EXPLANATORY NOTE

This bill which seeks to regulate the use of motorcycles as public utility vehicles amending for such purpose the pertinent provisions of Republic Act 4136, otherwise known as the "Land Transportation and Traffic Code" has already been approved by the House of Representatives on its 3rd and final reading in the 17th Congress. The bill is being filed on account of its significance in protecting the riding public from accidents and unnecessary peril.

The State recognizes the sanctity of human life. To this end, laws, rules and regulations are enacted to secure the preservation of life to its fullest. This legislative measure seeks for the inclusion of motorcycle-for-hire within the realm and definition of public utility vehicles. Every year, approximately 1.2 million people around the world die in road traffic crashes. In the Philippines, motorcycle riders have constantly been the top victim of road crash injuries since 2010. Unfortunately, most of them are aged between 15 to 29 years. Road traffic incidents are debilitating as they expose the riders to injuries, financial loss, and possible death. Regrettably, motorcycles are not public utility vehicles hence are not allowed to ply routes without certificates of public convenience, and yet, they are being used as motorcycles-for-hire in the country. Absent their status as public utility vehicles, claims arising from accidents will not give rise to any liability from insurance companies.
Hence, the need to regulate the use of motorcycles as public utility vehicles to protect the riding public from undue harm.

Accordingly, the approval of this bill is earnestly sought.

[Signature]

ATTY. TYRONE D. AGABAS
Representative
6th District, Pangasinan
Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 3996

Introduced by Representative TYRONE D. AGABAS

AN ACT ALLOWING AND REGULATING THE USE OF MOTORCYCLES AS
PUBLIC UTILITY VEHICLES, AMENDING FOR THIS PURPOSE REPUBLIC
ACT NO. 4136 OTHERWISE KNOWN AS THE LAND TRANSPORTATION AND
TRAFFIC CODE, AND FOR OTHER PURPOSES

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

1. SECTION 1. Short Title. – This Act shall be known as the "Motorcycles-
   for-Hire Act".

   SEC. 2. Declaration of Policy. – It is the policy of the Senate to
   render basic services to the people and promote their safety and general
   welfare. Toward this end, the use of motorcycles as an alternative mode of
   public transportation is hereby allowed and regulated in recognition of the
   need to provide convenience and ease of commute in urban and rural
   areas while ensuring public safety and the efficiency of the transportation
   system as whole.

10. SEC. 3. Section 3 of Republic Act No. 4136 or the Land Transportation and
   Traffic Code is hereby amended by adding a new word which shall be
   defined as follows:

   xxx

14. "(N) MOTORCYCLES-FOR-HIRE – ANY TWO-WHEELED MOTOR
   VEHICLE THAT MAY BE REGISTERED WITH THE LAND
TRANSPORTATION OFFICE AS FOR HIRE AND MAY BE USED AS A
COMMERCIAL VEHICLE TO TRANSPORT PASSENGERS AND
GOODS: PROVIDED, THAT, FOR TRANSPORTING PASSENGERS,
THE MOTORCYCLE SHALL HAVE A MINIMUM ENGINE
DISPLACEMENT OF 125 CUBIC CENTIMETERS AND A BACKBONE
TYPE BUILT."

SEC.4.- Section 7 (d) of Republic Act No. 4136 is hereby amended to read
as follows:

"Section 7. Registration Classification – Every motor vehicle shall
be registered under one of the following described classifications:

(a) xxx
(b) xxx
(c) xxx
(d) Public utility automobiles; e) public utility trucks; (f) taxis
and auto-calesas; (g) garage automobiles; (h) garage trucks; (i) hire
tucks; [and] (j) trucks owned by contractors and customs brokers and
customs agents[ ]; AND (K) MOTORCYCLES-FOR-HIRE. Application for
registration under theses classifications shall be accompanied by a
certificate of public convenience or a special permit issued by the LAND
TRANSPORTATION FRANCHISING AND REGULATORY BOARD
[Public Service Commission], and motor vehicles registered under these
classifications shall be subject to the Public Service Law, rules and
regulations, as well as the provisions of this Act.

xxx."

SEC.5. Roadworthiness of Motorcycles-for-hire. The Land Transportation
Office (LTO) shall ensure the roadworthiness of motorcycles-for-hire
before registration or renewal of registration. To further ensure safety, no
modification shall be made on motorcycles-for-hire, except the installation,
based on safe engineering design specifications, of motorcycle luggage
carrier, saddlebag, step board or foot peg and appropriate speed limiter
and monitoring device.

SEC. 6. Issuance of Driver’s License. Pursuant to Section 23-A of
the Land Transportation and Traffic Code, as amended by Republic Act
No. 10930, the LTO shall promulgate the necessary prerequisites and
guidelines for the issuance of licenses to the driver-applicants, including
the theoretical and practical examinations appropriate for motorcycles-for-
hire. The LTO shall also ensure the continuous safety training of
licensed driver of motorcycles-for-hire.

SEC. 7. Fare Setting. The Land Transportation Franchising and
Regulatory Board (LTFRB) shall determine, prescribe, approve and
periodically review and adjust, reasonable fares, rates and other related
charges for the operation of motorcycles-for-hire. The LTFRB may allow
motorcycles-for-hire to choose and use online ride-hailing or pre-arranged
transportation platforms, accredited by the proper government agency
under existing laws, but the said companies or platforms shall comply with
this Act and other regulations on motorcycles-for-hire, including fare
setting.

SEC. 8. Prescribing of Routes. In prescribing routes, the
Department of Transportation (DOTr) and the LTFRB shall give priority to
higher-capacity vehicles or mass transit systems in accordance with
route rationalization studies. Motorcycles-for-hire may be allowed to
operate for a limited period, with limited number of units and in specific
routes only, as may be determined by DOTr and the LTFRB, in
coordination with concerned local government units.

SEC. 9. Penalties. The operation of motorcycles-for-hire in violation
of this Act shall be penalized pursuant to the violations and fines and
penalties provided under existing laws and agency regulations: Provided,
That companies, or the officers or directors thereof, providing online ride-
hailing, or pre-arranged transportation platforms involving motorcycles
without a valid franchise, shall have solidarity liability and shall be penalized
accordingly.

SEC. 10. Implementing Rules and Regulations. The DOTr, LTO
and LTFRB, in collaboration with the MMDA, Department of Interior and
Local Government, Philippine National Police-Highway Patrol Group,
Department of Health and other agencies and stakeholders, shall
promulgate the necessary implementing rules and regulations (IRR) within
sixty (60) days from the effectivity of this Act.

The IRR shall include, among others, limitations on the numbers of
riders and the weight or load capacity that can be carried as certified safe
by manufactures, with the requirement that such limitations must be
indicated on the motorcycles; the applicable speed limits; the road safety
and traffic laws and regulations that need to be complied with; the
necessary insurance policy covering the driver, rider and third party,
including extent of liabilities; the designation of terminals; and other
requirements for the safety, security and health of the driver and rider.

SEC. 11. Separability Clause. – If for any reason, any part or
provision of this Act is declared invalid, such declaration shall not affect
other provisions of this Act.

SEC. 12. Repealing Clause. – Any law, presidential decree or
issuance executive order, administrative order, rule or regulation contrary
to, or inconsistent with provisions of this Act is hereby repealed, modified
or amended accordingly.

SEC. 13. Effectivity. – This Act shall take effect fifteen (15) days
after its publication in the Official Gazette or in at least two (2) newspapers
of general circulation.

Approved,