

H. No. 1805

[REPUBLIC ACT NO. 916]

AN ACT GRANTING FAUSTINO NUYDA A FRANCHISE FOR AN ELECTRIC LIGHT, HEAT AND POWER SYSTEM IN THE MUNICIPALITY OF CAMALIG, PROVINCE OF ALBAY.

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

SECTION 1. Subject to the terms and conditions established in Act Numbered Thirty-six hundred and thirty-six, as amended by Commonwealth Act Numbered One hundred and thirty-two, and to the provisions of the Constitution, there is granted to Faustino Nuyda for a period of fifty years from the approval of this Act, the right, privilege, and authority to construct, maintain, and operate an electric light, heat and power system for the purpose of generating and distributing electric light, heat and/or power for sale within the municipality of Camalig, Province of Albay.

SEC. 2. It is expressly provided that in the event the Government should desire to maintain and operate for itself the system and enterprise herein authorized, the grantee shall surrender his franchise and will turn over to the Government all serviceable equipment therein, at cost, less reasonable depreciation.

SEC. 3. This Act shall take effect upon its approval.

Approved, June 20, 1953.

H. No. 3199

[REPUBLIC ACT NO. 917]

AN ACT TO PROVIDE FOR AN EFFECTIVE HIGHWAY ADMINISTRATION, MODIFY APPORTIONMENT OF HIGHWAY FUNDS AND GIVE AID TO THE PROVINCES, CHARTERED CITIES AND MUNICIPALITIES IN THE CONSTRUCTION OF ROADS AND STREETS, AND FOR OTHER PURPOSES.

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

ARTICLE I.—*Title and Scope of Act*

SECTION 1. *Short title.*—This Act may be cited as the “Philippine Highway Act of nineteen hundred fifty-three.”

SEC. 2. *Scope of Act.*—The provisions of this Act shall control the disposition of all funds accruing to the Highway Special Fund; the disposition of general funds when so provided by law; the manner of apportionment and conditions under which such apportionment shall be released; the selection and designation of highways or highway projects to receive national aid; the administration, maintenance, improvement, reconstruction and construction expenditures on highway projects; the classification of highways; and the widths, acquisition and use of rights-of-way.

ARTICLE II.—*Definitions*

SEC. 3. *Words and phrases defined.*—When used in this Act and in subsequent Acts having reference thereto, unless the context indicates otherwise:

(a) The term “highway” includes rights-of-way, bridges, ferries, drainage structures, signs, guard rails, and protective structures in connection with highways.

(b) The term “Division of Highways” means the division of the Bureau of Public Works that has charge of the administration of highways, and includes any regional provincial or city department, regional engineering division, section, engineering district, or office suitably equipped and organized or official having adequate powers to discharge the duties herein required.

(c) The term “maintenance” means the constant making of needed repairs to preserve a smooth-surfaced highway, and operation of existing ferries, but shall not be held to include extraordinary repairs nor reconstruction.

(d) The term “construction” means the supervising, inspecting, actual building, and all expenses, including the costs of right-of-way, incidental to construction of a highway, except locating, surveying and mapping.

(e) The term "reconstruction" means a widening or a rebuilding of a highway or any portion thereof to make it a continuous road of sufficient width and strength to care adequately for traffic needs.

(f) The term "improvement" means any repair of a highway or any portion thereof that results in its betterment by virtue of the use of materials of a quality superior to those repaired or the employment of more skillful workmanship involving expenditure of money in excess of the normal cost of ordinary reconditioning or replacement.

(g) The term "local funds" include funds raised under the authority of a province, chartered city, or municipality; allotments of internal revenue accruing by law to their general funds and the "road and bridge" funds; and other revenues accruing to their general funds and made available by resolution of the Board or Council concerned for expenditure under the control of the Division of Highways, but does not include apportionments or allotments from the Highway Special Fund.

(h) The term "primary roads" means roads which form parts of the main trunk-line system continuous in extent; roads which are now declared national roads except those not forming parts of the continuous system, such as roads leading to national airports, seaports and parks, etc., or coast-to-coast roads not forming continuous part of the trunk-line system.

(i) The term "secondary roads" shall include all access roads, national, provincial and city roads and streets forming the secondary trunk-line system not classified as "primary roads," but shall exclude "feeder roads."

(j) The term "vehicle-kilometer" means the unit measure of road use expressed by the product of the actual number of motor vehicles passing thru a given section of a road in a specified unit time multiplied by the length of the section in kilometers. "Vehicle-kilometerage" is the sum total of the vehicle-kilometers computed for a given highway system, and for the purpose of this Act shall be the sum of all the products of the inferred annual average

twenty-four hours traffic count multiplied by the respective lengths in kilometers of the control sections where the traffic counts had been actually and periodically observed.

(k) The term "right-of-way" means the land secured and reserved to the public for highway purposes.

ARTICLE III.—*Disposition of Highway Revenue*

SEC. 4. *Amendment to Commonwealth Act Numbered Four hundred and sixty-six.*—Section three hundred and sixty-one of Commonwealth Act Numbered Four hundred and sixty-six, as amended by section one of Republic Act Numbered Three hundred and fourteen, is amended to read:

"SEC. 361. *Disposition of proceeds of taxes on motor fuel.*—The proceeds of the tax on motor fuel prescribed in subsections (b), (c), and (d) of section one hundred and forty-two of this Code shall be deposited in a special trust account in the National Treasury to constitute the Highway Special Fund, which shall be apportioned and expended in accordance with the provisions of the Philippine Highway Act of nineteen hundred and fifty-three.

SEC. 5. *Amendment to Act Numbered Three thousand nine hundred and ninety-two.*—Section seventy-three of Act Numbered Three thousand nine hundred and ninety-two, as amended by section two of Republic Act Numbered Three hundred and fourteen, is amended to read:

"SEC. 73. *Disposal of moneys collected.*—Moneys collected under the provisions of this Act shall be deposited in a special trust account in the National Treasury to constitute the Highway Special Fund, which shall be apportioned and expended in accordance with the provisions of the Philippine Highway Act of nineteen hundred and fifty-three.

SEC. 6. *Deductions for administrative expenses, highway equipment, and contingent emergency expenditures.*—
(a) *Administrative expenses.*—So much as may be required but not to exceed three per centum of all moneys accruing to the Highway Special Fund, or such sum as may hereafter be appropriated for expenditure under the provisions of this Act, shall be deducted from the Highway Special

Fund and made available until expended, for administering the provisions of this Act as the Secretary of Public Works and Communications may deem necessary, including expenditures for sundry expenses, salaries and wages of the necessary personnel of the Division of Highways, in-service training programs, and for carrying on the necessary highway research, fiscal and cost accounting, statistical and investigational studies independently or in cooperation with other fiscal and research agencies, and for publishing results thereof.

(b) *Highway equipment, machineries, etc.*—So much as may be needed but not to exceed two and a half million pesos upon the passage of this Act, and so much as may be required for each fiscal year thereafter, but not to exceed one per cent of the Highway Special Fund, shall be set aside from the said Fund and made available and expended for the purchase of highway equipment, machinery, laboratory and testing material, equipment, motor vehicles ferries, and all needed and necessary accessories and spare parts, and for the establishment and/or maintenance of the necessary repair shops, motor pools, storage depots, laboratory, material testing and other highway construction aids and facilities by the Division of Highways when ever deemed necessary by the Director of Public Works and approved by the Secretary of Public Works and Communications.

(c) *Contingent emergency expenditures.*—Six per centum of the Highway Special Fund, shall be set aside and made available and expended in the discretion of the Secretary of Public Works and Communications for the relief of provinces, chartered cities and municipalities which have suffered unusually serious loss or damage or destruction beyond their reasonable capacity to bear: *Provided*, That the sums so authorized shall be expended for restoration, including relocation of roads and bridges damaged or destroyed, in such manner as to give the largest measure of permanent relief, under the rules and regulations to be prescribed by the Secretary of Public Works and Communications.

(d) *Unexpended contingent fund.*—In the event, however, that the sums corresponding to the contingent emergency fund provided in the preceding paragraph, or part thereof, remain unexpended after the fiscal year during which it has been set aside, the same shall be made available for investigation, survey, and improvement of roads in the National System at the discretion of the Secretary of Public Works and Communications upon the recommendation of the Director of Public Works.

After making the deduction authorized by this section, the said Secretary shall apportion the remainder of the Highway Special Fund among the different provinces, chartered cities and municipalities in the manner provided for in the next article.

ARTICLE IV.—*Apportionment*

SEC. 7. *Maintenance fund to be released separately and regularly.*—Fifty *per centum* of all apportionable sums in the Highway Special Fund shall be released separately and as frequently as at least five million pesos are collected and/or accumulated in this Fund, but not less oftener than every quarter irrespective of what amount has been accumulated, for the maintenance of all existing and un-abandoned roads, streets and bridges to be distributed among the several provinces, chartered cities and municipalities as provided in section nine of this Act. It shall be unlawful for any fiscal officer to withhold, or cause the withholding of any moneys apportionable under this section beyond the quarterly period, except for causes determined under paragraph (b) of section nine of this Act.

SEC. 8. *Fund for improvement, reconstruction and construction.*—The other fifty *per centum* of said apportionable balances in the Highway Special Fund shall be apportioned among the different provinces, chartered cities, and municipalities for improvement, paving, reconstruction and wherever practicable for construction of roads, streets, and bridges in the manner and under the conditions set forth in section ten of this Act to be released by the Secretary of Public Works and Communications, upon the

recommendation of the Director of Public Works: *Provided*, That seventy-five *per centum* of the sums shall be released during any year until the total number of lineal meters of existing temporary timber bridges and other non-permanent stream-crossing aids shall have been reduced to below twenty-five per cent of the total number of lineal meters of bridges and other stream-crossing aids inventoried in the Philippines.

SEC. 9. *Apportionment of maintenance funds.*—(a) *Regular share.*—The sums set aside for maintenance of all existing and unabandoned roads, streets and bridges shall be distributed among the several provinces, chartered cities and municipalities as follows:

Fifteen *per centum* to the municipalities to be apportioned in proportion to population as provided in section twelve hereof.

Thirty *per centum* equally among the provinces and chartered cities.

Forty *per centum* to the provinces and chartered cities in the ratio which the combined lengths of all existing unabandoned roads and streets in each province or city bear to the combined existing unabandoned roads and streets in the Philippines as inventoried by the Division of Highways and approved by the Secretary of Public Works and Communications during the next previous year: *Provided*, That for the purposes of this section only one-fourth of the lengths of concrete roads and one-half of those of high-type bituminous asphalt roads shall be counted in proportioning the shares of the different provinces, and chartered cities.

Fifteen *per centum* to the provinces and cities in proportion to the number of motor vehicles registered in the province or city.

Except when otherwise provided in this Act, the Sub-provinces of Benguet and Siquijor of the Mountain Province and the Province of Oriental Negros, respectively, and all chartered cities shall each be considered as a province for the purposes of this section.

(b) *National aid for maintenance of provincial and city roads, streets and bridges.*—The national aid to be extended to any province or city for the maintenance of provincial or city roads, streets and bridges shall be deducted from the total regular share apportioned to each province or city under this section. This sum shall be a percentage of the share of the province or city equal to at least one-half of but not more than the ratio which the combined length of provincial or city roads bears to the total combined lengths of national, provincial and city roads in the province or city as counted in the same manner as provided in paragraph (a) hereof. The remainder shall be made available for expenditure for maintenance of national roads in said province or city.

Within sixty days after the passage of this Act and periodically as may be required by regulations to be promulgated by the Secretary of Public Works and Communications, the provincial board or city council concerned shall designate the existing and unabandoned provincial or city roads actually serving motor vehicular traffic upon which this aid shall be expended and shall cause their respective district or city engineers to prepare a maintenance program and estimates thereon. Upon approval of the program and estimates by the Director of Public Works, the provincial board or city council concerned shall provide in their annual road and bridge budget an appropriation equal to one-half the total estimated maintenance requirement, to be taken from local fund or road and bridge fund. This appropriation shall be certified to by the provincial or city treasurer concerned and made available for expenditures by the Division of Highways. Upon receipt by the Director of Public Works of this certificate of availability of local funds, he shall recommend to the Secretary of Public Works and Communications the periodic release of the national aid provided in this section which shall be applied to and cover the other half of the aforesaid total estimated maintenance requirement.

No aid for maintenance of provincial or city roads shall be released by the Secretary of Public Works and Commu-

nications in excess of the amount equal to that appropriated by the provincial board or city council and in no case shall this amount be more than half of the total estimated maintenance requirement, but when the province or city is financially unable to put up the required counterpart of the estimated cost of maintenance as provided for in this Act, the entire share of the province or city, or the balance thereof, shall be released on condition that the Secretary of Finance shall certify as to the inability of such province or city at the end of the fiscal year.

SEC. 10. *Apportionment for improvement, reconstruction and construction.*—(a) *Regular share.*—The sum set aside in section eight of this Act for improvement, reconstruction, paving, and, wherever practicable, for construction of roads, streets and bridges shall be distributed as follows:

Sixty *per centum* to provinces and chartered cities in proportion to the potential area (uncultivated and undeveloped) available for agricultural and industrial purposes including commercial timber lands as shown by the latest census or data available in the Department of Agriculture and Natural Resources, and populated but isolated areas that are served only by existing trails, bulcart-roads and other unclassified roads, to be distributed to provinces and cities.

Twenty *per centum* to provinces and chartered cities in the ratio which the vehicle-kilometerage of the province or city bears to the total vehicle-kilometerage recorded in the entire Philippine Highways System as computed from traffic-flow charts or maps of the different provinces and cities based on the annual average daily traffic count observed on all classes of national and on first and second-class provincial and city roads according to the latest available data: *Provided*, That for the purposes of this paragraph, two-thirds of the vehicle-kilometerage of roads or road sections already paved with concrete and other high-type pavements shall be excluded in computing the number of vehicle-kilometers used as basis of proportioning under this paragraph.

Fifteen *per centum* to provinces and chartered cities in proportion to the amount of property assessments.

Five *per centum* to be distributed equally among all municipalities in the Philippines.

(b) *Discretionary funds.*—After allocating the regular share as provided in this section, the remainder of the sum set aside in section eight of this Act shall be used by the Secretary of Public Works and Communications to increase the regular share of any province or city maintaining temporary timber bridges and other non-permanent stream-crossing facilities exceeding in aggregate length one-half of one *per centum* of the total lineal meters of such temporary structures still existing in the Philippine Highway System as shown by the latest available inventory of high-way facilities: *Provided*, That the total of such discretionary-additional share of any province or city shall not exceed thirty *per centum* of its regular share. The remainder shall be used at the discretion of the Secretary of Public Works and Communications as further aid to any province or city for the construction, reconstruction and improvement of any road integrated into the national system and of any provincial or city road integrated into the "national aid" system.

(c) The Secretary of Public Works and Communications may use the unexpended contingent fund and the balance of the improvement fund to aid municipalities for the improvement or construction of municipal roads provided that such municipalities shall defray one-third of the cost of improvement or construction.

(d) *National aid for improvement, reconstruction, paving and construction of provincial and city roads.*—The national aid to be extended to any province or city for the improvement, reconstruction, paving and, wherever practicable, construction of provincial or city roads, streets and bridges shall be taken from the combined regular and discretionary-additional shares apportioned to each province or city under this section. The Secretary of Public Works and Communications shall determine the amount of such aid to provincial and city roads but shall not

transfer any portion of the share of the province or city under this section to any project outside such province or city.

Within sixty days after the passage of this Act, and within thirty days after the close of each fiscal year thereafter, the provincial board or city council concerned shall select, designate and submit thru the Director of Public Works for approval by the Secretary of Public Works and Communications a system of provincial or city "national aid" highways not to exceed ten *per centum* of the total highway kilometerage of such province or city as shown by the records of the Division of Highways at the time of the passage of this Act.

The Director of Public Works shall likewise within sixty days after the passage of this Act recommend to the Secretary of Public Works and Communications the primary and secondary national roads that shall form the nucleus of an expanding primary and secondary national and "national aid" systems of roads as planned in a physical program to be prepared by the Division of Highways.

Upon this system of primary and secondary national and "national aid" provincial and city highways all the regular and discretionary-additional shares apportioned to each province or city under this section shall be expended, until otherwise modified as a result of any action taken pursuant to Article VIII of this Act.

In approving provincial or city projects to receive "national aid" under the provisions of this section, the Secretary of Public Works and Communications shall give preference to such projects as will expedite the completion of an adequate and connected system of highways inter-town in character and correlated to the primary system to be financed wholly by the National Government. He shall have the authority to approve in whole or in part the system as designated by the province or city, or to require modifications or revisions thereto: *Provided*, That the province or city concerned shall submit to him for his approval any proposed revisions of the designated highways above provided for: *Provided, further*, That the sub-

sequent modifications or revisions are not made oftener than once every three years and do not affect more than twenty *per centum* of the total kilometerage already designated at a time. No "national aid" shall be authorized by the Secretary of Public Works and Communications under this section unless the provincial board or city council concerned has adequately provided for the maintenance of existing and unabandoned roads, streets and bridges as required under section nine paragraph (b) of this Act.

The Secretary of Public Works and Communications may approve projects submitted by the province or city prior to this selection, designation and approval of the system of "national aid" highways herein provided for if he may reasonably anticipate that such projects will become a part of such system.

Whenever provisions have been made by any province or city for the adequate maintenance of a system of "national aid" highways and there still remains a substantial sum for improvement, reconstruction, paving and construction of roads in their local funds, the provincial board or city council concerned may apply to the Secretary of Public Works and Communications for additional "national aid" for such roads, streets or bridges as said board or city council may select. If the Secretary of Public Works and Communications finds the projects feasible and there is a balance in the share of the province or city under this section still available for such projects equivalent to eighty *per centum* of the estimated cost of such projects, he may in his discretion authorize the release thereof on the condition that the province or city concerned put up the other twenty *per centum* of the cost of such projects from local funds. The Secretary of Public Works and Communications may promulgate the necessary rules and regulations to govern the release and expenditure of such additional aid.

Nothing in this section or the preceding section shall be construed as prohibiting any provincial or city government from maintaining or constructing any road projects,

outside of the "national aid" system herein created, if the province or city concerned can independently assume the burden of financing the construction and maintenance of the same.

(e) *Aid for roads and for bridges to be constructed under the provisions of Act Numbered Three thousand five hundred, as amended.*—The Secretary of Public Works and Communications may authorize the use of the sum available for improvement, reconstruction and construction for the payment of sinking fund and interest on loan that the province or city may be able to secure for the construction of any bridge, or improvement, reconstruction or construction of any road section in the "national aid" system, from any banking institution, or from the revolving fund for toll bridges created under Act Numbered Three thousand five hundred, as amended in the next section of this Act.

SEC. 11. *Amendment to Act Numbered Three thousand five hundred.*—All provisions of Act Numbered Three thousand five hundred, as amended by Commonwealth Act Numbered Two hundred and forty-one, to the contrary notwithstanding, the funds appropriated therein shall be made available for construction of permanent bridges, free of tolls, to replace any existing temporary wooden bridge on the national and "national aid" highway systems: *Provided, however,* That the annual amortization needed to recover the cost of construction of the bridge, plus interest at four *per centum per annum*, shall be paid partly or wholly from the share of the province or city, as the case may be, from the Highway Special Fund as provided in the next preceding section.

The Secretary of Public Works and Communications shall promulgate the necessary rules and regulations to carry out the purposes of this section: *Provided, however,* That preference shall be given to the construction of small bridges, the cost of which can be amortized within a short period: *Provided, further,* That the amortization period shall not exceed twenty years.

SEC. 12. *Municipal roads.*—Subject to such rules and regulations as the Secretary of Public Works and Commu-

nications may prescribe, the municipal council shall designate the municipal roads on which the share of the municipalities from the Highway Special Fund apportioned under section nine, paragraph (a), of this Act shall be expended. The municipal council concerned shall formulate a program of work, inventory of municipal roads on which the money is to be expended, and such work progress reports to show that the money is being well spent and used for no other purpose than the maintenance of existing and unabandoned roads, or, in the case of island and interior municipalities where there are no existing roads, on existing trails the location of which has been previously approved by him. The Secretary shall have the authority to withhold any aid for municipal roads if he finds the same being misused or wasted.

SEC. 13. *Publication.*—Within one year after this Act takes effect, the Secretary of Public Works and Communications shall prepare, publish and distribute a map showing the highways that have been selected and approved as a part of the primary and "national aid" systems, and every year thereafter, he shall prepare, publish and distribute such an up-to-date map.

ARTICLE V.—*Improvement, Reconstruction, Paving and Construction of "National Aid" Highways*

SEC. 14. *Supervision and control of "national aid" highway projects.*—The improvement, reconstruction, paving and construction of "national aid" highways or parts of highways in the "national aid" systems under the provisions of this Act, and all contracts, plans, specifications and estimates relating thereto, shall be undertaken by the Division of Highways of the Bureau of Public Works subject to the approval of the Secretary of Public Works and Communications: *Provided*, That where the cost of any single project exceeds ten thousand pesos the work shall, after due public bidding, be awarded by contract.

SEC. 15. *Types of surface, widths of roadway and rights-of-way.*—Only such durable types of surface and

kinds of materials shall be adopted for the construction and reconstruction of any highways which is a part of the primary national or "national aid" systems as will adequately meet the existing and probable future traffic needs and conditions thereon. The Secretary of Public Works and Communications shall approve the types and widths of construction and reconstruction, and the character of improvement, repair and maintenance in each case, consideration being given to the type and character which shall be best suited for each locality and to the probable character and extent of the future traffic. All highways constructed or reconstructed under the provisions of this Act shall be free from tolls of all kinds.

All highways in the "national aid" system to be improved, paved, reconstructed or constructed after the passage of this Act shall have a right-of-way of ample width and wearing surface of an adequate width which shall not be less than the minimum standards now established by the Division of Highways of the Bureau of Public Works, unless, in the opinion of the Secretary of Public Works and Communications, such is impracticable by reason of physical conditions, excessive costs, probable traffic requirements or legal obstacles.

SEC. 16. *Engineering.*—The cost of engineering which shall include surveys, preparation of plans, specifications and estimates, inspection and unforeseen contingencies shall not exceed ten *per centum* of the total estimated cost of construction.

ARTICLE VI.—*Organization and Personnel Policies*

SEC. 17. *Organization.*—The functions of the different positions created under Executive Order Numbered Three hundred and ninety-two, compensations for which are chargeable against the Highway Special Fund, shall conform to Administrative Order Numbered One, series of nineteen hundred and fifty-one, of the Bureau of Public Works issued pursuant to the aforesaid Executive Order.

SEC. 18. *Appointment and transfer of personnel.*—The Secretary of Public Works and Communications shall appoint upon recommendation of the Director of Public Works,

the personnel who shall occupy all the several positions created pursuant to the aforesaid Executive Order and which may hereafter be created or transferred from other divisions under the Department of Public Works and Communications, and made functional part of the Division of Highways when compensation therefor are payable from the Highway Special Fund. In filling such positions, the Secretary of Public Works and Communications, upon the recommendation of the Director of Public Works, shall give preference to personnel who already occupy permanent positions in the Department of Public Works and Communications and the selection shall be based on training, experience and length of service. Such authority to appoint personnel whose salary is payable under this Act, by the Secretary of Public Works and Communications shall also extend to the appointment of the District Engineers, assistant district highway or civil engineers not to exceed two in each district office and the chief clerk or highway clerk whose salaries shall hereafter be made payable from Highway Special Fund: *Provided*, That all other subordinate positions established in the Division of Highways below Grade Seven, as described in section three of Commonwealth Act Numbered Four hundred and two, as amended, shall be appointed in accordance with existing law. Such additional personnel, payable under this Act, as are required from time to time to fill positions in the specialized services established to carry out the provisions of this Act shall be appointed by the Secretary of Public Works and Communications, upon the recommendation of the Director of Public Works, from lists of eligibles furnished by the Bureau of Civil Service in accordance with law: *Provided*, That personnel of the Division of Highways of whatever grade, enjoying permanent status as of the effective date of this Act, shall be continued in their present or equivalent position or positions, and shall suffer no impairment of civil service privileges or rights provided under the law, nor shall there be any diminution of salary by reason of transfer to other position or positions as a result of any action taken pursuant to the provisions of this Act, or the aforesaid Executive Order. The assign-

ment and/or transfer of professional or technical personnel may be made for the best interests of the service by the Director of Public Works, with the approval of the Secretary of Public Works and Communications.

SEC. 19. *Personnel policies.*—The Secretary of Public Works and Communications, upon the recommendation of the Director of Public Works, is hereby directed to formulate policies of personnel management calculated to encourage and develop the loyal and efficient performance of duty on the part of all employees of the Division of Highways. Such policies shall include provisions for within-service promotions, periodic and systematic pay increases, rotation of personnel to broaden technical and professional experience, the establishment of in-service training programs, and such other means as the Director of Public Works deems advisable: *Provided*, That in rotating personnel, no field, district or regional employee above the rank of foreman shall, except for cause, be rotated oftener than once every two years nor allowed in any assignment longer than six years.

ARTICLE VII.—*Budget and Accounts*

SEC. 20. *Operation funds.*—A budget covering the operation of the Division of Highways shall be prepared annually as prescribed in section seven, general provisions, paragraph four of Commonwealth Act Numbered Two hundred and forty-six, as amended. Such budget shall be prepared at the beginning of each fiscal year for the next succeeding fiscal year by the Director of Public Works. Upon approval by the Secretary of Public Works and Communications, said budget shall be submitted to the President for his approval as required by law.

SEC. 21. *Maintenance funds.*—The provisions of Commonwealth Act Numbered Two hundred and forty-six, as amended, to the contrary notwithstanding, sums apportioned for maintenance under this Act shall be released automatically and made immediately available for expenditure as provided in sections six (c), seven and nine of this Act without the necessity of submitting a budget therefor as a condition precedent to their release. A budgetary

statement as to the amounts released to the different provinces, cities and municipalities shall, however, be submitted to the President if he shall require the same.

SEC. 22. *Other expenditures.*—A budget for all other sums to be expended under this Act shall be prepared by the Director of Public Works pursuant to Commonwealth Act Numbered Two hundred and forty-six. Budget programs for construction, reconstruction, paving or improvement, shall set up anticipated highway funds apportionable under section six (b) and section ten of this Act, against contractual and other obligations to be met out of the anticipated collections covering into the Highway Special Fund for a period in advance not longer than twenty-four months. Such program shall include, in the case of projects to be prosecuted on force-accounts, statements of traveling and other expenses, including a list of employees entitled thereto; proposed expenditures for materials, rental charges for/or purchase of highway equipment, machineries, accessories and spare parts, labor, the cost of acquisition of right-of-way, and the cost of engineering as defined in section sixteen of this Act. Upon approval of the Secretary of Public Works and Communications, said budget shall be submitted to the President for his final approval as required by law.

SEC. 23. *Accounts.*—The provisions of Republic Act Numbered Four hundred and thirty-three to the contrary notwithstanding, the Secretary of Public Works and Communications is authorized to establish an accounting section in the Division of Highways of the Bureau of Public Works which shall devise and install a proper method of keeping accounts suitable to a modern highway administration. Such section shall cooperate with the Budget Commission and General Auditing Office in fiscal accounting, but shall work independently of these offices in so far as cost accounting, statistical compilation and analyses thereof for purposes of engineering are concerned. The personnel for this section shall be paid under section six of this Act, and the necessary positions therefor shall be provided in the plantilla of the Division of Highways to be

included in the Annual Budget for the operation of said Division.

SEC. 24. *Equipment account.*—There shall be established a highway equipment account which shall comprise allotments thereto from the Highway Special Fund, proceeds from the sales of obsolete or wornout highway equipment, machinery and motor vehicles used by the Division of Highways, rentals for use of such highway equipment and machinery and all other moneys used or to be used in the purchase of such highway equipment, machinery or motor vehicles. . This account shall be used for the purchase of all highway equipment, machinery, motor vehicles, all needed and necessary tools and spare parts, and for the establishment, in the discretion of the Director of Public Works, with the approval of the Secretary of Public Works and Communications, of necessary repair shops, facilities and storage depots. This account shall also be used for the purchase of equipment required by the materials testing laboratory, and for the purchase of other items and equipment materials not heretofore specified, as may be needed for the proper carrying out of the provisions of this Act. The Director of Public Works shall require the establishment of a system for the proper control and maintenance of all highway equipment, machinery, motor vehicles, and all other equipment and property used or owned by the Division of Highways, and for the prorating equitably of the costs of depreciation of such highway equipment, machinery, motor vehicles and all other items of equipment, among the several highway construction and maintenance operations and other assigned uses. The costs of repair, maintenance and operation, as nearly as may be, shall be charged to projects or otherwise prorated where project use is not involved. The accumulated depreciation charges shall be credited to the highway equipment account and used as provided therefor. Under such regulations as the Director of Public Works may prescribe, the chief highway engineer shall exercise complete control over the assignment, use and transfer of all highway equipment, machinery, motor ve-

hicles, and all other equipment and properly owned by or placed under the control of the Division of Highways. Notwithstanding other provisions of law, executive order, or regulation to the contrary, such war surplus equipment as may have been transferred to the Division of Highways by the Surplus Property Commission on memorandum receipt or otherwise tendered is hereby declared to be the property of the Division of Highways and as such shall be subject to such use, control and assignment as hereinbefore specified and provided.

SEC. 25. In the purchase of materials for the maintenance, reconstruction, paving and improvement of national, provincial, city or municipal roads and bridges under this Act, preference shall be given as far as practicable to locally produced materials, provided that the quality and price thereof shall not differ considerably from the quality and price of imported materials, and the supply of local materials is adequate.

ARTICLE VIII.—*Establishment of an Integrated System of Highways*

SEC. 26. *Revision of classification of roads established by Executive Order Numbered Four hundred and eighty-three, series of nineteen hundred and fifty-one.*—Within one year after the passage of this Act, the Secretary of Public Works and Communications shall cause the review of existing data and surveys and, upon completion of this review, the preparation by the Division of Highways of the Bureau of Public Works of such development maps or master plans as would embody in each regional group of provinces or each province, recommendations for a limited system of national primary highways designed to provide a basis for improved inter-regional transportation: *Provided*, That in the selection and planning of the entire highway system the Secretary of Public Works and Communications shall invariably take into consideration the military highway needs of the Philippines. These plans and recommendations shall also include secondary systems of national and of "national aid" provincial and city or municipal roads

to assure continuity and articulation in the entire integrated system. Upon completion of these plans, he shall prepare and submit to the National Transportation Board a revision of the classification of roads which shall be established by Executive Order of the President.

All the sums allocated under sections six (d), nine and ten of this Act shall thereafter be expended upon the system of highways established under this article.

ARTICLE IX.—*Rules and Regulations, Report to President*

SEC. 27. *Rules and regulations to be prescribed by the Secretary of Public Works and Communications.*—The Secretary of Public Works and Communications shall prescribe and promulgate the necessary rules and regulations to carry out the provisions of this Act. He shall make such recommendations to the President and to the provincial board or city council concerned, as he may deem necessary to preserve and protect the highways and insure traffic safety.

SEC. 28. *Report.*—On or before the end of August of each year, the Secretary of Public Works and Communications shall make a report to the President, which shall include the detailed statements of the work done, status of each project undertaken, the allocation of funds and appropriations, an itemized statement of expenditures and receipts during the preceding fiscal year under this Act, an itemized statement of the traveling and other expenses, including a list of employees, their duties, salaries and traveling expenses, if any, and his recommendations, if any, for new legislation amending or supplementing this Act. The Secretary of Public Works and Communications shall also make such special reports as Congress may request.

ARTICLE X.—*Special Provisions and Penalties*

SEC. 29. *Special provisions.*—Upon approval of this Act, no money, whether from current or from accumulated previous releases, from the Highway Special Fund shall be spent during a period of forty-five days immediately preceding any election except for:

(a) Expenditures for purely maintenance work in existing roads, bridges, ferries and other stream-crossing facilities, the total disbursements of which shall not exceed the monthly average expenditure for such purposes in the province or city during the previous year: *Provided*, That the total monthly disbursement for all such provinces and cities shall not exceed three million pesos;

(b) Payment of the costs of actual construction or improvement already awarded by contract; and,

(c) Payment for the usual cost of the preparation of working drawings, specifications, bill of materials, estimates, and other procedures preliminary to actual construction, including the purchase of materials and equipment.

SEC. 30. *Penalties*.—It shall be unlawful for any person to usurp any portion of a right-of-way, to convert any part of any public highway, bridge, wharf or trail to his own private use or to obstruct the same in any manner, or to use any highway ditch for irrigation or other private purposes, and any person so offending shall be punished by a fine of not more than two hundred pesos or by imprisonment not exceeding three months.

Any person altering boundaries or location monuments or road right-of-ways shall be punished under article three hundred and thirteen of the Revised Penal Code.

Any person who shall remove any tool or any road-making material from any highway, or mutilate, damage, destroy, or in any manner interfere with any public bridge, culvert, drainage canal, road marker, sign, or other road or road-side development facilities shall be punished under article three hundred and twenty-eight of the Revised Penal Code.

If the obstruction or damage shall result in any road or motor-vehicle accident, the penalty provided in the second paragraph of article three hundred and thirty of the Revised Penal Code shall be imposed.

ARTICLE XI.—*Final Provisions*

SEC. 31. *Acts, Executive Orders, Administrative Orders, Ordinances, etc., repealed*.—Act Numbered One thousand

five hundred and eleven, otherwise known as The Philippine Road Law, and all Executive Orders, Administrative Orders, Ordinances, and Regulations inconsistent herewith are hereby repealed.

SEC. 32. *Act, when in effect.*—This Act shall take effect upon its approval, except sections four, five, six, seven, eight, nine, and ten hereof which shall take effect on January first, nineteen hundred and fifty-four.

Approved, June 20, 1953.

H. No. 2408

[REPUBLIC ACT NO. 918]

AN ACT TO AMEND THE REVISED ADMINISTRATIVE CODE SO AS TO INSERT THEREIN A NEW SECTION TO BE KNOWN AS SECTION NINETEEN HUNDRED AND THIRTY-EIGHT-A, STANDARDIZING THE SALARIES OF POSTMASTERS, AND FOR OTHER PURPOSES.

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

SECTION 1. The Revised Administrative Code is hereby amended by the insertion, between sections nineteen hundred and thirty-eight and nineteen hundred and thirty-nine, of a new section to be known as section nineteen hundred and thirty-eight-A which shall read as follows:

"SEC. 1938-A. *Compensation of postmasters.*—Any provision of existing law to the contrary notwithstanding, the annual compensation of postmasters shall be fixed and readjusted at the beginning of each fiscal year on the basis of the average monthly gross receipts or payments, whichever is higher, of the post offices concerned during the twelve months immediately preceding the preparation of the budget estimates of income and expenditure for said fiscal year, at the following rates:

Less than ₱2,000	₱1,560.00
₱2,000 but less than ₱5,000	1,680.00
₱5,000 but less than ₱10,000	1,800.00
₱10,000 but less than ₱20,000	1,920.00