

FOURTEENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
First Regular Session)

SENATE SECRETARY

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SENATE
S. No. 1769

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Introduced by Senator Miriam Defensor Santiago

EXPLANATORY NOTE

The ability to diagnose, service, and repair a motor vehicle in a timely, reliable, and affordable manner is essential to the safety and well-being of automobile vehicle owners. Such owners are entitled to choose among competing repair facilities for the convenient, reliable, and affordable repair of their motor vehicles. Increased competition among repair facilities will benefit motor vehicle owners. Computers of various kinds are increasingly being used in motor vehicle systems, such as pollution control, transmission, antilock brakes, electronic and mechanical systems, heating and air-conditioning, sound, and steering.

The diagnosis, service, and repair of these vehicle systems are essential to the safety and proper operation of modern motor vehicles. In many instances, access codes prevent owners from making, or having made, the necessary diagnosis, service, and repair of their motor vehicles in a timely, convenient, reliable, and affordable manner. Motor Vehicle Owners have benefited from the availability of an aftermarket parts supply, or parts and accessories used in the repair, maintenance, or enhancement of a motor vehicle.

This bill seeks to protect the public from undue delays in the repair of their motor vehicles.*

MIRIAM DEFENSOR SANTIAGO
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* This bill was originally filed during the Thirteenth Congress, Third Regular Session.

1 (5) Fire and police vehicles other than ambulances.

2 (B) "Vehicle owner" means any person who owns, leases or otherwise has the legal right
3 to use and possess a motor vehicle, or the agent of such person, as shown on the records of the
4 Land Transportation Office;

5 (C) "Motor vehicle repair shop" means any person who, for compensation, is wholly or
6 partially engaged in the business of repairing or diagnosing motor vehicle malfunctions or
7 repairing motor vehicle bodies, fenders or other components damaged by accident or
8 otherwise, except that such term does not include:

9 (1) An employee of a motor vehicle repair shop who engages in the business of
10 repairing motor vehicles solely by reason of his employment; or

11 (2) Any person who is solely engaged in the business of repairing the motor
12 vehicles of a single commercial or industrial establishment, or of the national
13 or a local government or any agency thereof;

14 (3) Any person whose activities consist solely of fueling, changing oil, water,
15 batteries or tires, replacing fan belts, air filters or oil filters, installing
16 windshield wiper blades or light bulbs, or such other minor repair and
17 servicing functions; or

18 (4) Any person solely engaged in the business of repairing farm or road building
19 machines, or such other utility vehicles.

20 The term "motor vehicle repair shop" shall also include any shop,
21 drive-in station, or garage operated by any person, firm, corporation or association
22 at which motor vehicles are inspected for the purposes of appraising, evaluating
23 or estimating the extent or value of motor vehicle damage or the necessity or cost
24 of motor vehicle repairs.

25 (D) "Office" refers to the Land Transportation Office.

26 SECTION 4. *Motor Vehicle Manufacturer Requirements.* – The manufacturer of a
27 motor vehicle sold or introduced into commerce shall provide to the vehicle owner, to the motor
28 vehicle repair shop and to the Office for use by any such vehicle owner or repair facility, the

1 information necessary to diagnose, service, or repair the vehicle. Such information shall include,
2 but not be limited to, information necessary to integrate replacement equipment into the vehicle
3 and other information of any kind used to diagnose, service, repair, activate, certify, or install
4 any motor vehicle equipment, including replacement equipment, in a motor vehicle.

5 The Office shall not require a manufacturer to publicly disclose information that, if
6 made public, would divulge methods or processes entitled to protection as trade secrets of
7 that manufacturer, but may require disclosure of such information to the department for the
8 purpose of determining whether such information is entitled to such protection. Such
9 determination shall be made on the record after an opportunity for a hearing.

10 No such information may be withheld by a manufacturer if that information is provided,
11 directly or indirectly, to franchised dealers or other repair facilities.

12 SECTION 5. *Unfair or Deceptive Act or Practice; Remedies.* – The failure by a
13 manufacturer to provide the information required under Section 4 of this act constitutes an unfair
14 method of competition or an unfair or deceptive act or practice.

15 Any manufacturer who violates the provisions of this Act or any rules or regulations
16 promulgated pursuant to the same with actual knowledge or knowledge fairly implied on the
17 basis of objective circumstances shall be liable fined an amount of not less than Ten Thousand
18 Pesos (P10,000.00) to not more than One Hundred Thousand Pesos (P100,000.00) at the
19 discretion of the court, taking into consideration all attending circumstances.

20 A vehicle owner or motor vehicle repair shop may bring a civil action in a court of
21 competent jurisdiction to enjoin a violation of this Act and to recover the actual costs of
22 litigation including reasonable attorney's fees.

23 SECTION 6. *Separability Clause.* – If any provision or part hereof, is held invalid or
24 unconstitutional, the remainder of the law or the provision not otherwise affected shall remain
25 valid and subsisting.

1 SECTION 7. *Repealing Clause.* – Any law, presidential decree or issuance, executive
2 order, letter of instruction, administrative order, rule or regulation contrary to or inconsistent
3 with the provisions of this act is hereby repealed, modified or amended accordingly.

4 SECTION 8. *Effectivity Clause.* – This Act shall take effect fifteen (15) days after its
5 publication in at least two (2) newspapers of general circulation.

6 Approved,

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