



Republic of the Philippines
CITY COUNCIL
Quezon City
15th City Council
64th Regular Session

PO2002-244

ORDINANCE NO. SP- **1256** , S-2003

AN ORDINANCE REQUIRING THE PRIOR NOTICE TO TRICYCLE FRANCHISING BOARD COVERING THE TRANSFER OF A TRICYCLE UNIT THROUGH A DEED OF SALE, AND PROVIDING PENALTY FOR VIOLATION THEREOF.

Introduced by Councilors WENCEROM BENEDICT C. LAGUMBAY, BERNADETTE HERRERA-DY, WILMA AMORANTO-SARINO, VICTOR V. FERRER, JR., ELIZABETH A. DELARMENTE, ROMMEL R. ABESAMIS, VOLTAIRE GODOFREDO L. LIBAN III, RAMON P. MEDALLA, ALLAN BUTCH T. FRANCISCO, ERIC Z. MEDINA, MARY ANN L. SUSANO, JORGE L. BANAL, JULIAN M.L. COSETENG, FRANZ S. PUMAREN, DANTE M. DE GUZMAN, JESUS MANUEL C. SUNTAY, ALMA F. MONTILLA, ANTONIO E. INTON, JR., JANET M. MALAYA, RICARDO R. DEL ROSARIO, RESTITUTO B. MALAÑGEN and XYRUS L. LANOT.

WHEREAS, pursuant to Ordinance No. SP-15, S-92, Section 6, tricycle operators apply for franchises and the corresponding body numbers are assigned to units with franchises;

WHEREAS, it is becoming a rampant practice of tricycle operators, issued with tricycle franchises with designated body numbers, to sell their tricycle units for unconscionable price with the condition that the vendee will be first in priority in acquiring the slot for the franchise subsequently cancelled after the sale;

WHEREAS, vendors, on the one hand, made it appear that what they are selling is the tricycle unit. However, later on, it is discovered through the process of application, that what is actually being paid for at the price agreed upon, is the franchise or the right to be prioritized in purchasing the franchise after its cancellation and/or the body number;

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WHEREAS, the vendee, on the other hand, is compelled to pay unconscionable price as consideration not actually for the tricycle unit as they made it appear, but the priority given to them to acquire the franchise and body number;

WHEREAS, this practice has caused injustice to these consenting vendees and all those who are willing to operate legally considering that the application for franchise costs only Two Hundred Thirty Pesos (P230.00) to Two Hundred Eighty Pesos (P280.00) while the simulated sale amounts to approximately Thirty Thousand Pesos (P30,000) to Fifty Thousand Pesos (P50,000) and more, hence, circumventing the purpose of the law to make it easier and bearable to these vendees the process of issuing franchises;

WHEREAS, the City government must undertake some measures to penalize these operators and those consenting vendees to stop this malpractice and protect the interests of those who wish to operate legally;

WHEREAS, it is necessary that an automatic cancellation of franchises be effected and that the Tricycle Franchising Board should be notified of the sale of tricycle units covered with the franchise so that the practice of selling tricycle units with franchises at an unconscionable price will be monitored and lessened;

NOW, THEREFORE,

BE IT ORDAINED BY THE CITY COUNCIL OF QUEZON CITY
IN SESSION ASSEMBLED:

SECTION 1. The tricycle owners/operators with franchise are hereby required to notify the Tricycle Franchising Board prior to the transfer of the same through a Deed of Sale.

SECTION 2. It must not be construed that once a tricycle unit is sold the vendee also acquires the franchise covering it. The franchise covering the same is automatically cancelled upon sale of the unit. Franchise is non-transferable.

SECTION 3. A maximum penalty of Five Thousand Pesos (P5,000.00) and blacklisting of operator and driver shall be imposed upon those found guilty of violating this prior notice rule and those found engaging in the practice of selling the unit, with franchise for unconscionable price.

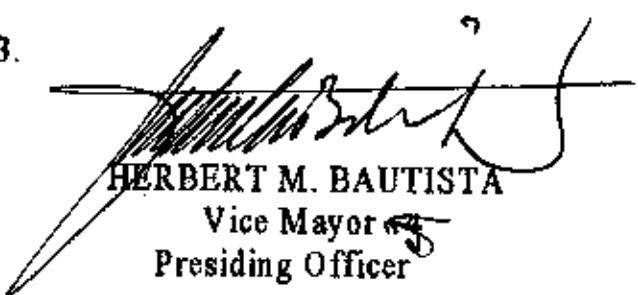
SECTION 4. Any officer or personnel of the concerned government agencies found to have participated in any transaction of this nature or found to have manipulated the registration of these franchises, shall face the corresponding administrative charges.

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SECTION 5. The Tricycle Franchising Board shall formulate a method by which they can check and identify transactions of this kind. The Tricycle Regulatory Unit shall likewise conduct necessary investigation on the matter.

SECTION 6. This ordinance shall take effect upon its approval.

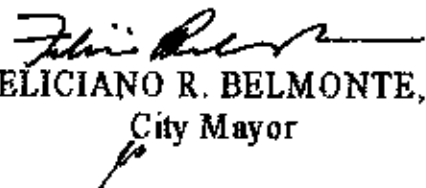
ENACTED: May 6, 2003.


HERBERT M. BAUTISTA
Vice Mayor
Presiding Officer

ATTESTED:



EUGENIO V. JURILLA
City Council Secretary
via

APPROVED: June 20, 2003


FELICIANO R. BELMONTE, JR.
City Mayor

CERTIFICATION

This is to certify that this Ordinance which was APPROVED on Second Reading on May 6, 2003, was finally PASSED on Third Reading by the City Council on May 20, 2003.


EUGENIO V. JURILLA
City Council Secretary
via

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