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



23 FEB -9 P6:15

SENATE

)

)

)

S. No. 1865

RECEIVED BY:

Introduced by SENATOR RAMON BONG REVILLA, JR.

AN ACT

PROVIDING FOR A MAGNA CARTA OF TRICYCLE DRIVERS AND OPERATORS, INSTITUTIONALIZING MECHANISMS FOR ITS IMPLEMENTATION AND FOR OTHER PURPOSES

EXPLANATORY NOTE

Tricycles are considered as the "*vehicle of the masses*". It is often the transportation option of many low-income households to major thoroughfares, and a significant income source of many Filipinos displaced in the formal working sector due to lack of employable skills. Oftentimes, driving a tricycle will be the only mode of livelihood until retirement.

According to the 2022 Annual Report of the Land Transportation Office, there are more than 1.5 million registered tricycles in the country. It is high time that we give value to our tricycle drivers and operators for their contribution to the daily life of the ordinary Filipinos and to economic development.

This measure ensures the welfare of the tricycle drivers and operators for a more organized sector by defining the requirements for proper operation of tricycles and simplifying the registration system imposed in the application and issuance of motorized tricycle operator permit (MTOP).

It also mandates the establishment of one-stop-shop in every local government unit to cater for all the transactions of tricycle drivers and operators. It advances the welfare of the tricycle sector by mandating the Social Security System and the Philippine Health Insurance Corporation to assure their provision of health care and social benefits. The measure outlines the significant role of the Local Government Units and other government agencies in supporting the sector.

In view of advancing the tricycle sector, the passage of this measure is earnestly sought.

ÁONG REVILLA, JR.

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

3



23 FEB -9 P6:15

SENATE

)

)

)

S. No. <u>1865</u>

Introduced by SENATOR RAMON BONG REVILLA, JR.

AN ACT

PROVIDING FOR A MAGNA CARTA OF TRICYCLE DRIVERS AND OPERATORS, INSTITUTIONALIZING MECHANISMS FOR ITS IMPLEMENTATION AND FOR OTHER PURPOSES

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

Section 1. *Short Title.* - This Act shall be known as the "*Magna Carta for Tricycle Drivers and Operators Act of 2023.*"

Sec. 2. Declaration of Policies. - It is the policy of the State:

a. To nurture and protect the interests of the tricycle sector by providing them
with adequate and timely social, economic and legal services, as well as
mechanisms that shall protect their rights and promote benefits that ensure
their dignified existence and economic advancement;

b. To recognize, promote, protect the rights of every worker in the tricycle sector
including the right to self-organization, the right to decent work, just and
humane working conditions, access to social protection, and the right to
represent their organizations in a continuing process of consultation and
dialogue towards maximizing the provision of a comprehensive package of
reforms, interventions, and services in accordance with their articulated needs
and interests;

c. To promote gender equity and equality through elimination of gender
 stereotypes attached to this sector and redefining tricycle drivers as not only
 males but also females;

discrimination, exploitation, violence and abuse; 2 e. To progressively eliminate child labor in the tricycle sector through the creation 3 of more quality jobs for adults, effective enforcement of laws against child 4 labor, improved access to universal education and elimination of cultural factors 5 that tolerate child labor; and 6 f. To develop the local economy through maximization of the potential and 7 contribution of the tricycle sector. 8 Sec. 3. Definition of Terms. - Pursuant to this Act, the following terms shall 9 10 mean: a. "Colorum" refers to a private vehicle operated as a public utility without the 11 benefit of a valid and existing special permit, provisional authority, or franchise; 12 b. "Motorized Tricycle Operator's Permit or MTOP' refers to the permit that 13 authorizes the holder to operate a tricycle for public transport; 14 15 c. "Periodic maintenance" refers to the cleaning and replacing of parts that have been exhausted of their effective service life. 16 d. "Preventive maintenance" refers to the regular cleaning of the engine and other 17 related parts that affect its performance; 18 19 e. "Sangguniarl' refers to the Sangguniang Panlungsod or the Sangguniang Bayan, as the case may be; 20 f. "Tricycle" refers to motor vehicle composed of a motorcycle fitted with a single 21 wheel sidecar, or a motorcycle with a two-wheel rear cab, the former having a 22 total of three wheels and the latter having a total of four wheels, otherwise 23

d. To protect women workers in the tricycle sector against gender-based

24 known as the motorcycle;

- g. "*Tricycle Operators and Drivers' Association or TODA*" refers to the organization
 of tricycle operators and drivers in a given local government unit;
- h. "*Tricycle Sector*" refers to the drivers and operators of tricycles for public
 transportation in the Philippines.
- Sec. 4. *Authority to Regulate and to Grant MTOP.* Subject to the guidelines to be prescribed by the Department of Transportation (DOTr), the Land Transportation Office (LTO) and the Land Transportation Franchising and Regulatory Board (LTFRB), cities and municipalities shall have the power to regulate the operation of tricycles and

grant permits for the operation thereof within their respective territorial jurisdictions.
Before it can issue the MTOP, the concerned LGU is required to submit a tricycle
operation plan which includes, among others, the tricycle routes and zones,
designation of terminals and maximum number of tricycles operating within its
jurisdiction. Such a plan shall be subject to the approval of the DOTr and must comply
with the guidelines promulgated therefore with the end goal of ensuring overall
efficiency, integration and safety of the transportation system.

8 Sec. 5. *Uniform and Standardized Set of Requirements.* - The local government 9 units (LGUs) having jurisdiction over the city or municipality where the tricycle is 10 registered shall impose no other requirement, restriction, or condition for its operation, 11 except the following:

a. For safety reasons, no tricycle should operate on national highways utilized by 12 4-wheel vehicles greater than four (4) tons and where normal speed exceeds 13 forty (40) kilometers per hour. However, the concerned LGU may provide 14 15 exceptions if there are no transportation services or modes servicing the said route, either along the highway or crossing the same, other than tricycle, 16 subject to the approval of the DOTr: Provided, however, That when such 17 operation is allowed, the LGU is mandated to provide appropriate signages, 18 marks for lanes and other safety features to guide and protect the tricycles 19 20 utilizing the highways.

- b. Zones must be within the boundaries of the municipality/city. Existing zones
 within more than one municipality or city, however, shall be maintained:
 Provided, That operators servicing said zones shall secure MTOPs from each of
 the municipalities and/or cities having jurisdiction over the areas covered by
 the zone.
- c. A common color for tricycles-for-hire operating in the same zone may be
 imposed. Each unit shall be assigned and bear an identification number, aside
 from its LTO license plate number.
- d. An operator wishing to terminate or suspend its service for more than one
 month should report in writing such termination or suspension to the
 Sanggunian which originally granted the MTOP.

e. The MTOP shall be valid for three (3) years, renewable for the same period.
 Transfer to another zone, change of ownership of a unit or transfer of MTOP
 shall be construed as an amendment to an MTOP and shall require appropriate
 approval of the Sanggunian.

f. Operators shall employ only drivers possessing professional licenses duly issued
 by the LTO. For this purpose, the LTO shall issue guidelines, including
 theoretical and practical examinations, appropriate for drivers of tricycles.

g. No tricycle-for-hire shall be allowed to carry more passengers and/or goods
than it is designed for.

h. A tricycle-for-hire shall be allowed to operate like a taxi service where, aside
 from rendering services in the designated terminals, the tricycle can be flagged down or engaged by passengers on the road within its authorized zone of
 operation.

Sec. 6. Registration. - There shall be a simplified procedure of registration and 14 issuance of MTOP in accordance with the framework and principles of this Act. The 15 registration fee for the application for an MTOP shall not exceed One thousand pesos 16 (P1,000.00). The validity of MTOP shall be for three years. The said fee shall cover 17 the cost of the issuance of the MTOP, the filing fee, franchise fee, inspection fee, fare 18 19 adjustment fee, amendment, regulatory, and all other fees. No other fees shall be exacted from the tricycle sector business activities or enterprise other than the 20 registration fee as mentioned above. 21

Sec. 7. Establishment of One-Stop Shop for the Tricycle Sector. - All LGUs shall 22 establish a One-Stop Shop Center for the Tricycle Sector (the "Center') which shall 23 handle all transactions and processing of the business permit applications within their 24 respective jurisdiction. The Center shall ensure that the processing of the MTOP shall 25 commence on the day of their application and the registration shall be released within 26 forty-eight (48) hours upon submission of the complete requirements. To facilitate 27 efficient and expeditious processing of MTOP applications, LGUs shall formulate a 28 uniform and simple checklist of requirements for registration such as valid proof of 29 identity (barangay clearance, certificate of residency, etc.) and flowchart of the 30 procedure of registration. LGUs shall be responsible in translating the checklist of 31 requirements and flowchart of procedure of registration in their own local dialect. LGUs 32

shall cause the posting of the checklist and flowchart of procedure of registration in
at least three (3) conspicuous areas, preferably public areas, in the community and
cause the publication of the same in the local newspaper, if there be any.

- Sec. 8. *Rights and Benefits of Workers in the Tricycle Sector.* The members
 of the tricycle sector shall have the following rights:
- a. Self-organization to collectively negotiate with government and other entities
 in the promotion of their welfare and advancement of their interests free from
 any political interference or favor;
- b. Informed participation in decision-making processes relevant to the concerns
 of their sector through their legitimate organizations. Towards this end, they
 shall be represented in all public hearings for laws, ordinances, or regulations
 that will affect their sector;
- 13 c. Safe working conditions with access to medical care services and insurance;
- d. Freedom from any form of discrimination, violence, exploitation, or harassment;
- e. Freedom from deprivation of property without valid cause and due process oflaw;
- f. All concerned national government agencies, government financial institutions,
 and local government units shall include in their plans, programs, projects and
 activities efforts that are supportive of the concerns of the tricycle sector;
- g. Each LGU shall create a grievance mechanism to deal with the concerns of the
 members of the tricycle sector;
- h. The Social Security System (SSS) and the Philippine Health Insurance
 Corporation (PhilHealth) shall, within ninety (90) days from the effectivity of
 this Act, promulgate guidelines for the mechanism of collecting premiums from
 members of the tricycle sector. The SSS shall also inform its members from the
 tricycle sector of loans that they can avail of;
- i. Any driver shall not be engaged to work in any hazardous work, activity or
 undertaking, and neither shall he/she be exposed to hazardous working
 conditions; and
- j. All persons whether from the private or public sectors are prohibited from
 committing acts of interference or coercion against a member of the tricycle

sector, including machinations to influence political and/or religious beliefs of the tricycle sector.

1

2

3 Sec. 9. *Role of the Local Government Unit (LGU)* - Subject to the operating 4 conditions in this Act and the guidelines to be promulgated by the DOTr, LTO and 5 LTFRB, cities and municipalities shall have the following responsibilities:

a. The Municipality or City, after consultation with the small transport groups, the
 affected communities, and other sectors or groups, shall identify and designate
 viable routes and terminals of tricycles within the municipality or city. Viable
 terminals shall be in proximity to public buildings, markets, commercial districts,
 or commercial establishments and other places which the public frequently
 visits.

b. The Sanggunian shall, within ninety (90) days after the consultation referred to 12 in the preceding paragraph, pass an ordinance designating the viable terminals 13 of tricycles as specified in this Act. No designation of terminal, however, shall 14 be conducted without prior consultation with the tricycle sector, the affected 15 inhabitants and other sectors. LGUs that have already established or designated 16 routes and terminals of tricycles prior to this Act are deemed to have complied 17 with this provision: Provided, That the aforesaid establishment or designation 18 of terminals have been undertaken after consultation with the relevant parties. 19 c. LGUs shall also lead a Tricycle Maintenance Program. This shall be done by 20 teaching the existing TODAs within their jurisdiction on preventive and periodic 21 maintenance. Technical and administrative capability shall be sourced through 22

- partnerships with private institutions and through the Department of Scienceand Technology (DOST).
- d. Vocational education on auto-mechanics and related courses like engine repair
 and maintenance shall also be developed by the LGUs in cooperation with the
 Department of Labor and Employment (DOLE) and the Technical Education and
 Skills Development Authority (TESDA).
- e. There shall be a mandatory Tricycle Drivers Safety Program at the LGU level.
 The content and structure of the Tricycle Drivers Safety Program shall be
 formulated by the DOTr, LTO, LTFRB and other relevant government agencies.
 The LGU shall require all tricycle drivers within its jurisdiction to undergo this

orientation. To complement this, the LTO and LTFRB shall include a Motorist
 Awareness Program in all its safety training.

- 3 f. LGUs shall also eliminate illegal or colorum tricycle units.
- g. LGUs shall provide for alternative livelihood and skills-training programs to allow
 tricycle drivers to explore more economically rewarding sources of income.
- h. LGUs shall pursue and implement a comprehensive, rights-based, participatory
 and gender responsive framework for workers in the tricycle sector that
 includes but is not limited to:
- 9 i. Putting in place policies and programs that will bring members of the
 10 tricycle sector to the economic and social mainstream;
- ii. Pursuing structural reforms in all relevant levels of LGUs by creating
 committees, special offices for development and protection of workers
 in the tricycle sector and supporting their representational rights through
 their organizations;
- iii. Extending coverage of accessible and affordable social security and
 health care benefits to workers in the tricycle sector; and
- iv. Exacting responsibility on the part of the tricycle sector workers provided
 that the state shall recognize their rights and put in place responsive,
 transparent and accountable mechanisms to ensure the protection,
 promotion and realization of those rights.

Sec. 10. Policy on Impounding of Vehicle and Imposable Penalties. - Tricycles 21 shall not be impounded, confiscated or destroyed for mere violation of license or 22 registration or traffic rules and regulations, unless the said vehicle was utilized in the 23 24 conduct of criminal activities. In case of mere violation of traffic rules and regulations, a traffic violation ticket shall be issued to the erring driver without impounding the 25 said vehicle. The responsible person or officer who violated this Section shall be 26 administratively liable under this Act. Nothing herein shall prohibit the aggrieved 27 members of the tricycle sector from initiating a criminal or civil action against the 28 29 responsible persons or officers whenever such action is applicable. The imposable penalties for tricycle drivers who are found to violate traffic rules or regulations shall 30 be limited to fifty percent of the fine or penalty that can be imposed on drivers of four-31 wheeled vehicles. 32

Sec. 11. *Phase-in of More Efficient Engines*. - Within thirty (30) days after the effectivity of this Act, the DOST and the DOTr shall partner to create a continuous program to develop more efficient engines and cleaner technologies that may be used by the tricycle sector, at the own initiative or volition of tricycle drivers and/or operators.

6 Sec. 12. *Coordination between Local Government Units and the DOTr.* - The 7 implementation of the national policy as regards curbing traffic must be taken into 8 consideration in the enforcement of this Act. The DOTr shall ensure that its guidelines 9 for the regulation of tricycles by LCDs must be mindful of the state of traffic in the 10 country. Furthermore, the DOTr must efficiently and meaningfully coordinate closely 11 with the LCDs as regards the regulation of the tricycle sector.

Sec. 13. Mandatory Membership in SSS and Philhealth, Life and Accident 12 *Insurance, and Legal Assistance.* - The SSS and the PhilHealth shall, within ninety (90) 13 days from the effectivity of this Act, promulgate guidelines for the mechanism of 14 collecting premiums from members of the tricycle sector. Tricycle drivers shall, in 15 addition to SSS and healthcare coverage, be provided accident Insurance coverage to 16 compensate for damage or injury acquired such as death, disability, limb amputations, 17 loss of sight, hearing, and speech, including the loss of thumb or the index finger. 18 Tricycle drivers are also entitled to legal assistance in the exercise and pursuit of their 19 rights herein granted. 20

Sec. 14. *Appropriation.* - The amount necessary for the implementation of this Act shall be allocated in the Annual General Appropriations Act of the Department of Transportation.

24 Sec. 15. Penalties. -

a. Any person who shall willfully interfere with, restrain or coerce any member of
the tricycle sector in the exercise of rights, or shall in any manner act in violation
of Sections 8, 9 or 10 of this Act shall, upon conviction, be punished by a fine
of not less than Fifty Thousand Pesos (P50,000.00) but not more than Five
Hundred Thousand Pesos (P500,000.00) or imprisonment not exceeding one
(1) year or both, at the discretion of the court.

b. A driver who operates a tricycle without the necessary MTOP to be observed
 by the tricycle sector in pursuit of cleaner technologies and in accordance with

1 Republic Act No. 8479, otherwise known as the "*Clean Air Act*", including any who incurs delinguency in payment of fees that is tantamount to an incomplete 2 application for an MTOP, operates in highways without valid authorization, 3 transports passenger and/or goods beyond the limitations on the number of 4 passengers and on load capacity, or operates a tricycle not compliant with 5 environmental laws shall be punished by a fine of not less than Five Hundred 6 Pesos (P500.00) but not more than Two Thousand Pesos (P2,000.00) or the 7 impoundment of the tricycle by an enforcement agency for a period of two (2) 8 months. 9

.

c. An operator who operates without the necessary MTOP or authority to operate 10 in highways or employs a driver without the requisite license to drive a tricycle, 11 including those below the age of majority, or allows a driver to operate a tricycle 12 that is not roadworthy or with unauthorized modification affecting vehicle 13 safety, shall be punished by a fine of not less than Five Hundred Pesos 14 15 (P500.00) but not more than Two Thousand Pesos (P2,000.00). The second and succeeding offenses shall warrant the revocation of the MTOP or franchise 16 and the perpetual disgualification from being issued the said privilege. 17

d. If the offender is a public official, the court may, in addition to the penalties
 provided in the preceding paragraph, impose the penalty of disqualification
 from office.

Sec. 16. *Implementing Rules and Regulations (IRR).* - The DOTr, in coordination with the LTO, LTFRB, SSS, PhilHealth, DOLE, TESDA, DOST, DTI and the Department of the Interior and Local Government (DILG), shall issue the IRR of this Act within ninety (90) days from its effectivity. The IRR shall include the guidelines for the allocation of the fund for subsidizing the SSS or PhilHealth premiums of the members of the tricycle sector and the programs that will benefit them.

27 Sec. 17. *Separability Clause*. - If any provision of this Act is declared invalid or 28 unconstitutional, other provisions hereof which are not affected thereby shall remain 29 in full force and effect.

30 Sec. 18. *Repealing Clause.* - Any law, presidential decree or Issuance, 31 executive order, letter of instruction, administrative order, rule, ordinance, or

regulation contrary to or inconsistent with, the provisions of this Act is hereby
repealed, modified, or amended accordingly.

Sec. 19. *Effectivity Clause.* - This Act shall take effect fifteen (15) days after its
 publication either in the *Official Gazette* or in at least two (2) newspapers of general
 circulation in the Philippines.

Approved,

. •