAL LOCAL ROAD FUND
18 WHICH SHALL BE UNDER THE MANAGEMENT AND DISPOSAL OF THE DEPARTMENT OF
19 PUBLIC WORKS AND HIGHWAYS; (3) SPECIAL ROAD SAFETY FUND WHICH SHALL BE
20 UNDER THE MANAGEMENT AND DISPOSAL OF THE DEPARTMENT OF PUBLIC WORKS
21 AND HIGHWAYS; AND (4) SPECIAL VEHICLE POLLUTION CONTROL FUND WHICH SHALL
22 BE UNDER THE MANAGEMENT AND DISPOSAL OF THE DEPARTMENT OF
23 TRANSPORTATION."
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25 THE DEPARTMENT OF BUDGET AND MANAGEMENT IS HEREBY MANDATED TO
26 INCLUDE ANNUALLY, THE MVUC FUNDS IN THE PRESIDENT'S PROGRAM OF
27 EXPENDITURES FOR SUBMISSION TO CONGRESS AND ALLOCATES AS FOLLOWS:

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- (1) [Eighty percent (80%)] **FIFTY-FIVE PERCENT (55%)** shall be allotted to and placed in the Special Road Support Fund;
- (2) [Five percent (5%)] **THIRTY-FIVE PERCENT (35%)** shall be allotted to and placed in the Special Local Road Fund;
- (3) Seven and one-half percent (7.5%) shall be allotted to and placed in the Special Road Safety Fund; and
- (4) Seven and one-half percent (7.5%) shall be allotted to and placed in the Special Vehicle Pollution Control Fund.

The Special Road Support Fund, the Special Local Road Fund and the Special Road Safety Fund shall be under the DPWH, whereas the Special Vehicle Pollution Control Fund shall be under the [DOTC] **DOTr**.

Seventy percent (70%) of the Special Road Support Fund shall be used exclusively for the maintenance of, and the improvement of drainage of, national primary roads. The remaining thirty percent (30%) thereof shall be allocated and used for the maintenance, and improvement of drainage of national secondary roads throughout the country.

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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 Departments of Finance, Budget and Management, and Transportation and Communications, as ex officio members. The remaining three (3) members shall come from 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 a term of two (2) years each by the President of the Philippines upon the recommendation of the secretaries of the DPWH and the DOTC.]

ALL EXISTING PERSONNEL OF THE ROAD BOARD SECRETARIAT WILL BE ABSORBED BY THE DPWH.

Sec. 2. Section 8 is hereby amended as follows:

SEC.8. Status of the Special Funds. – The four (4) special funds established under this Act shall be distinct from and separate from in addition to any appropriation authorized and granted yearly to the DPWH and the [DOTC] **DOTr** to cover expenditures for the identified objects of expenditures under this Act. Congress shall continue to appropriate an amount in the General Appropriations Act for road maintenance of the DPWH; Provided, however, that any savings for each year out of such appropriation shall revert to the General Fund. Any savings from the special funds created herein shall accrue to these respective special funds.

1 THE MOTOR VEHICLE USERS CHARGE FUND IS A SPECIAL PURPOSE FUND
2 HELD IN TRUST BY THE DPWH AND THE DOTr FOR ROAD MAINTENANCE AND
3 POLLUTION CONTROL PROGRAMS. BEING A SPECIAL PURPOSE FUND, IT CAN ONLY
4 BE USED FOR THE PURPOSES FOR WHICH IT WAS CREATED. NO PORTION THEREOF
5 SHALL ACCRUE TO THE GENERAL FUND OF THE NATIONAL GOVERNMENT, NEITHER
6 SHALL ANY AMOUNT OR PORTION THEREOF BE CONJOINED WITH GOVERNMENT
7 MONEY, NOR REVERTED TO THE GENERAL FUND.

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9 THE MVUC FUND SHALL BE MANAGED WITH FULL TRANSPARENCY AND FULL
10 PUBLIC DISCLOSURE. THE DPWH AND THE DOTr SHALL MAKE AVAILABLE ALL
11 RECORDS OF HOW THE FUNDS ARE UTILIZED AND DISBURSED, IN ACCORDANCE WITH
12 EXISTING LAWS.

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14 Sec. 3. Section 9 of the same Act is hereby amended to read as follows:

15 SEC. 9. Implementing Rules and Regulations- The secretaries of the DPWH and the [DOTC]
16 DOTr shall jointly within thirty (30) days from the effectivity of this Act, promulgate the rules and
17 regulations to implement and carry out the intent, objectives, purposes and provisions of this Act,
18 including such structural and procedural improvements in the systems and agencies concerned
19 as may be necessary to ensure the prudent, wise, effective and efficient utilization of the special
20 funds established under this Act; Provided, that the Secretary of the DPWH shall prepare the
21 portion of the implementing rules and regulations pertaining to the Special Road Support Fund,
22 the Special Local Road Fund, and the Special Road Safety Fund, and the Secretary of the [DOTC]
23 DOTr shall prepare the portion of the Implementing rules and regulations pertaining to the
24 collection of the MVUC stated under Section 3 of this Act and on the disposition of the monies
25 accruing to the Special Vehicle Pollution Control Fund.

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27 THE UTILIZATION OF THE MVUC FUND REQUIRES STRINGENT INTERNAL
28 CONTROL, HENCE, THE DPWH AND THE DOTr SHALL FORMULATE AN EFFICIENT
29 CRITERIA FOR FUND ALLOCATION AND DEVELOP JUDICIOUS GUIDELINES AND
30 DOCUMENTARY REQUIREMENTS FOR ITS AVAILMENT. A REPORT OF WHICH SHALL BE
31 SUBMITTED TO CONGRESS ANNUALLY. PROVIDED, THAT, THERE SHALL BE PRE-
32 AUDIT AND POST-AUDIT RULES FOR THE PREVENTION, IMPROPER APPLICATION AND
33 DISALLOWANCE OF ILLEGAL, IRREGULAR, EXTRAVAGANT, EXCESSIVE,
34 UNCONSCIONABLE OR UNECESSARY USE OF THE MVUC FUNDS.

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36 PROVIDED FINALLY, THAT THE SECRETARIES OF THE DPWH AND THE DOTr ARE
37 PROSCRIBED FROM CREATING ANOTHER SECRETARIAT AND MAY ONLY BE ASSISTED
38 BY A MINIMAL NUMBER OF STAFF IN THEIR ADMINISTRATION AND IMPLEMENTATION
39 OF THE FUND.

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41 Sec. 4. Repealing Clause – All laws, executive orders, rules and regulations, issuance, circulars
42 which are inconsistent with the provisions of this act are hereby repealed or modified accordingly.

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44 Sec. 5. Effectivity. – This Act shall take effect after fifteen (15) days following its publication in at
45 least two (2) newspapers of general circulation.

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47 Approved.