

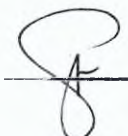
6.
NINETEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)



Senate
Office of the Secretary

'22 JUL -7 P2:34

SENATE
S. No. 104

RECEIVED BY: 

Introduced by Senator Grace Poe

**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**

EXPLANATORY NOTE

Motorcycles have emerged in the past decade as a preferred mode of *private* transportation. According to the Land Transportation Office (LTO), there are around 15 million motorcycles without sidecars in the country. Motorcycles also account for 40.6% of all private trips in Metro Manila and the adjacent provinces of Bulacan, Rizal, Cavite, and Laguna.

It was only a matter of time until motorcycles were adapted as a mode of public transportation. The predominant example is the *habal-habal* also known as *skylab*, which is a contraction of the phrase "sakay na, lab (love)"- which is found throughout the country. From Metro Manila to Bukidnon, the *habal-habal* has filled a niche in the public transport network.

Another example is *Angkas*, which is new player in the local transport network vehicle service (TNVS) network. Angkas has foregone cumbersome car-based services, focusing instead on *habal-habal* type services. This has resulted in faster and cheaper rides for a loyal customer base of half a million per day.

In light of these trends, the present measure seeks to legalize motorcycles for hire as a form of public transportation. It does so by defining motorcycles for hire as "...any two-wheeled motor vehicle, which transport goods and passengers on a for hire basis, and which may utilize online ride-hailing or pre-arranged transportation platforms". It also includes the same as a new classification of public utility vehicle under Section 7 of Republic Act No. 4136.

Further, the present measure explicitly classifies motorcycles for-hire as common carriers. With this provision, motorcycles-for-hire shall observe the requisite degree of diligence in transporting passengers and goods. And the presumption of negligence in breach of contract shall likewise be applicable.

In light of the foregoing, urgent approval of this measure is eagerly sought.



GRACE POE

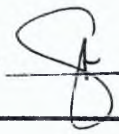
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Be it enacted by the Senate and the House of Representatives of the Philippines in Congress assembled:

1 Section. 1. *Short Title.* – This Act shall be known as “The Motorcycles-for-
2 Hire Act of 2022”.

3 Sec. 2. *Declaration of Policy.* – The State recognizes the role of safe, reliable,
4 and affordable public transportation as a means to provide the people with a rising
5 standard of living, and an improved quality of life for all. Towards this end, the State
6 hereby allows use and regulation of motorcycles as an alternative mode of public
7 transportation in order to provide convenience and ease of commute in urban and
8 rural areas while ensuring public safety and efficiency of the transport system as a
9 whole.

10 Sec. 3. Section 3 of Republic Act No. 4136, or the “Land Transportation and
11 Traffic Code” is hereby amended as follows:

12 “Section 3. *Words and phrases defined.* - As used in this Act:

13 “(a) “Motor Vehicle” x x x

14 x x x

15 “(m) “Tourist” x x x

16 **(N) MOTORCYCLES-FOR-HIRE – SHALL MEAN ANY TWO-**
17 **WHEELED MOTOR VEHICLE WHICH IS REGISTERED WITH THE**
18 **LAND TRANSPORTATION OFFICE (LTO) OR THE LAND**

1 **TRANSPORTATION FRANCHISING AND REGULATORY BOARD**
2 **(LTFRB), AS THE CASE MAY BE, WHICH TRANSPORTS**
3 **PASSENGERS AND GOODS ON A FOR HIRE BASIS, AND WHICH**
4 **MAY UTILIZE ONLINE RIDE HAILING OR PRE-ARRANGED**
5 **TRANSPORTATION PLATFORMS: *PROVIDED*, THAT THE**
6 **MOTORCYCLE SHALL WEIGH LESS THAN ONE THOUSAND**
7 **KILOGRAMS (1,000 KG), CAN TRAVEL FASTER THAN FIFTY**
8 **KILOMETERS PER HOUR (50 KM/H), AND HAS A MINIMUM**
9 **ENGINE DISPLACEMENT OF 125 CUBIC CENTIMETERS (125**
10 **CM³) AND A BACKBONE TYPE BUILD."**

11 Sec. 4. Section 7 (d) of Republic Act No. 4136 is hereby amended to read as
12 follows:

13 "Section 7. *Registration Classification.* - Every motor vehicle shall be
14 registered under one of the following described classifications.

- 15 (a) xxx
16 (b) xxx
17 (c) xxx
18 (d) Public utility automobiles; (e) public utility trucks; (f)
19 taxis and auto-calesas; (g) garage automobiles; (h) hire trucks; [and]
20 (j) trucks owned by contractor and customs brokers and customs
21 agends [-]; **AND (K) MOTORCYCLES-FOR-HIRE.** Application for
22 registration under these classifications shall be accompanied by a
23 certificate of public conveyance or a special permit issued by the
24 **LAND TRANSPORTATION FRANCHISING AND REGULATORY**
25 **BOARD** [~~Public Services Commission~~], and motor vehicles registered
26 under these classifications shall be subject to the Public Services Law,
27 rules and regulations, as well as the provisions of this Act.

28 xxx."

29 The succeeding sections shall be renumbered accordingly.

30 Sec. 5. *Liability and Diligence Required.* – Motorcycles-for-hire are hereby
31 declared as common carriers for purposes of determining the liability and degree of

diligence that must be observed in the course of transporting passengers or goods, and the presumption of negligence in breach of contract shall likewise apply to them.

Sec. 6. *Roadworthiness of Motorcycles-for-Hire.* – The LTO and LTFRB, as the case may be, shall ensure the roadworthiness of motorcycles-for-hire before registration or renewal of registration. To further ensure safety, no modifications shall be made on motorcycles-for-hire, except the installation, based on safe engineering design specifications, of motorcycle luggage carrier, saddlebag, step board or foot peg and appropriate speed limiter and monitoring device.

Sec. 7. *Issuance of Driver's License.* – Pursuant to Section 23-A of Republic Act No. 4136, as amended by Republic Act No. 10930, the LTO shall promulgate the necessary prerequisites and guidelines for the issuance of professional licences to the driver-applicants, including the theoretical and practical examinations appropriate for motorcycles for hire. The LTO shall also ensure the continuous safety training of licensed drivers of motorcycles-for-hire.

Sec. 8. *Fare Setting.* – The LTFRB shall determine, prescribe, approve and periodically review and adjust reasonable fares, rates, and other related charges for the operation of motorcycles for hire. The LTFRB may allow motorcycles-for-hire to choose and use online ride-hailing platforms or pre-arranged transportation platforms, accredited by the proper government agency under the applicable laws and rules and regulations: *Provided,* That such online ride-hailing platforms or pre-arranged transportation platforms shall provide a fare estimator that enables users to estimate the cost of a trip, and issue an electronic receipt afterwards.

Sec. 9. *Prescribing of Routes.* – In prescribing routes for motorcycles-for-hire, the Department of Transportation and the LTFRB shall give priority to higher-capacity vehicles or mass transit systems in accordance with route rationalization studies. Motorcycles-for-hire may be allowed to operate for a limited period, with limited number of units, and in specific routes only, as may be determined by the DOTr and the LTFRB in coordination with concerned local government units: *Provided,* That specific routes shall not be prescribed for motorcycles-for-hire which utilize online ride-hailing or pre-arranged platforms.

Sec. 10. *Penalties.* – The operations of motorcycles-for-hire in violation of this Act shall be penalized pursuant to the violations and applicable fines and penalties

1 provided under existing laws and agency regulations: *Provided*, That companies or
2 officers or directors thereof, providing online ride-hailing or pre-arranged
3 transportation platforms involving motorcycles without a valid franchise, shall have
4 solidary liability and shall be penalized accordingly.

5 Sec. 11. *Implementing Rules and Regulations.* – The DOTr, LTO, and LTFRB,
6 in coordination with the Metro Manila Development Authority, Department of Interior
7 and Local Government, Philippine National Police-Highway Patrol Group, Department
8 of Health, and other agencies and stakeholders shall promulgate the necessary
9 implementing rules and regulations (IRR) within sixty (60) days from the effectivity
10 of this Act.

11 The IRR shall include, among others, the limitation on the number of riders
12 and weight or load capacity that can be certified as safe by the manufacturers,
13 which shall be indicated on the motorcycles; the applicable speed limits; the road
14 safety and traffic laws and regulations that need to be complied with; the necessary
15 insurance policy covering the driver, rider, and third parties, including extent of
16 liability; and other requirements for the safety, security, and health of the driver and
17 rider, which shall include a zero tolerance for drugs and alcohol policy.

18 Sec. 12. *Separability Clause.* – If any part of provision of this Act is declared
19 invalid, the remaining provision shall remain valid and in effect.

20 Sec. 13. *Repealing Clause.* – All laws, decrees, executive issuances, rules and
21 regulations contrary or inconsistent with this Act are hereby repealed, modified, or
22 amended accordingly.

23 Sec. 14. *Effectivity.* – This Act shall take effect fifteen (15) days after
24 publication in the Official Gazette or in at least two (2) newspapers of general
25 circulation.

Approved,