

**NINETEENTH CONGRESS OF THE ]**  
**REPUBLIC OF THE PHILIPPINES ]**  
***First Regular Session* ]**

22 AUG -1 10:46

**SENATE**

**S.B. No. 951**

---

**Introduced by SEN. WIN GATCHALIAN**

---

**AN ACT**  
**EXPANDING THE POWERS OF LOCAL GOVERNMENT UNITS TO PROVIDE**  
**LOCAL MASS PUBLIC TRANSPORTATION SYSTEMS, AMENDING FOR THIS**  
**PURPOSE REPUBLIC ACT NO. 7160, OTHERWISE KNOWN AS THE**  
**"LOCAL GOVERNMENT CODE OF 1991", AND FOR OTHER PURPOSES**

**EXPLANATORY NOTE**

The Japan International Cooperation Agency (JICA) Follow Up Survey on the Roadmap for Transport Infrastructure Development for the Greater Capital Region in 2017 estimates that the Philippines stand to lose ₱5.4 billion to traffic daily by 2035 if no interventions are made in the National Capital Region (NCR). JICA had previously estimated that the Philippines loses ₱3.5 billion daily due to traffic congestion.<sup>1</sup>

Given these dire transportation figures, NCR cities, however, have the means to invest in its infrastructure projects that can ease traffic congestion in the region. An actual manifestation of this capability by NCR cities is what Makati City implemented through its Makati Intra-City Subway project, the first of its kind in the country. It is being built at no cost to the city through a Public-Private Partnership agreement and set for completion in 2025, projected to operate 18 hours a day carrying 700,000 passengers daily. The subway project likewise is anticipated to

---

<sup>1</sup> CNN Philippines, "PH traffic may worsen, to cost ₱5.4 billion daily – JICA,"  
<https://www.cnnphilippines.com/news/2018/09/19/JICA-study-traffic-5-billion.html>

decrease around 270,000 vehicles on the road by 2048, mitigating Makati's carbon dioxide emissions by 2.3 million metric tons, and is targeted to create 10,000 jobs for city residents.<sup>2</sup>

This initiative is aligned with the United Nations Sustainable Development Goal (SDG) 11 which sets to make cities and human settlements inclusive, safe, resilient and sustainable by 2030, through access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport.<sup>3</sup> Investing in transportation infrastructure by cities, especially outside of the NCR, to attain SDG 11 can be more achievable if there is a corresponding adjustment to the current policy support framework provided for by the Local Government Code (LGC) of 1991.

Thus, this bill empowers LGUs to create sustainable state-of-the-art mass public transportation systems within the concept of livable smart cities, through various financial facilities and arrangements involving both private and public entities, even without sovereign guaranty, in the same manner as the innovation undertaken by Makati City. Moreover, this bill likewise calls for the interconnectivity and integration of existing and proposed national and local intermodal transportation systems, as well as the creation of a framework for inter-LGUs coordination in the implementation of multi-LGU infrastructure transportation projects.

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



**WIN GATCHALIAN**

---

<sup>2</sup> Business Mirror, "Makati mayor: Subway project expected to be completed by 2025," <https://businessmirror.com.ph/2022/05/18/makati-mayor-subway-project-expected-to-be-completed-by-2025/>

<sup>3</sup> United Nations, "Sustainable Development Goals 2030," <https://www.un.org/development/desa/disabilities/envision2030-goal11.html>



Senate  
Office of the Secretary

NINETEENTH CONGRESS OF THE  
REPUBLIC OF THE PHILIPPINES  
*First Regular Session*

] ] ]

22 AUG -1 10:46

RECEIVED BY:

SENATE

S. B. No. 951

**Introduced by SEN. WIN GATCHALIAN**

**AN ACT  
EXPANDING THE POWERS OF LOCAL GOVERNMENT UNITS TO  
PROVIDE LOCAL MASS PUBLIC TRANSPORTATION SYSTEMS,  
AMENDING FOR THIS PURPOSE REPUBLIC ACT NO. 7160,  
OTHERWISE KNOWN AS THE "LOCAL GOVERNMENT CODE OF 1991",  
AND FOR OTHER PURPOSES**

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

1 SECTION 1. *Short Title.* – This Act shall be known as the "LGU  
2 Transportation Act."

3

4 SEC. 2. Section 17 of Republic Act No. 7160, otherwise known as the  
5 "Local Government Code of 1991", is hereby amended, inserting a new  
6 subsection (k), as follows:

7

8 "SEC. 17. Basic Services and Facilities. –

9 (a) xxx

10 **(K) ALL LOCAL GOVERNMENT UNITS SHALL**  
11 **ENDEAVOR TO PROVIDE SAFE, AFFORDABLE,**  
12 **ACCESSIBLE AND SUSTAINABLE MASS PUBLIC**  
13 **TRANSPORTATION SYSTEMS, SUCH AS MODERN**

1 RAIL-BASED SYSTEMS, PERSONAL RAPID TRANSIT  
2 SYSTEMS, MONORAILS, RAILWAYS, SUBWAYS,  
3 CABLE CARS, TRAMS, BUS RAPID TRANSITS, AND  
4 OTHER MEANS OF TRANSPORTATION CONSISTENT  
5 WITH THE CONCEPT OF LIVABLE AND  
6 SUSTAINABLE SMART CITIES, THROUGH LOANS,  
7 GRANTS, CAPITAL INVESTMENTS, PARTNERSHIPS,  
8 AND JOINT VENTURES WITH BOTH PRIVATE AND  
9 PUBLIC INSTITUTIONS OR ENTITIES, WHETHER  
10 DOMESTIC OR INTERNATIONAL, WITHOUT  
11 SOVEREIGN GUARANTY, FOR THE  
12 CONCEPTUALIZATION, ESTABLISHMENT,  
13 OPERATION, AND MAINTENANCE OF MODERN AND  
14 STATE-OF-THE-ART MASS TRANSPORTATION  
15 SYSTEMS: PROVIDED, THAT, INTERCONNECTIVITY  
16 AND INTEGRATION WITH EXISTING AND  
17 PROPOSED NATIONAL INTERMODAL  
18 TRANSPORTATION SYSTEMS AS WELL AS THOSE OF  
19 OTHER LOCAL GOVERNMENT UNITS SHALL BE  
20 CONSIDERED, AND CONSULTATIONS WITH  
21 RELEVANT NATIONAL GOVERNMENT  
22 TRANSPORTATION AND PLANNING AGENCIES  
23 SHALL BE CONDUCTED.

24  
25 "LOCAL GOVERNMENT UNITS MAY, THROUGH  
26 APPROPRIATE ORDINANCES, CONSOLIDATE OR  
27 COORDINATE THEIR EFFORTS, SERVICES, AND  
28 RESOURCES IN THE IMPLEMENTATION OF  
29 PROJECTS UNDER THE PROGRAM TO ENSURE THE  
30 ENHANCEMENT OF OPERATIONAL EFFICIENCY,  
31 EFFECTIVE UTILIZATION OF PUBLIC RESOURCES,  
32 REALIZATION OF PROJECT OUTCOMES, AND

1                   **STRENGTHENING OF MECHANISMS FOR INTER-**  
2                   **LOCAL COOPERATION. IN SUPPORT OF SUCH**  
3                   **UNDERTAKING, THE LGUS CONCERNED MAY**  
4                   **CONTRIBUTE FUNDS, REAL ESTATE, EQUIPMENT,**  
5                   **AND OTHER KINDS OF PROPERTY, AND APPOINT**  
6                   **OR ASSIGN PERSONNEL UNDER SUCH TERMS AND**  
7                   **CONDITIONS AS MAY BE AGREED UPON BY THE**  
8                   **PARTICIPATING LGUS, THROUGH A MEMORANDUM**  
9                   **OF AGREEMENT.”**

10  
11                   "Costs may also be charged for the delivery of basic  
12                   services or facilities enumerated in this Section.”

13  
14                   SEC. 3. *Implementing Rules and Regulations*- Within sixty (60) days from  
15                   the effectivity of this Act, the Department of the Interior and Local Government,  
16                   in consultation with the Department of Budget and Management, the  
17                   Department of Transportation, the Department of Public Works and Highways,  
18                   Department of Finance, the National Economic and Development Authority,  
19                   League of Provinces, League of Cities, League of Municipalities, Liga ng mga  
20                   Barangay and other government agencies concerned, shall jointly promulgate  
21                   the implementing rules and regulations to effectively implement the provisions  
22                   of this Act.

23  
24                   SEC. 4. *Separability Clause*. - If any provision of this Act is declared  
25                   invalid or unconstitutional, the provisions not affected thereby shall remain in  
26                   full force and effect.

27  
28                   SEC. 5. *Repealing Clause*. - All laws, presidential decrees, executive  
29                   orders, presidential proclamations, rules and regulations or parts thereof  
30                   contrary to or inconsistent with this Act are hereby repealed or modified  
31                   accordingly.

1           SEC. 6. *Effectivity.* – This Act shall take effect fifteen (15) days after its  
2 publication in the *Official Gazette* or in a newspaper of general circulation in the  
3 Philippines.

*Approved,*