EXPLANATORY NOTE

Traffic congestion has become a daily ordeal of Filipino commuters in Metro Manila. With inefficient mass transport system, Urban Planning expert Felino “Jun” Palafox Jr. have estimated that nine to 15 years of commuters’ lives are wasted due to traffic congestion out of their 40 years of economic life. The Metropolitan Manila Development Authority (MMDA) has also reported that daily economic loss in 2018 is 3.5 billion pesos due to traffic congestion.

Given these realities, Filipino commuters and other stakeholders sought for different mobility options in Metro Manila and one of which includes motorcycle ride-sharing services. Comparably, with similar nature motorcycles-for-hire or habal-habal in most rural areas continue to persist with its accessibility, affordability, and efficiency for locals and tourists. This as well became source of income of our kababayans who serve as bikers.

However, despite patronage of the public to these motorcycles-for-hire and motorcycle ride-sharing services, it is still illegal and unregulated by the government. With the bias to make mass transportation system efficient, it is also timely for the government to intervene in providing other safe mobility options to the commuting public.

This bill seeks to amend Republic Act No. 4136 also known as the Land Transportation and Traffic Code to allow and regulate motorcycles-for-hire and motorcycle ride-sharing services in the country. This will surely benefit the Filipino commuters, mostly
workers, who have been suffering every single day in the worsening traffic situation and our kababayans who are currently informally employed in the said services.

In view of the foregoing, passage of this bill is earnestly sought.

ARGEL JOSEPH T. CABATBAT
MAGSASAKA Party-List
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

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

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

4 SECTION 2. Declaration of Policy—It is the policy of the State to promote the general welfare and ensure public safety. Toward these ends, the use of motorcycles as public utility vehicles to provide alternative mode of safe, accessible, affordable and efficient public transportation is hereby allowed and regulated.

8 SECTION 3. Motorcycles-for-Hire - Section 2 of Republic Act No. 4136 is hereby amended by adding a new paragraph that shall read as follows:

10 xxx

11 "(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."

SECTION 4. Registration Classification - Section 7 (d) of Republic Act No. 4135 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; taxis and auto-calesas; (g)
garbage automobiles; (h) garage trucks; (i) hire trucks; [and] (j) trucks owned by
contractors and customs brokers and custom agents; AND (K) MOTORCYCLES-
FOR-HIRE. Application for registration under these classifications shall be
accompanied by a certificate of public convenience of a special permit issued by the
[Public-Service-Commission] LAND TRANSPORTATION FRANCHISING AND
REGULATORY BOARD, and motor vehicles registered under these classifications
shall be subject to the Public Service Law, rules and regulations as well the
provisions of this Act.

Xxx"

SECTION 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 modifications of any kind or form shall be made on
motorcycles-for-hire, except for the installation, based on safe engineering design
specifications, of motorcycle luggage carriers, saddlebags, step boards or foot pegs, and
appropriate speed limiter, and monitoring devices.

SECTION 6. Issuance of Driver’s License- The LTO shall promulgate the necessary
requirements and guidelines for the issuance of licenses to motorcycle-for-hire driver-
applicants, including guidelines on the conduct and the content of theoretical and practical
examinations appropriate for such applicants.

SECTION 7. Conduct of Safety Trainings and Compliance with Safety Rules- The LTO shall
ensure the conduct of continuing safety trainings for licensed drivers of motorcycles-for-hire,
provided, that licensed drivers shall attend at least one (1) safety training every year. It
shall also ensure compliance with safety rules and regulations for the protection of the
passengers, drivers, and the public.

SECTION 8. Fare Setting and Ride-Hailing - 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 after due consultation with affected stakeholders.

It shall also allow motorcycles-for-hire to choose and use online ride-hailing or pre-arranged
transportation platforms which must be accredited by and registered with the Department of
Information and Communication Technology (DICT) or any other appropriate agency or
instrumentality thereof, provided that, the said companies providing or operating these
platforms shall comply with this Act and other regulations on motorcycles-for-hire, including
fare setting; and Provided finally, that the use of online modes and platforms of ride-hailing
shall not exclude the use of other modes of ride-hailing such as text messaging to ensure
commuters affordable and easy access to motorcycles-for-hire.

SECTION 9. Motorcycle-for Hire Transport System Facilities and Services - The Department
of Transportation (DOTr) and the LTFRB shall establish facilities and services for an efficient
motorcycle-for-hire transport system that shall include, among others, identification of
prescribed routes, designation of lanes in highways dedicated for motorcycles-for-hire, free
public parking spaces, strategically located terminals and adjunct security and service
facilities for motorcycles-for-hire, provided that in prescribing routes, the DOTr and the
LTFRB shall give priority to higher-capacity vehicles or mass transit systems in accordance
with the route rationalization studies, and provided finally, that motorcycles-for-hire may be
allowed to operate for a limited period with a limited number of units in specific routes or
local areas only as may be determined by the DOTr and the LTFRB in coordination with
concerned local government units.

SECTION 10. Insurance Coverage - The owner of motorcycles-for-hire shall, upon
registration, procure the necessary insurance covering the motorcycle-for-hire driver, the
rider, and the third party.

SECTION 11. Liability and Diligence Required - Motorcycles-for-hire are hereby declared as
common carriers for purposes of determining the liability and degree of diligence that must
be observed in the course of transporting passengers or goods, and the presumption of
negligence in breach of contract shall likewise apply to them.
SECTION 12. Penalties- The operation of motorcycles-for-hire in violation of this Act shall be penalized in accordance with prescribed fines and penalties for similar or equivalent violations under existing laws and agency regulations, provided that the officers or directors of companies providing online ride-hailing or pre-arranged transportation platforms for motorcycles-for-hire without a valid franchise shall be solidarity liable with the latter and shall be penalized accordingly.

SECTION 13. Implementing Rules and Regulations- The DOTr, LTO, and LTFRB, in collaboration with the Metro Manila Development Authority (MMDA), Department of Interior and Local Government (DILG), Philippine National Police- Highway Patrol Group (PNP-HPG), Department of Health (DOH), and other stakeholders shall promulgate the necessary implementing rules and regulations (IRR) within sixty (60) days from the day this Act takes effect.

The IRR shall include, among others, prescribed limits on the number of riders, the weight or load capacity that can be carried and certified safe by manufacturers and as indicated on the motorcycles, the applicable speed limits, the road safety and traffic laws and rules that must be complied with, the necessary insurance policy covering the driver, rider, and third parties including extent of liabilities, designation of free parking spaces, terminals, and lanes and such other requirements to ensure safety, security and health of the driver, the rider, and the public.

SECTION 14. Separability Clause - If any provision of this Act is declared invalid, other provisions not so declared shall remain in force and effect.

SECTION 15. Repealing Clause - Any law, decree, order, rule or regulation contrary to or inconsistent with the provisions of this Act is hereby repealed, modified, or amended accordingly.

SECTION 16. 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,