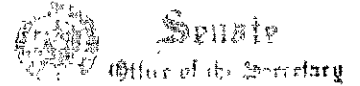


SIXTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)



13 JUL 16 25:09

SENATE

S. NO. 828

RECEIVED: *ji*

Introduced by Senator Antonio "Sonny" F. Trillanes IV

EXPLANATORY NOTE

The mode of transportation has exceedingly improved at present with the introduction of the Roll on/Roll off ship or the so-called "Ro-Ro". This has been well-received by businessmen and entrepreneurs for it allows them to transport their goods to any part of the country in a less costly manner. Similarly, individuals who do not have enough budgets to cover fares for boats and airplanes find the taking of "Ro-Ro" a good economical alternative.

While the Roll on/Roll off ship program of the government has drawn a lot of patronage from the public, to some, taking the "Ro-Ro" could be tiresome. The concept of "Ro-Ro" is basically a passenger ferry on short sea routes. Public buses have to go to the nearest port where available ferries will carry it to the next port of destination. This being the case, passengers have to disembark from the ferries and return to the buses several times so that they will be able to continue with the duration of the travel.

This bill intends to provide the public with another mass transport system that is cheaper, faster, safer and reliable. It also envisions enhancing agricultural productivity and promoting inter-regional trade and commerce.

With the enactment of this bill, the public will have an opportunity to travel in any part of Luzon, Visayas or Mindanao via a railway system that links the three islands of the Philippines. Furthermore, this bill will bring about the consolidation of Philippine National Railways (PNR), the Light Rail Transit Authority (LRTA), the Panay Railways and the North Luzon Railway Corporation (NLRC) including all other rail offices and agencies into one entity which will exercise overall authority and management over the general conduct of the railway system of the country.


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

ANTONIO "SONNY" F. TRILLANES IV
Senator

13 JUL 16 P5:09

SENATE

S. NO. 828

RECEIVED BY: 

Introduced by Senator Antonio "Sonny" F. Trillanes IV

AN ACT
INSTITUTING THE PHILIPPINE RAILWAY AUTHORITY AND FOR OTHER
PURPOSES

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

ARTICLE I

GENERAL PROVISIONS

1 **SECTION 1.** This Act shall be known as the *"Philippine National Railways Act of*
2 *2013."*

3 **SEC. 2. Declaration of Principles and Policies. –**

- 4 a) The State shall promote the railway industry as an instrument for national progress and
5 prosperity;
- 6 b) The State shall establish a National Railway System that is cost-effective, reliable,
7 efficient, accessible and sustainable.
- 8 c) The State shall promote the participation of the private sector in the building and
9 construction of railway infrastructure;
- 10 d) The State shall promote the cooperation between the government and the private sector
11 including the local government units in the development, implementation and operation
12 of railway systems;
- 13 e) The State shall promote the safety and security of the general railway riding public and
14 provide for their convenience.

- 1 d) "Maglev" means magnetic levitation train that operates at the speed of 500k ms per
2 hour;
- 3 e) "Depot" as used in this Act means an area where the vehicles are parked for
4 maintenance, repair and reconditioning;
- 5 f) "Station" means loading and unloading area for rail commuters
- 6 g) "Rolling Stock" means any locomotive or railway car that operates on track and any
7 other vehicle that by design or by the way it is equipped is capable of being operated
8 on track;
- 9 h) "Track" means railway track and includes any land or right of way on which the
10 railway track is located and any signal apparatus used in respect of the operation of
11 the railway track;
- 12 i) "Structural Facilities" means, in respect of railway, bridges, tunnels, overpasses,
13 culverts, crossings and similar structures;
- 14 j) "Public railway" means a railway that is operated for the purposes of transporting
15 individuals, goods and commodities or any one or more of them for a toll or fee, but
16 does not include, an amusement railway, or an industrial railway;
- 17 k) "Amusement Railway" means a railway that is operated wholly within the confines of
18 an amusement, historical or similar park or site, for the purpose of providing rides to
19 individuals on rolling stock and is not operated for the purposes of transporting goods
20 or commodities for a toll or fee or of being a common carrier;
- 21 l) "Industrial Railway" means railway that transports only goods or commodities that
22 are manufactured, refined or otherwise produced, processed or handled by the person
23 who operates the railway or on whose behalf the railway is operated, and is operated
24 wholly or in part within the confines of the industrial site on which goods or
25 commodities are manufactured, refined or otherwise produced, processed, handled,
26 and is not operated for the purposes of transporting goods and commodities for a toll
27 or a fee or of being a common carrier;

- 1 m) "Approval" means an approval granted under this Act and includes an amendment to
2 the approval;
- 3 n) "Authority" means the Philippine National Railway Authority;
- 4 o) "Secretary" means the minister/head of the Philippine Department of Transportation
5 and Communications;
- 6 p) "National Railway Administrator" means a person appointed as Chief Operating
7 Officer of the Philippine National Railway Authority;
- 8 q) "Railway Safety Officer" means a person designated as a railway safety officer and
9 includes any person authorized by the Railway Regulatory Board to carry out duties
10 or functions on behalf of or in place of a railway safety officer.
- 11

12 ARTICLE III

13 STRUCTURE OF THE NATIONAL RAILWAY INDUSTRY

14 **SEC. 5.** The National Railway Industry shall be comprised of both the public and private
15 domains. (a) The public domain shall consist of two (2) bodies: the Philippine National Railway
16 Authority and the Railway Regulatory Board. These bodies are responsible for all sovereign
17 tasks relative to the development of the railway industry. (b) The private domain of the national
18 railway industry encompasses ownership and operation of railway systems and its maintenance.
19 Specifically, the role of the private sector in the railway industry includes ownership systems,
20 provision of rolling stocks and the operation of the same under the Build-Operate-Transfer (B-O-
21 T) scheme.

22

23 **SEC. 6. *Responsibilities in the Public Domain.*** – The sovereign tasks to be managed in
24 the public domain of the railway industry include the ownership, operation and maintenance of
25 the existing railway infrastructure.

26 **SEC. 7. *Responsibilities in the Private Domain.*** – Activities in the private domain also
27 include the ownership, operation and maintenance of all kinds of railway systems and services to

1 which this law is applied and the maintenance of the means required for the operation of the
2 services. The right to operate and maintain public railways by the public sector will be tendered
3 by the Philippine National Railway Authority, and concession contracts are awarded to the
4 service provider which is offering the best level of service in accordance with the standards for
5 railway safety and railway operation and maintenance at lowest possible cost. It shall also
6 provide details of the tendering procedures, bid evaluation and technical as well as operational
7 standards.

8
9 **ARTICLE IV**

10 **PHILIPPINE NATIONAL RAILWAY AUTHORITY**

11 **SEC. 8. *Philippine National Railway Authority.*** – The Philippine National Railway
12 Authority is hereby created with a Board of Directors composed of the Secretary of
13 Transportation and Communications as Chairman, the Director General of the National
14 Economic and Development Authority as Vice Chairman and the Secretaries of the Departments
15 of Public Works and Highways, Finance, Budget and Management, Environment and Natural
16 Resources, Interior and Local governments and the Chairman of the Metro Manila Development
17 Authority including the President of the Philippine Chambers of Commerce and Industry as
18 members.

19 The Chairman and the Members of the Board may designate their respective alternates to
20 the Board from among their own officials with the rank of undersecretaries.

21
22 **SEC. 9. *Mandate.*** – The Philippine National Railway Authority is hereby mandated to
23 establish a National Railway System covering the islands of Luzon, Visayas and Mindanao
24 including the metropolitan areas in the Philippines as the Authority may determine.

25 **SEC. 10. *Powers, Duties and Functions.*** – The Philippine National Railway Authority
26 shall have the following powers, duties and functions:

- 1 a) To have continuous succession under its corporate name;
- 2 b) To sue and be sued;
- 3 c) To adopt, alter and use a corporate seal;
- 4 d) To amend and repeal its By-laws;
- 5 e) To acquire, own, hold, administer and lease such real or personal property as it deems
6 necessary or convenient in governing its business affairs and to lease, mortgage, sell,
7 alienate or otherwise dispose of any such real or personal property held by it except
8 its right-of-way;
- 9 f) To enter into any obligation, assign or accept the assignment of, and rescind any
10 agreement or contract necessary or incidental to the proper functioning of the
11 Authority;
- 12 g) To contract loans, indebtedness and credit accommodations, in any local or
13 convertible foreign currency, from any international financial institution, foreign
14 government entities and local or foreign private commercial banks or similar
15 institutions under such terms and conditions prescribed by law, rules and regulations,
16 and to issue commercial papers and bonds in connection therewith;
- 17 h) To construct, own, lease, operate and maintain public utilities, infrastructure facilities
18 and such auxiliary support services needed to develop, operate and maintain a
19 national railway system;
- 20 i) To design, construct, maintain and operate by itself or by delegation to, or through
21 contractual arrangement such auxiliary infrastructure support facilities as, but not
22 limited to, parking structures above or below the ground, including the means of
23 access;
- 24 j) To prescribe, fix and regulate the route of railway transport;
- 25 k) To receive donations, grants, request and assistance of all kinds and to utilize the
26 same;

- 1 l) To exercise the right of eminent domain in the name of the Republic of the
2 Philippines and in the acquisition of real estate by excess condemnation or escheat
3 proceedings, including appurtenant properties. The title thereto shall be registered in
4 the name of the Government and thereupon all such properties shall be entrusted to
5 the Authority as agent of the Government;
- 6 m) To form, establish, organize and maintain subsidiary corporations or joint ventures
7 formed in accordance with the Philippine Corporation Code;
- 8 n) To privatize any part or all of the railway system or any subsystem under the
9 Authority, in accordance with the law;
- 10 o) To promulgate such rules and regulations as may be necessary to carry out the
11 objectives of this Act, and to perform such other powers as may be necessary to carry
12 out the purpose of this Act;
- 13 p) To formulate and adopt a master plan for a national railway system with ecological
14 and environmental standards;
- 15 q) To promote and encourage the active participation of the private sector, both local
16 and international, and the local government units in the development, implementation
17 and operation of railway system;
- 18 r) To implement or cause the implementation of the national railway plan, policies and
19 programs according to a schedule of priorities consistent with the needs and available
20 resources;
- 21 s) To control and develop, construct, operate and maintain railway facilities including
22 parking stations and terminals for freight, goods, and cargoes;
- 23 t) To regulate the schedule, frequency, routing and pricing of railway services; and
- 24 u) To call upon any government agency for such assistance as may be necessary in the
25 discharge of its duties and functions.
- 26

1 **SEC. 11. Powers and Functions of the Board.** – The powers of the Authority shall be
2 vested in and exercised by a Board of Directors, hereinafter referred to as the “Board”.

3 The Board shall have the following powers and functions:

- 4 a) Formulate policies, rules and regulations, plans, projects and programs;
- 5 b) Direct the management, operations and administration of the Authority;
- 6 c) Create offices or positions necessary for the efficient operations of the Authority and
7 fix the remuneration and other emoluments of subordinate officers and personnel of
8 the Authority in accordance with the Revised Compensation and Position
9 Classification System, and to remove or otherwise discipline such officers/employees
10 for cause in accordance with Civil Service Rules and Regulations;
- 11 d) Establish financial and operations targets for management as basis for evaluating and
12 monitoring corporate performance;
- 13 e) Authorize such expenditures as are in the interest of the efficient administration and
14 operations of the Authority; and
- 15 f) Exercise such other powers as may be necessary to accomplish the purposes for
16 which the Authority.

17
18 **SEC. 12. Management.** – The general conduct of the operations and management of the
19 Authority shall be vested in the National Railway Administrator who shall serve as the Chief
20 Executive Officer of the Authority and Ex-Officio Member of the Board. He shall be primarily
21 responsible in carrying out the projects and programs of the Authority as well as in the
22 implementation of its policies, rules and regulations including the execution of the decisions of
23 the Board.

24 The National Railway Administrator must be a natural-born citizen, at least thirty-five
25 (35) years of age on the day of his/her appointment, of good moral character and with recognized
26 executive ability and competence in the field of transportation, business administration,

1 management, finance or law. He shall be appointed by the President of the Republic of the
2 Philippines and shall serve for a term of seven (7) years and renewable for another term only.

3 The National Railway Administrator shall be assisted by deputies for Metro Manila,
4 Luzon, Visayas and Mindanao, all of whom shall likewise be appointed by the President of the
5 Republic of the Philippines for a term of seven (7) years renewable for another term only. These
6 officers can only be removed for cause as provided under existing laws.

7

8 **SEC. 13. Duties and Responsibilities of the National Railway Administrator.** – The
9 administrator of the Authority shall have the following duties and functions:

- 10 a) Appoint, subject to the confirmation of the Board, all the staff and personnel of
11 the Authority;
- 12 b) Execute, administer and implement the policies, programs, plans, guidelines and
13 regulations issued and adopted by the Board;
- 14 c) Direct and supervise the operations and administration of the Authority;
- 15 d) Direct and supervise the operations of all public railways;
- 16 e) Determine, subject to the approval of the Board and the concurrence of the
17 Department of Budget and Management, the staffing pattern and the number of
18 personnel of the Authority;
- 19 f) Direct and supervise the preparation of the agenda for the meeting of the Board,
20 and to submit for the consideration of the Board such measures as he/she believes
21 necessary to carry out the purposes and objectives of this Act;
- 22 g) Represent the Authority in all its transactions with other offices, agencies and
23 instrumentalities of the government and to deal with any persons and entities,
24 *public or private, domestic or foreign, on matters related to the mandate of the*
25 *Authority; and*
- 26 h) Exercise such other powers and perform such other duties and functions as the
27 Board may assign or authorize.

- 1 g) Materials to be provided;
- 2 h) Criteria to be met in order for an approval to be granted or renewed;
- 3 (h.1) requiring an applicant or an operator of a railway to have a safety
- 4 management system and plan;
- 5 (h.2) the terms for which an approval may be granted or renewed;
- 6 i) Amounts of insurance of other security to be provided by or in the case of holders
- 7 of approvals, persons, carrying out construction of the railway and persons
- 8 operating the rolling stock or track;
- 9 j) Damages caused by or arising out of fires and the liability for those damages stated
- 10 in Section 57 of Article XII hereof;
- 11 k) Tariffs, rates and the provision of services for the public railways;
- 12 l) Limitations on the liability of operators of public railways insofar as the
- 13 transportation of goods and commodities in relation to Section 65 of Article XIII
- 14 hereof;
- 15 m) Procedures and processes governing the resolution of disputes between shippers of
- 16 goods and commodities and the operators of public railways with respect to tariffs,
- 17 rates and the provision of services;
- 18 n) Accidents and other incidents;
- 19 o) Cessation of services;
- 20 p) Information to be provided to the Board, the Authority and railway safety officers
- 21 and governing the use of that information;
- 22 q) Form and contents of notices of administrative penalties;
- 23 r) Amounts or the manner of determining the amounts, of the administrative penalties
- 24 that may be imposed by the Board;
- 25 s) Amounts, or the manner of determining the amounts, of the administrative penalties
- 26 that may be imposed by a railway safety officer;
- 27 t) Periods for giving of notices of administrative penalties;

1 u) On any other matter necessary for the administration of the system of administrative
2 penalties;

3 v) Measures that are to be taken by an operator of a railway to secure the railway
4 against the threat of terrorist activity including, without limitation, the filing with
5 the Authority of plans to ensure the security of the railway operation.
6

7 **SEC. 22. – a) – *Railway Safety.*** – Where railway installations and railway vehicles must
8 be built, they should meet optimal safety requirements in operation. These requirements are met,
9 when the installations and vehicles conform to the Safety Code which is prescribed by the Board
10 and approved by the Authority.

11 b) Safety measures need to be incorporated in the design of Railways taking into
12 consideration the following aspects:

13 (1) movement accidents at station entrances and exits;

14 (2) system integrity has to be planned and proven;

15 (3) restoration of limited service has to be trained;

16 (4) activities of passengers while in the premises of the stations particularly while
17 waiting in the platforms must be monitored and precautions prepared;

18 (5) safety equipment has to be installed on all relevant places, which have to be
19 coordinated with the Railway Regulator;

20 (6) Fire safety has to be guaranteed and precautions prepared with the local fire
21 brigades and coordinated with the Philippine National Railway Authority.
22

23 **SEC. 23. *Railway Security.*** – a) Security measures shall be adopted in the operations of
24 the public transport. In the implementation thereof, all security issues shall be addressed taking
25 into account the following:

26 (1) Personal security;

27 (2) Personal security of staff and personnel of the railways;

1 (3) Protection of facilities and vehicles against damages, acts of vandalism,
2 and the like;

3 b) There shall be an integrated and seamless security network that must consist of
4 mutually coordinated measures such as:

5 (1) Implementation of a passenger security center responsible for coordinating
6 all security-related measures;

7 (2) Initialization of cooperation between police and transport company's
8 security and surveillance duties;

9 (3) Presence of personnel tailored to deal with potential threats in certain
10 districts, at certain stations, or on board trains;

11 (4) Installation of communication facilities such emergency call push buttons
12 and public address networks;

13 (5) Security-aware-design of facilities and vehicles, with a special
14 unobstructed visibility and ample lighting;

15 (6) Installation of facilities which will supervise the passenger areas and
16 trains, and to provide audible and visual information to passengers both on
17 board and within station areas.

18
19 **ARTICLE VII**

20 **COMPLIANCE, ACCIDENTS, AND ADMINISTRATIVE PENALTIES**

21 **SEC. 24. a) *Purposes of Inspections.*** – A railway safety officer may carry out
22 inspections under Section 21 of Article VI hereof for purposes of:

23 (1) administering the railway legislation and the approvals;

24 (2) fostering compliance with the railway legislation and the approvals;

25 (3) fostering compliance with operating rules;

26 (4) fostering the safe operation of rolling stock, track, and structural facilities;

27 (5) fostering the maintenance of track and structural facilities so that they are safe;

1 (6) fostering, with respect to the operation of railways, the safety of the general
2 public and of persons employed by or acting on behalf of operators of railways.
3

4 **SEC. 25. *Inspection of Railways.*** – a) A railway safety officer may carry out inspections
5 of the following:

- 6 (1) any rolling stock;
- 7 (2) anything transported on rolling stock;
- 8 (3) any track;
- 9 (4) any structural facility;
- 10 (5) any record, document, object, or thing that relates to the operation of a
11 railway

12 b) A railway safety officer, in carrying out an inspection under subsection (a), may do
13 one or more of the following:

- 14 (1) enter on or into any track, structural facility, rolling stock, building or any
15 other property associated with or operated by the operator of the railway;
- 16 (2) ride on any rolling stock;
- 17 (3) make inquiries of any person who is employed by or who carries out any
18 duties or functions for or in respect of the operator of the railway;
- 19 (4) perform or cause to be performed tests or examinations of anything that
20 may be inspected under subsection (a).

21
22 **SEC. 26. *Production of Documents, etc.*** – a) A person who is subject to an inspections
23 shall, when requested to do so by a railway safety officer, produce for inspection within a
24 reasonable period of time any record, document, object, or thing that relates to the matter being
25 inspected.

26 b) A railway safety officer may remove the record, document, object, or thing being
27 inspected and make copies or take photographs of it.

- 1 c) Where a railway safety officer removes a record, document, object, or thing under
2 subsection (b), the railway safety officer may retain possession of the record,
3 document, object or thing only for the period of time that is reasonably required to
4 make the copies or take photographs of it, and shall, on having made the copies or
5 having taken the photographs, return the record, document, object, or thing to the
6 person from whom it was taken.
- 7 d) Notwithstanding subsection (c), when inspecting a record, document, object, or
8 thing, a railway safety officer is of the opinion that for the purposes of this Part
9 the railway safety officer must retain possession of the record, document, object,
10 or thing for a longer period of time than that permitted under subsection (c), the
11 railway safety officer may retain possession of the record, document, object, or
12 thing for a longer period of time than that permitted under subsection (c), the
13 railway safety officer may retain possession of the record, document, object, or
14 thing for a longer period of time if the railway safety officer gives a receipt for the
15 record, document, object, or thing to the person from whom it was taken.
- 16 e) Where a railway safety officer retains possession of a record, document, object, or
17 thing pursuant to subsection (d), the railway safety officer shall, once the record,
18 document, object, or thing has served the purposes for which it was retained,
19 forthwith return the record, document, object, or thing to the person from whom it
20 was taken.
- 21 g) If a railway safety officer retains possession of a record, document, object, or
22 thing under subsection (d), the railway safety officer shall, where requested to do
23 so by the person from whom the record, document object, or thing was taken and
24 if practicable to do so, provide to that person a copy or a photograph of that
25 record, document, object, or thing.
- 26

1 **SEC. 27. Directions of Railway Safety Officer.** – a) Where a railway safety officer carries
2 out an inspection, he may do one or more of the following:

3 (1) order the cessation of any activity carried out in respect of a railway, the
4 operation of any rolling stock, the operation of any track, or the use of any
5 structural facility, where the railway safety officer is of the opinion that
6 that activity, operation, or use is a danger to the safety of the public or
7 persons employed by or acting on behalf of the operator of the railway;

8 (2) order that any rolling stock, track, or any equipment used in respect of the
9 rolling stock or track be removed from service, where the railway safety
10 officer is of the opinion that the operation of the rolling stock, track, or
11 equipment is a danger to the safety of the public or persons employed by
12 or acting on behalf of the operator of the railway;

13 (3) issue directions restricting the speed or otherwise respecting the speed at
14 which rolling stock or a specific item or type or rolling stock may be
15 operated generally or over a specific portion of track;

16 (4) issue directions requiring repairs or maintenance to be carried out on
17 rolling stock, track, or structural facilities so that the rolling stock, track,
18 or structural facilities conform to the requirements of the railway
19 legislation and any approvals granted to the operator of the railway;

20 (5) suspend any person engaged in any activity concerning the operation of
21 any rolling stock, track, structural facility, or equipment from engaging in
22 that activity where the railway safety officer is of the opinion that the
23 activity is a danger to the safety of the public or persons employed by or
24 acting on behalf of the operator of the railway;

25 (6) issue directions requiring any procedure or practice respecting the
26 operation of any rolling stock, track, structural facility, or equipment to be
27 stopped or changed so that the procedure or practice, in the opinion of the

1 railway safety officer, will conform to the requirements of the railway
2 legislation and be carried out in a safe manner.

3 b) Any order or direction given under this section may be given to the operator of a
4 railway or any person employed by or acting on behalf of the operator of the railway.

5
6 **SEC. 28. Accidents.** – a) The operator of a railway shall keep a record of every accident
7 involving rolling stock and shall forthwith report to the Authority any accident involving any
8 rolling stock that is reportable pursuant to the regulations

9 b) Whether or not an accident is reportable pursuant to the regulations, the Authority
10 and any railway safety officer may, with respect to any accident involving rolling
11 stock:

12 (1) enter on and proceed across any property for the purpose of gaining access
13 to where the accident occurred;

14 (2) enter on any property on which the accident occurred or on which rolling
15 stock or any goods or commodities being transported came to rest; and

16 (3) carry out an investigation into the accident and its causes.

17 c) In carrying out an investigation under this section, the railway safety officer may
18 exercise any powers and carry out any functions that the Board may exercise and
19 take possession of and remove any rolling stock, goods, or commodities being
20 transported on the rolling stock, any equipment and any track or structural
21 facilities involved in the accident for the purposes of conducting tests, analyses,
22 and other assessments in carrying out the investigation.

23
24 **SEC. 29. Railway Operator's Powers Regarding the Accident.** – (a) For the purposes of
25 dealing with an accident involving rolling stock, the operator of the railway and any person
26 employed by or on behalf of that operator may:

- 1 (1) enter on an proceed across any property for the purpose of gaining access
2 to where the accident occurred;
- 3 (2) enter on any property on which the accident occurred or on which rolling
4 stock or any goods or commodities being transported came to rest; and
- 5 (3) carry out the work that is appropriate to deal with the accident and to
6 remove the rolling stock and any goods or commodities
- 7 b) A person exercising any powers under this section shall do so in a reasonable
8 manner.
- 9

10 **SEC. 30. *Administrative Penalties.*** – (a) Where the Board is of the opinion that an
11 operator of a railway or a person employed by or acting on behalf of an operator of a railway has
12 failed to comply with the railway legislation, an operating rules or an approval, any order made
13 or direction given by the Board, or any order made or direction given by the Authority or a
14 railway safety officer, the Authority may act under subsection (b).

- 15 b) If a subsection (a) applies, the Board may, subject to the regulations, by notice in
16 writing given to that operator or person, require that operator or person to pay to
17 the Government an administrative penalty in the amount set out in the notice for
18 the failure to comply, or for each day or part of a day that the failure to comply
19 occurs or continues.
- 20 c) Where a railway safety officer is of the opinion that an operator of a railway or a
21 person employed by or acting on behalf of an operator of a railway has failed to
22 comply with the railway legislation, an operating rule or an approval that governs
23 the operation of rolling stock, track or a structural facility, or an order made or
24 direction given by a railway safety officer, the latter may act under subsection (d).
- 25 d) If subsection (c) applies. The railway safety officer may, subject to the
26 regulations, by notice in writing given to that operator or person, require that
27 operator or a person to pay to the Government an administrative penalty in the

1 amount set out in the notice for the failure to comply or for each day or part of a
2 day that the failure to comply occurs or continues.

- 3 f) Where a person fails to pay an administrative penalty in accordance with a notice
4 under subsection (b) or (d), the Government may recover the amount owing in respect
5 of the penalty by an action in debt.

6
7 **ARTICLE VIII**

8 **REVIEWS AND JUDICIAL RELIEF**

9 **SEC. 31. *Definition of an Affected Person.*** – a) In this part, “affected person” means:

- 10 (1) a person who has applied to the Authority for an approval or license to
11 operate;
- 12 (2) a person who has been granted an approval by the Authority;
- 13 (3) a person to whom an order or a direction has been given or who is subject
14 to an order made or direction given by the Authority;
- 15 (4) a person who owns or has an interest in land where that or the use of that
16 land is or may be affected by any expropriation that is or may be carried
17 out or any construction that is or may be carried out pursuant to an
18 approval referred to in Section 41, 42, and 43 of Article X hereof; or
- 19 (5) any person whom the Board, in its discretion, accepts as an affected
20 person.

21 b) In this Part, a reference to any action taken by the Authority is a reference to the
22 fact that Railway Authority or has done one or more of the following:

- 23 (1) refused to grant an approval;
- 24 (2) granted an approval;
- 25 (3) cancelled or suspended an approval in whole or in part;
- 26 (4) imposed, removed, or altered any term, condition, or restriction to which
27 an approval is subject;

1 (5) given an order or direction under the railway legislation;

2 (6) imposed an administrative penalty under the railway legislation.

3
4 **SEC. 32. *Application for Review or Hearing by the Board.*** – a) Where an action is taken
5 by the Authority or the affected person in respect of whom the action was taken, may apply to
6 the Board for a review of the action taken by the safety officer or within 30 days from the date
7 the action was taken.

8 b) With respect to any matter under the railway legislation other than an action taken
9 by the safety officer, an affected person may, with the consent of the Board, apply
10 to the Board for a hearing into the matter.

11 **SEC. 33. *Conduct of Review or Hearing by the Board.*** – a) On receiving application
12 under Section 4(a) of Article VII, for a review of an action taken by the safety officer, the Board
13 shall conduct a review of that action.

14 b) On receiving an application under Section 4(b) of the same Article for a hearing
15 in respect of a matter other than an action taken by the safety officer, the Board
16 may conduct a hearing on the matter.

17 c) Whether or not an affected person has made an application for a review or a
18 hearing, the Board may conduct a review of an action taken by the safety officer
19 or conduct a hearing into any other matter under the railway legislation where the
20 Board is of the opinion that a review or a hearing should be conducted or the
21 safety officer has requested the Board to conduct a review or a hearing.

22
23 **SEC. 34. *Decision of the Board.*** – a) In conducting a review of an action taken by the
24 safety officer, the Board may make an order confirming the action taken by the safety officer,
25 change the action taken by the safety officer or rescind the action taken by the safety officer.

26 b) In making an order under subsection (a), the Board may make any decision or

1 take any action that the safety officer or a railway safety officer may take or take
2 under the railway legislation, make the order subject to any terms, conditions or
3 restrictions, and give any direction that the Board considers appropriate in the
4 circumstances.

- 5 c) Where the Board hears a matter other than an action take by the safety officer, the
6 Board may make any order and make the order subject to any terms, condition, or
7 restriction that the Board considered appropriate in the circumstances.

8
9 **SEC. 35. Procedure before the Board.** – (a) For the purposes of conducting reviews and
10 hearings before the Board, the Chair and the other Members of the Board may:

- 11 (1) summon and enforce the attendance of witnesses;
12 (2) compel witnesses to give evidence on oath or otherwise;
13 (3) compel witnesses to give evidence in person or otherwise; and
14 (4) compel witnesses to produce any record, object, or thing that relates to the
15 matter being heard.

- 16 b) With respect to reviews and hearing before the Board, the Board may make rules
17 on the following:

- 18 (1) Notices to be given in respect of a review or hearing;
19 (2) Procedure before the Board;
20 (3) Adjournments of matters before the Board;
21 (4) Attendance of witnesses;
22 (5) Receiving and recording of evidence;
23 (6) Procedure incases when a party to the review or hearing fails to appear or
24 attend the review or hearing;
25 (7) Authority of the Board to consider a matter without conducting a formal or
26 summary hearing and governing the procedure to be used in those
27 circumstances;

- 1 (8) Applicability of the 1997 Revised Rules of Court;
- 2 (9) Issuance and publication of decisions of the Board;
- 3 (10) Reconsideration of decisions made by the Board;
- 4 (11) Costs.

5 c) Where the safety officer summoned to attend a review or hearing before the
6 Board cannot attend for a valid ground or grounds, the safety officer may in
7 writing, designate an employee under the administration of the Secretary and who
8 is in the opinion of the safety officer, knowledgeable with respect to the subject
9 matter under review. The designated employee shall attend the proceeding on
10 behalf of the safety officer and shall be deemed to have been the person
11 summoned to attend the review or hearing.

12 **SEC. 36. *Board Decision is Final.*** – Subject to the provisions in Section 25 of Article
13 VII, hereof, every decision or order of the Board is final and executor.

14
15 **SEC. 37. *Appeal from Orders or Decision of the Board.*** – (a) An appeal lies from the
16 decision of the Board of the Court of Appeal on a question of jurisdiction or on a question of
17 law.

18 b) No appeal shall be taken after 30 days from the date the Board has served written
19 notice of its decision on the person subject of the decision.

20 (c) In the event the decision rendered by the Board is elevated on appeal to the Court
21 of Appeals, the Board shall be duly represented before the Court.

22
23 **SEC. 38. *Reconsideration of Railway Safety Officer's Order.*** – (a) In this Section,
24 “order” shall mean a direction given in respect of an investigation or an administrative penalty
25 imposed under Section 23 of Article VI hereof.

26 b) Where a Railway Safety Officer issues an order, the person affected by the order

1 included in an existing approval, that person shall not construct that track or those structural
2 facilities on that land unless the Authority has granted to the operator of the railway an approval
3 to carry out the construction on that land.

4

5 **SEC. 43. *Construction of Industrial Railway.*** – Where a person wishes to construct any
6 track or structural facilities in respect of an industrial railway on land that the industrial railway
7 intends to acquire by means of expropriation, that person shall not construct that track or those
8 structural facilities on that land unless the Authority has granted to the operator of the railway an
9 approval to carry out that construction on that land.

10 **SEC. 44. *Construction of Track Crossing.*** – A person shall not, in respect of any
11 railway, construct on, across, over, or under a highway unless the Authority has granted to the
12 operator of the railway an approval to carry out that construction, or construct a highway on,
13 across, over, or under track unless the Authority has granted to the road authority an approval to
14 carry out that construction.

15

16 **SEC. 45.** Where, in respect of any railway, tracks are located on, across, over, or under a
17 highway, and a person wishes to replace any structure or method by which the tracks are located
18 on, across, over, or under the highway with another structure or method, a person shall not
19 change the existing structure or method with a different structure or method unless the Authority
20 has granted to the operator of the railway an approval to do so.

21

22 **SEC. 46.** Where the operator of the railway is unable to agree with the road authority as
23 to the apportionment of costs associated with the construction, the operator of the railway or the
24 road authority may apply to the appropriate agency to apportion the costs.

25

26

1 Supreme Court, shall have the jurisdiction to issue any restraining order, preliminary injunction,
2 or preliminary mandatory injunction in any case, dispute, or controversy involving any contract
3 or project involving the PNRA, to prohibit any person or persons, or entity or government
4 official from proceeding with, or continuing the execution of implementation of any such
5 contract or project, or pursuing any lawful activity necessary for the execution, implementation
6 or operation of such contract or project.

8 ARTICLE XII

9 OPERATION OF RAILWAY

10 **SEC. 53. *Operations to be Conducted Safely.*** – The operator of a railway shall –

11 a) Ensure that –

12 (1) The track and the structural facilities are constructed, used and maintained
13 in accordance with the railway legislation and the operating rules, if any,
14 and the approvals granted in respect of the track and structural facilities,
15 and

16 (2) The rolling stock is maintained and operated in accordance with the
17 railway legislation and the operating rules, if any, and the approvals
18 granted in respect of the operation of the rolling stock

19 b) Generally maintain and operate the rolling stock, track and structural facilities in such
20 a manner that the rolling stock, track and structural facilities are safe to be used for
21 the purposes for which they are intended and are not a danger to the public or persons
22 employed by or acting on behalf of the operator of the railway.

23
24 **SEC. 54. *Obstructing Navigation*** – A person shall not, in respect of any railway
25 construct, repair, maintain or remove track or structural facilities, or operate rolling stock, in
26 such a manner so as to obstruct or impede the free navigation of or on a river, stream, canal or
27 body of water.

1 **SEC. 55. Drainage.** A person carrying out the construction, repair, maintenance or
2 removal of any track or structural facility in respect of any railway shall ensure that there is
3 constructed and maintained, (a) in the case of track, along each side of, across and under the
4 track, and (b) in the case of a structural facility, as are necessary for the structural facility; proper
5 and adequate ditches and drains that are connected with ditches. Drains, drainage works and
6 watercourses on the land over which the track crosses or on which the structural facility is
7 located so as to provide sufficient outlet to drain and carry off water in such a manner that the
8 existing natural drainage and any existing artificial drainage of the land is not obstructed or
9 impeded.

10 **SEC. 56. Fire. –**

11 a) The operator of a railway shall at all times maintain and keep the rights of way and
12 track free from the dead or dry grass, weeds and any other unnecessary combustible
13 matter.

14 b) Subject to the regulations, when the damage is caused by a fire started by or arising
15 out of the operation of rolling stock, track or structural facilities or any other
16 operations carried out by the operator of the railway with respect to the railway, the
17 operator of the railway is liable for the damage caused by that fire.

18 For the purpose of this section, the operator of a railway –

19 (1) Has an insurable interest in all property on or along the rights of way for any
20 damage for which the operator of the railway may be liable, and

21 (2) May procure insurance on the operator's behalf of that property.

22
23 **SEC. 57. Highway Crossing. –** Where construction is carried out to lay track on, across,
24 over or under a highway, the person carrying out the construction shall;

25 a) Carry out the construction so as to allow vehicles using the highway adequate
26 passage, and

- 1 b) On completion of the construction restore the highway to as good condition as the
2 highway was in immediately before the construction was commences.
3

4 **SEC. 58. *Crossing of Landowners.* –**

- 5 a) Where a person owns land that is located on both sides of a right of way for track, and
6 if it were not for that right of way, that land would be joined together forming a single
7 area of land, the operator of the railway shall, on the request of the owner of the land,
8 provide a crossing across the right of way and any track located on the right of way
9 that is appropriate for the intended use of the crossing by the owner of the land.

- 10 b) A crossing that is provided under this section shall remain in place until the owner of
11 the land notifies the operator of the railway that the crossing is no longer required or
12 the crossing is removed pursuant to an agreement between the owner of the land and
13 the operator of the railway.

- 14 c) For the purposes of this section:

15 (1) If the right of way existed before the owner of the land acquired the land on
16 both sides or either side of the right of way, the owner of the land is
17 responsible for the costs of constructing, maintaining, repairing and removing
18 the crossing, or

19 (2) If the owner of the land acquired that land before the right of way that
20 separated that land came into existence, the operator of the railway is
21 responsible for the costs of constructing, maintaining, repairing and removing
22 the crossing.
23

24 **SEC. 59. *Crossing of Private Roads.* –**

- 25 a) In this section:

26 (a.a) “private road” shall mean –

- 27 (i) a road that is not a highway, or

1 (ii) a highway that is not owned or otherwise under the direction, control and
2 management of the Authority or any instrumentality of the government and is
3 designated as a private road by the Secretary, and

4 (a.b) any reference to an owner of or a person who owns a private road is a reference
5 to the person who owns or otherwise has the direction, control and management of a
6 private road.

7 b) Where a person owns a private road that is located on both sides of a right of way for
8 track, and if it were not for that right of way, that private road would be joined together forming
9 a continuous road, the operator of the railway shall, on the request of the owner of the private
10 road, provide a crossing across the right of way and any track located on the right of way that is
11 appropriate for the intended use of the crossing by the owner of the private road.

12 (c) A crossing that is provided under this section shall remain in place until the owner of
13 the private road notifies the operator of the railway that the crossing is no longer required or the
14 crossing is removed pursuant to an agreement between the owner of the private road and the
15 operator of the railway.

16 (d) For the purposes of this section, if

17 (i) the right of way existed before the private road existed on both sides or either
18 side of the right of way, the owner of the private road is responsible for the costs
19 of constructing, maintaining, repairing and removing the crossing, or

20 (ii) the private road was in existence before the right of way that separated that
21 road came into existence, the operator of the railway is responsible for the costs of
22 constructing, maintaining, repairing and removing the crossing.

23 (e) A person shall not construct a crossing under this section unless the Authority has
24 granted an approval for the consideration of the crossing.

25
26 **SEC. 60. *Fences of Landowners***

1 a) A person owns a land that abuts on a right of way for track, the operator of the
2 railway shall, on the request of the owner of the land, provide a fence along the right
3 of way that is appropriate for the intended use of the fence by the owner of the land.

4 For the purpose of this section, if

5 (i) The right of way existed before the owner of the land acquired the land
6 that abuts on the right of way, the owner of the land is responsible for the
7 costs of constructing, maintaining and repairing the fence, or

8 (ii) The owner of the land acquired the land that abuts on the right of way
9 before the right of way came into existence, the operator of the railway is
10 responsible for the costs of constructing the fence and the owner of the
11 land is responsible for the costs of maintaining and repairing the fence.

12 b) Where the owner of the land no longer has need for the fence provided under this
13 section, the owner of the land, unless otherwise agreed upon between the owner of the
14 land and the operator of the railway, may on notice to the operator of the railway
15 remove the fence at the expense of the owner of the land.

16 c) Nothing in this section shall be construed so as to require an operator of an
17 industrial site referred to in this section to provide a fence along a boundary of the industrial site.

18
19 **SEC. 61. *Abandonment of Services.* –**

20 a) In this section, “services” shall mean one or more of the following:

21 (i) The operation of rolling stock;

22 (ii) The operation of track;

23 (iii) The accepting of goods or commodities for transportation by means of rolling
24 stock.

25 b) An operator of a public railway or industrial railway who intends to cease providing a
26 service shall, prior to the cessation of that service, give notice of the cessation of
27 service to the Authority in accordance with the regulations.

1 **SEC. 64. *Tariffs of Rates.*** – (a) The operator of a public railway shall, subject to the
2 regulations, establish a tariff of rates for the services that the operator provides to the shippers
3 and the general public, and post the tariff of rates in a public place in an office operated by that
4 operator or make that tariff of rates available to the public for inspection at an office operated by
5 that operator.

6 c) The operator of a public railway shall, at the request of a shipper, provide to the
7 shipper the operator's tariff of rates for the shipping of that shipper's goods and
8 commodities by that operator.

9 d) The operator of a public railway may enter into an agreement with a shipper
10 respecting tariffs, rates and the provision of services concerning the transportation of goods and
11 commodities, and the terms of the agreement may be kept confidential.

12
13 **SEC. 65. *Limitation of Liability.*** – The operator of a public railway shall not limit or
14 restrict the operator's liability to a shipper for the transportation of goods and commodities
15 except if permitted by prevailing laws and regulations.

16
17 **SEC. 66. *Transactions Regarding Approval or Grants of Operation.*** –

18 a) An approval granted to a person in respect of a public railway is not transferable from
19 that person to another person.

20 b) Notwithstanding subsection (a), with the approval of the Philippine National
21 Railway Authority, an approval granted to a person in the operation of a public railway may be
22 capitalized, sold, assigned, leased or amalgamated or otherwise transferred in whole or in part.

23 c) Where approvals have been granted in respect of a public railway, and the
24 Authority is of the opinion that there is a question as to the continued safe operation of the
25 rolling stock, track or structural facilities arising out of the change in the operators of the public
26 railway, the Authority may do either of the things referred to in subsection (d).

1 four (4) year course in Railway Engineering Management to meet the requirements of the
2 railway industry in the Philippines and abroad.

3
4 **SEC. 75. *Railway Training Center.*** – A National Railway Training Center is hereby
5 established to equip the labor force with necessary skills and expertise in the development and
6 implementation of railway projects and programs and in the operation of railway systems.

7

8

ARTICLE XVII

9

TRAIN DRIVERS

10 **SEC. 76. *Train Drivers.*** – To promote proficiency and to ensure the safety of the general
11 railway riding public, all train drivers must possess certain educational attainment and undergo
12 training to attain certain level of skills, and must be physically and mentally fit owing to the
13 delicate characters of their job.

14

15 **SEC. 77. *Train Drivers' License.*** – The Railway Training Center shall conduct the
16 training for train drivers for a duration that it may determine and thereafter issue the necessary
17 Train Drivers' License (TDL) for those who will pass the training according to its test and
18 measurement.

19

20

ARTICLE XVIII

21

EXEMPTION FROM REAL PROPERTY TAX

22 **SEC. 78. *Exemption from Real property Tax.***– All rail properties in the form of land,
23 right of way, depot, stations, tracks, office buildings, and terminals are exempted from the
24 payment of real property tax and those which have already been due to the government shall be
25 deemed condoned entirely.

26

1 (1) the railway legislation as it relates to track applies to that person, and

2 (2) any reference in the railway legislation to the operator of a railway is a
3 reference to that person's capacity as the operator of track.

4 d) Where a person owns or is otherwise responsible for the control, management or
5 operation of structural facilities -

6 (1) the railway legislation as it relates to the structural facilities applies to the
7 person, and

8 (2) any reference in the railway legislation to the operator of a railway is a
9 reference to that person's capacity as the operator of the structural facilities.

10
11 **SEC. 86. *Non-applicability of Railway Legislation.*** – The railway legislation does not
12 apply to (a) rolling stock or track that is not full size; (b) structural facilities used in respect of
13 rolling stock or track referred to in clause (a); (c) the operator of a railway with respect to the
14 operation of rolling stock or track referred to in clause (a); (d) a railway with respect to the
15 operation of rolling stock or track referred to in clause (a).

16 For purposes of this section, (a) a reference to rolling stock or track that is not full size is,
17 subject to the regulations, a reference

18 (1) In the case of rolling stock, to rolling stock that operates on track that is less
19 than standard gauge in width, and

20 (2) In the case of track, to track that is less than standard gauge in width, and

21 (b) A reference in clause (a) to standard gauge is a reference to standard gauge as that
22 term is commonly understood in the Philippines which is based on international standards.

23 24 **ARTICLE XXI**

25 **APPLICABILITY OF EXISTING LAWS AND REGULATIONS**

26 **SEC. 87.** Insofar as they are not inconsistent with this Act, the provisions of the
27 Corporation Law and Republic Act 6957 otherwise known as "an Act Authorizing the Financing,

1 Construction, Operations and Maintenance of Infrastructure Projects by the Private Sector s and
2 for Other Purposes” shall be applicable to the operations of the National Railway Authority.

3

4

ARTICLE XXII

5

CONGRESSIONAL OVERSIGHT COMMITTEE

6

7

SEC. 88. *Separability Clause* - If any of the provisions of this Acts declared invalid, the provisions thereof not affected by such declaration shall remain in force and effect.

8

9

10

11

12

13

SEC. 89. *Repealing Clause* – The provisions of Republic Act No. 4156, as amended, Executive Order No. 603, as amended are hereby repealed. All other laws, decrees, orders, proclamations, rules and regulations or parts thereof, inconsistent with any of the provisions of this Act are hereby repealed, amended or modified accordingly.

14

ARTICLE XXIV

15

EFFECTIVITY CLAUSE

16

17

SEC. 90. *Effectivity Clause* – This Act shall take effect fifteen (15) days following its publication in at least two (2) newspapers of general circulation.

Approved,