

**[DOTC DEPARTMENT ORDER NO. 2005-10, May
12, 2005]**

**POLICY GUIDELINES ON THE EXERCISE OF AUTHORITY AND
FUNCTIONS BY THE LAND TRANSPORTATION FRANCHISING AND
REGULATORY BOARD (LTFRB)**

In the exigency of the public service and to afford the Land Transportation Franchising and Regulatory Board (LTFRB) the necessary flexibility and efficiency to introduce and effect timely plans, programs and innovations for the development and modernization of the public land transportation industry without need of securing first the approval of the Department of Transportation and Communications (DOTC) through Department Orders, this Department Order is hereby issued to clarify which powers and functions of the LTFRB under Commonwealth Act 146, as amended, Executive Order No. 202, and Administrative Code of 1987 can be implemented through its own Memorandum Circulars.

Pursuant to Section 5 of Executive Order No. 202 and Section 18, Chapter 15, Title XV of the Administrative Code of 1987, the following powers and functions can be acted upon by the LTFRB through Memorandum Circulars:

- a. Prescribe and regulate routes, economically viable capacities, and zones, or areas of operation for public land transportation services provided by motorized vehicles in accordance with the public land transportation development plans and programs approved by DOTC;
- b. Issue, amend, revise, suspend or cancel Certificates of Public Convenience or permits authorizing the operation of public land transportation services provided by motorized vehicles, and prescribe the appropriate terms and conditions therefore;
- c. Determine, prescribe, approve and periodically review and adjust reasonable fares, rates and other related charges, relative to the operation of public and transportation services provided by motorized vehicles;
- d. Conduct investigation and hearings of complaints for violation of the public service laws on land transportation and of LTFRB's rules and regulations, orders, decisions or rulings and to impose fines or penalties for such violations;
- e. Promulgate rules and regulations governing proceedings before the LTFRB and its Regional Franchising and Regulatory Offices;
- f. Fix, impose and collect, and periodically review and adjust reasonable fees and other related charges for services rendered;
- g. Formulate, promulgate, administer, implement and enforce rules and regulations on land transportation public utilities, standards of measurement or