



Republic of the Philippines
Province of Isabela
MUNICIPALITY OF PALANAN

OFFICE OF THE SANGGUNIANG BAYAN

Literal copy of **Resolution No. 2020 –058** approved by the Sangguniang Bayan of Palanan, Isabela in its **Regular Session** on **June 29, 2020** held at the Legislative Session Hall, this Municipality.

Sponsored by: **HON. EARL JOHN ANGELO S. BERNARDO**, Sangguniang Bayan Member

MUNICIPAL ORDINANCE NO. 2020-058

AN ORDINANCE AMENDING MUNICIPAL ORDINANCE NO. 2005-01, SERIES OF 2005, REGULATING THE OPERATION, FARE OF KULONG-KULONG AND TRICYCLE-FOR- HIRE AND GRANTING FRANCHISES OF TRICYCLE/KULONG-KULONG IN THE MUNICIPALITY OF PALANAN, ISABELA, AND IMPOSING PENALTIES THEREOF.

Be it **ORDAINED** by the Sangguniang Bayan of Palanan, Isabela in session assembled:

SECTION 1- TITLE. This ordinance shall be known as the **"MOTORIZED TRICYCLE & KULONG-KULONG FRANCHISING AND REGULATIONS"** Ordinance.

SECTION 2. DEFINITION OF TERMS.

- (a) **Motorized Tricycle** – is a motor vehicle propelled other than by muscular power, composed of a motorcycle fitted with a single wheel sidecar or a motorcycle with a two-wheeled cab, the former having a total four wheels otherwise known as the "motorela".
- (b) **Tricycle Operators** – are persons engaged in the business of operating tricycle.
- (c) **Tricycle-for-Hire** – is a motor vehicle composed of a motorcycle fitted with a single-wheel sidecar or a motorcycle with a two-wheel cab operated to render transport services to the general public for a fee.
- (d) **Motorized Tricycle Operator's Permit (MTOP)** – is a document granting franchise or license to a person, natural or juridical, allowing him to operate tricycles-for-hire over specified zones.
- (e) **Zone** – is a contiguous land area or block, say a subdivision or barangay, where tricycles-for-hire may operate without a fixed origin or destination.

SECTION 3. RULES OF ENTRY .

3.1 . CITIZENSHIP/AGE REQUIREMENT. The following may be qualified to be an operator:

- Natural born or naturalized Filipino citizen with legal capacity to enter into a contract.
- Partnership and a member of Palanan Tricycle Driver Operator's Association (PATODA).

3.2. OWNERSHIP REQUIREMENT. The applicant-operator must be the owner of the unit as evidenced by the LTO Certificate of Registration (COR) and Official Receipt (OR) or a Deed of Sale or Sales Invoice in his favor.

3.3. INSURANCE REQUIREMENT. Immediately after issuance of MTOP, the operator must secure carriers insurance sufficient to answer liabilities to passengers and third persons in case of accidents.

SECTION 4. IMPOSITION OF FEES. There shall be collected an **Annual Fee** in the amount of **Five Hundred (P500.00) Pesos** for the operation of Tricycle and *Kulong-kulong* for hire on or before January 20.

Other Fees on Tricycle & Kulong-Kulong Operations:

1. Permit Fee	P 500.00
2. Filing fee	
a) For the first three (3) units	P 300.00
b) For each additional unit	150.00
3. Fare adjustment fee for fare increase	500.00
4. Filing fee for amendment of MTOP	200.00

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SECTION 5. TIME OF PAYMENT.

- (a) The fee shall be paid to the Municipal Treasurer upon application or renewal of the Permit.
- (b) The filing fee shall be paid upon application for an MTOP based on the number of units.
- (c) Filing fee for amendment of MTOP shall be paid upon application for transfer to another zone, change of ownership of unit or transfer of MTOP.

SECTION 6. ADMINISTRATIVE PROVISIONS.

- (a) Prospective operators of tricycle should first secure a Motorized Tricycle Operator's Permit (MTOP) from the Sangguniang Bayan.
- (b) The Sangguniang Bayan of this Municipality shall:
 1. Issue, amend, revise, renew, suspend, or cancel MTOP and prescribe the appropriate terms and conditions thereof; determine, fix, prescribe or periodically adjust fares or rates for the service provided in a zone after public hearing; prescribe and regulate zones of service in coordination with the barangay; fix, impose and collect, and periodically review and adjust but not more than once every three (3) years, reasonable fees and other related charges in the regulation of tricycles /kulong kulong for hire and establish and prescribe the conditions and qualifications of service.
 2. Only Filipino citizens and partnership or corporation with sixty percent (60%) Filipino equity shall be granted the MTOP. No MTOP shall be granted by the municipality unless the applicant is in possession of units with valid registration papers from the Land Transportation Office (LTO).
 3. The grantee of the MTOP shall carry a common carrier insurance sufficient to answer for any liability it may incur to passengers and third parties in case of accidents.
 4. Operators of Tricycles-for-hire or Kulong-kulong for hire shall employ drivers duly licensed by LTO.
 5. Operators who intend to stop service completely or suspend service for more than One (1) month shall report in writing such termination or suspension to the Sangguniang Bayan.
 6. Tricycle operators are prohibited to operate on national highways utilized by 4-wheel vehicles greater than four (4) tons and where normal speed not to exceed forty (40) KPH. The Sangguniang Bayan may provide exceptions if there is no alternative route.

Kulong-kulong/ Tricycle-for-hire shall be allowed to operate like a taxi service, i.e. service is rendered upon demand and without a fixed route within a zone.

- (c) The Sangguniang Bayan may impose a common color for tricycles for hire in the same zone. Each tricycle unit shall be assigned and bear an identification number, aside from its LTO license plate number.

It shall establish a fare structure that will provide the operator a reasonable return or profit, and still affordable to the general public. The fare structure may either be flat (single fare regardless of distance) as a minimum amount plus a basic rate per kilometer.

The Official Rate to be initially adopted shall be a minimum fee of *Ten Pesos (P10.00) plus One Pesos (P1.00) per kilometer* in excess of four (4.0) km distance pending the enactment of the prescribed fare structure for the zone by the Sangguniang Bayan.

Operators of Kulong-kulong/Tricycle-for-hire are required to post in the conspicuous part of the tricycle the schedule of fares.

- (d) The zones must be within the boundaries of this municipality. The existing zones, which covers the territorial unit not only of the municipality but other adjoining municipalities or cities as well and shall be maintained provided the operators serving the said zone secure the MTOP.
- (e) The Business Permit and Licensing Office (BPLO) and the Municipal Treasurer shall keep a registry of all Tricycle Operators, which shall include among others, the name and address of the operator and number and brand of motor vehicle owned and operated by said operator.

SECTION 7. EFFECTIVITY OF MTOP. The MTOP shall be valid and effective for three (3) years from its approval.

7.1. RENEWAL. The MTOP may be renewed for every three (3) years only if the operator has been cleared of any previous unpaid obligations with the Sangguniang Bayan.

7.2. SUSPENSION/TERMINATION/REPORT OF ACCIDENTS. In case suspension and termination of operator and accidents, the operator shall report the same in writing to the Sangguniang Bayan within seventy-two (72) hours from the date of suspension, termination or accident.

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SECTION 8. PENALTIES. The following may be imposed in case of violation of this Ordinance.

8.1. Failure to pay on time the franchising fee.

Penalty - 25% of the fees due

Interest - 2% interest / month after due date

8.2. Operating without MTO.

Fine of P 500.00 and impounding of motor vehicle until operator shall have applied for MTO.

8.3. Penalties for such other violations.

- 1st Offense** - P 200.00
- 2nd Offense** - Suspension for One (1) Month
- 3rd Offense** - Cancellation of MTO

SECTION 9. ENFORCEMENT. The Business Permit and Licensing Office (BPLO) and the Office of the Municipal Treasurer (MTO) are hereby directed to implement the provisions of this Ordinance.

SECTION 10. SEPARABILITY CLAUSE. If, for any reason (s), any part of this ordinance shall be held unconstitutional or invalid, other parts or provisions hereof, which are not affected thereby, shall continue to be in full force and effect.

SECTION 11. REPEALING CLAUSE. All ordinances, rules and regulations in conflict with the provisions of this Ordinance are hereby modified/repealed.

SECTION 12. EFFECTIVITY CLAUSE. This Ordinance shall take effect upon its approval.


Enacted, June 29, 2020.


I HEREBY CERTIFY to the correctness of the foregoing Ordinance.


NELIA ALAMO-PLATA
Secretary to the Sanggunian

ATTESTED AND CERTIFIED
TO BE DULY ADOPTED:

APPROVED:


JIMMY B. GONZALES
Municipal Vice Mayor/Presiding Officer


ELIZABETH B. OCHOA
Municipal Mayor
 Date: 07-09-2020

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