

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City
SEVENTEENTH CONGRESS
First Regular Session
House Bill No **2799**



Introduced by **Hon. ROSANNA "RIA" V. VERGARA**

EXPLANATORY NOTE

All over the country, passengers regard the tricycle as the primary means of transport in small towns and cities, especially in the rural areas. A study by the Asian Development Bank stated that tricycles remain as a major transport tool for residents in local government units owing to their (i) high accessibility; (ii) availability; (iii) affordability; (iv) comfort; and (v) convenience.¹ Operating a tricycle is also a popular means of livelihood for the unemployed sector of the workforce since it does not require a big amount of capital nor a college degree.² An article by CNN citing the National Statistical Coordination Board reported that a total of 658,675 for-hire tricycles and motorcycles were operating in the country in 2012. This is nearly 67.9% of the total number of public utility vehicles, outnumbering the collective total of *jeepneys*, buses, and other similar for-hire vehicles.³ Cognizant of these facts, this bill addresses the low purchasing power of this sector and aims to provide support to these hardworking individuals.

Section 447 (a)(3)(vi) and Section 458(a)(3)(vi) of the Local Government Code provide that the *Sangguniang Bayan* and *Sangguniang Panglungsod* have the power to regulate the operation of tricycles and grant franchises for the operation thereof within the territorial jurisdiction of the municipality and the city. Local government units thus have the legal mandate to regulate the use of tricycles as public utility vehicles and to issue franchises for their operation. This transfer of the powers performed by the then Department of Transportation and Communication (DOTC) and by the Land Transportation Franchising and Regulatory Board to the LGUs by the Local Government Code sought to address the rise in

¹ <https://www.adb.org/sites/default/files/projects/163994/43207-012-phi-dpta-07.pdf>

² *Ibid.*

³ <http://cnnphilippines.com/news/2015/03/16/tricycles-as-iconic-as-jeepneys.html>


the number of accidents that tricycles figured in. The idea behind the devolution of powers to the LGUs is that they are better positioned to address these problems due to their closeness to the issues confronting tricycles as opposed to the DOTC.⁴

This power to regulate is still subject to the guidelines prescribed by the Department of Transportation. This is embodied in the "Guidelines to Implement the Devolution of LTFRBs Franchising Authority over Tricycles-For-Hire to Local Government units pursuant to the Local Government Code." The Guidelines provide that in lieu of the LTFRB in the DOTC, the *Sangguniang Bayan* or the *Sangguniang Panlungsod* shall issue, amend, revise, renew, suspend, or cancel the Motorized Tricycle Operators Permit and prescribe the appropriate terms and conditions therefor. The said rules also provide for minimum operating conditions for tricycles.

Despite this devolution, however, our tricycle drivers still experience problems with the city or municipal government. For example, some drivers reported the collection of illegal fees, some noted the illegal sale of tricycle franchises, and some reported the issuance of multiple permits for just one tricycle number. Other recurring problems include the tough working conditions of tricycle drivers as well as the poor maintenance of tricycles which generally leads to air pollution.

This bill seeks to provide a *magna carta* for tricycle drivers and operators. It will ensure the safety and protection of this sector from abusive local and national authorities as well as the continued growth of this cultural icon that serves as the livelihood of a large number of Filipino families. This proposal provides for a simplified registration system, a one-stop-shop for tricycle operators, health care and social benefits, lesser penalties compared to their four-wheeled counterparts, the promotion of more economical and eco-friendly engines, as well as a more concrete and defined role for local government units in the development of the sector.

In view of the foregoing, the immediate adoption of this measure is earnestly requested.


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⁴ Land Transportation Office v. City of Butuan, G.R. No. 131512, 20 January 2000.

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

SECTION 2. *Declaration of Policy.* — It is the policy of the State:

(b) 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;

(c) to recognize, promote, protect and fulfill the rights of every worker in the tricycle sector including the right to self-organization, the right to decent work, just and humane

1 working conditions, access to social protection, and the right to represent their organizations
2 in a continuing process of consultation and dialogue towards maximizing the provision of a
3 comprehensive package of reforms, interventions, and services in accordance with their
4 articulated needs and interests;

5 (d) to recognize the roles and contributions of workers in the tricycle sector and make
6 them visible in the national and local statistics;

7 (e) to promote gender equity and equality through elimination of gender stereotypes
8 attached to this sector and redefining tricycle drivers as not merely males but also females;

9 (f) to protect women workers in the tricycle sector against gender-based
10 discrimination, exploitation, violence and abuse;

11 (g) to protect vulnerable groups in the tricycle sector such as children, the elderly, and
12 differently-abled persons from discrimination, exploitation, abuse and harassment;

13 (h) to progressively eliminate child labor in the tricycle sector through the creation of
14 more quality jobs for adults, effective enforcement of laws against child labor, improved
15 access to universal education and elimination of cultural factors that tolerate child labor;

16 (i) to develop the local economy through maximization of the potential and
17 contribution of the tricycle sector.

18 SECTION 3. *Framework and Principles.* – It is the State's responsibility to give the
19 highest priority to the enactment of measures that protect and enhance the rights of all people
20 to human dignity, reduce social, economic and political inequalities and remove cultural
21 inequities by diffusing wealth and political power for the common good and to provide
22 environments at national and local levels that enable all workers to fully develop into

1 productive and responsible citizens. Towards this end, local government units shall pursue
2 and implement a comprehensive, rights-based, participatory and gender responsive
3 framework for workers in the tricycle sector that includes but is not limited to:

- 4
- 5 (a) Putting in place policies and programs that will bring members of the tricycle
6 sector to the economic and social mainstream;
 - 7 (b) Pursuing structural reforms in all relevant levels of local government units by
8 creating committees, special offices for development and protection of workers in
9 the tricycle sector and supporting their representational rights through their
10 organizations;
 - 11 (c) Extending coverage of accessible and affordable social security and health care
12 benefits to workers in the tricycle sector; and
 - 13 (d) Exacting responsibility on the part of the tricycle sector workers provided that the
14 state shall recognize their rights and put in place responsive, transparent and
15 accountable mechanisms to ensure the protection, promotion and realization of
16 those rights.

17

18 SECTION 4. *Definitions.* – Pursuant to this Act, the following terms shall mean:

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- 20 (a) Tricycle – is a motor vehicle propelled other than by muscular power, composed
21 of a motorcycle fitted with a single-wheel sidecar, or a motorcycle with a two-
22 wheel rear cab, the former having a total of three wheels and the latter having a
23 total of four wheels, otherwise known as the *motorela*.
- 24 (b) Tricycle Operators and Drivers' Association or TODA – shall refer to the
25 organization of tricycle operators and drivers in a given local government unit.

1 (c) Tricycle Sector – as used in this Act, this shall refer to drivers and operators of
2 tricycles in the Philippines for public transportation.

3 (d) Motorized Tricycle Operators Permit (MTOP) – shall refer to the permit that
4 authorizes the holder to operate a tricycle for public transport;

5 (e) *Sanggunian* – shall refer to the *sangguniang panlungsod* or the *sangguniang*
6 *bayan*, as the case may be;

7 (f) *Colorum* – is a private vehicle operated for public utility purposes without the
8 benefit of a valid and existing special permit, provisional authority, or franchise.

9 (g) Preventive maintenance – is the regular cleaning of the engine and other related
10 parts that affect its performance.

11 (h) Periodic maintenance – is the cleaning and replacing of parts that have been
12 exhausted of their effective service life.

13
14 SECTION 5. Tricycles shall operate under the following conditions. The local
15 government units having jurisdiction over the city or municipality where the tricycle is
16 registered shall impose no other requirement for its operation.

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18 (a) For safety reasons, no tricycles should operate on national highways utilized by 4
19 wheel vehicles greater than 4 tons and where normal speed exceed 40 kilometers
20 per hour. However, the *sanggunian* may provide exceptions if there is no
21 alternative route.

22 (b) Zones must be within the boundaries of the municipality/city. However, existing
23 zones within more than one municipality/city shall be maintained, provided that
24 operators serving said zone shall secure MTOP's from each of the
25 municipalities/cities having jurisdiction over the areas covered by the zone.

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

4 (d) An operator wishing to stop service completely, or to suspend service for more
5 than one month, should report in writing such termination or suspension to the
6 *sanggunian* which originally granted the MTOP prior thereto. Transfer to another
7 zone may be permitted upon application.

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

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

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

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

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18 SECTION. 6. Registration. – There shall be a simple standard of registration system
19 in accordance with the framework and principles of this Act. The registration fee for the
20 application for an MTOP shall not exceed one thousand pesos (P1,000.00) and it shall be
21 valid for a three year period. The said fee shall cover the cost of the issuance of the license to
22 operate, the filing fee, franchise fee, inspection fee, fare adjustment fee, amendment,
23 regulatory, and all other fees. No other fees shall be exacted from the tricycle sector business
24 activities or enterprise other than the registration fee as mentioned above.

SECTION 7. Tricycle Sector One-Stop Shop Center. – All local government units shall establish a Tricycle Sector One-Stop Shop 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 of the members of the tricycle sector shall be done on the day of their application and the registration shall be released within thirty six (36) hours upon submission of the complete requirements based on its checklist. To facilitate efficient and expeditious processing of MTOP applications, the local government units shall formulate a uniform and simple checklist of requirements for registration such as valid proof of identity (barangay clearance, certificate of residency, etc.) and flowchart of the procedure of registration. The local government unit shall be responsible in translating the checklist of requirements and flowchart of procedure of registration in their own local dialect. The local government unit 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.

SECTION 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;

- 1 (c) Safe working conditions with access to medical care services;
- 2 (d) Freedom from any form of discrimination, violence, exploitation, or harassment;
- 3 (e) Freedom from deprivation of property without valid cause and due process of law;
- 4 (f) Equal access to information on how to safeguard their rights according to law;
- 5 (g) All concerned national government agencies, government financial institutions,
- 6 and local government units shall include in their plans, programs, projects and
- 7 activities efforts that are supportive of the concerns of the tricycle sector;
- 8 (h) Each local government unit shall create a grievance mechanism to deal with the
- 9 concerns of the members of the tricycle sector;
- 10 (i) The Social Security System and the Philippine Health Insurance Corporation
- 11 shall, within ninety (90) days from the effectivity of this Act, promulgate
- 12 guidelines for the mechanism of collecting premiums from members of the
- 13 tricycle sector. The Social Security System shall also inform its members from the
- 14 tricycle sector of loans that they can avail of;
- 15 (j) Any driver shall not be engaged to work in any hazardous work, activity or
- 16 undertaking, and neither shall he/she be exposed to hazardous working conditions;
- 17 (k) All persons whether from the private or public sectors are prohibited from
- 18 committing acts of interference or coercion against a member of the tricycle
- 19 sector.
- 20

21 SECTION 9. *Role of the Local Government Unit.* – The Local Government Units

22 shall have the following responsibilities:

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- 24 (a) The Municipality or City, in coordination with their respective Informal Sector
- 25 Local Development Office, after consultation with the small transport groups, the

1 affected community, and other sectors or groups, shall identify and designate
2 viable routes and terminal of tricycle within the municipality or city. Viable
3 terminals shall be in proximity to public buildings, public markets, private
4 markets, commercial districts, or commercial establishments and other places
5 which the public frequently visits.

6 (b) The *sanggunian* shall, within 90 days after the survey and pursuant to the
7 recommendation of the Informal Sector Local Development Office, pass an
8 ordinance designating the viable terminals of tricycles as specified in this Act.
9 However, no designation of terminal shall be conducted without prior consultation
10 with the tricycle sector, the affected inhabitants and other sectors. Local
11 Government Units which have already established or designated routes and
12 terminals of tricycles prior to this Act are deemed to have complied with this
13 provision of the Act provided that the aforesaid establishment or designation of
14 terminals have been undertaken after consultation with the relevant parties.

15 (c) Local Government Units shall also lead a tricycle maintenance program. This
16 shall be done by teaching the existing TODAs within their jurisdiction on
17 preventive and periodic maintenance. Technical and administrative capability
18 shall be sourced through partnerships with private institutions and through the
19 Department of Science and Technology.

20 (d) Vocational education on automechanics and related courses like engine repair and
21 maintenance shall also be developed by the LGU in cooperation with the
22 Department of Labor and Employment and the Technical Education and Skills
23 Development Authority.

24 (e) There shall be a mandatory orientation on traffic management and rules at the
25 LGU level. The LGU shall require all tricycle drivers to undergo this orientation.

1 After the complete orientation of all drivers, a pilot run shall be made to assess the
2 traffic situation.

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

4 (g) Finally, LGUs shall provide for alternative livelihood and skills-training programs
5 to allow tricycle drivers to explore more economically rewarding sources of
6 income.

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8 SECTION 10. *Policy on Impounding of Vehicle and Imposable Penalties.* – The
9 tricycle shall not be impounded for mere violation of license or registration or traffic rules
10 and regulations unless the said vehicle was utilized in the conduct of criminal activity/ies. In
11 case of mere violation of traffic rules and regulations, a traffic violation ticket shall be issued
12 to the erring driver without impounding the said vehicle. The responsible person or officer
13 who violated 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 action
15 against the responsible person or officer whenever such action is applicable.

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

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20 SECTION 11. *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 (DOT) shall partner to create a continuous program to develop
23 more efficient engines and cleaner technologies to be used by the tricycle sector.

SECTION 12. *Funding.* – An initial appropriation of FIVE HUNDRED MILLION PESOS (P500,000,000.00) 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.

SECTION 13. *Penalties.* - Any person who shall willfully interfere with, restrain or coerce any member of the tricycle sector in the exercise of his/her rights or shall in any manner act in violation of Sections 8 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.

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.

SECTION 14. *Implementing Rules and Regulations.* –The DOT shall issue the Implementing Rules and Regulations of this Act within ninety days from its effectivity. The DOT shall also be in charge with 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.

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

1 SECTION 16. *Repealing Clause.* – Any law, presidential decree or issuance,
2 executive order, letter of instruction, administrative order, rule, ordinance, or regulation
3 contrary to or inconsistent with, the provisions of this Act is hereby repealed, modified, or
4 amended accordingly.

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6 SECTION 17. *Effectivity Clause.* – This Act shall take effect fifteen (15) days after
7 its publication in at least two (2) newspapers of general circulation.

Approved,