

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

7 OCT 16 1975

SENATE  
S. No. 1780

RECEIVED BY: [Signature]

Introduced by Senator Miriam Defensor Santiago

EXPLANATORY NOTE

Abandoned and derelict motor vehicles are nuisances. They obstruct the free flow of traffic on the street on which they lay abandoned. They prevent the free ingress and egress of real property owners when they are left unattended in front of driveways and gates. They prevent the free use of real property when they are dumped and abandoned on the same. They are a source of lost income to automobile repair, towing and storage facilities when their owners abscond.

This bill seeks to protect the public from the potential harm that may befall them as a result of abandoned and derelict motor vehicles.\*

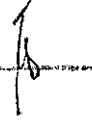
*Miriam Defensor Santiago*  
MIRIAM DEFENSOR SANTIAGO  
*[Signature]*

\* This bill was originally filed during the Thirteenth Congress, Second Regular Session.

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1 AN ACT  
2 GOVERNING ABANDONED AND DERELICT MOTOR VEHICLES

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

5 SECTION 1. *Short Title.* – This Act shall be known as the “Abandoned Motor Vehicle  
6 Act of 2007.”

7 SECTION 2. *Declaration of Policy.* – It is the policy of the State to promote the general  
8 welfare of the people. Pursuant to this policy, this Act seeks to create a law governing abandoned  
9 motor vehicles and derelict motor vehicles.

10 SECTION 3. *Definition of Terms.* – For purposes of this Act:

11 (A) “Abandoned motor vehicle” means a motor vehicle or trailer and its contents:

12 (1) Which has been left by the owner or some person acting for the owner with an  
13 automobile dealer, or any automobile repair facility for repair or for some  
14 other reason and has not been called for by such owner or other person within  
15 a period of thirty (30) days after the time agreed upon; or within 30 days after  
16 such vehicle is turned over to such dealer, or automobile repair facility when  
17 no time is agreed upon; or within thirty (30) days after the completion of  
18 necessary repairs;

19 (2) Has been left by the owner or some person acting for the owner with a towing  
20 and storage facility for a period of not less than thirty (30) days without  
21 anyone having paid all reasonable current charges for such towing and  
22 storage;

1 (3) Which has been lawfully towed to an automotive storage facility at the request  
2 of a law enforcement officer and left there for a period of not less than 30 days  
3 without anyone having paid all reasonable current charges for such towing  
4 and storage;

5 (4) Which has been lawfully towed from private property to an automotive  
6 storage facility at the request of a property owner or person acting for the  
7 property owner and left there for a period of not less than thirty (30) days  
8 without anyone having paid all reasonable current charges for such towing  
9 and storage;

10 (5) Which was being stored by agreement for an insurance company providing  
11 insurance to cover damages to the vehicle and was left for a period of not less  
12 than thirty (30) days past the agreed upon date.

13 (B) "Derelict motor vehicle" means any motor vehicle which has been left unattended on  
14 private property for not less than two (2) days or on public property for not less than  
15 three (3) days without the owner or driver making any attempt to recover such vehicle  
16 or to leave a conspicuously placed note that such owner or driver intends to return for  
17 such vehicle. It shall also include any motor vehicle which, if a conspicuous note was  
18 left, has been left unattended for not less than five (5) days and if because of damage,  
19 vandalism, theft, or fire the vehicle is damaged to the extent that its restoration to an  
20 operable condition would require the replacement of one or more major component  
21 parts or involves any structural damage that would affect the safety of the vehicle.

22 The term shall not include a vehicle which does not bear a manufacturer's vehicle  
23 identification number plate or a vehicle identification number plate assigned by the  
24 Land Transportation Office.

25 (C) "Motor vehicle" or "vehicle" means a motor vehicle or trailer and its contents.

26 (D) "Owner" or "owners" means the registered owner, the owner as recorded on the title,  
27 lessor, lessee, security interest holders, and all lienholders as shown on the records of  
28 the Land Transportation Office;

1 (E) "Unattended vehicle check" shall consist of such actions as are reasonably necessary  
2 to determine that the unattended vehicle does not contain an injured or incapacitated  
3 person and to determine that the unattended vehicle does not pose a threat to public  
4 health or safety.

5 SECTION 4. *Duty of Peace Officer to Perform an Unattended Vehicle Check.* – It shall  
6 be the duty of any peace officer who discovers a motor vehicle which has been left unattended  
7 on a public street, road, or highway or other public property to immediately perform an  
8 unattended vehicle check on such motor vehicle, unless there is displayed on such motor vehicle  
9 an unattended vehicle check card indicating that another peace officer has already performed  
10 such an unattended vehicle check.

11 SECTION 5. *Removal of an Abandoned Motor Vehicle by a Peace or Law Enforcement*  
12 *Officer.* – Any peace officer who finds a motor vehicle which has been left unattended on a  
13 public street, road, or highway or other public property for a period of at least five (5) days shall  
14 be authorized to cause such motor vehicle to be removed to a garage or other place of safety, if  
15 such peace officer reasonably believes that the person who left such motor vehicle unattended  
16 does not intend to return and remove such motor vehicle.

17 Any law enforcement officer who finds a motor vehicle which has been left unattended  
18 on the state highway system shall be authorized to cause such motor vehicle to be removed  
19 immediately to a garage or other place of safety when such motor vehicle poses a threat to public  
20 health or safety or to mitigate congestion. Any peace officer who finds a motor vehicle which  
21 has been left unattended on a public street, road, or highway or other public property, other than  
22 the state highway system, shall be authorized immediately to cause such motor vehicle to be  
23 removed immediately to a garage or other place of safety when such motor vehicle poses a threat  
24 to public health or safety or to mitigate congestion.

25 SECTION 6. *Possessory Lien.* – Any person who or facility that legally tows, transports,  
26 or stores any motor vehicle shall have a possessory lien on the vehicle. The lien shall remain in  
27 effect while the motor vehicle is in the possession of the person or facility and is limited to

1 reasonable towing and storage fees, plus notification, advertisement, or disposal costs where  
2 applicable. Such lien shall include vehicle contents with the following exceptions: prescription  
3 drugs or eyewear, child passenger restraining system, house keys, and personal documentation  
4 such as birth or death records. This lien attaches when the person or facility acts:

- 5 (A) Under a contract with the owner or someone representing the owner;
- 6 (B) At the direction of a law enforcement officer; or
- 7 (C) At the direction of an owner or lessor, or a person authorized by the owner or lessor,  
8 of private property on which such vehicle is wrongfully located, and the vehicle was  
9 removed in accordance with Section 5.

10 SECTION 7. *Duty of Person or Facility which Stores the Abandoned Motor Vehicle.* –

11 Any person or facility who stores a motor vehicle that was removed from public or private  
12 property at the request of someone other than the vehicle owner or some person acting for the  
13 owner shall notify in writing a local law enforcement agency of the location of the vehicle, the  
14 manufacturer's vehicle identification number, license number, model, year, and make of the  
15 vehicle within three business days of the removal of such vehicle and shall seek from the local  
16 law enforcement agency the identity and address of all known owners of such vehicle, and any  
17 information indicating that such vehicle is a stolen motor vehicle. The local law enforcement  
18 agency shall furnish such information to the person or facility storing such vehicle within three  
19 business days after receipt of such request.

20 When any motor vehicle is removed under conditions set forth in Section 5 of this Act,  
21 the person or facility storing such motor vehicle shall, within seven (7) business days of the day  
22 such motor vehicle was removed or one business day after the information is furnished to the  
23 storer pursuant to Paragraph 1 of this Section, whichever is later, notify all owners, if known, by  
24 written acknowledgment signed thereby or by certified or registered mail or statutory overnight  
25 delivery, of the location of such motor vehicle, the fees connected with removal and storage of  
26 such motor vehicle, and the fact that such motor vehicle will be deemed abandoned under this  
27 chapter unless the owner, security interest holder, or lienholder redeems such motor vehicle  
28 within 30 days of the day such vehicle was removed. Further, such notification shall not be

1 required if the vehicle is being repaired by a repair facility or being stored at the request of the  
2 vehicle owner or someone acting for the owner or an insurance company that is providing  
3 insurance to cover damages to the vehicle. No such notice or written demand shall be required if,  
4 after a good faith effort, the identity of the owner cannot be ascertained.

5 If none of the owners redeems such motor vehicle as described in Paragraph 2 of this  
6 Section, or if a vehicle being repaired by a repair facility or being stored at the request of the  
7 vehicle owner or someone acting for the owner or by an insurance company that is providing  
8 insurance to cover damages to the vehicle becomes abandoned, the person or facility storing such  
9 motor vehicle shall, within seven business days of the day such vehicle became an abandoned  
10 motor vehicle, give notice in writing, by sworn statement, on the form prescribed by the  
11 Chairman of the Land Transportation Office, stating the manufacturer's vehicle identification  
12 number, the license number, the fact that such vehicle is an abandoned motor vehicle, the model,  
13 year, and make of the vehicle, the date the vehicle became an abandoned motor vehicle, the date  
14 the vehicle was removed, and the present location of such vehicle and requesting the name and  
15 address of all owners of such vehicle. If the form submitted is rejected because of inaccurate or  
16 missing information, the person or facility storing the vehicle shall resubmit, within seven  
17 business days of the date of the rejection, a corrected notice form.

18 If the identity of the owners of such motor vehicle cannot be ascertained, the person or  
19 facility storing such vehicle shall place an advertisement in a newspaper of general circulation in  
20 the county where such vehicle was obtained or, if there is no newspaper in such county, shall  
21 post such advertisement at the county courthouse in such place where other public notices are  
22 posted. Such advertisement shall run in the newspaper once a week for two consecutive weeks or  
23 shall remain posted at the courthouse for two consecutive weeks. The advertisement shall contain  
24 a complete description of the motor vehicle, its license and manufacturer's vehicle identification  
25 numbers, the location from where such vehicle was initially removed, the present location of  
26 such vehicle, and the fact that such vehicle is deemed abandoned and shall be disposed of if not  
27 redeemed.

28 Any person or facility storing a vehicle under the provisions of this Section shall notify  
29 the Land Transportation Office if the vehicle is recovered, is claimed by the owner, is

1 determined to be stolen, or for any reason is no longer an abandoned motor vehicle. Such notice  
2 shall be provided within seven (7) business days of such event.

3 SECTION 8. *Duty of Law Enforcement Officer if Abandoned Motor Vehicle is found to*  
4 *be Stolen.* – If any motor vehicle removed under conditions set forth in Section 7 of this Act is  
5 determined to be a stolen motor vehicle, the local law enforcement officer or agency shall  
6 immediately notify the storage facility of such determination, and provide to such storage facility  
7 the names and addresses of all owners, if ascertainable, and shall further notify the Georgia  
8 Crime Information Center of the location of such motor vehicle within three (3) days after  
9 receiving notice that such motor vehicle is a stolen vehicle.

10 SECTION 9. *Procedure for Foreclosure of Liens.* – All liens acquired under shall be  
11 foreclosed as follows:

12 (A) Any proceeding to foreclose a lien on an abandoned motor vehicle must be instituted  
13 within one year from the time the lien is recorded or is asserted by retention;

14 (B) The person desiring to foreclose a lien on an abandoned motor vehicle shall, by  
15 certified or registered mail or statutory overnight delivery, make a demand upon the  
16 owners for the payment of the reasonable fees for removal and storage plus the costs  
17 of any notification or advertisement. Such written demand shall include an itemized  
18 statement of all charges and may be made concurrent with the notice required by  
19 Section 7, Paragraph 2 of this Act. Such demand shall be made on a form prescribed  
20 by rule or regulation of the Department of Transportation and Communication and  
21 shall notify the owner of his or her right to a hearing to determine the validity of the  
22 lien. The demand shall further state that failure to return the written demand to the  
23 lien claimant, file with a court of competent jurisdiction a petition for a judicial  
24 hearing, and provide the lien claimant with a copy of such petition, all within ten (10)  
25 days of delivery of the lien claimant's written demand, shall effect a waiver of the  
26 owner's right to such a hearing prior to sale. The form shall also provide the  
27 suspected owner with the option of disclaiming any ownership of the vehicle, and his  
28 or her affidavit to that effect shall control over anything contrary in the records of the

1 Land Transportation Office. No such written demand shall be required if the identity  
2 of the owner cannot be ascertained and the notice requirements of Section 7,  
3 Paragraph 4 have been complied with.

4 (C) If, within ten days of delivery to the appropriate address of the written demand  
5 required by Paragraph (B) of this Section, the owner of the abandoned motor vehicle  
6 fails to pay or file with the court a petition for a judicial hearing with a copy to the  
7 lien claimant in accordance with the notice provided pursuant to Paragraph (B), or if  
8 the owner of the abandoned motor vehicle cannot be ascertained, the person or  
9 facility storing the abandoned motor vehicle may foreclose such lien. The person or  
10 facility asserting such lien may move to foreclose by making an affidavit to a court of  
11 competent jurisdiction, on a form prescribed by rule or regulation of the Land  
12 Transportation Office, showing all facts necessary to constitute such lien and the  
13 amount claimed to be due. The person or facility foreclosing shall verify the  
14 statement by oath or affirmation and shall affix his or her signature thereto.

15 (D) If no timely petition for a hearing has been filed with a court of competent  
16 jurisdiction, then, upon such affidavits being filed by the lien claimant pursuant to  
17 Paragraph (C) of this Section, the lien will conclusively be deemed a valid one and  
18 foreclosure thereof allowed;

19 (E) If a petition for a hearing is filed with a court of competent jurisdiction within ten  
20 days after delivery of the lien claimant's demand, a copy of which demand shall be  
21 attached to the petition, the court shall set such a hearing within ten (10) days of filing  
22 of the petition;

23 (F) Upon the filing of such petition by an owner, neither the lien claimant nor the court  
24 may sell the motor vehicle, although possession of the motor vehicle may be retained  
25 by the lien claimant or obtained by the court in accordance with the order of the court  
26 which sets the date for the hearing;

27 (G) If, after a full hearing, the court finds that a valid debt exists, then the court shall  
28 authorize foreclosure upon and sale of the motor vehicle subject to the lien to satisfy  
29 the debt if such debt is not otherwise immediately paid;



1 (H) If the court finds the actions of the person or facility asserting the lien in retaining  
2 possession of the motor vehicle were not taken in good faith, then the court, in its  
3 discretion, may award damages to the owner, any party which has been deprived of  
4 the rightful use of the vehicle, or the lessee due to the deprivation of the use of the  
5 motor vehicle;

6 (I) If an affidavit meeting the requirements of Paragraph (C) of this Code section is filed  
7 and no petition for a hearing is timely filed, or if, after a full hearing, the court  
8 determines that a valid debt exists, the court shall issue an order authorizing the sale  
9 of such motor vehicle. However, the holder of a security interest in or a lien on the  
10 vehicle, other than the holder of a lien created by Section 6 of this Act, shall have the  
11 right, in the order of priority of such security interest or lien, to pay the debt and court  
12 costs. If the holder of a security interest or lien does so pay the debt and court costs,  
13 he or she shall have the right to possession of the vehicle, and his or her security  
14 interest in or lien on such vehicle shall be increased by the amount so paid. A court  
15 order shall be issued to this effect, and in this instance there shall not be a sale of the  
16 vehicle;

17 (J) The purchaser at a sale as authorized in this article shall receive a certified copy of the  
18 court order authorizing such sale. Any such purchaser may obtain a certificate of title  
19 to such motor vehicle by filing the required application, paying the required fees, and  
20 filing a certified copy of the order of the court with the Land Transportation Office.  
21 The Land Transportation Office shall then issue a certificate of title, which shall be  
22 free and clear of all liens and encumbrances.

23 SECTION 10. *Procedure for Derelict Motor Vehicles.* – Derelict motor Vehicles shall be  
24 dealt with as follows:

25 (A) If a motor vehicle has been left unattended on private property for not less than  
26 (2) two days or on public property for not less than three (3) days without the  
27 owner or driver making any attempt to recover such vehicle or to leave a  
28 conspicuously placed note that such owner or driver intends to return for such

1 vehicle; or, if a conspicuous note was left, if the motor vehicle has been left  
2 unattended for not less than five (5) days and if because of damage, vandalism,  
3 theft, or fire the vehicle is damaged to the extent that its restoration to an operable  
4 condition would require the replacement of one or more major component parts or  
5 involves any structural damage that would affect the safety of the vehicle; or if  
6 there is evidence that the vehicle was inoperable due to major mechanical  
7 breakdown at the time it was left on the property; or if the vehicle is seven or  
8 more years old; or if the vehicle is not currently tagged or is not verifiable by the  
9 state as to who is the current owner or lienholder of the vehicle; or if the vehicle  
10 has been abandoned to a wrecker service by an insurance company and the owner  
11 following the insurance company's making a total loss payment, then any person  
12 removing such vehicle shall within three (3) business days of removing such  
13 vehicle obtain the identity of and address of the last known registered owner of  
14 the vehicle, the owner of the vehicle as recorded on the certificate of title of such  
15 vehicle, and any security interest holder or lienholder on such vehicle from the  
16 local law enforcement agency of the jurisdiction in which the vehicle was located.

17 (B) If the law enforcement agency shows no information on the vehicle, then a  
18 request for such information shall be sent to the Land Transportation Office.  
19 Within three (3) business days after obtaining such information, the person  
20 removing such vehicle shall, by certified mail or statutory overnight delivery,  
21 return receipt requested, notify the registered owner, title owner, and security  
22 interest holder or lienholder of the vehicle that such vehicle will be declared a  
23 derelict vehicle and the title to such vehicle will be canceled by the Land  
24 Transportation Office if such person or persons fail to respond within ten days of  
25 receipt of such notice.

26 (C) Upon determination that a vehicle is a derelict motor vehicle as provided in  
27 Paragraph (A) of this Section, it may be disposed of by sale to a person who  
28 scraps, dismantles, or demolishes motor vehicles, provided that such vehicle may  
29 be sold for scrap or parts only and shall in no event be rebuilt or sold to the

1           general public. Any person disposing of a derelict motor vehicle shall, prior to  
2           disposing of such vehicle, photograph such vehicle for a period of three years  
3           after its disposition. Such person shall also notify the Department of Revenue of  
4           the disposition of such vehicle in such manner as may be prescribed by the  
5           Chairman of the Land Transportation Office. It shall cancel the certificate of title  
6           for such vehicle and shall not issue a rebuilt or salvage title for such vehicle.

7           SECTION 11. *Prohibited Act and Penalties.* – The following acts are unlawful and shall  
8           be penalized as follows:

9           (A) Any person or facility who fails to provide notice and information required by  
10           Section 7 of this Act shall be fined an amount of not more than Ten Thousand  
11           Pesos (P10,000.00) at the discretion of the court, taking into consideration all  
12           attending circumstances.

13           (B) A fine of not more that Five Thousand Pesos (P5,000.00) shall be imposed on  
14           any person or facility who knowingly provides false or misleading information  
15           when providing any notice or information as required by Section 7 of this Act.

16           In addition, to the penalties provided in Paragraphs (A) and (B), such  
17           person or facility shall not be eligible to contract with or serve on a rotation list  
18           providing wrecker services for the State or any political subdivision thereof, and  
19           shall not be licensed by any municipal authority to provide removal of improperly  
20           parked cars for six months and until legal disposition of all abandoned vehicles in  
21           that person's or facility's possession.

22           (C) Any person who abandons a derelict motor vehicle on public or private property  
23           shall be fined an amount of not more than Ten Thousand Pesos (P6,000.00) at the  
24           discretion of the court, taking into consideration all attending circumstances and  
25           shall pay all costs of having such derelict motor vehicle removed, stored, and sold  
26           as provided for in Section 10.

27           (D) Any person removing a derelict motor vehicle who fails to comply with the  
28           requirements of this Act or who knowingly provides false or misleading

1 amount of not more than Five Thousand Pesos (P5,000.00) at the discretion of the  
2 court, taking into consideration all attending circumstances

3 SECTION 12. *Liability for Negligence.* – Any peace officer who, under Act, causes any  
4 motor vehicle to be removed to an automotive storage facility shall be liable for gross negligence  
5 only.

6 Any person or towing service that is instructed by a law enforcement officer or an official  
7 of the Department of Transportation to remove vehicles and cargo that pose a threat to public  
8 health or safety or to mitigate congestion shall be liable for gross negligence only.

9 Neither the State nor any state agency nor the person removing, storing, and processing  
10 the vehicle unless recklessly or grossly negligent shall be liable to the owner of a vehicle  
11 declared to be an abandoned motor vehicle or a derelict motor vehicle.

12 SECTION 13. *Separability Clause.* – If any provision or part hereof, is held invalid or  
13 unconstitutional, the remainder of the law or the provision not otherwise affected shall remain  
14 valid and subsisting.

15 SECTION 14. *Repealing Clause.* – Any law, presidential decree or issuance, executive  
16 order, letter of instruction, administrative order, rule or regulation contrary to or inconsistent  
17 with the provisions of this act is hereby repealed, modified or amended accordingly.

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

20 Approved,

/rgs