Republic of the Philippines HOUSE OF REPRESENTATIVES Overzon City, Metro Manila

Quezon City, Metro Manila

Eighteenth Congress First Regular Session

HOUSE BILL NO. 4615



Introduced by Honorable Romulo "Kid" V. Peña, Jr.

EXPLANATORY NOTE

Transport is a key sector in the Philippines which connects people and economic activities across the archipelago. However, mobility, especially in the capital city – Metro Manila, has become more difficult, if not impossible throughout the years.

It is evident that traffic congestion in Metro Manila and other urban areas is a modern-day problem that needs to be addressed immediately and efficiently. In a study by the Boston Consulting Group in 2017, it was found that Metro Manila motorists and commuters get stuck in traffic for an average of 66 minutes. This has made the city infamous for having the 3rd worst traffic situation in Southeast Asia.

It is alarming and discouraging when one understands that this has been a prevalent norm and daily routine of regular Filipino commuters, many of whom are students and workers. Hence, motorcycle ride-sharing services have seen an increase in demand as it presents itself as an alternate and practical mode of transportation. In 2018, the app-based motorcycle taxi service *Angkas* has been recorded to have over 20,000 bikers. The mobile application is said to have been downloaded into Smartphones by over a million times. *Angkas* presents itself as an option for "commuters to beat the traffic in versatile and flexible ways that most four-wheeled vehicles cannot."

In rural areas, motorcycles-for-hire or *habal-habal* also provide transportation services to certain road networks inaccessible to four-wheeled vehicles.

These motorcycle ride-sharing services and habal-habal, aside from significantly decreasing travel time, are also cheaper alternatives over four-

wheeled ride hailing platforms. They also promote inclusivity in mobility, and increase productivity among the working class who are majority of the commuters in the Philippines.

Affordability, inclusivity, productivity, and mobility – these are compelling reasons why motorcycles have been preferred and accepted by the commuting public. However, these motorcycle ride-sharing services and *habalhabal* remain unregulated as public utility vehicles, and that concerns have been directed towards the roles of operators and riders with regard to passenger safety and welfare.

This bill is hereby proposes amendments to Republic Act No. 4136 or the Land Transportation and Traffic Code to promote and establish the safety and regulation of motorcycle ride-sharing services and motorcycles-for-hire, and thus ensuring that accessible and affordable transportation remains available to Filipino commuters.

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

ROMULO "KID" V. PEÑA, JR.

Republic of the Philippines HOUSE OF REPRESENTATIVES Ouezon City

Eigteenth Congress First Regular Session

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Introduced by Honorable Romulo "Kid" V. Peña, Jr.

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 Representatives of the Philippines in Congress assembled:

SECTION 1. 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 a whole.

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:

X X X

"(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 trucks; [and] (j) trucks owned by contractors and customs brokers and customs agents[.]; AND (K) MOTORCYCLES-FOR-HIRE. Application for registration under these 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.
- **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 drivers 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 solidary 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, limitation on the number of riders and the weight or load capacity that can be carried as certified safe by manufacturers, 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 the 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,