

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



EIGHTEENTH CONGRESS
First Regular Session

2618
HOUSE BILL NO. _____

**Introduced by REP. ANTONIO T. ALBANO and
REP. RODOLFO B. ALBANO**

EXPLANATORY NOTE

Motorcycles provide an alternative mode of transportation especially in rural areas that are difficult to traverse because of their terrain and remote locations, and in urban areas where heavy traffic congestion unduly prolongs travel time and hinder the mobility of commuters, goods and services.

In 2016, motorcycles were already close to 50% of all registered vehicles in the country. In Metro Manila alone, it is estimated that between 120,000 to 250,000 rides daily are through unregulated motorcycle-for-hire services and that there are at least 134 motorcycle-for-hire terminal stations.

Despite hazards, motorcycles are used widely for private and public transport given their affordability and their ability to navigate

difficult to traverse terrains and heavy traffic. They provide transport convenience to commuters who prefer easier access, cheaper fares and swifter travel from point to point even in comparison with currently available Transport Network Vehicle Services (TNVS) such as Grab and Uber.

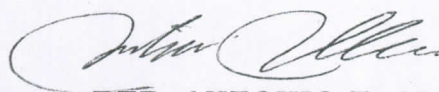
Across many transport systems in the world, motorcycles fill a critical gap no other mode can fulfill: as a feeder service, as an end-to-end transport, and as the only service capable of traversing difficult routes. Aside from the benefits to commuters, motorcycles-for-hire employ large numbers of unskilled workers, increase incomes by providing opportunities to earn more additional income, and create a new "industry" that can trigger other related enterprises from the manufacture of parts and various safety devices to even the design and marketing of applicable digital or electronic transport communication applications or platforms.

Given the current condition of our transport systems, and the need to fill gaps in transport services nationwide, allowing and regulating (principally to ensure safety of commuters) the use of motorcycles as public utility vehicles are steps in the right direction toward meeting the growing demand for cheaper, more accessible, safer and swifter means of transportation for the Filipino public as well as in creating new opportunities for employment and additional income, and generating new economic enterprises with less capital for small entrepreneurs.

The wisdom and practical benefits of allowing and regulating the use of motorcycles as public utility vehicles was recognized in the 17th Congress through various measures filed for the purpose, and through the committee approval thereafter of a consolidation of measures thereon.

This bill improves on previous measures to further rationalize the use of motorcycles as public utility vehicles.

Given these considerations, approval of this bill is strongly recommended.



REP. ANTONIO T. ALBANO



REP. RODOLFO B. ALBANO

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AN ACT
ALLOWING AND REGULATING THE USE OF MOTORCYCLES
AS PUBLIC UTILITY VEHICLES,
AMENDING FOR THE 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 the House of Representatives of the
Philippines in Congress assembled:*

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

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

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

xxx

4 “(N) **MOTORCYCLES-FOR-HIRE – ANY TWO-WHEELED MOTOR**
5 **VEHICLE THAT MAY BE REGISTERED WITH THE LAND**
6 **TRANSPORTATION OFFICE AS FOR HIRE AND MAY BE USED**
7 **AS A COMMERCIAL VEHICLE TO TRANSPORT PASSENGERS**
8 **AND GOODS: PROVIDED, THAT, FOR TRANSPORTING**
9 **PASSENGERS, THE MOTORCYCLE SHALL HAVE A MINIMUM**
10 **ENGINE DISPLACEMENT OF 125 CUBIC CENTIMETERS AND A**
11 **BACKBONE TYPE BUILT.”**

12 SECTION 4. *Registration Classification.* – Section 7 (d) of Republic
13 Act No. 4136 is hereby amended to read as follows:

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

16 (a) xxx

17 (b) xxx

18 (c) xxx

19 (d) Public utility automobiles; public utility trucks; (f) taxis
20 and auto-calesas; (g) garbage automobiles; (h) garage
21 trucks; (i) hire trucks; [and] (j) trucks owned by
22 contractors and customs brokers and customs agents[,] ;

23 **AND (K) MOTORCYCLES-FOR-HIRE.** Application for
24 registration under these classifications shall be
25 accompanied by a certificate of public convenience or a
26 special permit issued by the [Public Service Commission]
27 **LAND TRANSPORTATION FRANCHISING AND**
28 **REGULATORY BOARD, 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.”

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, Conduct of Safety Trainings, and Compliance with Safety Rules.* - The LTO shall promulgate the necessary requirements and guidelines for the issuance of licenses to motorcycle-for-hire drivers-applicants, including guidelines on the conduct and the content of the theoretical and practical examinations appropriate for such applicants. The LTO shall also 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 7. *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.

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

11 SECTION 8. *Motorcycle-for-Hire Transport System Facilities and*
12 *Services* – The Department of Transportation (DOTr) and the LTFRB shall
13 establish facilities and services for an efficient motorcycle-for-hire
14 transport system that shall include, among others, identification of
15 prescribed routes, designation of lanes in highways dedicated for
16 motorcycles-for-hire, free public parking spaces, strategically located
17 terminals and adjunct security and service facilities for motorcycles-for-
18 hire, Provided, That in prescribing routes, the DOTr and the LTFRB shall
19 give priority to higher-capacity vehicles or mass transit systems in
20 accordance with route rationalization studies; and Provided, finally, That
21 motorcycles-for-hire may be allowed to operate for a limited period with
22 a limited number of units in specific routes or local areas only as may be
23 determined by the DOTr and the LTFRB in coordination with concerned
24 local government units.

25 SECTION 9. *Penalties.*– The operation of motorcycles-for-hire in
26 violation of this Act shall be penalized in accordance with prescribed
27 fines and penalties for similar or equivalent violations under existing
28 laws and agency regulations, Provided, That the officers or directors of

1 companies providing online ride-hailing or pre-arranged transportation
2 platforms for motorcycles-for-hire without a valid franchise shall be
3 solidarity liable with the latter and shall be penalized accordingly.

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

7 SECTION 11. - *Implementing Rules and Regulations.* - The DOTr,
8 LTO, and LTFRB, in collaboration with the Metro Manila Development
9 Authority (MMDA), Department of Interior and Local Governments
10 (DILG), Philippine National Police-Highway Patrol Group (PNP-HPG),
11 Department of Health and other stakeholders shall promulgate the
12 necessary implementing rules and regulations (IRR) within sixty (60)
13 days from the day this Act takes effect.

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

23 SECTION 12. *Separability Clause.* - If any provision of this Act is
24 declared invalid, other provisions not so declared shall remain in force
25 and effect.

1 SECTION 13. *Repealing Clause.* – Any law, decree, order, rule or
2 regulation contrary to or inconsistent with the provisions of this Act is
3 hereby repealed, modified or amended accordingly.

4 SECTION 14. *Effectivity* – This Act shall take effect fifteen (15) days
5 after its publication in the Official Gazette or in at least two (2)
6 newspapers of general circulation.

Approved.