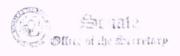
EIGHTEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES *First Regular Session*



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SENATE **S. No. <u>13</u>0**

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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 Note

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 conditions, both in urban and rural areas, conflicting policies as regards the operation and routes of tricycles for each and every city or 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% 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.

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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 individual and organizational rights of those in the tricycle sector and require the appropriate government agencies to adopt policies and policies aligned with the provisions of this proposed legislative measure, among others. Thus, immediate enactment of this Bill is hereby earnestly sought.

GRACE POE

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AN ACT

PROVIDING FOR A MAGNA CARTA FOR 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 2019."

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, protect the rights of every worker in the tricycle 9 sector including the right to self-organization, the right to decent work, just and 10 humane working conditions, access to social protection, and the right to represent 11 their organizations in a continuing process of consultation and dialogue towards 12 maximizing the provision of a comprehensive package of reforms, interventions, and 13 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 merely
 males but also females;

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

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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:
- 11a.Colorum a private vehicle operated as a public utility without the12benefit of a valid and existing special permit, provisional authority, or13franchise;
- 14b.Motorized Tricycle Operators Permit (MTOP) the permit that15authorizes the holder to operate a tricycle for public transport;
- 16c.*Periodic maintenance* the cleaning and replacing of parts that have17been exhausted of their effective service life.
- 18d.*Preventive maintenance* the regular cleaning of the engine and other19related parts that affect its performance.
- e. Sanggunian the Sangguniang Panlungsod or the Sangguniang Bayan,
 as the case may be;
- 22f.*Tricycle* a motor vehicle composed of a motorcycle fitted with a23single-wheel sidecar, or a motorcycle with a two-wheel rear cab, the24former having a total of three wheels and the latter having a total of25four wheels, otherwise known as the *motorela*;
- 26g.Tricycle Operators and Drivers' Association or TODA the organization27of tricycle operators and drivers in a given local government unit.
- h. *Tricycle Sector* 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), the 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.

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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 plan shall be subject to the approval of the DOTr and must comply with the guidelines promulgated therefor with the end goal of ensuring overall efficiency, integration and safety of the transportation system.

Sec. 5. *Uniform set of Requirements.* – The local government units (LGUs) having jurisdiction over the city or municipality where the tricycle is registered shall impose no other requirement, restriction, or condition for its operation except the following:

14 a. For safety reasons, no tricycle should operate on national highways 15 utilized by 4-wheel vehicles greater than four (4) tons and where normal speed exceed forty (40) kilometers per hour. However, the concerned may provide 16 17 exceptions if there are no transportation services or modes servicing the said route, 18 either along the highway or crossing the same, other than tricycles, subject to the approval of the DOTr: Provided, however, that when such operation is allowed, the 19 LGU is mandated to provide appropriate signages, marks for lanes and other safety 20 21 features to guide and protect the tricycles utilizing the highways.

22 b. Zones must be within the boundaries of the municipality/city. Existing 23 zones within more than one municipality or city, however, shall be maintained; 24 *Provided* that operators serving said zones shall secure MTOPs from each of the 25 municipalities and/or cities having jurisdiction over the areas covered by the zone.

26 c. A common color for tricycles-for-hire operating in the same zone may 27 be imposed. Each unit shall be assigned and bear an identification number, aside 28 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 unit or transfer of MTOP shall be construed as an amendment to an MTOP and shall require appropriate approval of the *Sanggunian*.

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5 f. Operators shall employ only drivers possessing professional licenses 6 duly issued by the LTO. For this purpose, the LTO shall issue guidelines, including 7 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.

10 h. A tricycle-for-hire shall be allowed to operate like a taxi service where, 11 aside from rendering services in the designated terminals, the tricycle can be 12 flagged-down or engaged by passengers on the road within its authorized zone of 13 operation.

Sec. 6. Registration. - There shall be a simplified procedure of registration 14 and issuance of MTOP in accordance with the framework and principles of this Act. 15 The registration fee for the application for an MTOP shall not exceed one thousand 16 pesos (Php1,000.00). The validity of MTOP shall be for three years. The said fee 17 18 shall cover the cost of the issuance of the MTOP, the filing fee, franchise fee, inspection fee, fare adjustment fee, amendment, regulatory, and all other fees. No 19 other fees shall be exacted from the tricycle sector business activities or enterprise 20 other than the registration fee as mentioned above. 21

Sec. 7. *One-Stop Shop for the Tricycle Sector*. – All LGUs shall establish a One-Stop Shop Center for the Tricycle Sector (the "Center") which shall handle all transactions and processing of the business permit applications within their respective jurisdiction. The Center shall ensure that the processing of the MTOP shall commence on the day of their application and the registration shall be released within forty eight (48) hours upon submission of the complete requirements.

To facilitate efficient and expeditious processing of MTOP applications, LGUs shall formulate a uniform and simple checklist of requirements for registration such us valid proof of identity (barangay clearance, certificate of residency, etc.) and flowchart of the procedure of registration. LGUs shall be responsible in translating the checklist of requirements and flowchart of procedure of registration in their own

local dialect. LGUs 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.

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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;

c. Safe working conditions with access to medical care services and
 insurance;

d. Freedom from any form of discrimination, violence, exploitation, orharassment;

18 e. Freedom from deprivation of property without valid cause and due19 process of law;

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;

24 g. Each LGU shall create a grievance mechanism to deal with the 25 concerns of the members of the tricycle sector;

h. The Social Security System and the Philippine Health Insurance Corporation 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 Social Security System 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;

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
member of the tricycle sector.

8 Sec. 9. *Role of the Local Government Unit.* – Subject to the operating 9 conditions in this Act and the guidelines to be promulgated by the DOTr, LTO ad 10 LTFRB, cities and municipalities shall have the following responsibilities:

a. The Municipality or City, after consultation with the small transport groups, the affected community, 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.

17 b. The Sanggunian shall, within 90 days after the survey and/or consultation in the preceding paragraph, pass an ordinance designating the viable 18 19 terminals of tricycles as specified in this Act. No designation of terminal, however, 20 shall be conducted without prior consultation with the tricycle sector, the affected 21 inhabitants and other sectors. LGUs that have already established or designated 22 routes and terminals of tricycles prior to this Act are deemed to have complied with 23 this provision of the Act, *provided that* the aforesaid establishment or designation of 24 terminals have been undertaken after consultation with the relevant parties.

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

30 d. Vocational education on auto-mechanics and related courses like 31 engine repair and maintenance shall also be developed by the LGUs in cooperation

with the Department of Labor and Employment (DOLE) and the Technical Educationand Skills Development Authority (TESDA).

e. There shall be a conduct of 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 trainings.

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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:

- 16 1. Putting in place policies and programs that will bring members of the 17 tricycle sector to the economic and social mainstream;
- 182.Pursuing structural reforms in all relevant levels of LGUs by creating19committees, special offices for development and protection of workers20in the tricycle sector and supporting their representational rights21through their organizations;
- 223.Extending coverage of accessible and affordable social security and23health care benefits to workers in the tricycle sector; and
- 244.Exacting responsibility on the part of the tricycle sector workers25provided that the state shall recognize their rights and put in place26responsive, transparent and accountable mechanisms to ensure the27protection, promotion and realization of those rights.

Sec. 10. *Policy on Impounding of Vehicle and Imposable Penalties.* – Tricycles shall not be impounded, confiscated or destroyed for mere violation of license or registration or traffic rules and regulations, unless the said vehicle was utilized in the 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 said vehicle.

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The responsible person or officer who violated this Section shall be administratively liable under this Act. Nothing herein shall prohibit the aggrieved member of the tricycle sector from initiating a criminal or civil action against the responsible person or officer whenever such action is applicable.

7 The imposable penalties for tricycle drivers who are found to violate traffic 8 rules or regulations shall be limited to fifty percent of the fine or penalty that can be 9 imposed on drivers of four-wheeled vehicles.

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.

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

Sec. 13. *Mandatory Membership in SSS and Philhealth, Life and Accident Insurance, and Legal Assistance.* – 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.

Tricycle drivers shall, in addition to SSS and healthcare coverage, be provided accident insurance coverage to compensate for damage or injury acquired such as death, disability, limb amputations, loss of sight, hearing, and speech; including the loss of thumb or the index finger.

30 Tricycle drivers are also entitled to legal assistance in the exercise and pursuit 31 of their rights herein granted.

Sec. 14. *Funding.* – An initial appropriation of ONE BILLION PESOS (Php1,000,000,000.00) is hereby appropriated for this Act. Thereafter, the amount needed for the effective implementation of this Act shall be included in the General Appropriations Act.

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5 Sec. 15. *Penalties.* – (a) Any person who shall willfully interfere with, restrain 6 or coerce any member of the tricycle sector in the exercise of his/her rights, or shall 7 in any manner act in violation of Sections 8, 9 or 10 of this Act shall, upon 8 conviction, be punished by a fine of not less than Fifty Thousand Pesos 9 (Php50,000.00) but not more than Five Hundred Thousand Pesos (Php500,000.00) 10 or imprisonment not exceeding one (1) year or both, at the discretion of the court.

11 (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 12 with Republic Act 8479, otherwise known as the "Clean Air Act", including any who 13 incurs delinquency in payment of fees that is tantamount to an incomplete 14 application for an MTOP, operates in highways without valid authorization, 15 16 transports passenger and/or goods beyond the limitations on the number of passengers and on load capacity, or operates a tricycle not compliant with 17 environmental laws shall be punished by a fine of not less than Five Hundred Pesos 18 19 (Php500.00) but not more than Two Thousand Pesos (Php2,000.00) or the 20 impoundment of the tricycle by an enforcement agency for a period of two (2) 21 months.

(c) An operator who operates without the necessary MTOP or authority to 22 operate in highways or employs a driver without the requisite license to drive a 23 tricycle, including those below the age of majority, or allows a driver to operate a 24 25 tricycle that is not roadworthy or with unauthorized modification affecting vehicle safety, shall be punished by a fine of not less than Five Hundred Pesos (Php500.00) 26 but not more than Two Thousand Pesos (Php2,000.00). The second and succeeding 27 offenses shall warrant the revocation of the MTOP or franchise and the perpetual 28 29 disqualification from being issued the said privilege.

(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.* – 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 Implementing Rules and Regulations (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.

8 Sec. 17. *Separability Clause.* – If any provision, or part hereof, is held invalid 9 or unconstitutional, the remainder of the law or the provision not otherwise affected 10 shall remain valid and subsisting.

Sec. 18. *Repealing Clause.* – Any law, presidential decree or issuance, 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 in at least two (2) newspapers of general circulation.

Approved,

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