

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

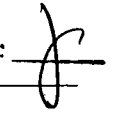


Senate  
Office of the Secretary

'16 JUL 20 A9:36

SENATE

S. No. 644

RECEIVED BY: 

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Introduced by Senator Antonio "Sonny" F. Trillanes IV

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AN ACT  
INSTITUTING THE PHILIPPINE RAILWAY AUTHORITY AND FOR OTHER  
PURPOSES

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 budget 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 interregional 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

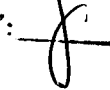


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**AN ACT**  
**INSTITUTING THE PHILIPPINE RAILWAY AUTHORITY AND FOR OTHER**  
**PURPOSES**

*Be it enacted by 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 *2016.*"

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

- 5 a) The State shall promote the railway industry as an instrument for national progress and
- 6     prosperity;
- 7
- 8 b) The State shall establish a National Railway System that is cost-effective, reliable,
- 9     efficient, accessible and sustainable;
- 10
- 11 c) The State shall promote the participation of the private sector in the building and
- 12     construction of railway infrastructure;
- 13
- 14 d) The State shall promote the cooperation between the government and the private sector
- 15     including the local government writs in the development, implementation and operation
- 16     of railway systems; and
- 17
- 18 e) The State shall promote the safety and security of the general railway riding public and
- 19     provide for their convenience.
- 20
- 21

22           **SEC. 3. Purposes. -** This Act shall have the following purposes:

- 23 a) To enhance agricultural productivity; To accelerate the industrialization of the
- 24     countryside;
- 25
- 26 b) To enhance tourism in the countryside;
- 27
- 28 c) To decongest the metropolis;
- 29
- 30 d) To depollute the metropolitan areas;

- 1 e) To decentralize. development to the rural areas;  
2  
3 f) To reduce national dependence on oil imports;  
4  
5 g) To reduce the importation of vehicles;  
6  
7 h) To reduce the cost of road maintenance;  
8  
9 i) To promote inter-regional trade and commerce;  
10  
11 j) To facilitate the collection and transportation of garbage;  
12  
13 k) To facilitate the movement of people, goods and services;  
14  
15 l) To provide cheaper, faster, safer and reliable mass transport systems; and  
16  
17 m) To generate job opportunities.  
18  
19

20 **ARTICLE II**  
21 **DEFINITION OF TERMS**  
22

23 **SEC. 4. Definitions.** - As used in this Act, the following terms shall be defined as  
24 follows:

- 25 a) "Railway" means an undertaking that is operated for the purposes of transporting  
26 individuals, goods and commodities or anyone or more of them by means of rolling  
27 stock operated on track, but does not include an urban rail transit system;  
28  
29 b) "Urban Rail System" means any undertaking that is a street railway, tramway, light  
30 rail transit or similar undertaking the purpose of which is to transport the general  
31 public within an urban area;  
32  
33 c) "Subway" means underground railroad;  
34  
35 d) "Maglev" means magnetic levitation train that operates at the speed of 500k ms per  
36 hour;  
37  
38 e) "Depot" as used in this Act means an area where the vehicles are parked for  
39 maintenance, repair and reconditioning;  
40  
41 f) "Station" means loading and unloading area for rail commuters;  
42  
43 g) "Rolling Stock" means any locomotive or railway car that operates on track and any  
44 other vehicle that by design or by the way it is equipped is capable of being operated  
45 on track;  
46  
47 h) "Track" means railway track and includes any land or right of way on which the  
48 railway track is located and any signal apparatus used in respect of the operation of  
49 the railway track;  
50

- 1 i) "Structural Facilities" means, in respect of railway, bridges, tunnels, overpasses,  
2 culverts, crossings and similar structures;  
3
- 4 j) "Public railway" means a railway that is operated for the purposes of transporting  
5 individuals, goods and commodities or anyone or more of them for a toll or fee, but  
6 does not include, an amusement railway, or an industrial railway;  
7
- 8 k) "Amusement Railway" means a railway that is operated wholly within the confines of  
9 an amusement, historical or similar park or site, for the purpose of providing rides to  
10 individuals on rolling stock and is not operated for the purposes of transporting goods  
11 or commodities for a toll or fee or of being a common carrier;  
12
- 13 l) "Industrial Railway" means railway that transports only goods or commodities that  
14 are manufactured, refined or otherwise produced, processed or handled by the person  
15 who operates the railway or on whose behalf the railway is operated, and is operated  
16 wholly or in part within the confines of the industrial site on which goods or  
17 commodities are manufactured, refined or otherwise produced, processed, handled,  
18 and is not operated for the purposes of transporting goods and commodities for a toll  
19 or a fee or of being a common carrier;  
20
- 21 m) "Approval" means an approval granted under this Act and includes an amendment to  
22 the approval;  
23
- 24 n) "Authority" means the Philippine National Railway Authority;  
25
- 26 o) "Secretary" means the minister/head of the Philippine Department of Transportation  
27 and Communications;  
28
- 29 p) "National Railway Administrator" means a person appointed as Chief Operating  
30 Officer of the Philippine National Railway Authority;  
31
- 32 q) "Railway Safety Officer" means a person designated as a railway safety officer and  
33 includes any person authorized by the Railway Regulatory Board to carry out duties  
34 or functions on behalf of or in place of a railway safety officer.  
35  
36

37 **ARTICLE III**  
38 **STRUCTURE OF THE NATIONAL RAILWAY INDUSTRY**  
39

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



- 1 alienate or otherwise dispose of any such real or personal property held by it except its  
2 right-of-way;  
3
- 4 f) To 'enter into any obligation, assign or accept the assignment of, and rescind any  
5 agreement or contract' necessary or incidental to the proper functioning of the Authority;  
6
- 7 g) To contract loans, indebtedness and credit accommodations, in any local or convertible  
8 foreign currency, from any international financial institution, foreign government entities  
9 and local or foreign private commercial banks or similar institutions under such terms and  
10 conditions prescribed by law, rules and regulations, and to issue commercial papers and  
11 bonds in connection therewith;  
12
- 13 h) To construct, own, lease, operate and maintain public utilities, infrastructure facilities and  
14 such auxiliary support services needed to develop, operate and maintain a national  
15 railway system;  
16
- 17 i) To design, construct, maintain and operate by itself or by delegation to, or through  
18 contractual arrangement such auxiliary infrastructure support facilities as, but not limited  
19 to, parking structures above or below the ground, including the means of access;  
20
- 21 j) To prescribe, fix and regulate the route of railway transport;  
22
- 23 k) To receive donations, grants, request and assistance of all kinds and to utilize the same;  
24
- 25 l) To exercise the right of eminent domain in the name of the Republic of the Philippines  
26 and in the acquisition of real estate by excess condemnation or escheat proceedings,  
27 including appurtenant properties. The title thereto shall be registered in the name of the  
28 Government and thereupon all such properties shall be entrusted to the Authority as agent  
29 of the Government;  
30
- 31 m) To form, establish, organize and maintain subsidiary corporations or joint ventures  
32 formed in accordance with the Philippine Corporation Code;  
33
- 34 n) To privatize any part or all of the railway system or any subsystem under the Authority,  
35 in accordance with the law;  
36
- 37 o) To promulgate such rules and regulations as may be necessary to carry out the objectives  
38 of this Act, and to perform such other powers as may be necessary to carry out the  
39 purpose of this Act;  
40
- 41 p) To formulate and adopt a master plan for a national railway system with ecological and  
42 environmental standards;  
43
- 44 q) To promote and encourage the active participation of the private sector, both local and  
45 international, and the local government units in the development, implementation and  
46 operation of railway system;  
47
- 48 r) To implement or cause the implementation of the national railway plan, policies and  
49 programs according to a schedule of priorities consistent with the needs and available  
50 resources;

- 1 s) To control and develop, construct, operate and maintain railway facilities including  
2 parking stations and terminals for freight, goods, and cargoes;  
3  
4 t) To regulate the schedule, frequency, routing and pricing of railway services; and  
5  
6 u) To call upon any government agency for such assistance as may be necessary in the  
7 discharge of its duties and functions.  
8  
9

10 **SEC. 11. Powers and Functions of the Board.** – The powers of the Authority shall be  
11 vested in and exercised by a Board of Directors, hereinafter referred to as the "Board".  
12

13 The Board shall have the following powers and functions:

- 14 a) Formulate policies, rules and regulations, plans, projects and programs;  
15  
16 b) Direct the management, operations and administration of the Authority;  
17  
18 c) Create offices or positions necessary for the efficient operations of the Authority and fix  
19 the remuneration and other emoluments of subordinate officers and personnel of the  
20 Authority in accordance with the Revised Compensation and Position Classification  
21 System, and to remove or otherwise discipline such officers/employees for cause in  
22 accordance with Civil Service Rules and Regulations;  
23  
24 d) Establish financial and operations targets for management as basis for evaluating and  
25 monitoring corporate performance;  
26  
27 e) Authorize such expenditures as are in the interest of the efficient administration and  
28 operations of the Authority; and  
29  
30 f) Exercise such other powers as may be necessary to accomplish the purposes for which  
31 the Authority.  
32  
33

34 **SEC. 12. Management.** – The general conduct of the operations and management of  
35 the Authority shall be vested in the National Railway Administrator who shall serve as the  
36 Chief Executive Officer of the Authority and Ex-Officio Member of the Board. He shall be  
37 primarily responsible in carrying out the projects and programs of the Authority as well as in  
38 the implementation of its policies, rules and regulations including the execution of the  
39 decisions of the Board.  
40

41 The National Railway Administrator must be a natural-born citizen, at least thirty-five  
42 (35) years of age on the day of his/her appointment, of good moral character and with  
43 recognized executive ability and competence in the field of transportation, business  
44 administration, management, finance or law. He shall be appointed by the President of the  
45 Republic of the Philippines and shall serve for a term of seven (7) years and renewable for  
46 another term only.  
47

48 The National Railway Administrator shall be assisted by deputies for Metro Manila,  
49 Luzon, Visayas and Mindanao, all of whom shall likewise be appointed by the President of

1 the Republic of the Philippines for a term of seven (7) years renewable for another term only.  
2 These officers can only be removed for cause as provided under existing laws.  
3  
4

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

- 7 a) Appoint, subject to the confirmation of the Board, all the staff and personnel of the  
8 Authority;  
9  
10 b) Execute, administer and implement the policies, programs, plans, guidelines and  
11 regulations issued and adopted by the Board;  
12  
13 c) Direct and supervise the operations and administration of the Authority;  
14  
15 d) Direct and supervise the operations of all public railways;  
16  
17 e) Determine, subject to the approval of the Board and the concurrence of the Department of  
18 Budget and Management, the staffing pattern and the number of personnel of the  
19 Authority;  
20  
21 f) Direct and supervise the preparation of the agenda for the meeting of the Board, and to  
22 submit for the consideration of the Board such measures as he/she believes necessary to  
23 carry out the purposes and objectives of this Act;  
24  
25 g) Represent the Authority in all its transactions with other offices, agencies and  
26 instrumentalities of the government and to deal with any persons and entities, public or  
27 private, domestic or foreign, on matters related to the mandate of the Authority; and  
28  
29 h) Exercise such other powers and perform such other duties and functions as the Board may  
30 assign or authorize.  
31  
32

33 **SEC. 14. Public Accountability.** – To ensure public accountability, the Authority  
34 shall be subject to the audit of the Commission on Audit (COA) and shall comply with all the  
35 generally accepted accounting and auditing rules and regulations and those, which it may  
36 hereafter promulgate pursuant to its constitutional mandate.  
37  
38

39 **SEC. 15. Merit System.** – All officials and employees of the Authority shall be  
40 selected and appointed based on the comprehensive and progressive merit system to be  
41 established by the Authority immediately upon its organization and in accordance with Civil  
42 Service law, rules and regulations. The hiring, promotion, transfer and dismissal of all its  
43 personnel including temporary workers shall be governed by existing Civil Service laws,  
44 rules and regulations.



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**ARTICLE V**  
**ABOLITION OF RAIL EXISTING OFFICES AND AGENCIES**

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**SEC. 16.** Upon the approval of this Act, the Philippine National Railways (PNR), Light Rail Transit Authority (LRTA), the Panay Railways and the North Luzon Railway Corporation (NLRC) including all other rail offices and agencies shall be deemed abolished and its projects, assets and liabilities transferred to and assumed by the Philippine National Railway Authority

**SEC. 17.** The assets and liabilities of the EDSA Light Rail transit of the Department of Transportation and Communications insofar as its existing Build-Lease Transfer Contract with the Metro Rail Transit Cooperation (MRTC) are likewise deemed transferred to and assumed by the Authority.

**SEC. 18.** The plantilla personnel of the existing rail offices and agencies holding either permanent or contractual positions may be absorbed by the Authority of retire from service, subject to existing laws and regulations and the guidelines that the Department of Budget and Management may issue for the purpose.

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**ARTICLE VI**  
**RAILWAY REGULATORY BOARD**

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**SEC. 19.** A regulatory Board is hereby created composed of a Chairman and four (4) members who shall be appointed by the President of the Philippines from among the list of ten (10) nominees that the Board of the Philippine National Railway Authority shall submit to the Office of the President. The National Railway Administrator shall sit in Board as ex-officio member.

**SEC. 20. Standards.** The Regulatory Board shall set the necessary fare, safety and security standards to be observed by all railway operators, public or private, in order to sustain the development and operations of the rail industry, enhance the operations of rail systems and ensure the safety of the rail-riding public and protect them from any form of natural calamities and man-made disasters.

**SEC. 21. Rules and Regulations.** – The Philippine National Railway Authority may formulate rules and regulations on the following:

- a) Standards and specifications with respect to rolling stock, tack and structural facilities and other equipment and apparatus used;
- b) Construction, maintenance, repair and removal of track and structural facilities;
- c) Permanent fencing and temporary fencing of Right-Of-Way and structural facilities and the apportionment of costs with respect to that fencing;
- d) Crossings of track and the use of those crossings;

- 1 e) Installation and use of signage, warning signals, barriers, operating signals and other  
2 similar apparatus;  
3
- 4 f) Qualifications of persons operating rolling stock and of persons carrying out functions  
5 respecting the operation of track and of other equipment and matters ancillary to the  
6 operation of rolling stock;  
7
- 8 g) Materials to be provided;  
9
- 10 h) Criteria to be met in order for an approval to be granted or renewed; (h. 1 ) requiring an  
11 applicant or an operator of a railway to have a safety management system and plan; (h.2)  
12 the terms for which an approval may be granted or renewed;  
13
- 14 i) Amounts of insurance of other security to be provided by or in the case of holders of  
15 approvals, persons, carrying out construction of the railway and persons operating the  
16 rolling stock or track;  
17
- 18 j) Damages caused by or arising out of fires and the liability for those damages stated in  
19 Section 57 of Article XII hereof;  
20
- 21 k) Tariffs, rates and the provision of services for the public railways;  
22
- 23 l) Limitations on the liability of operators of public railways insofar as the transportation of  
24 goods and commodities in relation to Section 65 of Article XIII hereof;  
25
- 26 m) Procedures and processes governing the resolution of disputes between shippers of goods  
27 and commodities and the operators of public railways with respect to tariffs, rates and the  
28 provision of services;  
29
- 30 n) Accidents and other incidents;  
31
- 32 o) Cessation of services;  
33
- 34 p) Information to be provided to the Board, the Authority and railway safety officers and  
35 governing the use of that information;  
36
- 37 q) Form and contents of notices of administrative penalties;  
38
- 39 r) Amounts or the manner of determining the amounts, of the administrative penalties that  
40 may be imposed by the Board;  
41
- 42 s) Amounts, or the manner of determining the amounts, of the administrative penalties that  
43 may be imposed by a railway safety officer;  
44
- 45 t) Periods for giving of notices of administrative penalties;  
46
- 47 u) On any other matter necessary for the administration of the system of administrative  
48 penalties; and/or

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

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

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

- 13 (1) movement accidents at station entrances and exits;  
14  
15 (2) system integrity has to be planned and proven;  
16  
17 (3) restoration of limited service has to be trained;  
18  
19 (4) activities of passengers while in the premises of the stations particularly while  
20 waiting in the platforms must be monitored and precautions prepared;  
21  
22 (5) safety equipment has to be installed on all relevant places, which have to be  
23 coordinated with the Railway Regulator; and  
24  
25 (6) fire safety has to be guaranteed and precautions prepared with the local fire  
26 brigades and coordinated with the Philippine National Railway Authority.  
27

28 **SEC. 23. *Railway Security*.** –

- 29 (1) Security measures shall be adopted in the operations of the public transport. In  
30 the implementation thereof, all security issues shall be addressed taking into  
31 account the following:  
32 (1) Personal security;  
33 (2) Personal security of staff and personnel of the railways;  
34 (3) Protection of facilities and vehicles against damages, acts of  
35 vandalism, and the like;  
36  
37 (2) There shall be an integrated and seamless security network that must consist of  
38 mutually coordinated measures such as:  
39 (1) Implementation of a passenger security center responsible for  
40 coordinating all security-related measures;  
41 (2) Initialization of cooperation between police and transport company's  
42 security and surveillance duties;  
43 (3) Presence of personnel tailored to deal with potential threats in certain  
44 districts, at certain stations, or on board trains;  
45 (4) Installation of communication facilities such as emergency call push  
46 buttons and public address networks;  
47 (5) Security-aware-design of facilities and vehicles, with a special  
48 unobstructed visibility and ample lighting;

- 1 (6) Installation of facilities which will supervise the passenger areas and  
2 trains, and to provide audible and visual information to passengers  
3 both on board and within station areas.  
4  
5

6 **ARTICLE VII**  
7 **COMPLIANCE, ACCIDENTS, AND ADMINISTRATIVE PENALTIES**  
8

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

- 11 (1) administering the railway legislation and the approvals;  
12  
13 (2) fostering compliance with the railway legislation and the approvals;  
14  
15 (3) fostering compliance with operating rules;  
16  
17 (4) fostering the safe operation of rolling stock, track, and structural facilities;  
18  
19 (5) fostering the maintenance of track and structural facilities so that they are safe;  
20  
21 (6) fostering with respect to the operation of railways, the safety of the general public  
22 and of persons employed by or acting on behalf of operators of railways.  
23  
24

25 **SEC. 25. *Inspection of Railways.*** –

- 26 a) A railway safety officer may carry out inspections of the following:  
27 (1) any rolling stock;  
28 (2) anything transported on roiling stock;  
29 (3) any track;  
30 (4) any structural facility; and/or  
31 (5) any record, document, object, or thing that relates to the operation of a  
32 railway  
33  
34 b) A railway safety officer, in carrying out an inspection under subsection (a), may do one or  
35 more of the following:  
36 (1) enter on or into any track, structural facility, rolling stock, building or any other  
37 property associated with or operated by the operator of the railway;  
38 (2) ride on any roiling stock;  
39 (3) make inquiries of any person who is employed by or who carries out any duties or  
40 functions for or in respect of the operator of the railway; and/or  
41 (4) perform or cause to be performed tests or examinations of anything that may be  
42 inspected under subsection (a).  
43

44 **SEC. 26. *Production of Documents, etc.*** -

- 45 (a) A person who is subject to an inspections shall, when requested to do so by a railway  
46 safety officer, produce for inspection within a reasonable period of time any record,  
47 document, object, or thing that relates to the matter being inspected.  
48  
49 (b) A railway safety officer may remove the record, document, object, or thing being  
50 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, document,  
3 object or thing only for the period of time that is reasonably required to make the copies  
4 or take photographs of it, and shall, on having made the copies or having taken the  
5 photographs, return the record, document, object, or thing to the person from whom it was  
6 taken.

7  
8 (d) Notwithstanding subsection (c), when inspecting a record, document, object, or thing, a  
9 railway safety officer is of the opinion that for the purposes of this part the railway safety  
10 officer must retain possession of the record, document, object, or thing for a longer period  
11 of time than that permitted under subsection (c), the railway safety officer may retain  
12 possession of the record, document, object, or thing for a longer period of time than that  
13 permitted under subsection (c), the railway safety officer may retain possession of the  
14 record, document, object, or thing for a longer period of time if the railway safety officer  
15 gives a receipt for the record, document, object, or thing to the person from whom it was  
16 taken.

17  
18 (e) Where a railway safety officer retains possession of a record, document, object, or thing  
19 pursuant to subsection (d), the railway safety officer shall, once the record, document,  
20 object, or thing has served the purposes for which it was retained, forthwith return the  
21 record, document, object, or thing to the person from whom it was taken.

22  
23 (f) If a railway safety officer retains possession of a record, document, object, or thing under  
24 subsection (d), the railway safety officer shall, where requested to do so by the person  
25 from whom the record, document object, or thing was taken and if practicable to do so,  
26 provide to that person a copy or a photograph of that record, document, object, or thing.

27  
28  
29 **SEC. 27. *Directions of Railway Safety Officer.*** – a) Where a railway safety officer  
30 carries out an inspection, he may do one or more of the following:

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

36  
37 (2) order that any rolling stock, track, or any equipment used in respect of the  
38 rolling stock or track be removed from service, where the railway safety  
39 officer is of the opinion that the operation of the rolling stock, track, or  
40 equipment is a danger to the safety of the public or persons employed by or  
41 acting on behalf of the operator of the railway;

42  
43 (3) issue directions restricting the speed or otherwise respecting the speed at  
44 which rolling stock or a specific item or type or rolling stock may be operated  
45 generally or over a specific portion of track;

46  
47 (4) issue directions requiring repairs or maintenance to be carried out on rolling  
48 stock, track, or structural facilities so that the rolling stock, track, or structural  
49 facilities conform to the requirements of the railway legislation and any  
50 approvals granted to the operator of the railway;

1 (5) suspend any person engaged in any activity concerning the operation of any  
2 rolling stock, track, structural facility, or equipment from engaging in that  
3 activity where the railway safety officer is of the opinion that the activity is a  
4 danger to the safety of the public or persons employed by or acting on behalf  
5 of the operator of the railway; and  
6

7 (6) issue directions requiring any procedure or practice respecting the operation  
8 of any rolling stock, track, structural facility, or equipment to be stopped or  
9 changed so that the procedure or practice, in the opinion of the railway safety  
10 officer, will conform to the requirements of the railway legislation and be  
11 carried out in a safe manner.  
12

13 b) Any order or direction given under this section may be given to the operator of a railway  
14 or any person employed by or acting on behalf of the operator of the railway.  
15

16  
17 **SEC. 28. Accidents.** - a) The operator of a railway shall keep a record of every  
18 accident involving rolling stock and shall forthwith report to the Authority any accident  
19 involving any rolling stock that is reportable pursuant to the regulations;  
20

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

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

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

27 (3) carry out an investigation into the accident and its causes.  
28

29 c) In carrying out an investigation under this section, the railway safety officer may  
30 exercise any powers and carry out any functions that the Board may exercise and take  
31 possession of and remove any rolling stock, goods, or commodities being transported on the  
32 rolling stock, any equipment and any track or structural facilities involved in the accident for  
33 the purposes of conducting tests, analyses, and other assessments in carrying out the  
34 investigation.  
35

36  
37 **SEC. 29. Railway Operator's Powers Regarding the Accident.** - (a) For the purposes  
38 of dealing with an accident involving rolling stock, the operator of the railway and any person  
39 employed by or on behalf of that operator may:

40 (1) enter on and proceed across any property for the purpose of gaining access to  
41 where the accident occurred;  
42

43 (2) enter on any property on which the accident occurred or on which rolling  
44 stock or any goods or commodities being transported came to rest; and  
45

46 (3) carry out the work that is appropriate to deal with the accident and to remove  
47 the rolling stock and any goods or commodities  
48

49 b) A person exercising any powers under this section shall do so in a reasonable manner.



- 1 (4) imposed, removed, or altered any term, condition, or restriction to which an  
2 approval is subject;  
3 (5) given an order or direction under the railway legislation;  
4 (6) imposed an administrative penalty under the railway legislation.  
5  
6

7 **SEC. 32. *Application for Review or Hearing by the Board.*** - a) Where an action is  
8 taken by the Authority or the affected person in respect of whom the action was taken, may  
9 apply to the Board for a review of the action taken by the safety officer or within 30 days  
10 from the date the action was taken.  
11

12 b) With respect to any matter under the railway legislation other than an action taken  
13 by the safety officer, an affected person may, with the consent of the Board, apply to the  
14 Board for a hearing into the matter.  
15

16  
17 **SEC. 33. *Conduct of Review or Hearing by the Board.*** - a) On receiving application  
18 under Section 4(a) of Article VII, for a review of an action taken by the safety officer, the  
19 Board shall conduct a review of that action.  
20

21 b) On receiving an application under Section 4(b) of the same Article for a hearing in  
22 respect of a matter other than an action taken by the safety officer, the Board may conduct a  
23 hearing on the matter.  
24

25 c) Whether or not an affected person has made an application for a review or a  
26 hearing, the Board may conduct a review of an action taken by the safety officer or conduct a  
27 hearing into any other matter under the railway legislation where the Board is of the opinion  
28 that a review or a hearing should be conducted or the safety officer has requested the Board  
29 to conduct a review or a hearing.  
30

31  
32 **SEC. 34. *Decision of the Board.*** - a) In conducting a review of an action taken by the  
33 safety officer, the Board may make an order confirming the action taken by the safety officer,  
34 change the action taken by the safety officer or rescind the action taken by the safety officer.  
35

36 b) In making an order under subsection (a), the Board may make any decision or take  
37 any action that the safety officer or a railway safety officer may take or take under the  
38 railway legislation, make the order subject to any terms, conditions or restrictions, and give  
39 any direction that the Board considers appropriate in the circumstances.  
40

41 c) Where the Board hears a matter other than an action taken by the safety officer, the  
42 Board may make any order and make the order subject to any terms, condition, or restriction  
43 that the Board considered appropriate in the circumstances.  
44

45  
46 **SEC. 35. *Procedure before the Board.*** -

47 (a) For the purposes of conducting reviews and hearings before the Board, the Chair  
48 and the other Members of the Board may:

- 49 (1) summon and enforce the attendance of witnesses;  
50 (2) compel witnesses to give evidence on oath or otherwise;



- 1 (3) compel witnesses to give evidence in person or otherwise; and  
2 (4) compel witnesses to produce any record, object, or thing that relates to the  
3 matter being heard.  
4

5 (b) With respect to reviews and hearing before the Board, the Board may make rules  
6 on the following:

- 7 (1) Notices to be given in respect of a review or hearing;  
8 (2) Procedure before the Board;  
9 (3) Adjournments of matters before the Board;  
10 (4) Attendance of witnesses;  
11 (5) Receiving and recording of evidence;  
12 (6) Procedure in cases when a party to the review or hearing fails to appear or  
13 attend the review or hearing;  
14 (7) Authority of the Board to consider a matter without conducting a formal or  
15 summary hearing and governing the procedure to be used in those  
16 circumstances;  
17 (8) Applicability of the 1997 Revised Rules of Court;  
18 (9) Issuance and publication of decisions of the Board;  
19 (10) Reconsideration of decisions made by the Board; and  
20 (11) Costs.  
21

22 (c) Where the safety officer summoned to attend a review or hearing before the Board  
23 cannot attend for a valid ground or grounds, the safety officer may in writing,  
24 designate an employee under the administration of the Secretary and who is in the  
25 opinion of the safety officer, knowledgeable with respect to the subject matter  
26 under review. The designated employee shall attend the proceeding on behalf of  
27 the safety officer and shall be deemed to have been the person summoned to  
28 attend the review or hearing.  
29

30  
31 **SEC. 36. Board Decision is Final.** - Subject to the provisions in Section 25 of Article  
32 VII, hereof, every decision or order of the Board is final and executor.  
33

34  
35 **SEC. 37. Appeal from Orders or Decision of the Board.** - (a) An appeal lies from the  
36 decision of the Board of the Court of Appeal on a question of jurisdiction or on a question of  
37 law.  
38

39 b) No appeal shall be taken after 30 days from the date the Board has served written  
40 notice of its decision on the person subject of the decision.  
41

42 (c) In the event the decision rendered by the Board is elevated on appeal to the Court  
43 of Appeals, the Board shall be duly represented before the Court.  
44

45  
46 **SEC. 38. Reconsideration of Railway Safety Officer's Order.** - (a) In this Section,  
47 "order" shall mean a direction given in respect of an investigation or an administrative  
48 penalty imposed under Section 23 of Article VI hereof.

1 b) Where a Railway Safety Officer issues an order, the person affected by the order  
2 may seek reconsideration with the Safety Officer provided an application for reconsideration  
3 shall first be filed with the Board;

4  
5 c) The safety officer exercises discretion whether or not to conduct a summary  
6 hearing in reconsidering an order;

7  
8 (d) The Authority may confirm, modify, reverse, or rescind the order issued by the  
9 railway safety officer.

10  
11  
12 **ARTICLE IX**  
13 **RIGHT OF WAY**  
14

15 **SEC. 39. *Right of Way.*** - It shall be the duty of the Authority to identify and establish  
16 within three (3) years after the approval of this Act the alignment of a National Railway  
17 System and once it is established and the right of way is acquired, the same cannot be the  
18 object of sale, lease, or otherwise.

19  
20  
21 **SEC. 40. *Intrusion into the Right of Way.*** - Any intrusion into the right of way by  
22 any person shall be punishable by imprisonment ranging from four (4) to six (6) years and the  
23 demolition of any structure thereon shall be at the expense of the intruder.

24  
25  
26 **ARTICLE X**  
27 **CONSTRUCTION OF RAILWAYS**  
28

29 **SEC. 41. *Initial Construction of Public Railway.*** - A person shall not construct any  
30 track or any structural facilities on any land for the purposes of constructing or developing a  
31 public railway unless the Authority has granted to the person who is to be the operator of the  
32 railway an approval to carry out that construction on that land.

33  
34  
35 **SEC. 42. *Subsequent Construction of Public Railway.*** - Where a person wishes to  
36 construct any track or structural facilities in respect of a public railway on land that is not  
37 already included in an existing approval, that person shall not construct that track or those  
38 structural facilities on that land unless the Authority has granted to the operator of the railway  
39 an approval to carry out the construction on that land.

40  
41  
42 **SEC. 43. *Construction of Industrial Railway.*** - Where a person wishes to construct  
43 any track or structural facilities in respect of an industrial railway on land that the industrial  
44 railway intends to acquire by means of expropriation, that person shall not construct that  
45 track or those structural facilities on that land unless the Authority has granted to the operator  
46 of the railway an approval to carry out that construction on that land.

47  
48  
49 **SEC. 44. *Construction of Track Crossing.*** - A person shall not, in respect of any  
50 railway, construct on, across, over, or under a highway unless the Authority has granted to

1 the operator of the railway an approval to carry out that construction, or construct a highway  
2 on, across, over, or under track unless the Authority has granted to the road authority an  
3 approval to carry out that construction.  
4  
5

6 **SEC. 45.** Where, in respect of any railway, tracks are located on, across, over, or  
7 under a highway, and a person wishes to replace any structure or method by which the tracks  
8 are located on, across, over, or under the highway with another structure or method, a person  
9 shall not change the existing structure or method with a different structure or method unless  
10 the Authority has granted to the operator of the railway an approval to do so.  
11  
12

13 **SEC. 46.** Where the operator of the railway is unable to agree with the road authority  
14 as to the apportionment of costs associated with the construction, the operator of the railway  
15 or the road authority may apply to the appropriate agency to apportion the costs.  
16  
17

18 **ARTICLE XI**  
19 **EXPROPRIATION AND OVERRIDING OBJECTIVE OF CONSTRUCTION**  
20

21 **SEC. 47.** For the purposes of constructing track or structural facilities in respect of a  
22 public railway, the operator of the railway may expropriate land in accordance with the  
23 existing expropriation procedures.  
24  
25

26 **SEC. 48.** For the purposes of constructing track or structural facilities in respect of an  
27 industrial railway on land that the operator of that railway does not own or otherwise have the  
28 right to use under an agreement with the owner of that land, that operator may, if the  
29 appropriate expropriation agency grants to that operator an approval to proceed under the  
30 existing expropriation procedures, expropriate land in accordance with the said rules.  
31  
32

33 **SEC. 49.** Where an approval is required before any construction or work may be  
34 carried out under the railway legislation, a person shall not expropriate land for the purposes  
35 of that construction or work until the Authority has granted that approval.  
36  
37

38 **SEC. 50.** Where construction or work is being carried out pursuant to an approval  
39 granted under the two preceding articles, and the Authority is of the opinion that the  
40 construction or work is not being carried out in accordance with the railway legislation or that  
41 approval, the Authority may at any time give notice to the operator of the railway or the  
42 person carrying out the construction or work to stop the construction or work.  
43  
44

45 **SEC. 51.** Where the Authority gives a notice under the previous section, the person  
46 carrying out the construction or work shall stop carrying out the construction or work and  
47 shall not recommence the construction or work until the Authority grants an approval to do  
48 so.



1 b) Subject to the regulations, when the damage is caused by a fire started by or arising out of  
2 the operation of rolling stock, track or structural facilities or any other operations carried  
3 out by the operator of the railway with respect to the railway, the operator of the railway  
4 is liable for the damage caused by that fire. For the purpose of this section, the operator of  
5 a railway-

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

8 (2) May procure insurance on the operator's behalf of that property.  
9

10  
11 **SEC. 57. Highway Crossing.** – Where construction is carried out to lay track on,  
12 across, over or under a highway, the person carrying out the construction shall:

13 a) Carry out the construction so as to allow vehicles using the highway adequate  
14 passage; and

15  
16 b) On completion of the construction restore the highway to as good condition as  
17 the highway was in immediately before the construction was commences.  
18

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

20 a) Where a person owns land that is located on both sides of a right of way for track,  
21 and if it were not for that right of way, that land would be joined together forming a single  
22 area of land, the operator of the railway shall, on the request of the owner of the land, provide  
23 a crossing across the right of way and any track located on the right of way that is appropriate  
24 for the intended use of the crossing by the owner of the land.  
25

26 b) A crossing that is provided under this section shall remain in place until the owner  
27 of the land notifies the operator of the railway that the crossing is no longer required or the  
28 crossing is removed pursuant to an agreement between the owner of the land and the operator  
29 of the railway.  
30

31 c) For the purposes of this section:

32 (1) If the right of way existed before the owner of the land acquired the land on  
33 both sides or either side of the right of way, the owner of the land is  
34 responsible for the costs of constructing, maintaining, repairing and removing  
35 the crossing; or

36 (2) If the owner of the land acquired that land before the right of way that  
37 separated that land came into existence, the operator of the railway is  
38 responsible for the costs of constructing, maintaining, repairing and removing  
39 the crossing.  
40

41  
42 **SEC. 59. Crossing of Private Roads.** –

43 a) In this section:

44 (a.a) "private road" shall mean-

45 (i) a road that is not a highway; or

46 (ii) a highway that is not owned or otherwise under the direction,  
47 control and management of the Authority or any instrumentality of  
48 the government and is designated as a private road by the  
49 Secretary; and

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

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

12 c) A crossing that is provided under this section shall remain in place until the  
13 owner of the private road notifies the operator of the railway that the crossing  
14 is no longer required or the crossing is removed pursuant to an agreement  
15 between the owner of the private road and the operator of the railway.  
16

17 d) For the purposes of this section, if (i) the right of way existed before the  
18 private road existed on both sides or either side of the right of way, the owner  
19 of the private road is responsible for the costs of constructing, maintaining,  
20 repairing and removing the crossing, or (ii) the private road was in existence  
21 before the right of way that separated that road came into existence, the  
22 operator of the railway is responsible for the costs of constructing,  
23 maintaining, repairing and removing the crossing.  
24

25 e) A person shall not construct a crossing under this section unless the Authority  
26 has granted an approval for the consideration of the crossing.  
27  
28

29 **SEC. 60. Fences of Landowners. –**

30 a) A person owns a land that abuts on a right of way for track, the operator of the  
31 railway shall, on the request of the owner of the land, provide a fence along  
32 the right of way that is appropriate for the intended use of the fence by the  
33 owner of the land. For the purpose of this section, if

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

37 (ii) The owner of the land acquired the land that abuts on the right of way  
38 before the right of way came into existence, the operator of the railway  
39 is responsible for the costs of constructing the fence and the owner of  
40 the land is responsible for the costs of maintaining and repairing the  
41 fence.  
42

43 b) Where the owner of the land no longer has need for the fence provided under  
44 this section, the owner of the land, unless otherwise agreed upon between the  
45 owner of the land and the operator of the railway, may on notice to the  
46 operator of the railway remove the fence at the expense of the owner of the  
47 land.

- 1 c) Nothing in this section shall be construed so as to require an operator of an  
2 industrial site referred to in this section to provide a fence along a boundary of  
3 the industrial site.  
4  
5

6 **SEC. 61. *Abandonment of Services.* –**

- 7 a) In this section, "services" shall mean one or more of the following:  
8 (i) The operation of rolling stock;  
9 (ii) The operation of track; or  
10 (iii) The accepting of goods or commodities for transportation by means of  
11 rolling stock.  
12  
13 b) An operator of a public railway or industrial railway who intends to cease  
14 providing a service shall, prior to the cessation of that service, give notice of  
15 the cessation of service to the Authority in accordance with the regulations.  
16  
17 c) With respect to the cessation of a service that is provided by a public railway,  
18 the operator of the public railway shall, prior to the cessation of that service  
19 and in addition to giving notice under (b), shall notify the public and the  
20 shippers of goods or commodities on that railway of the cessation of the  
21 service in accordance with the regulations.  
22  
23

24 **ARTICLE XIII**  
25 **PUBLIC RAILWAYS**  
26

27 **SEC. 62. *Public Railways as Common Carrier.* –** An operator of a public railway is a  
28 common carrier and shall, as is reasonably within the capabilities of the rolling stock, track,  
29 structural facilities and equipment of the operator, provide to all persons adequate and  
30 suitable facilities:

- 31 a) For receiving, forwarding and delivering of goods and commodities on and  
32 from railways;  
33  
34 b) For the interchange of goods and commodities between railways;  
35  
36 c) For the return of rolling stock;  
37  
38 d) For the injunction of private sidings and the track of industrial railways with  
39 the track of the public railway; and  
40  
41 e) For the receiving, forwarding and delivering of goods and commodities on and  
42 from private sidings and industrial railways referred to in clause (d).  
43  
44

45 **SEC. 63. *Interchange of Goods and Commodities.* –** (a) Where there is an  
46 interchange of goods and commodities between a public railway governed under this Act and  
47 a railway that is not governed under this Act, and the operators of those railways cannot agree  
48 as to the interchange of the goods and commodities, the operator of the public railway  
49 governed under this Act may submit to the Philippine National Railway Authority for the  
50 purpose of determining all matters respecting the interchange.

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  
4 that operator or make that tariff of rates available to the public for inspection at an office  
5 operated by that operator.  
6

7           (b) The operator of a public railway shall, at the request of a shipper, provide to the  
8 shipper the operator's tariff of rates for the shipping of that shipper's goods and commodities  
9 by that operator.  
10

11           (c) The operator of a public railway may enter into an agreement with a shipper  
12 respecting tariffs, rates and the provision of services concerning the transportation of goods  
13 and commodities, and the terms of the agreement may be kept confidential.  
14  
15

16           **SEC. 65. Limitation of Liability.** – The operator of a public railway shall not limit or  
17 restrict the operator's liability to a shipper for the transportation of goods and commodities  
18 except if permitted by prevailing laws and regulations.  
19  
20

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

22           a) An approval granted to a person in respect of a public railway is not  
23 transferrable from that person to another person.  
24

25           b) Notwithstanding subsection (a), with the approval of the Philippine National  
26 Railway Authority, an approval granted to a person in the operation of a public  
27 railway may be capitalized, sold, assigned, leased or amalgamated or  
28 otherwise transferred in whole or in part.  
29

30           c) Where approvals have been granted in respect of a public railway, and the  
31 Authority is of the opinion that there is a question as to the continued safe  
32 operation of the rolling stock, track or structural facilities arising out of the  
33 change in the operators of the public railway, the Authority may do either of  
34 the things referred to in subsection (d).  
35

36           d) If subsection (c) applies, the Authority may impose terms, conditions or  
37 restrictions with respect to those approvals that the Authority considers  
38 appropriate to provide for the continued safe operation of the rolling stock,  
39 track and structural facilities, or suspend those approvals until the Authority is  
40 satisfied as to the continued safe operation of the rolling stock, track and  
41 structural facilities.  
42  
43

44           **SEC. 67. Right of Entry.** – (a) For the purposes of constructing, maintaining or  
45 repairing rolling stock, track or structural facilities of a public railway, the operator of the  
46 public railway and any person employed by or on behalf of that operator may, without taking  
47 title to the land, may enter on any land that is adjacent to or in close proximity to the railway,  
48 and occupy and use that land for so long as it is necessary to carry out the construction,  
49 maintenance or repair.



- 1 a) Any person exercising any powers under this section shall do so in a  
2 reasonable manner.
- 3 b) Where any person exercises any power under this section, the owner of the  
4 land or other person having possession of the land may apply to the National  
5 Railway Authority for compensation with respect to the exercise of those  
6 powers.  
7
- 8 c) With the approval of the Authority granted pursuant to an application made by  
9 the operator of an industrial railway, that operator may exercise the powers  
10 and be subject to the obligations of an operator of a public railway under this  
11 section.  
12  
13

14 **ARTICLE XIV**  
15 **RAILWAY ENERGY PLANT**

16  
17 **SEC. 68.** – In order to ensure a continuous and uninterrupted operation of the railway  
18 systems in the Philippines, the Authority may establish its power plant for any of its rail  
19 systems when on its own judgment it is more economical and advantageous on the part of the  
20 government.  
21

22  
23 **SEC. 69. *Waste-to-Energy Plant.*** – In order to facilitate the collection and  
24 transportation of garbage in the metropolitan areas, to ensure the supply of electric power to  
25 the railway systems and to help ensure the economic viability of the railway systems, the  
26 Authority shall endeavor to establish in cooperation with private sector waste-to-energy  
27 plants in strategic areas.  
28

29  
30 **ARTICLE XV**  
31 **RAILWAY FUNDING AND TRUST FUND**

32  
33 **SEC. 70. *Funding of the National Railway Authority.*** – For purposes of  
34 implementing this Act, the amount of Three Hundred Million (P300,000,000.00) shall be  
35 sourced out from the General Appropriations Act in the next fiscal year after the approval of  
36 this Act.  
37

38  
39 **SEC. 71. *Establishment of the Railway Trust Fund.*** – A Railway Trust Fund is  
40 hereby established which is a special fund dedicated to finance only railway infrastructure in  
41 the Philippines.  
42

43  
44 **SEC. 72. *Sources.*** – The Railway Trust Fund consists of 3% increase in the real  
45 property tax increase of the six taxes which shall take effect upon the approval of this Act and  
46 5% of the road user's tax.



1 maintenance and operation of railway systems is free from payment of customs, duties and  
2 other forms of fees and charges.

3  
4  
5 **ARTICLE XIX**  
6 **INSURANCE COVERAGE**  
7

8 **SEC. 81. Rail Systems Insurance Coverage.** – All rail systems shall be covered by  
9 insurance from natural and man-made disasters either by the Government Service Insurance  
10 System (GSIS) or by a self-insurance system in the form of a common trust fund that the  
11 Philippine National Railway Authority may establish for the purpose for all the public  
12 railway operators. The Philippine national Railway Authority may use a portion of the  
13 accumulated trust fund for the development, implementation and operation of railway  
14 projects or systems by 2/3 vote of the members of its board of directors.  
15

16  
17 **SEC. 82. Passenger's Insurance Coverage.** – Each and every rail passenger shall be  
18 covered by accident insurance by the rail operators, government or private, in the amount of  
19 One Hundred Thousand Pesos (P100,000.00) in the case of death, not more than Fifty  
20 Thousand Pesos (P50,000.00) in cash of an injury exclusive of medical and hospitalization  
21 expense, and Seventy Five Thousand Pesos (P75,000.00) in case of incapacity exclusive of  
22 medical and hospitalization expense.  
23

24  
25 **SEC. 83. Accumulated Premiums.** – After five (5) years from the date, the common  
26 trust fund was established and every three (3) years thereafter, a portion of the trust fund may  
27 be used for rail projects and programs by 2/3 vote of the members of the Board of Directors  
28 of the Philippine National Railway Authority.  
29

30  
31 **SEC. 84. Fund Administrator.** – The Trust Funds authorized under this Article may  
32 be administered by a group of financial experts when in the judgment of the Board the need  
33 for it arises, otherwise, the Authority shall administer and manage such fund.  
34

35  
36 **ARTICLE XX**  
37 **APPLICABILITY OF RAILWAY LEGISLATION**  
38

39 **SEC. 85. Application of this Act.** – a) Where a person owns or is otherwise  
40 responsible for the control, management or operation of both rolling stock and track-

41 (1) This railway legislation as it relates to both rolling stock and track applies to  
42 that person, and

43 (2) Any reference in the railway legislation to the operator of a railway is a  
44 reference to that person in that person's capacity as the operator of both rolling  
45 stock and track.  
46

47 b) Where a person owns or is otherwise responsible for the control, management or operation  
48 of rolling stock but does not own and is not otherwise responsible for the control,  
49 management or operation of track –

50 (1) the railway legislation as it relates to rolling stock applies to that person, and

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

4 c) Where a person owns or is otherwise responsible for the control, management or operation  
5 of track but does not own and is not otherwise responsible for the control, management or  
6 operation of rolling stock -

7 (1) the railway legislation as it relates to track applies to that 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 track.

10  
11 d) Where a person owns or is otherwise responsible for the control, management or operation  
12 of structural facilities -

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

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

17  
18  
19 **SEC. 86. *Non-applicability of Railway Legislation.*** - The railway legislation does  
20 not apply to (a) rolling stock or track that is not full size; (b) structural facilities used in  
21 respect of rolling stock or track referred to in clause (a); (c) the operator of a railway with  
22 respect to the operation of rolling stock or track referred to in clause (a); (d) a railway with  
23 respect to the operation of rolling stock or track referred to in clause (a). For purposes of this  
24 section, (a) a reference to rolling stock or track that is not full size is, subject to the  
25 regulations, a reference

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

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

29  
30 (b) A reference in clause (a) to standard gauge is a reference to standard gauge as that term is  
31 commonly understood in the Philippines which is based on international standards.

## 32 33 34 **ARTICLE XXI**

### 35 **APPLICABILITY OF EXISTING LAWS AND REGULATIONS**

36  
37 **SEC. 87.** Insofar as they are not inconsistent with this Act, the provisions of the  
38 Corporation Law and Republic Act 6957 otherwise known as "An Act Authorizing the  
39 Financing, Construction, Operations and Maintenance of Infrastructure Projects by the  
40 Private Sector and for Other Purposes" shall be applicable to the operations of the National  
41 Railway Authority.

## 42 43 44 **ARTICLE XXII**

### 45 **CONGRESSIONAL OVERSIGHT COMMITTEE**

46  
47 **SEC. 88. *Separability Clause.*** - If any of the provisions of this Acts declared invalid,  
48 the provisions thereof not affected by such declaration shall remain in force and effect.

