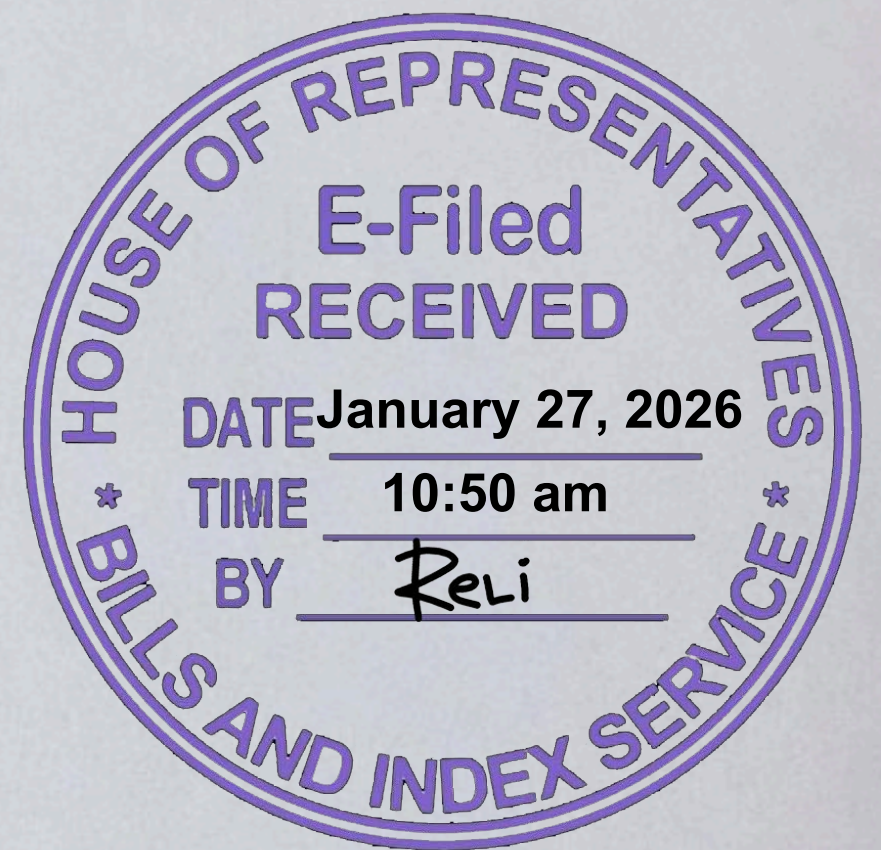




Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

Twentieth Congress
First Regular Session

HOUSE BILL NO. 7388



Introduced by **Representatives JOCELYN P. TULFO and RALPH WENDEL P. TULFO**

**AN ACT MANDATING COMPREHENSIVE THIRD-PARTY LIABILITY INSURANCE,
INCLUDING PROPERTY DAMAGE, AS A PREREQUISITE FOR THE REGISTRATION
AND RENEWAL OF ALL MOTOR VEHICLES, AMENDING FOR THIS PURPOSE
SECTIONS 387 AND 389 OF REPUBLIC ACT NO. 10607, OTHERWISE KNOWN AS
THE INSURANCE CODE**

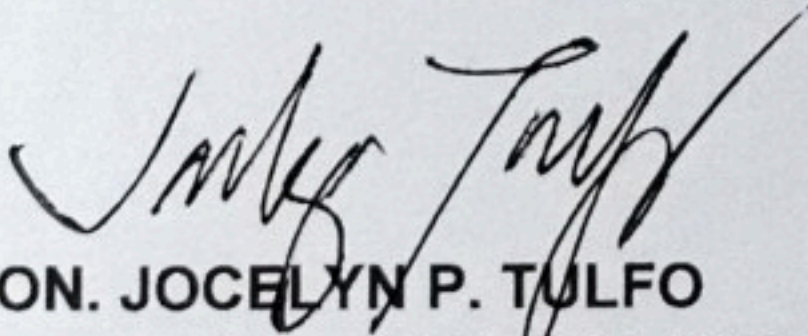
EXPLANATORY NOTE

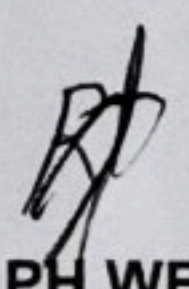
The rapid urbanization and the increasing number of motor vehicles on Philippine roads have led to a proportional rise in road traffic incidents. Under the current legal framework, specifically the Insurance Code of the Philippines (R.A. No. 10607), motor vehicle owners are only required to secure Compulsory Third Party Liability (CTPL) insurance to register or renew their vehicles with the Land Transportation Office (LTO).

However, CTPL is severely limited: it only covers death or bodily injury to third parties. It does not cover damage to property, such as the vehicle of the victim or public infrastructure. This often leaves victims—particularly those from the marginalized sectors—without immediate financial recourse, leading to prolonged legal battles and financial ruin.

This bill seeks to upgrade the mandatory insurance requirement from basic CTPL to a **Mandatory Comprehensive Third-Party Insurance (MCTPI)**. By including property damage, we ensure that every vehicle on the road is financially "roadworthy" to answer for the damages it may cause. This measure promotes accountability among motorists and provides a robust safety net for all road users.

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


HON. JOCELYN P. TULFO
Representative, ACT-CIS PARTYLIST


HON. RALPH WENDEL P. TULFO
Representative, 2ND DISTRICT OF
QUEZON CITY



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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 ***"Comprehensive Road Users Protection Act of 2026."***

SECTION 2. Declaration of Policy. – It is the policy of the State to protect the life, health, and property of its citizens by ensuring that victims of vehicular accidents are provided with immediate and adequate compensation. Toward this end, the State shall require all motor vehicle owners to maintain insurance coverage that addresses both human injury and property damage.

SECTION 3. Mandatory Insurance Coverage. – Section 387 of Republic Act No. 10607 is hereby amended to read as follows:

*"SEC. 387. It shall be unlawful for any land transportation operator or owner of a motor vehicle to operate the same in the public highways unless there is in force in relation thereto a policy of insurance or guaranty in cash or surety bond... to indemnify the death, bodily injury, **AND DAMAGE TO PROPERTY** of any third-party or passenger, as the case may be, arising from the use thereof."*

SECTION 4. Inclusion of Property Damage. – The mandatory insurance required for renewal of registration shall now include:

1. **Third-Party Bodily Injury:** Coverage for medical expenses, disability, or death.
2. **Third-Party Property Damage (TPPD):** Coverage for damage caused to another person's vehicle, house, or any private or public property.

SECTION 5. Standardized Minimum TPPD Limits. – For the purpose of vehicle renewal, the minimum coverage for Third-Party Property Damage (TPPD) per occurrence shall be

as follows, subject to periodic review and upward adjustment by the Insurance Commission every three (3) years to account for inflation:

- **Motorcycles and Tricycles:** ₱20,000.00
- **Private Cars, SUVs, and Light Commercial Vehicles:** ₱50,000.00
- **Heavy Commercial Trucks and Passenger Buses:** ₱200,000.00

SECTION 6. Registration Requirement. – Section 389 of Republic Act No. 10607 is hereby amended to read as follows:

“SEC. 389. The Land Transportation Office (LTO) shall not process the registration or renewal of any motor vehicle without a duly authenticated and electronically verifiable Certificate of Cover (COC) issued by an insurance company accredited by the Insurance Commission. Said COC must explicitly reflect the mandatory comprehensive third-party protections, including property damage, as mandated under this Act.”

SECTION 7. Repealing Clause. – All laws, decrees, orders, rules, and regulations or parts thereof inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SECTION 8. Effectivity. – This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in two (2) newspapers of general circulation.

Approved,