

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City



SEVENTEENTH CONGRESS

First Regular Session

House Bill No. 5178

Introduced by **HON. ROZZANO RUFINO B. BIAZON**

EXPLANATORY NOTE

Recapped or retread tires are again growing in popularity thanks to their cost-efficiency and easy availability. As cost of commodities continue to rise nowadays and every centavo counts, one's tendency is to lean towards the cheaper alternative. The same holds true for operators of public utility vehicles or PUV's. The said vehicles are operating on a daily basis, plying their routes and almost always on the move. Thus, tires of PUV's tend to wear out more quickly compared to other types of vehicles. They need to be periodically changed. In efforts to cut maintenance cost and maximize profit, some PUV owners or operators purchase cheaper, lesser quality recapped tires in lieu of brand new ones.

As proven in countless instances however, cheaper is not always better. While established tire recappers say that modern tire recapping technology produces retread tires that are affordable, durable, and good-as-new, the same cannot be said for all tire recappers especially those that lack the necessary technology, tools and equipment for the job. Recapped tires done in such facilities may not be of the same durability and quality as those re-manufactured in superior factories. Hence, safety remains to be one of the primary concerns.

As common carriers, operators of public utility vehicles have greater responsibility in ensuring the safety of each and every passenger on board their vehicles. Therefore, they should be more conscientious in maintaining their units and keeping them in the most road-worthy condition possible to avoid any untoward accident while on the road. Outfitting a PUV with a cheaper but lesser quality recapped tire may be courting danger. Putting the lives of the passengers on the line just to save a few pesos is the height of callousness. Thus, to avoid such unfortunate events from happening, measures should be taken by appropriate agencies of the Government to regulate the tire recapping business as well as prohibit the use of sub-standard, low quality recapped tires in all public utility vehicles in the country.

For the reasons stated above, immediate approval of this bill is earnestly sought.


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AN ACT
REGULATING THE USE OF RECAPPED TIRES IN PUBLIC UTILITY VEHICLES
AND FOR OTHER PURPOSES

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

Section 1. *Title.* – This Act shall be known as the “*Recapped Tires Regulation Act*”.

Sec. 2. *Declaration of Policy.* – It is hereby declared the policy of the State to promote the safety and general welfare of its citizens at all times. The right of its citizens to travel in an environment that is free from harm and danger shall be promoted at all times by the State. Towards this end, it shall come up with measures that shall contribute to the achievement of this State policy.

Sec. 3. *Definition of Terms.* – As used in this Act:

- a. Recapped tires – refer to tires that have undergone “retreading” or “remolding”, a re-manufacturing process for tires that replace the tread on worn tires; and
- b. Public utility vehicles or PUVs – refer to motor vehicles for hire and used to carry or transport passengers or goods.

Sec. 4. *Accreditation of Business Entity.* – Any business entity engaged in, or about to engage in the recapping or retreading of tires or importation for purposes of sale thereof, is required to seek accreditation from the Department of Trade and Industry (DTI) before continuing or starting its operation, as the case may be. The DTI shall come up with the necessary standards to ensure the safety, quality and durability of recapped tires.

Sec. 5. *Marking of Recapped Tires.* – The Department of Trade and Industry (DTI), through the accredited business entities, shall hereby require all recapped tires to undergo quality control and marking to reflect its classification as “recapped” as well as the number of times the said tire has undergone the recapping process. Such accredited business entities

shall issue a "Recapped Receipt" to owners or operators of PUVs whose tires have undergone recapping or retreading in their facilities, or who have purchased recapped tires from their companies.

Sec. 6. *Prohibition.* – The use of unmarked recapped tires and tires that have undergone at least two (2) recapping processes is strictly prohibited in all types of public utility vehicles.

Sec. 7. *Requirement for Registration.* – The Land Transportation Office (LTO) shall monitor and check the use of marked recapped tires and their current condition in all public utility vehicles where such are installed prior to registration or renewal thereof. The owner or operator of said PUV shall declare the classification of tires used in the vehicle being registered whether such are recapped or non-recapped. The submission of a Recapped Receipt for vehicles with recapped tires shall be a requirement for the registration of such vehicles.

Sec. 8. *Penalties.* – An owner or operator of a public utility vehicle found to have violated Section 6 hereof shall be penalized as follows:

- (a) If the violation does not result to any road accident, damage to property, or physical injury or injuries to anyone, the penalty of a fine ranging from Two Thousand Pesos (Php2,000.00) to Five Thousand Pesos (Php5,000.00) shall be imposed;
- (b) If the violation results to any road accident, damage to property, or physical injury or injuries to anyone, the penalty of a fine ranging from Ten Thousand Pesos (Php10,000.00) to Fifty Thousand Pesos (Php50,000.00) shall be imposed;
- (c) If the violation causes any road accident resulting to homicide, the penalty provided in Article 249 of the Revised Penal Code and a fine ranging from One hundred thousand pesos (Php100,000.00) to Five hundred thousand pesos (Php500,000.00) shall be imposed; and
- (d) The public utility vehicle franchise of any owner or operator found to have violated Section 6 of this Act shall be suspended for a period of twelve (12) months for the first conviction and perpetually revoked for the second conviction. The perpetual revocation of a public utility vehicle franchise shall disqualify the operator from being granted any such franchise thereafter.

Sec. 9. *Random Inspection of PUVs.* – The LTO shall conduct periodic and random ocular inspections on public utility vehicles to ensure the proper implementation of this Act.

Sec. 10. *Public Information Campaign.* – The DTI shall, with the assistance of the Philippine Information Agency (PIA), conduct a continuing nationwide public information campaign for six (6) months following the promulgation of the implementing rules and regulations of this Act.

Sec. 11. *Implementing Rules and Regulations.* – Within sixty (60) days after the effectivity of this Act, the DTI shall, in coordination with the Department of Transportation (DOTr), LTO, Philippine National Police (PNP), Department of Justice (DOJ), and other

stakeholders, promulgate the necessary rules and regulations for the effective implementation of this Act.

Sec. 12. *Separability Clause.* – If any provision of this Act is declared invalid or unconstitutional, the remaining provisions or part thereof not otherwise affected thereby shall remain valid and subsisting.

Sec. 13. *Repealing Clause.* – All laws, decrees, executive orders and issuances, ordinances, rules and regulations, or parts thereof, inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

Sec. 14. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,