AN ORDINANCE REQUIRING OWNERS AND/OR OPERATORS OF MOTORIZED BANCAS/VESSELS TO SECURE FRANCHISE FROM THE SANGGUNIANG BAYAN OF LGU-MALAY BEFORE OPERATING WITHIN THE MUNICIPAL WATERS OF MALAY.

SECTION 1. - RATIONALE. The Local Government Code of 1991, particularly Section 447, paragraph 3 [vii] provides that the Sangguniang Bayan, by a majority vote of all the members, grant a franchise to any person, partnership, corporation, or cooperative to establish, construct, operate and maintain ferries, among others, within the Municipality. Considering that Caticlan-Boracay route and other ferry services around Boracay are entirely within the municipal jurisdiction of Malay hence this piece of legislation.

SECTION 2. - FRANCHISE. Owner/s and/or operator/s, natural or juridical, of motorized banca/vessel shall secure a franchise from the Sangguniang Bayan of LGU-Malay before operating within the Municipal Waters of Malay. This grant of franchise is without prejudice to MARINA requirements and Mayor’s Permit to operate which owners and/or operators must comply.

SECTION 3. - DEFINITION OF TERMS/PHRASES. The following terms and phrases, for purposes of this Ordinance, shall be construed and understood to mean:

**Ferry Franchise** - a special privilege to operate a ferry service within the Municipal Waters of Malay granted to a person, natural or juridical, by the Sangguniang Bayan of LGU-Malay.

**Ferry Service** - pertains to a utility rendered by any motorized banca/vessel to persons and/or cargoes for purposes of transport, boating, diving, snorkeling and other similar water activities within the Municipal Waters of Malay.

**Motorized Banca/Vessel** - pertains to a seacraft of any make and size operation of which depends upon an engine.

**Municipal Waters** - refer to all waters along, between and connecting mainland Malay and the various islands of this Municipality, as delineated by pertinent accepted indicators and/or boundaries attested by appropriate government agencies.

SECTION 4. - FRANCHISE. DURATION. Municipal franchise for ferry operation shall be in effect for a period of two [2] years, renewal of the same shall be made within one [1] month prior to expiration date.

SECTION 5. - FRANCHISE. REQUIREMENTS. Owner/s and/or operator/s applying for a franchise shall submit the following:

a. **Maritime Industry Authority [MARINA] Documents.**
   1) Certificate of Ownership
   2) Certificate of Vessel Registry
3) Provisionary Authority/Certificate of Public Convenience
4) Certificate of Inspection (CI)

b. **MOTOR BANCAS/VESSELS FOR BOATING PURPOSES** shall secure Endorsement from Boracay Island Hopping Association [BIHA].

c. **MOTOR BANCAS/VESSELS SERVICING CATICLAN-BORACAY ROUTE** shall secure Endorsement from Caticlan-Boracay Transport and Multi-Purpose cooperative [CBTMPC].

**SECTION 6. - FRANCHISE FEE. RATES.** Applicants for a ferry franchise shall be charged the following rates:

- **WOODEN Hulled Vessels**
  - Passenger/Cargoes: ₱40.00 per gross ton with ₱300.00 minimum per vessel

- **ALUMINUM/STEEL Hulled Vessels**
  - Passenger/Cargoes: ₱60.00 per gross ton with ₱800.00 minimum per vessel

**SECTION 7. - LATE RENEWAL. PENALTIES.** Owner/s and/or operator/s, natural or juridical, who fails to renew ferry franchise on time shall be charged the following fines:

a. One [1] to five [5] days late — ONE HUNDRED PESOS [₱100.00]
c. Above ten [10] days but not more than thirty [30] days late — FOUR HUNDRED PESOS [₱400.00]
d. More than thirty [30] days late — SIX HUNDRED PESOS [₱600.00]

**SECTION 8. - PENALTIES.** Owner/s and/or operator/s of motor bancas/vessels apprehended tendering ferry service without the required franchise shall be fined an amount of ONE THOUSAND PESOS [₱1,000.00] for the first offense; ONE THOUSAND FIVE HUNDRED PESOS [₱1,500.00] for the second offense; for the third and subsequent offenses, TWO THOUSAND FIVE HUNDRED PESOS [₱2,500.00] and impoundment of the motor banca/vessel and shall be released only upon securing a franchise thereof. TWO HUNDRED PESOS [₱200.00] per day shall be charged as impounding fee.

**SECTION 9. - REPEALING CLAUSE.** Any ordinance, rules and regulations, or parts thereof, provisions of which are in conflict with, or contrary to the provisions of this ordinance are hereby repealed, amended and modified accordingly.

**SECTION 10. DATE OF EFFECTIVITY.** This Ordinance shall take effect upon its approval and proper publication.

ENACTED. MARCH 31, 2005.

APPROVED. APRIL 14, 2005.

CERTIFIED TRUE COPY:

CONCORDIA S. ALCANTARA
Secretary to the Sangguniang Bayan

APPROVED. SP RESOLUTION NO. 06-028, dtd. 1-11-06

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