

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session

House Bill No. **2137**



Introduced by Representative Julius Cesar "Jay" V. Vergara

EXPLANATORY NOTE

The tricycle sector is one of the primary means of transportation in the country, providing efficient transportation services, especially in rural areas. It also serves as a cultural icon and provides livelihood to many Filipino families.

In 2022, there were over 1.5 million registered tricycles in the Philippines. That same year, Region III accounted for the highest share, which included our City of Cabanatuan, Nueva Ecija, dubbed as the "Tricycle Capital of the Philippines," having around 30,000 registered tricycles with 10,000 families relying on this industry as their source of livelihood. Despite its large participation in the local transportation industry, the tricycle sector is one of those least given attention to in terms of government support. Thus, the drivers and operators have become vulnerable to employment predicaments and abusive regulatory practices.

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 (LGUs) 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 (LTFRB) to the LGUs by the Local Government Code sought to address the rise in 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.¹

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

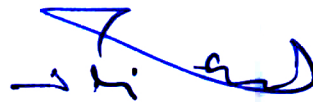
¹ Land Transportation Office v. City of Butuan, G.R. No. 131512, 20 January 2000.

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 practices in local and national agencies 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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1 common good and to provide environments at the national and local levels that
2 enable all workers to fully develop into productive and responsible citizens;

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

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

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

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

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

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

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

22 b) Pursuing structural reforms in all relevant levels of LGUs by creating
23 committees, special offices for development and protection of workers in the
24 tricycle sector and supporting representational rights through their organizations;

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

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

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

2 a) *Colorum* refers to: 1) a private vehicle operated for public utility without
3 the benefit of a valid and existing special permit, provisional authority or
4 franchise; 2) a public utility vehicle operating outside its approved route without
5 prior permit from the issuing authority; or 3) a public utility vehicle operating
6 differently from its authorized denomination;

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

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

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

13 e) *Sanggunian* refers to the *sangguniang panlungsod* or the *sangguniang*
14 *bayan*, as the case may be;

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

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

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

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

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

31 a) Subject to the guidelines to be prescribed by the Department of
32 Transportation (DOTr), the LTO and Land Transportation Franchising and

1 Regulatory Board (LTFRB), the LGUs shall have the power to regulate the
2 operation of tricycles and grant permits for the operation thereof within their
3 territorial jurisdiction.

4 Before issuing the MTOP, the concerned LGU shall submit for approval of
5 the DOTr a Local Public Transport Route Plan that includes the tricycle routes
6 and zones, alternate tricycle route plan, designation of terminals, and maximum
7 number of tricycles operating within its jurisdiction. Such plan, which must
8 comply with the guidelines promulgated therefor with the end goal of ensuring
9 overall efficiency, integration and safety of the transportation system, shall be
10 approved by the DOTr within a period of sixty (60) days from receipt thereof.

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

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

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

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

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

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

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

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

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

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

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

1 k) Prior to the issuance of the MTOP, tricycles shall be marked or installed
2 with signage to show their passenger capacity.

3 The concerned LGUs shall impose no other additional requirement for
4 tricycle operation, except those provided under this Act.

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

14 The DOTr may increase or adjust the fees herein imposed once every five
15 (5) years: *Provided*, That in no case shall the increase be more than ten percent
16 (10%) of the prevailing amount.

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

24 To facilitate efficient and expeditious processing of the MTOP applications,
25 the LGUs shall also formulate a uniform and simple checklist of requirements for
26 registration and flowchart of the procedure of registration. The LGUs shall also be
27 responsible in translating the checklist of requirements and flowchart of procedure
28 of registration in their own local dialect. The LGUs shall cause the posting of the
29 checklist and flowchart of procedure of registration in at least three (3)
30 conspicuous areas, preferably in public areas in the community and in tricycle
31 terminals, and cause the publication of the same in the local newspaper, if there
32 is any.

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

3 **Sec. 8. *Rights and Benefits of Workers in the Tricycle Sector.*** – The
4 members of the tricycle sector shall have the following rights:

5 a) Self-organization, to collectively negotiate with government and other
6 entities in the promotion of their welfare and advancement of interests free from
7 any political interference or favor;

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

12 c) Access to medical care services and insurance;

13 d) Freedom from any form of discrimination, violence, exploitation, or
14 harassment;

15 e) Freedom from deprivation of property without valid cause and due
16 process of law;

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

19 g) Safe working conditions; and

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

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

30 **Sec. 10. *Mandatory Membership in SSS and National Health Insurance***
31 ***Program.*** – The Social Security System (SSS) and the Philippine Health Insurance
32 Corporation (PhilHealth), within ninety (90) days from the issuance of the IRR of

1 this Act, shall promulgate guidelines for strengthening the mechanisms of
2 providing social security and health insurance coverage to members of the tricycle
3 sector. The SSS shall also inform its members from the tricycle sector of the
4 services and loans that the latter can avail of. The PhilHealth shall coordinate and
5 collaborate with the tricycle sector organizations, the Department of Social
6 Welfare and Development and other concerned government agencies, and the
7 LGUs to determine the financial capability of the members of the tricycle sector to
8 pay premium contributions and to identify those members who shall be entitled to
9 the national government subsidy.

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

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

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

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

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

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

9 e) There shall be a regular conduct of mandatory Tricycle Drivers Safety
10 Program at the LGU level. The content and structure of the Tricycle Drivers Safety
11 Program shall be formulated by the DOTr, LTO, LTFRB, DOST and other relevant
12 government agencies. The LGUs shall require all tricycle drivers within its
13 jurisdiction to undergo a periodic safety orientation or seminar under this
14 program. To complement this program, the LTO and LTFRB shall include a
15 Motorist Awareness Program in all its safety trainings.

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

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

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

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

29 **Sec. 12. Phase-in of More Efficient Engines.** – Within thirty (30) days from
30 the issuance of the IRR of this Act, the DOTr and the DOST shall implement a
31 continuing program to encourage manufacturers to develop more efficient engines
32 and cleaner technologies to be used by the tricycle sector. The DTI-Bureau of

1 Philippine Standards, in coordination with the Department of Environment and
2 Natural Resources-Environmental Management Bureau, LTO and DOST, shall
3 prescribe the standards and specifications for tricycle engines to be observed by
4 the tricycle sector in pursuit of cleaner technologies and in accordance with
5 Republic Act No. 8749, otherwise known as the “Philippine Clean Air Act of 1999”.

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

9 A tricycle may be impounded under the following circumstances:

10 a) When used to perpetrate a crime;

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

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

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

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

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

20 **Sec. 14. Penalties.** -

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

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

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

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

3 e) An operator who operates a tricycle without or with an expired or
4 fictitious MTOP or allows a driver to operate a tricycle that is not roadworthy or
5 with unauthorized modification affecting vehicle safety, shall be punished by a
6 fine of not less than Five hundred pesos (P500.00) but not more than Two thousand
7 pesos (P2,000.00) and the impoundment of the tricycle by an enforcement agency
8 for a period of two (2) months. The second and succeeding commission of similar
9 offenses shall warrant the revocation of the MTOP or perpetual disqualification
10 from being issued of the said privilege.

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

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

19 h) Any person who willfully interferes with, restrains or coerces any
20 member of the tricycle sector in the exercise of the latter's rights or shall in any
21 manner act in violation of Section 8 of this Act shall, upon conviction, be punished
22 by a fine of not less than Fifty thousand pesos (P50,000.00) but not more than Five
23 hundred thousand pesos (P500,000.00) or imprisonment not exceeding one (1) year
24 or both, at the discretion of the court: *Provided*, That if the offender is a public
25 official, the court may, in addition to the penalties herein provided, impose the
26 penalty of disqualification from office.

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

1 this Act within ninety (90) days from its effectivity. The IRR shall include the
2 guidelines for the allocation of the fund for subsidizing the SSS or PhilHealth
3 premiums of the members of the tricycle sector and the programs that will benefit
4 them.

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

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

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

13 *Approved,*