

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

SEVENTEENTH CONGRESS  
First Regular Session

House Bill No. **758**

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Introduced by **DIWA Party-list Representative Emmeline Y. Aglipay – Villar**

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#### EXPLANATORY NOTE

To say that the traffic throughout the nation has gone from bad to worse is definitely an understatement. It takes time away from our families and causes not only a multitude of personal inconveniences but also losses in our country's economy by way of lost investments and potential income. A number of solutions have been tried out by the government but it seems that the problem is just too overwhelming now to overcome.

There is one solution though that most people are in common agreement – that is, to discourage private car ownership and use by elevating the level of our public transportation system to world class level. One of the means by which most people use as their means of transportation is our taxi system. Unfortunately, it has gained notoriety in the eyes of the riding public because almost everyday in the news, we hear various incidents of passengers complaining about abusive and discourteous taxi drivers who either pick their passengers based on their personal convenience, or charge excessive fares without using their taximeters. Worse, there are even some passengers who have been held up or mugged by their own drivers. Such incidents have even led to the emergence of "alternative taxi" systems such as Uber and Grab, which according to most passengers, provide better services compared to the traditional taxis. However, such services will not be able to supply the rising need of the riding public to an efficient, safe and accessible public transportation system. That is why this bill, a consolidation of House Bills 797 (Rep. Harlin Cast. Abayon), 2346 (Rep. Lucy Torres-Gomez), 2669 (Rep. Diosdado Macapagal Arroyo and Rep. Gloria Macapagal Arroyo), 3371, 3503 (Rep. Angelina "Helen" D.L. Tan, M.D.), 3543 (Rep. Eric L. Olivarez), 3681 (Rep. Sherwin T. Gatchalian) and 4016 (Rep. Estrellita "Ging" B. Suansing) filed in the 16<sup>th</sup> Congress, seeks to overhaul and finally cure our infamous taxi system.

Not only will this bill ease the traffic by discouraging private car ownership and use, it will also serve the benefit of the riding public, as well as generate more revenue for our taxi drivers and taxi operators in the long run. For these reasons, approval of this bill is earnestly sought.

*Emmeline Y. Villar*

**EMMELINE Y. AGLIPAY – VILLAR**  
Representative, DIWA Party-list

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**AN ACT PROVIDING FOR THE REGULATION OF ACTIVITIES OF TAXI  
DRIVERS AND OPERATORS, AND FOR OTHER PURPOSES**

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

**SECTION 1. Short Title.** - This Act shall be known and cited as the "Taxi Transport Practices Regulation Act of 2016".

**SECTION 2. Declaration of Policy.** - The State values the dignity of every human person and guarantees full respect for human rights. To this end, it shall be the policy of the State to establish a world class public transportation system by providing passenger safety to the general public. To this end, the State shall establish transportation service standards that shall address the basic rights of the passengers as may be provided by law. Particularly, the State shall afford the public their established passenger rights and the principles that will outline their expectations on their commute to ensure their safety, and improve taxi service in the country.

**SECTION 3. Definition of Terms.** - For purposes of this Act, these terms are defined as follows:

(a) "Taxi" shall include any motor vehicle-for-hire held out for public transport, usually a car installed with a taximeter, which transports a passenger or passengers, with no fixed route within a specified area.

(b) "Taxi operators and companies" shall refer to any individual, partnership, cooperative and corporate entities engaged in the business of operating and maintaining taxi units.

(c) "Taximeter" shall be understood as a device or instrument found inside a taxi unit that shows the fare due.

(d) "Global Positioning System (GPS)" – a space-based satellite navigation system that provides location and time information in all weather conditions, anywhere on or near the Earth where there is an unobstructed line of sight to four or more GPS satellites.

**SECTION 4. Rights of Taxi Passengers.** – Every Taxi Passenger shall have the right to:

- (a) A licensed driver who is properly dressed, as provided in Section 7 of this Act, as well as one who is courteous and is not under the influence of alcohol or illegal drugs;
- (b) A clean and safe taxi;
- (c) Be picked up and transported to the passenger's stated destination subject to applicable traffic regulations;
- (d) A fare meter conspicuously displayed in front of the taxi which is duly calibrated and sealed by the Land Transportation Franchising and Regulatory Board (LTFRB);
- (e) Travel with an assistance dog or portable mobility aid;
- (f) Direct the route, or expect the most economical route;
- (g) View the metered fare and to receive a receipt;
- (h) Refuse multiple hiring;
- (i) Have the air conditioning on or off;
- (j) Have the lighting equipment on or off;
- (k) See the driver's identification card, which shall state clearly the driver's name and the taxi operator's name, place of business, and contract numbers, and shall contain a picture of the driver.
- (l) See the plate number of the taxi and emergency numbers for assistance by the Philippine National Police prominently displayed on the side doors and other conspicuous places within the taxi;
- (m) A quiet atmosphere, upon request;
- (n) Pay the rate exactly as posted in the meter, subject to other government sanctioned fees;
- (o) Receive an exact change;
- (p) Embark and disembark at any point, subject to existing traffic rules and regulations; and
- (q) A substitute taxi, or an assistance to procure one, in case of mechanical or engine trouble that hinders the continuation of carriage, together with the waiver of the payment of the running metered fare.

**SECTION 5. Taxi Passengers' Rights Notification.** - The taxi passengers' rights as enumerated in Section 4 of this Act shall be prominently displayed inside the taxi cab. Such notification shall also contain a brief description of the procedure on how to file a complaint

for violation of any of the rights enumerated, as well as, the necessary contact information provided by the LTFRB to handle such complaints.

**SECTION 6. Issuance of Receipts.** - All taxi drivers are required to furnish their passengers, upon arrival at their destination with a receipt detailing the following information: name, address and telephone number of the taxi company and/or operator of the vehicle, the name of the driver, the distance traveled and the corresponding fare. The driver is mandated to keep a copy of every issued receipt and should submit these at the end of his shift to the company for record-keeping purposes.

**SECTION 7. Uniform for Taxi Drivers.** -All taxi operators shall require their drivers to wear a company-prescribed uniform while driving, and with readable name plates on right breast sides, and long pants. All drivers are likewise required to wear closed shoes while driving.

**SECTION 8. Taxi Equipped with a liquefied Petroleum Gas (LPG) or Compressed Natural Gas (CNG) Fuel System.** - A taxi equipped with a liquefied petroleum gas (LPG) or compressed natural gas (CNG) fuel system must display a current Alternative Fuel Inspection Certificate to be issued by the Land Transportation Office (LTO), and the fuel system must be maintained in a safe condition. An identification label must be fitted to the vehicle that is equipped with an LPG or CNG fuel system, positioned in a clearly visible location as close as practicable to the front and rear registration plates.

**SECTION 9. Automatic Door Locks.** - A door in a taxi must not lock automatically when it is closed. Automatically operating central locking devices and speed-sensitive door locks must be permanently deactivated or removed.

**SECTION 10. Mandatory Installation of GPS** - All taxi owners/operators, whether under an existing franchise or upon application of a new one, are hereby required to install a GPS device in every taxi unit he/she presently owns/operates or will own/operate in the future. Owners/ Operators of taxi cabs under an existing franchise are given two (2) months from promulgation of this Act to comply with the requirement of installing GPS device in their taxi cabs. The LTFRB shall conduct regular ocular inspections after the lapse of two (2) months from the promulgation of this Act to ensure that all licensed taxi owners/operators have complied with the requirements of this Act. Application for a franchise to operate a taxi business by a person or persons who wish to own/operate taxi cabs as public utility vehicles, shall not be granted until and unless the owner or operator, upon the inspection and assessment of the LTO, is ready and/or equipped to install a GPS device for every taxi cab it owns/ will operate. Applicants of a new franchise shall obtain a certification from LTFRB stating that it is equipped with a GPS Device, and the said certification shall be attached or incorporated to the other pertinent documents necessary for the application process of a franchise to operate a taxi business. Applications for franchise already filed before the LTFRB but pending approval thereof upon the promulgation of this Act shall be deferred until and unless applicants comply with the additional requirement as provided under this Act and thereby acquire and/or equip their business with necessary GPS device. An additional requirement of obtaining Certification from the LTFRB as in this Section shall be submitted by the applicants whose franchise applications are pending. Only upon the attainment and submission of the said certification,

along with compliance with other requirements as required by existing laws, shall the application be finally granted or approved.

**SECTION 11. Unannounced Inspections.** - Authorized personnel of the LTFRB may conduct unannounced or surprised inspections of any taxi business to ensure compliance with this Act.

**SECTION 12. - Prohibited Practices.** - It shall be unlawful for any taxi driver and operator to engage in the following practices:

- (a) Asking passengers their intended destination without allowing them inside the vehicle first;
- (b) Refusing to accept and convey passengers to their intended destination for any reason(s). However, refusal to convey passengers on the basis any of the following grounds shall not be deemed unlawful:
  - (1) mechanical failure;
  - (2) low fuel;
  - (3) car barn time, or the time a taxi driver is expected to return his vehicle to the home garage of the operator, either to cease operation for the day or to change shift with another driver;
  - (4) potential threats against the person or property of the driver as determined from a certain notoriety of the place or palpable danger signs such as isolated and dark areas;
  - (5) excess of cargo or passenger limit;
  - (6) conveyance of hazardous or dangerous cargoes and materials; or
  - (7) passenger's refusal to use the seatbelt or any other lawful obligation
- (c) Charging a specific sum of money as fare, or the practice of imposing a fixed amount to be paid by the passengers upon arrival at their intended destination without using their taximeters;
- (d) Asking passengers to pay an amount over and above the fare reflected in the taximeter;
- (e) Operating with a set route or in a specific area in violation of their franchise agreement and refusing to convey passengers beyond that route or area;
- (f) Not employing a taximeter inside their vehicles or utilizing tampered meters;
- (g) Violating their respective franchise agreements, rules and guidelines set by the LTFRB and the Department of Transportation and Communication governing their operations;



- (h) Failure or refusal to be in prescribed uniform;
- (i) Discourtesy or arrogance towards passengers;
- (j) Failure or refusal to use seatbelts and follow other lawful obligations;
- (k) Failure or refusal to issue receipts;
- (l) Installing advertising signs without a permit;
- (m) Using unauthorized commercial or business name or allowing another to use his commercial or business name;
- (n) Engaging in "*kabit system*" or the multiple use of taxi units under one franchise.

**SECTION 13. Penalties.** - The following penalties shall be imposed on taxi companies, operators and drivers found violating any of the provisions of this Act:

- (a) First (1st) Offense - suspension of the license of the erring driver for a period of seven (7) days and a fine amounting to two thousand pesos (P2,000.00) imposed upon the taxi company or operator;
- (b) Second (2nd) Offense - suspension of the license of the erring driver for a period of one (1) month, if it is the same driver mentioned in paragraph (a); otherwise, it will be considered only as a first offense with respect to that driver. In either case, the operating franchise shall be suspended for a period of six (6) months and a fine of ten thousand pesos (P10,000.00) imposed upon the taxi company/operator for the second violation;
- (c) Third (3rd) Offense -- revocation of the driver's license and franchise, including a fine of fifty thousand pesos (P50,000.00) shall be imposed upon the erring taxi company or operator.

The LTFRB shall be vested with the authority to act on all verified complaints by the commuting public of violations of the provisions of this Act within a period of thirty (30) calendar days from receipt of such complaints with due notice and hearing.

**SECTION 14. Special Fund /or Education Seminars.** - Fines paid by the offending parties for violations of this Act shall accrue to a special fund to be held by the LTFRB for the benefit of taxi drivers and operators. The fund shall be disbursed exclusively for the educational seminars of erring taxi drivers and operators. Attendance by the concerned drivers and operators in such seminars shall be mandatory, failure of which shall constitute a violation of this Act punishable under Section 13 hereof.

**SECTION 15. Summary Procedure in Investigation and Hearing.** - The investigation or hearing of any complaint under this Act shall be summary in nature and without regard to technicalities of law or procedure, all in the interest of due process, provided that the operator shall be duly notified of the same.

**SECTION 16. Independence of Action.** - The liability under this Act shall be independent from, and be without prejudice to, any liability under other laws.

**SECTION 17. Nationwide Public Information Campaign.** - The LTFRB, in coordination with the Philippine Information Agency, the Department of Education, and private agencies and organizations, shall undertake a nationwide information, education and communication campaign for the attainment of the objectives of this Act. The LTFRB, in coordination with the local government units, shall likewise utilize the services of citizen groups and community organizations for the promotion of public safety awareness in observance of this Act.

**SECTION 18. Implementing Rules and Regulations.** - The LTFRB, in consultation with the LTO, shall issue the necessary rules and regulations to implement the provisions of this Act within 60 days from the effectivity of this Act.

**SECTION 19. Appropriations.** - The amount necessary for the initial implementation of this Act shall be charged against the appropriations of the LTFRB under the current General Appropriations Act. Thereafter, such sums as may be necessary for its full implementation shall be included in the GAA as a distinct and separate item. The amount of fines collected in the enforcement of this Act shall be used exclusively in the furtherance of its effective implementation including information disseminations, education and awareness campaigns, as provided under Section 17.

**SECTION 20. Repealing Clause.** - All acts, decrees, executive orders, rules and regulations and other issuances or parts thereof inconsistent with the provisions of this Act are hereby repealed, modified or amended.

**SECTION 21. Separability Clause.** - If for any reason, any portion or provision of this Act be declared invalid or unconstitutional, other parts or provisions hereof which are not affected thereby shall continue to be in full force and effect.

**SECTION 22. Effectivity.** - This Act shall take effect fifteen (15) days after its publication either in the Official Gazette or in 2 newspapers of general circulation.

Approved,