

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

Fifteenth Congress

First Regular Session



HOUSE BILL NO. 39

Introduced by Honorable Pedro B. Acharon, Jr.

EXPLANATORY NOTE

This bill seeks to grant the local government units the power to regulate the operation of motorcycles-for-hire in their areas of jurisdiction.

It is common knowledge that in many areas in the country the only mode of transportation is the motorcycle-for-hire. Although commonly accepted as a means of public transport in many areas, motorcycles-for-hire are not registered as such. Thus, their business operations are illegal and are not covered by any kind of insurance.

The proliferation of motorcycles-for-hire as a means of transportation is detrimental to the riding public because passengers cannot claim any benefit or reimbursement for medical expenses in case of accidents.

Regulating the business operation of motorcycle-for-hire will protect both the operator and the riding public. Hence, operators of motorcycles-for-hire are eventually given the authority to register their motor vehicle as public transport and are obliged to be governed by the law on common carrier.

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


PEDRO B. ACHARON, JR.

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1 **AN ACT**
2 **REGULATING THE BUSINESS OPERATION OF MOTORCYCLES-**
3 **FOR-HIRE AND FOR OTHER PURPOSES**
4

5 *Be it enacted by the Senate and House of Representatives of the Philippines*
6 *in Congress assembled:*
7

8 SECTION 1. **Short Title.** – This Act shall be known as the
9 *“Motorcycle-For-Hire Act of 2010.”*

10 SEC. 2. **Declaration of Policy.** – It is the policy of the State to render
11 basic services to the people. In many areas in our country where roads are
12 not passable by tricycle and any four-wheeled vehicles, the peoples’
13 initiatives in solving their transportation problems must be respected and
14 recognized with the end in view of instituting effective management thereof.
15 Towards this end, local governments are hereby tasked to regulate the use of
16 motorcycles-for-hire.

1 SEC. 3. *Local Franchise.* – The municipality or city shall receive,
2 process and evaluate all applications for the grant of franchise to operate
3 motorcycles-for-hire within their territorial jurisdiction. For purposes of this
4 Act, motorcycle-for-hire refers to a two-wheeled motor vehicle which has
5 been modified in order to carry or transport passengers or goods for
6 compensation, offering their services to the public.

7 a) Any person applying for the grant of franchise to operate a
8 motorcycle-for-hire shall submit the following documents:

- 9 1. Certification of the punong barangay attesting that applicant is a
10 bonafide resident of the barangay within the city or municipality;
- 11 2. Certificate of registration and official receipt of registration
12 payment for the said motorcycle unit; and
- 13 3. A deed of undertaking by the owner that the unit applied for will
14 be operated within the said city or municipality.

15 b) After favorable consideration of the application, the same shall
16 be endorsed to the sanggunian bayan or sangguniang panglungsod for the
17 issuance of franchise for the operation of motorcycle-for-hire within the
18 territorial jurisdiction of city or municipality. The franchise shall indicate
19 the place or route where the motorcycle-for-hire is authorized to operate.

20 SEC. 4. *Issuance of Plate.* – Upon receipt of the franchise issued by
21 the city or municipality, the applicant shall bring the motorcycle unit to the
22 Land Transportation Franchising and Regulatory Board (LTFRB) for the

1 issuance of a new “for-hire” license plate. In case, the motorcycle unit was
2 previously issued a license plate of different classification, such plate shall
3 first be surrendered before issuing the new “for-hire” license plate.

4 SEC. 5. *Administrative Boundaries.* – The authority granted to local
5 government unit to regulate motorcycles-for-hire shall be limited and
6 confined to the boundaries of the city or municipality. The local government
7 unit may only grant franchise to motorcycles operating within the city or
8 municipality and owned by residents thereof.

9 In cases where travel between two (2) municipalities can only be done
10 by motorcycles-for-hire, in the absence of any other means of public
11 transportation, the cities or municipalities traversed by the motorcycles-for-
12 hire shall agree between or among themselves through a Memorandum of
13 Agreement how incursions of motorcycles-for-hire belonging to another city
14 or municipality will be treated.

15 SEC. 6. *Limits of Operations.* – Motorcycles-for-hire are authorized
16 to operate on any road within the city or municipality. However, they are
17 prohibited to operate, except to cross, along the national highway or on any
18 road which allows a maximum speed greater than 40 kilometers per hour.

19 The local government unit with jurisdiction over the roads may limit
20 and fix the routes for motorcycles-for-hire.

1 SEC. 7. ***Insurance Coverage.*** – For purposes of passenger’s safety,
2 the owner of motorcycle-for-hire shall, upon registration, procure the
3 necessary insurance for third party liability.

4 SEC. 8. ***Penalty.*** – The owner of a motorcycle-for-hire who fails to
5 register its operation shall be fined in the amount of not less than Three
6 thousand pesos (P3,000.00) but not more than Five thousand pesos
7 (P5,000.00) and the motorcycle unit shall be impounded until registered.

8 SEC. 9. ***Implementing Rules and Regulations.*** – The Secretary of
9 Transportation and Communications shall, within sixty (60) days after the
10 effectivity of this Act, issue the necessary rules and regulations to implement
11 this Act.

12 SEC. 10. ***Repealing Clause.*** – All laws, decrees, executive orders,
13 rules and regulations and other issuances or parts thereof, inconsistent with
14 the provisions of this Act, are hereby repealed or modified accordingly.

15 SEC. 11. ***Effectivity.*** – This Act shall take effect fifteen (15) days
16 following its publication in at least two (2) national newspapers of general
17 circulation.

18 Approved,
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