

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

'22 SEP 19 P3:36

**SENATE** S.B. No. <u>1328</u>

RECEIV D BY

# Introduced by **SENATOR IMEE R. MARCOS**

# AN ACT RECOGNIZING MOTORCYCLES AS PUBLIC UTILITY VEHICLES, AMENDING FOR THIS PURPOSE REPUBLIC ACT NO. 4136, OTHERWISE KNOWN AS THE "LAND TRANSPORTATION AND TRAFFIC CODE" AND REPUBLIC ACT NO. 7160, OTHERWISE KNOWN AS THE "LOCAL GOVERNMENT CODE", AS AMENDED, AND FOR OTHER PURPOSES

## **EXPLANATORY NOTE**

Metro Manila is one of the most traffic-congested cities in the world. It ranked as the 18<sup>th</sup> Worst Traffic-Congested City among 404 countries in the 2021 TomTom's Traffic Index. Time Lost in Rush Hour Per Year was computed at 157 hours (equivalent to 6 days and 13 hours) and Time Lost in Rush Hour for Every 30-Minute Trip averaged 16 minutes in mornings and 24 minutes in evenings.

The issue of traffic goes far beyond its impact on the country's capital and is, in fact, a national issue. For instance, Cebu has already become as bad as Manila in terms of traffic congestion and Davao and Iloilo are also on their way. Several other highly urbanized cities outside Metro Manila are well on their way to frequent traffic jams and heavy road congestion.

Despite the government's lack of action, the rest of the country has recognized the role of motorcycles as an alternative mode of transportation. Given its low cost, the ownership of motorcycles across the country has been increasing. Thus, it is but natural for motorists to consider motorcycles-for-hire. The motorcycle ride-hailing app *Angkas* is a popular alternative to the more expensive alternatives, Grab and taxis.

The reality is that motorcycles, despite their inherent limitations and potential hazards, are used widely used for their affordability and their maneuverability. This is particularly true in developing cities like Bangkok, Jakarta, and Hanoi with yet-developed public transport systems, but even so in developed cities like Paris, California, and Melbourne. Across many transport systems around the world,

motorcycles fill a critical gap no other mode can fulfill: as a feeder service, as an end-to-end transport, and in some cases, as the only service capable of traversing roads.

Motorcycles-for-hire used as public utility have the added benefit of employing a large number of the unskilled workforce. In 2016, *Angkas* pioneered the motorcycle taxi industry and has legalized and professionalized the two-wheel transportation by shouldering the safety training of about 100,000 riders, of which 30% who passed the test have been selected for employment. Since educational attainment is not a qualification for *Angkas* drivers, this particular Transport Network Vehicle Service (TNVS) gives a chance and opportunity for decent and above-average means of income and livelihood for an urban poor class who otherwise will have to compete in a highly competitive formal market. There is also great potential for local motorcycle owners, transport cooperatives, and other groups (MODAs cf. TODAs) to organize their own local transport networks for profit and employment in unserved or underserved areas.

With the dawn of the digital age, the LTFRB, by virtue of a Department Order, now regulates TNVS for four-wheel vehicles. Yet, this does not cover the regulation of motorcycles being used as public utility vehicles. Even more so, Republic Act No. 4136 does not contemplate motorcycles as public utility vehicles. Neither is there a mention of motorcycles used as public utility vehicles in the Local Government Code.

However, under Section 7(q) of the above-mentioned law, the Commissioner of Land Transportation may, in his discretion, allow the registration of motor vehicles even though it does not conform to the described regular classification provided therein. In effect, this gives the Department of Transportation (DOTr) the authority to classify a "special" kind of public utility vehicle and allow for its registration without the need for a separate legislation on this matter. By necessary implication, the DOTr through the Land Transportation Franchising Regulatory Board (LTFRB), may also regulate such vehicles.

Thus, this bill intends to amend the Land Transportation and Traffic Code and the Local Government Code to recognize motorcycles-for-hire as public utility vehicles and, thus, to regulate them.

Given the abovementioned, the passage of this bill is earnestly sought.

MEE R. MARCUS



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

'22 SEP 19 P3:36

### **SENATE**

S.B. No. <u>1328</u>



# Introduced by SENATOR IMEE R. MARCOS

### AN ACT

RECOGNIZING MOTORCYCLES AS PUBLIC UTILITY
VEHICLES, AMENDING FOR THIS PURPOSE REPUBLIC ACT NO.
4136, OTHERWISE KNOWN AS THE "LAND TRANSPORTATION AND
TRAFFIC CODE" AND REPUBLIC ACT NO. 7160, OTHERWISE
KNOWN AS THE "LOCAL GOVERNMENT CODE", AS AMENDED, AND
FOR OTHER PURPOSES

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

SECTION 1. Short Title. – This Act shall be known as the, "Motorcycles-for-Hire Act."

3

5

6

7

8

9

**SEC. 2.** Declaration of Policy. – It shall be the policy of the State to provide basic transport services to the people, and safeguarding their safety and promoting their general welfare. Toward this end, the use of motorcycles-for-hire as an alternative mode of public transportation is hereby recognized and regulated in order to provide mobility in unserved and underserved rural areas, as well as traffic congested urban centers

10 11

**SEC. 3.** Section 3 of Republic Act No. 4136 is hereby amended by adding new words which shall be defined as follows:

121314

"Section 3. Words and phrases defined. – As used in this Act:

15

17

(N) MOTORCYCLE-FOR-HIRE - ANY TWO-WHEELED MOTOR VEHICLE USED AS A MEANS OF PUBLIC TRANSPORTATION AND CARGO REGISTERED WITH THE LAND TRANPORTATION OFFICE **TRANSPORTATION FRANCHISING** LAND THE **FOR PROVIDED REGULATORY BOARD** (LTFRB); TRANSPORTING PASSENGERS, THE MOTORCYCLE SHALL HAVE 125 **CUBIC** DISPLACEMENT OF **ENGINE MINIMUM** CENTIMETERS AND A BACKBONE TYPE BUILT.

8 9 10

11

12

1

2

3

4

5

6

7

MOTORCYCLES-FOR-HIRE MAY BE OPERATED INDEPENDENTLY BY THE OWNER OF THE MOTORCYCLE, OR MADE AVAILABLE THROUGH A NETWORK OR DIGITAL TRANSPORT VEHICLE SERVICE (TNVS)."

13 14 15

**SEC. 4.** Section 7 (d) of Republic Act No. 4136 or the Land Transportation and Traffic Code is hereby amended to read as follows:

16 17 18

19 20

2122

23

24

25

26

27

28

29

30

31

32

- "Sec. 7. *Registration Classification*. Every motor vehicle shall be registered under one of the following described classifications:
  - $(a) \times \times \times$
  - (b) x x x
  - (c) x x x
  - (d) Public utility automobiles; (e) public utility trucks; (f) taxis and autocalesas; (g) garage automobiles; (h) garage trucks; (i) hire trucks; [and] (j) trucks owned by contractors and customs brokers and customs agents [.]; AND (K) MOTORCYCLES-FOR-HIRE. Application for registration under these classifications shall be accompanied by a certificate of public convenience or a special permit issued by the [Public Service Commission] LAND TRANSPORTATION FRANCHISING AND REGULATORY BOARD (LTFRB), and motor vehicles registered under these classifications shall be subject to the Public Service Law, rules and

33 34

35

36

37

38

FURTHER PROVIDED THAT MOTORCYCLES-FOR-HIRE OPERATING STRICTLY WITHIN THE TERRITORIAL JURISDICTION OF A LOCAL GOVERNMENT UNIT, WHETHER THESE MOTORCYCLES BELONG TO A TRANSPORT NETWORK, OR ARE MEMBERS OF LOCAL COOPERATIVE OR CORPORATION, OR

regulations, as well as the provisions of this Act.

ARE INDIVIDUAL OWNERS/OPERATORS OF THE MOTORCYCLE, THEY SHALL BE SUBJECT TO THE PROVISIONS OF SECTION 447 (3) (V I) AND SECTION 45 8 (3) (VI) OF REPUBLIC ACT NO. 7160. XXX."

**SEC. 5.** Section 447 (3) (VI) of Republic Act No. 7160 is hereby amended to read as follows:

"x x x"

(vi) subject to the guidelines prescribed by the [Department of Transportation and Communications] LTFRB, regulate the operation of tricycles AND MOTORCYCLES-FOR-HIRE AS PUBLIC TRANSPORT OPERATING STRICTLY WITHIN THE TERRITORIAL JURISDICTION OF A LOCAL GOVERNMENT UNIT, WHETHER THESE MOTORCYCLES BELONG TO A TRANSPORT NETWORK, OR ARE MEMBERS OF LOCAL COOPERATIVE OR CORPORATION, OR ARE INDIVIDUAL OWNERS/OPERATORS OF THE MOTORCYCLE, and grant franchises for the operation thereof within the territorial jurisdiction of the municipality;

X X X"

**SEC. 6.** Section 458 (3) (VI) of Republic Act No. 7160 is hereby amended to read as follows:

"(vi) subject to the guidelines prescribed by the [Department of Transportation and Communications,] LTFRB, regulate the operation of tricycles AND MOTORCYCLES AS PUBLIC TRANSPORT OPERATING STRICTLY WITHIN THE TERRITORIAL JURISDICTION OF A LOCAL GOVERNMENT UNIT, WHETHER THESE MOTORCYCLES BELONG TO A TRANSPORT NETWORK, OR ARE MEMBERS OF LOCAL COOPERATIVE OR CORPORATION, OR ARE INDIVIDUAL OWNERS/OPERATORS OF THE MOTORCYCLE, and grant franchises for the operation thereof within the territorial jurisdiction of the city; xxx"

**SEC. 7.** Roadworthiness of Motorcycles-for-hire. – The Land Transportation Office (LTO) shall guarantee the roadworthiness of motorcycles-for-hire by requiring emission testing and other safeguards before registration

and each renewal. No modification shall be made thereafter on motorcycles-forhire, except the possible installation following LTO's guidelines of a luggage carrier, saddlebag, step board or foot peg, and an appropriate speed limiter and monitoring device.

**SEC. 8.** *Liability and Diligence.* – Motorcycles-for-hire are hereby declared as common carriers for purposes of determining the liability and degree of diligence to be observed in the course of transporting goods or passengers, and the presumption of negligence in the breach of contract shall likewise apply, as provided in existing laws, rules and regulations.

**SEC. 9.** *Driver's Safety.* – In accordance with Section 23-A of the Land Transportation and Traffic Code, as amended by Republic Act No. 10930, the LTO shall impose the necessary requisites for issuance of licenses to the driver applicants, including training theoretical and practical testing and health examinations. Further, safety helmets should be provided as required by law.

**SEC. 10.** *Insurance.* – In addition to driver's and motor vehicle insurance, the LTO shall require the insurance and coverage of passengers and cargo.

**SEC. 11.** Local Government's Duties. – The concerned local government unit is urged, before it could issue a franchise under this Act, to issue guidelines for the operation of motorcycles in their territorial jurisdiction. These guidelines may include, with the approval of the Department of Public Works and Highways (DPWH) the designation of motorcycle lanes in highways, assigned motorcycle parking, terminals, and such other facilities as may constitute a motorcycle-for-hire transport system.

**SEC. 12.** Repealing Clause. – All other laws, acts, presidential decrees, executive orders. Issuances, presidential proclamations, rules and regulations or parts thereof, which arc contrary to and inconsistent with any provision of this Act, are hereby repealed, amended, or modified accordingly.

**SEC. 13.** Separability Clause. – If any portion or provision of this Act is declared unconstitutional, the remainder of this Act or any provision not affected thereby shall remain in force and effect.

SEC. 14. Effectivity. – This Act shall take effect after fifteen (15) days following the completion of its publication either in the Official Gazette or in a newspaper of general circulation in the Philippines.

Approved,