

FURTHER AMENDING CERTAIN PROVISIONS OF THE REVISED PHILIPPINE HIGHWAY ACT, AS AMENDED BY PRESIDENTIAL DECREES NUMBERED SEVENTEEN, ONE HUNDRED THIRTY, AND THREE HUNDRED TWENTY.

PRESIDENTIAL DECREE NO. 701, May 16, 1975

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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, 130 and 320, for the purpose of providing among others, road maintenance funds for national, provincial, city and municipal roads;

WHEREAS, there is a need to adequately maintain Feeder or Farm-to-Market Roads, in order to facilitate the movement of goods and people, particularly agricultural products which are the life-blood of our economy;

WHEREAS, the Barangays are not financially capable of providing the required counterpart fund for the Maintenance of existing and unabandoned Feeder or Farm-to-Market Roads;

WHEREAS, road and bridge projects within barangay areas are generally provided with limited appropriations, and therefore necessitates assistance from the National Government, by subsidizing equipment rentals on barangay road and bridge projects where use of equipment is very necessary for the construction, improvement, and maintenance thereof;

WHEREAS, it is deemed appropriate and advantageous to the local community being the direct beneficiary of these projects if barangays be given the responsibility of maintaining all feeder or farm-to-market roads within their respective areas;

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, by virtue of the powers vested in me by the Constitution, in order to accelerate further the National economic development through effective highway administration by providing adequate maintenance of Feeder or Farm-to-Market Roads, do hereby decree and order;

SECTION 1. Sub-paragraph (d), Section 6, Article III of R. A. 917, as amended, is further amended to read as follows:

"SECTION 6. Deductions for administrative expenses, preliminary engineering, contingent emergency expenditures, and discretionary fund.

* * * * *

- Discretionary Fund.—Ten per centum of the Highway Special Fund shall be allotted to the Discretionary Fund under the control of the Secretary of Public Highways to be used; first, to augment any deficiency in the allotment for administrative expenses; for payment of gratuity benefits and the money value of accrued leaves; for payment of compensation benefits to employees who become sick and/or injured in the course of employment; second, to increase other allotments provided for in this Act third, to subsidize 50% of the expected equipment rental required to undertake the construction, improvement, and maintenance of selected

feeder road and bridge projects within barangay areas where equipment use is very necessary as determined by the highway District/City Engineer concerned.

All unexpended portion of this fund shall be carried over to the next fiscal year for the same purpose."

SEC. 2. Section 8, Article IV of Republic Act 917, as amended, is hereby further amended to add one sub-paragraph to allocate maintenance funds for Feeder or Farm-to-Market Roads, to read as follows:

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

* * * * *

- National aid for Feeder or Farm-to-Market Roads shall be P2,500.00 per physical Kilometer, whose existence is determined by the Barangay Council, recommended by the Highway District/City Engineer and approved by the Secretary of Public Highways or his designated representative."

SEC. 3. Section 10, Article IV of Republic Act 917, as amended, is hereby further amended by inserting the following:

"In the case of National Aid for Feeder or Farm-to-Market Roads as provided in Sub-paragraph (h) Section eight of this Act, it shall be released without requiring the counterpart funds, by the Secretary of Public Highways, thru the Highway District/City Engineer, to the Barangay officials concerned who has been duly authorized to handle public funds. In the absence of the duly authorized barangay official, it shall be released to the Municipal Treasurer concerned."

SEC. 4. All laws, rules and regulations inconsistent with the provisions of this decree are hereby amended, revoked, or modified accordingly.

SEC. 5. This decree shall take effect upon its approval.

Done in the City of Manila, this 16th day of May, in the year of Our Lord, nineteen hundred and seventy-five.

(Sgd.)

FERDINAND E. MARCOS

President

Republic of the Philippines

By the President:

(Sgd.)

ALEJANDRO MELCHOR

Executive Secretary

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