

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

TWENTIETH CONGRESS
First Regular Session



House Bill No. 1983

Introduced by **REPRESENTATIVE RICARDO S. CRUZ, JR.**

EXPLANATORY NOTE

Tricycles serve as a crucial mode of public transportation in both urban and rural areas across the Philippines, offering mobility to millions and livelihood to thousands. Despite their vital role in local economies and community access, tricycle drivers and operators continue to face systemic challenges such as lack of social protection, unclear regulatory frameworks, and limited representation in policymaking.

At present, tricycle operations are mainly governed by Republic Act No. 4136, also known as the *Land Transportation and Traffic Code*, and by local government ordinances under Republic Act No. 7160, the *Local Government Code of 1991*. These laws give local governments the power to regulate tricycles within their areas, including issuing permits and setting routes. However, the lack of a clear national policy has led to inconsistent rules and practices across different cities and towns.

This proposed measure aims to fix these problems by creating a national law that protects the rights of tricycle drivers and operators. It will set fair and clear rules for permits and franchises, stop illegal fees, and make sure drivers get support like insurance, training, and financial help. It also calls on government agencies like the Department of Transportation (DOTr), the Land Transportation Office (LTO), and local government units (LGUs) to work together to improve the system.

By passing this law, we show respect for the hard work of tricycle drivers and operators and help make public transportation safer, fairer, and more organized.

For these reasons, the approval of this bill is strongly requested.


RICARDO S. CRUZ JR.

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AN ACT
PROVIDING FOR A MAGNA CARTA OF TRICYCLE DRIVERS AND OPERATORS AND
INSTITUTIONALIZING THE MECHANISMS FOR ITS IMPLEMENTATION

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

SEC. 1. Short Title - This Act shall be known as the “*Magna Carta for Tricycle Drivers and Operators.*”

SEC. 2. Declaration of Policy. – It is the policy of the State to:

(a) Promote and improve the total well-being of the members of the tricycle sector particularly the marginalized low-level income earners by providing adequate and timely social, economic, and legal services, as well as a mechanism that protects rights and promotes benefits that ensure dignified existence and economic advancement;

(b) Recognize, promote, protect, and fulfill the rights of every member of the tricycle sector, particularly the tricycle drivers and operators, whose rights include the right to self-organization, right to decent work under just and humane working conditions, access to social protection, and 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) Prioritize the enactment of measures that protect and enhance the rights of all people to human dignity, reduce social, economic, and political inequalities and remove

cultural inequalities by diffusing wealth and political power for the common good and to provide environments at the national and local levels that enable all workers to fully develop into productive and responsible citizens;

(d) Recognize the roles and contributions of members of the tricycle sector, make them visible in the national and local statistics, and develop the local economy by maximizing their potential;

(e) Promote gender equity and equality through the elimination of gender stereotypes attached to this sector, and protecting the women workers against gender-based discrimination, exploitation, violence, and all other forms of abuse;

(f) Protect vulnerable groups in the tricycle sector such as the elderly and differently-abled persons from safety issues, discrimination, and harassment;

(g) Eliminate child labor in the tricycle sector through effective enforcement of laws against child labor and the creation of more quality jobs for adults; and

(h) Promote the safety and security of citizens especially those that are vulnerable to accidents and mishaps, to safeguard the sanctity of life and to ensure the safety of every human being in its territories.

SEC. 3. *Framework and Principles.* – The local government units (LGUs) shall pursue and implement a comprehensive, rights-based, participatory and gender-responsive framework for members of the tricycle sector under a Comprehensive Development Plan that includes:

(a) Putting in place policies and programs that shall bring members of the tricycle sector to the economic and social mainstream;

(b) 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 representational rights through their organizations;

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

(d) Exacting responsibility on the part of the tricycle sector members to promote and ensure the convenience, safety and security of the riding public and stakeholders in the sector, and protection of the environment: *Provided*, That the State shall recognize the rights of the tricycle sector and put in place responsive, transparent and accountable mechanisms to ensure the protection, promotion and realization of those rights.

SEC. 4. *Definition of Terms.* – As used in this Act:

(a) *Colorum* refers to: (1) a private vehicle operated for public utility without the

benefit of a valid and existing special permit, provisional authority or franchise; (2) a public utility vehicle operating outside its approved route without prior permit from the issuing authority; or (3) a public utility vehicle operating differently from its authorized denomination;

(b) *Local government units (LGUs)* refer to cities and municipalities;

(c) *Motorist awareness program* refers to any information or public awareness program designed to enhance motorist awareness on the presence of tricycles on or near roadways;

(d) *Motorized Tricycle Operators Permit (MTOPO)* refers to the permit that authorizes the holder to operate a tricycle for public transport;

(e) *Sanggunian* refers to the *Sangguniang Panlungsod* or the *Sangguniang Bayan*, as the case may be;

(f) *Tricycle* refers to a motor vehicle composed of a motorcycle fitted with a single-wheel sidecar, or a motorcycle with a two-wheel rear cab – the former having a total of three wheels and the latter having a total of four wheels, otherwise known as the *motorela*. The term shall include all three-wheeled motor vehicles classified as L4 and L5 motorcycles by the Land Transportation Office (LTO);

(g) *Tricycle drivers safety program* refers to any formal program of instruction that covers accident avoidance, compliance with road safety laws and best practices and provides other safety-oriented operational skills tricycle drivers, including innovative training to meet unique regional needs;

(h) *Tricycle Operators and Drivers' Association or TODA* refers to the organization of tricycle operators and drivers in a given LGU; and

(i) *Tricycle sector* refers to a group consisting of drivers and operators of tricycles for public transportation in the Philippines.

SEC. 5. *Tricycle Operating Requirements.* – Tricycles shall be operated subject to the following requirements:

(a) Subject to the guidelines to be prescribed by the Department of Transportation (DOTr), the LTO and Land Transportation Franchising and Regulatory Board (LTFRB), the LGUs shall have the power to regulate the operation of tricycles and grant permits for the operation thereof within their territorial jurisdiction.

Before issuing the MTOPO, the concerned LGU shall submit for approval of the DOTr a Local Public Transport Route Plan that includes the tricycle routes and zones, alternate tricycle route plan, designation of terminals, and maximum number of tricycles operating within its jurisdiction. Such plan, which must comply with the guidelines promulgated therefor with the end goal of ensuring overall efficiency,

integration and safety of the transportation system, shall be approved by the DOTr within a period of sixty (60) days from receipt thereof.

(b) For safety reasons, no tricycle shall operate on national highways utilized by 4-wheeled vehicles greater than four (4) tons and where normal speed exceeds forty (40) kilometers per hour: *Provided, however,* That the concerned *Sanggunian*, through an ordinance, may provide exceptions if there are no public transportation servicing the said route, either along the highway or crossing the same, other than tricycles, subject to the approval of the DOTr: *Provided, further,* That the exception may also be allowed by the concerned *Sanggunian* when there is no other access to the areas concerned other than the national highway as determined by the LGU: *Provided, furthermore,* That when such operation is allowed, tricycles shall only be allowed to traverse the outer right lane of the road except when preparing to turn, and the LGU is mandated to provide appropriate signages, marks for lanes, and other safety features to guide and protect the tricycles utilizing the highways.

Within ninety (90) days from the effectivity of this Act, the concerned LGUs shall enact the necessary ordinance for this purpose.

Tricycles shall not be allowed to travel beyond their regular route of service as embodied in their franchise except during medical emergency, typhoon, flood, conflagration and analogous fortuitous circumstances where deviation from the regular route is necessary to save lives, prevent injuries or damage to property.

(c) Operators shall only employ 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.

(d) The LTO shall ensure the roadworthiness of tricycles before registration or renewal of registration, including compliance with environmental laws. In coordination with motorcycle and tricycle manufacturers and the Department of Trade and Industry (DTI), the LTO shall formulate safety standards and the allowable designs and modifications, taking into consideration the needs of the vulnerable groups, and determine the limitations on passengers and weight or load capacity. Such limitations shall be indicated on the body of the tricycles.

(e) Operating zones shall be within the boundaries of the concerned LGU. However, existing operating zones traversing two (2) or more LGUs may be maintained: *Provided,* That operators serving said zones shall secure the necessary MTOP from each of the LGUs having jurisdiction over the covered areas: *Provided, further,* That the fees to be charged for the permit allowing a tricycle to operate outside the jurisdiction of the LGU where it has established its base of operation shall be lesser than the fees charged for the issuance of the MTOP under Section 6 hereof, which amount shall be provided in the implementing rules and regulations (IRR) of this Act.

(f) An LGU may adopt a common color-coding scheme for tricycles operating in the same zone. Each unit shall be assigned and bear an identifiable body number, aside from its license plate number issued by the LTO.

(g) An operator wishing to completely terminate its service shall report in writing such termination to the LGU which originally granted the MTOP.

(h) The MTOP shall be valid for five (5) years, renewable for the same period. The change of zone of operation, change of ownership of tricycle unit or transfer of MTOP shall be construed as an amendment to an MTOP which shall require appropriate approval of the concerned LGU.

(i) A tricycle shall be allowed to operate similar to a taxi service where, aside from rendering services in the designated terminal, it can be flagged-down or engaged by passengers on the road within its authorized zone of operation.

(j) An operator shall be covered by personal passenger accident insurance policy and third-party liability insurance policy before the LTO registers the tricycle as “for-hire” or before the renewal of registration thereof, during the validity of its MTOP.

(k) Prior to the issuance of the MTOP, tricycles shall be marked or installed with signage to show their passenger capacity. The concerned LGUs shall impose no other additional requirement for tricycle operation, except those provided under this Act.

SEC. 6. *Registration and Issuance of the MTOP.* – There shall be a simple system and procedure for registration and issuance of the MTOP in accordance with the framework and principles of this Act. The fees for registration and issuance of an MTOP, which shall be valid for a five-year period, shall not exceed One thousand pesos (P1,000.00). The amount shall cover the filing fee, franchise fee, inspection fee, fare adjustment fee, amendment fee, regulatory fee, and all other miscellaneous fees. No other fees shall be exacted from the tricycle sector business activities or enterprise other than the registration fee as mentioned above.

The DOTr may increase or adjust the fees herein imposed once every five (5) years: *Provided*, That in no case shall the increase be more than ten percent (10%) of the prevailing amount.

SEC. 7. *Tricycle Sector One-Stop Shop.* – All LGUs shall establish a Tricycle Sector One-Stop Shop which shall handle all transactions and processing of the business permit applications within their respective jurisdictions. The One-Stop Shop shall ensure that the processing of the MTOP of the members of the tricycle sector shall commence on the day of their application and the registration shall be released within thirty-six (36) hours upon submission of the complete requirements.

To facilitate efficient and expeditious processing of the MTOP applications, the LGUs shall also formulate a uniform and simple checklist of requirements for registration and flowchart of the procedure of registration. The LGUs shall also be responsible in translating the checklist of requirements and flowchart of procedure of registration in their own local dialect. The LGUs shall cause the posting of the checklist and flowchart of procedure of registration in at least three (3) conspicuous areas, preferably in public areas in the community and in tricycle terminals, and cause the

publication of the same in the local newspaper, if there is any.

The information about the One-Stop Shop shall be included in the Citizen's Charter of LGUs through any available medium.

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 interests free from any political interference or favor;

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

(c) 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 of law;

(f) Equal access to information on how to safeguard their rights according to law;

(g) Safe working conditions; and

(h) Protection from any act of interference, coercion, extortion, and bureaucratic red tape in the exercise of their rights.

SEC. 9. *Government Support to the Tricycle Sector.* – All concerned national government agencies, government financial institutions, and LGUs shall include in their plans, programs, projects, and activities efforts that are supportive of the foregoing rights and other concerns of the tricycle sector. Each LGU shall also create a grievance mechanism to deal with the concerns of the members of the tricycle sector. The members of the tricycle sector shall likewise be entitled to legal assistance from the government for the protection and enforcement of the rights provided under this Act.

SEC. 10. *Mandatory Membership in SSS and National Health Insurance Program.* – The Social Security System (SSS) and the Philippine Health Insurance Corporation (PhilHealth), within ninety (90) days from the issuance of the IRR of this Act, shall promulgate guidelines for strengthening the mechanisms of providing social security and health insurance coverage to members of the

tricycle sector. The SSS shall also inform its members from the tricycle sector of the services and loans that the latter can avail of. The PhilHealth shall coordinate and collaborate with the tricycle sector organizations, the Department of Social Welfare and Development and other concerned government agencies, and the LGUs to determine the financial capability of the members of the tricycle sector to pay premium contributions and to identify those members who shall be entitled to the national government subsidy.

SEC. 11. *Role of the Local Government Units.* – Subject to the operating conditions in Section 5 of this Act and the guidelines to be promulgated by the DOTr, LTO and LTFRB, LGUs shall have the following responsibilities:

(a) The LGUs, after consultation with the transport groups, the affected communities, and other stakeholders, shall identify and designate viable routes and terminals of tricycle within the city or municipality. Viable terminals shall be established in proximity to public buildings, public markets, private markets, commercial districts, or commercial establishments and other places which the public frequently visits.

(b) The *Sanggunian*, within ninety (90) days after the identification and designation of routes and terminals through public consultation and survey by the local planning and development office or appropriate transportation development and traffic management office of the LGU concerned, shall pass an ordinance designating the routes and the terminals of tricycles as specified in this Act.

An LGU, which has already established or designated routes and terminals of tricycles prior to this Act, is deemed to have complied with this provision of the Act: *Provided*, That the aforesaid establishment or designation of routes and terminals have been undertaken after consultation with the stakeholders.

(c) The LGUs, in coordination with the DOTr, LTO and public and private stakeholders, shall also lead a tricycle maintenance program. This shall be done by providing the existing TODAs within their jurisdiction, training and instruction on tricycle preventive and periodic maintenance in tandem with the Department of Science and Technology (DOST) and other private institutions.

(d) Vocational education on motorcycle or small engine repair, driving, auto-servicing and related courses like engine repair and maintenance shall also be offered by the LGUs to the members of the tricycle sector, in coordination with the Department of Labor and Employment (DOLE) and the Technical Education and Skills Development Authority (TESDA). With the help of DOLE and TESDA, LGUs shall also provide opportunities for alternative livelihood and skills-training programs to allow tricycle drivers to explore more economically rewarding sources of income.

(e) There shall be a regular conduct of 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, DOST and other relevant government agencies. The LGUs shall require all tricycle drivers within its jurisdiction to undergo a periodic safety orientation or seminar under this program. To complement this program, the LTO and LTFRB shall include a Motorist Awareness Program in all its safety trainings.

(f) The LGUs, in coordination with law enforcement agencies, shall prevent the proliferation of illegal or *colorum* tricycle units.

(g) The LGUs, in coordination with the DOLE and other concerned agencies, shall ensure the regular conduct of seminars to prevent the unlawful employment of children as tricycle drivers and the gender-based discrimination in granting driver's licenses.

(h) The LGUs, through their respective traffic management offices, shall conduct regular monitoring activities to ensure that no children are employed as tricycle drivers.

(i) Consistent with the provisions and objectives of this Act, the LGUs are also hereby empowered, through ordinance or as terms or conditions in the issuance of MTOP, to define and penalize such acts which constitute as violations in relation to the operation of tricycles within their respective jurisdictions.

SEC. 12. *Phase-in of More Efficient Engines.* – Within thirty (30) days from the issuance of the IRR of this Act, the DOTr and the DOST shall implement a continuing program to encourage manufacturers to develop more efficient engines and cleaner technologies to be used by the tricycle sector. The DTI-Bureau of Philippine Standards, in coordination with the Department of Environment and Natural Resources-Environmental Management Bureau, LTO and DOST, shall prescribe the standards and specifications for tricycle engines to be observed by the tricycle sector in pursuit of cleaner technologies and in accordance with Republic Act No. 8749, otherwise known as the “Philippine Clean Air Act of 1999.”

SEC. 13. *Policy on Impounding of Tricycles.* – Tricycles shall not be impounded, confiscated, or destroyed for mere violation of traffic rules and regulations, in which case a traffic violation ticket shall be issued to the erring driver.

A tricycle may be impounded under the following circumstances:

(a) When used to perpetrate a crime;

(b) If it is operated without an MTOP or with an expired MTOP;

(c) If it is operated under a fictitious MTOP;

(d) If operated by a driver without the required Driver's License: *Provided*, That upon payment of the penalty or fine, the tricycle shall be released to a duly licensed driver on behalf of the operator;

(e) If it is not roadworthy or not built nor modified in accordance with the design prescribed by the LTO; or

(f) If it is not compliant with the Philippine Clean Air Act of 1999 or other environmental laws.

SEC. 14. Penalties. –

(a) A public officer or employee who acts in violation of Sections 5, 6, or 7 hereof, in addition to criminal liability under existing laws, shall be penalized with a penalty of suspension from office for a period of one (1) to six (6) months.

(b) A public officer who acts in violation of the provisions of Section 13 hereof shall be administratively liable without prejudice on the part of the aggrieved member of the tricycle sector from initiating a criminal or civil action, if applicable.

(c) A driver who operates a tricycle in highways without valid authorization as mentioned in Section 5(b) hereof, transports passengers or goods beyond the limitations on the number of passengers and on load capacity, or operates a tricycle that is not compliant with environmental laws shall be punished by a fine of not less than Five hundred pesos (P500.00) but not more than Two thousand pesos (P2,000.00).

(d) A driver who violates other traffic rules or regulations not specifically provided herein shall be punished in accordance with applicable traffic laws.

(e) An operator who operates a tricycle without or with an expired or fictitious MTOP or allows a driver to operate a 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 (P500.00) but not more than Two thousand pesos (P2,000.00) and the impoundment of the tricycle by an enforcement agency for a period of two (2) months. The second and succeeding commission of similar offenses shall warrant the revocation of the MTOP or perpetual disqualification from being issued of the said privilege.

(f) A driver who operates a tricycle in a fast lane shall be penalized by a fine of Ten thousand pesos (P10,000.00).

(g) An operator who employs a minor or a driver without the requisite license to drive a tricycle shall be penalized in accordance with the fines imposed by the LTO for such violation but in no case shall be less than Three thousand pesos (P3,000.00). The subsequent violation of similar offense shall warrant the revocation of the MTOP: *Provided*, That in the case of a minor offender, the fine shall not be less than Ten thousand pesos (P10,000.00).

(h) Any person who willfully interferes with, restrains or coerces any member of the tricycle sector in the exercise of the latter's rights or shall in any manner act in violation of Section 8 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: *Provided*, That if the offender is a public official, the court may, in addition to the penalties herein provided, impose the penalty of disqualification from office.

SEC. 15. *Implementing Rules and Regulations.* – The DOTr shall, in coordination with the LTO, LTFRB, SSS, PhilHealth, DOLE, TESDA, DOST, DTI, Department of the Interior and Local Government, Department of Public Works and Highways, Metropolitan Manila Development Authority, the League of Cities of the Philippines, League of Municipalities of the Philippines and the national representative of the tricycle operators and drivers association, 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.

SEC. 16. *Separability Clause.* – If for any reason, any provision of this Act is declared unconstitutional or invalid, such parts not affected thereby shall remain in full force and effect.

SEC. 17. *Repealing Clause.* – All laws, decrees, executive orders, rules and regulations and other issuances or parts thereof which are inconsistent with this Act are hereby repealed, amended or modified accordingly.

SEC. 18. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,