AMENDMENT TO MEMORANDUM CIRCULAR NOS. 2009-031 AND 2010-007 [RE: PARTIAL LIFTING ON APPLICATIONS FOR FRANCHISE/CERTIFICATE OF PUBLIC CONVENIENCE TO OPERATE TAXICAB (TX) SERVICE ...

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After the issuance and effectivity of Memorandum Circular (MC) Nos. 2009-031 and MC No. 2010-007, the Board received inquiries which seek to clarify the implementation of said MCs. Further, the Board has received numerous applications under the Appropriation Program which appears to be merely a form of speculation and an attempt to commercialize the issuance of CPCs.

Thus, to prevent applicants from availing of this Program for purposes of speculation and to prevent the commercialization of CPCs, the Board, pursuant to Section 5 (i) and (k) of Executive Order No. 202, hereby adopts the following amendments/modifications under the Appropriation Program to ensure orderly procedure for all petitions for cancellation and applications for appropriation, to wit:

1. The Board allows a total of FIVE THOUSAND (5,000) UNITS for appropriation under Taxi Service denomination which shall be filed at the Central Office.

2. The taxicab units to be applied for/used shall be:

- Brand new units – unused and year model is the current year or year before the application is filed;

- Four (4) door sedan or wagon, but mini and/or compact models or smaller shall not be allowed. It must have comfortable leg room for the maximum of five passengers – including driver, sufficient luggage compartment, and with the following minimum dimensions:

- Overall Length, Width, and Height –mm 4280 x 1695 x 1470

- Wheelbase – 2500mm

- Overhang – rear 940mm

- White in color;

- Equipped with BIR accredited taxi meter-issuing receipts with at least three (3) year memory;

- And such other conditions which may be issued by this Board from time to time

3. The Taxi units to be authorized shall adopt a taxi sequence numbering system in accordance with the following specifications:

3.1 Taxi Sequence Number Color – GREEN

- Height/Vertical Length – 6 inches

- Width/Horizontal Length – 3 inches

- Thickness/Linear Extent (side to side) – 1inch

3.2 The assigned number shall be place on:

- 1st Body Number Marking – Middle portion of the left rear door

- 2nd Body Number Marking – Middle portion of the right rear door

- 3rd Body Number Marking – Top Center portion on the rear glass

3.3 No other body number shall be allowed on above Body Number Markings

3.4 The permanent body numbers shall be indicated in the Decision granting the application and shall be properly marked in the taxi units during the scheduled inspection.

4. The applicant must submit proof of the existence of a garage with an area of not smaller than 300 square meters with the corresponding Barangay Clearance and Mayor's permit;

5. The applicant is likewise required to submit an Income Tax Receipt (ITR) for the immediately past three years or appropriate/corresponding proof of financial capacity for new corporation.

6. The applicant shall have at least PESOS: FOUR MILLION (P4,000,000.00) cash in bank/on hand or other tangible assets, and shall submit documentary evidence relative hereto.

7. An applicant shall be allowed to file only one application under this Appropriation Program covering a minimum of TWENTY (20) UNITS.

- Applicants who filed multiple applications prior to the effectivity of this Memorandum Circular shall be allowed to pursue their applications but said applications shall be consolidated and only one Decision shall be issued by the Board relative thereto.

8. As a Means of preventing filing of applications merely for speculation and to avoid commercialization of CPCs, an appropriation fee shall be paid by an applicant aside from the regular fees to be assessed by the Board. Said Appropriation Fee, in the amount of PESOS: THIRTY THOUSAND (P30,000.00) per unit shall be paid/collected before the application is accepted and considered as filed.

- Applicants who filed their application prior to the effectivity of this MC and who have not yet paid the required appropriation fee are given until May 28, 2010 to fully pay said fee. Otherwise, their applications shall be dismissed with prejudice. The Board shall not allow the filing of any Motion for Extension of Time or Motion for Reconsideration relative to the dismissal hereof.

9. Prior to the filing of an application, any interested party shall inquire and secure from the Office of the Chairman for available Certificates of Public Convenience (CPC) that could be subject for cancellation and appropriation.

Appropriation under this Program shall cover CPCs which are deemed abandoned from year 1996 to 2001.

- In assigning available CPCs, the following guidelines shall be observed:

- Older CPCs shall be appropriated first, and only until all CPCs for said year have been appropriated shall assignment on the following year be allowed.

Example: Abandoned CPCs for the year 1996 should be appropriated and assigned first before appropriation is made for CPCs which expired in the year 1997 and for the subsequent years until year 2001.

- CPCs involving one (1) unit should be appropriated first.

10. After assignment of available CPCs for cancellation and appropriation, the applicant shall secure a Franchise

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Verification Report pertaining to the CPCs subject of the cancellation and appropriation from the Management Information Division (MID) with payment of appropriate fees.

11. Applicant shall then file a Petition for Cancellation of CPC and Appropriation with the Technical Evaluation Division (TED).

12. Upon receipt of the application, the TED shall immediately forward the application to the MID for proper recording.

13. Thereafter, the MID shall forward the application to the Legal Division.

14. The Legal Division shall issue a Notice of Hearing to the applicant within five (5) days from receipt of the application from MID.

> No second or subsequent Notice of Hearing and/or re-setting shall be allowed.

15. Applicant shall cause the publication of the Notice of Hearing once at least ten (10) days prior to the scheduled date of hearing in a newspaper of general circulation. Applicant shall also furnish a copy of the Notice of Hearing to the operator/s whose CPC is subject of the Petition for Cancellation and Appropriation at least ten (10) days prior to the scheduled date of hearing.

16. On the date of hearing, applicant shall submit proof of publication and notice to the operator whose CPC is subject of the Petition for Cancellation and Appropriation, as well as other supporting documents.

> - While the applicant is not compelled to purchase these units prior to or at the time of filing, said applicant must submit, by way of supporting document, ANY of the following: Pro Forma Invoice, Sales Invoice, Delivery Receipts or document evidencing commitment to acquire or placement order which has been approved by the dealer.
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> - Failure of applicant to appear and formally offer evidence in support of the application. and/or to submit proof of notice to the operator concerned shall cause the outright dismissal of the application.

17. If the operator whose CPC is subject of the Petition for Cancellation and Appropriation fails to appear, despite due notice, on the date of the hearing, the application shall be deemed submitted for decision.

18. If the Operator whose CPC is subject of the Petition for Cancellation and Appropriation appears during the hearing and opposes the application, he/she/it shall be required to submit during said hearing his/her/its written opposition and attaching thereto proof that the units subject of the application has been confirmed during the last three (3) years, current LTO registration of all units, proof of existence and roadworthiness of all units, and original receipts showing payment of all accounts with LTFRB.

> No verbal opposition shall be entertained during the hearing.
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> No Motion for Extension of Time to File Opposition shall likewise be allowed.

19. If the Hearing Officer finds sufficient grounds to the Opposition, the applicant shall be referred back to the Office of the Chairman for further evaluation/verification on the availability of other abandoned CPCs. Thereafter, said application shall be amended accordingly and new Notice of Hearing shall be issued for publication and service to the operator/s subject of the amended application. The proceedings above-mentioned shall also be observed.

20. Within fifteen (15) days from the scheduled date of hearing, the Legal Division shall submit to the Board its recommendation on the Petition.

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21. Within forty-five(45) days from receipt of the recommendation of the Legal Division on the Petition, the Office of the Chairman shall schedule the presentation and inspection of the entire units subject of the Petition. A written notice shall be sent to the applicant on his/her/its address on record. Failure of applicant to present and have the entire units inspected on the date scheduled shall cause the dismissal of the application with prejudice. All payments made in connection with the petition/application shall be deemed forfeited in favor of the government. The CPC or CPCs subject of the appropriation shall again become available for appropriation to other applicants.

22. No Motion for Extension of Time to present the entire units for inspection shall be allowed and/or entertained.

23. No Motion for Reconsideration pertaining to the Dismissal Order relative to the processing of the application/petition under the Appropriation Program shall be allowed and/or entertained.

24. No Sale and Transfer of the CPC issued under this Appropriation Program shall be allowed within FIVE (5) YEARS from issuance/grant thereof. Any sale and transfer made within the five-year prohibitive period shall be construed as a violation of the terms of the franchise and shall cause the automatic cancellation of the CPC.

For applications/petitions already heard and submitted for Decision/Resolution prior to the effectivity of this Memorandum Circular, the applicant concerned shall still be required to comply with the requirement for inspection of units as prescribed under Item No. 13 hereof.

All other issuances or parts thereof inconsistent herewith are hereby modified, amended, or superseded accordingly.

This Memorandum Circular shall take effect immediately following its publication in a newspaper of general circulation and the filing of three (3) copies hereof with the UP Law Center pursuant to Presidential Memorandum Circular No. 11, dated 09 October 1992.

SO ORDERED

(SGD.) ATTY. JIMMY G. PESIGAN
Chairman

(SGD.) ENGR. GERARDO A. PINILI
Board Member

(SGD.) ATTY.MARIA ELLEN DIRIGE-CABATU, CPA
Board Member

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