

REPUBLIC OF THE PHILIPPINES
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

SEVENTEETH CONGRESS
First Regular Session

House Bill No. **2042**

Introduced by **REP. CESAR V. SARMIENTO**

HOUSE OF REPRESENTATIVES

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EXPLANATORY NOTE

Air transportation is imbued with public interest. "A common carrier is bound to carry the passengers safely as far as human care and foresight can provide, using the utmost diligence of very cautious persons, with a due regard for all the circumstances." (Article 1755, Civil Code)

This contract of carriage entered into between the airline and the passenger creates specific obligations towards one another. Unfortunately, passengers are often given the short end of the stick as there are common horror travel stories of delayed flights, hidden fees, lost baggage, and poor service. Often the riding public are often told to grin their teeth and bear these inconveniences.

There is great need for a legislative act that institutionalizes the rights of airline passengers. This includes special provisions for Persons With Disabilities (PWD) that will accommodate their conditions. These guarantees, such as the right to full information, reasonable fare, safety, anti-discrimination, and redress, must be given the full force of law.

This law specifically mandates our regulatory authorities such as the Civil Aviation Authority of the Philippines (CAAP) and Civil Aeronautics Board (CAB) to provide personnel that will collect, report, and address air transportation problems and grievances. We must hold airlines accountable for their service to the riding public.

Hence the immediate passage of this bill is sought.


CESAR V. SARMIENTO

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

SEVENTEENTH CONGRESS
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House Bill No. 2042

Introduced by Rep. Cesar V. Sarmiento

AN ACT
PROVIDING FOR A BILL OF RIGHTS OF AIR PASSENGERS

Be it enacted by the Senate and the House of Representatives of the Philippines in Congress assembled:

CHAPTER I
GENERAL PROVISIONS

Sec. 1. *Short Title.* – This Act shall be known and cited as the "Air Passenger Bill of Rights Act."

Sec. 2. *Declaration of Policy.* – It is hereby declared that:

a) The State shall pursue a trade policy that serves the general welfare and utilizes all forms and arrangements of exchange on the basis of equality and reciprocity;

b) The State recognizes the indispensable role of the private sector, encourages private enterprise, and provides incentives to needed investments;

c) The State adopts and implements a policy of full disclosure of all its transactions involving public interest according to Article II, Section 28 of the 1987 Philippine Constitution and that the right of the people to information on matters of public concern shall be recognized;

d) The State and the airline industry are the duty bearers and the air passengers are the right holders in this bill of rights and as such, the State and the air carriers shall protect and fulfil these rights and shall refrain from interfering with the enjoyment of such rights;

e) The State shall fulfil its obligation in taking positive actions to facilitate the enjoyment of these rights;

f) The State has the duty to balance the interests of the airline industry that delivers the services to the public and the public that it serves.

Sec. 3. *Definition of Terms.* – For the purpose of this Act, the term:

a) "Air Carrier" refers to a Philippine air carrier operating scheduled or non-scheduled domestic and/or international flights to or from or serving a point within the Philippines, or a foreign air carrier operating scheduled or non-scheduled international flights from the Philippines.

b) "Baggage" refers to any personal property carried by the passenger which has been checked-in with the air carrier. "Off-loaded Baggage" refers to checked baggage that has either not been put in or been subsequently removed from the cargo hold of the aircraft.

c) "Cancellation" refers to the act of calling off a flight. This shall include the following instances:

1. Cancellation by the air carrier as provided under Section 10 hereof;
2. Cancellation by the air carrier after an unduly long delay;
3. Cancellation by the passenger or a situation deemed cancelled as provided under this Act.

d) "Check-in Deadline" refers to the point in time before the published ETD on or before which a passenger must present himself/herself to the air carrier at the latter's check-in counter.

e) "Check-in period" refers to the time when the air carrier's check-in counters are open for accepting and processing passengers checking in for their flights.

f) "Confirmed Reserved Seat" refers to a seat on a specific date and on a specific flight and class of service of an air carrier, which has been requested by a passenger, and which the air carrier or its agent has verified, by appropriate notation on the ticket, as being reserved for the accommodation of the passenger.

g) "Convention" refers to the applicable international agreement, convention, or treaty on carriage of goods or persons by air, signed and ratified by the Philippines.

h) "Delay" refers the deferment of a flight to a later time. "Terminal Delay" refers to a delay that occurs while passengers are still inside the terminal waiting for boarding, while "Tarmac Delay" is a delay that occurs while passengers are already on board the aircraft and before take-off.

i) "Denied Boarding" refers to a situation where a passenger, who holds a confirmed reserved seat, and who has presented himself/herself for carriage at the proper time and place and fully complied with the air carrier's check-in and reconfirmation procedures, and who is acceptable for carriage under the air carrier's tariff, was not allowed to board the aircraft.

j) "Fare" refers to the payment in consideration for the carriage of a passenger but shall not include charges for ancillary services. "Regular Fare" is any fare that is offered on a regular basis, non-discounted, and generally offers the advantage of cancelling, changing flight time or schedule, rerouting, rebooking, and others, whether for a fee or penalty or not. "Promotional fare" is any fare that is generally lower than a regular fare and is offered for a specific period. This includes, but not limited to, offers of "no frills" fare, wherein the non-essential features for flights have been removed to keep the price low (*i.e.* free food, drinks onboard flights), and discounted fares which require prior approval by the Civil Aeronautics Board (CAB).

k) "General Sales Agent" means a person not a bona fide employee of an air carrier, who pursuant to an authority from the air carrier, by itself or through an agent, sells or offers for sale any air transportation, or negotiates for, or holds himself out by solicitation, advertisement or otherwise as one who sells, provides, furnishes, contracts, or arranges for, such air transportation.

l) "Government Requisition of Space" refers to a formal written request by the government or its agencies to an air carrier for the use of an aircraft, or any part thereof, for regulatory, safety, security, and/or emergency purposes. Such request

shall be submitted by the requesting agency to CAB who in turn shall make a formal written request to the air carrier concerned, detailing the number, identities and affiliation of the persons requesting for space and the date, time and destination of the flight.

m) "Overbooking" refers to the generally accepted practice which is common in the aviation industry whereby airlines are selling confirmed reserved seat beyond the actual seat capacity of the aircraft.

n) "Passenger" refers to a person actually travelling by air. A person who is named in the flight ticket, itinerary receipt, or any other equivalent document shall be considered a passenger for the purpose of this Act.

o) "Person with Disability" or "PWD" refers to those suffering from restriction of different abilities, as a result of a mental, physical or sensory impairment, to perform an activity in the manner or within the range considered normal for a human being.

p) "Philippine air carrier" means an air carrier who is a citizen of the Philippines.

q) "Senior citizen" refers to any resident citizen of the Philippines at least sixty (60) years old.

Sec. 4. Scope of Application. - This Act shall apply to all aspects of contract of carriage for flights or portions of a flight, within the territory of the Philippines or from the territory of the Philippines, operated by Philippine air carriers, flights or portions of a flight from the territory of the Philippines operated by foreign air carriers, as well as charter flights and the conduct of individual ticketing.

Provided, that the compensation provisions shall not apply to air carriers flying into the territory of the Philippines, if the laws of the country of origin provide similar or higher compensation. Otherwise, this Act shall apply in full.

Sec. 5. Applicability of International Laws and Pertinent Conventions. - In case of conflict between the provisions of this Act and the provisions of any treaty or convention where the Philippines is a signatory, the provisions of the latter shall prevail. Where the Philippines is not a signatory the provisions of any treaty or convention shall have suppletory effect in the implementation of this Act insofar as the same are not contrary to the provisions herein contained.

CHAPTER II

CONTRACT OF CARRIAGE BY AIR

Sec. 6. Contract of Air Carriage. - By the contract of air carriage, an air carrier obliges itself to transport the person of the passenger or his baggage, if any, from one place to another, through airspace, without any damage or injury upon the latter's person, or loss, damage or unreasonable deterioration of his baggage, if any, and when the passenger obliges himself to pay a just and reasonable fare.

Sec. 7. Perfection of the Contract of Carriage. - The contract of air carriage is perfected from the moment the air carrier and the Passenger give their respective consent to the agreement.

There is consent when the air carrier issues a confirmation of airline ticket in favor of the passenger, who accepts and holds it in his possession, with the corresponding full payment of the fare by the passenger.

Sec. 8. *Diligence Required of the Carrier.* – Air carriers, due to the nature of their business being imbued with public policy and interest, are obliged to observe extraordinary diligence in the performance of their obligations under the contract of air carriage from the time that the passenger boards until the passenger disembarks from the aircraft. Passengers are required to observe ordinary diligence while the contract of air carriage is effective.

Sec. 9. *Presumption of Negligence.* – In case of damage or injury to the person of the passenger, or loss, damage, or unreasonable deterioration of his baggage, if any, the air carrier shall be presumed negligent, unless it proves that it exerted extraordinary diligence to avert the same.

In the case of carriage of goods and baggage, the presumption of negligence shall not apply if the loss, damage, or unreasonable deterioration is caused or occasioned by any of the following:

- a) Flood, storm, earthquake, lightning, or other natural disaster or calamity;
- b) Act of the public enemy in war, whether international or civil;
- c) Act or omission of the shipper or owner of the baggage/ goods;
- d) The character of the goods or defects in the packing or in the containers;
- e) Order or act of competent public authority.

Sec. 10. *Cancellation by an Air Carrier.* – An air carrier may cancel a flight for any of the following:

- a) infrastructure limitation as certified by the Civil Aviation Authority of the Philippines (CAAP);
- b) safety reasons due to a technical problem as certified by the CAAP;
- c) security reasons as declared by competent authority; or
- d) during the occurrence of a fortuitous event.

The Passengers affected may avail the applicable remedies provided under this Act.

Sec.11. *Overbooking.* – Consistent with the globally-recognized revenue-management options of air carriers, overbooking shall be responsively, properly and rationally practiced and done in utmost good faith. The CAB is hereby authorized to set the ceiling for overbooking. All passengers that have been sold overbooked tickets shall have the right to be informed that they are merely "Chance" passengers for that particular flight.

Sec. 12. *Construction.* – In case of doubt, the contract of air carriage shall be construed liberally in favor of the passenger and strictly against the air carrier.

CHAPTER III RIGHTS AND OBLIGATIONS OF THE PASSENGERS

A. RIGHT TO FULL AND TRUTHFUL INFORMATION OF THE

CONDITIONS OF THE CONTRACT OF CARRIAGE

Sec. 13. *Clear, Truthful, and Understandable Information.* – In addition to the information enumerated under Section 15 hereof, every Passenger shall, before purchasing any ticket for a contract of carriage, have the right to the full access and fair and clear disclosure of information, in English and in Filipino, from the air carrier or general sales agents on the following terms and conditions of the contract of carriage:

- a) Fare and other fees and ancillary charges (taxes, insurance, fuel surcharge, seat reservation, etc.)
- b) Travel restrictions
- c) Baggage allowance and limitations
- d) Check-in and boarding requirements and deadlines
- e) Air carrier's responsibilities and passenger's rights and compensation for delayed and cancelled flights, and for death and injuries and lost, delayed or damaged baggage
- f) Air carrier's liability limitations
- g) Procedures for claims against the air carrier
- h) Services and amenities provided by the air carrier
- i) If the ticket purchased is part of the overbooked portion of that flight
- j) Other crucial and necessary conditions of the contract of carriage

Sec. 14. *Method of Disclosure.* - An air carrier shall cause the disclosure under the immediately preceding Section to be printed on or attached to the passenger ticket, boarding pass, or incorporate such terms and conditions of carriage by reference.

Incorporation by reference means that the ticket or boarding pass shall clearly state that the complete terms and conditions of carriage are available for perusal or review in the air carrier's website, or in some other document that may be sent to or delivered by post or electronic mail to the Passenger upon his/her request.

The air carriers are required under this Act to post in their website, or other online accounts, the information which the passenger has a right of full access and disclosure.

In case of booking through a ticketing office or agent, the disclosures shall be explained by the agent in a language that is easily understood by the passenger and/or purchaser.

In case of online booking, the air carrier must establish a system wherein the purchaser is fully apprised of the required disclosures under this Section prior to the final submission of his/her online offer to purchase. The disclosure shall substantially include the following message, in English and Filipino:

By confirming purchase of this ticket, you agree to the terms and conditions which include:

- a.(Refund policy)
- b.(Rebooking policy)
- c.(No-Show policy)
- d.(Other important information specific to the ticket purchased)

Sa pagpili ng tiket na ito, kayo ay sumasang-ayon sa mga kondisyon at restriksyon kabilang na ang:

- a.(Panuntunan sa pagsasauli ng ibinayad)
- b.(Panuntunan sa pagpalit ng tiket)

- c. (Panuntunan sa hindi pagdating sa tamang oras)
- d. (Iba pang importanteng impormasyon ukol sa tiket)

Sec. 15. *Advertisements.* - Advertisements of fares shall be clear, truthful, and not misleading and shall capacitate the passenger to make an informed purchase or availment of the airline ticket such that the passenger fully understands the consequences of purchasing such ticket.

The advertisement of the promotional fares shall be made only after the same has been approved by the CAB.

A notice indicating where more information on the route, fare, or promotion may be found shall be included as part of the advertisement. The following disclosures are required to be part of the airline advertisement in print medium:

- a. Conditions and restrictions attached to the fare type;
- b. Refund and rebooking policies;
- c. Government taxes and fuel surcharges;
- d. Other fees and charges;
- e. Contact details of the air carrier which includes phone numbers, websites, emails, and online accounts;
- f. Other information that is necessary to apprise the passenger of the conditions and full price of the ticket which may include incorporation by reference of websites and other available information portal or office where the passenger can read or ask the full terms and conditions of the fare and his rights as passenger; and
- g. In case of promotional fares, the number of seats offered on a per sector basis, the CAB permit or approval number and the duration of the promo.

B. RIGHT TO FAIR AND REASONABLE FARE AND TO THE FULL VALUE OF THE SERVICE PURCHASED

Sec. 16. *Right to Receive the Full Value of the Service Purchased.* - Passengers shall have the right to reasonable fare and to receive the full value of the services that they purchased. Air carriers shall not deny nor diminish any service that the passenger has paid for. This right includes the convenience on the part of the passenger during the flight.

Sec. 17. *Right to Refund.* Every passenger holding a refundable airline ticket shall have the right to the refund of unused tickets in accordance with the terms and conditions of the refund policy of the air carrier less service charge. The refund includes the amount paid for the optional fees offered by the air carrier, if any.

Sec. 18. *Right to Cancel a Flight.* - Every passenger has a right to cancel a flight subject to the following conditions:

In case of refundable tickets, if the cancelation of the confirmed flight happens more than twenty-four (24) hours before the ETD, the passenger shall be reimbursed by the air carrier for an amount equivalent to seventy-five percent (75%) of the fare and full reimbursement of the charges for ancillary services not availed of, including but not limited to baggage fees and terminal fees.

If the passenger holding the refundable ticket cancels the confirmed flight less than twenty-four (24) hours before the ETD or does not show up altogether, the ticket shall be considered flown with the fare deemed forfeited unless the refund policy of the air carrier otherwise provides.

Sec. 19. *Right to Rebook a Flight.* Every passenger holding a rebookable ticket shall have the right to rebook the flight in accordance with the terms and conditions set forth in the rebooking policy of the air carrier, as approved by the CAB.

Sec. 20. *Right to be Processed for Check-in.* - A passenger holding a confirmed ticket, whether promotional or regular, with complete documentary requirements, and who has complied with the check-in procedures, shall be processed accordingly at the check-in counter within the check-in deadline set by the air carrier. For this purpose, the CAB shall therefore, consistent with global aviation practice and subject to infrastructure limitations, provide a uniform schedule of the opening of check-in counters and check-in deadline for both local and international flights giving the passenger enough time to be processed for check-in.

The air carrier, therefore, and subject to infrastructure limitations, shall clearly designate the boundaries of its assigned check-in areas or counters in a manner convenient to the passengers.

The air carrier shall ensure that all its passengers, including those who are in queue prior to the check-in deadline, for a particular flight have already checked-in before accepting its passengers from previously delayed or cancelled flights followed by the chance passengers in that order when there are still available seats.

Sec. 21. *Right to Board Aircraft for the Purpose of Flight.* - Except when the passenger is at fault, or due to legal or valid causes such as, but not limited to, immigration issues, safety, security, and health concerns when there is a legal or other valid cause, a passenger who has checked-in for a particular flight has the right to board the aircraft for the purpose of flight. A passenger shall be considered at fault if such passenger is acting in violation of a law or the contract of air carriage affecting the safety and security of another passenger or crew during the voyage.

C. RIGHT AGAINST ANY ACT OF DISCRIMINATION AND VEXATION

Sec. 22. *Right to Equal Protection.* - Every passenger is entitled to all the rights set forth in this Act and in all aspects of the contract of carriage regardless of race, sex, gender, education, income, social status, language, physical characteristics, mental characteristics, sensory impairments, religion, marital status, political belief, and other circumstances.

Sec. 23. *Right to be Respected.* - Passengers shall have the right to be respected at all times by the air carrier. The employees and crews of the air carrier shall serve the passengers with utmost courtesy and respect.

D. RIGHT TO SAFETY

Sec. 24 . *Access to Emergency Measures, Medical Assistance, Safety Devices and Essential Services.* - Every Passenger has a right to have access and to use emergency and safety devices, medical assistance, and proper application of first aid procedures during emergency situations or when his or her health requires it. Air carriers shall train flight personnel and crews in handling and responding to emergency situations and shall provide at least one (1) flight crew who is certified to

apply first aid procedures. The air carrier shall always inform its Passengers of emergency measures in cases of evacuation before the start or during the first hour of the flight.

Every passenger shall have access to essential services such as adequate food and potable water, clean and safe lavatory facilities, and cabin ventilation and comfortable cabin temperatures.

E. RIGHT TO REDRESS AND COMPENSATION

Sec. 25 . Right to bring action, satisfaction or relief of a wrong or injury. – Every passenger has a right to take action against the air carrier for any wrong or injury caused to the passenger by reason of the contract of carriage under this Act and applicable treaties or conventions.

Sec. 26. Right to Immediate Payment of Compensation. – A passenger shall have the right to be compensated, promptly and expeditiously, in case of flight delay or cancellation, death or injury upon his person, and loss or deterioration to his baggage and property, as the case may be.

Sec. 27. Rights of a Passenger for Delayed Flights. – Every passenger has the right to be compensated for flights not flown within a reasonable time from ETD. The provisions of this Section shall be the minimum entitlement of a passenger in case of delay and shall not prohibit the air carrier from granting more favorable conditions or recourses, as it may deem appropriate.

a) Terminal Delay

In case the flight is delay for at least three (3) hours after the ETD, and such is attributable to the air carrier, a passenger shall have the right to:

1. Be notified via public announcement of the reason for the delay and the estimated time of departure as soon as this information is available;

2. Be provided a minimum level of care immediately, on the spot at terminals/stations while waiting for the beginning or the continuation of the delayed journey;

3. Be offered free of charge: (i) sufficient meals and refreshments in a reasonable relation to the waiting time; (ii) free phone calls, text or internet service (e-mails), and first aid if necessary. In applying this Section the operating air carrier shall pay particular attention to the needs of persons with reduced mobility and any persons accompanying them, as well as to the needs of unaccompanied children; and

4. Ask for refund or rebooking in accordance with Sections 17 and 19 hereof; or

5. Ask for endorsement to another air carrier subject to payment of reasonable administrative charges.

In case the flight is delayed for at least six (6) hours after ETD for causes attributable to the air carrier, the flight shall be deemed cancelled and the affected passenger shall be entitled to the remedies provided under Section 28 (a).

b) Tarmac Delay

Every passenger shall likewise have the right to adequate food and beverage in cases of tarmac delay of at least two (2) hours after ETD, reckoned from the closing of the aircraft doors or when the aircraft is still at the gate with the doors

still open but the passengers are not allowed to deplane. In case the delay exceeds five (5) hours the Passenger may request disembarkation.

In the case of a multi-sector journey where the air carrier is at fault, in addition to the rights and entitlements stated under this Section, a passenger shall be entitled to an additional compensation at a rate which is equivalent to at least the value of the sector cancelled by reason of the delay. Provided, that, in case of connecting flights with another air carrier, the passenger has allotted sufficient connecting time of at least three (3) hours for international flights and two (2) hours for domestic flights. Provided, further that the passenger shall not be entitled to the compensation of the value of the sector deemed cancelled, if the passenger is endorsed to another air carrier and the passenger is able to complete his journey.

Sec. 28. Rights of a Passenger for Cancelled Flights or Flights Deemed Cancelled. – Every passenger has a right to compensation in cases of flight cancellation subject to the following rules:

- (a) If a flight is cancelled due to a cause attributable to air carrier, a passenger shall have the right to:
 - 1. Be notified beforehand or as soon as possible of the situation via public announcement, written/published notice and flight status update service either thru text or email;
 - 2. Be provided a minimum level of care immediately, on the spot at terminals/stations;
 - 3. Be offered free of charge:
 - i. sufficient meals and refreshments in a reasonable relation to the waiting time;
 - ii. hotel accommodation near the airport in cases where a stay of one or more nights becomes necessary, or where a stay additional to that intended by the passenger becomes necessary; and
 - iii. transportation service between the airport and place of accommodation. In addition, passengers shall be offered free of charge telephone calls, text or fax messages, or e-mails and first aid, if necessary. In applying this provision, the air carrier shall pay particular attention to the needs of persons with reduced mobility and any persons accompanying them, as well as to the needs of unaccompanied children; and
 - 4. Be entitled to any of the following:
 - i. Refund the fare the passenger paid for the ticket. If the payment is made in cash, the passenger shall be reimbursed within five days, either by cash, by electronic bank transfer, bank orders or bank cheques or with the signed agreement of the passenger, in travel vouchers and/or other services. If payment is made through credit card, the reimbursement should be credited back to the payor's credit card account within a reasonable period based on the internationally accepted credit card crediting system without additional cost to the passenger. The passenger shall be reimbursed of the full cost of the ticket at the price at which it was bought, subject to provisions of

- Section 10 and Section 18 hereof; or
- ii. Be endorsed to another air carrier without paying any fare difference, at the option of the Passenger, and provided that space and other circumstances permit such re-accommodation; or
 - iii. Rebook the ticket without any additional charge. In the case of a multi-sector journey, in addition to the rights and entitlements stated under this Section, a passenger shall be entitled to an additional compensation at a rate which is equivalent to at least the value of the sector cancelled. Provided, that, in case of connecting flights with another air carrier, the passenger has allotted sufficient connecting time of a least three (3) hours for international flights and two (2) hours for domestic flights. Provided, further that the passenger shall not be entitled to the compensation of the value of the sector deemed cancelled, if the passenger is endorsed to another air carrier and the passenger is able to complete his journey.
- (b) In case the air carrier cancels the flight due to i) infrastructure limitation as certified by CAAP; ii) safety reasons due to a technical limitation; iii) security reasons; or iv) during the occurrence of a fortuitous event, a passenger shall have the right to:
- 1. Rebook to a future flight, subject to the payment of the fare difference, if any, and reasonable administrative costs approved by CAB; or
 - 2. Reimbursement of the value of the fare, subject to the payment of reasonable administrative costs approved by CAB; or
 - 3. Endorsement to another air carrier upon payment of any fare difference and be provided space and other circumstances that the accommodation permits, at the option of the passenger.

Sec. 29. Rights of Passengers Denied Boarding. A passenger who has checked-in for a particular flight cannot be denied from boarding the aircraft except for legal or other valid causes such as, but not limited to, immigration issues, safety, security, and health concerns.

In a case where a passenger is denied boarding because the number of volunteers is not met on occasion of overbooking, government requisition of space, downgrading of an aircraft or legal orders, the flight in respect to the affected passenger shall be deemed cancelled and the compensation shall be governed by the following rules:

- a) If the denial of boarding the aircraft is by reason of overbooking or aircraft downgrading, the passenger concerned shall be compensated in accordance with the provisions of Section 28 (a);
- b) If the denial of boarding the aircraft is for some legal or justifiable reason relating to the security, or safety of other passengers, or applicable regulations as sanctioned by CAAP, or legal order of other authorities, the passenger concerned shall be entitled to refund, rebooking or endorsement to another air carrier subject to payment of fare difference or any administrative charges as approved by CAB;
- c) If the denial of boarding the aircraft is due to government requisition of space, the affected passenger shall be entitled to the remedies in the preceding

paragraph. The requesting agency shall reimburse the air carrier of the costs it incurred in compensating affected passengers.

d) In the case where a passenger is denied boarding for acting in violation of a law or the contract of air carriage affecting the safety and security of another passenger or crew during the voyage, such passenger shall not be entitled to any relief provided under this Act.

Sec. 30. Priority in Filling-up of Empty Seats in the Air Carrier's Next Flight. – Before the vacant seats in a particular flight of the air carrier can be given to chance passengers, the same shall be offered first to the bumped-off passengers of the air carrier's preceding flight or flights and thereafter to the air carrier's chance passengers and to the bumped-off passengers endorsed by another air carrier.

Sec 31. Right to Compensation for Delayed, Lost, and Damaged Baggage. A passenger shall have the right to have his/her baggage carried on the same flight that such passenger takes, subject to considerations of safety, security, or any other legal and valid cause.

a) In case a checked-in baggage has been off-loaded for operational, safety, or security reasons, the air carrier shall inform the passenger at the soonest practicable time and in such manner that the passenger will readily know of the off-loading (i.e. that his/her baggage has been off-loaded and the reason therefor). If the passenger's baggage has been off-loaded, the air carrier should make the appropriate report and give the passenger a copy thereof, even if it had already announced that the baggage would be on the next flight.

The air carrier shall carry the off-loaded baggage in the next flight with available space, and deliver the same to the passenger either personally or at his/her residence. For every twenty-four (24) hours of delay in such delivery, the air carrier shall tender an amount equivalent to the rates approved by the CAB that shall not be less than Two Thousand Pesos (P2,000.00), as compensation for the inconvenience the latter experienced. A fraction of a day shall be considered as one day for purposes of calculating the compensation.

For the purposes of this section, the twenty four (24)-hour period shall commence one (1) hour from the arrival of the original flight of the passenger.

b) Should such baggage, whether carried on the same or a later flight, be lost or suffer any damage attributable to the air carrier, the passenger shall be compensated in the following manner:

1) For international flights, the relevant convention shall apply.

2) For domestic flights, upon proof, a maximum amount equivalent to half of the amount in the relevant convention (for international flights) in its Philippine currency equivalent.

For compensation purposes, a passenger's baggage is presumed to have been permanently and totally lost, if within a period of seven (7) days, counted from

the time the passenger should have received the same, the baggage is not delivered to the passenger or consignee.

Sec. 32. Compensation for Death and Bodily Injuries. –

a) In the case of international flights, the rules of the relevant convention shall apply as to compensation for death or bodily injuries sustained by a passenger in the contract of carriage.

b) For domestic flights, the passenger shall be entitled to the compensation under the contract of carriage or the provision of applicable convention, in its Philippine currency equivalent, whichever is higher.

CHAPTER IV RIGHTS, DUTIES AND OBLIGATIONS OF THE AIR CARRIERS

Sec. 33. Prevention of Harm to Passengers and Maintenance of Aircraft. –

The air carrier shall prevent harm and hazards to passengers by ensuring that it follows all regulations on the airworthiness of the aircraft, complies with rules on hazardous materials, protects the passengers from unreasonable harm, and actively responds to harm caused by the aircraft structure, materials, and chemicals.

Sec. 34. Designation of an "All-Flight" or "Per Route" Counters. –

Air carriers may operate all-flight counters which will serve passengers without regard to destination. As far as practicable, the air carrier shall, in addition to all-flight counters, open a separate counter dedicated for a flight nearing check-in deadline to facilitate the checking-in of passengers at least an hour before the published ETD.

Sec. 35. Special Accommodation of PWDs, Persons with Special Needs, Senior Citizens, Pregnant Women and Unaccompanied Children. – To ensure that the full enjoyment of the rights enumerated under this Act, the provisions of the following laws and their implementing rules and regulations, whenever applicable, shall form part of this Act as far as the passengers in this Section are concerned:

a) Republic Act No. 7277 or the Magna Carta for Disabled Persons as amended by Republic Act No. 9442 and its implementing rules and regulations;

b) Batas Pambansa Bilang 344 or the Accessibility Law;

c) Republic Act No. 7432 as amended by Republic Act No. 9257 and Republic Act No. 9994 or the Expanded Senior Citizens Act of 2010 and its implementing rules and regulations.

The contract of air carriage shall clearly enumerate the necessary terms and conditions affecting the rights of PWDs, senior citizens, persons requiring special needs, pregnant women and unaccompanied children.

Air carriers and its agents, in coordination with the agencies charged with protecting the rights and welfare of the abovementioned passengers, shall implement a system allowing this group of person enough and convenient opportunity to comply with aviation requirements and their special needs, facilities and assistance by reason of their individual circumstances throughout the flight.

For this purpose, when airport facilities allow, air carriers shall designate at least one (1) check-in counter dedicated to persons with disabilities (PWDs), senior citizens, persons requiring special assistance, pregnant women, and unaccompanied children between 7 and 15 years old.

Sec. 36. Responsibility of the Air Carrier when the Number of Passengers is Beyond the Capacity of the Aircraft. - If a certain flight has more ticketed passengers than the allowed capacity of the aircraft by reason of overbooking, government requisition of space, as well as the downgrading of the aircraft for safety or unforeseen operational reasons, the air carrier shall perform the following:

a) Determine the number of passengers in excess of the actual seat capacity of the aircraft;

b) Announce that the flight is overbooked, and that it is looking for volunteers willing to give up their seats in exchange for compensation;

c) Provide the interested passengers or volunteers the options under Section 29 hereof, which shall always include priority booking in the next flight with available space and/or cash incentive.

No flight shall be delayed pursuant to the settlement of the air carrier's obligation under this Section.

Sec. 37. Duty of the Air Carrier in the Event of Flight Deviation. - Flight deviation happens when there is a change in the airport of origin or destination. If such is the case, the air carrier shall provide the necessary transportation for ferrying the passenger from the originally-designated airport of departure to the actual airport of departure or from the airport of actual destination to the airport of the originally-designated destination, as the case may be.

If by reason of the deviation certain a right of a passenger has been violated, the applicable provisions of this Act shall govern the rules on remedies and compensation.

Sec. 38. Provision of Assistance Desk. - Air carriers shall provide Customer Service Representatives (CSR) who can address common problems on the spot which includes arranging for meals, hotel rooms and accommodation for stranded passengers, arrange luggage resolutions, and settle other routine claims or complaints.

Sec. 39. Operational Spare. - An air carrier shall, in adopting its flight schedules, exert all efforts to manage the disposition of its aircraft in such a way as to be able to reallocate aircraft to take the place of another aircraft in case the latter cannot carry the passengers due to operational requirement, aircraft maintenance, and other similar situations.

CHAPTER V

OBLIGATION OF THE CAAP, CAB AND AIRPORT OPERATORS

Sec. 40. Availability of Check-in Counters. - The CAAP, airport authorities or airport operators, as the case may be, shall provide adequate number of check-in counters for every air carrier operating in a particular airport.

They shall ensure that the number of check-in counters of an air carrier in a particular airport shall be proportionate to the volume of passengers who are checking-in for a particular flight.

Sec. 41. Assignment of Technical Personnel in Airports. - The CAAP shall ensure that every commercial airport is manned by technical personnel capable of verifying and certifying reports of technical or infrastructure problems or other

reasons leading to delays and cancellations. The technical personnel concerned shall submit a periodic report of all delays and cancellations and the corresponding reasons thereof to the CAAP Central Office.

Sec. 42. Complaints Desk. – The CAB shall provide the necessary personnel to cater the unresolved complaints of passenger in every commercial airport. It shall be the duty of the assigned personnel to report all complaints to the CAB at the earliest time possible taking into account the nature of the relief sought by the passenger.

CHAPTER VI REMEDIES AND GRIEVANCE PROCEDURES

Sec. 43. Amicable Settlement. – The passenger and air carrier shall exhaust all efforts toward settling their disputes amicably in accordance to the provisions set forth in this Act. If no amicable settlement reached, the government, through the CAB, may take cognizance of the case.

CHAPTER VI PENAL PROVISIONS

Sec. 44. Penalties. – Any violation of this Act shall be penalized in accordance with the pertinent provisions of Republic Act No. 776 or the Civil Aeronautics Act of the Philippines, Republic Act no. 7394 or the Consumer Act of the Philippines, Republic Act No. 9442, Batas Pambansa Bilang 344 and Republic Act No. 9994, as the case may be. Failure on the part of the air carrier to comply with any of the obligations stated in this Act shall, after due hearing, be a ground for suspension of its license to operate.

Grave and repetitive violations after the lifting of the suspension license to operate shall be a ground for revocation of such license to operate.

Sec. 45. Review of Penalties. – The Department of Transportation, Department of Trade and Industry (DTI), CAAP and the CAB shall, after three (3) years from the effectivity of this Act and every three (3) years thereafter, review the applicability and enforcement of the provision of this Act and shall initiate amendment as may be necessary.

CHAPTER VII FINAL PROVISIONS

Sec. 46. Implementing Rules and Regulations. – Within 90 days from the effectivity of this Act, the DOTC, DTI, CAAP and the CAB, in consultation with accredited passenger organizations shall, promulgate the necessary rules and regulations to effectively implement the provisions of this Act.

Sec. 47. Congressional Oversight Committee. – A Congressional Oversight Committee, hereinafter referred to as the "Committee", is hereby constituted. The Committee shall be composed of the Chairman of the Senate Committee on Public Services and Chairman of the House Committee on Transportation and four (4) additional members from each House to be designated by the Senate President and

the Speaker of the House of Representatives, respectively. The Committee shall monitor and ensure the implementation of this Act. The Committee is also empowered to require DOT, DTI, CAAP and CAB, to submit all pertinent information including, but not limited to, complaints filed by the passengers and the complaints resolved by the air carriers and the CAB.

The Congressional Oversight Committee shall be in existence for a period of five (5) years, and thereafter, its oversight functions shall be exercised by the Senate Committee on Public Services and the House Committee on Transportation.

Sec. 48. *Appropriations.* - The Secretary of Transportation shall immediately include in the Department's program the needed operational requirement in upholding of the enumerated rights in this Act, the initial funding of which shall be charged against the current appropriations for the CAB. Thereafter, such sums as may be necessary for the continued implementation of this Act shall be included in the annual General Appropriations Act.

Sec.49. *Separability Clause.* - If for any reason any provision of this Act is declared unconstitutional or invalid, such parts or portions not affected thereby shall remain in full force and effect.

Sec. 50. *Repealing Clause.* - All laws, executive orders, presidential decrees, issuances, rules and regulations or parts thereof inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

Sec. 51. *Effectivity.* - This Act shall take effect fifteen (15) days after its complete publication in at least two (2) newspapers of general circulation.