

DRAFT ROAD TRANSPORT AND SAFETY BILL 2014

SUMMARY OF INPUTS FROM CUTS

I. General/Overall comment on the draft Bill

The section covers the overall observation of CUTS on the draft bill.

S.N	OBSERVATION FROM THE DRAFT BILL	PROPOSED AMENDMENTS AS SUGGESTED BY CUTS	REASONS/REMARKS
1.	Chapter II: Vehicle Regulation and Road Safety Authority of India Chapter VI – National Road Transport and Multimodal Co-ordination Authority Chapter IX: Infrastructure & Multi-nodal Facilitation Authority	Need to be re-drafted under one authority titled <i>'National Transport Authority'</i>	<p>These chapters need to be re-drafted because:</p> <ul style="list-style-type: none"> - Complication in the name of the authority often has implications on its functions hence the simple title 'National Transport Authority' - The provision of separate authorities for safety, road transport and provision of infrastructure for transport would cause overlap in the functions of the authorities and complicate decision making - Provisions of fare setting etc. are clearly defined under Chapter VI. However, Chapter II Section 12 sub – section 4(c) states that the installing of safety technology/equipment in transport vehicles would also determine the tariff. This cannot be achieved in isolation by the safety authority. - Research functions of the Safety authority and National Road Transport Authority are overlapping. <p>Therefore, it is advisable to have a single transport authority with a sub-department for safety and vehicle regulation to ensure one stop for decision making and reducing the bureaucratic levels, <i>similar to the electricity regulatory authority in India.</i></p>

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2.	Integration with already existing authorities	Role of the existing authorities like Regional Transport Authorities (RTAs), Transport departments of the city level municipalities, SRTUs etc. are not clearly defined	<ul style="list-style-type: none"> - Licensing and route allocations are the current functions of the RTAs. If the State Vehicle Regulation and Road Safety Authority would handle these functions what would be the role of the RTAs, is not clearly defined - Currently the transport departments and/or SPVs of municipalities plan the city level transport system. When the State Level Road Transport and Multimodal Co-ordination Authority would come into force, what would the role of the municipal transport departments be, seeks no mention.
3.	Old policies are still existing	Motor Vehicles Act seeks no mention in the draft Bill which indicates that it would still be prevalent once the Bill comes into effect	<ul style="list-style-type: none"> - MV Act is a dated act and the idea to introduce this Bill was to dissolve the provisions of the MV Act and have a new framework for public transport in India. - But the draft Bill nowhere states that the MV Act would be dissolved or repealed after the Bill comes into effect (not even mentioned in the Preface) - If the MV Act still continues, there is no mention how would the provision of the Act be aligned with the provisions of the Bill.
4.	Public – Private Partnerships are mentioned loosely	Methods for undertaking PPPs need to be mentioned	<ul style="list-style-type: none"> - Currently in the Bus Transport sector (especially the BRTS), there is no standardised format in the states to engage private operators. The requirements in the tenders are very high, hence limiting the number of private operators that are eligible. This is competition restricting. Hence there are only 1-2 operators in cities operating the BRTS in the cities. - This has continued to happen because there are no stated out guidelines for these tenders for public procurement.

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			<ul style="list-style-type: none"> - Therefore the draft Bill needs to mention the guidelines for engaging the private sector through PPPs that includes competition enhancing elements. - Way forward could be to mention '<i>designing Public – Private Partnerships Scheme in consultation with Competition Commission of India</i>'.
5.	No clear mention of the involvement of the private sector	Engagement of private sector in terms of transport operators, infrastructure operators etc. is not clearly defined	<ul style="list-style-type: none"> - Currently the transport needs of the commuters are largely being catered to by private operators as the public sector transport units are unable to meet the demands of the passengers - MV Act favours the public transport operators and hence the private operators do not enjoy free movement - The draft bill should therefore mention the engagement of the private sector in the relevant functions clearly
6.	Change in the Nature of Licenses	Favourable change in the nature of license, yet no mention of the current license holders	<ul style="list-style-type: none"> - The structure of licensing seems favourable in the draft Bill as it does not favour the public sector alone - Yet would operators need to re-register or apply for a new license under the Bill, seeks no mention. - Also if the MV Act continues to prevail, the contradiction of the 'stage carriage' and 'contract carriage' for the private operators would still remain
7.	Evaluating the implementation of the Act by the proposed Authorities (Vehicle Regulation and Road Safety Authority of India and National Road Transport and Multimodal Co-ordination Authority)	Need of inclusion of a Monitoring and Evaluation (M&E) framework in the draft Bill	<p>M&E framework is important for assessing the impact of the various programmes under the Act. This would act as an ex-post impact assessment exercise as a large amount of funds would be channelised in the schemes/programmes.</p> <p>This would be essential to enhance the</p>

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			transparency of the Act and the regulator
8.	No mention of the transport bodies to be 'self – sustaining'	The various transport units that would be created under the Bill, should have a mandate of operating as self-sustaining units	- Even though, public transport is a welfare sector, it is essential for the transport units to be able to fend for themselves over the long run. - Loss making SRTUs are a good example to urge the units to have a sustainable business model

II. Section Specific Comments

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9.	Chapter II Section 12 sub – section 3 (h) public-private partnership schemes	public-private partnership schemes <i>in the implementation and achievement of above mentioned objectives wherever deemed fit</i>	The bill just loosely mentions public – private partnerships without mentioning the areas where they can be applied. The objectives like sub section 3(d), 3(e) and 3(f) would be most efficiently achieved through PPP
10.	Chapter II Section 12 sub – section 4(c) the commercial principles governing the manufacture and installation of safety equipment including that the costs be commensurate with the services being provided	the commercial principles governing the manufacture and installation of safety equipment including that the costs be commensurate with the services being provided <i>together/in consultation with the 'National Road Transport and Multimodal Co-ordination Authority'</i>	The commercial principles would decide the setting of fares which come under the purview of 'National Road Transport and Multimodal Co-ordination Authority'. Therefore this decision has to be taken in tandem to ensure speedy decision making and bridging the gap in communication.
11.	Chapter II Section 12 sub – section 4(d) the requirement to encourage competition, innovation, efficiency, and economical use of resources	the requirement to encourage competition, innovation, efficiency, and economical use of resources <i>through structured public – private partnerships</i>	It is necessary to mention as to how would the National Authority encourage the mentioned components. The statement otherwise is very broad and vague.
12.	Chapter II Section 13 sub – section 1(n)	the <i>monitoring and</i> evaluation of enforcement and administration of this Act	The regular monitoring of the various schemes/programmes under the act also need to be

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	the evaluation of enforcement and administration of this Act		monitored and not just be evaluated alone.
13.	Chapter II Section 13 sub – section 2(d) issue guidelines for building capacity and skills in traffic police, hospitals, highway authorities, educational and research organisations and other organisations dealing with road safety and traffic management	issue guidelines for building capacity and skills in traffic police, hospitals, highway authorities, <i>state level and/or city level transport wings</i> , educational and research organisations and other organisations dealing with road safety and traffic management	There is an existing framework within the states and the cities that are responsible for all the transport functions within the states. Therefore the capacity building of these departments is necessary in addition to the personnel from the safety authority.
14.	Chapter II Section 13 sub – section 3 For the purpose of performing its regulatory and other functions under this Act, the National Authority shall conduct research, by way of collecting data, and performing such analysis as may be relevant and necessary, and this may include	For the purpose of performing its regulatory and other functions under this Act, the National Authority shall conduct research or <i>get the research conducted</i> , by way of collecting data, and performing such analysis as may be relevant and necessary, and this may include	This is a necessary inclusion as the bill does not mention the formulation of a research wing under the authority. Instead it is just mentioning to collect statistics for the various components like licensing etc. Therefore, it would be useful to mention this as some of the research processes may be outsourced.
15.	Chapter VI – National Road Transport and Multimodal Co-ordination Authority	<i>National Transport Authority</i>	The name of the Authority should be National Transport Authority with functions of Safety, infrastructure, road transport, economic regulation etc. under in as sub departments.
16.	Chapter VI Section 117 sub – section 2(e) in collaboration with relevant bodies including the Central Government, the State Governments, State Roads Transport Corporations, public and private transport operators, urban local bodies, the National Authority, state police and state transport departments		<ul style="list-style-type: none"> - There should be some mention of the guidelines of how this collaboration would be achieved. - The SRTUs currently function under the MV Act and have a monopoly in intercity bus transport. How will this monopoly be mitigated to enhance competition needs to be mentioned.

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	to improve public transport for public transport users.		
17.	Chapter VI Section 118 sub – section 1(l) function as an economic regulator for schemes for inter-state transportation of passengers and their goods by transport vehicles under the national passenger transport permit for the purposes of scheduled services, restricted scheduled services, metered services, restricted metered services, chartered services or restricted chartered services	function as an economic regulator for <i>standardised mechanism for setting tariff</i> and schemes for inter-state transportation of passengers and their goods by transport vehicles under the national passenger transport permit for the purposes of scheduled services, restricted scheduled services, metered services, restricted metered services, chartered services or restricted chartered services	As an economic regulator it is essential for the authority to define parameters for setting tariffs for the transport service keeping in mind the social and economic aspects of the service.
18.	Chapter VI Section 123 sub – section 4(a) and 4(b) (a) Roads standards for the transport of passengers and goods; (b) Traffic management for the transport of passengers and goods;	Needs to be deleted	They are the same functions as being undertaken by the Road Safety Authority. Therefore there is a duplication of work being done. This should include, for example: (a) Research for developing a monitoring and evaluation framework for the various schemes and programmes being undertaken (b) Impact evaluation for self-sustainability of transport units
19.	Chapter VI Section 135 sub section 1(e) develop and implement policies and strategies to improve the safety of passenger services and the security of the public transport system;	To be deleted	This is the same function as being undertaken by the Vehicle Regulation and Safety Authority
20.	Chapter VI Section 138 The National Transport Authority shall, subject to the provisions of this Act,	<i>Addendum including the general guidelines for terms and conditions and principles for determination of tariff</i>	This would define the role of the authority as an economic regulator

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	<i>specify the terms and conditions and principles for determination of tariff</i> and granting route, and shall be guided by the following:		
21.	SCHEDULE III 290(1) Offences relating to driving licences – Person holding driving licence attempting to hold any other driving licence Rs. 25,000 fine, or imprisonment for a term of 3 months, or with both	Rs. 15,000 fine, or imprisonment for a term of 2 months , or with both	Penalty is very high both in terms of cost and the time for imprisonment.
22.	Chapter XIV OFFENCES & PENALTIES.	Addition of schedule on the ‘Offences and Penalties’ of the government department and/or official granting unauthorised licences and permits	The bill explicitly mentions very high penalties on individuals attempting to or already holding licences and permits in an unauthorised way. However, there should be an inclusion of a schedule that describes the individuals granting or aiding to grant such permits. This should include government departments, government officials, agents or any other individual found liable to such an offence. This would help build transparency in the bill and the grievance addressal mechanism
23.	SCHEDULE III 290(3) Offences relating to driving licenses – Person holding driving licence holds any other driving licence Rs. 25,000 fine, or imprisonment for a term of 3 months, or with both		The penalty is fine in this case, but the schedule does not mention the penalty to the government body/official who granted such a licence. Clear provision of penalty for the licence granting officials should also be mentioned in the bill.

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24.	<p>SCHEDULE III 299(1) Driving at excessive speed, etc - in contravention of speed limits Speeding by Light Vehicles – (cars, motor cycles & other vehicles)</p> <p><input type="checkbox"/> More than 9 km/h but not more than 19 km/h - Rs. 5,000 fine</p> <p><input type="checkbox"/> More than 19 km/h but not more than 29 km/h - Rs. 7,500 fine, 2 weeks license suspension, and compulsory refresher training post suspension -</p> <p><input type="checkbox"/> More than 29 km/h but not more than 40 km/h - Rs. 10,000 fine, 3 weeks license suspension, and compulsory refresher training post suspension</p> <p><input type="checkbox"/> More than 40 km/h - Rs. 12,500 fine, 8 weeks license suspension, impounding of vehicle, and compulsory refresher training post suspension</p>	<p><input type="checkbox"/> More than 9 km/h but not more than 19 km/h - Rs. 2,500 fine</p> <p><input type="checkbox"/> More than 19 km/h but not more than 29 km/h - Rs. 5,000 fine, 2 weeks license suspension, and compulsory refresher training post suspension -</p> <p><input type="checkbox"/> More than 29 km/h but not more than 40 km/h - Rs. 7,500 fine, 3 weeks license suspension, and compulsory refresher training post suspension</p> <p><input type="checkbox"/> More than 40 km/h - Rs. 10,000 fine, 8 weeks license suspension, impounding of vehicle, and compulsory refresher training post suspension</p>	Penalties are very high. They need to be toned down
25.	<p>SCHEDULE III 300 Driving which causes threat to public safety:</p> <p><input type="checkbox"/> Driving against the authorized flow of traffic - Rs. 5,000 fine, or imprisonment for a term of 1 week, or with both</p>	<p><input type="checkbox"/> Driving against the authorized flow of traffic - Rs. 2,500 fine, or imprisonment for a term of 1 week, or with both</p>	Fine too high when there is a provision of imprisonment too. If this offence leads too some mishap or impairment of traffic flow then the mentioned fine in the bill can be applied.

