

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



'22 AUG 18 P5:11

**SENATE**  
**S. No. 1214**

RECEIVED BY: 

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**Introduced by SENATOR RAMON BONG REVILLA, JR.**

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**AN ACT**  
**ESTABLISHING CARPOOL SERVICE IN THE COUNTRY, REGULATING ITS**  
**USE AND OPERATION, AND FOR OTHER PURPOSES**

**EXPLANATORY NOTE**

The transportation industry in the country is beleaguered with various challenges. Slow moving traffic is a perennial problem that hinders the productivity of the public. Rising fuel prices harms public utility vehicle drivers and operators, private vehicle users, and commuters alike. The air pollution caused by the smoke from vehicles continues to take a toll on our environment and the sustainability of our planet.

According to the article published in the CNN Philippines website on 30 January 2020, "Manila's traffic congestion is second worst in the world". The Traffic Index 2019 also indicates that Manila has a congestion level of 71%, making it the second worst traffic congestion out of the 416 cities surveyed around the world. In terms of fuel prices, the year 2022 continues to record significant increases in fuel prices in the country and in the world which is brought about mainly by the tension between Ukraine and Russia. Lastly, the air quality in the Philippines is considered moderately unsafe according to the guidelines of the World Health Organization.

The proposed "*Philippine Carpool Service Act*" seeks to regulate the use of carpool services to promote safe, dependable, environmentally-sound and

sustainable mode of transportation. This will be an effective means to address the traffic decongestion as well as other traffic-related problems especially in Metro Manila. The formation of carpool associations, carpool drivers, passengers and vehicles will provide a system for the effective facilitation of the carpool service.

This measure was filed by Senator Ralph G. Recto in the 18<sup>th</sup> Congress.

In light of the foregoing, the immediate passage of this measure is earnestly sought.


  
**RAMON BONG REVILLA, JR.**

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**AN ACT**  
**ESTABLISHING CARPOOL SERVICE IN THE COUNTRY, REGULATING ITS**  
**USE AND OPERATION, AND FOR OTHER PURPOSES**

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

1 Section 1. *Short Title.* - This Act shall be known as the "*Philippine Carpool*  
2 *Service Act*".

3 Sec. 2. *Declaration of Policy.* - It is hereby declared the policy of the State to  
4 promote a just and dynamic social order through policies that provide adequate social  
5 services, promote full employment, a rising standard of living, and an improved quality  
6 of life for all. Towards this end, the State shall develop mechanism to regulate the  
7 use of carpool services not only as a safe, dependable, environmentally-sound and  
8 sustainable mode of transportation, but also as a means to improve the well-being of  
9 Filipino commuters and to decongest traffic in Metro Manila and in other urban areas  
10 in the country.

11 Sec. 3. *Definition of Terms.* - For purposes of this Act:

12 (a) *Carpool Service* shall refer to voluntary arrangement between two (2) to  
13 seven (7) persons, including the driver of a particular vehicle, to make  
14 one-way or round-trip journey in a single vehicle;

15 (b) *Carpool Association* shall refer to a duly-registered non-stock, non-profit  
16 organization created for the provision of a carpool services to its  
17 members;

1 (c) *Carpool Driver* shall refer to a duly-licensed operator of a motor vehicle  
2 that provides carpool service in accordance with the provisions of this  
3 Act;

4 (d) *Carpool Passenger* shall refer to any *bona fide* member of a carpool  
5 association who accepts carpool service from a fellow carpool association  
6 member in accordance with the provisions of this Act;

7 (e) *Carpool Trip* shall refer to the vehicle trip that commences at the carriage  
8 of the first carpool passenger and terminates upon the arrival of the  
9 carpool vehicle to its intended destination;

10 (f) *Carpool Vehicle* shall refer to a passenger car, utility vehicle or sports  
11 utility vehicle registered for private use that provides carpool service in  
12 accordance with the provisions of this Act;

13 (g) *Gas Fund* shall refer to an amount that may be collected by a carpool  
14 driver and/or owner from the carpool passengers to cover the expenses  
15 incidental to carpool vehicle operation such as carpool registration cost,  
16 fuel, oil and lubricant expenses, parking charges, toll fees, and vehicle  
17 upkeep expenses;

18 (h) *Online Carpool Platform* shall refer to electronic applications that allows  
19 carpool drivers and passengers to search for and communicate with  
20 other carpool drivers and passengers; and,

21 (i) *Owner* shall refer to the actual and legal owner of a motor vehicle, in  
22 whose name such vehicle is duly-registered with the Land Transportation  
23 Office (LTO).

24 **Sec. 4. *Establishment of Carpool Service.*** – Owners of motor vehicles registered  
25 for private use are hereby allowed to provide carpool services subject to the following  
26 conditions:

27 (a) The carpool services shall be provided and accepted only among  
28 members of a carpool association on a purely voluntary basis;

29 (b) The carpool owner and/or driver and the carpool passenger shall have a  
30 common origin and destination;

31 (c) The carpool services shall be offered for a maximum of two (2) carpool  
32 trips a day regardless of the number of carpool passengers;

1 (d) The carpool driver or any carpool passenger shall not solicit for  
2 passengers on any road, parking area, tollway entrance, public transport  
3 terminal, and other similar facilities and establishments;

4 (e) The carriage of carpool passenger shall only be incidental to the carpool  
5 driver's or owner's original purpose for the trip'

6 (f) The carpool driver shall inform the carpool passengers in advance about  
7 the details of the trip, which shall include the date, time, pick up and  
8 drop off points, travel route and Gas Fund contributions, if any;

9 (g) The carpool driver shall not offer driving or vehicle rental services or  
10 display any material or information to that effect; and,

11 (h) The owner of the vehicle shall register with the LTO as a carpool vehicle  
12 in accordance with its rules and regulations.

13 *Sec. 5. Classification of Carpool Vehicles.* – Any provision of the law to the  
14 contrary notwithstanding, carpool vehicles shall be classified as private carriers and  
15 shall be subject to the provisions of Title II, Book IV of Republic Act No. 386, otherwise  
16 known as the "Civil Code of the Philippines".

17 *Sec. 6. Motor Vehicle Registration.* – Carpool vehicles shall be registered as  
18 motor vehicles for private use. Registration for carpool service and subsequent  
19 renewal of carpool service registration may be executed along with the renewal of  
20 motor vehicle registration in accordance with the rules and regulation of the LTO.

21 The documentary requirements for carpool service registration shall include the  
22 following:

23 (a) Proof of Filipino citizenship;

24 (b) Valid LTO Official Receipt and Certificate of Registration of authorized  
25 unit/s in the name of the Owner;

26 (c) Valid driver's license of authorized owner/s and/or carpool driver/s;

27 (d) Valid Certificate of Employment, Certificate of Business Registration, or  
28 Proof of School Registration under the name of the owner/s and/or  
29 authorized carpool driver/s;

30 (e) Valid National Bureau of Investigation (NBI) or Philippine National Police  
31 (PNP) Clearance;

32 (f) Valid proof of billing addressed to the owner and/or driver;

- 1 (g) Certificate of motor vehicle insurance coverage;  
2 (h) Proposed travel route from point of origin to the intended destination;  
3 and,  
4 (i) Other documentary requirements as may be deemed necessary by the  
5 Department of Transportation (DOTr) or the LTO.

6 Sec. 7. *Carpool Association.* – Carpool drivers, owners, and carpool passengers  
7 shall organize themselves into carpool associations to manage carpool services and  
8 limit its provision to *bona fide* members of its organization. Carpool associations shall  
9 be registered with the Securities and Exchange Commission in accordance with its  
10 rules and regulations.

11 Sec. 8. *Membership in Carpool Associations.* – Membership in the carpool  
12 association shall consist of Regular Members and Associate Members. Filipino citizens  
13 of legal age, holders of at least Non-Professional Driver’s License with Code 2 and 4  
14 Restrictions, and who own, possess or operate at least one (1) carpool vehicle shall  
15 be eligible for Regular Membership. Filipino citizens and resident aliens of legal age,  
16 and who neither hold a drivers’ license nor own, possess or operate a carpool vehicle  
17 shall be eligible for Associate Membership. Regular Members shall be accorded with  
18 more representatives in the Board of Trustees and more voting power in accordance  
19 with the articles of incorporation and by-laws of the carpool association.

20 Sec. 9. *Requirements for Membership in Carpool Associations.* – The carpool  
21 association shall exercise due diligence in determining the identity of and accepting  
22 prospective members. Prospective members shall be accepted into a carpool  
23 association by a majority vote of its Board of Trustees in accordance with its articles  
24 of incorporation and by-laws: *Provided,* That the Board of Trustees, prior to the  
25 acceptance of prospective carpool association members, shall require the submission  
26 of documents that include, but are not limited to:

- 27 (a) Proof of identity of the prospective member;  
28 (b) Valid Certificate of Employment, Certificate of Business Registration, or  
29 Proof of School Registration under the name of the prospective member;  
30 (c) Valid driver’s license for prospective carpool driver;  
31 (d) Valid LTO Official Receipt and Certificate of Registration of the  
32 prospective carpool vehicle;

- 1 (e) Valid NBI or PNP Clearance;
- 2 (f) Valid proof of billing addressed to the owner and/or driver; and,
- 3 (g) Other documents deemed necessary by the Board of Trustees to
- 4 ascertain the identity of prospective carpool association members.

5 The data and information provided by prospective carpool association members  
6 shall be governed by the pertinent provisions of Republic Act No. 10173, otherwise  
7 known as the "Data Privacy Act of 2012".

8 Sec. 10. *Identification of Carpool Association Members.* – The carpool  
9 association shall issue non-transferable identification cards to its *bona fide* members.  
10 The identification cards shall be required to be shown prior to the provision of  
11 acceptance of the carpool services and shall remain in the possession of the respective  
12 members throughout the duration of the carpool trip.

13 Sec. 11. *Conveyance of Carpool Passengers.* – Carpool drivers are hereby  
14 allowed to pick up carpool passengers in proximity to their point of origin and to drop  
15 off carpool passengers in proximity to the carpool driver's intended destination:  
16 *Provided:* That the carpool driver shall only be allowed to ferry carpool passengers  
17 belonging to the same carpool association: *Provided, further,* That the carpool driver  
18 shall only be allowed to ferry as many passengers as recommended by the vehicle  
19 manufacturer: *Provided, finally,* That under no circumstances shall the number of  
20 carpool passengers in a carpool vehicle exceed six (6) persons excluding the carpool  
21 driver.

22 Sec. 12. *Gas Fund Contribution.* – The owner of the vehicle shall not accept or  
23 charge any fare from carpool passengers, except for the contribution to the carpool  
24 vehicle's Gas Fund on a non-profit basis: *Provided,* That the maximum amount of Gas  
25 Fund contribution of carpool passengers shall not be higher than the estimated cost  
26 of taxi service from the point of origin to the point of destination: *Provided, further,*  
27 That the DOTr shall, in consultation with the Department of Energy (DOE), determine  
28 the maximum rate of Gas Fund contribution that may be collected from carpool  
29 passengers, taking into account the maximum number of allowable passengers as  
30 provided in Section 11 of this Act, the distance and duration of travel from the point  
31 of origin to the point of destination, and a realistic estimate of expenses incidental to  
32 carpool vehicle operation: *Provided, finally,* That the DOTr shall adjust the rate of Gas

1 Fund contribution once every three (3) years after the effectivity of this Act using the  
2 Consumer Price Index (CPI) for the Operation of Personal Transport Equipment, as  
3 published by the Philippine Statistics Authority (PSA).

4 Sec. 13. *Maintenance of Carpool Vehicles.* – The owners of carpool vehicles  
5 shall follow the recommended preventive maintenance schedule of the vehicle  
6 manufacturer: *Provided,* That the owners shall maintain a record documenting the  
7 maintenance services performed on their vehicles and the dates when such  
8 maintenance services were performed as attested to by the vehicle maintenance  
9 service provider: *Provided, further,* That a copy of the carpool vehicle maintenance  
10 service record shall be required by the LTO in the renewal of the carpool vehicle  
11 registration.

12 Sec. 14. *Insurance of Carpool Vehicles.* – The owners of the carpool vehicles  
13 shall be required to contract a comprehensive motor vehicle insurance from a  
14 reputable insurance provider to cover the carpool vehicle and its passengers against  
15 insurable risks: *Provided,* That a copy of the comprehensive motor vehicle insurance  
16 for the carpool vehicle shall be required by the LTO in the registration and renewal of  
17 the carpool vehicle registration.

18 Sec. 15. *Violations.* – The following shall be constituted as violations of this  
19 Act:

- 20 (a) Engaging in carpool services without or with expired carpool registration;  
21 (b) Provision of carpool services without carpool association membership;  
22 (c) Provision of carpool services to non-members of carpool association;  
23 (d) Exceeding the maximum daily carpool trips allowed;  
24 (e) Soliciting for passengers on any road, parking area, tollway entrance,  
25 public transport terminal, and other similar facilities and establishments;  
26 (f) Exceeding the vehicle's recommended number of passengers or the  
27 maximum number of passengers as provided in Section 11 of this Act,  
28 whichever is lower;  
29 (g) Offering driving or vehicle rental services or displaying materials and  
30 information to that effect;  
31 (h) Engaging in carpool services with invalid or expired motor vehicle  
32 insurance;



- 1 (i) Collecting more than the maximum Gas Fund contribution from carpool  
2 passengers; and,  
3 (j) Other acts or omissions inconsistent with the provisions of this Act as  
4 may be determined by the DOTr.

5 The DOTr and the LTO shall, after conducting public consultation, determine  
6 the appropriate fines and penalties for the violation of any provisions of this Act.

7 Sec. 16. *Carpool Passenger Complaints.* – Carpool associations shall establish  
8 a mechanism to receive and address complaints arising from the carpool services  
9 within their respective associations. The DOTr shall likewise establish a system to  
10 receive and address the complaints of carpool passengers against owners, carpool  
11 drivers, and carpool associations in accordance with its rules and regulations.

12 Sec. 17. *Carpool Incentives.* – The DOTr, LTO, Metro Manila Council, local  
13 government units, and other government agencies concerned may provide incentives  
14 to promote the use of carpool services such as, but not limited to: designation of  
15 dedicated carpool lanes, exemption from Expanded Unified Vehicular Volume  
16 Reduction Program and other similar traffic schemes, and discounts on toll fees and  
17 vehicle registration fees.

18 Sec. 18. *Online Carpool Application.* – Carpool associations or other third-party  
19 developers may use electronic or online carpool application to provide seamless  
20 connection between carpool association members: *Provided,* That owners and carpool  
21 drivers can only provide carpool services in accordance with Section 4 of this Act:  
22 *Provided, further,* That the total cost of using carpool platform and carpool services  
23 shall not exceed the maximum Gas Fund contribution as provided in Section 12 of this  
24 Act.

25 Sec. 19. *Exemptions.* – The carpool owner and/or driver shall secure at least  
26 a Non-Professional Driving License from the LTO to operate carpool vehicles: *Provided,*  
27 That carpool drivers who are employed as personal or corporate drivers, or who  
28 operates motorcycles, buses, trucks or articulated vehicles shall be required to obtain  
29 the appropriate driving license from the LTO.

30 The carpool vehicle shall be exempted from securing a Certificate of Public  
31 Convenience or any public land transportation service franchise or authorization issued  
32 by any government agency or instrumentality: *Provided,* That the carpool owner

1 and/or driver satisfy all the conditions stipulated under Section 4 of this Act: Provided,  
2 further, That no provision in this Act shall be construed as allowing the commercial  
3 operation of any motor vehicle registered for private use, or repealing, amending or  
4 modifying any law, rule or regulation that compels the satisfaction of any and all  
5 requirements prior to the operation of public land transportation services.

6       Sec. 20. *Implementing Rules and Regulations.* – Within sixty (60) days from  
7 the effectivity of this Act, the DOTr shall, in consultation with the LTO and other  
8 government agencies concerned, promulgate the necessary rules and regulations to  
9 effectively implement the provisions of this Act.

10       Sec. 21. *Separability Clause.* – If any provision or part hereof is held invalid or  
11 unconstitutional, the remainder of the law or the provision or part not otherwise  
12 affected shall remain valid and subsisting.

13       Sec. 22. *Repealing Clause.* – Any law, presidential decree or issuance,  
14 executive order, letter of instruction, administrative order, rule, or regulation contrary  
15 to or inconsistent with the provisions of this Act are hereby repealed, modified, or  
16 amended accordingly.

17       Sec. 23. *Effectivity.* – This Act shall take effect fifteen (15) days after its  
18 publication in the *Official Gazette* or in a newspaper of general circulation.

*Approved,*