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REPUBLIC OF THE PHILIPPINES)
First Regular Session)



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SENATE

S.B. No. 945

RECEIVED BY: 

Introduced by Senator **SONNY ANGARA**

AN ACT
INSTITUTIONALIZING THE GRANT OF STUDENT FARE DISCOUNT PRIVILEGES ON
LAND, WATER, AIR AND RAIL TRANSPORT UTILITIES AND FOR OTHER PURPOSES

EXPLANATORY NOTE

At present, the grant of student fare discounts is only through a memorandum circular of the Land Transportation and Franchising Regulatory Board (LTFRB). The proposed measure aims to put the thrust of the circular forward by institutionalizing the grant of a fare discount privilege to *bonafide* students on land, water, air and rail transport utilities.

The proposed grant is envisioned to lessen the impact of the current economic difficulties and assist students and their parents or guardians in shouldering the transportation expenses relative to the rising cost of education in our country. Majority of its intended beneficiaries belong to the indigent, depressed and underprivileged sector. Hence, they need and deserve the assistance of the government.

Under the proposed measure, the fare discount privilege is available to students even during Saturdays, Sundays, Christmas vacation and other holidays to enable and encourage them to undertake research work and group studies. This will also benefit certain students, like medical interns and those undergoing military trainings and specialized studies, who are required to report during such days and periods. Moreover, students who are travelling abroad for education, training, and competition are exempted from payment of travel tax and airport terminal fee.

Approval therefore is earnestly sought.



SONNY ANGARA



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

1 **SECTION 1. Declaration of Policy.** Pursuant to Article XIV, Section 1 of the Constitution, "the
2 State shall protect and promote the right of all citizens to quality education at all levels and shall
3 take appropriate steps to make such education accessible to all." In addition, Paragraph 3,
4 Section 2 of said Article directs the State to establish and maintain a system at' scholarship
5 grants, student loan programs, subsidies, and other incentives which shall be available to
6 deserving students in both public and private schools, especially to the underprivileged.

7
8 **SEC. 2. Purpose.** Consistent with these Constitutional mandates, this Act aims to:
9 a) To establish a mechanism that ensures the mandatory grant of tire discount privilege
10 to deserving students.
11 b) To enlist the cooperation and/or support of transport utility owners to extend
12 assistance to deserving students as a social responsibility through the observance of
13 this grant; and
14 c) To encourage students, particularly the poor and underprivileged, to pursue quality
15 education to secure their future and make them responsible citizens.
16

17 **SEC. 3. Definition of Terms.** As used in this Act, the term "**student**" shall refer to any Filipino
18 citizen and currently enrolled either in elementary, secondary or collegiate institutions, including
19 vocational and technical schools. Specifically excluded are schools of culinary arts and short-
20 term courses of seminar type.

21
22 The term "**transport utilities**" shall refer to both public and private firms/companies duly
23 authorized to engage in the conveyance of passengers, either by land, water, air or rail for a
24 fixed rate of fees.
25

26 **SEC. 4. Privilege of Students.** The *bonafide* students under this Act shall be entitled to a
27 grant of twenty percent (20%) discount on regular fares, upon presentation of their duly issued

1 school Identification Cards (IDs) or current validated enrollment forms supported by other
2 document/s to properly establish identity. Said fare discount shall be available during the entire
3 school year for elementary and secondary students, during the semester for college students,
4 and during the duration of a course for vocational or technical students, including Saturdays,
5 Sundays, Christmas vacations and other holidays during a school year or a school semester.

6
7 **SEC. 5. Exemption from Travel Tax and Airport Terminal Fee.** All laws to the contrary
8 notwithstanding, Filipino students who will travel abroad for education, training, and competition
9 shall likewise be exempt from the payment of travel tax and airport fee upon proper showing of
10 proof or documentation of intended purpose.

11
12 **SEC. 6. Coverage.** This Act shall cover all *bonafide* students, except those specifically
13 excluded therefrom as defined in Section 3 hereof.

14
15 **SEC. 7. Filing of Complaints and/or Violations and Penalties.** Students who are refused to
16 avail of the privilege under this Act may file their complaints with the appropriate
17 board/authority/office, as herein identified, *to wit*.

- 18
19 a) The Land Transportation Franchising and Regulatory Board (LTFRB) for land
20 transportation utilities;
21 b) The Maritime Industry Authority (MARINA) for sea/water transportation utilities;
22 c) The Civil Aeronautics Board (CAB) for air transportation utilities;
23 d) The Legal Service, DOTC, for rail transportation facilities, including the Light Railway
24 Transit (LRT), Metro Rail Transit (MRT) and Philippine National Railways (PNR); and
25 e) Local government units concerned for tricycles.

26
27 All complaints disposed of by such regulatory agency may be brought to the Office of the
28 Secretary of the DOTC for review.

29
30 **SEC. 8. Violations.** Any person found to be in possession of or in use of falsified identification
31 cards shall not be allowed to avail of the student discount rates and may be subject to penalties
32 prescribed by law.

33
34 **SEC. 9. Penalties.** After due investigation and finding the complaint to be true and valid, the
35 following penalties shall be imposed as herein specified:

- 36
37 a) For Land Transportation Utilities: Suspension of license for the erring driver,
38 conductor or inspector for one (1) month for the 1st offense; two (2) months for the
39 2nd offense; three (3) months for the 3rd offense; and for subsequent violations, a
40 three- month suspension of license, plus a fine of Five Hundred Pesos (P500) for
41 each violation of the erring party.

1 b) For Water and Air Transport Utilities: A fine shall be imposed against the erring
2 firms/establishment or their authorized agents in the amount of One Thousand Pesos
3 (P1,000) for the 1st offense; Two Thousand Pesos (P2,000) for the 2nd offense; Three
4 Thousand Pesos (P3,000) for the 3rd offense; and Five Thousand Pesos (P5,000) for
5 each subsequent violation.

6
7 c) For Rail Transport Utilities: All rail transport utilities are mandate to observe the
8 aforesaid fare discount privilege and designate a student/senior citizen fare booth in
9 their boarding stations. Violation thereof shall be sanctioned or fined under the Civil
10 Service Rules.

11
12 **SEC. 10. *Implementing Rules and Regulations.*** The Secretary of the Department of
13 Transportation and Communications (DOTC) shall direct the attached agencies or offices
14 under his Department to prepare and formulate, within thirty (30) days upon approval of this
15 Act, the Implementing Rules of this Act.

16
17 **SEC. 11. *Repealing Clause.*** All provisions of laws, decrees, orders, including rules and
18 regulations Inconsistent herewith are hereby repealed and/or modified accordingly.

19
20 **SEC. 12. *Separability Clause.*** If any portion or provision of this Act is declared invalid or
21 unconstitutional, the remainder of this Act or any provisions not affected thereby shall remain in
22 full force and in effect.

23
24 **SEC. 13. *Effectivity Clause.*** This Act shall take effect fifteen (15) days following its publication
25 in the Official Gazette or in at least two (2) newspapers of general circulation.

26
27
28 Approved,