

Republic of the Philippines  
20<sup>th</sup> City Council  
Quezon City

PROPOSED ORDINANCE NO. SP-\_\_\_\_\_, S-2018

**AN ORDINANCE MANDATING THE TRICYCLE OPERATOR/S OPERATING IN THE CITY TO PROVIDE A PERSONAL ACCIDENT INSURANCE COVERAGE PROGRAM FOR THE PROTECTION OF TRICYCLE DRIVER/S AND PASSENGER/S AND PROVIDING FUNDS THEREOF.**

**INTRODUCED BY: COUNCILORS RAMON P. MEDALLA AND OLIVIERE T. BELMONTE**

**WHEREAS**, Section 374 of Presidential Decree No. 1460 as amended by Presidential No. 1814 also known as the Insurance Code states that: "It shall be unlawful for any land-transportation operator or owner of a motor vehicle to operate the same in public highways, unless there is in force, in relation thereto, a policy of insurance or guaranty in cash or surety bond issued in accordance with the provisions of this chapter to indemnify the death, bodily injury and or damage to property of a third party or passenger, as the case maybe, arising from the use thereof.";

**WHEREAS**, Likewise, Section 5(b) of Commonwealth Act 146, as amended by Executive Order 202, empowers the Land Transportation Franchising regulatory Board (LTFRB), "to issue, amend, revise, suspend or cancel Certificate of Public Convenience or permits authorizing the operation of public land transportation services that are provided by motorized vehicles, and to prescribe the appropriate terms and conditions thereof.";

**WHEREAS**, However, tricycle drivers and passengers are not covered by the above stated laws, instead the Local Government Unit (LGU) has the power to regulate the operation of tricycle and grant franchises for the operation thereof within the territorial jurisdiction of the city as stated in Section 458 of RA 7160 (3)(VI);

**WHEREAS**, there are around 600,000 registered tricycle units found in the different parts of the Philippines, twenty four thousand, seven hundred thirteen (24,713) of which is found in Quezon City;

**WHEREAS**, over the years, the tricycle sectors has become a major social concern due to the worsening traffic, proliferation of colorum, accidents involving tricycles and an increasing number of families that are dependent on tricycle operation for livelihood;

**WHEREAS**, tricycle drivers and passengers are the most vulnerable when an accident happens and without personal insurance coverage to protect them;

**WHEREAS**, countless number of accidents involving tricycles colliding or bumping with other vehicles are bannered in the front pages of different newspapers of local, national and international circulation;

**WHEREAS**, the lack of "Personal Accident Insurance Coverage Program" is one of the major concern of the city and was the main reason for the crafting of this ordinance, to protect the drivers and passengers of tricycle.

**BE IT ORDAINED BY THE MEMBERS OF THE 20<sup>th</sup> QUEZON CITY COUNCIL IN SESSION ASSEMBLED THAT:**

**SECTION 1. TITLE** – This ordinance shall be known as the “Personal Accident Insurance Coverage Program for Drivers and Passengers of Tricycle.”

**SECTION 2. DECLARATION OF POLICY** – The Tricycle Management Code of Quezon City comprehensively addressed all aspects of operation, regulation and social protection for the tricycle sector and as a matter of the city’s intensified effort, providing Personal Accident Insurance Coverage Program for Drivers and Passengers shall be an integral part of this policy prior to the issuance, renewal and updating of tricycle franchise.

**SECTION 3. PERSONAL ACCIDENT INSURANCE COVERAGE** – This ordinance shall covered drivers and passengers of motorcycle plying within the territorial jurisdiction of the city with a valid license and franchise.

**SECTION 4. ENROLLMENT OF DRIVERS AND PASSENGERS** – All owners/operators is the one responsible for securing a personal accident insurance policy as mandated by this ordinance for the protection of the drivers and passengers.

**SECTION 5. PERSONAL ACCIDENT INSURANCE POLICY** – When the injury incurred in any of the following losses within one (1) year from the date of accident the City Government will subsidies for the 1<sup>st</sup> year and it will pay for the corresponding compensation based on the principal sum:

BENEFITS	COMPENSATION
1. Death	Php 50,000.00
2. Permanent Total/Partial Disablement	The sum equal to the following amount in all Php 50,000.00 for any One insured person
A. Loss of two or more limbs or both eyes	Php 50,000.00
B. Permanent total disablement other than 2 A from gainful employment of any and Every kind	Php 50,000.00
C. Loss of one limb or one eyes	Php 35,000.00
D. Loss of hearing – both ears	Php 37,500.00
One ear	Php 17,500.00
E. Loss of speech	Php 25,000.00
F. Loss of thumb	Php 15,000.00
G. Loss of index finger	Php 7,500.00

**SECTION 6. THE TRICYCLE FRANCHISING BOARD (TFB) OF QUEZON CITY** – Is the lead agency and is hereby tasked by this ordinance:

- a. To make an inventory of all passenger tricycle and tricycle-for-hire operating in the city with existing franchise to determine their actual present numbers.
- b. To facilitate and supervise the implementation of the Personal Accident Insurance Coverage Program for Tricycle Drivers and Passengers.
- c. No Personal Accident Insurance Coverage Program for Drivers and Passengers mean No Issuance, Renewal or Updating of their existing Tricycle Franchise.
- d. Non-Compliance to this ordinance is subject for the cancellation of their franchise.

**SECTION 7. SUBSIDY AND GRANTS** – for the first year of the implementation of this ordinance, the city shall subsidize the tricycle operators 50% of the total amount of the Personal Accident Insurance Coverage Program and the remaining 50% shall be shouldered by the operators.

**SECTION 8. SEED FUNDING** – the city shall allocate a seed money amounting to twenty million pesos (20,000,000.00) for this purpose.

**SECTION 9. MEMORANDUM OF AGREEMENT WITH ACCIDENT INSURANCE COMPANY** – the Tricycle Franchising Board (TFB) of the city, as the lead agency, shall enter into a Memorandum of Agreement with any reputable and good standing accident insurance company operating in the city to ensure that the protection sought for shall be guaranteed.

**SECTION 10. APPLICATION FOR SUBSIDY** – the tricycle operators shall apply directly to the city's Tricycle Franchising Board (TFB) to avail of such subsidy.

**SECTION 11. ONE YEAR GRACE PERIOD COVERAGE** – the tricycle operators were only given a grace period of one (1) year after the passage of this ordinance to avail of the city's subsidy and to comply with the mandate of this ordinance of insuring the driver/s and passengers of the tricycle/s after which they shall be penalized accordingly.

**SECTION 12. PENALTY CLAUSE** – The penalty clause for defying the mandate of this ordinance shall be the suspension or cancellation of Certificate of Public Convenience or permit authorizing the operation of their tricycle/s as public transportation.


**SECTION 13. REPEALING CLAUSE** – All local legislations and executive directives inconsistent or are in conflict with this ordinance are hereby repealed or modified.

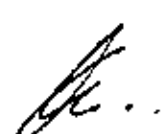
**SECTION 14. SEPARABILITY CLAUSE** – The provisions of this ordinance are separable. If for any reason, any section of this ordinance shall be declared to be unconstitutional or invalid, the validity of the other provisions shall not be affected and shall continue to be in full force and effect.

**SECTION 15. EFFECTIVITY** – This ordinance shall take effect on the day following the full publication of this ordinance for two (2) consecutive weeks in the newspaper of general circulation.

Enacted \_\_\_\_\_, 2018.

Submitted by:

  
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