

Republic of the Philippines **HOUSE OF REPRESENTATIVES**Quezon City

#### **EIGHTEENTH CONGRESS**

First Regular Session

HOUSE BILL NO. 6438



Introduced by MAGSASAKA Party-list Representative

ARGEL JOSEPH T. CABATBAT

#### **EXPLANATORY NOTE**

Traffic congestion has become a daily ordeal of Filipino commuters in Metro Manila. With inefficient mass transport system, Urban Planning expert Felino "Jun" Palafox Jr. have estimated that nine to 15 years of commuters' lives are wasted due to traffic congestion out of their 40 years of economic life. The Metropolitan Manila Development Authority (MMDA) has also reported that daily economic loss in 2018 is 3.5 billion pesos due to traffic congestion.

Given these realities, Filipino commuters and other stakeholders sought for different mobility options in Metro Manila and one of which includes motorcycle ride-sharing services. Comparably, with similar nature motorcycles-for-hire or *habal-habal* in most rural areas continue to persist with its accessibility, affordability, and efficiency for locals and tourists. This as well became source of income of our *kababayans* who serve as bikers.

However, despite patronage of the public to these motorcycles-for-hire and motorcycle ride-sharing services, it is still illegal and unregulated by the government. With the bias to make mass transportation system efficient, it is also timely for the government to intervene in providing other safe mobility options to the commuting public.

This bill seeks to amend Republic Act No. 4136 also known as the Land Transportation and Traffic Code to allow and regulate motorcycles-for-hire and motorcycle ride-sharing services in the country. This will surely benefit the Filipino commuters, mostly

workers, who have been suffering every single day in the worsening traffic situation and our *kababayans* who are currently informally employed in the said services.

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

ARGELJOSEPH T. CABATBAT

MAGSASAKA Party-List



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#### 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

- 1 Be it enacted by the Senate and the House of Representatives of the Philippines in Congress
- 2 assembled:
- 3 SECTION 1. Title This Act shall be known as the "Motorcycles-for-Hire Act".
- 4 **SECTION 2**. *Declaration of Policy* It is the policy of the State to promote the general
- 5 welfare and ensure public safety. Toward these ends, the use of motorcycles as public utility
- 6 vehicles to provide alternative mode of safe, accessible, affordable and efficient public
- 7 transportation is hereby allowed and regulated.
- 8 SECTION 3. Motorcycles-for-Hire Section 2 of Republic Act No. 4136 is hereby amended
- 9 by adding a new paragraph that shall read as follows:
- 10 XXX
- 11 "(n) MOTORCYCLES-FOR-HIRE ANY TWO-WHEELED MOTOR VEHICLE THAT MAY
- 12 BE REGISTERED WITH THE LAND TRANSPORTATION OFFICE AS FOR HIRE AND
- 13 MAY BE USED AS A COMMERCIAL VEHICLE TO TRANSPORT PASSENGERS AND

- 1 GOODS; PROVIDED THAT, FOR TRANSPORTING PASSENGERS, THE MOTORCYCLE
- 2 SHALL HAVE A MINIMUM ENGINE DISPLACEMENT OF 125 CUBIC CENTIMETERS
- 3 AND A BACKBONE TYPE BUILT."
- 4 SECTION 4. Registration Classification Section 7 (d) of Republic Act No. 4135 is hereby
- 5 amended to read as follows:
- 6 "Section 7. Registration Classification- Every motor vehicle shall be registered under one
- 7 of the following described classifications:
- 8 (a) xxx
- 9 (b) xxx
- 10 (c) xxx
- (d) Public utility automobiles; (e) public utility trucks; taxis and auto-calesas; (g)
- garbage automobiles; (h) garage trucks; (i) hire trucks; [and] (j) trucks owned by
- contractors and customs brokers and custom agents; AND (K) MOTORCYCLES-
- 14 **FOR-HIRE.** Application for registration under these classifications shall be
- accompanied by a certificate of public convenience of a special permit issued by the
- 16 [Public Service Commission] LAND TRANSPORTATION FRANCHISING AND
- 17 **REGULATORY BOARD**, and motor vehicles registered under these classifications
- shall be subject to the Public Service Law, rules and regulations as well the
- 19 provisions of this Act.
- 20 Xxx"
- 21 **SECTION 5**. Roadworthiness of Motorcycles-for-Hire- The Land Transportation Office (LTO)
- 22 shall ensure the roadworthiness of motorcycles-for-hire before registration or renewal of
- 23 registration. To further ensure safety, no modifications of any kind or form shall be made on
- 24 motorcycles-for-hire, except for the installation, based on safe engineering design
- 25 specifications, of motorcycle luggage carriers, saddlebags, step boards or foot pegs, and
- 26 appropriate speed limiter, and monitoring devices.
- 27 **SECTION 6.** Issuance of Driver's License- The LTO shall promulgate the necessary
- 28 requirements and guidelines for the issuance of licenses to motorcycle-for-hire driver-
- 29 applicants, including guidelines on the conduct and the content of theoretical and practical
- 30 examinations appropriate for such applicants.
- 31 **SECTION 7**. Conduct of Safety Trainings and Compliance with Safety Rules- The LTO shall
- 32 ensure the conduct of continuing safety trainings for licensed drivers of motorcycles-for-hire,

- 1 provided, that licensed drivers shall attend at least one (1) safety training every year. It
- 2 shall also ensure compliance with safety rules and regulations for the protection of the
- 3 passengers, drivers, and the public.
- 4 SECTION 8. Fare Setting and Ride-Hailing- The Land Transportation Franchising and
- 5 Regulatory Board (LTFRB) shall determine, prescribe, approve and periodically review and
- 6 adjust reasonable fares, rates, and other related charges for the operation of motorcycles-
- 7 for-hire after due consultation with affected stakeholders.
- 8 It shall also allow motorcycles-for-hire to choose and use online ride-hailing or pre-arranged
- 9 transportation platforms which must be accredited by and registered with the Department of
- 10 Information and Communication Technology (DICT) or any other appropriate agency or
- instrumentality thereof, provided that, the said companies providing or operating these
- 12 platforms shall comply with this Act and other regulations on motorcycles-for-hire, including
- fare setting; and Provided finally, that the use of online modes and platforms of ride-hailing
- shall not exclude the use of other modes of ride-hailing such as text messaging to ensure
- 15 commuters affordable and easy access to motorcycles-for-hire.
- **SECTION 9.** Motorcycle-for Hire Transport System Facilities and Services- The Department
- of Transportation (DOTr) and the LTFRB shall establish facilities and services for an efficient
- 18 motorcycle-for-hire transport system that shall include, among others, identification of
- 19 prescribed routes, designation of lanes in highways dedicated for motorcycles-for-hire, free
- 20 public parking spaces, strategically located terminals and adjunct security and service
- 21 facilities for motorcycles-for-hire, provided that in prescribing routes, the DOTr and the
- 22 LTFRB shall give priority to higher-capacity vehicles or mass transit systems in accordance
- 23 with the route rationalization studies, and provided finally, that motorcycles-for-hire may be
- 24 allowed to operate for a limited period with a limited number of units in specific routes or
- 25 local areas only as may be determined by the DOTr and the LTFRB in coordination with
- 26 concerned local government units.
- 27 **SECTION 10.** Insurance Coverage- The owner of motorcycles-for-hire shall, upon
- 28 registration, procure the necessary insurance covering the motorcycle-for-hire driver, the
- 29 rider, and the third party.
- 30 **SECTION 11.** Liability and Diligence Required Motorcycles-for-hire are hereby declared as
- 31 common carriers for purposes of determining the liability and degree of diligence that must
- 32 be observed in the course of transporting passengers or goods, and the presumption of
- 33 negligence in breach of contract shall likewise apply to them.

- 1 **SECTION 12.** Penalties- The operation of motorcycles-for-hire in violation of this Act shall
- 2 be penalized in accordance with prescribed fines and penalties for similar or equivalent
- 3 violations under existing laws and agency regulations, provided that the officers or directors
- 4 of companies providing online ride-hailing or pre-arranged transportation platforms for
- 5 motorcycles-for-hire without a valid franchise shall be solidarity liable with the latter and
- 6 shall be penalized accordingly.
- 7 SECTION 13. Implementing Rules and Regulations- The DOTr, LTO, and LTFRB, in
- 8 collaboration with the Metro Manila Development Authority (MMDA), Department of Interior
- 9 and Local Government (DILG), Philippine National Police- Highway Patrol Group (PNP-HPG),
- 10 Department of Health (DOH), and other stakeholders shall promulgate the necessary
- implementing rules and regulations (IRR) within sixty (60) days from the day this Act takes
- 12 effect.
- 13 The IRR shall include, among others, prescribed limits on the number of riders, the weight
- or load capacity that can be carried and certified safe by manufacturers and as indicated on
- the motorcycles, the applicable speed limits, the road safety and traffic laws and rules that
- must be complied with, the necessary insurance policy covering the driver, rider, and third
- parties including extent of liabilities, designation of free parking spaces, terminals, and lanes
- and such other requirements to ensure safety, security and health of the driver, the rider,
- 19 and the public.
- 20 **SECTION 14.** Separability Clause If any provision of this Act is declared invalid, other
- 21 provisions not so declared shall remain in force and effect.
- 22 **SECTION 15.** Repealing Clause Any law, decree, order, rule or regulation contrary to or
- 23 inconsistent with the provisions of this Act is hereby repealed, modified, or amended
- 24 accordingly.
- 25 **SECTION 16.** 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,