

[ , January 09, 1991 ]

## **RULES AND REGULATIONS TO GOVERN THE BUSINESS OF TOURIST TRANSPORT OPERATION**

Pursuant to the authority vested in the Department of Tourism by Executive Order No. 120 "To Promulgate Rules and Regulations Governing the Operations and Activities of all Persons, Firm Entities and Establishments that Cater to Tourists, to Provide Standards for Accreditation of Hotels and Resorts, and to Prescribe Rules and Regulations Governing the Issuance of License to Travel Agencies," and the provisions of Presidential Decree Nos. 259 and 1463 not inconsistent with said Executive Order, the following rules and regulations are hereby promulgated to govern the business and operation of all Tourist Transport Operators in the Philippines

### **Chapter 1 Definition of Terms**

*SECTION 1. Definition of Terms.*- For purposes of these Rules, the following terms shall, unless otherwise indicated have the following meanings:

- a. **Tourist transport operator** - a person or entity which may either be a single proprietorship, partnership or corporation, regularly engaged in providing, for a fee or lawful consideration, tourist transport services as hereinafter defined, either on charter or regular run.
- b. **Tourist land transport unit** - any vehicle, carriage or conveyance moving on wheels or runners used on public highways and catering to tourists.
- c. **Tourist water and air transport unit** - any watercraft or air conveyance catering to tourists.
- d. **Department** - Department of Tourism
- e. **LTFRB** - Land Transportation Franchising and Regulatory Board
- f. **LTO** - Land Transportation Office

### **Chapter II Basic Requirements for Tourist Land Transport Vehicles**

*SECTION 2. Requirements* - For purposes of registration and licensing, the following are the basic requirements for the operation and maintenance of a tourist transport:

- a. **Registered carrying capacity** - A tourist transport operator shall only be allowed to apply for license for the number of units covered by its franchise and approved by the Department under P.D. 381.
- b. **Roadworthiness** - To be registrable, every tourist transport must be found roadworthy upon inspection by the Department in coordination with the LTO and shall not, in the case of bus or coaster be more than ten (10) years,

reckoned from the year of manufacture; nor more than five (5) years for a tourist car.

- c. **Left-hand drive** - Every tourist transport shall be provided with a left-hand drive.
- d. **Ventilation** - Every tourist transport shall be properly equipped with adequate air-conditioning units.
- e. **Fire-fighting facilities** - A tourist transport shall be provided or installed with at least one portable fire extinguisher for the protection of its passengers.
- f. **Imprint of company's name and logo** - The company's name and logo shall be imprinted at the rear and sides, respectively of the tourist transport.
- g. **Public address system** - For tourist buses or coasters, a public address system must be installed.
- h. **First-aid kit** - Every tourist transport shall be provided with a first-aid kit and an adequate supply of emergency medicines.
- i. **Seats** - Every tourist transport shall be provided with clean and comfortable seats.
- j. **Storage Space** - A tourist transport shall have enough leg room and sufficient storage space.
- k. **Garage** - Every tourist transport operator shall provide an adequate garage and repair shop for the maintenance of its equipment, as well as a parking space sufficient to accommodate all its registered units.

*SECTION 3. P.C. Clearance* - In case of original registration and /or transfer of ownership of tourist transport, the necessary clearance from the appropriate unit of the Philippine Constabulary shall be secured prior to registration.

*SECTION 4. Department Stickers* - After registration and issuance of license by the Department, it shall be mandatory for all tourist transport to put the Department stickers on the front and back windshields of said vehicles for proper identification.

### **Chapter III** **Application and Issuance of License**

*SECTION 5. Licensing-Mandatory* - No person, natural or juridical, shall manage, operate, or engage in the business of tourist transport services without having first secured from the Department a valid license to operate the same. Any person who, being the operator thereof, allows the same to be used in transporting tourists without the requisite license to operate as such from the Department shall also be guilty of an offense under these Rules.

*SECTIONS. Application for License* - Any person, partnership or corporation desiring to operate and/or engage in the business as tourist transport operator shall accomplish in duplicate and file with the Department, the application for license prescribed for such purpose.

*SECTION 7. Who are Authorized to Sign Application* - In the filing of application for a license to operate as a tourist transport operator, the following shall be considered authorized to sign said application:

- a. In the case of sole proprietorship, the owner thereof;
- b. In the case of partnership, one of the partners designated in a sworn certification by all the partners to sign the application;

- c. In the case of a corporation, the person named in a board resolution as authorized to sign the application or person so designated in its By-Laws.

**SECTION 8.**        *Documents Required to Support Application for License to Operate as Tourist Transport Operator* - The application shall be accompanied by the following documents:

- a. Business name certificate and all amendments thereto, if any, in the case of single proprietorship. In the case of a corporation or partnership, a certified true copy of the Articles of Incorporation, its By-Laws or Articles of Partnership and amendments thereto, if any, duly registered with the Securities and Exchange Commission;
- b. Proof of ownership or lease over an area adequate to serve as maintenance depot and garage for all its units;
- c. A list of names of all officials and employees, and their respective designations, nationalities, home addresses, certified correct under oath by the General Manager/President;
- d. Surety bond in the amount of P = 100,000.00 issued by a duly licensed insurance or bonding company in favor of the Department and conditioned to answer for any and all liabilities resulting from or incurred in the course of the operation of the tourist transport; and
- e. Such other papers or documents as may be required from time to time by the Department.

**SECTION 9.**        *Documents Required to Support Application for Registration of Vehicle as Tourist Transport* - The application shall be supported by the following documents:

- a. Certificate of inspection by the Department Inspection team for the LTO registration of the tourist transport;
- b. A copy of the LTFRB (formerly the Board of Transportation) certificate of public conveyance franchise or authorization;
- c. A copy of the transportation rates as approved by the LTFRB;
- d. A compulsory motor vehicle liability insurance in the amount of not less than the following:
  - 1. Third Party Liability - P20 ,000.00 per unit
  - 2. Passenger Accident - P12 ,000.00 per person
- e. Proof of prior approval pursuant to Pres. Decree No. 381.
- f. Pictures of the vehicle showing the side, back and front views thereof with the company's name and logo imprinted at its rear and sides, respectively; and
- g. Such other papers or documents as may be required from time to time by the Department;

**SECTION 10.**    *License Fee* - Upon approval of the application, an annual license fee per unit shall be collected from the applicant in the following schedule of fees per unit vehicle:

- |             |         |
|-------------|---------|
| a. Bus      | P250.00 |
| b. Coaster  | 150.00  |
| c. Mini-Van | 100.00  |
| d. Car.     | 75.00   |

**SECTION 11. *Validity of License***- The license duly issued to any tourist transport operator shall be valid for a period of one (1) year from its date of issue or until the 30th of June of the year of the issuance of the license unless sooner revoked for cause by the Department.

**SECTION 12. *Renewal of License*** - The license shall be renewed on or before the date of its expiration. A surcharge of fifty percent (50%) of the license fees due shall be imposed on an applicant who fails to file the application for renewal of license within the period fixed in these Rules; Provided, that failure to file such application and/or to comply with all the requirements for renewal within sixty (60) days from the expiration date of the license shall be a ground for the nonrenewal of the same unless meritorious and valid grounds are submitted to justify such failure; in which case, the Department may renew said license upon payment by the applicant of a fine of Five Hundred Pesos (P500.00).

**SECTION 13. *Documents Required for Application for Renewal of License as Tourist Transport Operator*** - The application for the renewal of license shall be supported by the following documents:

- a. A copy of the amended or revised articles of incorporation or articles of partnership and by-laws, if applicable;
- b. The list and information sheets of additional personnel, if any, including any change in the manpower complement of the company;
- c. Renewal of surety bond referred to in Sec. 8 (d) of Chapter III of these Rules;
- d. Audited financial statements and income tax returns covering the preceding year's operation; Provided that if this requirement is not available, the same shall be submitted not later than April 30 of the current year; and
- e. A resolution of the Board of Directors authorizing the continuation of business.

## **Chapter IV**

### **Regulation, Control and Supervision of Operation Tourist Transports**

#### **A. EMPLOYMENT OF STAFF**

**SECTION 14. *Employment of Foreign Nationals*** - No foreign national shall be employed by tourist transport operator without the prior approval of the Department. In the employment of foreign nationals, valid visa and permit to work issued by the Commission on Immigration and Deportation and the Department of Labor and Employment, respectively, shall be submitted.

**SECTION 15. *Request for the Department Identification Cards*** - The Department Identification Cards shall be issued to employees of tourist transport operators upon request subject to payment of a nominal fee; Provided, that said employees are included in the list of personnel of the operator concerned.

**SECTION 16. *Surrender of ID Card*** - Officers and the employees who have ceased to be such shall immediately surrender their ID cards to the Department.

**SECTION 17. *Service*** - Operators shall provide service that is as safe, regular, comfortable and convenient as possible.

#### **B. TRANSPORTATION RATES**