

FURTHER AMENDING CERTAIN PROVISIONS OF THE REVISED PHILIPPINE HIGHWAY ACT, AS AMENDED BY PRESIDENTIAL DECREE NUMBERS SEVENTEEN AND ONE HUNDRED THIRTY

PRESIDENTIAL DECREE NO. 320, October 23, 1973

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WHEREAS, Republic Act 917, otherwise known as the Philippine Highway Act of 1953, was previously amended by Presidential Decree Nos. 17 and 130, for the purpose of providing road maintenance funds for national, provincial, city and municipal roads;

WHEREAS, the sums set aside for the Contingent Fund and the Discretionary Fund from the Highway Special Fund as provided in the existing law are inadequate to effectively carry out the purposes for which they are intended;

WHEREAS, there is need to increase the Contingent and Discretionary portions of the Highway Special Fund to effectively carry out the purpose of the law;

WHEREAS, the present provisions of this Act have fixed a realistic requirement for maintenance funds for provinces, cities and municipalities and a national aid share based on their capacity to partly shoulder the cost of maintenance work in accordance with the amounts accruing to their road and bridge funds;

WHEREAS, after the approval of this amendment, there was enacted Presidential Decree No. 144 which revised the distribution of income derived from taxes to the local governments and which affected the available road and bridge funds of provinces, cities and municipalities; and

WHEREAS, in view of this new development, it is necessary to revise the national aid share that should be provided to provinces, cities and municipalities from the maintenance funds to conform with the changes in the amounts accruing to their road and bridge funds as a result of the implementation of Presidential Decree No. 144;

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, by virtue of the powers in me vested by the Constitution as Commander-in-Chief of all the Armed Forces of the Philippines, and pursuant to Proclamation No. 1081, dated September 21, 1972, and General Order No. 1, dated September 22, 1972, as amended, do hereby promulgate this Decree as part of the law of the land.

SECTION 1. The provision of subparagraph (c), Section 6, Article III of Republic Act 917, as amended, is hereby amended to increase the allocation for contingent emergency expenditures from five per centum (5%) to ten per centum (10%) of the Highway Special Fund.

SEC. 2. The provision of subparagraph (d), Section 6, Article III of Republic Act 917, as amended, is hereby amended to increase the allocation for Discretionary Fund from five per centum (5%) to ten per centum (10%) of the Highway Special Fund.

SEC. 3. The following provisions of Section 8, Article IV of Republic Act 917, as amended, are further amended to read as follows:

"SEC. 8. National Aid — Highway Maintenance Fund. — The apportionment for national aid for maintenance of local roads shall be determined as follows:

"(a) Provinces shall receive fifty per centum (50%) of the current basic cost of maintenance per equivalent maintenance kilometer of national road, referred to in subsection (1) of the preceding section, for each kilometer of the actual physical length of provincial road whose existence is recommended by the provincial governor and accepted by the Commissioner of Public Highways,

"(b) National aid for city roads shall be thirty-three and one-third per centum (33-1/3%) of the current basic maintenance cost per equivalent maintenance kilometer of national road, for each kilometer of city road and street established by the city council and approved by the Commissioner.

"(c) National aid for municipalities shall be thirty per centum (30%) of the current basic maintenance cost per equivalent maintenance kilometer of national road, for each kilometer of municipal road whose existence is established by the municipal council and approved by the Commissioner of Public Highways or his designated representative.

"(d) In order to qualify for national aid for said maintenance, provinces, cities and municipalities shall be required to submit an annual maintenance program, two months prior to the start of each new financial year, for the entire network of roads under their jurisdiction for approval by the Commissioner of Public Highways. Provinces, cities and municipalities shall also be required, on quarterly basis, to provide certification by the provincial, city or municipal treasurer, respectively, that counterpart road and bridge funds have been appropriated by the municipality, city or province. Certifications made by municipal treasurers shall be attested to by their respective provincial treasurers. The counterpart road and bridge funds to be appropriated by provinces shall be equal to one-half (1/2) of the amount of national aid; the counterpart road and bridge funds to be appropriated by cities shall be twice the amount received as national aid, and the counterpart road and bridge funds to be appropriated by municipalities shall be two-thirds (2/3) of the amount received as national aid.

"(e) Notwithstanding these provisions to the contrary, provinces, cities and municipalities whose road and bridge funds are insufficient as certified by the provincial, city or municipal treasurer concerned, to provide the road maintenance counterpart, if all the legally required local road and bridge funds of the municipality, city or province were applied to road maintenance to the extent required to complete their approved maintenance program may, upon certification of the Secretary of Finance, be granted assistance from national funds by the President, subject to an absolute limit on financial assistance and national aid of three-halves, or one-and-one-half (1 ½), the national aid share for provinces three times the national aid share for cities, and five-thirds (5/3) the national aid share for municipalities, as de scribed above in subparagraphs (a) and (b).

"(g) If the sum total of national aid and counterpart funds provided to any local government under the provisions of this Section exceeds the approved maintenance program, the program may be expanded to include rehabilitate betterment and improvement works on roads within the jurisdiction of said local government, as approved by the Commissioner of Public High his designated representative."

SEC. 4. This Decree shall take effect upon its approval.

Done in the City of Manila, this 23rd day of October, in the year of Our Lord, nineteen hundred and seventy-three.

(Sgd.) FERDINAND E. MARCOS

President

Republic of the Philippines

By the President:

(Sgd.) ROBERTO V. REYES

Assistant Executive Secretary

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