



HOUSE OF REPRESENTATIVES

H. No. 10424

BY REPRESENTATIVES DEL MAR, VILLAFUERTE (L.R.), VILLAFUERTE (M.L.), HORIBATA, DALIPE, ENCISO, GARCIA (M.A.), ALBANO, ACHARON, PRIMICIAS-AGABAS, RODRIGUEZ (R.), ABALOS, RECTO, GUTIERREZ, BOSITA, ROMUALDO, DUTERTE, YAP (ERIC), YAP (EDVIC), SORIANO, TAMBUNTING, PEÑA, CHUA, PLEYTO, CUA, ACOPI, PANCHO, BAUTISTA-LIM, RAMA, CASTRO (J.), REGENCIA, YAMSUAN, CAGAS, SUAN, RIVERA, CARL, ADIONG, HERNANDEZ AND VERGARA

AN ACT
REGULATING THE OPERATION OF MOTORCYCLES-FOR-HIRE
AND PROVIDING PENALTIES FOR VIOLATION THEREOF

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

1 **SECTION 1.** *Short Title.* – This Act shall be known as the
2 “Motorcycles-for-Hire Act.”

3
4 **SEC. 2.** *Declaration of Policy.* – The State recognizes the importance
5 of transportation in economic development. The recent innovations in
6 technology has opened an opportunity for other modes of public conveyance,
7 such as motorcycles-for-hire, to thrive as a reliable and accessible mode of
8 transportation. However, despite its promise of convenience and fast
9 service, it must be regulated to ensure that the interest of the general public
10 is protected. Thus, the State shall allow the regulated operation of
11 motorcycles-for-hire to provide the public with an additional mode of public
12 transportation, which is sufficient, safe, secure and economical.

13 To this end, the State shall establish mechanisms and guidelines in
14 regulating all the operational aspects of motorcycles-for-hire.

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

16 (a) *Digital platform* refers to information and communications
17 technology-enabled mechanism that connects and integrate producers and
18 users in online environments where goods and services are requested,
19 developed, and sold, and data is generated and exchanged;

1 (b) *Motorcycle* refers to any two (2)-wheeled motor vehicle without
2 appendages;

3
4 (c) *Motorcycle-for-hire* refers to a motorcycle, duly registered as such
5 under this Act, and used to carry passengers or goods on a for hire basis,
6 offering its services to the public. A motorcycle-for-hire shall be considered
7 a public utility vehicle and its operation a public utility;

8
9 (d) *Motorcycle taxi platform provider (MTPP)* refers to an entity which
10 provides pre-arranged transportation services for compensation using a
11 digital platform to connect clients with riders to facilitate a contract of
12 carriage of persons using a motorcycle-for-hire;

13
14 (e) *Multi-homing* refers to an approach where an operator may accredit
15 a particular motorcycle-for-hire to more than one digital platform providers
16 in delivering transport services;

17
18 (f) *Online E-commerce platform provider (OEPP)* refers to an entity
19 which provides pre-arranged transportation services for compensation
20 using a digital platform to connect clients with transport services to
21 facilitate a contract of carriage of goods, including carriage of goods over
22 goods sold on said digital platform;

23
24 (g) *Operator* refers to the person in whose name the motorcycle-for-hire
25 is registered;

26
27 (h) *Parcel* means a package or rectangular box, the dimension and
28 weight of which is as specified in the implementing rules and regulations of
29 this Act, containing goods or some form of transportable property intended
30 for delivery to an addressee prominently displayed on at least one (1) of its
31 sides; and

32 (i) *Rider* refers to the driver of the motorcycle-for-hire.

1 **SEC. 4. *Scope and Application.*** – This Act shall apply to all aspects of
2 the operation of motorcycles used as a common carrier for the
3 transportation of passengers or goods. For this purpose, goods shall include
4 parcels and mail. This Act shall not apply to motorcycles directly owned by
5 entities and used exclusively in the line of business for delivery of goods and
6 other services.

7 **SEC. 5. *Motorcycles-For-Hire as Common Carriers.*** – The operation of
8 motorcycles-for-hire is imbued with public interest. As such, the same shall
9 be governed by the applicable provisions of the Civil Code of the Philippines
10 and other pertinent laws, rules and regulations on common carriers,
11 particularly on the required degree of diligence to be observed in the course
12 of transporting passengers or goods, and on the presumption of culpability
13 in case of breach of a contract of carriage.

14 MTPPs and OEPPs should exercise extraordinary diligence in the
15 accreditation and supervision of motorcycle-for-hire operators and riders
16 operating under their platforms.

17 **SEC. 6. *Registration of Motorcycles-For-Hire.*** – A motorcycle intended
18 to be used as a motorcycle-for-hire must be duly registered with the Land
19 Transportation Office (LTO) in accordance with the requirements set forth
20 in Section 7 of this Act. The LTO shall ensure the roadworthiness of all
21 motorcycles-for-hire before their registration, or any renewal thereof.

22 **SEC. 7. *Standards and Specifications of Motorcycles-For-Hire.*** – The
23 Department of Transportation (DOTr), upon the recommendation of the
24 Department of Trade and Industry (DTI), Department of Environment and
25 Natural Resources, LTO and Land Transportation Franchising and
26 Regulatory Board (LTFRB), shall prescribe in the implementing rules and
27 regulations the standards and specifications of motorcycles that may be
28 allowed to operate as motorcycles-for-hire, taking into consideration the
29 safety of the passengers and riders and the protection of goods.

1 No modifications shall be made on any motorcycles-for-hire, except for
2 the installation of the appropriate accessories, such as motorcycle bracket,
3 top box, luggage carrier, saddlebag, step board or foot rest, crash guards,
4 speed limiter or monitoring devices, in accordance with the standards
5 approved by the DTI, if applicable, and shall be used as reference by the
6 LTO for registration purposes. In case the DTI has no approved standards,
7 the LTO, upon consultation and agreement with all stakeholders, shall
8 prescribe the same, taking into consideration road worthiness and road
9 safety, until such time the DTI has issued appropriate standards.

10 Within five (5) years upon the enactment of this Act, the DTI shall
11 ensure the availability of standards of all products and parts covered by this
12 Act and its implementing rules and regulations, and its future amendments
13 or revisions.

14 **SEC. 8. Authority to Grant Franchise to Operate Motorcycles-For-Hire.**
15 – The franchising or grant of authority to operate motorcycles-for-hire shall
16 be as follows:

17 (a) Motorcycles-for-Hire Under MTPPs. – In areas with an existing
18 and operating MTPPs, the authority and regulation of the operation of
19 motorcycles-for-hire is vested in the LTFRB through a franchise or
20 certificate of public convenience (CPC). The LTFRB shall set forth in the
21 franchise the terms and conditions to be observed in the operation of
22 motorcycles-for-hire. In determining the number of franchises to be issued,
23 the LTFRB shall take into consideration the Local Public Transport Route
24 Plan (LPTRP) or studies approved by the DOTr and their impact on the
25 other modes of public transportation. The franchise fee shall be determined
26 by the LTFRB after public consultation and shall only be implemented upon
27 the approval of the DOTr.

1 (b) Motorcycles-for-Hire in Areas Without an Operating MTPP or
2 OEPP. – The authority and regulation of operation of motorcycles-for-hire
3 in areas without an operating MTPP or OEPP is vested in the LTFRB. The
4 number of routes or motorcycles-for-hire that may be allowed to operate
5 shall be determined in accordance with the LPTRP as recommended by the
6 local government unit (LGU) concerned.

7
8 The LTFRB shall provide a uniform guidelines as to the standards of
9 operation of motorcycles-for-hire in consultation with the LGUs and
10 stakeholders.

11
12 (c) Motorcycles-for-Hire Operating Under an OEPP. – Motorcycles-
13 for-Hire operating under an OEPP shall be regulated by the LTFRB in
14 accordance with its mandate to issue CPC, subject to compliance with the
15 requirements provided under the applicable provisions of this Act.

16 **SEC. 9. Requirements for the Grant of a Franchise or Certificate of**
17 **Public Convenience.** – A CPC shall only be issued to an operator upon
18 submission or determination of the presence of the following requirements:

19 (a) Proof of Filipino citizenship;

20
21 (b) Financial capacity the standard of which to be determined by the
22 LTFRB;

23
24 (c) Certificate of Registration duly issued by the LTO;

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26 (d) Insurance coverage for the death of or injuries suffered by the
27 rider, passenger or any third party or damage to property by reason or on
28 occasion of its operation; and

29
30 (e) Tax Identification Number or Certificate of Registration as
31 Common Carrier issued by the Bureau of Internal Revenue (BIR), if
32 applicable.

33 No operator shall operate more than one (1) franchise nor operate more
34 than one (1) motorcycle-for-hire in a franchise.

1 **SEC. 10. *Qualifications of Motorcycles-For-Hire Riders.*** – The LTO
2 shall promulgate the necessary guidelines setting forth the requirements
3 for the issuance of a professional driver’s license, including the content of or
4 the conduct of theoretical and practical examinations, appropriate for the
5 operation of a motorcycle-for-hire. Only riders possessing professional
6 driver’s license shall be allowed to operate motorcycles-for-hire. The MTPPs
7 and OEPPs shall provide and conduct a continuing safety training seminar
8 for riders operating under their respective platforms: *Provided, That for*
9 *motorcycles-for-hire riders operating outside the digital platform providers,*
10 *the conduct of continuing safety training seminar shall be conducted by the*
11 *LTO.*

12 **SEC. 11. *Accreditation Requirements of MTPPs.*** – A MTPP or OEPP
13 must be duly registered with the Securities and Exchange Commission
14 (SEC).

15 A MTPP or OEPP, as far as the operation of motorcycles-for-hire is
16 concerned, before being allowed to operate as such, must comply with the
17 accreditation requirement of the LTFRB. The DTI, LTFRB and Department
18 of Information and Communications Technology (DICT) shall jointly issue
19 the guidelines that shall govern the operations of MTPPs and OEPPs.

20 MTPPs and OEPPs must possess and maintain the following
21 minimum requirements for its accreditation:

22 (a) Financial capacity the standard of which to be determined in the
23 joint guidelines;

24 (b) SEC registration;

25 (c) BIR Tax Identification Number;

26 (d) An established Road Crash Quick Response System; and

27 (e) Capability to evaluate and determine the competence of riders
28 through an established training center, duly certified by the LTO and
29 Technical Education and Skills Development Authority (TESDA). The
30 LTFRB may, as a requirement for renewal of accreditation, consider the
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1 previous safety record of the MTPP as certified by the LTO during the
2 effectivity of its accreditation being applied for renewal.

3 **SEC. 12. *Operation of Motorcycles-For-Hire.*** – Motorcycles-for-hire
4 may be allowed to operate using the digital platforms, or on designated
5 areas of operation. To maximize their operation, motorcycles-for-hire shall
6 not be bound by a single MTPP or OEPP but shall be allowed to adopt a
7 multi-homing approach within a particular area of operation under the
8 given franchise, license or accreditation: *Provided*, That multi-homing
9 operation shall be limited to two (2) digital platforms but in no case shall a
10 motorcycle-for-hire be allowed multi-homing operation alternately between
11 two (2) MTPPs or two (2) OEPPs: *Provided, further*, That a motorcycle-for-
12 hire accredited under any MTPP or OEPP platform may not be allowed to
13 operate as motorcycle-for-hire without using such platform.

14 Except for private use, any operation of motorcycle-for-hire in areas
15 with operating MTPP or OEPP outside the digital platform shall be
16 considered *colorum* and, therefore, illegal.

17 For purposes of multi-homing operation of motorcycles-for-hire, the
18 platform providers may not refuse an application for accreditation solely on
19 the ground that an operator or rider is accredited to another platform
20 provider.

21 A motorcycle-for-hire may be allowed to carry, alternately, both
22 passengers or goods.

23 The maximum number of hours that a rider may operate a motorcycle-
24 for-hire shall be specified in the implementing rules and regulations of this
25 Act.

26 Motorcycles-for-hire shall operate at speeds allowable under Republic
27 Act (RA) No. 4136, otherwise known as the “Land Transportation and
28 Traffic Code,” as amended, local ordinances and other applicable laws:
29 *Provided*, That in no case shall a motorcycle-for-hire operate beyond sixty
30 kilometers per hour (60kph).

1 **SEC. 13. *Fare Setting.*** – The fares, surcharges and other
2 transportation fees that may be charged by operators and MTPPs under
3 which they operate for motorcycles-for-hire services shall be in accordance
4 with the fare structure and within the parameters determined, prescribed
5 and issued by the LTFRB, in consultation with the motorcycle-for-hire
6 industry stakeholders. The fare structure shall take into consideration
7 supply and demand components and shall allow dynamic pricing on account
8 of market variations based on location and time. The fare structure shall
9 also include the maximum percentage that can be charged by the MTPPs
10 upon the operators or riders for a particular transaction. The LTFRB shall
11 periodically review the fare structure and parameters of determining the
12 applicable fares. The booking system of MTPPs shall feature a mechanism
13 that enables clients to compare the transportation cost charged by each of
14 the available digital platforms.

15 In the case of motorcycles-for-hire operating outside the digital
16 platforms, the fare shall be determined by the LTFRB, after a public
17 consultation with LGUs, the operators and other stakeholders.

18 **SEC. 14. *Processing of Personal Data.*** – Any processing, collection, use
19 and/or storage of personal information and sensitive personal information
20 involved in the registration/accreditation of motorcycles-for-hire, digital
21 bookings, and other requirements under this Act shall be made in
22 accordance with the provisions of RA No. 10173, otherwise known as the
23 “Data Privacy Act of 2012.”

24 **SEC. 15. *Liabilities for Death, Injuries or Damage to Property.*** – The
25 operator and/or the MTPP or OEPP providing the digital platform at the
26 time when the death, injury or damage to property occurred in the course of
27 operating a motorcycle-for-hire shall be jointly and solidarily liable, with
28 rights of subrogation against any party at fault: *Provided*, That the liability
29 of the MTPP or OEPP shall not exceed the amount of the insurance coverage
30 of the operator.

1 MTPPs and OEPPs shall be responsible for the insurance coverage of
2 all its accredited riders. The MTPP or OEPP shall likewise be responsible
3 for the procurement of Personal Passenger Accident Insurance for the
4 protection of the passengers and/or goods, and, Third Party Liability
5 insurance to cover for damages caused to any third party in the course of
6 operation of motorcycles-for-hire.

7 **SEC. 16. Road Crash Quick Response System.** – Each MTPP or OEPP
8 shall establish a quick response team to provide immediate medical care or
9 bring any person injured by the operation of the motorcycle-for-hire booked
10 through its digital platform to the nearest hospital or medical facility. A
11 function that will allow the rider or passenger to alert the quick response
12 team during emergency or road crash shall be part of the booking app
13 options of the digital platforms. When necessary, the MTPP or OEPP shall
14 advance any amount necessary for the admission of such injured person or
15 persons to the hospital or medical facility up to the insured amount.

16 **SEC. 17. Enforcement.** – To ensure the safe and secure operation of
17 motorcycle-for-hire, the LTO shall deputize LGUs and other relevant
18 government agencies to assist in the enforcement of traffic rules and
19 regulations, and to monitor strict compliance with the provisions of this Act,
20 particularly, on the observance of carrying capacity and speed limits. The
21 LTO shall establish a centralized database to ensure the accurate recording
22 of violations and road crashes involving motorcycles-for-hire for the purpose
23 of applying the penalties as well as other sanctions under this Act. It shall
24 publish quarterly and annual reports of such data on its website which shall
25 be accessible to the public.

26 Consistent with its mandate under RA No. 7924, entitled “An Act
27 Creating The Metropolitan Manila Development Authority, Defining Its
28 Powers And Function, Providing Funds Therefor And Other Purposes,” the
29 Metropolitan Manila Development Authority (MMDA) shall continue to
30 exercise its traffic enforcement functions within Metro Manila in
31 furtherance of this Act.

1 All violations related to the terms and conditions of the franchise shall
2 be endorsed by the LTO enforcement officers, deputized LGU enforcers and
3 MMDA personnel to the LTFRB for appropriate action.

4 The foregoing shall not preclude the MTPPs or OEPPs from exercising
5 the power to impose sanctions such as suspension or blacklisting of their
6 riders or operators on account of violation of internal rules made known to
7 the latter, acts detrimental to safety and security and other reasonable or
8 valid grounds.

9 **SEC. 18. *Penalties.*** –

10 (a) Any rider who operates a motorcycle-for-hire in violation of traffic
11 rules and regulations, carrying capacity, and licensing requirement shall
12 suffer the maximum penalty imposed under the applicable law, ordinance,
13 rule or regulation for such violation. In addition, the LTO shall impose a
14 penalty of suspension or revocation of the driver’s license of an erring rider
15 commensurate to the gravity of the offense and frequency of commission.
16 The table of penalties shall be included in the implementing rules and
17 regulations of this Act.

18
19 (b) An operator who allows a rider who does not possess a valid
20 Professional Driver’s License to operate a motorcycle-for-hire shall, in
21 addition to penalties under existing laws and regulations, suffer a penalty
22 of suspension or revocation of franchise, after due notice and hearing.

23 (c) The penal provisions of RA No. 7394, otherwise known as the
24 “Consumer Act of the Philippines,” RA No. 11967 or the “Internet
25 Transactions Act of 2023,” and RA No. 10173, when applicable, shall apply
26 for acts or omissions committed in the course of motorcycle-for-hire
27 operation.

28 **SEC. 19. *Travel Demand and Operational Data.*** – To assist the DOTr
29 in transportation planning and management, the MTPPs and OEPPs shall,
30 not later than thirty (30) calendar days after the end of every year, submit
31 to the DOTr their travel demand and operational data.

1 **SEC. 20. *Transitory Provision.*** – In order to provide a smooth
2 transition in the full implementation of this Act, the authority and
3 accreditation granted to existing MTPPs, OEPPs and operators shall
4 continue to be effective until their expiration or six (6) months from the
5 promulgation of the implementing rules and regulations of this Act,
6 whichever comes later.

7 **SEC. 21. *Implementing Rules and Regulations.*** – Within ninety (90)
8 days from the effectivity of this Act, the DOTr shall, in coordination with
9 the LTFRB, LTO, DTI, DICT, BIR, TESDA, Department of Health,
10 Department of the Interior and Local Government, MMDA, and Philippine
11 National Police-Highway Patrol Group, and in consultation with
12 stakeholders, promulgate the necessary rules and regulations to carry out
13 the implementation of this Act.

14 **SEC. 22. *Separability Clause.*** – If, for any reason, any provision of this
15 Act is declared invalid or unconstitutional, the remaining provisions not
16 otherwise affected shall remain valid and subsisting.

17 **SEC. 23. *Repealing Clause.*** – All provisions of laws, decrees, executive
18 orders, presidential issuances and other administrative rules and
19 regulation, or parts thereof, which are incompatible or inconsistent with the
20 provisions of this Act are hereby repealed, amended or modified accordingly.

21 **SEC. 24. *Effectivity.*** – This Act shall take effect fifteen (15) days after
22 its publication in the *Official Gazette* or in a newspaper of general
23 circulation.

Approved,