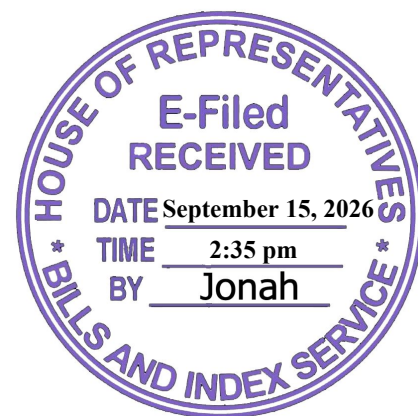


Republic of the Philippines
House of Representatives
Quezon City, Metro Manila

TWENTIETH CONGRESS
Second Regular Session

House Bill No. 11346



INTRODUCED BY REP. PATRICK MICHAEL “PM” D. VARGAS

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

EXPLANATORY NOTE

Tricycles are considered the “vehicle of the masses”. It is often the transportation option of many low-income households to reach major thoroughfares, and a significant income source of many Filipinos displaced in the formal working sector due to a lack of employable skills. Oftentimes, driving a tricycle will be the only mode of livelihood until retirement.

According to the 2023 Annual Report of the Land Transportation Office, there are more than 7 million registered private motorcycles and tricycles in the country. It is high time that we give value to our tricycles in the country. It is high time that we give value to our tricycle drivers and operators for their contribution to the daily life of the ordinary Filipinos and to economic development.

This measure ensures the welfare of the tricycle drivers and operators for a more organized sector by defining the requirements for proper operation of tricycles and simplifying the registration system imposed in the application and issuance of motorized tricycle operator permit (MTOP).

It also mandates the establishment of a one-stop shop in every local government unit to cater to all the transactions of tricycle drivers and operators. It advances the welfare of the tricycle sector by mandating the Social Security System and the Philippine Health Insurance Corporation to assure their provision of health care and social benefits. The measure outlines

the significant role of the Local Government Units and other government agencies in supporting the sector.

In view of the foregoing, the immediate passage of this bill is earnestly sought.


REP. PATRICK MICHAEL "PM" D. VARGAS
Fifth District, Quezon City

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

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

SECTION 2. *Declaration of Policies.* – It is the policy of the State:

- a. 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;
- b. To recognize, promote, and protect the rights of every worker in the tricycle sector, including the right to self-organization, the right to decent work, just and humane working conditions, access to social protection, and the 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. To promote gender equity and equality through the elimination of gender stereotypes attached to this sector and redefining tricycle drivers as not only males but also females;

- d. To protect women workers in the tricycle sector against gender-based discrimination, exploitation, violence and abuse;
- e. To progressively eliminate children in the tricycle sector through the creation of more quality jobs for adults, effective enforcement of laws against child labor, improved access to universal education and elimination of cultural factors that tolerate child labor; and
- f. To develop the local economy through maximization of the potential and contribution of the tricycle sector.

SECTION 3. *Definition of Terms.* – Pursuant to this Act, the following terms shall mean:

- a. “*Colorum*” refers to a private vehicle operated as a public utility without the benefit of a valid and existing special permit, provisional authority, or franchise;
- b. “*Motorized Tricycle Operator’s Permit or MTOP*” refers to the permit that authorizes the holder to operate a tricycle for public transport;
- c. “*Periodic maintenance*” refers to the cleaning and replacing of parts that have been exhausted of their effective service life.
- d. “*Preventive maintenance*” refers to the regular cleaning of the engine and other related parts that affect its performance;
- e. “*Sanggunian*” refers to the Sangguniang Panlungsod or the Sangguniang Bayan, as the case may be;
- f. “*Tricycle Sector*” refers to the drivers and operators of tricycles for public transportation in the Philippines.

SECTION 4. *Authority to Regulate and to Grant MTOP.* – Subject to the guidelines to be prescribed by the Department of Transportation (DOTr), the Land Transportation Office (LTO), and the Land Transportation Franchising and Regulatory Board (LTFRB), cities and municipalities shall have the power to regulate the operation of tricycles and grant permits for the operation thereof within their respective territorial jurisdictions. Before it can issue the MTOP, the concerned LGU is required to submit a tricycle operation plan which includes, among others, the tricycle routes and zones, designation of terminals, and maximum number of tricycles operating within its jurisdiction. Such a plan shall be subject to the approval of the DOTr and must comply

with the guidelines promulgated therefor, with the end goal of ensuring overall efficiency, integration, and safety of the transportation system.

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

- a. For safety reasons, no tricycle should operate on national highway utilized by 4-wheel vehicles greater than four (4) tons and where normal speed exceeds forty (40) kilometres per hour. However, the concerned LGU may provide exceptions if there are no transportation services or modes servicing the said route, either along the highway or crossing the same, other than tricycles, subject to the approval of the DOTr: *Provided*, however, that when such operation is allowed, the LGU is mandated to provide appropriate signages, marks for lanes, and other safety features to guide and protect the tricycles utilizing the highways.
- b. Zones must be within the boundaries of the municipality/city. Existing zones within more than one municipality or city, however, shall be maintained: *Provided*, that operators servicing said zones shall secure MTOPs from each of the municipalities and/or cities having jurisdiction over the areas covered by the zone.
- c. A common color for tricycles-for-hire operating in the same zone may be imposed. Each unit shall be assigned and bear an identification number, aside from its LTO license plate number.
- d. An operator wishing to terminate or suspend its service for more than one month should report in writing such termination or suspension to the Sanggunian which originally granted the MTOP.
- e. The MTOP shall be valid for three (3) years, renewable for the same period. Transfer to another zone, change of ownership of a unit or transfer of MTOP shall be construed as an amendment to an MTOP and shall require appropriate approval of the Sanggunian.
- f. Operators shall employ only 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.

- g. No tricycle-for-hire shall be allowed to carry more passengers and/or goods than it is designed for.
- h. A tricycle-for-hire shall be allowed to operate like a taxi service where, aside from rendering services in the designated terminals, the tricycle can be flagged down or engaged by passengers on the road within its authorized zone of operation.

SECTION 6. *Registration.* – There shall be a simplified procedure of registration and issuance of MTOP in accordance with the framework and principles of this Act. The registration fee for the application for an MTOP shall not exceed One thousand pesos (1,000.00). The validity of the MTOP shall be for three years. The said fee shall cover the cost of the issuance of the MTOP, the filing fee, franchise fee, inspection fee, fare adjustment fee, amendment, regulatory, and all other fees. No other fees shall be exacted from the tricycle sector business activities or enterprise other than the registration fee as mentioned above.

SECTION 7. *Establishment of One-Stop Shop for the Tricycle Sector.* – All LGUs shall establish a One-Stop Shop Center for the Tricycle Sector (the “Center”) which shall handle all transactions and processing of the business permit applications within their respective jurisdiction. The Center shall ensure that the processing of the MTOP shall commence on the day of their application and the registration shall be released within forty-eight (48) hours upon submission of the complete requirements. To facilitate efficient and expeditious processing of MTOP applications, LGUs shall formulate a uniform and simple checklist of requirements for registration, such as valid proof of identity (barangay clearance, certificate of residency, etc.) and flowchart of the procedure of registration. LGUs shall be responsible for translating the checklist of requirements and flowchart of procedure of registration in their own local dialect. LGUs shall cause the posting of the checklist and flowchart of procedure of registration in at least three (3) conspicuous areas, preferably public areas, in the community, and 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 the decision-making process relevant to the concerns of their sector through their legitimate organizations. Towards this end, they shall be represented in all public hearings for laws, ordinances, or regulations that will affect their sector;
- c. Safe working conditions with access to medical care services and insurance;
- d. Freedom from any form of discrimination, violence, exploitation, or harassment;
- e. Freedom from deprivation of property without valid cause and due process of law;
- f. All concerned national government agencies, government government financial institutions, and local government units shall include in their plans, programs, projects and activities efforts that are supportive of the concerns of the tricycle sector;
- g. Each LGU shall create a grievance mechanism to deal with the concerns of the members of the tricycle sector;
- h. The Social Security System (SSS) and the Philippine Health Insurance Corporation (PhilHealth) shall, within ninety (90) days from the effectivity of this Act, promulgate guidelines for the mechanism of collecting premiums from members of the tricycle sector. The SSS shall also inform its members from the tricycle sector of loans that they can avail of;
- i. Any driver shall not be engaged to work in any hazardous work, activity or undertaking, and neither shall he/she be exposed to hazardous working conditions; and
- j. All persons, whether from the private or public sectors, are prohibited from committing acts of interference or coercion against a member of the tricycle sector, including machinations to influence political and/or religious beliefs of the member of the tricycle sector.

SECTION 9. Role of the Local Government Unit (LGU) - Subject to the operating conditions in this Act and the guidelines to be promulgated by the DOTr, LTO and LTFRB, cities and municipalities shall have the following responsibilities:

- a. The Municipality or City, after consultation with the small transport groups, the affected communities, and other sectors or

groups, shall identify and designate viable routes and terminals of tricycles within the municipality or city. Viable terminals shall be in proximity to public buildings, markets, commercial districts, or commercial establishments and other places which the public frequently visits.

- b. The Sanggunian shall, within ninety (90) days after the consultation referred to in the preceding paragraph, pass an ordinance designating the viable terminals of tricycles as specified in this Act. No designation of terminal, however, shall be conducted without prior consultation with the tricycle sector, the affected inhabitants, and other sectors. LGUs that have already established or designated routes and terminals of tricycles prior to this Act are deemed to have complied with this provision: Provided, that the aforesaid establishment or designation of terminals has been undertaken after consultation with the relevant parties.
- c. LGUs shall also lead a Tricycle Maintenance Program. This shall be done by teaching the existing TODAs within their jurisdiction on preventive and periodic maintenance. Technical and administrative capability shall be sourced through partnerships with private institutions and through the Department of Science and Technology (DOST).
- d. Vocational education on auto-mechanics and related courses like engine repair and maintenance shall also be developed by the LGUs in cooperation with the Department of Labor and Employment (DOLE) and the Technical Education and Skills Development Authority (TESDA).
- e. There shall be a mandatory Tricycle Drivers Safety Program at the LGU level. The content and structure of the Tricycle Drivers Safety Program shall be formulated by the DOTr, LTO, LTFRB and other relevant government agencies. The LGU shall require all tricycle drivers within its jurisdiction to undergo this orientation. To complement this, the LTO and LTFRB shall include a Motorist Awareness Program in all its safety training.
- f. LGUs shall also eliminate illegal or colorum tricycle units.
- g. LGUs shall provide for alternative livelihood and skills-training programs to allow tricycle drivers to explore more economically rewarding sources of income.
- h. LGUs shall pursue and implement a comprehensive, rights-based, participatory, and gender responsive framework for workers in the tricycle sector that includes but is not limited to:

- i. Putting in place policies and programs that will bring members of the tricycle sector to the economic and social mainstream;
- ii. 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 their representational rights through their organizations;
- iii. Extending coverage of accessible and affordable social security and health care benefits to workers in the tricycle sector; and
- iv. Exacting responsibility on the part of the tricycle sector workers provided that the state shall recognize their rights and put in place responsive, transparent and accountable mechanisms to ensure the protection, promotion and realization of those rights.

SECTION 10. *Policy on Impounding of Vehicle and Imposable Penalties.*

– Tricycles shall not be impounded, confiscated, or destroyed for mere violation of license or registration or traffic rules and regulations unless the said vehicle was utilized in the conduct of criminal activities. In case of mere violation of traffic rules and regulations, a traffic violation ticket shall be issued to the erring driver without impounding the said vehicle. The responsible person or officer who violated this Section shall be administratively liable under this Act. Nothing herein shall prohibit the aggrieved members of the tricycle sector from initiating criminal or civil action against the responsible persons or officers whenever such action is applicable. The imposable penalties for tricycle drivers who are found to violate traffic rules or regulations shall be limited to fifty percent of the fine or penalty that can be imposed on drivers of four-wheeled vehicles.

SECTION 11. *Phase-in of More Efficient Engines.* - Within thirty (30) days after the effectivity of this Act, the DOST and the DOTr shall partner to create a continuous program to develop more efficient engines and cleaner technologies that may be used by the tricycle sector, at the own initiative or volition of tricycle drivers and/or operators.

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

SECTION 13. *Mandatory Membership in SSS and PhilHealth, Life and Accident Insurance, and Legal Assistance.* - The SSS and the PhilHealth shall, within ninety (90) days from the effectivity of this Act, promulgate guidelines for the mechanism of collecting premiums from members of the tricycle sector. Tricycle drivers shall, in addition to SSS and healthcare

coverage, be provided accident Insurance coverage to compensate for damage or injury acquired such as death, disability, limb amputations, loss of sight, hearing, and speech, including the loss of thumb or the index finger. Tricycle drivers are also entitled to legal assistance in the exercise and pursuit of their rights herein granted.

SECTION 14. Appropriation. - The amount necessary for the implementation of this Act shall be allocated in the Annual General Appropriations Act of the Department of Transportation.

SECTION 15. Penalties. -

- a. Any person who shall willfully interfere with, restrain, or coerce any member of the tricycle sector in the exercise of rights, or shall in any manner act in violation of Sections 8, 9, 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.
- b. A driver who operates a tricycle without the necessary MTOP to be observed by the tricycle sector in pursuit of cleaner technologies and in accordance with Republic Act No. 8479, otherwise known as the "Clean Air Act", including any who incurs delinquency in payment of fees that is tantamount to an incomplete application for an MTOP, operates in highways without valid authorization, transports passenger and/or goods beyond the limitations on the number of passengers and on load capacity, or operates a tricycle 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) or the impoundment of the tricycle by an enforcement agency for a period of two (2) months.
- c. An operator who operates without the necessary MTOP or authority to operate in highways or employs a driver without the requisite license to drive a tricycle, including those below the age of majority, 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, and succeeding offenses shall warrant the revocation of the MTOP or franchise and the perpetual disqualification from being issued the said privilege.
- d. If the offender is a public official, the court may, in addition to the penalties provided in the preceding paragraph, impose the penalty of disqualification from office.

SECTION 16. Implementing Rules and Regulations (IRR). - The DOTr, in

coordination with the LTO, LTFRB, SSS, PhilHealth, DOLE, TESDA, DOST, DTI and the Department of the Interior and Local Government (DILG), shall issue the 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.

SECTION 17. *Separability Clause.* - If any provision of this Act is declared invalid or unconstitutional, other provisions hereof which are not affected thereby shall remain in full force and effect.

SECTION 18. *Repealing Clause.* - Any law, presidential decree or Issuance, executive order, letter of instruction, administrative order, rule, ordinance, or regulation contrary to or inconsistent with the provisions of this Act is hereby repealed, modified, or amended accordingly.

SECTION 19. *Effectivity Clause.* - This Act shall take effect fifteen (15) days after its publication either in the Official Gazette or in at least two (2) newspapers of general circulation in the Philippines.

Approved,