NINETEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES Second Regular Session 23 AUG 16 P 3 :08 RECEIVED B:

SENATE

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S. No. <u>2410</u>

INTRODUCED BY SENATOR JOSEPH VICTOR G. EJERCITO

AN ACT CREATING THE PHILIPPINE TRANSPORTATION SECURITY AUTHORITY, DEFINING ITS POWERS AND FUNCTIONS, AND APPROPRIATING FUNDS THEREFOR

EXPLANATORY NOTE

This proposed measure aims to create a comprehensive and unified framework for ensuring the security of all modes of transportation, including aviation, maritime, land, and rail systems. Since transportation plays a crucial role in the development of our nation, there is a need to establish a secure and efficient transportation systems. Aside from our unwavering position and support to develop a modern and efficient transport system, we also believe that there is an urgent need to address the evolving threats posed by terrorism, criminal activities, and emerging security challenges within our transportation networks.

By strengthening the mandate of the current Office of Transportation Security, this proposal seeks to enhance coordination, intelligence sharing, and technological innovation to safeguard our transportation infrastructure effectively. The Philippine Transportation Security Authority will be created and shall serve as the single regulatory oversight body for promoting security in the transportation industry in order to ensure public welfare and penalize violations of transportation security regulations. The Authority will be tasked with the formulation, implementation, and oversight of policies and regulations pertaining to transportation security.

In recognition of the global nature of modern security challenges, this bill aligns with international standards and best practices, promoting cooperation and information exchange with our international partners. By enhancing our transportation security ecosystem, we aim to bolster public confidence in our transportation systems, encourage tourism, attract investments, and drive economic growth.

We are confident that through the enactment of this measure, we can pave the way for a safer, more resilient, and more vibrant transportation landscape.

In view of the foregoing, the 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	ARTICLE I
2	GENERAL PROVISIONS
3	Section 1. Short Title. – This Act shall be known and cited as the "Philippine
4	Transportation Security Act".
5	Sec. 2. Declaration of Policy. – It is the policy of the State to recognize the
6	vital role of public transportation in nation-building, economic growth. In line with this,
7	the State recognizes the need to protect and promote the rights of its people to a
8	secure transportation system through the adoption and promulgation of transportation
9	security programs.
10	Towards this end, the State shall formulate and harmonize policies to prescribe
11	transportation security standards, policies, rules and regulations, and practices that
12	are in accordance with international agreements, conventions, and norms.
13	ARTICLE II
14	THE PHILIPPINE TRANSPORTATION SECURITY AUTHORITY
15	Sec. 3. Creation of the Philippine Transportation Security Authority. – The Office
16	for Transportation Security (OTS), created by virtue of Executive Order No. 277 (s.
17	2004), as amended by Executive Order No. 311 (s. 2004), is hereby constituted as the
18	Philippine Transportation Security Authority, hereinafter referred to as the "Authority",

1 attached to the Department of Transportation (DOTr). The Authority shall have 2 jurisdiction, supervision, and control over all security arrangements and standards 3 involving airports, aircrafts, ports, and maritime transport, including their respective 4 terminals; and, land and rail transport, including their respective terminals and 5 stations. It shall be the single regulatory oversight body for the security of 6 transportation systems, including:

7 (a) Civil Aviation, as the designated appropriate authority, by ensuring that
8 Annex 17 to the Chicago Convention, as amended, commonly referred to as the
9 Standards and Recommended Practices (SARPs) on Security is implemented, and the
10 National Civil Aviation Security Program is developed, implemented, and maintained;

(b) Sea Transport and Maritime Infrastructure, as the designated authority
and administration for security, by ensuring that the ISPS Code is implemented and
maintained and that a National Security Program for Sea Transport and Maritime
Infrastructure is developed, implemented, and maintained; and

(c) Land Transportation, Rail System and Infrastructure, as the designated
appropriate authority, by ensuring that a National Security Program for Land
Transportation, Rail System and Infrastructure is developed, implemented, and
maintained.

19 The Authority shall be headed by an Administrator with the rank of 20 Undersecretary, who must have at least five (5) years experience and of recognized 21 competence in transportation security or related fields of expertise.

Sec. 4. *Structure of Transportation Security.* – The transportation security structure shall be divided into three (3) sectors, namely: civil aviation; maritime; and, land and rail transport.

In line with the policy declaration of the State, the following agencies shall be subject to the oversight power of the Authority particularly on transportation security: Civil Aviation Authority of the Philippines (CAAP); Civil Aeronautics Board (CAB); Land Transportation Franchising Regulatory Board (LTFRB); Land Transportation Office (LTO); Maritime Industry Authority (MARINA); Philippine Coast Guard (PCG); Philippine Ports Authority (PPA); Philippine National Railways (PNR); Light Rail Transit Authority (LRTA); and Toll Regulatory Board (TRB).

Transport operators, government agencies and/or instrumentalities, including
 those with special charters and those located in freeport and special economic zones,
 operating any public means of transport and/or public transport facilities, and all other
 agencies regulating transportation systems and facilities shall also be subject to the
 oversight power of the Authority on transportation security.

6 Sec. 5. *Powers and Functions of the Authority.* – The Authority shall serve as 7 the single regulatory oversight body for promoting security in the transportation 8 industry in order to ensure public welfare and penalize violations of transportation 9 security regulations. Towards this end, it shall be responsible for the following key 10 functions in the security of the transportation systems:

11 (a) Formulate, develop, implement, and maintain transportation security 12 policies, programs, rules and regulations, measures, and strategies to ably and 13 decisively deal with any threat to the security of the transportation systems and 14 continuously review, assess, and update such transportation security programs, rules 15 and regulations, and other issuances;

(b) Ensure compliance with international standards for transportation
security, especially for international conventions and treaties where the Philippines is
a state party, through promulgation of protocols, standards, and rules and regulations;

(c) Provide technical inputs to agreements being negotiated between the
Philippines and other countries and international organizations in relation to
transportation security concerns;

(d) Require transport operators covered by national transportation security
programs to integrate security measures in the design and construction of new
facilities and alterations to existing facilities at airports, ports, bus terminals, integrated
terminal exchanges, rail stations, and tollways;

(e) Review existing rules and regulations related to transportation security
undertaken by transportation industry stakeholders, and recommend or require impact
assessment or changes in policy;

(f) Oversee compliance of transport operators to security screening
standards for passengers and cargo of air carriers; maritime vessels, including fastcraft, *bancas*, Roll-On/Roll-Off (RORO), and ferries; railways and light rails; and,
buses;

1 (g) Monitor the activities in the transportation industry with the end view of 2 promoting security; and consequently, enjoin the transportation sector to cooperate 3 and coordinate with the Authority;

4 (h) Conduct compliance monitoring activities, such as security audits, 5 inspections, and tests to ensure effective implementation of transportation security 6 measures and procedures and issue notices of deficiencies, non-conformities, and 7 recommendations, as appropriate, and require corrective actions, including 8 rectifications of such deficiencies;

9 Exercise visitorial and inspection powers over all transportation systems (i) and facilities including: access to relevant security documents and records of 10 11 transportation stakeholders and conduct interview for the purpose of assessing the 12 standards of security for the implementation of security procedures; access the premises of any transport operator in case of an act of unlawful interference, or when 13 14 it is necessary to prevent such interference, in coordination with law enforcement 15 agencies; and, access pursuant to the oversight functions of the Authority such as 16 monitoring activities and investigation of transportation security violations;

17 (j) Conduct and validate security risk assessments on the transportation18 systems;

19 (k) Require concerned agencies and entities to timely submit documents20 relative to transportation security incidents, risks, and threats;

(I) Issue security directives and advisories to transportation operators
 covered by transportation security programs, law enforcement agencies, and other
 entities charged with the security of the transportation systems;

24 (m) Certify transportation security personnel, as may be required by the 25 national transportation security programs, and accredit institutions, centers and 26 schools offering transportation security courses;

27 (n) Determine and fix reasonable fees for the transportation security training
28 courses being offered by such accredited institutions, centers and schools;

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Promote capacity building on transportation security;

(p) Prepare tools and technical guidance materials which shall provide
 guidelines on the effective implementation of security measures and procedures of all
 transportation systems;

1 (q) Enlist the assistance of any department, bureau, office, instrumentality, 2 or government-owned or controlled corporation to carry out the Authority's mandate 3 including, but not limited to, the use of their respective personnel, facilities, and 4 resources, and sharing of data and information necessary and appropriate, as allowed 5 by law and existing rules;

6 (r) Enter into agreements, as may be necessary, with other national 7 government agencies to share or otherwise cross-check data on any individual or 8 group identified by such agencies as posing a risk to transportation security;

9 (s) Establish procedures for notifying the concerned government agencies 10 of the identity of any individual or group known to pose, or are suspected of posing a 11 threat to transportation security including acts of terrorism;

12 (t) In consultation with other agencies of the national government, require13 the concerned transport operators:

14 (1) To use information from appropriate government agencies to 15 identify any individual and/or group on passenger lists who may be a threat to 16 transportation security; and if such an individual and/or group is identified, to 17 notify the appropriate law enforcement agencies to prevent them from boarding 18 an aircraft, maritime vessel, train, bus, or other vehicle, or take other 19 appropriate action with respect to that individual and/or group; and

20 (2) To share passenger lists with the appropriate national
21 government agencies for the purpose of identifying any individual and/or group
22 who may pose a threat to transportation security.

Nothing in this Act shall be construed as weakening the protections mandated
by Republic Act No. 10173, otherwise known as the *Data Privacy Act of 2012*.

(u) Issue *subpoena duces tecum* and/or *ad testificandum* in any
investigation or hearing conducted by the Authority;

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(v) Cite persons for contempt;

28 (w) Adjudicate cases arising from non-compliance with transportation 29 security standards, rules and regulations, and violations of this Act;

30 (x) Impose fines and penalties for non-compliance with or breach of this Act 31 or its Implementing Rules and Regulations (IRR), and the standards, rules and 32 regulations, and other policies issued by the Authority, including recommending the

suspension or revocation of any license, permit or certificate which authorizes the
 operation of public means of transport or public transport facilities;

3 (y) Submit to the DOTr and the Congress, an annual report containing such 4 matters or cases which have been filed before or referred to it during the preceding 5 year, the actions and proceedings undertaken, and its decision or resolution in each 6 case before the end of April of each year; and

7 (z) Perform such other functions as appropriate and necessary in order to8 preserve and promote transportation security.

9 Sec. 6. *Field Offices.* – The Authority may establish field offices to enable it to
10 effectively perform its mandate as may be determined in the IRR.

Sec. 7. *Enhancement of Technical Competence.* – (a) The Authority shall establish rigorous training programs for its staff for the purpose of enhancing the technical competence of the Authority in the following areas: impact assessment, evaluation and audit of technical performance and monitoring of compliance with service and performance standards, transportation security standards, transportation infrastructure standards, transportation education and training, and such other areas as will enable the Authority to adequately perform its functions or exercise its powers.

(b) The Authority shall establish its own educational and training institute for the enhancement of knowledge and skills of personnel performing transportation security-related responsibilities within the transportation security industry: *Provided*, That the Authority shall prioritize education and training programs not provided by private entities: *Provided, further,* That education and training for the development of core competencies necessary in the exercise of the regulatory power of the Authority shall be given priority in its education and training budget.

Sec. 8. *National Transportation Security Committees*. – The following national transportation security committees are hereby created to facilitate the allocation of tasks and coordination of responsibilities and activities between or among various stakeholders:

- a. National Civil Aviation Security Committee (NCASC);
- 30 b. National Maritime Security Committee (NAMARSEC); and
- 31 c. National Land and Rail Security Committee (NALARSEC).

1 The Secretary of Transportation shall be the Chairperson of the Committees. 2 The membership shall consist of representatives from the concerned agencies and 3 entities for civil aviation, maritime, and land and rail sectors to be identified in the IRR 4 of this Act. The members of the Committees may designate a permanent alternate to 5 represent their respective agencies or organizations. *Provided*, That the rank of any 6 official serving as the permanent alternate shall not be lower than an Undersecretary 7 or its equivalent. The Committees, through its Chairperson, may invite resource 8 persons from other agencies of the government and the private sector, as may be 9 necessary.

Sec. 9. *Transportation Security Coordinating Committee*. – The Transportation Security Coordinating Committee (TSCC) shall be formalized to serve as the coordinating body for the sharing of information on transportation security, which may be the basis for the issuance of transportation security alerts and advisories. The Administrator shall be the Chairperson of the TSCC. The membership shall consist of representatives from concerned agencies and stakeholders to be identified in the IRR of this Act.

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NATIONAL TRANSPORTATION SECURITY PROGRAM

ARTICLE III

Sec. 10. *National Transportation Security Programs.* – The Authority, through its Administrator, shall continuously review, amend, revise, and approve the prescribed security measures and procedures in the National Civil Aviation Security Program (NCASP), the National Security Program for Sea Transport and Maritime Infrastructure (NSPSTMI), and the National Land Transportation Security Program (NLTSP), based on security risk assessments, to meet the changing security environment and to conform with international standards.

Pursuant to the national transportation security programs, the Authority shall also establish, approve, implement, and maintain for the three (3) modes of transportation a National Transportation Security Training Program (NTSTP), setting the standards for the recruitment, selection, training and certification of personnel involved in or responsible for the implementation of transportation security measures, and a National Transportation Security Quality Control Program (NTSQCP), setting

1 standards for measuring compliance with and validating the effectiveness of the 2 national transportation security programs.

3 The existing NCASP, NSPSTMI, and NLTSP are hereby adopted. Succeeding 4 amendments to or revisions of these programs shall be approved by the Authority, to 5 be reported to the DOTr.

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ARTICLE IV ADMINISTRATIVE OFFENSES AND PENALTIES

8 Sec. 11. Administrative Offenses. – Administrative liability shall attach to any 9 person or entity who, without reasonable justification:

10 (a) refuses or fails to provide information or to give access to transportation 11 facilities, documents, records, or reports necessary in the performance of the 12 regulatory and oversight functions of the Authority;

13 (b) refuses or fails to comply with the standards, rules and regulations, and 14 other policies issued by the Authority;

15 (c) refuses or fails to comply with the security directives issued by the Authority: and/or 16

17 (d) refuses or fails to rectify deficiencies and submit corrective actions as required by the Authority. 18

19 Sec. 12. Administrative Penalties. - The Authority shall have the power to 20 impose fines and penalties for violation of Section 13 of this Act, consisting of:

21 a fine of not less than One Hundred Thousand Pesos (P 100,000.00) but (a) 22 not exceeding One Million Pesos (P 1,000,000.00);

23 (b) recommendation for the suspension or revocation of any license, permit 24 or certificate to operate public transportation to the Civil Aviation Authority of the 25 Philippines, Civil Aeronautics Board, Land Transportation Office, Land Transportation 26 and Franchising Regulatory Board, Maritime Industry Administration, Philippine Coast 27 Guard, or any other concerned and appropriate agency, as the case may be; and/or 28 (C) suspension or revocation of certificates issued by the Authority. 29

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ARTICLE V

TRANSITORY PROVISIONS

31 Sec. 13. Transfer of Funds, Assets, Rights, and Liabilities. - The Authority 32 shall, by virtue of this Act, be subrogated to all the rights and assume all the liabilities

1 of the OTS and all the funds, records, property, assets, equipment, and such personnel 2 as necessary, including unexpended appropriations or allocations. All contracts and 3 liabilities of the OTS are hereby transferred to and assumed by the Authority and shall 4 be acted upon in accordance with Presidential Decree No. 1445, otherwise known as 5 the "Government Auditing Code of the Philippines", as amended, and other pertinent 6 laws, rules, and regulations: *Provided*, That the officers and employees of the OTS 7 shall continue in a holdover capacity until such time as the new officials and employees 8 of the Authority shall have been duly appointed pursuant to the provisions of this Act.

9 Sec. 14. *Structure and Staffing Pattern.* – The Authority shall prescribe and 10 approve its organizational structure and staffing pattern within one hundred and 11 twenty (120) days after the approval of this Act. The organizational structure and 12 staffing pattern, which shall be subject to the approval of the Department of Budget 13 and Management (DBM), shall be filled by regular appointments by the President or 14 the Administrator, as the case may be: *Provided*, That, in the filling of positions 15 created, preference shall be given to the personnel of the OTS.

Sec. 15. *Compensation and Other Emoluments.* – The compensation and other emoluments for the official and personnel of the Authority shall be in accordance with the provisions of Republic Act No. 6758, otherwise known as the "Salary Standardization Act" and other applicable laws.

20 Sec. 16. Separation Benefits of Officials and Employees of the Office for 21 Transportation Security. - Officials and employees of the OTS who opt to be 22 separated from the service as a result of the transformation of the OTS into the 23 Authority shall be entitled to their separation pay and other benefits in accordance 24 with the provisions of Republic Act No. 6656, and other existing laws, rules and 25 regulations: *Provided:* That officials and employees of the OTS who avail of the said 26 separation plan may not reapply and be reappointed to the Authority: Provided, 27 *further,* That in no case shall there be any diminution of benefits under the separation 28 plan until the full implementation of the transformation of the OTS into the Authority 29 shall have been completed.

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ARTICLE VI FINAL PROVISIONS

Sec. 17. *Statutory construction.* – The provisions of this Act shall be liberally
 construed to achieve the preservation and promotion of transportation security.

Sec. 18. *Transportation Security Regulation Fund.* – (a) The Authority is hereby authorized to set, adjust, collect, or levy Administrative Fees and Charges for certificates issued and other services rendered to transportation security stakeholders, which fees and charges shall form part of the Transportation Security Regulation Fund hereinafter referred to as the Fund.

8 (b) The Aviation Security Fee mandated by Letter of Instruction No. 414 (s.9 1976), as amended, shall form part of the Fund.

10 (c) Government agencies and/or instrumentalities, including those with special 11 charters and those located in freeport and special economic zones, and private 12 persons, natural or juridical, authorized to operate airports, ports, bus terminals, 13 integrated terminal exchanges, rail stations, tollways, and other public transportation 14 facilities in civil aviation, maritime, and land and rail, are hereby authorized and 15 directed to collect Transportation Security Fees which shall also form part of the Fund. 16 The amount of Transportation Security Fees to be collected by the said entities shall 17 be set and adjusted by the Authority after public consultation. Such fees collected shall 18 be remitted to the Bureau of Treasury. Collection reports and other pertinent 19 documents shall be submitted to the Authority.

20 (d) Such fees and charges shall become effective after publication in a21 newspaper of general circulation or the *Official Gazette*.

(e) The Fund shall accrue to the Authority to support its oversight and
regulatory functions, subject to existing accounting and auditing rules and regulations.
The Fund shall be released annually to the Authority subject to the submission of the
special budget request to the DBM and a certification of the availability of funds from
the Bureau of Treasury.

Sec. 19. *Appropriations.* – The amount necessary for the initial operationalization of the Authority shall be charged against the current year's appropriation of the OTS. Thereafter, the amount needed for the continued operation and maintenance of the Authority shall be included in the annual General Appropriations Act.

1 Subject to existing rules and regulations, the funds and monies collected or 2 which otherwise come into the possession of the Authority from fees, surcharges, 3 fines, and penalties that the Authority may impose and collect under this Act, may be 4 utilized to defray operating expenses in the performance of its mandate and functions.

5 Sec. 20. *Implementing Rules and Regulations (IRR).* – Within one hundred 6 and twenty (120) days from the effectivity of this Act and after consultations with the 7 concerned stakeholders in hearings conducted nationwide, the Authority, the DOTr, 8 and other attached agencies shall formulate and issue the necessary IRR for the 9 effective implementation of this Act.

Sec. 21. Separability Clause. – If for any reason, any provision of this Act
is declared unconstitutional or invalid, the other parts or provisions hereof which are
not affected thereby shall continue to be in full force and effect.

Sec. 22. *Repealing Clause.* – All laws, decrees, orders, and issuances, or portions thereof, which are inconsistent with the provisions of this Act are hereby repealed, amended, or modified accordingly.

16 Sec. 23. *Effectivity.* - This Act shall take effect after fifteen (15) days following 17 its publication in the Official Gazette or a newspaper of general circulation.

Approved,