



Republic of the Philippines
House of Representatives
Batasan Hills, Quezon City

Eighteenth Congress
First Regular Session

HOUSE BILL NO. 5230

Introduced by Representative Florencio Gabriel "Bem" G. Noel

EXPLANATORY NOTE

This bill seeks to provide protection for drivers or riders providing Transportation Network Vehicle Services. These are individuals who are booked by users of mobile applications to provide a number of services such as providing transportation, food delivery, and private carrier services to name a few. The Transportation Network Companies that create these kinds of software have revolutionized how we experience transport services and have given us a level of convenience that was more or less unavailable in generations past. Though on its surface it has provided multiple income opportunities for those providing services as well as convenience for its users, these applications can also be subject to abuse to the detriment of those providing such services.

Concerned citizens have been using social media platforms to tell stories of these service providers advancing funds to purchase the user's orders only for their bookings to be cancelled or for their customer to not appear at the designated meet up location. This leaves these service providers having to look to the kindness of others who are willing to purchase the orders in place of the user just to prevent the loss of capital. That results in less time on their hands and less income to support themselves and their families. Instead of being grateful to those willing to do the work that make our lives easier, there are those that are despicable enough to make this kind of work harder than it already is.

With this bill, the law that will follow seeks to prevent these mischievous acts from occurring by providing stricter requirements for users to create accounts that allow them to avail of these services. This is not meant to inconvenience the user, but to make them more accountable for their actions and for TNCs to provide more protection to their accredited riders by ensuring that those who abuse these services are stripped of the privilege to use them.



FLORENCIO GABRIEL "BEM" NOEL
An Waray Partylist Representative



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**AN ACT REINFORCING USER IDENTIFICATION REQUIREMENTS FOR THE
USE TRANSPORTATION NETWORK VEHICLE SERVICES**

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

SECTION 1. ***Declaration of Policy.*** – The State shall promote social justice in all phases of national development and the affirms labor as a primary social economic force. It shall protect the rights of workers and promote their welfare.

SEC. 3. ***Definition of Terms.*** – As used in this Act:

- (a) *Transportation Network Companies (TNC)* – Refers to an “organization whether a corporation, partnership, or sole proprietor, that provides pre-arranged transportation services or compensation using an internet-based technology application or digital platform technology to connect passengers with drivers using their personal vehicles;
- (b) *Transportation Network Service Providers* – Refer to Participating Drivers, accredited by the TNC and pre-arranged by a user to provide services for the user’s

account including transportation, delivery, shipment, as well as any other services requiring the participation and assistance of a third-party service providers; and

- (c) *User* – Refers to any persons availing of the services provided by the application to be carried out by a third-party service provider and agreeing to the application's terms and conditions.

SEC. 3. *Valid Government Identification Requirements.* – All users of third party linking applications must present two (2) Valid Government Identification Cards which contains the user's name, birth date, age, address, and other information necessary to distinguish the user in the event of violations of the terms and conditions of the application. The TNCs providing these services must incorporate this in all versions of their mobile application and require this to verify a user's account before a user may be allowed to avail of the services of third party linking applications.

SEC. 4. *Creation of a Violator Database.* –TNCs must create a database containing the names and the corresponding valid government IDs of users in violation of the terms and conditions of the application. All new accounts must be cross-referenced with their list of banned or suspended accounts.

SEC. 5. *Guidelines for Banning Irresponsible Users.* – The Secretary of the Land Transportation Franchising and Regulatory Board (LTFRB) shall create a reasonable standard that TNCs must comply with in relation to the imposition of bans on irresponsible users.

SEC. 6. *Compliance as a Requirement for LTFRB Accreditation.* – The LTFRB shall require all Transportation Network Companies to comply with the provisions of this Act as a requirement for the Issuance of a Certificate of Accreditation. The LTFRB reserves the right to impose necessary sanctions, penalties and, even revocation of such accreditation for TNCs that fail to comply with the standards imposed by the Act.

SEC. 7. *Exempted TNCs.* – TNCs that do not require their TNVS providers to advance the necessary expenses of the transaction for the benefit of the user are hereby exempted from compliance with the provisions of this Act.

SEC. 8. ***Implementing Rules and Regulations.*** – The Secretary of the LTFRB shall formulate and promulgate the Implementing Rules and Regulations to enforce the provisions of this Act within sixty (60) days from effectivity thereof.

SEC. 9. ***Separability Clause.*** – If any provision or part of this Act is declared invalid or unconstitutional, the remaining parts or provisions not affected shall remain in full force and effect.

SEC. 10. ***Repealing Clause.*** – All laws, presidential decrees, executive orders and their implementing rules, inconsistent with the provisions of this Act are hereby repealed, amended or modified accordingly.

SEC. 11s. ***Effectivity.*** – This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,