

Republic of the Philippines
Province of Cagayan
TUGUEGARAO CITY

NINTH CITY COUNCIL

COMMITTEE REPORT NO. - 171-2024
May 23, 2024

Submitted by:

COMMITTEE OF THE WHOLE

HON. BIENVENIDO C. DE GUZMAN II	-	City Vice Mayor/Chairman
HON. JUDE T. BAYONA	-	Member
HON. MARK ANGELO B. DAYAG	-	Member
HON. MARC ALOUS C. BACCAY	-	Member
HON. RONALDO S. ORTIZ	-	Member
HON. MARY MARJORIE P. MARTIN CHAN	-	Member
HON. IMOGEN CLAIRE M. CALLANGAN	-	Member
HON. GRACE B. ARAGO	-	Member
HON. TIRSO S. MANGADA	-	Member
HON. KARINA S. GAUANI-VIERNES	-	Member (Via Zoom)
HON. RESTITUTO C. RAMIREZ	-	Ex-Officio Member

ABSENT:

HON. GILBERT S. LABANG	-	Member
HON. MARIA ROSARIO B. SORIANO	-	Member
HON. ARNEL T. ARUGAY	-	Member
HON. CERENE PEARL T. QUILANG	-	Member

GUESTS/RESOURCE PERSONS:

BUENAVENTURA F. LAGUNDI	-	City Treasurer
LUTHGARDA BINGCANG	-	City Budget Officer
ANGELINE T. SOMERA	-	City Accountant

SUBJECT:

DRAFT ORDINANCE GRANTING FINANCIAL ASSISTANCE THROUGH FUEL SUBSIDY AMOUNTING TO ONE THOUSAND PESOS (1,000.00) TO ALL LEGITIMATE OPERATOR AND/OR DRIVER TRICYCLES-FOR-HIRE PLYING THE ROUTES ESTABLISHED IN THE TRICYCLE ROUTE PLAN (TRP) OF TUGUEGARAO CITY

SUBJECT:

DRAFT ORDINANCE PROVIDING FUEL SUBSIDY TO ALL TRICYCLE DRIVERS FOR HIRE IN TUGUEGARAO CITY AND PROVIDING FUNDS THEREFOR

FOR THE PRESIDING OFFICER:

The Committee of the Whole met and deliberated jointly on the above subject matters pertaining to grant of assistance in the form of fuel subsidy to tricycle drivers in Tuguegarao City. Hon. Mark Angelo B. Dayag together with Hon. Tirso V, Mangada and Hon. Bienvenido C. De Guzman II, the principal authors and sponsors of the subject proposed Ordinance to be known as "An Ordinance Granting Financial Assistance Through Fuel Subsidy Amounting to One

Thousand Pesos (P1,000.00) to All Legitimate Operators and/ or Driver Tricycles-For-Hire Plying the Routes Established in the Tricycle Route Plan (TRP) of Tuguegarao City."

ACTIONS TAKEN:

Records of the Tricycle Regulatory Unit (TRU) of Tuguegarao City would show that there are about Seven Thousand Eight Hundred Thirty Two (7,832) registered tricycle units duly issued with Legislative Franchise to operate their tricycles as public conveyance in Tuguegarao City.

During the committee deliberations, members of the committee have expressed their concerns on the plight of tricycle drivers in Tuguegarao City who experienced hardships in coping with the increasing cost of fuel and other petroleum products.

While it may be true that the amount to pay of tricycle drivers and/or operators Tuguegarao City Government in the form of franchise fee and other fees is less that the amount intended as fuel subsidy assistance, the beneficiaries have indirect considerable contribution to the economy and revenue earnings of the city. Tricycle drivers and/or operators are regular customers and consumers of fuel and petroleum products. They buy spare parts for the maintenance of their tricycle units.

The amount intended for fuel subsidy assistance is a small relief that may address the plight of this transport sector in the city.

However, upon inquired from the members of the City Local Finance Committee regarding the possible allocation of funds for grant of fuel subsidy assistance to tricycle drivers plying in Tuguegarao City. Ms. Bingcang, City Budget Officer stated that there is no available funds that may be allocated for the said purpose.

Mr. Buenaventura Lagundi, City Treasurer made an opinion that it would be better for the tricycle drivers and operators to form a cooperative for them to avail the benefits of a cooperative where assistance may be channelled.

RECOMMENDATION:

After thorough discussions and notwithstanding, the declaration of the members of the Local Finance Committee that there is no funds allocated for fuel subsidy assistance to Tricycle Drivers in Tuguegarao City, the Committee of the Whole recommends the passage of the *Ordinance Granting Financial Assistance Through Fuel Subsidy Amounting to One Thousand Pesos (P1,000.00) to All Legitimate Operators and/ or Driver Tricycles-For-Hire Plying the Routes Established in the Tricycle Route Plan (TRP) of Tuguegarao City.*

SO RECOMMENDED.

Respectfully submitted:

HON. BIENVENIDO C. DE GUZMAN II
City Vice Mayor/Chairman

HON. JUDE T. BAYONA
Member

HON. TIRSO V. MANGADA
Member

HON. MARK ANGELO B. DAYAG
Member

HON. MARC ALDOUS C. BACCAY
Member

HON. MARY MARJORIE P. MARTIN-CHAN
Member

HON. RONALDO S. ORTIZ
Member

HON. IMOGEN CLAIRE M. CALLANGAN
Member

HON. GRACE B. ARAGO
Member

HON. RESTITUTO C. RAMIREZ
Member

HON. KARINA S. GAUANI VIERNES
Member

**AN ORDINANCE GRANTING FINANCIAL ASSISTANCE THROUGH FUEL
SUBSIDY AMOUNTING TO ONE THOUSAND PESOS (PHP 1,000.00) TO ALL
LEGITIMATE OPERATOR AND/ OR DRIVER TRICYCLES-FOR-HIRE PLYING
THE ROUTES ESTABLISHED IN THE TRICYCLE ROUTE PLAN (TRP) OF
TUGUEGARAO CITY**

Sponsored by:

**HON. TIRSO V. MANGADA
HON. BIENVENIDO C. DE GUZMAN II
HON. MARK ANGELO B. DAYAG
HON. JUDE T. BAYONA
HON. MARIA ROSARIO B. SORIANO
HON. MARC ALDOUS C. BACCAY
HON. KARINA S. GAUANI- VIERNES
HON. RONALDO S. ORTIZ
HON. IMOGEN CLAIRE M. CALLANGAN
HON. RESTITUTO C. RAMIREZ**

WHEREAS, Section 10, Article II of the 1987 Constitution provides that the State shall promote social justice in all phases of national development;

WHEREAS, under Section 5 paragraph c of the Local Government Code of the Philippines expressly states that, “The general welfare provisions in this Code shall be liberally interpreted to give more powers to local government units in accelerating economic development and upgrading the quality of life for the people in the community”;

WHEREAS, in accord with Section 16 of the Local Government Code of the Philippines also known as the General Welfare Provisions, the Local Government Unit is granted powers to ensure and support the enhancement of the economic status of its constituents.

WHEREAS, City Ordinance No. 08-2013 or the “Tuguegarao City Ordinance of 2013” as amended provides that it shall be the policy of the City to ensure, in collaboration with the FETODA and riding public, that tricycle transport is part of an integrated transport system in the City which seeks to meet the needs of all public transport users;

WHEREAS, Tricycle Drivers are indubitably a major part of the community of Tuguegarao City. Their significance has even become titular to our city and has aided the general public in the ordeals of transportation;

WHEREAS, with reference to the above premise, it is only proper for the city government to not only recognize their existence and contributions, but their struggles as well;

WHEREAS, Tricycle Drivers have been greatly affected by continuous global predicaments such as the pandemic and international conflict between major suppliers of Petroleum which incidentally is a necessary resource for their operations as Tricycle Drivers;

WHEREAS, it is imperative for the city government to take action in aiding the Tricycle Drivers within our city as the convenience of the general public is consequential;

SECTION 1. TITLE. This ordinance shall be known as *“Tuguegarao City Tricycle Fuel Subsidy.”*

SECTION 2. PURPOSE OF THE ORDINANCE - The Tuguegarao City is exhausting efforts to recognize the plight of the Tricycle Drivers who were overwhelmed with various challenges since the onset of the pandemic including other factors such as the conflict between Russia and

Ukraine which caused the oil price hike as both countries are major distributors of such across the globe.

Corollary thereto, and in order to mitigate the ill effects of the future and unprecedented oil price hike on the Transportation Sector of Tuguegarao City, this ordinance shall grant financial assistance in the form of fuel subsidy to all legitimate Tricycle Drivers and Operators of Tuguegarao City.

SECTION 3: DEFINITION OF TERMS. For the purposes of this ordinance, the following terms shall be defined as follows:

- a. FUEL SUBSIDY – Refers to the fuel voucher amounting One Thousand Pesos (Php 1,000) provided to eligible and qualified tricycle drivers and/or operators to offset the increased cost of fuel.
- b. FUEL – refers to the substance that is burned or otherwise consumed to produce energy and used to power tricycles.
- c. TRAFFIC REGULATORY UNIT/TRU – the Traffic Regulatory Unit of the City Government of Tuguegarao under the Office of the City Mayor.
- d. TRICYCLE — a motor vehicle composed of a motorcycle fitted with a single wheel sidecar used to convey or transport passengers at a fixed rate or fare to their places of destination.
- e. TRICYCLE DRIVER — any person duly licensed by the Land Transportation Office (LTO) to drive and operate a motorcycle or tricycle and who actually drives and controls a motorized tricycle while in operation in public streets and highways.
- f. TRICYCLE OPERATOR — the registered owner of a motorized tricycle as appearing in the Certificate of Registration issued by the Land Transportation Office.
- g. FRANCHISE — the grant issued by the Sangguniang Panlungsod in accordance with Section 458 (a) (3) (vi) of the Local Government Code allowing and/or permitting a qualified person, either natural or juridical, to operate a tricycle transport service within the territorial limits of the City.
- h. FRANCHISEE — a bona fide resident and registered voter of Tuguegarao City to whom and, in his name, the franchise is issued.
- i. TRICYCLE OPERATOR'S PERMIT (TOP) — the document granting a franchise or license to operate a tricycle
- j. TODA – Refers to a duly-formed Tricycle Operators and Drivers Association within Tuguegarao City.
- k. FETODA — Federation of Tricycle Operators and Drivers Association.

SECTION 3. SCOPE AND LIMITATION. This ordinance shall only be intended to all legitimate operators/drivers who are holders of a valid and subsisting Tricycle Franchise duly issued by the Tricycle Regulation Unit (TRU) of Tuguegarao City.

SECTION 4. MECHANISM. The following mechanism will be observed in the distribution of the herein-stated fuel subsidy:

- 4.1. The amount of One Thousand Pesos (1,000.00) shall be given to all qualified beneficiaries annually.
- 4.2. The Tricycle Regulation Unit (TRU) shall submit the payrolls for obligation of the qualified operators/drivers to the City Budget Office.
- 4.3. As soon as the cash/ check will be ready for release, the TRU shall communicate to all Tricycle Operators and Drivers Association (TODA) President of each barangay for proper coordination.
- 4.4. When the beneficiary/claimant is not the declared owner of the Tricycle Franchise, he/she shall provide a Special Power of Attorney (SPA) and such other relevant documents which may be required of him/her.

4.5. The Office of the City Mayor through the Tricycle Regulation Unit (TRU), being the implementing office shall establish procedures for the application, verification, and disbursement of the fuel subsidy, ensuring transparency and accountability in the process

SECTION 5. QUALIFICATIONS OF BENEFICIARIES. The following shall be the qualifications of the beneficiaries of the herein subsidy.

- 5.1. A holder of a valid and subsisting Tricycle Franchise duly issued by the Tricycle Regulation Unit (TRU) of Tuguegarao City.
- 5.2. A bonafide resident of Tuguegarao City.
- 5.3. A bonafide member of a duly-registered TODA or the FETODA.
- 5.4. A holder of a valid driver's license issued by the Land Transportation Office (LTO).
- 5.5. Should be of good record standing with no single complaint duly filed at the TRU.
- 5.6. In case of a tricycle operator, he or she must have a Tricycle Operators Permit (TOP).
- 5.6. Other qualifications deemed necessary as set forth by the TRU.

SECTION 6. UNLAWFUL ACTS. It shall be unlawful for a tricycle driver and/or operator applying for fuel subsidy to misrepresent and submit fraudulent claims or false information to obtain the fuel subsidy.

SECTION 7. PENALTIES FOR FRAUDULENT CLAIMS. Any driver or operator found violating the preceding section shall be the basis of his immediate disqualification to claim fuel subsidy from the City for one year.

SECTION 8. IMPLEMENTATION. This ordinance shall be implemented by the Office of the City Mayor through the Tricycle Regulation Unit (TRU) which shall form part of the latter's yearly activity and formulate the necessary guidelines and administrative procedures for the effective execution of the fuel subsidy program.

SECTION 9. APPROPRIATION/FUNDING. The budget needed for the implementation of this ordinance shall be appropriated and authorized in the Annual Budget and/or Supplemental Budget of the city, subject to the availability of fund, existing laws, rules and regulations.

SECTION 10. REPEALING CLAUSE - Any and all other existing ordinances or parts thereof, containing provisions which are inconsistent or contrary with any of the provisions declared herein are hereby deemed repealed, amended, or modified accordingly.

SECTION 11. SEPARABILITY CLAUSE. - If any part of this Ordinance, is for any reason, declared to be unconstitutional or invalid, the other parts or provisions hereof which are not affected thereby shall continue to be valid and effective.

SECTION 12. EFFECTIVITY CLAUSE. - This Ordinance shall immediately take effect upon its approval and upon compliance of the mandatory posting and publication requirements prescribed under RA 7160, otherwise known as the "Local Government Code of 1991."