

Land Transport Authority of Singapore (Amendment) Bill

Bill No. 15/2012.

Read the first time on 14th May 2012.

A BILL

intituled

An Act to amend the Land Transport Authority of Singapore Act
(Chapter 158A of the 1996 Revised Edition).

Be it enacted by the President with the advice and consent of the
Parliament of Singapore, as follows:

Short title and commencement

1. This Act may be cited as the Land Transport Authority of Singapore (Amendment) Act 2012 and shall come into operation on such date as the Minister may, by notification in the *Gazette*, appoint.

5 Amendment of section 2

2. Section 2 of the Land Transport Authority of Singapore Act (referred to in this Act as the principal Act) is amended by inserting, immediately after the definition of “Authority”, the following definitions:

10 “ “bus service” means a service for the carriage of passengers for a fare or other consideration by one or more buses operating on pre-determined timetables and routes;

15 “bus service licence”, “bus service operator” and “bus service operator’s licence” have the same meanings as in the Public Transport Council Act (Cap. 259B);”.

Amendment of section 6

3. Section 6 of the principal Act is amended —

20 (a) by deleting the words “taxi stands” in subsection (1)(b) and substituting the words “bus depots, bus parks, taxi stands, bicycle parking”;

(b) by deleting paragraph (g) of subsection (1) and substituting the following paragraph:

“(g) without prejudice to the Public Transport Council Act (Cap. 259B) —

25 (i) to carry out operational planning for bus services to meet the needs and expectation of the public, including coordinating the routes and scheduling of bus services provided by holders of bus service licences and bus service operator’s licences;

30 (ii) to provide financial assistance to holders of bus service licences or bus service

operator’s licences with the object of improving and expanding the range and reliability of the bus services so provided by all or any of them;

- (iii) to procure for or make available to any holder of a bus service licence or a bus service operator’s licence such buses as are necessary for improving and expanding the range and reliability of the bus services so provided by all or any of them; and
- (iv) to regulate the carriage of passengers on any road for hire or reward in accordance with the Road Traffic Act;”;

(c) by inserting, immediately after paragraph (n) of subsection (1), the following paragraph:

“(na) to advise on, or to conduct, promote or facilitate, training and education relating to public transport;”;

(d) by inserting, immediately after the words “before any court” in subsection (2), the words “to which it would not otherwise be subject”.

Amendment of section 7

4. Section 7 of the principal Act is amended —

(a) by inserting, immediately after paragraph (fc) of subsection (1), the following paragraphs:

“(fd) to provide financial assistance by way of grant, loan or guarantee to any holder of a bus service licence or bus service operator’s licence;

(fe) to establish or expand facilities or to assist in the maintenance of facilities (whether by itself or with the co-operation of other persons or bodies as the Authority thinks fit), including but not limited to providing grants, for the purpose of training and education relating to public transport;”;

(b) by inserting, immediately after subsection (4), the following subsection:

“*(5)* Any grant, loan or guarantee given by the Authority before the date of commencement of section 4 of the Land Transport Authority of Singapore (Amendment) Act 2012 to any holder of a bus service licence or bus service operator’s licence, and any security for any such loan, shall not be invalid by reason only that it was given before that date but shall be deemed to have been and to be given as if that section was then in force.”.

Amendment of section 12

5. Section 12(1) of the principal Act is amended —

(a) by inserting, immediately after the words “into which shall be paid”, the words “, except where expressly provided otherwise in section 13A or 13B”; and

(b) by inserting, immediately after paragraph (d), the following paragraph:

“(da) the balance of the fees, rental or other revenue lawfully received by the Authority —

(i) for or in connection with the hiring or leasing of buses, bus stops, bus interchanges or terminals or bus parks from the Authority; or

(ii) for or in connection with the advertising on such buses or at such bus stops, bus interchanges or terminals or bus parks,

after deducting such proportion of those fees, rental or other revenue as the Minister has approved for the Bus Service Enhancement Fund under section 13B(1)(h);”.

Amendment of section 13

6. Section 13(1) of the principal Act is amended by deleting the word “and” at the end of paragraph (j), and by inserting immediately thereafter the following paragraph:

“(ja) grants, loans or guarantees to any holder of a bus service licence or a bus service operator’s licence for the purpose of improving and expanding the range and reliability of the bus services so provided by the holders of such a licence, including but not limited to meeting such expenditure for the delivery of bus services as the Authority may approve; and”.

New section 13B

7. The principal Act is amended by inserting, immediately after section 13A, the following section:

“Bus Service Enhancement Fund

13B.—(1) There shall be established by the Authority a Bus Service Enhancement Fund comprising —

- (a) all moneys from time to time appropriated from the Consolidated Fund or the Development Fund and authorised to be paid into the Bus Service Enhancement Fund by any written law;
- (b) all moneys authorised by or under any other written law to be paid into the Bus Service Enhancement Fund;
- (c) all moneys borrowed or raised by the Authority for the purposes of the Bus Service Enhancement Fund;
- (d) all gifts or donations by any person or organisation to the Authority for the purposes of the Bus Service Enhancement Fund;
- (e) all investments and other property purchased out of moneys in the Bus Service Enhancement Fund, including the net income from such investments;

- 5 (f) all interest received on investments belonging to the Bus Service Enhancement Fund, and all amounts received by the Authority from the sale of any investments or other property paid for with money from the Bus Service Enhancement Fund;
- (g) all sums received by way of repayment of any loan or advance from the Bus Service Enhancement Fund, and any interest and late payment charge from any such loan or advance;
- 10 (h) such proportion as the Minister may approve of the fees, rental or other revenue lawfully received by the Authority for or in connection with the hiring or leasing of buses, bus stops, bus interchanges or terminals or bus parks from the Authority, or for or in connection with the advertising on such buses or at such bus stops, bus interchanges or terminals or bus parks; and
- 15 (i) all damages, cost or other moneys lawfully received by the Authority from any holder of a bus service licence or bus service operator's licence on account of any breach by the holder of such a licence of any term in a grant or loan from or in a lease, contract or other arrangement with the Authority, made in connection with improving and expanding the range and reliability of bus services so provided by the holders of such a licence.
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- 25 (2) The moneys in the Bus Service Enhancement Fund may be withdrawn by the Authority only for all or any of the following purposes:
- (a) to provide grants or loans to any holder of a bus service licence or a bus service operator's licence for the purpose of improving and expanding the range and reliability of the bus services so provided by the holders of such a licence, including but not limited to meeting such expenditure for the delivery of bus services as the Authority may approve;
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- (b) to pay all reasonable legal costs incurred by the Authority and all reasonable expenses incurred by the Authority in connection with the collection or attempted collection of
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any outstanding amounts (including any interest thereon) of any sums due under any loan or grant made out of moneys in the Bus Service Enhancement Fund;

- (c) to acquire any property, moveable or immovable, including but not limited to buses, with the object of improving and expanding the range and reliability of the bus services provided by all or any of the holders of bus service licences or bus service operator's licences; 5
- (d) for investments in accordance with section 17 of moneys in the Bus Service Enhancement Fund; 10
- (e) to pay all amounts relating to the sale, disposal or write-off of any investments paid for with money from the Bus Service Enhancement Fund;
- (f) to pay any principal or interest on moneys borrowed or raised by the Authority for the purposes of the Bus Service Enhancement Fund; 15
- (g) to pay any expenses properly attributable to the setting up of the Bus Service Enhancement Fund and the administration and management of moneys in that Fund.

(3) For the purposes of subsection (1)(e), the net income from investments shall be the amount ascertained by adding to, or deducting from, the income received from investments of moneys in the Bus Service Enhancement Fund any gain derived or loss sustained, realised or unrealised, as the case may be, from such investments. 20 25

(4) No loan made or investments paid for with moneys from the Bus Service Enhancement Fund shall be written-off without the prior approval of the Minister.

(5) Without prejudice to subsection (4), the Bus Service Enhancement Fund shall be managed and administered by the Authority subject to the directions of the Minister. 30

(6) Upon dissolution of the Bus Service Enhancement Fund during any term of office of the Government (within the meaning of the Constitution), the balance of such moneys remaining in that

Fund shall be transferred to the Consolidated Fund and be added to the reserves of the Government not accumulated by it during that term of office.”.

Amendment of section 17

- 5 **8.** Section 17 of the principal Act is amended by deleting the words “or the Railway Sinking Fund” and substituting the words “, the Railway Sinking Fund or the Bus Service Enhancement Fund”.

EXPLANATORY STATEMENT

This Bill seeks to amend the Land Transport Authority of Singapore Act (Cap. 158A) to establish a Bus Service Enhancement Fund which is to be used by the Land Transport Authority of Singapore (LTA) primarily to provide financial assistance to holders of bus service licences or bus service operator’s licences for the purpose of improving and expanding the range and reliability of the bus services so provided by them.

Clause 1 relates to the short title and commencement.

Clause 2 inserts new definitions of “bus service”, “bus service licence”, “bus service operator” and “bus service operator’s licence”, all of which are connected with the new functions of the LTA inserted by clause 3.

Clause 3 amends firstly, section 6(1) to expand the functions of the LTA to include one which the Minister has earlier, by notification in the *Gazette*, assigned to the LTA and new functions connected with improving and expanding the range and reliability of bus services. The clause also makes a correction to section 6(2) to insert a few missing words.

Clause 3(a) seeks to make it clear that the LTA has the function of planning, designing, constructing, maintaining and improving additional transport infrastructure like bus depots, bus parks and bicycle parking facilities.

Clause 3(b) introduces a new function for the LTA that will allow the LTA to implement the Bus Service Enhancement Programme announced on 17th February 2012 in Parliament and future programmes to improve and expand the range and reliability of bus services provided by holders of bus service licences and bus service operator’s licences. This comprises carrying out operational planning for bus services to meet the needs and expectation of the public, including coordinating the routes and scheduling of bus services provided by holders of bus service licences and bus service operator’s licences, providing financial assistance to such licence holders with the object of improving and expanding the

range and reliability of the bus services so provided by all or any of them, and procuring for or making available to the holders of any such licence such buses as are necessary for improving and expanding the range and reliability of the bus services so provided by all or any of them. The LTA is to perform this function without prejudice to the role of the Public Transport Council under the Public Transport Council Act (Cap. 259B).

Clause 3(c) inserts a function which the Minister has earlier, by notification in the *Gazette*, assigned to the LTA, which is that of advising on, or conducting, promoting or facilitating, training and education relating to public transport.

Clause 4 amends section 7(1) to expressly empower the LTA to make grants, loans and guarantees to holders of bus service licences or bus service operator's licences with the object of improving and expanding the range and reliability of bus services. Section 7(1)(fe) is also inserted to empower the LTA to establish or expand facilities or to assist in the maintenance of facilities (whether by itself or with the co-operation of other persons or bodies as the LTA thinks fit), including but not limited to providing grants, for the purpose of training and education relating to public transport. The latter is part of the function which the Minister has earlier, by notification in the *Gazette*, assigned to the LTA, and inserted by clause 3(c). Section 7(5) is inserted to validate grants, loans and guarantees made by the LTA before the coming into operation of this amendment.

Clause 5 amends section 12(1) as a consequence of provisions in section 13A and new section 13B requiring certain revenue of the LTA to be paid into the Railway Sinking Fund and the Bus Service Enhancement Fund, respectively, instead of the Land Transport Revenue Account. In particular, the Land Transport Revenue Account will receive part of the fees, rental or other revenue that the LTA may collect for or in connection with the hiring or leasing of buses, bus stops, bus interchanges or terminals or bus parks from the LTA or for or in connection with the advertising on such buses or at such bus stops, bus interchanges or terminals or bus parks. The Minister will apportion this revenue stream between the Bus Service Enhancement Fund and the Land Transport Revenue Account.

Clause 6 amends section 13(1) to prescribe a new purpose to which moneys in the Land Transport Revenue Account may be put to use. The LTA may withdraw from the Land Transport Revenue Account to provide grants, loans and guarantees to any holder of a bus service licence or a bus service operator's licence for the purpose of improving and expanding the range and reliability of the bus services so provided by the holders of such a licence, such as grants to meeting such capital or operating expenditure for the delivery of bus services as the LTA may approve.

Clause 7 introduces a new section 13B which sets up a Bus Service Enhancement Fund, which is to be managed and administered by the LTA subject to the directions of the Minister.

The Bus Service Enhancement Fund is to be used only for certain purposes. One key purpose is for the LTA to make grants or loans to any holder of a bus service licence or a bus service operator's licence for the purpose of improving and expanding the range and reliability of the bus services so provided by the holders of such a licence, including but not limited to meeting such capital expenditure or operating expenditure necessary for the delivery of bus services as the LTA may approve. This will allow the LTA to implement the Bus Service Enhancement Programme announced on 17th February 2012 in Parliament and future programmes to improve and expand the range and reliability of bus services provided by holders of bus service licences and bus service operator's licences. The Bus Service Enhancement Fund may also be used to pay all reasonable legal costs incurred by the LTA and all reasonable expenses incurred by the LTA in connection with the collection or attempted collection of any outstanding amounts (including any interest thereon) of any sums due under any loan or grant made out of moneys in the Bus Service Enhancement Fund.

The Bus Service Enhancement Fund can also be used by the LTA to acquire any property, moveable and immovable, with the object of improving and expanding the range and reliability of the bus services provided by all or any of the holders of bus service licences or bus service operator's licences, to pay any principal or interest on moneys borrowed or raised by the LTA for the purposes of the Bus Service Enhancement Fund, to pay expenses properly attributable to the setting up of the Bus Service Enhancement Fund, the administration, investment and management of moneys in the Bus Service Enhancement Fund, and to pay for expenditure incurred for investing moneys in the Bus Service Enhancement Fund.

To that end, the Bus Service Enhancement Fund will contain moneys appropriated from the Consolidated Fund or the Development Fund and authorised by or under any other written law to be paid into the Bus Service Enhancement Fund, and all principal and interest payable on loans and advances made to any holder of a bus service licence or bus service operator's licence out of moneys in the Bus Service Enhancement Fund. Other sources of revenue include such proportion as the Minister may approve of the fees, rental or other revenue lawfully received by the LTA for or in connection with the hiring or leasing of buses, bus stops, bus interchanges or terminals or bus parks, or for or in connection with the advertising on such buses or at such bus stops, bus interchanges or terminals or bus parks, all damages, cost or other moneys lawfully received by the LTA from any holder of a bus service licence or bus service operator's licence on account of any breach by any such licence holder of any term in a grant or loan from or a lease, contract or other arrangement with the LTA.

The new section 13B(4) provides that no loan made or investments paid for with moneys from the Bus Service Enhancement Fund can be written-off without the prior approval of the Minister. Upon dissolution of the Bus Service Enhancement Fund during any term of office of the Government (within the meaning of the Constitution), the new section 13B(6) requires the balance of moneys remaining in

that Fund to be transferred to the Consolidated Fund and be added to the reserves of the Government not accumulated by it during that term of office.

Clause 8 amends section 17 to authorise the LTA to invest moneys in the Bus Service Enhancement Fund.

EXPENDITURE OF PUBLIC MONEY

This Bill will involve the Government in extra financial expenditure, the exact amount of which cannot at present be ascertained.
