

# SEVENTEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES

First Regular Session

16 SEP -1 P4:20

SENATE S. No. 1117

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RECORD BY:

Introduced by Senator Ralph G. Recto

### AN ACT

INSTITUTIONALIZING A NEW REGISTRATION SCHEME FOR MOTOR VEHICLES, AMENDING FOR THE PURPOSE SECTIONS 3 AND 5 OF REPUBLIC ACT NO. 4136, AS AMENDED, OTHERWISE KNOWN AS THE "LAND TRANSPORTATION AND TRAFFIC CODE" AND FOR OTHER PURPOSES

## **Explanatory Note**

The principal law governing the compulsory registration of all motor vehicles is Republic Act No. 4136, as amended. Section 4 thereof authorizes the Land Transportation Office (LTO) Assistant Secretary to issue rules and regulations prescribing the procedure for the registration of motor vehicles. Pursuant to this mandate, the LTO issued Administrative Order No. 010-200503 prescribing the three (3)-year validity period of the initial registration of brand new motor vehicles and this policy has been in force since 2005 with the objective of reducing the number of transactions that the LTO handle on a yearly basis. At that time, the number of registered motor vehicles stood at Five million fifty-nine thousand seven hundred fifty-three (5,059,753) and since then, that number has ballooned to Eight million seven hundred six thousand six hundred seven (8,706,607) as of 2015.

Incidentally, for 2015 alone, the LTO handled One million eight hundred twenty-nine thousand seven hundred fifty-three (1,829,753) new vehicle registration cases and Six million eight hundred seventy-six thousand eight hundred fifty-four (6,876,854) renewal registration cases<sup>1</sup>. Consequently, the LTO main office and satellite offices are handling, on the average, at least Thirty thousand (30,000) registration transactions per day, not to mention transactions involving the issuance and renewal of driver's licenses.

This bill introduces a new registration scheme for motor vehicles, except those classified as vehicles for hire, wherein brand new motor vehicles are allowed to have an initial registration validity of four (4) consecutive years and upon expiration, the registration renewal shall be valid every two (2) years thereafter. On the other hand, other registered motor vehicles, are also given a two-year validity period on their car registration once the same is renewed under the proposed registration scheme.

This proposal, of course, is without prejudice to the application of Republic Act No. 8749, or the Philippine Clean Air Act of 1999 and other applicable laws to ensure that all motor vehicles will conform to all safety and emission standards.

<sup>&</sup>lt;sup>1</sup> LTO 2015 Annual Report.

With the proper implementation of this proposed scheme, this representation believes that it will help the LTO expedite all transactions within the said agency by systematically cutting red tape, eradicating once and for all the business of "fixers" and most especially, reducing the annual pilgrimage that the motoring public endure in different LTO offices across the country.

In view of the foregoing, the immediate passage of this bill is earnestly requested.

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

SECTION 1. Section 3, Article II, Chapter I of Republic Act No. 4136, otherwise known as the Land Transportation and Traffic Code, as amended, is hereby further amended to read as follows:

"ARTICLE II

"Section 3. Words and Phrases Defined. – As used in this Act:

Definitions

"(a) "MOTOR VEHICLE" shall mean any vehicle propelled by any power other than muscular power using the public highways, but excepting road rollers, trolley cars, street sweepers, sprinklers, lawn mowers, bulldozers, graders, fork-lifts, amphibian trucks, and cranes if not used on public highways, vehicles which run only on rails or tracks, and tractors, trailers and traction engines of all kinds used exclusively for agricultural purposes.

- "(b) "xxx
- 15 "(c) "xxx
- 16 "xxx

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17 "(M) 'BRAND NEW MOTOR VEHICLE' AS USED IN THIS ACT
18 SHALL MEAN A MOTOR VEHICLE THAT IS FULLY
19 MANUFACTURED AND ASSEMBLED FROM ENTIRELY NEW
20 PARTS, AND IS IMPORTED, DISTRIBUTED AND/OR SOLD BY
21 ENTITIES ACCREDITED BY THE LAND TRANSPORTATION

1	OFFICE AND HAS NEVER BEEN USED, OPERATED OR
2	REGISTERED EITHER IN THE PHILIPPINES OR IN ANY
3	FOREIGN STATE OR COUNTRY."
4	SECTION 2. Section 5, Article I, Chapter II of the Land Transportation and Traffic
5	Code, as amended, is hereby further amended to read as follows:
6	"xxx
7	CHAPTER II
8	Registration of Motor Vehicles
9	ARTICLE I
10	Duty to Register, Reports, Applications, Classifications
11	"Section 5. Compulsory Registration of Motor Vehicles (a) All
12	motor vehicles and trailer of any type used or operated on or upon any
13	highway of the Philippines must be registered with the [Bureau of Land
14	Transportation] LAND TRANSPORTATION OFFICE for the current
15	year in accordance with the provisions of this Act.
16	"(a-1) IN THE CASE OF BRAND NEW MOTOR VEHICLES,
17	THE INITIAL REGISTRATION THEREOF SHALL BE VALID
18	AND EFFECTIVE FOR FOUR (4) CONSECUTIVE YEARS
19	FOLLOWING ITS FIRST REGISTRATION. SUCH INITIAL
20	REGISTRATION SHALL REQUIRE AND BE ACCOMPANIED BY
21	THE CERTIFICATE OF CONFORMITY (COC) ISSUED BY THE
22	DEPARTMENT OF ENVIRONMENT AND NATURAL
23	RESOURCES (DENR) AND THE COMPULSORY THIRD PARTY
24	LIABILITY INSURANCE POLICY, BOTH OF WHICH SHALL
25	LIKEWISE BE VALID FOR FOUR (4) CONSECUTIVE YEARS,
26	SUBJECT TO THE PROVISIONS OF REPUBLIC ACT NO. 8749,
27	OTHERWISE KNOWN AS THE PHILIPPINE CLEAN AIR ACT
28	OF 1999, AND ITS IMPLEMENTING RULES AND
29	REGULATIONS.
30	UPON THE EXPIRATION OF THE INITIAL
31	REGISTRATION CONTEMPLATED ABOVE, THE
32	REGISTRATION RENEWAL OF THE SAID MOTOR VEHICLES
33	SHALL BE DONE EVERY TWO (2) YEARS THEREAFTER.

PROVIDED, THAT WITH THE EXCEPTION OF MOTOR VEHICLES FOR HIRE AS DEFINED UNDER SECTION 7, ARTICLE I, CHAPTER II OF THIS ACT, THE REGISTRATION RENEWAL OF MOTOR VEHICLES ALREADY REGISTERED AT THE TIME OF THE EFFECTIVITY OF THIS ACT SHALL. **UPON THE EXPIRATION THEREOF, BE DONE EVERY TWO (2)** YEARS THEREAFTER. PROVIDED, FURTHER, THAT ANY COVERED MOTOR VEHICLE APPREHENDED WITHIN THE PERIOD OF REGISTRATION DUE TO NON-CONFORMANCE WITH SAFETY AND EMISSION STANDARDS AS PRESCRIBED UNDER APPLICABLE LAWS SHALL BE REQUIRED TO UNDERGO THE REQUISITE MOTOR VEHICLE INSPECTION AND/OR EMISSION TESTS AND TO PAY THE APPROPRIATE FINES TO BE DETERMINED AND PUBLISHED BY THE LAND TRANSPORTATION OFFICE.

(b) The dates of [annual] registration of motor vehicles shall be based on a registration scheme to be prepared by the [Bureau of Land Transportation] LAND TRANSPORTATION OFFICE subject to the approval of the [Minister of Transportation and Communications] SECRETARY OF THE DEPARTMENT OF TRANSPORTATION. The scheme shall provide for a system that will distribute the registration of motor vehicles equitably over different months in a calendar year. Said scheme and rates shall not be changed more often than once every three (3) years, and only upon due notice given to the public at least ninety (90) calendar days before the effectivity of such registration scheme.

Any registration of motor vehicles not renewed on or before the date fixed by the [Bureau of Land Transportation] LAND TRANSPORTATION OFFICE shall become delinquent and invalid.

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SEC. 3. All references to the "Minister of Transportation and Communication", "Bureau of Land Transportation" or "Director" in any other provision of Republic Act No. 4136, as amended, shall be automatically substituted with the words, "Secretary of the Department of Transportation", "Land Transportation Office", and/or "Assistant Secretary of the Land Transportation Office", as the case may be.

- SEC. 4. Implementing Rules and Regulations. The Secretary of the Department of
  Transportation, shall, upon the recommendation of the Assistant Secretary of the Land
  Transportation Office, promulgate not later than thirty (30) days from the effectivity of this Act
  the necessary rules and regulations for its effective implementation.
- SEC. 5. Separability Clause. If any provision of this Act is hereafter declared unconstitutional, the same shall not affect the validity and effectivity of the other provisions hereof.
- SEC. 6. Repealing Clause. All laws, executive orders, decrees, instructions, issuances, rules and regulations contrary or inconsistent with the provisions of this Act are hereby likewise repealed or modified accordingly.
- SEC. 7. Effectivity. This Act shall take effect fifteen (15) days after its complete publication either in the Official Gazette, or in at least two (2) newspapers of general circulation.
- 13 Approved,