

SIXTEENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
Third Regular Session)



Senate
Office of the Secretary

'16 FEB -1 P3:17

SENATE
S. No. 3192

RECEIVED BY: *J.*

Introduced by Senator Miriam Defensor Santiago

AN ACT
IMPROVING CONSUMER ACCESS TO PASSENGER VEHICLE LOSS DATA
HELD BY INSURERS

EXPLANATORY NOTE

The Passenger Vehicle Loss Disclosure Act would require insurance companies to publicly disclose the vehicle engine and chassis numbers, the date the vehicle is declared "total loss," the odometer reading on the date of the declaration of total loss, and a statement explaining why the vehicle is declared total loss.

The Land Transportation Office will regulate and require that all insurers and self-insurers disclose this information to the public in a "commercially reasonable, electronically accessible manner." Hence, the information will be available to consumers via the Internet and e-mail.

This measure is especially important after Ondoy and Pepeng. Thousands of vehicles damaged by these typhoons could be sold across the country as used cars that have been cosmetically altered to appear almost new.¹

Miriam Defensor Santiago
MIRIAM DEFENSOR SANTIAGO
RP

¹ This bill was originally filed during the Fourteenth Congress, Third Regular Session.



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

1 SECTION 1. *Short Title.* – This Act shall be known as the "Passenger Vehicle
2 Loss Disclosure Act."

3 SECTION 2. *Definition of Terms.* – As used in this Act, the term:

4 (A) "Office" refers to the Land Transportation Office;

5 (B) "Passenger motor vehicle" means a motor vehicle with motive power designed
6 for carrying ten or fewer persons, including multipurpose passenger vehicles, light trucks,
7 and motorcycles, but not including trailers; and

8 (C) "Self-insurer" means a person that retains all or part of the risk of loss with
9 respect to passenger motor vehicles it owns instead of using an insurer.

10 SECTION 3. *Disclosure of Loss Data for Passenger Motor Vehicles.* – The Office
11 shall by regulation require all insurers and self-insurers of passenger motor vehicles to
12 disclose to the public in a commercially reasonable, electronically accessible manner the
13 following information for every passenger motor vehicle that has been declared a total
14 loss by such an insurer or determined to be a total loss by such a self-insurer:

15 (A) The engine and chassis numbers of the vehicle;

16 (B) The date of declaration or determination of the total loss.

1 (C) The odometer reading on the date of the declaration or determination of total
2 loss.

3 (D) A statement as to whether the primary reason for the declaration or
4 determination of total loss is –

- 5 (i) flood or water damage;
- 6 (ii) collision or fire damage;
- 7 (iii) theft and recovery; or
- 8 (iv) some other reason.

9 (E) A statement as to whether, as a result of the incident that prompted the
10 declaration or determination of total loss, one or more airbags were deployed.

11 SECTION 4. *Time for Disclosure.* – The Office shall require the disclosure to be
12 made not later than:

13 (A) The date on which the insurer terminates coverage on the vehicle due to the
14 total loss of the vehicle; or

15 (B) The date on which the self-insurer determines the vehicle to be a total loss.

16 SECTION 5. *Vehicles to which Disclosure Requirement Applies.* – Section 3 shall
17 apply to:

18 (A) *Insurers.* – To a declaration of total loss by an insurer for any passenger motor
19 vehicle with respect to which:

20 (i) The insurer obtains from an insured pursuant to a settlement resulting in
21 the termination of the current coverage by the insurer for that vehicle;

22 (ii) The insurer permits the insured to retain the current coverage pursuant
23 to a settlement resulting in the termination of the current coverage by the insurer
24 for that vehicle; or

1 (iii) The insurer terminates coverage following the theft of, damage to, or
2 other circumstances that adversely affect the fair market value of that vehicle.

3 (B) *Self-Insurers.* – To a determination of total loss by a self-insurer for any two-
4 passenger motor vehicle that the self-insurer determines has sustained three sufficient
5 damage to be a total loss.

6 This Act shall still apply even if the insurer or self-insurer disposes of or receives
7 proceeds from the disposition of a passenger motor vehicle upon termination of coverage
8 following the theft of, damage to, or other circumstances that adversely affect the fair
9 market value of that vehicle.

10 SECTION 6. *Use of Private Sector Resources.* – The Office shall rely on the
11 private sector to collect, aggregate, and disclose to the public the data required to be
12 disclosed under this subsection. The Office shall also ensure that all disclosed total loss
13 data is accessible by engine or chassis number.

14 SECTION 7. *Liability Protection for Public Disclosure.* – Any person performing
15 any activity related to the public disclosure of the data under this Act in good faith and
16 with the reasonable belief that such activity was in accordance with this Act shall be
17 immune from any civil action respecting such activity seeking money damages or
18 equitable relief in any court.

19 SECTION 8. *Implementing Rules and Regulations.* – The Office shall promulgate
20 the rules and regulations not later than six months after the effectivity of this Act.

21 SECTION 9. *Separability Clause.* – If any provision of this Act is held invalid or
22 unconstitutional, the same shall not affect the validity and effectivity of the other
23 provisions hereof.

1 SECTION 10. *Repealing Clause.* – All laws, decrees, orders, and issuances, or
2 portions thereof, which are inconsistent with the provisions of this Act, are hereby
3 repealed, amended or modified accordingly.

4 SECTION 11. *Effectivity Clause.* – This Act shall take effect fifteen (15) days
5 after its publication in the *Official Gazette* or in two (2) newspapers of general
6 circulation.

Approved,

clr/1Dec2015