

SIXTEENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)

First Regular Session)



HOUSE BILL NO. 2643

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Introduced by ANGKLA PartyList Representative JESULITO A. MANALO

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THE ANTI-AMBULANCE CHASING ACT OF 2013, THEREBY
AMENDING PRESIDENTIAL DECREE NO. 442, OTHERWISE
KNOWN AS THE LABOR CODE OF THE PHILIPPINES, AS
AMENDED, FURTHER PROVIDING PROTECTION TO SEAFARERS
AND OTHER WORKERS, TOGETHER WITH THEIR FAMILIES.

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

EXPLANATORY NOTE

Tales of Filipino seafarers and other workers suffering or dying from
work-related accidents are innumerable.

As these occur, distressing stories abound of seafarers and workers,
who were convinced, after being pursued by lawyers or their
representatives, into entering agreements for legal or consultancy services
even when such services are not needed, or charged with fees which are
excessive and unconscionable. This practice has led to "ambulance chasers"
taking substantial interest and control in the case and resorting to
questionable practices just to protect and recover their fees at the expense

of the hapless seafarer or worker and his family. More importantly, the compensation due to the seafarer or worker is drastically reduced.

While the Code of Professional Responsibility of Lawyers prohibits ambulance chasing, no statutory provision, however, exists which totally, directly, and expressly prohibits this abominable practice in the enforcement of labor rights.

In order to protect seafarers and other workers, together with their families, from this deleterious and calloused practice, legislative measure must be passed.

For such reason, the passage of this bill is extremely sought.



JESULITO A. MANALO
Party List Representative
ANGKLA

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AND OTHER WORKERS, TOGETHER WITH THEIR FAMILIES.

Section 1. This Act shall be known as "The Anti-Ambulance Chasing Act
of 2013."

Section 2. *Declaration of Policy.* It is the policy of the State to protect
seafarers and all workers (or their families) who meet accidents from the
immoral, deceitful, and exploitative conduct of some members of the legal
profession who solicit legal business in order to gain employment, known
as ambulance chasing. This act of ambulance chasing shall be prohibited by
the State, with appropriate sanctions for its commission.

Section 3. *Definition of Term.* For purposes of this Act, ambulance chasing
shall be defined as the practice of lawyers, either personally or through an
agent, of approaching seafarers or other workers (or their relatives) who
meet accident and offering his legal services in order to file a case against
the person(s) or companies who caused the accident.

Section 4. Article 222 of Presidential Decree No. 442, as amended, is hereby amended to read as follows:

“Art. 222. Appearances and Fees.

a. Non-lawyers may appear before the Commission or any Labor Arbiter only:

1. If they represent themselves; or
2. If they represent their organization or members thereof.

b. No attorney's fees, negotiation fees or similar charges of any kind arising from any collective bargaining agreement shall be imposed on any individual member of the contracting union: Provided, However, that attorney's fees may be charged against union funds in an amount to be agreed upon by the parties. Any contract, agreement or arrangement of any sort to the contrary shall be null and void. (As amended by Presidential Decree No. 1691, May 1, 1980)

c. The immoral, deceitful, and exploitative practice of ambulance chasing shall be prohibited. In this regard, no agent, attorney or other person in charge of the preparation, filing or pursuing any claim for compensation or benefits arising from employer-employee relationship shall demand or charge for his services any fee, and any stipulation to the contrary shall be null and void. The retention or deduction of any amount from any compensation or benefit granted to the worker for the payment of fees for such services is prohibited; provided, however that any member of the Philippine Bar who appears as counsel in any case heard by the Commission or any Labor Arbiter shall be entitled to attorney's fees not exceeding ten percent (10%) of the compensation or benefits awarded by the Commission or any Labor Arbiter, which fees shall not be payable before the actual payment of the compensation or benefits. Any stipulation contrary to the foregoing shall be null and void.

Any violation of the provisions of this Article shall be punished by a fine of not less than Fifty Thousand Pesos (PhP50,000.00) nor more than One Hundred Thousand Pesos (PhP100,000.00), or imprisonment for not less than 1 year nor more than 2 years, or both at the discretion of the court."

Section 5. *Repealing Clause.* All existing laws, orders, decrees, rules and regulations or parts thereof inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

Section 6. *Effectivity.* This Act shall take effect fifteen (15) days from its publication in at least two (2) national papers of general circulation.