

FIFTEENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
Second Regular Session)

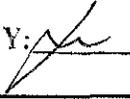


Senate
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SENATE

S. No. 2897

RECEIVED BY: 

Introduced by Senator Manuel "Lito" M. Lapid

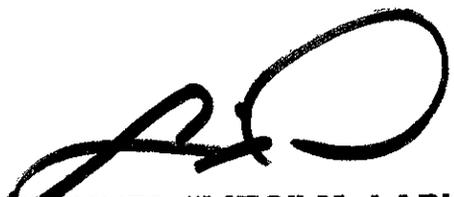
EXPLANATORY NOTE

This bill seeks to grant the local government units the power to regulate the operation of motorcycles-for-hire in their areas of jurisdiction, similar to the regulation of tricycles.

While these motorcycles-for-hire are accepted as a common means of transportation in many localities, it is important to note that many of these motorcycles are not registered and/or unregulated, thus making their business operation illegal.

The regulation of the business operation of these motorcycles-for-hire is intended primarily to protect both the operator and the passengers from their inability to claim for insurance in case accidents result to death or injury. It is for this reason that these motorcycles-for-hire should be registered as public transport and be governed by the law on common carriers.

In the interest of road safety, the immediate passage of this bill is earnestly sought.


MANUEL "LITO" M. LAPID
Senator

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AN ACT
REGULATING THE BUSINESS OPERATION OF MOTORCYCLES-FOR-HIRE AND FOR OTHER PURPOSES

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

SECTION 1. Short Title. - This Act shall be known as the **"Motorcycle-For-Hire Act of 2011"**.

SECTION 2. Declaration of Policy. - It is the policy of the State to render basic services to the people. In many areas in our country where roads are not passable by tricycle and any four-wheeled vehicles, the peoples' initiatives in solving their transportation problems must be respected and recognized with the end in view of instituting effective management thereof. Toward this end, local governments are hereby tasked to regulate the use of motorcycles-for-hire.

SECTION 3. Local Franchise. - The municipality or city shall receive, process and evaluate all applications for the grant of franchise to operate motorcycles-for-hire within their territorial jurisdiction. For purposes of this Act, motorcycle-for-hire refers to a two-wheeled motor vehicle which has been modified in order to carry or transport passengers or goods for compensation, offering their services to the public.

- a) Any person applying for the grant of franchise to operate a motorcycle-for-hire shall submit the following documents:
- 1) Certification of the punong barangay attesting that applicant is a bonafide resident of the barangay within the city or municipality;

- 2) Certificate of registration and official receipt of registration payment for the said motorcycle unit; and
 - 3) A deed of undertaking by the owner that the unit applied for will be operated within the said city or municipality.
- b) After favorable consideration of the application, the same shall be endorsed to the sanggunian bayan or sangguniang panglungsod for the issuance of franchise for the operation of motorcycle-for-hire within the territorial jurisdiction of the city or municipality. The franchise shall indicate the place or route where the motorcycle-for-hire is authorized to operate.

SECTION 4. *Issuance of Plate.* – Upon receipt of the franchise issued by the city or municipality, the applicant shall bring the motorcycle unit to the Land Transportation Franchising and Regulatory Board (LTFRB) for the issuance of a new “for-hire” license plate. In case the motorcycle unit was previously issued a license plate of different classification, such plate shall first be surrendered before issuing the new “for-hire” license plate.

SECTION 5. *Administrative Boundaries.* – The authority granted to local government unit to regulate motorcycles-for-hire shall be limited and confined to the boundaries of the city or municipality. The local government unit may only grant franchise to motorcycles operating within the city or municipality and owned by residents thereof.

In cases where travel between two (2) municipalities can only be done by motorcycles-for-hire, in the absence of any other means of public transportation, the cities or municipalities traversed by the motorcycles-for-hire shall agree between or among themselves through a Memorandum of Agreement how incursions of motorcycles-for-hire belonging to another city or municipality will be treated.

SECTION 6. *Limits of Operations.* – Motorcycles-for-hire are authorized to operate on any road within the city or municipality. However, they are prohibited to operate, except to cross, along a national highway or on any road which allows a maximum speed greater than 40 kilometers per hour.

The local government unit with jurisdiction over the roads may limit and fix the routes for motorcycles-for-hire.

SECTION 7. *Insurance Coverage.* - For purposes of passenger's safety, the owner of motorcycle-for-hire shall, upon registration, procure the necessary insurance for third party liability.

SECTION 8. *Penalty.* - The owner of a motorcycle-for-hire who fails to register its operation shall be fined in the amount of not less than Three Thousand Pesos (P3,000.00) but not more than Five Thousand Pesos (P5,000.00) and the motorcycle unit shall be impounded until registered.

SECTION 9. *Implementing Rules and Regulations.* - The Secretary of Transportation and Communications shall, within sixty (60) days after the effectivity of this Act, issue the necessary rules and regulations to implement this Act.

SECTION 10. *Repealing Clause.* - Any law, presidential decree or issuance, executive order, letter of instruction, administrative order, rule or regulation contrary to, or inconsistent with the provisions of this Act is hereby repealed, modified or amended accordingly.

SECTION 7. *Effectivity Clause.* - This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in at least two (2) national newspapers of general circulation.

Approved,