



Republic of the Philippines
House of Representatives
Quezon City, Metro Manila

Nineteenth Congress
First Regular Session

HOUSE BILL NO. 6525



Introduced by Representative BONIFACIO L. BOSITA

AN ACT
RECOGNIZING MOTORCYCLE AS A COMMON CARRIER,
REGULATING ITS OPERATION AND PROVIDING PROTECTION,
SECURITY, AND BENEFITS TO RIDERS

EXPLANATORY NOTE

This bill seeks to recognize motorcycle as a common carrier, regulate its operation as public utility to ensure the safety of the commuting public and provide an efficient alternative mode of public transport and provide protection, security, and benefits to riders.

The transportation sector is among the sectors which have been adversely affected by the COVID-19 pandemic and government lockdowns. During the pandemic and lockdown, it was observed that people have avoided mass transportation, like trains and buses, and opted to use private vehicles or have used car or motorcycle ride-sharing services. In fact, the demand for motorcycle taxis significantly increased considering that it is the fastest and cheapest mode of transportation for people who can't afford to have a private vehicle, or even if they can afford, are scared to drive one.

Presently, a technical working group composed of the Department of Transportation, Land Transportation Office, Land Transportation Franchising and Regulatory Board, Metropolitan Manila Development Authority, Philippine National Police and Inter-Agency Council for Traffic, has authorized the use of

motorcycle taxi which includes three players: Joyride, Angkas and Move It. However, the supply of motorcycle taxis is not enough to hold the huge demand. “*Habal-habal*” and other motorcycle ride-sharing services were accepted nationwide especially in Davao City and the rest of Mindanao to fill in the gap. These motorcycles-for-hire are not registered as such, and their operations are considered illegal because motorcycle is not yet recognized as a common carrier.

In the Eighteenth Congress, the House of Representatives has approved on third and final reading House Bill No. 10571, entitled “*An Act Regulating the Operation of Motorcycles-For-Hire.*” Among the salient features of the said bill include the recognition of motorcycles-for-hire as common carriers via transportation network company (TNC) or online e-commerce platform provider (OEPPs), sets the standards and specifications of motorcycles and qualifications of drivers, allows franchising and setting of franchise requirements, and sets the accreditation requirements of TNCs and OEPPs. The proposed bill, however, remained pending in the Senate.

This representation believes that it is timely to legalize motorcycles as a form of public transportation. Through this proposed measure, motorcycles shall be recognized as common carriers. As common carriers, operators and riders of motorcycles shall observe the required degree of diligence in transporting passengers and goods, and the presumption of negligence in breach of contract of carriage shall likewise be applicable. This also mandates the Land Transportation Office to conduct a mandatory safety and road courtesy training program to address road safety concerns.

In addition, this bill will ensure full protection to riders and provide them with humane conditions of work. They shall be entitled to social security and welfare benefits such as the Social Security System, Home Development Mutual Fund and the Philippine Health Insurance Corporation upon engagement.

Legalizing motorcycles for hire and regulating its operations will protect both the operator or rider and the commuting public. This will also provide our fellow Filipinos a decent livelihood as public utility motorcycles drivers or operators. Further, it will not only address safety and regulation purposes but will also highlight motorcycles as a secure, viable and dependable mode of transportation in the country.

It is high time for the government to listen to the overwhelming clamor of the commuters to legalize the operations of motorcycles for hire and motorcycle ride-hailing services and recognize the contributions of the riders to the Filipino

people and the economy by protecting them, caring for their general welfare, and affording them the benefits and working conditions they justly deserve.

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



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AN ACT

**RECOGNIZING MOTORCYCLE AS A COMMON CARRIER,
REGULATING ITS OPERATION AND PROVIDING PROTECTION,
SECURITY, AND BENEFITS TO RIDERS**

*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 as the “*Public
Utility Motorcycles Act.*”

SEC. 2. **Declaration of Policy.** – It is the policy of the State to promote
safe, reliable, accessible and convenient mode of transportation for the riding
public. The State recognizes that motorcycles are used as an alternative mode
of public conveyance and commuters are patronizing the same due to necessity
and practicality. The State also guarantees protection to riders and ensure
humane conditions of work. To protect the general welfare of the riding public
and provide livelihood to motorcycle drivers, the State shall regulate the

1 operation of motorcycle as an alternative mode of public conveyance. The State
2 shall also provide a regulatory framework that guarantees full protection to
3 riders in digital platform work arrangements.

4 SEC. 3. ***Definition of Terms.*** – As used in this Act:

5 a) *Multi-homing* refers to an approach that allows operator of public utility
6 motorcycle to provide transport services through the use of more than one
7 transport network company;

8 b) *Operator* refers to the person in whose name the public utility
9 motorcycle is registered;

10 c) *Public utility motorcycle* refers to a duly registered motorcycle
11 authorized to carry passengers or deliver goods for a fee and offer its services to
12 the public;

13 d) *Rider* refers to the driver of the public utility motorcycle; and

14 e) *Transportation network company* refers to an entity which provides pre-
15 arranged transportation services for compensation using an internet-based
16 technology application or digital platform technology to connect clients with
17 riders to facilitate a contract of carriage using a public utility motorcycle.

18 SEC. 4. ***Scope and Application.*** – This Act shall apply to motorcycles
19 operating as common carriers and exclude motorcycles that are used exclusively
20 in the line of business of natural or juridical person.

21 SEC. 5. ***Motorcycle as Common Carrier.*** – Motorcycle is hereby
22 recognized as a common carrier and its operation as a public utility motorcycle

1 is governed by the provisions of Republic Act (RA) No. 386, otherwise known
2 as the "*Civil Code of the Philippines*," and other pertinent laws, rules and
3 regulations on common carriers, particularly on the duty to observe
4 extraordinary diligence and the disputable presumption of negligence in case of
5 death or injury of passenger or loss or destruction of goods.

6 Transportation network company (TNC) shall exercise due diligence and
7 reasonable care in the accreditation of public utility motorcycle operators and
8 riders.

9 SEC. 6. **Registration.** – A public utility motorcycle must be duly
10 registered with the Land Transportation Office (LTO) in accordance with the
11 requirements provided under Section 7 of this Act. The LTO shall ensure that
12 motorcycles applied for registration or renewal as public utility motorcycles are
13 roadworthy.

14 SEC. 7. **Standards and Specifications.** – The Department of
15 Transportation (DOTr) shall, upon the recommendation of the Department of
16 Trade and Industry – Bureau of Philippine Standards (DTI-BPS) and LTO,
17 prescribe the standards and specifications of public utility motorcycles,
18 including its accessories, taking into consideration the safety of the riders and
19 passengers.

20 Any modification on public utility motorcycle is not allowed. However,
21 the LTO may approve the installation of appropriate accessories such as

motorcycle bracket, top box, luggage carrier, saddlebag, step board or footrest, and speed limiter or monitoring devices.

SEC. 8. **Franchise.** – The franchising of public utility motorcycles in metropolitan and urbanized areas with an existing and operating TNC is vested in the Land Transportation Franchising and Regulatory Board (LTFRB). The LTFRB shall specify the terms and conditions of the franchise, including the right of the operator to engage in multi-homing operation.

The LTFRB shall, in coordination with the concerned local government unit (LGU), determine the number of units and areas of operation, or routes if applicable, of public utility motorcycles in accordance with the route rationalization plan or studies adopted by the DOTr: *Provided*, That in issuing the franchise, the LTFRB shall also determine the number of public utility motorcycle units that may operate under TNCs based on travel or delivery demands of the public.

The franchise fee and any other related charges for operating a public utility motorcycle shall be determined by the LTFRB, subject to the approval of the DOTr.

In areas where there is no existing or operating TNC, the LGU shall issue the franchise of public utility motorcycle: *Provided*, That a public utility motorcycle may only operate within the territorial jurisdiction of the LGU that issued the franchise: *Provided further*, That the LGUs may determine the

1 appropriate number of units that may be allowed to operate in their respective
2 jurisdictions based on the demand in the locality.

3 To ensure the fast and efficient processing of franchises, the LTFRB and
4 LGUs shall establish a system of coordination.

5 SEC. 9. **Requirements of Franchise.** – A franchise or certificate of public
6 convenience may be issued to an operator upon submission of and compliance
7 with the following requirements:

8 a) Proof of Filipino citizenship;

9 b) Proof of accreditation by a TNC for public utility motorcycles under
10 the digital platform or business permit issued by the relevant city or
11 municipality for public utility motorcycles not operating under a TNC;

12 c) Certificate of registration duly issued by the LTO;

13 d) Appropriate space to serve as a garage for a franchise applicant
14 intending to operate three (3) or more public utility motorcycles;

15 e) Insurance coverage for any death or injury that may occur to a rider,
16 passenger or any third party or damage to property by reason of or on the
17 occasion of its operation; and

18 f) Tax identification number or certificate of registration as common
19 carrier issued by the Bureau of Internal Revenue (BIR), if applicable.

20 SEC. 10. **Qualifications of Riders.** – The LTO shall promulgate the
21 necessary guidelines setting forth the requirements for the issuance of a
22 professional driver's license, including the content of theoretical and practical

1 examinations that are appropriate for the operation of a public utility motorcycle
2 and the necessary trainings. Only riders possessing such professional driver's
3 license shall be allowed to operate public utility motorcycles.

4 SEC. 11. ***Mandatory Safety and Road Courtesy Training Program.*** –

5 The LTO shall conduct a mandatory continuing safety and road courtesy
6 training program for the riders of public utility motorcycles. The Technical
7 Education and Skills Development Authority (TESDA) shall approve and
8 revise, if necessary, the curriculum of such training program.

9 The riders shall attend at least one (1) safety and road courtesy training
10 seminar every year. Failure to attend such seminar is a ground for the
11 revocation of the professional license of the rider.

12 SEC. 12. ***Mandatory Use of Motorcycle Helmet.*** – All motorcycle riders,
13 including back riders, shall at all times wear standard protective motorcycle
14 helmets pursuant to RA 10054, otherwise known as the “*Motorcycle Helmet Act*
15 *of 2009.*” For purposes of this Act, all passengers shall use personal protective
16 motorcycle helmet while riding in any public utility motorcycle. A passenger
17 who does not own a personal protective motorcycle helmet is not allowed to
18 ride a public utility motorcycle.

19 SEC. 13. ***Rights of Riders.*** – The riders are entitled to the following:

20 a. Written contract or agreement from the operator or TNC;

21 b. Just compensation for services without manipulation or distinction of
22 any kind;

1 c. Safe, healthy and humane working conditions;

2 d. Free exercise of right to self-organization and collective negotiation
3 with the government, operator or TNC, and other entities for the promotion of
4 their welfare and in the advancement of their rights and interests; and

5 e. Social protection and social welfare benefits, subject to an equitable
6 arrangement with the operator or TNC;

7 SEC. 14. *Standards of Service.* – The Department of Labor and
8 Employment shall formulate the necessary guidelines to ensure the following:

9 a. Compliance and observance of the terms and conditions of the contract
10 or agreement between the rider and the operator or TNC which shall contain the
11 following:

12 1. Itemization of services or output to be provided by the rider;

13 2. Compensation or any other conditions for the said compensation or fee
14 to be due;

15 3. Name and registered address of the rider, operator or TNC; and

16 4. Other terms and conditions that govern the performance of the mutual
17 obligations of the parties that are not contrary to law, morals, good customs,
18 public order or public policy.

19 b. Maintenance of registry of riders, operators or TNCs;

20 c. Free exercise of rider's right to self-organization and collective
21 negotiation with the government, operator or TNC, and other entities for the

1 promotion of their rights and welfare, and to their representation and
2 participation in policy and decision-making process; and

3 d. Uphold programs and policies of non-discrimination, absence of
4 violence, anti-sexual harassment and anti-abuse in service arrangements.

5 SEC. 15. ***Social Security and Welfare Benefits.*** – Riders shall be covered
6 by the Social Security System, Home Development Mutual Fund (PagIbig
7 Fund) and the Philippine Health Insurance Corporation upon engagement. The
8 payment of monthly contributions shall be equitably shared by the rider and the
9 operator or TNC.

10 SEC. 16. ***Accreditation Requirements of TNCs.*** – TNCs that utilize
11 public utility motorcycles in its business operations must be duly registered with
12 the Securities and Exchange Commission (SEC) or DTI, if applicable, and must
13 comply with the accreditation requirements of the Department of Information
14 and Communications Technology (DICT). The DTI, LTFRB and DICT shall
15 jointly issue the guidelines for the operations of TNCs using public utility
16 motorcycles.

17 The TNCs must possess and maintain the following minimum
18 requirements for its accreditation:

- 19 a) Proof of Filipino citizenship;
- 20 b) Proof of financial capacity;
- 21 c) SEC or DTI registration;
- 22 d) BIR tax identification number;

1 e) Accident quick response system; and

2 f) Training center, duly certified by the LTO and TESDA.

3 The DICT may, as a requirement for renewal of accreditation, consider
4 the safety record of the TNC.

5 SEC. 17. **Operation.** – Public utility motorcycles may operate using
6 digital booking platforms or designated terminals. Public utility motorcycles
7 may adopt a multi-homing approach within a particular area of operation under
8 the given franchise or certificate of public convenience: *Provided*, That a public
9 utility motorcycle accredited under any TNC platform may not be allowed to
10 operate as public utility motorcycle without using such platform.

11 The LTFRB shall determine the capacity, nature and character of goods
12 that may be transported and the dimensions of the motorcycle bracket or
13 luggage carrier of public utility motorcycles.

14 Public utility motorcycles shall operate at speeds allowable under RA No.
15 4136, otherwise known as the “*Land Transportation and Traffic Code*,” local
16 ordinances and other applicable laws, rules and regulations: *Provided*, That in
17 no case shall a public utility motorcycle operate beyond sixty kilometers per
18 hour (60kph).

19 SEC. 18. **Fare Setting.** – The LTFRB shall, in consultation with the
20 public utility motorcycle industry and subject to the approval of DOTr,
21 determine the fare structure and prescribe the fares, surcharges and other
22 transportation fees that may be charged by operators or TNCs. The fare

1 structure shall take into consideration the supply of and demand for public
2 utility motorcycle services and allow dynamic pricing on account of market
3 variations based on location and time. The fare structure shall also include the
4 maximum percentage that may be charged by the TNCs upon the operators or
5 riders on the shipping or delivery fee.

6 The LTFRB shall periodically review the fare structure and parameters of
7 determining the applicable fares, subject to the approval of the DOTr. The
8 booking system of TNCs shall feature a mechanism that enables clients to
9 compare the transportation cost charged by each of the available digital
10 platforms.

11 The LTFRB shall, after public consultation with LGUs, operators and
12 other stakeholders, and with the approval of the DOTr, determine the fare
13 structure of public utility motorcycle operating outside the digital platforms.

14 SEC. 19. ***Processing of Personal Information.*** – Any collection,
15 processing and storage of personal information and sensitive personal
16 information involved in the registration of public utility motorcycles, digital
17 bookings and other requirements under this Act shall adhere with the provisions
18 of RA No. 10173, otherwise known as the “*Data Privacy Act of 2012.*”

19 SEC. 20. ***Liabilities.*** – The operator and the TNC providing the digital
20 platform are jointly and solidarily liable in case of death of or injury to
21 passenger or damage or loss of property in the course of operating a public
22 utility motorcycle, with rights of subrogation against any party at fault:

1 *Provided*, That the liability of the TNC shall not exceed the amount of the
2 insurance coverage of the operator.

3 SEC. 21. ***Quick Response Team.*** – Each TNC shall establish a quick
4 response team to provide immediate medical care or bring any person injured by
5 the operation of public utility motorcycle booked through its digital platform to
6 the nearest hospital or medical facility. The booking application options of the
7 digital platforms shall include a function that allows the rider or passenger to
8 alert the quick response team during emergency or road crash. The TNC shall
9 advance the amount necessary, but not more than the maximum amount covered
10 by the insurance, for the admission of such injured person to a hospital or
11 medical facility.

12 SEC. 22. ***Travel Demand and Operational Data.*** – Within thirty (30)
13 days after the end of every year, the TNCs shall submit their travel demand and
14 operational data report to the DOTr. The DOTr may prescribe the format of
15 such report and require the submission of other information that may be used
16 for transportation and planning management.

17 SEC. 23. ***Enforcement.*** – To ensure the safe and secure operation of
18 public utility motorcycle, the LTO shall deputize LGUs and other relevant
19 government agencies to assist in the enforcement of traffic rules and regulations
20 and monitor strict compliance with the provisions of this Act, particularly on the
21 observance of carrying capacity and speed limits.

1 The LTO shall establish a centralized database for purposes of recording
2 the violations and road crashes involving public utility motorcycles and
3 applying the penalties and other sanctions under this Act. The LTO shall also
4 publish quarterly and annual reports of such data on its website and other
5 platforms that the public may access.

6 The LTO enforcement officers, deputized LGU enforcers and MMDA
7 personnel shall endorse all violations related to the terms and conditions of a
8 franchise to the LTFRB for appropriate action.

9 SEC. 24. ***Applicable Penalties.*** –The erring TNCs, operators and riders
10 shall be penalized as follows:

11 a) Any rider who operates a public utility motorcycle that violates traffic
12 rules and regulations, carrying capacity and licensing requirement, including
13 allowing a back rider to ride a public utility motorcycle without the protective
14 helmet pursuant to Section 12 of this Act shall suffer the maximum penalty
15 provided under applicable laws, ordinances, rules or regulations for such
16 violation. In addition, the LTO shall impose a penalty of suspension or
17 revocation of the professional driver's license of an erring rider commensurate
18 to the gravity of the offense and frequency of commission;

19 b) Any operator who allows a rider who does not possess a valid
20 professional driver's license to operate a public utility motorcycle shall, in
21 addition to penalties provided under existing laws, rules and regulations, suffer
22 a penalty of suspension or revocation of franchise, after due notice and hearing.

1 c) The penalties provided under RA No. 7394, otherwise known as the
2 “*Consumer Act of the Philippines*” and RA No. 10173, when applicable, shall
3 apply for acts or omissions committed in the course of public utility motorcycle
4 operation.

5 The TNCs may also suspend or blacklist the riders or operators and
6 impose other sanctions on account of violation of internal rules made known to
7 them, acts detrimental to safety and security and other reasonable grounds.

8 **SEC. 25. *Transitory Provision.*** – The authority and accreditation granted
9 to existing TNCs, operators and riders using motorcycles shall continue to be
10 effective until their expiration or six (6) months from the promulgation of the
11 rules and regulations of this Act, whichever comes later.

12 **SEC. 26. *Implementing Rules and Regulations.*** – Within ninety (90)
13 days from the effectivity of this Act, the Secretary of Transportation shall, in
14 coordination with the Chairperson of LTFRB, Assistant Secretary of LTO,
15 Director of Bureau of Philippine Standards of the DTI, Secretary of Information
16 and Communications Technology, Commissioner of Internal Revenue, Director
17 General of TESDA, Secretaries of Health and the Interior and Local
18 Government, Chairperson of the Metropolitan Manila Development Authority
19 and Director of Philippine National Police – Highway Patrol Group, issue the
20 necessary rules and regulations for the effective implementation of this Act.

1 SEC. 27. ***Separability Clause.*** – If any provision or part of this Act is
2 declared invalid or unconstitutional, the remaining parts or provisions not
3 affected shall remain in force and effect.

4 SEC. 28. ***Repealing Clause.*** – The pertinent provisions on motorcycles
5 under RA 4136 that are inconsistent with the provisions of this Act are repealed
6 or modified accordingly. All laws, executive orders, issuances, rules and
7 regulations, or parts thereof inconsistent with the provisions of this Act are
8 repealed or modified accordingly.

9 SEC. 29. ***Effectivity.*** – This Act shall take effect fifteen (15) days after its
10 publication in the *Official Gazette* or in a newspaper of general circulation.

11 Approved,