

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

SIXTEENTH CONGRESS

Second Regular Session

House Bill No. **4699**



Introduced by Rep. EVELIO R. LEONARDIA

EXPLANATORY NOTE

There is an inappropriate instance in labor proceedings that while the decision of the National Labor Relations Commission is final and executory whereby the winning party moves to execute the judgment, the aggrieved party, upon the other hand could yet avail of the mode of certiorari under Rule 65 of the Rules of Court on the ground that the NLRC gravely abused its discretion in coming up with its decision. But meanwhile, the judgment of the NLRC is already being subjected to a writ of execution. In many instances, the NLRC's judgment or decision is reversed by the Higher Court or the Court of Appeals. However, the recovery of what had already been executed becomes an impossibility in achieving restitution or reparation pursuant to Rule 39, Sec. 5.

Thus, to avoid this seemingly imbalance of rights between litigants, in the interest of justice, the movant in the writ of execution must post a bond in the amount equivalent to what he intends to execute, while the aggrieved party is yet elevating the challenged decision / judgment to the Court of Appeals. This is to effect equal protection and fair play to the aggrieved party in case that the challenged decision is reversed by the Higher Court / Court of Appeals, to his favor.

As such, the approval of this Bill is earnestly sought.


REP. EVELIO R. LEONARDIA
Lone District, Bacolod City

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

SIXTEENTH CONGRESS

Second Regular Session

House Bill No. **4699**

Introduced by Rep. EVELIO R. LEONARDIA

AN ACT
AMENDING CHAPTER III (APPEAL) OF PRESIDENTIAL DECREE NO. 442, AS
AMENDED, OTHERWISE KNOWN AS THE LABOR CODE OF THE PHILIPPINES
BY ADDING SECTION 223-A THEREOF

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

SECTION 1. Chapter III entitled Appeal of Presidential Decree No. 442 as amended, otherwise known as the Labor Code of the Philippines, is hereby amended by adding Section 223-A thereof to read as follows:

Section 223-A. Bond on execution when aggrieved party filed an action under Rule 65 of the Rules of Court, -- In case the judgment upon appeal rendered by the National Labor Relations Commission is subject of a writ of execution filed by the movant, while the aggrieved party had initiated a special civil action under Rule 65 of the Rules of Court or such action has been pending while the writ of execution has been issued, the movant may only enforce the judgment involving a monetary award upon posting of a cash or surety bond issued by a reputable bonding company duly accredited by the Commission in the amount equivalent to the monetary award in the judgment sought to be enforced to the effect that the movant shall cause restitution or reparation when the executed judgment is reversed totally or partially or annulled as equity and justice may warrant pursuant to Rule 39, Sec. 5 of the Rules of Court.

SECTION 2. Separability Clause. -- If any provision of this Act is declared invalid or unconstitutional, other provisions hereof which are not affected thereby shall continue to be in full force and effect.

SECTION 3. Repealing Clause. – Any law, presidential decree or issuance, executive order, letter of instruction, administrative order, rule or regulation contrary to or inconsistent with any provision of this Act as hereby amended or modified accordinally.

SECTION 4. This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in two (2) newspapers of general circulation.

Approved,