

Republic of the Philippines **House of Representatives**Queson City, Metro Manila



**Seventeenth Congress** 

**First Regular Session** 

House Bill No.

Introduced by HON. ROMEO M. ACOP

## **EXPLANATORY NOTE**

The authority of the Department of Transportation (DOTr) over land transportation is exercised by the Land Transportation Office (LTO) and covers, among other things, registration of motor vehicles and consequent renewal of the same thereafter.

Section 5 of Republic Act No. 4136, otherwise known as the 'Land Transportation and Traffic Code', as amended by Batas Pambansa Blg. 74, mandates the annual registration of motor vehicles based on a registration scheme promulgated by the LTO. Any registration of motor vehicles not renewed on or before the date fixed by the LTO shall become delinquent and invalid.

Furthermore, Section 4 (d) [1] of RA 4136, as amended, empowers the Assistant Secretary of the LTO, with the approval of the Secretary of Transportation to issue rules and regulations prescribing the procedure for the registration of motor vehicles. Thus, Administrative Order No. 010-2005 was issued providing for the 3-year validity of the registration of brand new motor vehicles (original registration).

A major concern in the aforementioned existing system of motor vehicle registration, particularly the requirement for the annual renewal of registration of

motor vehicles, is the lack of sufficient LTO branches to handle the current volume of transactions.

An examination of the demand for motor vehicles, both for brand new and used, suggests an increasing trend in car sales resulting from increasing per capita GDP, as well as competitive financing schemes available for the purchase of new vehicles. The volume of cars is increasing, but the number of LTO branches where one can bring his car to register is not increasing at the same time. In fact, with the implementation of the three (3) year initial registration of motor vehicles' scheme, the volume of motor vehicle renewal registrations was drastically reduced since most initial motor vehicle registrations are handled by district offices situated in highly urbanized areas in the country. This situation indicates the desirability of extending the one-year validity period of renewal registration to further ease the backlog.

Moreover, there have been consistent reports that delay and corruption in the issuance of original and renewal registrations of motor vehicles continue to plague the process. Extending the period of validity of renewal registrations will help lessen such incidents.

This bill seeks to amend Section 5 of RA 4136 and provide the statutory basis for the 3-year period of validity of the original registration of motor vehicles and for the extension of the period of validity of their renewal registration from one (1) year to two (2) years. However, this bill shall continue to require the annual inspection of motor vehicles by the LTO for the purpose of ensuring their compliance with the emission standards set in Republic Act No. 8749, or the Philippine Clean Air Act, and to ensure the road worthiness of motor vehicles.

Finally, concerns that a longer validity period of motor vehicle registrations will result to lower government revenues hold no water as the registration / renewal fees can just be adjusted accordingly by the LTO as provided by law.

For the foregoing reasons, the immediate consideration and approval of this bill is earnestly urged.

HON. ROMEO M. ACOP

Representative

2<sup>n</sup> District, Antipolo City



Republic of the Philippines House of Representatives Quezon City, Aletro Manila

## **Seventeenth Congress**

First Regular Session

House Bill No. 2295

Introduced by HON. ROMEO M. ACOP

## AN ACT

## PROVIDING FOR THE PERIODS OF VALIDITY OF REGISTRATION OF MOTOR VEHICLES, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 4136, OTHERWISE KNOWN AS THE 'LAND TRANSPORTATION AND TRAFFIC CODE'

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

**SECTION 1.** Section 5 of Republic Act No. 4136, otherwise known as the Land Transportation and Traffic Code', as amended by Batas Pambansa Blg. 74, is hereby further amended to read as follows:

Section 5. Compulsory registration of motor vehicles. — (a) All motor vehicles and trailer of any type used or operated on or upon any highway of the Philippines must be registered with the **[Bureau of Land Transportation] LAND TRANSPORTATION OFFICE** for the current year in accordance with the provisions of this Act.

THE ORIGINAL REGISTRATION OF A MOTOR VEHICLE SHALL BE VALID FOR A PERIOD OF THREE (3) YEARS. THE RENEWAL OF THE ORIGINAL REGISTRATION OF THE SAME MOTOR VEHICLE SHALL BE

VALID FOR A PERIOD OF TWO (2), AND EVERY TWO (2) YEARS THEREAFTER: *PROVIDED*, THAT THE MOTOR VEHICLE SHALL BE SUBJECT TO ANNUAL INSPECTION BY THE LTO TO ENSURE COMPLIANCE WITH THE EMISSION STANDARDS FOR MOTOR VEHICLES IN ACCORDANCE WITH REPUBLIC ACT NO. 8749, OTHERWISE KNOWN AS THE 'PHILIPPINE CLEAN AIR ACT OF 1999', AND TO ENSURE ITS ROAD WORTHINESS.

(b) The dates of annual registration of motor vehicles shall be based on a registration scheme to be prepared by the [Bureau of Land Transportation] LAND TRANSPORTATION OFFICE subject to approval of the [Minister] SECRETARY of Transportation [and Communications]. The scheme shall provide for a system that will distribute the registration of motor vehicles equitably over different months in a calendar year. Said scheme and rates shall not be changed more often than once every three (3) years, and only upon due notice given to the public at least ninety (90) calendar days before the effectivity of such registration scheme.

Any registration of motor vehicles not renewed or before the date fixed by the [Bureau of Land Transportation] LAND TRANSPORTATION OFFICE shall become delinquent and invalid.

- (c) xxxxx
- **SECTION 2.** All references to the 'Bureau of Land Transportation' or 'Minister of Transportation and Communications' in any other provision of Republic Act Numbered Forty-one hundred thirty-six, as amended, shall be automatically substituted with the words 'Land Transportation Office' and/or 'Secretary of Transportation', as the case may be.
- **SECTION 3.** *Implementing Rules and Regulations* The Secretary of Transportation, upon the recommendation of the Land Transportation Office Assistant Secretary, shall, within sixty (60) days from the effectivity of this Act, promulgate the rules and regulations necessary for the effective implementation of this Act.
- **SECTION 4.** *Repealing Clause.* All existing laws, orders, decrees, rules and regulations or parts thereof inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

**SECTION 5.** *Effectivity.* - This Act shall take effect after fifteen (15) days from its publication in at least two (2) national newspapers of general circulation.

Approved.