

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

SEVENTEENTH CONGRESS
First Regular Session

House Bill No. 843

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Introduced by HON. LINABELLE RUTH R. VILLARICA
4TH DISTRICT, BULACAN

EXPLANATORY NOTE

The State must ensure that the rights of air carrier passengers are established and protected. It must provide for a better mechanism in the enforcement of these rights. Complementarily, a more efficient and convenient public utility services to air passengers must also be provided.

Sometime in the evening of 2 April 2016 a five-hour power outage occurred at the Terminal 3 of the Ninoy Aquino International Airport. This lasted until the early morning of the following day.

The power loss was attributed to the tripping of a Meralco main line and the failure of the standby generators at the airport to address the emergency. Consequently, 82 domestic flights and 79 international flights were cancelled, stranding nearly 15,000 passengers.

The passengers were forced to spend the night on the airport floor, some of whom later complained of being robbed of their personal effects. Meanwhile, outside the terminal building, long queues were formed as the gates were closed until electric power was fully restored.

We express our concern that while the electric power at the NAIA 3 was down, it may have been possible for terrorists to take advantage of the situation by launching an attack on this vital government facility in a manner that the Brussels airport was attacked by suicide bombers on 22 March 2016. In this assault, at least 11 people were killed before a further blast ripped through a rush-hour metro train in the capital shortly afterwards, killing at least 15 people.

This bill seeks to address these and other concerns that directly affect airline passengers.

In the 16th Congress, bills on this subject were filed, consolidated and approved on third reading. Due to time constraints, however, no further action was taken on the bill.

This measure is re-filed for the consideration of this 17th Congress.



REP. LINABELLE RUTH R. VILLARICA

Republic of the Philippines
HOUSE OF REPRESENTATIVES
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SEVENTEENTH CONGRESS
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843

House Bill No. _____

Introduced by HON. LINABELLE RUTH R. VILLARICA
4TH DISTRICT, BULACAN

AN ACT PROTECTING THE RIGHTS OF AIRLINE PASSENGERS AND PENALIZING
ACTS IN VIOLATION THEREOF

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

CHAPTER I
GENERAL PROVISIONS

SECTION 1. *Short Title.* – This Act shall be known as the “Airline Passenger Bill of Rights Act”.

SEC. 2. *Declaration of Policy.* – It is hereby declared the policy of the State to promote the welfare and of airline passengers and strengthen the regulatory framework that will ensure their safety and convenience. The State shall pursue a policy mandating full disclosure of all aspects relating to the contract of air carriage. The State shall adopt the generally accepted principles of relevant international laws to which the country is a signatory. Pursuant thereto, the State shall penalize any act of air carriers which violates the rights of air passengers as defined under this Act.

SEC. 3 *Definition of Terms.* – For purposes of this Act, these terms are defined as follows:

- (a) *Air Carrier* is an airline providing transportation services in a contract of carriage;
- (b) *Baggage* is personal property carried by the passenger, either by hand on the passenger's person, or checked into the air carrier's cargo hold;
- (c) *Off-loaded Baggage* is a checked baggage that had been checked into the air carrier's cargo hold and subsequently removed therefrom;
- (d) *Cancellation* is an act of calling off a flight. This includes the cancellation by the air carrier before the estimated time of departure (ETD) whether or not the reason for the cancellation is due to the air carrier's fault; cancellation by the air carrier after an

- unduly long delay; and cancellation by the passenger or a situation deemed cancelled as provided for under this Act;
- (e) *Check-in Deadline* is a reasonable point in time before the published ETD as may be prescribed by the Civil Aeronautics Board (CAB) at which a passenger may physically present travel documents to the air carrier at the latter's check-in counter;
 - (f) *Check-in Period* is the time when the air carrier's check-in counters are open for accepting and processing passengers checking in for their flights which starts at least two (2) hours before the ETD in international airports and in airports designated by the Department of Transportation and Communications (DOTC). In other airports, the check-in period shall start at least one (1) hour before the ETD;
 - (g) *Confirmed Reserved Seat* is a seat on a specific date and on a specific flight and class of service of a carrier, which has been requested by a passenger, and which the carrier or its agent has verified, by appropriate notation on the ticket, as being reserved for the accommodation of the passenger;
 - (h) *Convention* is the applicable international agreement, convention, or treaty on carriage of goods or persons by air;
 - (i) *Delay* is the deferment of a flight to a later time. Terminal delay refers to a delay that occurs while a passenger is still inside the terminal waiting for boarding, while Transac delay is a delay that occurs while passengers are already on board the aircraft;
 - (j) *Denied Boarding* is a situation where a passenger who has physically presented travel documents pertaining to a confirmed seat reservation at the proper time and place, and has fully complied with the carrier's check-in reconfirmation procedures, and the carrier's tariff requirement, was not allowed to board the aircraft;
 - (k) *Denied Check-in* is where a passenger who has physically presented travel documents to an air carrier's check-in counter checked in at the appointed area and time is denied or is not processed for boarding a particular flight;
 - (l) *Fare* is the payment in consideration for a carriage of a passenger but shall not include charges for ancillary services. Regular fare is any fare that if offered regularly, is non-discounted, and offers the advantage of cancellation, changing of flight time or schedule, rerouting, or rebooking, by the passenger, whether for a fee or penalty, or not. Promotional fare is that which is generally lower than a regular fare and is offered for a specific period. This includes offers of "no frills" fare, wherein the non-essential features for flights such as free food and drinks onboard flights have been removed to keep the price low, and discounted fares which require prior approval by the CAB;
 - (m) *Free Tickets* are those provided by carriers to passengers, tickets available for free to employees, and those claimed based on mileage, which do not have confirmed status, are subject to space availability, and do not qualify as either regular or promotional fare;
 - (n) *General Sales Agent* is a person who is not a bona fide employee of an air carrier, and who is authorized by the air carrier, by itself or through an agent, sells or offers for sale any air transportation, or negotiates for or holds out by solicitation, advertisement or otherwise as one who sells, provides, furnishes, contract, or arranges for, such air transportation;

- (o) *Government Requisition of Space* is a formal 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 emergency purposes. Such request shall be submitted by the requesting agency to the CAB, which in turn, shall make a 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;
- (p) *No Show* is the failure of the passenger to appear at the check-in counter within the check-in deadline, or at the boarding gate at the time indicated on the boarding pass;
- (q) *Non-Scheduled Services* is an arrangement where an aircraft has more flexibility in terms of time, schedules, routes, and choices of airports and similar operational characteristics subject to the approval of the Civil Aviation Authority of the Philippines (CAAP) each time;
- (r) *Overbooking* is the practice of by air carriers of selling confirmed reserved seats beyond the actual seat capacity of the aircraft;
- (s) *Passenger* is a person actually traveling by air. A person who is named in the flight ticket shall be considered a passenger for the purpose of this Act;
- (t) *Person with Disability or PWD* is one who has a long-term physical, mental, intellectual or sensory impairment, which, in interaction with various barriers, may hinder their full and effective participation in society on an equal basis with others;
- (u) *Philippine-Based Air Carrier* is an air carrier holding a Certificate of Public Convenience and Necessity (CPCN) or a Temporary Operating Permit (TOP) issued by the CAB for scheduled or non-scheduled services;
- (v) *Sales Promotion* is the technique intended for broad consumer participation which contain promise of gain, such as prizes, in cash or in kind, as reward for the purchase of a product, security, service or winning in a contest, game, tournament, and other similar competitions which involve determination of winner/s and which utilize mass media and widespread media of information. It also means techniques purely intended to increase the sales, patronage and goodwill of a product;
- (w) *Scheduled Services* is an arrangement wherein an air carrier follows a fixed, regular, and published timetable and routes and which does not have flexibility in terms of time, schedules, routes, and choices of airports and similar operational characteristics.

SEC. 4. *Scope of Application.* – This Act shall apply to all aspects of contract of air carriage for flights or portions of a flight, within the territory of the Philippines or from the territory of the Philippines, operated by Philippine-based air carriers, flights or portions of a flight from the territory of the Philippines operated by foreign air carriers as well as chartered flights and the conduct of individual ticketing: *Provided*, That the compensation provisions of this Act 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.

SEC. 5. *Applicability of International Laws and Pertinent Conventions.* – In case of conflict between 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 supplementary 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.* – Under the contract of air carriage, an air carrier obliges itself to transport the passenger or one's baggage, if any, from one place to another, through air space, without any damage or injury upon the latter's person, or loss, damage or unreasonable deterioration of this baggage, if any, and when the passenger obliges oneself to pay a just and reasonable air 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 gives their respective consent to the said agreement.

There is consent when the air carrier issues a confirmation of airline ticket in favor of a passenger upon payment of the corresponding fare and who accepts and holds it in possession

SEC. 8. *Diligence Required of the Carrier.* – Due to the nature of air transportation, and it being imbued with public policy and interest, air carriers are obliged to observe extraordinary diligence in the performance in their obligations under the contract of air carriage. Air 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 air passenger, or loss, damage, or unreasonable deterioration of one's baggage, the air carrier shall be presumed negligent, unless it proves that it exerted extra ordinary diligence to avert the same.

Diligence observed in the selection and supervision of employees shall not be a defense to rebut this presumption.

SEC. 10. *Cancellation.* – For security and safety reasons due to a technical problem or infrastructure limitation as certified by CAAP or force majeure, an air carrier may cancel a flight. The passengers affected may avail of applicable remedies provided under this Act.

SEC. 11. *Overbooking.* – Consistent with the globally-recognized revenue-management options of air carriers, overbooking shall be responsibly, properly and rationally practiced in utmost good faith. The CAB shall set the ceiling for overbooking which shall not exceed ten percent (10%) of the seat capacity of the aircraft.

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 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 an 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 flight, and for death and injuries and lost, delayed or damaged baggage;
- (f) air carrier's liability limitations;
- (g) procedures for claims against the carrier;
- (h) services and amenities provided by the air carrier; and
- (i) 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 refers to ticket of boarding pass clearly stating that the complete terms and conditions of carriage are available for perusal or review in the air carrier's website, or in the some other document that may be sent to or delivered by post or electronic mail to a passenger upon 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 purchaser.

In case of online booking, the air carrier must establish a system wherein a purchaser is fully apprised of the required disclosures under this Section twice prior to the final submission of an online offer to purchase. The first disclosure shall include the full information to which the passenger has a right of access and disclosure. The second disclosure before the final submission of an online offer to purchase shall substantially include the following messages 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 ataman 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 availing 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.

The following disclosures are required to be part of the airline advertisement in print medium which shall occupy not less than thirty (30%) percent of the advertising material:

- (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 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 the air passenger bill of rights; 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.* – A passenger shall have the right reasonable fare and to receive the full value of the services they purchased. An air carrier shall not deny nor diminish any service that an air passenger has paid for. However, an air carrier may upgrade its services in favor of a passenger free of charge, subject to the consent of the passenger.

This right includes the convenience on the part of the passenger during the flight.

SEC. 17. *Right to Mandatory Fare Discount.* – Qualified senior citizens, PWDs, and students are entitled to a twenty percent (20%) discount on all regular fares.

To avail of the discount, the persons concerned are required to show competent proof that they are senior citizens or students. Competent proof includes government-issued identification cards or school identification cards.

To avail of the discount, a student, at the time of the purchase of the airline ticket, must be enrolled in preschool, elementary, secondary or collegiate school or institution, whether academic, vocational or technical, duly recognized by the government. For the purpose of this Act, it does not include those taking up post-graduate courses such as medicine, law and masteral or doctoral degrees as well as short-term courses and seminars and classes like dancing, singing and driving lessons.

Qualified senior citizens and students are likewise exempt from the payment of the value added tax (VAT).

Where the carrier offers promotional fares, the fare that is more beneficial between the discounted fare and the promotional fare shall be given to the passenger.

For purposes of taxation, the discounts herein imposed shall be allowed as deduction on the gross income of the carrier.

SEC. 18. *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, excluding any service charge. The refund includes the amount paid for checked baggage and other optional service fees such as insurance, donation to the World Wildlife Fund (WWF) and seat selector fee, if any.

SEC. 19. *The Right to a Flight.* – Every passenger has a right to cancel a flight, subject to the following conditions:

- (a) 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.
- (b) If the passenger cancels the confirmed flight twenty four (24) hours or before the check-in deadline, or does not show up altogether, the ticket shall be considered flown and the fare deemed forfeited unless the refund policy provides otherwise. However, the passenger shall be entitled to the full reimbursement of the charges for ancillary services not availed of including baggage fees and terminal fees.

SEC. 20. *Right to Rebook a Flight.* – Every passenger who has fully and truthfully informed that the ticket purchased is rebookable shall have the right to rebook the flight in accordance with the terms and conditions set forth in the re-booking policy.

SEC. 21. *Right to be Processed for Check-in.* – A passenger holding a confirmed ticket, whether under a promotional or regular scheme, with complete documentary requirements, and who has complied with the air carrier's check-in procedures, shall be processed accordingly at the check-in counter within the check-in deadline. For this purpose, the CAB shall, consistent with global aviation practice, 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 shall, therefore, and subject to infrastructure limitations, 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 for a particular flight, including those who are in queue prior to the check-in have already checked-in before accepting passengers from previously delayed or cancelled flights, and chance passengers, in that order, when there are still seats available.

SEC. 22. *Right to Board Aircraft for the Purpose of Flight.* – Except when the passenger is at fault, or due to legal or valid causes of such as 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 carriage affecting the safety and security of another passenger or crew during the voyage.

C. RIGHT AGAINST ANY ACT OF DISCRIMINATION AND VEXATION

SEC. 23 *Right to Equal Protection.* – Every passenger is entitled to all the rights set for 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, age, religion, marital status, political belief and other circumstances. No air carrier shall deny a passenger from enjoying the rights set forth in this Act because of criminal or summary convictions or previous grievance against the air carrier.

SEC. 24. *Rights to be Respected.* – Air passengers shall have the right to be respected at all times by the air carrier, airline employees and crews shall serve passengers with utmost courtesy and respect.

D. RIGHT TO SAFETY

SEC. 25. *Access to Emergency Measures Medical Assistance, Safety Devices and Essential Services.* – A passenger has a right to and to use emergency and safety devices, medical assistance, and proper applications of first aid procedures during emergency situations or when the passenger's 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 be trained in the application of first aid procedures. An air carrier shall always inform the passengers of emergency measures in cases of evacuation before the start or during the first hour of the flight.

A passenger has a right to disembark from an aircraft when in the passenger's determination, continuing the journey or being onboard the aircraft constitutes a risk to health. The air carrier shall consult with the passenger who wishes to disembark and determine whether it is to the best interest of the passenger to deplane.

A passenger shall have access to the 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. 26. *Right to Bring Action, Satisfaction or Relief of a Wrong or Injury.* – Every passenger has a right, without fear of retribution, 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. 27. *Right to immediate Payment of Compensation.* – Every passenger shall have the right to be compensated, promptly, and expeditiously, in case of flight delay or cancellation, death or injury upon the person, and loss or deterioration to one's baggage and property, as the case may be. Compensation shall include the damage caused by any violation of the rights of the passenger as provided for by this Act or any other law or treaty concerning air transportation.

An air carrier liable for any of the required compensations provided under this Act shall make the same available to the affected passenger at the air carrier's counters at the airport on the date when the occasion entitling the passenger to compensation occurred, or at the main office or any branch of the air carrier at the discretion of the passenger. The air carrier shall tender a check or cash for the amount specified, or the document necessary for claiming the compensation herein stated.

If not paid within the prescribed period, the compensation granted herein shall earn an interest computed at the current legal rate until full payment reckoned from the time of the expiration on of the said period, unless the non-payment is prevented by a legal cause.

SEC. 28. *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 delayed for at least two (2) hours after the ETD, whether or not such is attributable to the 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 of 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 18 and 20 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 four (4) hours after ETD for causes attributable to the carrier, the flight shall be deemed cancelled and the affected passenger shall be entitled to the remedies provided under Section 29 (a).

(b) Tarmac Delay

Every passenger shall likewise have the right to adequate food and beverage in case 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 passengers are not allowed to deplane. In case the delay exceeds five (5) hours, the passenger may request disembarkation.

(c) Arrival Delay

In case there is a delay in the aircraft's arrival at the airport of destination for at least one (1) hour, the air carrier shall give the affected passengers free food and beverages.

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 rate which is equivalent to at least the value of the sector cancelled by reason of the delay.

SEC. 29. *Rights of a Passenger for Cancelled Flights or Flights Deemed Cancelled.* – A 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 an 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 through text or electronic mail;
 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, a passenger 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 intention 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 reimbursed within five (5) 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, of the full cost of the ticket at the price at which it was bought for the part or parts of the journey not made and for the part or parts already made if the flight is no longer serving any purpose in relation to the passenger's original travel plan, together with, when relevant, a return flight to the first point of departure, at the earliest opportunity;
5. 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 a re-accommodation; or
6. rebook the ticket without any additional charge.

In the case of 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 by reason of the cancellation.

(b) In case the air carrier cancels the flight because of force majeure, safety, and security as reasons certified by the CAAP, a passenger shall have the right to:

1. rebook the trip to another trip in the future, subject to the payment of the fare difference, if any, and reasonable administrative costs;
2. reimbursement of the value of the fare, subject to the payment of reasonable administrative costs; and
3. endorsement to another airline, upon payment of any fare difference, and be provided space and other circumstances that the accommodation permits, at the option of the passenger.

SEC. 30. 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 immigration issues, safety, security, and health concerns.

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

- (a) If the denial of boarding the aircraft is by reason of overbooking, aircraft downgrading, the passenger concerned shall be compensated in accordance with the provisions of Section 29 (a) hereof;
- (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 the CAAP or legal order of other authorities, the passenger concerned shall be entitled

to refund, rebooking or endorsement to another carrier subject to payment of fare difference or any administrative charges where applicable;

- (c) If the denial of boarding the aircraft is due to government requisition of space, the affected passenger shall be compensated shall be entitled to the remedies in the preceding paragraph with the cost chargeable against the air carrier subject to reimbursement by the requesting agency if allowed;
- (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. *Provided*, That no passenger shall be denied boarding for two (2) consecutive times on the same day, except when public safety, order, health and moral requires. *Provided, further*, That PWDs, persons with special needs, senior citizens, pregnant women and unaccompanied children shall be given preference against denied boarding.

SEC. 31. *Priority in Filing-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 carrier's preceding flight or flights, and thereafter to the bumped-off passengers endorsed by another carrier, in that order.

SEC. 32. *Compensation for Lost, Damaged or Delayed Baggage.* – Every passenger has a right to compensation of any loss, damage, or delay of baggage attributable to the fault of the air carrier.

- (a) In international flights, the compensation for the damaged, delayed or lost baggage shall be governed by the provisions of the applicable convention.
- (b) In the case of domestic flights, the compensation for the damaged, delayed or lost baggage shall be in accordance with the provisions of the contract of carriage or the Philippine currency equivalent of what is provided under applicable convention, whichever is higher.

A passenger's baggage is presumed lost if, within a period of seven (7) days counted from the time the passenger or consignee should have received the same, the baggage is not delivered to said passenger or consignee.

SEC. 33. *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 subject to the provisions of the contract of carriage or the compensation provided in relevant conventions, in the Philippine currency equivalent, whichever is higher.

CHAPTER IV RIGHTS, DUTIES AND OBLIGATIONS OF THE AIR CARRIERS

SEC. 34. *Prevention of Harm to Passengers and Maintenance of Aircrafts.* – An air carrier shall prevent harm and hazard 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. 35. *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. 36. *Special Accommodation of PWDs, Persons with Special Needs, Senior Citizens, Pregnant Women and Unaccompanied Children.* – To ensure 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 is 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 regularions;
- 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 persons 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, 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 12 years old.

SEC. 37. *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 that 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 as certified by the CAAP, the carrier shall perform the following:

- (a) determine the number of passengers in excess of the actual seat capacity of the aircraft;
- (b) announce the flight is overbooked, and that it is looking for volunteers willing to give up their seats in exchange for airline compensation;
- (c) provide the interested passengers or volunteers a list to amenities and offers from which they can choose, which shall always include priority booking in the next available flight and/or cash incentive; and
- (d) in case the number of volunteers is not enough, the air carrier shall increase the compensation package by a certain degree by adding more amenities/services until the required number of volunteers is met.

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

SEC. 38. *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, an air carrier shall provide the necessary transportation to ferry a 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, a certain right of a passenger has been violated, the applicable provisions of this Act shall govern the availment and grant remedies and compensation.

SEC. 39. *Provision of Assistance Desk.* – An air carrier shall provide Customer Service Representatives (CSR) who can address common problems on the spot, including arrangement for meals and hotel accommodation for stranded passengers, processing and payment for compensation for denied boarding, arrangement of luggage resolutions, and settlement of other routine claims or complaints.

SEC. 40. *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 requirements, aircraft maintenance, and other similar situations.

The CAB shall provide Complaints and Assistance Desks manned by CAB or CAB-deputized personnel in all airports who shall assist passengers, whose rights have been violated, including the filing of the complaint.

SEC. 41. *Immediate Reporting of Off-loaded Checked Baggage.* – In case a checked baggage has been off-loaded for operational, safety, or security reasons, the air carrier shall inform the concerned passenger, at the soonest practicable time and in such manner that the

passenger will readily know of such off-loading and the reason thereof. If the passenger's baggage has been off-loaded, the air carrier should make the appropriate report and give the passenger a copy, thereof. 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 announced that the baggage will be on the next flight.

CHAPTER V OBLIGATIONS OF THE CAAP, CAB, AND AIRPORT OPERATORS

SEC. 42. *Availability of Check-in Counters.* – The CAAP, airport authorities or airport operators, as the case may be, shall provide an adequate number 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. In no case shall the queue exceed twenty (20) persons per check-in counter.

SEC. 43. *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 of 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. 44. *Complaints Desk.* – The CAB shall provide the necessary personnel to cater to the unresolved complaints of passengers in every commercial airport. It shall be 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 passengers.

CHAPTER VI REMEDIES AND GRIEVANCE PROCEDURES

SEC. 45. *Amicable Settlement.* – A passenger and air carrier shall exhaust all efforts toward settling disputes amicably in accordance with the provisions of this Act. If no amicable settlement is reached, the government through the CAB may take cognizance of the case.

CHAPTER VII PENAL PROVISIONS

SEC. 46. *Penalties.* – Any violations 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, Batas Pambansa Blg. 344 or the Accessibility Law, Republic Act No. 7432 as amended or the Expanded Senior Citizens Law, as the case may be.

Failure on the part of the air carrier to comply with any of the obligations stated in this Act, upon the order of the CAB shall, after due hearing, be a ground for suspension of its franchise or license to operate.

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

SEC. 47. *Review of Penalties.* – The CAB, in coordination and consultation with the DOTC, Department of Trade and Industry (DTI) and CAAP shall, after three (3) years from the effectivity of this Act and every three (3) years thereafter, review the applicability and enforcement of all the foregoing pecuniary penalties and initiate actions for amending or upgrading the same as may be necessary in accordance with law.

CHAPTER VIII FINAL PROVISIONS

SEC. 48. *Implementing Rules and Regulations (IRR).* – Within sixty (60) days from the effectivity of this Act, the CAB, shall, in coordination with the DOTC, DTI and CAAP, and after consultation with accredited passenger organizations, air carriers and other directly affected stakeholders, promulgate the necessary rules and regulations to effectively implement the provisions of this Act.

SEC. 49. *Congressional Oversight Committee.* – A Congressional Oversight Committee for Air Passenger Rights is hereby constituted in accordance with the provisions of this Act. The Committee shall be composed of the Chairman of the Senate Committee on Public Services and the 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, in aid of legislation:

- (a) monitor and ensure the proper implementation of this Act;
- (b) review the collection performance of the Authority; and
- (c) review the proper implementation of the programs of the Authority and the use of its collected fund.

In furtherance of these objectives, the Committee is empowered to require the DOTC, DTI, CAAP and CAB, to submit all pertinent information, including complaints filed by the passengers and the complaints resolved by the air carriers and the CAB.

The 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 acting separately.

SEC. 50. *Appropriations.* – The Secretary of Transportation and Communications shall immediately include in the Department's program the needed operational requirement in upholding 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. 51. *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. 52. *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. 53. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,