

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



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SENATE
S. No. 1751

RECEIVED BY: _____

Introduced by Senator Grace Poe

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

Explanatory Note¹

Way back in 1985, former President Ferdinand Marcos issued and/or signed Letter of Instruction No. 1482 ("LOI 1482") directing the "legalization of colorum motorized tricycles". The measure was crafted in recognition of the "role of the tricycles as the principal mode of public transport especially in non-urban areas." As such, the government tasked the local governments to regulate the tricycles.

Up until the enactment of the Local Government Code in 1991, the regulation of tricycles had been left to the judgment and discretion of local government units ("LGUs"). As of today, the regulation of the operation of tricycles and the granting of franchises in relation thereto are being carried out by the LGUs thru their respective *Sangguniang Bayan/Panglungsod*, subject to the guidelines prescribed by the Department of Transportation (DOTr).

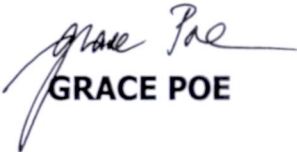
The lack of a uniform set of rules regarding tricycle regulation and the granting of permits and franchises had created a scenario in which the LGUs have varying and differing requirements and fees. Such a situation has reportedly resulted in the tricycle sector being subjected to extortion and unreasonable fees in some LGUs as compared to some LGUs with a better set of rules. Moreover, the premise that tricycles are only prominent in rural areas no longer holds true as the tricycle is very much utilized in Metropolitan Areas all around the country. Furthermore, given the worsening traffic situation, both in the urban and rural areas, conflicting policies as regards the operation and routes of tricycles for each and every city or

¹ A counterpart bill in the House of Representatives has already been filed by the Representative of the 3rd District of Nueva Ecija, Hon. Rosanna V. Vergara.

municipality make it difficult for the national government to implement regulations that will curb heavy traffic.

It also bears noting that the increase of the number of tricycles for hire in the country is continuously growing each and every year – 591,254 in 2007 and 658,675 as of 2012 according to the Philippine Statistics Authority. As of 2012, tricycles for hire account for 67.9 percent of the total vehicle for hire population. It could be gleaned from these statistics that the demand for tricycles is constantly growing and a good number of our countrymen take advantage of demand as they operate/drive tricycles as their livelihood or source of additional income.

In view of the foregoing, this bill seeks to provide a uniform set of requirements and reasonable fees that shall apply to all LGUs in relation to their duties and tasks as regards their supervision and regulation of the operations of tricycles in their respective jurisdictions. This bill likewise seeks to ensure the protection of the individual and organizational rights of those in the tricycle sector and require the appropriate government agencies to adopt policies and plans aligned with the provisions of this proposed legislative measure, among others.


GRACE POE

SEVENTEENTH CONGRESS OF THE)
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**AN ACT
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*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 "*Magna Carta* for
2 *Tricycle Drivers and Operators Act of 2018.*"

3 Sec. 2. *Declaration of Policies.* – It is the policy of the State:

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

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

14 (c) To promote gender equity and equality through elimination of gender
15 stereotypes attached to this sector and redefining tricycle drivers as not merely
16 males but also females;

1 (d) To protect women workers in the tricycle sector against gender-based
2 discrimination, exploitation, violence and abuse;

3 (e) To progressively eliminate child labor in the tricycle sector through the
4 creation of more quality jobs for adults, effective enforcement of laws against child
5 labor, improved access to universal education and elimination of cultural factors that
6 tolerate child labor; and

7 (f) To develop the local economy through maximization of the potential and
8 contribution of the tricycle sector.

9 Sec. 3. *Definition of Terms.* – Pursuant to this Act, the following terms shall
10 mean:

11 (a) "Colorum" – a private vehicle operated for public utility purposes
12 without the benefit of a valid and existing special permit, provisional authority, or
13 franchise;

14 (b) "Motorized Tricycle Operators Permit" (MTO) – the permit that
15 authorizes the holder to operate a tricycle for public transport;

16 (c) "Periodic maintenance" – the cleaning and replacing of parts that have
17 been exhausted of their effective service life;

18 (d) "Preventive maintenance" – the regular cleaning of the engine and
19 other related parts that affect its performance;

20 (e) "*Sanggunian*" – the *Sangguniang Panlungsod* or the *Sangguniang*
21 *Bayan*, as the case may be;

22 (f) "Tricycle" – a motor vehicle propelled other than by muscular power,
23 composed of a motorcycle fitted with a single-wheel sidecar, or a motorcycle with a
24 two-wheel rear cab, the former having a total of three wheels and the latter having
25 a total of four wheels, otherwise known as the *motorela*;

26 (g) "Tricycle Operators and Drivers' Association" or "TODA" –the
27 organization of tricycle operators and drivers in a given local government unit.

28 (h) "Tricycle Sector" – the drivers and operators of tricycles in the
29 Philippines for public transportation.

1 Sec. 4. *Uniform Set of Requirements.* – The local government units (LGUs)
2 having jurisdiction over the city or municipality where the tricycle is registered shall
3 impose no other requirement, restriction, or condition for its operation except the
4 following:

5 (a) For safety reasons, no tricycle should operate on national highways
6 utilized by four (4) wheel vehicles greater than four (4) tons and where normal
7 speed exceeds forty (40) kilometers per hour. The *Sanggunian*, however, may
8 provide exceptions if there is no alternative route.

9 (b) Zones must be within the boundaries of the municipality or city.
10 Existing zones within more than one municipality or city, however, shall be
11 maintained; *Provided* that operators serving said zones shall secure MTOPs from
12 each of the municipalities or cities having jurisdiction over the areas covered by the
13 zone.

14 (c) A common color for tricycles-for-hire operating in the same zone may
15 be imposed. Each unit shall be assigned and bear an identification number, aside
16 from its Land Transportation Office (LTO) license plate number.

17 (d) An operator wishing to stop service completely, or to suspend service
18 for more than one month, should report in writing such termination or suspension to
19 the *Sanggunian* which originally granted the MTOP. Transfer to another zone may be
20 permitted upon application.

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

25 (f) Operators shall employ only drivers duly licensed by the LTO for
26 tricycles-for-hire.

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

29 (h) A tricycle-for-hire shall be allowed to operate like a taxi service where
30 service is rendered upon demand and without a fixed route within a limited zone.

31 Sec. 5. *Registration.* – There shall be a simplified standard of registration
32 system in accordance with the framework and principles of this Act. The registration

1 fee for the application for an MTOP shall not exceed one thousand pesos
2 (Php1,000.00) and it shall be valid for a three years. The said fee shall cover the
3 cost of the issuance of the license to operate, the filing fee, franchise fee, inspection
4 fee, fare adjustment fee, amendment, regulatory, and all other fees. No other fees
5 shall be exacted from the tricycle sector business activities or enterprise other than
6 the registration fee as mentioned above.

7 *Sec. 6. One-Stop Shop for the Tricycle Sector.* – All LGUs shall establish a
8 One-Stop Shop Center for the Tricycle Sector (the "Center") which shall handle all
9 transactions and processing of the business permit applications within their
10 respective jurisdiction. The Center shall ensure that the processing of the MTOP of
11 the members of the tricycle sector shall be done on the day of their application and
12 the registration shall be released within thirty six (36) hours upon submission of the
13 complete requirements based on its checklist. To facilitate efficient and expeditious
14 processing of MTOP applications, LGUs shall formulate a uniform and simple
15 checklist of requirements for registration such us valid proof of identity (barangay
16 clearance, certificate of residency, etc.) and flowchart of the procedure of
17 registration. LGUs shall be responsible in translating the checklist of requirements
18 and flowchart of procedure of registration in their own local dialect. LGUs shall cause
19 the posting of the checklist and flowchart of procedure of registration in at least
20 three (3) conspicuous areas, preferably public areas, in the community and cause
21 the publication of the same in the local newspaper if there be any.

22 *Sec. 7. Rights and benefits of workers in the Tricycle Sector.* – The members
23 of the Tricycle Sector shall have the following rights:

24 (a) Self-organization to collectively negotiate with government and other
25 entities in the promotion of their welfare and advancement of their interests free
26 from any political interference or favor;

27 (b) Informed participation in decision-making processes relevant to the
28 concerns of their sector through their legitimate organizations. Towards this end,
29 they shall be represented in all public hearings for laws, ordinances, or regulations
30 that will affect their sector;

31 (c) Safe working conditions with access to medical care services;

1 (d) Freedom from any form of discrimination, violence, exploitation, or
2 harassment;

3 (e) Freedom from deprivation of property without valid cause and due
4 process of law;

5 (f) All concerned national government agencies, government financial
6 institutions, and local government units shall include in their plans, programs,
7 projects and activities efforts that are supportive of the concerns of the tricycle
8 sector;

9 (g) Each LGU shall create a grievance mechanism to deal with the
10 concerns of the members of the tricycle sector;

11 (h) The Social Security System and the Philippine Health Insurance
12 Corporation shall, within ninety (90) days from the effectivity of this Act, promulgate
13 guidelines for the mechanism of collecting premiums from members of the tricycle
14 sector. The Social Security System shall also inform its members from the tricycle
15 sector of loans that they can avail of;

16 (i) Any driver shall not be engaged to work in any hazardous work,
17 activity or undertaking, and neither shall he/she be exposed to hazardous working
18 conditions;

19 (j) All persons whether from the private or public sectors are prohibited
20 from committing acts of interference or coercion against a member of the tricycle
21 sector in exercising his or her rights as provided for in this section.

22 Sec. 8. *Role of the Local Government Unit.* – LGUs shall have the following
23 responsibilities:

24 (a) The Municipality or City, after consultation with the small transport
25 groups, the affected community, and other sectors or groups, shall identify and
26 designate viable routes and terminal of tricycle within the municipality or city. Viable
27 terminals shall be in proximity to public buildings, public markets, private markets,
28 commercial districts, or commercial establishments and other places which the public
29 frequently visits.

30 (b) The *Sanggunian* shall, within 90 days after the survey and/or
31 consultation in the preceding paragraph, pass an ordinance designating the viable
32 terminals of tricycles as specified in this Act. No designation of terminal, however,

1 shall be conducted without prior consultation with the tricycle sector, the affected
2 inhabitants and other sectors. LGUs that have already established or designated
3 routes and terminals of tricycles prior to this Act are deemed to have complied with
4 this provision of the Act, *provided that* the aforesaid establishment or designation of
5 terminals have been undertaken after consultation with the relevant parties.

6 (c) LGUs shall also lead a tricycle maintenance program. This shall be
7 done by teaching the existing TODAs within their jurisdiction on preventive and
8 periodic maintenance. Technical and administrative capability shall be sourced
9 through partnerships with private institutions and through the Department of
10 Science and Technology.

11 (d) Vocational education on auto-mechanics and related courses like
12 engine repair and maintenance shall also be developed by the LGUs in cooperation
13 with the Department of Labor and Employment and the Technical Education and
14 Skills Development Authority.

15 (e) There shall be a mandatory orientation on traffic management and
16 rules at the LGU level. The LGU shall require all tricycle drivers to undergo this
17 orientation as pre-requisite for the issuance of their respective MTOPS. After the
18 complete orientation of all drivers, a pilot run shall be made to assess the traffic
19 situation.

20 (f) LGUs shall also eliminate illegal or colorum tricycle units.

21 (g) LGUs shall provide for alternative livelihood and skills-training
22 programs to allow tricycle drivers to explore more economically rewarding sources of
23 income.

24 (h) Finally, LGUs shall pursue and implement a comprehensive, rights-based,
25 participatory and gender responsive framework for workers in the tricycle sector that
26 includes but is not limited to:

- 27 (1) Putting in place policies and programs that will bring members of the
28 tricycle sector to the economic and social mainstream;
- 29 (2) Pursuing structural reforms in all relevant levels of LGUs by creating
30 committees, special offices for development and protection of workers in
31 the tricycle sector and supporting their representational rights through
32 their organizations;

1 (3) Extending coverage of accessible and affordable social security and health
2 care benefits to workers in the tricycle sector; and

3 (4) Exacting responsibility on the part of the tricycle sector workers provided
4 that the state shall recognize their rights and put in place responsive,
5 transparent and accountable mechanisms to ensure the protection,
6 promotion and realization of those rights.

7 *Sec. 9. Policy on the Impounding of Vehicle and Imposable Penalties. –*

8 Tricycles shall not be impounded, confiscated or destroyed for mere violation of
9 license or registration or traffic rules and regulations unless the said vehicle was
10 utilized in the conduct of criminal activity/ies. In case of mere violation of traffic
11 rules and regulations, a traffic violation ticket shall be issued to the erring driver
12 without impounding the said vehicle. The responsible person or officer who violated
13 this Section shall be administratively liable under this Act. Nothing herein shall
14 prohibit the aggrieved member of the tricycle sector from initiating a criminal or civil
15 action against the responsible person or officer for violating this provision, whenever
16 such action is applicable.

17 The imposable penalties for tricycle drivers who are found to violate traffic
18 rules or regulations shall be limited to fifty percent of the fine or penalty that can be
19 imposed on drivers of four-wheeled vehicles.

20 *Sec. 10. Phase-in of More Efficient Engines. –* Within thirty (30) days after the
21 effectivity of this Act, the Department of Science and Technology (DOST) and the
22 Department of Transportation (DOTr) shall partner to create a continuous program
23 to develop more efficient engines and cleaner technologies to be used by the tricycle
24 sector.

25 *Sec. 11. Coordination between Local Government Units and the DOTr. –* The
26 implementation of the national policy as regards curbing traffic must be taken into
27 consideration in the enforcement of this Act. The DOTr shall ensure that its
28 guidelines for the regulation of tricycles by LGUs must be mindful of the state of
29 traffic in the country. Furthermore, the DOTr must efficiently and meaningfully
30 coordinate closely with the LGUs as regards the regulation of the tricycle sector.

31 *Sec. 12. Funding. –* An initial appropriation of FIVE HUNDRED MILLION
32 PESOS (Php500,000,000.00) is hereby appropriated for this Act. Thereafter, the

1 amount needed for the effective implementation of this Act shall be included in the
2 General Appropriations Act.

3 Sec. 13. *Penalties.* - Any person who shall willfully interfere with, restrain or
4 coerce any member of the tricycle sector in the exercise of his/her rights or shall in
5 any manner act in violation of Sections 8 or 10 of this Act shall, upon conviction, be
6 punished by a fine of not less than Fifty Thousand Pesos (P50,000.00) but not more
7 than Five Hundred Thousand Pesos (P500,000.00) or imprisonment not exceeding
8 one (1) year or both, at the discretion of the court.

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

12 Sec. 14. *Implementing Rules and Regulations.* -The DOTr shall issue the
13 Implementing Rules and Regulations of this Act within ninety (90) days from its
14 effectivity. The DOTr shall also be in charge with the allocation of the fund for
15 subsidizing the SSS or Philhealth premiums of the members of the tricycle sector and
16 the programs that will benefit them.

17 Sec. 15. *Separability Clause.* - If any provision, or part hereof, is held invalid
18 or unconstitutional, the remainder of the law or the provision not otherwise affected
19 shall remain valid and subsisting.

20 Sec. 16. *Repealing Clause.* - Any law, presidential decree or issuance,
21 executive order, letter of instruction, administrative order, rule, ordinance, or
22 regulation contrary to or inconsistent with, the provisions of this Act is hereby
23 repealed, modified, or amended accordingly.

24 Sec. 17. *Effectivity Clause.* - This Act shall take effect fifteen (15) days after
25 its publication in at least two (2) newspapers of general circulation.

Approved,