



HOUSE OF REPRESENTATIVES

H. No. 7436

BY REPRESENTATIVES FARIÑAS, ALVAREZ (P.), OCAMPO, BRAVO (A.),
GO (A.C.), BELARO, LOPEZ (B.), GARBIN, ROQUE (H.),
BERTIZ, TAN (A.), ARENAS, BRAVO (M.V.), ESCUDERO,
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NOGRALES (K.A.), SALO, SAMBAR, RAMOS, GONZALES (A.D.),
CALIXTO-RUBIANO, LABADLABAD, AMATONG, REVILLA,
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ZAMORA (M.C.), SANDOVAL, VILLAFUERTE, ANTONINO,
PADUANO, LIMKAICHONG, ZUBIRI, SUAREZ, MACAPAGAL-
ARROYO, UNABIA, CASTRO (F.L.), CASILAO AND PANGANIBAN,
PER COMMITTEE REPORT NO. 679

AN ACT ABOLISHING THE ROAD BOARD AND PROVIDING
FOR THE DISTRIBUTION AND MANAGEMENT OF
THE MOTOR VEHICLE USER'S CHARGE COLLECTIONS,
AMENDING FOR THE PURPOSE REPUBLIC ACT
NO. 8794, 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 is hereby
2 amended to read as follows:

1 "SEC. 7. *Disposition of Monies Collected.* -- All
2 monies collected under this Act shall be earmarked
3 solely and used exclusively (1) for [road maintenance
4 and the improvement of road drainage,] THE
5 CONSTRUCTION, UPGRADING, REPAIR, AND
6 REHABILITATION OF ROADS, BRIDGES, AND ROAD
7 DRAINAGE; (2) [for the installation of adequate
8 and efficient traffic lights and road safety
9 devices.] POLLUTION CONTROL, INCLUDING THE
10 ESTABLISHMENT AND IMPROVEMENT OF SOLID WASTE
11 MANAGEMENT PROGRAMS AND FACILITIES; and (3) [for
12 air pollution control] VEHICLE POLLUTION CONTROL.

13 "[All such monies collected shall be deposited in
14 four (4) special trust accounts in the National Treasury,
15 namely: (1) Special Road Support Fund; (2) Special
16 Local Road Fund; (3) Special Road Safety Fund; and
17 (4) Special Vehicle Pollution Control Fund.]

18 "ALL SUCH MONIES COLLECTED SHALL BE
19 DEPOSITED IN FOUR (4) SPECIAL TRUST ACCOUNTS IN
20 THE NATIONAL TREASURY, NAMELY: (1) SPECIAL
21 NATIONAL ROAD SUPPORT FUND; (2) SPECIAL LOCAL
22 ROAD SUPPORT FUND; (3) SPECIAL POLLUTION
23 CONTROL FUND; AND (4) SPECIAL VEHICLE
24 POLLUTION CONTROL FUND.

25 "The distribution of collections under this Act
26 shall be as follows:

1 “(1) [Eighty percent (80%)] FORTY PERCENT
2 (40%) shall be allotted to and placed in the [Special
3 Road Support Fund] SPECIAL NATIONAL ROAD
4 SUPPORT FUND;

5 “(2) [Five percent (5%)] FORTY PERCENT (40%)
6 shall be allotted to and placed in the [Special Local
7 Road Fund] SPECIAL LOCAL ROAD SUPPORT FUND;

8 “(3) [Seven and one-half percent (7.5%)] TEN
9 PERCENT (10%) shall be allotted to and placed in the
10 [Special Road Safety Fund] SPECIAL POLLUTION
11 CONTROL FUND; and

12 “(4) [Seven and one-half percent (7.5%)] TEN
13 PERCENT (10%) shall be allotted to and placed in the
14 Special Vehicle Pollution Control Fund.

15 “[The Special Road Support Fund, the Special
16 Local Road Fund and the Special Road Safety Fund
17 shall be under the DPWH, whereas the Special Vehicle
18 Pollution Control Fund shall be under the DOTC.]

19 “THE SPECIAL NATIONAL ROAD SUPPORT FUND
20 AND THE SPECIAL LOCAL ROAD SUPPORT FUND SHALL
21 BE UNDER THE MANAGEMENT AND DISPOSAL OF THE
22 DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS
23 (DPWH); THE SPECIAL POLLUTION CONTROL FUND
24 SHALL BE UNDER THE MANAGEMENT AND DISPOSAL OF
25 THE DEPARTMENT OF ENVIRONMENT AND NATURAL
26 RESOURCES (DENR); AND THE SPECIAL VEHICLE

1 **POLLUTION CONTROL FUND SHALL BE UNDER THE**
2 **MANAGEMENT AND DISPOSAL OF THE DEPARTMENT OF**
3 **TRANSPORTATION (DOTr).**

4 “[Seventy percent (70%) of the Special Road
5 Support Fund shall be used exclusively for the
6 maintenance of, and the improvement of drainage of,
7 national primary roads. The remaining thirty percent
8 (30%) thereof shall be allocated and used for the
9 maintenance, and improvement of drainage of national
10 secondary roads throughout the country.

11 “The cost of installation of adequate and efficient
12 traffic lights and road safety devices throughout the
13 country, where such traffic lights and safety devices are
14 needed, shall be taken from the Special Road Safety
15 Fund.]

16 **“THE SPECIAL NATIONAL ROAD SUPPORT FUND**
17 **SHALL BE USED FOR THE CONSTRUCTION, UPGRADING,**
18 **REPAIR, AND REHABILITATION OF NATIONAL ROADS,**
19 **BRIDGES, AND ROAD DRAINAGE.**

20 “[The Special Local Road Fund shall be
21 apportioned to provincial and city governments in
22 accordance with the vehicle population and size of the
23 road network under their respective jurisdictions, and
24 shall be used exclusively for maintenance of local roads,
25 traffic management and road safety devices.]

26 **“THE SPECIAL LOCAL ROAD SUPPORT FUND**
27 **SHALL BE USED FOR THE CONSTRUCTION, UPGRADING,**

1 REPAIR, AND REHABILITATION OF THE LOCAL ROADS:
2 *PROVIDED*, THAT TWENTY PERCENT (20%) SHALL
3 REMAIN WITH THE CENTRAL OFFICE OF THE DPWH AND
4 EIGHTY PERCENT (80%) OF THE SPECIAL LOCAL ROAD
5 SUPPORT FUND SHALL BE DISTRIBUTED AMONG THE
6 DISTRICT ENGINEERING OFFICES (DEOs) OF THE
7 DPWH, AS FOLLOWS:

8 (A) SIXTY PERCENT (60%) SHALL BE
9 APPORTIONED EQUALLY AMONG THE DEOs;

10 (B) TWENTY PERCENT (20%) SHALL BE
11 APPORTIONED BASED ON THE POPULATION UNDER THE
12 JURISDICTION OF THE RESPECTIVE DEOs; AND

13 (C) TWENTY PERCENT (20%) SHALL BE
14 APPORTIONED BASED ON THE LAND AREA UNDER THE
15 JURISDICTION OF THE RESPECTIVE DEOs.

16 "THE SPECIAL POLLUTION CONTROL FUND
17 SHALL BE USED FOR PROGRAMS AND PROJECTS FOR
18 CONTROLLING AND MANAGING AIR AND WATER
19 POLLUTION AND SOLID WASTE, TO INCLUDE ASSISTANCE
20 TO LOCAL GOVERNMENT UNITS FOR THE
21 IMPLEMENTATION OF THEIR SOLID WASTE
22 MANAGEMENT PLANS AND THE IMPROVEMENT AND
23 DEVELOPMENT OF THEIR SOLID WASTE MANAGEMENT
24 PROGRAMS AND FACILITIES.

25 "THE SPECIAL VEHICLE POLLUTION CONTROL
26 FUND SHALL BE USED FOR PROGRAMS AND PROJECTS
27 FOR CONTROLLING AND MANAGING POLLUTION FROM
28 MOTOR VEHICLES."

1 “[A Road Board to implement the prudent and
2 efficient management and utilization of the special
3 funds shall be organized by the President of the
4 Philippines. The Road Board shall be composed of
5 seven (7) members, with the Secretary of the DPWH as
6 *ex officio* head, and the secretaries of the Departments
7 of Finance, Budget and Management, and
8 Transportation and Communications, as *ex officio*
9 members. The remaining three (3) members shall come
10 from transport and motorist organizations which have
11 been in existence and active for the last five (5) years
12 prior to this Act. They shall be appointed for a term of
13 two (2) years each by the President of the Philippines
14 upon the recommendation of the secretaries of the
15 DPWH and the DOTC.]”

16 SEC. 2. Section 8 of the same Act is hereby amended to read
17 as follows:

18 “[SEC. 8. *Status of the Special Funds.* – The
19 four (4) special funds established under this Act shall be
20 distinct and separate from and in addition to any
21 appropriation authorized and granted yearly to the
22 DPWH and the DOTC to cover expenditures for the
23 identified objects of expenditures under this Act.
24 Congress shall continue to appropriate an amount in
25 the General Appropriations Act for road maintenance of
26 the DPWH: *Provided, however,* That any savings for
27 each year out of such appropriation shall revert to the

1 General Fund. Any savings from the special funds
2 created herein shall accrue to these respective special
3 funds.]”

4 “SEC. 8. STATUS OF THE SPECIAL FUNDS. -
5 THE FOUR (4) SPECIAL FUNDS ESTABLISHED UNDER
6 THIS ACT SHALL BE DISTINCT AND SEPARATE FROM AND
7 IN ADDITION TO ANY APPROPRIATION AUTHORIZED AND
8 GRANTED YEARLY TO THE DPWH, THE DOTR, AND THE
9 DENR TO COVER EXPENDITURES FOR THE IDENTIFIED
10 OBJECTS OF EXPENDITURES UNDER THIS ACT.
11 CONGRESS SHALL CONTINUE TO APPROPRIATE AN
12 AMOUNT IN THE GENERAL APPROPRIATIONS ACT FOR
13 ROAD MAINTENANCE OF THE DPWH: *PROVIDED,*
14 *HOWEVER,* THAT ANY SAVINGS FOR EACH YEAR OUT OF
15 SUCH APPROPRIATION SHALL REVERT TO THE GENERAL
16 FUND. ANY SAVINGS FROM THE SPECIAL FUNDS
17 CREATED HEREIN SHALL ACCRUE TO THESE
18 RESPECTIVE SPECIAL FUNDS: *PROVIDED, FURTHER,*
19 THAT ALL SUCH MONIES REMAINING UNDER THE
20 SPECIAL NATIONAL ROAD SUPPORT FUND, AND
21 SPECIAL LOCAL ROAD SUPPORT FUND SHALL REMAIN
22 UNDER THE EXISTING TRUST ACCOUNTS AT THE
23 DISPOSAL OF THE DPWH: *PROVIDED, FURTHERMORE,*
24 THAT ALL SUCH MONIES REMAINING UNDER THE
25 SPECIAL ROAD SAFETY FUND SHALL BE TRANSFERRED
26 TO A SPECIAL TRUST ACCOUNT, NAMELY: SPECIAL
27 POLLUTION CONTROL FUND AT THE DISPOSAL OF THE
28 DENR: *PROVIDED, FINALLY,* THAT ALL SUCH MONIES

1 **REMAINING UNDER THE SPECIAL VEHICLE POLLUTION**
2 **CONTROL FUND SHALL REMAIN IN THE SAME TRUST**
3 **ACCOUNT AT THE DISPOSAL OF THE DOTR."**

4 SEC. 3. Section 9 of the same Act is hereby amended to read
5 as follows:

6 "SEC. 9. *Implementing Rules and Regulations.* -

7 The secretaries of the DPWH, THE DOTR, and the
8 [DOTC] DENR shall jointly, within thirty (30) days
9 from the effectivity of this Act, AND ANY AMENDMENTS
10 THERE TO, promulgate the rules and regulations to
11 implement and carry out the intent, objectives,
12 purposes, and provisions of this Act, AS AMENDED,
13 including such structural and procedural improvements
14 in the systems and agencies concerned as may be
15 necessary to ensure the prudent, wise, effective, and
16 efficient utilization of the special funds established
17 under this Act, AS AMENDED: *Provided*, That the
18 Secretary of the DPWH shall prepare the portion of the
19 implementing rules and regulations pertaining to the
20 Special NATIONAL Road Support Fund[,] AND the
21 Special Local Road SUPPORT Fund[,] ; [and the Special
22 Road Safety Fund, and the Secretary of the [DOTC]
23 DOTR shall prepare the portion of the implementing
24 rules and regulations pertaining to the collection of the
25 MVUC stated under Section 3 of this Act and on the
26 disposition of the monies accruing to the Special Vehicle

1 Pollution Control Fund.] [AND] THE SECRETARY OF
2 THE DOTR SHALL PREPARE THE PORTION OF THE
3 IMPLEMENTING RULES AND REGULATIONS PERTAINING
4 TO THE SPECIAL VEHICLE POLLUTION CONTROL FUND
5 AND COLLECTION OF THE MOTOR VEHICLE USER'S
6 CHARGE (MVUC); AND THE SECRETARY OF THE
7 DENR SHALL PREPARE THE PORTION OF THE
8 IMPLEMENTING RULES AND REGULATIONS PERTAINING
9 TO THE SPECIAL POLLUTION CONTROL FUND."

10 SEC. 4. *Abolition of the Road Board.* - The Road Board
11 created by Republic Act No. 8794 is hereby abolished.

12 SEC. 5. *Absorption of Affected Personnel, Separation and*
13 *Retirement Benefits.* - The Department of Public Works and
14 Highways (DPWH) shall, as needed, absorb the employees of the
15 secretariat of the abolished Road Board, without diminution of their
16 salaries and other benefits. Employees who are separated from the
17 service as a result of the abolition of the Road Board and its
18 secretariat shall receive separation benefits under the provisions of
19 Republic Act No. 6656: *Provided*, That those who are qualified to
20 retire under existing laws shall be allowed to retire and receive
21 retirement benefits to which they may be entitled to under
22 applicable laws, rules and regulations.

23 SEC. 6. *Transfer of Rights, Assets, and Liabilities.* - The
24 DPWH shall, by virtue of this Act, be subrogated to all the rights
25 and assume all the obligations and liabilities of the Road Board, and
26 all records, property, assets, equipment, and funds of the Road

1 Board, including unexpended appropriations or allocations, shall be
2 transferred to the DPWH.

3 SEC. 7. *Congressional Oversight Committee.* – There is
4 hereby created a Congressional Oversight Committee to monitor the
5 implementation of Republic Act No. 8794, as amended, and the use
6 of the special funds established therein. The Committee shall be
7 composed of five (5) Members of the House of Representatives and
8 five (5) Senators to be appointed by the Speaker of the House of
9 Representatives and the President of the Senate, respectively:
10 *Provided*, That one (1) Member of the House of Representatives and
11 one (1) Senator shall come from the minority of each House of
12 Congress. The Committee shall be jointly chaired by a Member of
13 the House of Representatives and a Senator designated by the
14 Speaker of the House of Representatives and the President of the
15 Senate, respectively.

16 SEC. 8. *Separability Clause.* – If any provision or part of this
17 Act is declared unconstitutional or invalid, the remaining parts or
18 provisions not affected thereby shall remain in full force and effect.

19 SEC. 9. *Repealing Clause.* – All laws, decrees, orders, rules
20 and regulations, and other issuances, or parts thereof, that are
21 inconsistent with the provisions of this Act are hereby repealed or
22 modified accordingly.

23 SEC. 10. *Effectivity.* – This Act shall take effect fifteen (15)
24 days after its publication in the *Official Gazette* or in a newspaper of
25 general circulation.

Approved,