

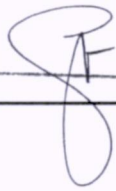
EIGHTEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
*First Regular Session* )



'19 SEP 16 P5:33

SENATE

S. No. 1054

RECEIVED BY: 

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Introduced by Senator Francis "Tol" N. Tolentino

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**AN ACT**  
**PROVIDING FOR A RAILWAYS FUND FROM THE MOTOR VEHICLE USER'S**  
**CHARGE COLLECTIONS, AMENDING FOR THE PURPOSE REPUBLIC ACT NO.**  
**8794, AS AMENDED BY REPUBLIC ACT NO. 11239, ENTITLED "AN ACT**  
**IMPOSING A MOTOR VEHICLE USER'S CHARGE ON OWNERS OF ALL TYPES**  
**OF MOTOR VEHICLES AND FOR OTHER PURPOSES".**

**EXPLANATORY NOTE**

A country's system of transportation is an indicator of its level of development. An efficient and economical mass transportation system means that the flow of growth from the centers to the localities is fast and is effective. However, for a country which claims to be on the road to inclusive growth, it is sad to note that the Philippines lags behind in terms of mass transportation in Asia and elsewhere.

Past administrations seem to have failed in focusing ample attention on the task of rehabilitating and improving our existing railways. If there are trains and tracks that are currently operational and are somehow servicing the riding public, they seem to still lack the necessary equipment and technical knowledge that will allow for a more efficient train system. The perceived benefits of a truly functional mass transportation system cannot be fully realized because of an apparent lack of ample support and adequate funding.

The recent abolition of the Road Board, however, seem to have given rise to a ray of hope for the Philippine Railway System. With the closure of the agency, part of the allocation for the Road Board should be utilized to fund the repair, rehabilitation, and improvement of railroad tracks, light rails, monorails, and all forms of railways not only within Metro Manila but also lines that connect the Metro to nearby provinces as well as in other developing areas in the country. Similarly, part of the Road Board funding may be used to purchase new train coaches, light rail coaches, and trams that will provide commuters with faster, safer, and more convenient rides to and from their homes, schools, or work. This may offer a relief to the usual traffic in the city through the alternative route of transportation that additional train lines will create for the people.

Railroad tracks, light rails, monorails and other forms of railways are important channels of growth and development. Hence, it is but timely to cast attention on the upgrading of our train facilities throughout the country and provide funds that will strengthen our mass transportation system. If the Philippine transport system can be relied upon to deliver the people to their destinations, there will no longer be a need to have so many motor vehicles burning fuel and causing pollution. Not only will an efficient railway system give way to traffic decongestion. Even air pollution will be reduced. Both the people and the environment have much to gain from a truly cost-effective public transportation system.

As of December 2018, unspent MVUC collections amounted to some P46.25 billion while the Land Transportation Office collects at least P12 billion annually. The enactment of Republic Act No. 11239 or An Act Abolishing the Road Board and Providing for the Disposition of the Motor Vehicle User's Charge Collections removed the original allocations for which the fund was to be used for, and instead placed the collections in a special account in the General Fund to be earmarked solely for the construction, upgrading, repair, and rehabilitation of roads, bridges, and road drainage to be included in the annual General Appropriations Act. It is only but practical and even imperative that a portion of this fund should be used to finance railway operations as the need for mass transit systems in the country is continuously exploding and because of the fact that a better railway system would ease up the volume of traffic in our roads and thus improve the nation's transportation network and mobility as a whole.

This bill, therefore, seeks to apportion a part of the Motor Vehicle User's Charge collections for the acquisition of train cars and for the repair, rehabilitation, and creation of railroad tracks and railways in the country.

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



**FRANCIS "TOL" N. TOLENTINO**  
Senator

EIGHTEENTH CONGRESS OF THE )  
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**AN ACT**  
**PROVIDING FOR A RAILWAYS FUND FROM THE MOTOR VEHICLE USER'S CHARGE COLLECTIONS, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 8794, AS AMENDED BY REPUBLIC ACT NO. 11239, ENTITLED "AN ACT IMPOSING A MOTOR VEHICLE USER'S CHARGE ON OWNERS OF ALL TYPES OF MOTOR VEHICLES AND FOR OTHER PURPOSES".**

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

1 Section. 1. Section 7 of Republic Act No. 8794, as amended by Republic Act No.  
2 11239, is hereby further amended to read as follows:

3

4 "Sec. 7. *Disposition of Monies Collected.* — All monies collected under this Act  
5 shall be remitted to the National Treasury under a special account in the General  
6 Fund to be earmarked solely for the construction, upgrading, repair, and  
7 rehabilitation of roads, bridges, **RAILWAYS**, and road drainage to be included  
8 in the annual General Appropriations Act: **PROVIDED, THAT AT LEAST 50%**  
9 **OF THE EXISTING FUND AND THE ANNUAL COLLECTIONS SHALL BE**

1           **ALLOCATED FOR THE ACQUISITION OF TRAIN CARS, LIGHT RAIL**  
2           **COACHES, AND THE REPAIR, REHABILITATION, AND CREATION OF**  
3           **RAILROAD TRACKS AND RAILWAYS NATIONWIDE, TO INCLUDE LIGHT**  
4           **RAILS, TRAMS, AND MONORAILS.”**  
5

6           *Sec. 2. Separability Clause.* – If, for any reason, any part or provision of this Act  
7 is declared invalid or unconstitutional, the remaining parts or provisions not affected  
8 shall remain in full force and effect.

9           *Sec. 3. Repealing Clause.* – All other laws, executive orders, presidential decrees,  
10 rules and regulations inconsistent with any provisions of this Act are hereby repealed,  
11 amended or modified accordingly.

12           *Sec. 4. Effectivity.* – This Act shall take effect after fifteen (15) days following its  
13 complete publication in the Official Gazette or in at least one (1) newspaper of general  
14 circulation.

15           Approved,