ORDINANCE NO. 98-018

AN ORDINANCE REQUIRING OWNERS, OPERATORS, LESSEES, OCCUPANTS AND CONCESSIONAIRES OF BUSINESS ESTABLISHMENTS, CONTRACTORS AND DEVELOPERS AND PERSONS REQUIRED TO SECURE BUSINESS AND/OR BUILDING PERMIT IN DOING BUSINESS OR UNDERTAKING CONSTRUCTION OR REPAIR WORK IN MUNTINLUPA CITY TO SECURE PUBLIC LIABILITY INSURANCE, PROVIDING PENALTIES FOR VIOLATIONS THEREOF AND FOR OTHER PURPOSES.

Sponsored by:
Coun. Jo Jason T. Alcaraz
Coun. Nicanor L. Echavez, MD
Coun. Raul R. Corro
Coun. Patricio L. Boncayao, Jr.
Coun. Lucio B. Constantino
Coun. Victor L. Ulanday
Coun. Dante S. Almaro
Coun. Mario E. Bulay, Jr.
Coun. Aldrin L. San Pedro
Coun. Bal Nieves
Coun. Elmer S. Espeleta
Coun. Reynaldo A. Abas, Jr.
Coun. Artemio A. Simundac
Coun. Allan Rey A. Camilon

WHEREAS, construction or repair work entails risks to the public in general and to the workers in particular;

WHEREAS, accidents to the public in existing business establishments are also everyday possibilities;

WHEREAS, there is no guarantee that injuries to persons and damage to property in these activities will be compensated;

WHEREAS, insurance will guarantee that hospital bill, loss of income and other damages as a result of construction or repair work and accidents in business premises will be paid;

NOW, THEREFORE, BE IT ORDAINED, AS IT IS HEREBY ORDAINED BY THE CITY COUNCIL OF MUNTINLUPA CITY IN SESSION ASSEMBLED:

SECTION 1. Declaration of Policy - It is hereby declared a policy of Muntinlupa City to promote the welfare and general well-being of the public by providing ample protection to victims of accidents and/or disasters occurring in business establishments and in building and/or structures undergoing construction, repair, renovation and other similar activities.
Towards this end, the city government shall adopt measures in assuring that the victims of accidents and/or disasters are reasonably compensated for the loss or injury sustained and the prompt and expedient indemnification of damages suffered by reason thereof.

SECTION 2. Public Liability Insurance Requirements - Pursuant to the above policy, all persons whether natural or juridical, required under the law to secure business permit and/or building permit in doing business or undertaking construction, repair and maintenance work in Muntinlupa City are hereby required to secure public liability insurance as an expedient means of indemnifying victims of accidents and/or disasters, either natural or man-made, occurring in business establishments and in buildings and/or structures under construction, renovation, repair or where similar activities are undertaken.

SECTION 3. The provisions of a contract of insurance to the contrary notwithstanding, the Public Liability Insurance required under this Ordinance shall perforce be the basic premises-operations coverage of a Comprehensive General Liability Policy or the Third Party Liability coverage of a Contractor’s All Risk Policy, with a combined single limit (for bodily injury/property damage) per occurrence with an amount equivalent to Five Thousand Pesos (P5, 000.00) per square meter of space occupied or used as common areas or per square meter of floor area under construction, addition, renovation repair, or demolition subject to a minimum limit of liability of One Hundred Thousand Pesos (P 100,000.00) per occurrence and a maximum limit of liability of Five Million Pesos (P 5,000,000.00) per occurrence.

SECTION 4. In determining liability under this Ordinance, lessees, occupants and concessionaires of spaces in commercial/business buildings and/or establishments shall be held liable for damages suffered by third parties while within the area(s) leased or occupied. Those damages sustained in spaces used, as common areas shall be exclusively borne by the owner of the building or establishment. The liability for injuries or losses suffered by the public in building/structures under construction, renovation, repair, etc. shall vest on the contractor or developer thereof.

SECTION 5. Filing of claims for and payment of damages, pursuant to this measure, shall not constitute a bar in filing similar claims under existing laws.

SECTION 6. Any person securing business permit and/or building permit to do business in Muntinlupa City shall upon application or renewal thereof, present proof that the herein required public liability insurance and the payment of premium have been complied with. No permit shall be issued and/or renewed without first complying with the requirements of this Ordinance.
SECTION 7. The public liability insurance required under this ordinance must be secured by insurance company through its agencies duly registered, licensed and authorized under the law to transact insurance business in the Philippines. The required public liability insurance shall be issued on a policy form approved by the Insurance Commission.

SECTION 8. For the protection of the public, the Business Permits and Licensing Office of the city shall display or cause to be displayed the list of insurance companies and their respective agencies of good standing that are accredited to issue public liability insurance coverage’s in a conspicuous place within the City Hall premises.

SECTION 9. Any person, natural or juridical, found guilty of violating this Ordinance or causing misdeclaration, misrepresentation and other fraud undertaken for purposes of evading the payment of the required insurance coverage under this Ordinance shall be meted the fine of Five Thousand Pesos (P 5,000.00) or imprisonment of one (1) year or both based on the sound discretion of the Count without prejudice to the revocation and/or cancellation of the business license of the offender.

If the person found guilty of violating this Ordinance be a juridical person, the penalty herein prescribed shall be imposed upon the president, manager or any responsible officer.

SECTION 10. Exemptions - Business establishments with a capital of not more than Fifty Thousand Pesos (P 50,000.00) and construction or repair work in building/structures not costing more than One Hundred Thousand Pesos (P 100,000.00) are exempted from the requirements of this Ordinance.

SECTION 11. Repealing Clause - All ordinances or portion thereof contrary to this Ordinance are deemed repeated or modified accordingly.

SECTION 12. This Ordinance shall take effect on January 1, 1999.

ENACTED, by the Sangguniang Panlungsod of Muntinlupa on 7th day of December 1998 on its 20th Regular Session.
CONCURRED:

ALDRIN L. SAN PEDRO
Councilor

Atty. RAUL R. CORRO
Councilor

Atty. JO JASON P. ALCARAZ
Councilor

Atty. PATRICIO L. BONCAYAO, JR.
Councilor

BAL NIEVES
Councilor

Dr. NICANOR L. ECHAVEZ
Councilor

VICTOR L. ULANDAY
Councilor

DANTES S. ALMAR YO
Councilor

ELMER S. ESPELETA
Councilor

REYNALDO A. ABAS, JR.
Councilor

LUCIO B. CONSTANTINO
Councilor

MARIO E. BULAM, JR
Councilor

ALLAN REY A. CAMILON
Sectoral Representative/Chairman
Federation of Sangguniang Kabataan

ABSENT:

ARTEMIO A. SIMUNDAC
Sectoral Representative/President
Association of Barangay Captains
I HEREBY CERTIFY, as to the correctness of this Ordinance.

NECITO M. GUICO
Secretary
SANGGUNIANG PANLUNGSOD

ATTESTED:

VICENTE Y. CHUA
Vice Mayor/Presiding Office

APPROVED:

ATTY. JAIME R. FRESNEDI
City Mayor,
Date: 12/14/98