



Republic of the Philippines  
 Province of Iloilo  
**MUNICIPALITY OF OTON**  
**OFFICE OF THE SANGGUNIANG BAYAN**

**EXCERPT** from the Minutes of Session of the Sangguniang Bayan ng Oton, Iloilo recorded during its Regular Session held at the SB Session Hall on **June 26, 2023** at 2:00 in the afternoon.

**PRESENT:**

Vice Mayor Jose Neil Portugalete Olivares  
 Hon. Jimmy Robles Olivares  
 Hon. Ma. Lorna Tumambo Geonigo  
 Hon. Dennis Quillo Geroche  
 Hon. Ernesto Cordova Ticao  
 Hon. Lee Cereneo Alison – Bretaña  
 Hon. Grace Marie Escanlar-Cruz  
 Hon. Rodolfo Zurita Alconga, Jr.  
 Hon. Vanessa Turita Salinas  
 Hon. Antonio Prias Masculino, Jr.  
 Hon. Ella Mae Seguiza Yeoh

Vice Mayor and Presiding Officer  
 SB Member  
 SB Member  
 SB Member  
 SB Member  
 SB Member  
 SB Member  
 SB Member  
 SB Member (LNB Representative)  
 SB Member (PPSK Representative)

**On Official Business:** None.  
**Absent:** None.



**ORDINANCE NO. 2023 - 418**

**AN ORDINANCE PRESCRIBING THE SYSTEM OF REGISTRATION AND RENEWAL OF FRANCHISE AND MAYOR'S PERMIT TO OPERATE OF TRICYCLES FOR HIRE (TCH), AMENDING FOR THIS PURPOSE MUNICIPAL ORDINANCES 2007 – 182 AND 1992 -12.**

As proposed by Vice Mayor Jose Neil P. Olivares, on motion of Hon. Jimmy R. Olivares which was duly seconded by Hon. Dennis Q. Geroche,

Be it ordained by this Sanggunian that:

**SECTION 1. DECLARATION OF POLICY** – It is the policy of the Local Government Unit of Oton that the system in the granting of franchise to Tricycles for Hire (TCH) and its renewal by the Sangguniang Bayan, including the granting and renewal of Mayor's Permit to Operate for TCH shall be streamlined in accordance to the provisions of the Local Government Code of 1991, specifically Section 447 (3) (vi), and related issuances of the Department of the Interior and Local Government and the Department of Transportation.

**SECTION 2. DEFINITION OF TERMS** – For purposes of this ordinance, the following terms are defined as:

- a. **Motorized Tricycle Operator's Permit (MTOPI)** – a franchise document issued by the Sangguniang Bayan ng Oton through the Office of the Vice Mayor to a qualified person, natural or juridical, giving the latter the privilege to operate a Tricycle for Hire on a route duly created by an ordinance. Such document contains the duration of the privilege which is three (3) years and the conditions anent thereto.
- b. **Franchise** – a privilege provided by law to the Sangguniang Bayan ng Oton which the latter may grant to any qualified person who can operate a tricycle for hire in a specific route subject to the provisions of local and national laws. Such privilege belongs to the Sanggunian who has the power to cancel, revoke or terminate the franchise if the franchisee violates the conditions of the franchise.
- c. **Franchisee** – a person granted an MTOPI by the Sangguniang Bayan whose privilege is limited to the conditions anent to the franchise as governed by enabling ordinances.
- d. **Tricycle for Hire (TCH) unit** – a motor vehicle composed of a motorcycle fitted with a single wheel side car or a motorcycle with two - wheel rear cab. The former having a total of three wheels and the latter having a total of four wheels, operated to render transport services to the general public for a fee.
- e. **TCH Driver** – a person who has a professional driver's license issued by the Land Transportation Office (LTO).
- f. **Applicant** - a person who owns a motorcycle or a motorcycle with side car and applies for an MTOPI and Mayor's Permit to Operate. He may issue an authority duly notarized to a person to process his application.
- g. **TCH Operator** – a person who owns and operates a TCH for having been granted an MTOPI and an MPO.

- h. **Mayor's Permit to Operate (MPO)** – a document signed by the Mayor or his duly authorized department head or employee which manifests that the applicant has complied with all the franchise requirements and paid the required fees or charges.
- i. **MTOP Fee** – also known as Franchise fee covering the period of three years upon issuance of MTOP.
- j. **Supervision Fee** – a fee for supervision, monitoring and inspection including the issuance of stickers and related certifications for local offices.
- k. **Amendment of MTOP Fee** – a fee imposed when an MTOP is to be amended in cases of change of route, motor or change of ownership on TCH unit.
- l. **Confirmation/Verification Fee** – a fee for the issuance of a Certificate of Confirmation or Verification when required by a national government agency like the LTO.
- m. **Dilapidated TCH** – a TCH unit no longer road worthy to operate as TCH, as certified by the joint inspection team.
- n. **Joint Inspection Team (JIT)** – An inspection team for TCH jointly composed by employees of the MDRRMO and the SB ng Oton, tasked to check the compliance of a TCH unit to governing ordinances, national laws or guidelines of NGA's.
- o. **Reserve Certificate** – A Certificate issued by the Sangguniang Bayan through the Office of the Vice Mayor certifying that there is an allotted franchise slot in a specified applied route to an applicant who shall finish the processing of MTOP in any local or national government agency within thirty (30) days upon issuance of such certificate.
- p. **Reserve Fee** – a fee for the issuance of a Reserve Certificate for a TCH franchise.

**SECTION 3. REGULATORY CLAUSE** – The following shall be observed in the granting and renewal of Franchise for Tricycles for Hire (TCH)

- a. The Franchise for TCH belongs to the Sangguniang Bayan ng Oton. It shall be beyond the commerce of men. The sale or assignment of the franchise for TCH to any other person shall be prohibited and, in such cases, the unauthorized sale or assignment shall be void ab initio and will not transfer or confer any right or privilege to any person, buyer, assignee or transferee.
- b. The MTOP shall be valid for three (3) years. It can be renewed by the franchisee before the 3<sup>rd</sup> year anniversary. If franchisee fails to renew, he shall have an extension of thirty (30) days. If no renewal is made after the lapse of the 30-day period, the franchisee is already in default, thus, the Sanggunian may award the lapsed MTOP to another qualified applicant.
- c. The MTOP is limited only to the specified maximum number of TCH in a certain route based on the adopted Route Measure Capacity.
- d. The Franchisee shall comply the conditions in the MTOP and the provisions of ordinances governing the granting of MTOP. Failure to comply will result to the revocation of MTOP upon observance of due process.

**SECTION 4. ADMINISTRATIVE PROVISIONS**

- A. **Application for Franchise** – An applicant for TCH franchise shall first inquire with the Sangguniang Bayan Secretary if there is an available franchise in the route applied for. If there is an available franchise, the applicant shall be issued a Reserve Certificate for the latter to process the franchise applied for within 30 days upon issuance thereof.
- B. **Requirements and System for the Issuance of MTOP and MPO:**
  - 1. Applicant must be a resident of the Municipality of Oton, Iloilo for at least two (2) years as certified by the concerned Punong Barangay;
  - 2. The unit must be registered with the Land Transportation Office (LTO) as Motorcycle for Hire (MCH) or Motorcycle with Side Car;
  - 3. Applicant must be of legal age at least twenty-one (21) years of age;
  - 4. Proof of ownership of the MCH/MC with Side Car unit as shown in the Certificate of Registration (CR) and Official Receipt (OR) issued by the LTO;
  - 5. Certificate of Inspection on the unit issued by the Joint inspection Team of the SB and MDRRMO certifying that the unit is compliant to ordinances and DOTr guidelines and is road worthy;
  - 6. Seminar Certificates of both the owner and the driver issued by the MDRRMO.
  - 7. Issuance of the Motorized Tricycles Operator's Permit (MTOP) upon compliance of the abovementioned requirements by the Vice Mayor on behalf of the Sangguniang Bayan.
  - 8. Payment of Fees at the Municipal Treasurer's Office.
    - a. MTOP Fee – Php 500.00 (every 3 years)

- b. Confirmation/Verification – Php 300.00
- c. Supervision (Sticker/Inspection) – Php 250.00
- d. Reserve fee – Php 200.00 (new applicants)
- e. MTOP Amendment – Php 200.00 for every amendment  
 ex. change motor; change owner
- f. MPO – Php 300.00
- g. Environmental Fee – Php 50.00

C. Requirements for renewal of MTOP and MPO:

1. Certification of the concerned TODA president and the Punong Barangay concerned that the franchisee conveyed passengers for a period of not less than two (2) years;
2. Applicant has not violated the provisions of the MTOP since its issuance as determined by the JIT;
3. Certificate of Inspection on the unit by the JIT
4. Payment of renewal fees.
  - a. Renewal Fees shall be the same as provided above in B.8
  - b. Penalty for late renewal – Php 200.00
  - c. MTOP fee is not due if within the 3-year period of the MTOP. The SB through the Vice Mayor shall issue a Certification of Existing Franchise.

D. The Municipal Treasurer’s Office shall, on the effectivity of this ordinance, turn over to the Secretary to the Sanggunian all pertinent TCH records **on franchise** since 1992 under the coverage of Mun. Ordinance 1992-12 and 2007-182.

E. The maximum number of MTOP that can be granted to an applicant is up to three (3) units.

**SECTION 5. PENALTY CLAUSE.**

A. A **Driver and TCH Owner** operating a TCH unit **without an MTOP** shall be meted the following Penalties:

	FIRST OFFENSE	SECOND OFFENSE	THIRD OFFENSE
a. Driver	Fine of Php 500.00 or Imprisonment of one (1) day.	Fine of Php1,000.00 or imprisonment of two (2) days.	Fine of Php1,500.00 or imprisonment of Three (3) days or both at the discretion of the court.
b. TCH Owner	Fine of Php1,000.00 or imprisonment of two (2) days.	Fine of Php2,000.00 or imprisonment of two (2) days.	Fine of Php 2,500.00 or imprisonment of Three (3) days or both at the discretion of the court.

B. An accessory penalty of Denial of MTOP or Denial of Renewal of MTOP shall be meted to a TCH Owner on the Third Offense.

**SECTION 6. REPEALING CLAUSE.** All municipal ordinances or parts of any municipal ordinance inconsistent with the provisions of this Ordinance are hereby repealed or modified accordingly.

**SECTION 7. SEPARABILITY CLAUSE.** If any provision of this Ordinance is held invalid, the other provisions not affected thereby shall continue in operation.

**SECTION 8. EFFECTIVITY CLAUSE** – Based on Section 511 of the Local Government Code, this Ordinance with penal sanctions shall take effect either on the day following its publication, or at the end of three (3) consecutive weeks period of posting, whichever occurs later.

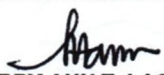
**SECTION 9. COPIES** - This Ordinance shall be furnished to the Office of the Mayor; MTO, MBO, Accounting, Mun. Administrator, BPLO, MDRRMO, TMTF, OMFRB, OFTODA, Oton–PNP; 37 barangays; Municipal Legal Officer; and the Sangguniang Panlalawigan of Iloilo for information, guidance and review respectively.

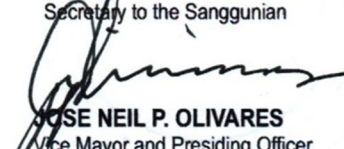
**UNANIMOUSLY APPROVED.**

I HEREBY CERTIFY to the correctness of the foregoing Ordinance.

Concurred:   
**VANESSA T. SALINAS**  
 Committee on Rules and Privileges

Attested:

  
**KERRY ANN T. LACIFICAR**  
 Secretary to the Sanggunian

  
**JOSE NEIL P. OLIVARES**  
 Vice Mayor and Presiding Officer

Approved:   
**SOFRONIO L. FUSIN, JR.**  
 Municipal Mayor

Date Approved:     JUL 19 2023    

Date Posted:     JUL 19 2023