

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

Twentieth Congress
First Regular Session

House Bill No. 8543



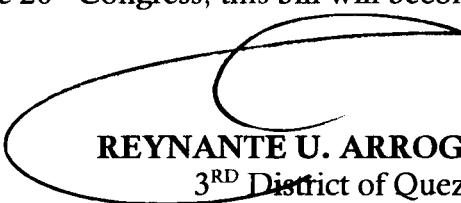
Introduced by Representative Reynante U. Arrogancia

EXPLANATORY NOTE

The Philippine tricycle historically emerged in the country utilizing imported motorcycles with a fabricated side car after the Second World War. It has now evolved into a low cost means of transportation with the masses and a means to access remote, short travel or unpaved roads in the rural areas. The tricycle is also a vital source of livelihood for millions of Filipino families. With the importance of the tricycles in the Philippine transport system and to the riding public, a legislation that would provide a standardize the regulation and social protection coverage of the tricycle sector is needed.

This bill seeks to provide a uniform regulation on the requirements to operate tricycles, the eligibility of the drivers, and the efficient integration of tricycles in the public transportation sector. It also provides the creation of one stop shop for a more efficient registration, a uniform policy on the impounding of tricycle and penalizes violations on the rights of the members of the tricycle sector. Furthermore, the bill mandates the coverage and subsidy of the SSS or PhilHealth premiums in the tricycle sector.

A similar version of this bill has passed on the third and final reading in the 19th Congress and it is hoped, that finally, in the 20th Congress, this bill will become a law.


REYNANTE U. ARROGANCIA
3RD District of Quezon

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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:

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

3
4 **SEC. 2. *Declaration of Policy.*** - It is the policy of the State to:

- 5
6 a. Promote and improve the total well-being of the members of the tricycle sector
7 particularly the marginalized low-level income earners by providing adequate and
8 timely social, economic, and legal services, as well as a mechanism that protects rights
9 and promotes benefits that ensure dignified existence and economic advancement;
10
11 b. Recognize, promote, protect, and fulfill the rights of every member of the tricycle
12 sector, particularly the tricycle drivers and operators, whose rights include the right to
13 decent work under just and humane working conditions, access to social protection,
14 and right to represent their organizations in a continuing process of consultation and
15 dialogue towards maximizing the provision of a comprehensive package of reforms,
16 interventions, and services in accordance with articulated needs and interests;
17
18 c. Prioritize the enactment of measures that protect and enhance the rights of all people
19 to human dignity, reduce social, economic and political inequalities and remove
20 cultural inequalities by diffusing wealth and political power for the common good and
21 to provide environments at the national and local levels that enable all workers to fully
22 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, exploitation, violence, and all other forms of abuse;
- g. Eliminate child labor in the tricycle sector through effective enforcement of laws against child labor and 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 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 representation 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 (MTOP)* 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 to 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 MTOP, 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

115 guidelines promulgated therefor with the end goal of ensuring overall efficiency,
116 integration and safety of the transportation system, shall be approved by the DOTr
117 within a period of sixty (60) days from receipt thereof.
118

- 119 b. For safety reasons, no tricycle shall operate on national highways utilized by 4-
120 wheeled vehicles greater than four (4) tons and where normal speed exceeds forty (40)
121 kilometers per hour: *Provided, however,* That the concerned *Sanggunian*, through an
122 ordinance, may provide exceptions if there no public transportation servicing the said
123 route, either along the highway or crossing the same, other than tricycles, subject to
124 the approval of the DOTr: *Provided, further,* That the exception may also be allowed
125 by the *Sanggunian* when there is no other access to the areas concerned other than the
126 national highway as determined by the LGU: *Provided, furthermore,* That when such
127 operation is allowed, tricycles shall only be allowed to traverse the outer right lane of
128 the road except when preparing to turn, and the LGU is mandated to provide
129 appropriate signages, marks for lanes, and other safety features to guide and protect
130 the tricycles utilizing the highways.
131

132 Within ninety (90) days from the effectivity of this Act, the concerned LGUs
133 shall enact the necessary ordinance for this purpose.
134

135 Tricycles shall not be allowed to travel beyond their regular route of service as
136 embodied in their franchise except during medical emergency, typhoon, flood,
137 conflagration and analogous fortuitous circumstances where deviation from the
138 regular route is necessary to save lives, prevent injuries or damage to property.
139

- 140 c. Operators shall only employ drivers possessing professional licenses duly issued by the
141 LTO. For this purpose, the LTO shall issue guidelines, including theoretical and
142 practical examinations, appropriate for drivers of tricycles.
143
- 144 d. The LTO shall ensure the roadworthiness of tricycles before registration or renewal of
145 registration, including compliance with environmental laws. In coordination with
146 motorcycle and tricycle manufacturers and the Department of Trade and Industry
147 (DTI), the LTO shall formulate safety standards and the allowable designs and
148 modifications, taking into consideration the needs of the vulnerable groups, and
149 determine the limitation on passengers and weight or load capacity. Such limitation
150 shall be indicated on the body of the tricycles.
151
- 152 e. Operating zones shall be within the boundaries of the concerned LGU. However,
153 existing operating zones traversing two (2) or more LGUs may be maintained:
154 *Provided,* That operators serving said zones shall secure the necessary MTOP from
155 each of the LGUs having jurisdiction over the covered areas: *Provided, further,* That
156 the fees to be charged for the permit allowing a tricycle to operate outside the
157 jurisdiction of the LGU where it has established its base of operation shall be lesser
158 than the fees charged for the issuance of the MTOP under Section 6 hereof, which
159 amount shall be provided in the implementing rules and regulations (IRR) of this Act.

- 160 f. An LGU may adopt a common color-coding scheme for tricycles operating in the
161 same zone. Each unit shall be assigned and bear an identifiable body number, aside
162 from its license plate number issued by the LTO.
163
- 164 g. An operator wishing to completely terminate its service shall report in writing such
165 termination of the LGU which originally granted the MTOP.
166
- 167 h. The MTOP shall be valid for five (5) years, renewable for the same period. The change
168 of zone of operation, change of ownership of tricycle unit or transfer of MTOP shall
169 be construed as an amendment to an MTOP which shall require appropriate approval
170 of the concerned LGU.
171
- 172 i. A tricycle shall be allowed to operate similar to a taxi service where, aside from
173 rendering services in the designated terminal, it can be flagged-down or engaged by
174 passengers on the road within its authorized zone of operation.
175
- 176 j. An operator shall be covered by personal passenger accident insurance policy and
177 third-party liability insurance policy before the LTO registers the tricycle as "for-hire"
178 or before the renewal of registration thereof, during the validity of its MTOP.
179
- 180 k. Prior to the issuance of the MTOP, tricycles shall be marked or installed with signage
181 to show their passenger capacity.
182

183 The concerned LGUs shall impose no other additional requirement for tricycle
184 operation, except those provided under this Act.
185

186 **SEC. 6. *Registration and Issuance of the MTOP.*** – There shall be a simple system and
187 procedure for registration and issuance of the MTOP in accordance with the framework and
188 principles of this Act. The fees for registration and issuance of an MTOP, which shall be valid
189 for a five-year period, shall not exceed One thousand pesos (P1,000.00). The amount shall
190 cover the filing fee, franchise fee, inspection, fare adjustment fee, amendment fee, regulatory
191 fee, and all other miscellaneous fees. No other fees shall be exacted from the tricycle sector
192 business activities or enterprise other than the registration fee as mentioned above.
193

194 The DOTr may increase or adjust the fees herein imposed once every five (5) years:
195 *Provided*, That in no case shall the increase be more than ten percent (10%) of the prevailing
196 amount.
197

198 **SEC. 7. *Tricycle Sector One-Stop Shop.*** – All LGUs shall establish a Tricycle Sector One-
199 Stop Shop which shall handle all transactions and processing of the business permit
200 applications within their respective jurisdictions. The One-Stop Shop shall ensure that the
201 processing of the MTOP of the members of the tricycle sector shall commence on the day of
202 their application and the registration shall be released within thirty-six (36) hours upon
203 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 process 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 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 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 terminals of tricycle as specified in this Act.

An LGU, which has already established or designated routes and terminals of tricycle 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 LTFRM 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 office, shall conduct regular monitoring activities to ensure that no children are employed as tricycle drivers.
- i. Consistent with the provision and objective 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 Clear 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 it 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 operate 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 Section 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 impoundments 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 interfered with, restrains or coerces any number 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.

386 **SEC. 15. *Implementing Rules and Regulations.*** – The DOTr shall, in coordination with
387 the LTO, LTFRB, SSS, PhilHealth, DOLE, TESDA, DOST, DTI, Department of the
388 Interior and Local Government, Department of Public Works and Highways, Metropolitan
389 Manila Development Authority, the League of Cities of the Philippines, League of
390 Municipalities of the Philippines and the national representative of the tricycle operators and
391 drivers association, issue the IRR of this Act within ninety (90) days from its effectivity. The
392 IRR shall include the guidelines for the allocation of the fund for subsidizing the SSS or
393 PhilHealth premium of the members of the tricycle sector and the programs what will benefit
394 them.
395

396 **SEC. 16. *Separability Clause.*** – If for any reason, any provision of this Act is declared
397 unconstitutional or invalid, such parts not affected thereby shall remain in full force and effect.
398

399 **SEC. 17. *Repealing Clause.*** – All laws, decrees, executive orders, rules and regulations
400 and other issuances or parts thereof which are inconsistent with this Act are hereby repealed,
401 amended or modified accordingly.
402

403 **SEC. 18. *Effectivity.*** - This Act shall take effect fifteen (15) days after its publication in
404 the Official Gazette or in a newspaper of general circulation.
405

406 *Approved,*