

Republic of the Philippines
HOUSE OF REPRESENTATIVES

EIGHTEENTH (18th) CONGRESS
First Regular Session

House Bill No. 2871



Introduced by: REP. JOSEPH STEPHEN S. PADUANO

EXPLANATORY NOTE

The bill of rights of air passengers is for the people. It is a charter that clearly defines the rights of the passengers. It talks to the passengers directly since regulatory measures on air carriers can be a subject of a separate economic regulation or agency resolution. The mention of air carriers in the bill of rights is only to put emphasis on who is the duty bearer and who is the right holder,

Air carriers are public utilities. Public utilities are exercising public functions. Public functions are powers of national sovereignty: This resides in the people and all government authority emanates from them. It is the same sovereignty that mandated the establishment, maintenance, and operation of public utilities as much as public works are part of the functions of government. The exercise or enjoyment of public functions is reserved to class of person possessing the specific qualifications required by law. The government however recognizes our country's financial limitations vis-a-vis the great demand for the construction, maintenance and operation of public utilities to better serve the public.

Private entities which are engaged in the operation of public utilities have to follow constitutional limitations since they are exercising a public function. One of such requirement is the obtainment of a franchise, either from Congress or from a governmental agency to which Congress has delegated such power. A franchise is a special privilege conferred by governmental authority, and which does not belong to citizens of the country generally as a matter of common right.'

A legislative franchise or the grant of certificate of public convenience and necessity is a special privilege granted by the state to a corporation. It is a privilege of public concern which cannot be exercised at will and pleasure, but should be reserved for public control and administration, either by the government directly, or by public agents, under such conditions and regulations as the government may impose on them in the interest of the public!'

The grant of franchise is a special privilege that constitutes a right and a duty to be performed by the grantee. The grantee must not perform its activities arbitrarily and whimsically but must abide by the limits set by its franchise and strictly adhere to its terms and conditions. A corporation as a creature of the State is presumed to exist for the common good, hence, the special privileges and franchises it receives are subject to the laws of the State and the limitations of its charter. There is therefore a reserved right of the State to inquire how these privileges had been employed: and whether they have been abused.

In view of the foregoing, approval of this bill is earnestly sought.



REP. JOSEPH STEPHEN S. PADUANO

Republic of the Philippines
HOUSE OF REPRESENTATIVES

EIGHTEENTH (18th) CONGRESS
First Regular Session

House Bill No. **2871**

Introduced by: REP. JOSEPH STEPHEN S. PADUANO

AN ACT INSTITUTIONALIZING THE AIR PASSENGER FAIRNESS ACT OF 2019.

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

CHAPTER 1

GENERAL PROVISIONS

Section 1. Title. This Act shall be known and cited as the “**Air Passenger Fairness Act of 2019.**”

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

- a. The State shall provides for the maintenance of peace and order, the protection of life, liberty, and property, and promotion of the general welfare which are essential for the enjoyment by all the people of the blessings of democracy;
- b. The State shall provide that the use of property bears a social function, and all economic agents shall contribute to the common good. Individuals and private groups, including corporations, cooperatives, and similar collective organizations, shall have the right to own, establish and operate economic enterprises, subject to the duty of the State to promote distributive justice and to intervene when the common good so demands;
- c. 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;
- d. The State recognizes the indispensable role of the private sector, encourages private enterprise, and provides incentives to needed investments);
- e. 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;

f. The State shall adopt the generally accepted principles of international law as part of the law of the land and hence adopting the Universal Declaration of Human Rights;

g. The State and the airline industry: including general sales agents, in their limited capacity, 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;

h. The State shall fulfil its obligation in taking positive actions to facilitate the enjoyment of these rights in the issuance of this Act;

i. 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. For the purpose of this Act:

(a) "**Air Carrier or operator**" refers to a person who undertakes, whether directly or indirectly, or by a lease or any other arrangements, to engage in air transportation services or air commerce,

(b) "**Air commerce or commercial air transport operation**" refers to and includes scheduled or non-scheduled air transport services for pay or hire: the navigation of aircraft in furtherance of a business, the navigation of aircraft from one place to another for operation in the conduct of a business, or an aircraft operation involving the transport of passengers: cargo or mail for remuneration or hire.

(c) "**Aircraft**" refers to any machine that can derive support in the atmosphere from the reactions of the air other than the reactions of the air against the earth's surface. The term "aircraft", when used *in* this Act shall refer to civil aircraft only and will not include State or public aircraft.

(d) "**Baggage**" is any personal property carried by the passenger, either by check-in or hand-carry. '**Off-loaded Baggage**' refers to baggage checked in but not subsequently removed from the cargo hold of the carrier due to operational, safety, and/or security considerations,

(e) "**Cancellation**" is the act of calling off a flight with the uncertainty of knowing when such flight will happen. This shall include the following instances.

A- Cancellation by the air carrier

- i. cancellation by the air carrier before the estimated time of departure (ETD) for reasons attributable to the carrier as certified by CAAP;

ii. Cancellation by the air carrier before and after the estimated time of departure (ETD) for reasons not attributable to the carrier as certified by CAAP.

iii. Cancellation by the air carrier after an unduly long delay.

B. Cancellation by the passenger

iv. Cancellation by the passenger holding regular fare/ticket, or who has cancelled his/her reservation before and after the estimated time departure (ETD) due to reasons attributable to the carrier:

v. Cancellation by the passenger holding regular fare/ticket, or who has cancelled his/her reservation before and after the estimated time departure (ETD) due to reasons of *force majeure* which includes among others natural calamities or security considerations as certified by CAAP.

C. Cases deemed cancelled

vi. Cases deemed cancelled or those flights that were delayed for six (6) hours attributable to the carrier as certified by CAAP after the estimated time departure (ETD).

(f) Check-in deadline' refers to the point in time before the published estimated time departure (ETD) on or before which a passenger must present himself/herself to the air carrier at its check-in counter which is at least twenty (20) minutes before such ETD.

(g) Check-in period' is the amount of 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 three (3) hours before the ETD until the check-in deadline.

(h) "Civil Aeronautics Board" or 'CAB' means the government agency which has jurisdiction to investigate, upon complaint or upon its own initiative whether any individual or air carrier: domestic or foreign, is violating any provision of the Civil Aeronautics Act of the Philippines or Republic Act No. 776 as amended, or the rules and regulations issued thereunder; and shall take such action consistent with the provisions of this Act, as maybe necessary to prevent further violation of such provision.

(i) Civil Aviation Authority of the Philippines:' or 'CAAP' means the government agency which has jurisdiction under the Civil Aviation Authority Act or Republic Act No. 9497 to establish and prescribe the corresponding

rules and regulations for the enforcement of laws governing air transportation, inspection and registration of all aircraft owned and operated in the Philippines and all air facilities, and operate and maintain national airports, air navigation and other similar facilities in compliance to the International Civil Aviation Organization.

(j) Confirmed Reserved Space" means space 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 means provided by the air carrier or its agent which may include notation on the ticket, as being reserved for the accommodation of the passenger.

(k)"Delay" is the result of the deferment of a flight to a latter time. **'Terminal Delay"** is a delay that occurs while passengers are still inside the terminal waiting for boarding. **"Tarmac Delay"** is delay that occurs while passengers are already on board the aircraft ready for take-off.

(l) Denied Boarding or "Bumping Off" takes places when a passenger who holds a confirmed reserved space and who has presented himself/herself for carriage at the proper time and place and fully complied with the carrier's check-in and reconfirmation procedures and who is acceptable for carriage under the carrier's tariff but was not allowed to board the aircraft for lack of space or any other reason.

(m)"Denied Check-in" takes place when a passenger who has presented himself/herself for check-in at the appointed area and at the appointed time is not checked in for boarding on a particular flight.

For **"Domestic air transport"** means air transportation within the limits of the Philippine territory.

(o) Estimated Time Departure' is the point in time published by the air carrier as the time when the aircraft shall take off.

(p)"fare- is payment in consideration for the carriage of a passenger. **"Regular Fare"** is any fare that is offered on a regular basis, non-discounted, and 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 and, discounted fares. **'Free tickets"** are tickets provided by carriers to passengers, tickets available for free to employees: and tickets 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,

(q) "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.

(r) Government requisition of space refers to a formal request by the government or its agencies to an airline company for the use of an aircraft, or any part thereof: for regulatory; safety, security, and/or emergency purposes;

(s) Shove is the failure of the passenger to be present before the check-in counter within the check-in deadline.

(t) "Non-scheduled Carrier" is an air carrier holding a Certificate of Public Convenience and Necessity (CPCN) or a Temporary Operating Permit (TOP) for nonscheduled services;

(u) "Non-scheduled Services" in air transportation means that an aircraft has more flexibility in terms of time: schedules, routes, and choices of airports and similar operational characteristics subject to the approval of CAAP each time.

(v) "Overbooking" is the practice by air carriers of selling confirmed reserved space beyond the actual seat capacity of the aircraft. This shall include a situation wherein an air carrier downgrades an aircraft for grounds other than safety or unforeseen operational reasons that results in the bumping off of passengers.

(w) Passenger shall refer herein to a passenger travelling by air.

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

(y) Philippine aircraft" means an aircraft registered in the Philippines in accordance with the requirements of Republic Act No. 9497 or the Civil Aviation Authority Act.

(z) "Scheduled Domestic Carrier" refers to a Philippine carrier granted a Certificate of Public Convenience and Necessity (CPCN) to operate scheduled or regular services within points in the Philippines or to and from the territory of the Philippines.

(aa) "Scheduled Services" in air transportation means that an aircraft has 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 contracts 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-based 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. The applicability clause of the 2011 Revised Philippine Civil Aviation Regulation (P AR) shall be considered in this Act.

The rights enumerated in this Act shall not be subject to any limitations except as may be prescribed by law and are necessary to protect public safety, order, health, or morals.

CHAPTER II RIGHTS OF THE PASSENGERS

A. RIGHT TO TRUTHFUL INFORMATION

Sec. 5. Clear; Truthful, and Understandable Information. - Every passenger shall have the right to the full access of information and disclosure of information, in English and in Filipino, from the air carrier and/or general sales agents on the following:

- a. terms and conditions of the contract of carriage before purchase or obtainment of the ticket from the air carrier or its agents, including general sales agents;
- b. information on no-show instances and the liability of the passenger;
- c. documents required to be presented at check-in and provisions on check-in deadlines;
- d. allowed baggage weight and restrictions as to contents of the baggage;
- e. information when the passenger has to declare higher value of baggage and the fees applicable if any;
- f. rules on loss, damage, and delay of baggage and procedures on claim;
- g. refund policy and procedures;
- h. rebooking policy and procedures;
- i. liability limitations of the air carrier;
- j. claim filing deadlines;
- k. promotional fares, the duration, number of seats on a per sector and per flight basis, the CAB promotional number, and the extent thereof;
- l. regular fares, and the extent thereof;
- m. senior citizens discount and persons with disabilities (PWDs) discount;
- n. information as to physical assistance of persons with special

needs including senior citizens, persons with disabilities, pregnant women, and children, which may include information as to seat dimensions, available options of seats, and usage of air bridges, buses, and other services to facilitate their movement;

o. information as to medical assistance;

p. denied boarding and reasons thereof;

q. change of schedule and reasons thereof;

r. delays and cancellation of flights and reasons thereof;

s. deviation of flights and reasons thereof;

t. options of the passengers in cases of denied boarding, change of schedule, delays, cancellation, deviations, and other changes in the operations of the aircraft;

u. number of flight, names of pilots, co-pilots, crews, and attendants in the flight where the passenger is in;

v. information as to where to report if harassed or violated of his or her person;

w. options of the passenger as to taking advantage of travel insurances, if available;

x. contact information of the air carrier and officers or agents to contact in cases of emergency

y. government taxes and fuel surcharges, including basis of rates of fuel surcharges; z. other fees and charges;

aa. other key terms identified on the contract of carriage;

bb. other information necessary to apprise the passenger of the conditions and full/total price of the ticket purchased.

Sec. 6. Method of Disclosure. An air carrier shall cause the disclosure under this Section to be printed on or attached to the passenger ticket and/or boarding pass, or incorporate such terms and conditions of carriage by reference.

Incorporation by reference means that the ticket and/or boarding pass shall clearly state that the complete terms and conditions of carriage are available for perusal and/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 from the air carrier including a copy or access to this Act.

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 the purchaser is fully apprised of the required disclosures under this Section twice prior to the final submission of his/her 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 his/her online offer to purchase 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. 7. *Advertisements* - Advertisements of fares shall be clear, truthful and not misreading 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/rates 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%) of the advertising material.

- a. Conditions and restrictions attached to the fare type;
- b. Refund and rebooking policies applicable;
- 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; and
- 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.
- 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.

Provided: that where there are differing conditions such as fuel surcharge in relation to the points of destination or origin, the advertisements of these carriers may provide only the range thereof and not the actual surcharge of each route.

B. RIGHT AGAINST DISCRIMINATION

Sec. 8. *Equal Protection.* - Every passenger is entitled to all the rights set forth in this Act regardless of sex, gender, education, income, social status, language, color, physical characteristics, mental characteristics, sensory impairments, age, religion, marital status, political belief, and other circumstances that have no relation whatsoever to the passenger being a right-holder in this Act. Air carriers shall also not discriminate passengers to enjoy the rights set forth in this Act based on criminal or summary convictions or history of filing a complaint against the air carrier

No air carrier shall refuse transportation to any person on the basis of their disability. There should be no limit as to the number of seats allowed for persons with disability, senior citizens, or persons with special needs.

Sec. 9. *Valid Classification.* - The State recognizes valid classification of persons as manifested by legislations aiming to level the access and enjoyment of basic rights of persons.

This Act recognizes and integrates the provisions found in the following laws and regulations:

- a. Republic Act No. 7277 or the Magna Carta for Disabled Persons and as amended by Republic Act No. 9442 including the implementing rules and regulations of such laws particularly Section 36 of Republic Act No 9442;
- 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 now called the Expanded Senior Citizens Act of 2010 and its implementing rules and regulations;

All air carriers shall adhere to the provisions of these laws and accordingly, designate at least one (1) check-in counter in their existing counters which shall prioritize persons with disabilities (PWDs), senior citizens, and persons requiring special assistance or handling which may include pregnant women, and unaccompanied children between 7 and 12 years old.

Persons accompanying a PWD, a senior citizen, and a person requiring special assistance or handling should also be accommodated in the designated check-in counter. It is the duty of the air carrier or its authorized agent to inform its passengers if additional costs will be incurred for the use of facilities designed for passengers needing special assistance.

Air carriers may not require advance notice that a person with disability, senior citizen or pregnant women, and children are travelling. However, air carriers may require up to 48 hours advance notice for certain accommodations that require preparation time which may include respirator-hook up, transportation of an electric wheelchair on an aircraft with less than 60 seats, accommodations for ten (10) persons with disability or more who travel as a group, person travelling on a stretcher, carriage of an incubator, and other assistance that would require preparation from the air carrier.

Air carriers may not require a person with disability, senior citizens, pregnant women, and unaccompanied children between 7 and 12 years old to travel with an attendant, except in limited circumstances provided for by law. If the person with disability, senior citizen, pregnant women, and unaccompanied children between 7 and 12 years old disagree about the need for an attendant, the air carrier can require the attendant, but cannot charge for the transportation of the attendant.

However, there are instances when the air carrier can require persons with disability, senior citizens, and persons with special needs to be accompanied by an attendant or a companion and the submission of a medical certificate:

- a. Person travelling on a stretcher or incubator but only in flights where such services is offered;
- b. Person with mental disability or sensory impairment such as hearing or vision impairments to an extent that the person cannot comprehend the instructions and respond appropriately to the air carrier personnel, including understanding instructions on change of gate assignments and schedules, checking and claiming of baggage, accessing lavatory, or handling oneself during connecting flights, or such impairment prevents him or her from receiving and acting on necessary instructions from carrier personnel when evacuating the aircraft during an emergency;
- c. Person with disability who is unable to assist himself or herself in alighting the plane or when evacuating the plane during an emergency:

In such cases, the air carrier may ask for volunteers from the passengers or an off-duty employee who is in the same flight to accompany the person

with disability, senior citizen, or persons with special needs. Such attendant or volunteer shall not be required to provide personal services to the person with disability, senior citizen or person with special need except in the event of an evacuation during emergency.

The air carrier may deny boarding to such persons with disability, senior citizens, and persons with special needs if it is for the best interest of such person. In such a case, the person shall be entitled to compensation as provided in this Act.

Air carriers must at all times have an on-board wheelchair whether it was requested by any passenger or not. Wheelchairs and assistive devices do not count against any limit on the number of pieces of hand-carry baggage. Wheelchairs and assistive devices shall have priority for in-cabin storage space over other the baggage and shall also have priority when unloading. Wheelchairs that are battery-powered shall not be denied acceptance by the air carrier subject only to limitations imposed by law on hazardous chemicals. Packaging of such hazardous chemicals shall be allowed if within the rules of the CAAP. No additional costs should be charged for packaging such batteries,

An air carrier that refuses transportation to any person with disability, senior citizen, or person with special needs shall provide a written statement to that person within 10 calendar days, stating the basis for such refusal.

Air carriers shall include in their personnel training on dealing and understanding people with disabilities, senior citizens, or persons with special needs, and how to respond to their needs quickly, safely, and with dignity.

Sec. 10. Additional costs for the use of facilities designed for persons with disabilities and senior citizens. - Additional costs for the use of the facilities designed for persons with disabilities may be charged by the air carrier or the passenger to the funds of the Department of Social Welfare and Development (DSWD) as provided for in Section 27 of Republic Act No. 7277 or the Magna Carta for Disabled Persons subject to the rules provided by DSWD and National Council on Disability Affairs (NCDA);

Additional costs for the use of the facilities designed for senior citizens may be charged by the air carrier or the passenger to the designated funds of the Office for Senior Citizens Affairs (OSCA) where the passenger belongs subject to the rules and regulations of the respective OSCA and Section 21 of Republic Act No. 9994 with regard to available and required services which can be provided by registered associations and federations of senior citizens.

All additional charges on the basis of special needs of persons with disability, senior citizens, and persons with special needs shall at all times be reasonable and nondiscriminatory.

C. RIGHT TO SAFETY

Sec.11. Right to a safe flight and extraordinary diligence of the air carrier. - Every passenger has a right to a safe flight. He or she shall be entitled to a convenient and on schedule conveyance in accordance with the contract of carriage with the air carrier. The air carrier shall be required to transport the passenger with extraordinary diligence and vigilance over the safety of their person and property in relation to the aircraft: the air carrier's personnel and crews, and other passengers. The air carrier shall at all times favor safety based decisions when passengers are involved.

Sec. 12. 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 have 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 has a right to deplane the aircraft when it puts his or her health condition at risk, the air carrier shall consult with the passenger who needs to deplane and determine on a safety-based decision whether it is for the best interest of the passenger to deplane.

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

Sec. 13. Prevention of harm to passengers and maintenance of aircrafts. - 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.

D. RIGHT TO REDRESS

Sec. 14. Right to 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 a wrong or injury caused to the passenger or his or her spouse and minor children.

Every passenger has a right to satisfaction or relief from a wrong or injury as the case may be, Satisfaction of a wrong or injury may be done through rectifying the problem, providing compensation, conducting an investigation, or extending a formal apology to the passenger.

Sec. 15. Instances where a passenger has a right to redress- The following includes, but not limited to, the instances where the passenger has a right to redress:

a. **Refund of Fares.** Every passenger has a right for a full refund of fares for all kinds of purchased tickets including those from promotional sales and other fees such as checked baggage fees and other optional service fees e.g. insurance, donation, seat selector fee, if the passenger did not use his/her ticket, *Provided*, That the passenger is not at fault

h **Rebook the Flight.** Every passenger has a right to rebook the ticket he or she purchased; *provided*, that the rebooking fee is only limited to administrative fee.

c. **Denied Boarding.** Every passenger shall be protected from denied boarding, 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. In accordance with the customary airline procedures, a passenger holding a confirmed ticket, whether promotional or regular, with complete documentary requirements and has followed the check-in procedures shall be processed for check-in if he/she presents himself/herself at the check-in counter within the check-in deadline. *Provided*, that a passenger within the air carriers cordoned check-in area at least one (1) hour before the published ETD shall not be denied check-in.

d. **Overbooking.** In accordance with paragraph (c) of this Section, every passenger checked in 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. If the flight has more passengers than the allowed capacity of the aircraft, the air carrier shall perform the following:

1. Determine the number of passengers in excess of the actual seat capacity of the aircraft:
2. Announce that the flight is overbooked, and that it is looking for volunteers willing to give up their seats in exchange for airline compensation;
3. Provide the interested passengers or volunteers a list of amenities and offers from which they can choose, which shall always include priority booking in the next available flight and/or cash incentive; and

4. In cases the number of volunteers is not enough to resolve the overbooking, the air carrier shall increase the compensation package by certain degrees or by adding more amenities/services until the required number of volunteers is met.

The overbooking and the settling of compensation for passengers pursuant to this Section shall not be an excuse for the undue delay of its ETD.

e. **Bumped Off.** Every passenger shall be protected from being bumped off in the flight wherein he or she has a confirmed ticket. However, in cases where the seats of the aircraft are insufficient to accommodate the ticketed passengers for other reasons such as, but not limited to, government requisition of space, as well as the downgrading of the aircraft for safety or unforeseen operational reasons as certified by the CAAP, the air carrier shall ask for volunteers in accordance with paragraph (d) of this Section.

For this purpose, government agencies and/or officials wanting to requisition aircraft space for official government purposes shall submit a written request justifying the requisition to the CAR, who shall then make the request to the airline concerned, detailing:

1. The number identities, and affiliation of the persons requesting for space,
2. The date and time (if applicable) of the flight; and
3. The destination

f. **Cancelled Flights.** Every passenger has a right to compensation in cases of flight cancellation attributable to the carrier as certified by CAAP.

g. In case of flight cancellation before the ETD attributable to the carrier, a passenger shall have the right to:

i. Be notified beforehand via public announcement, written/published notice; and flight status update service or Short Message Service (sms /text);

ii. Be provided of the following:

- a. Refreshments and/or meals

- b. Hotel accommodation that is conveniently accessible from the airport or lounge accommodation
- c. Transportation from the airport to the hotel
- d. Free calls, text, e-mails, and first aid, if necessary;

iii. Reimbursement of the value of the fare, including taxes, surcharges of the sector cancelled, in case the passenger opts not to fly the ticket; if both sectors are cancelled, the carrier shall reimburse the total value of the fare, taxes, and surcharges:

iv. Rebook the ticket to the next flight with available space, or within thirty (30) days to a future trip without additional charge. However, for rebooking made in excess of thirty (30) days, fare difference shall apply: and

v. Endorsement to another carrier without paying any fare difference, at the option of the passenger: and be provided space and other circumstances that the accommodation permits, at the option of the passenger.

2. In case the carrier cancels the flight because of force majeure, safety, and/or security reasons as certified by the CAAP, a passenger shall have the right to:

- i. Rebook the trip to another trip in the future, subject to the payment of the fare difference, if any, and reasonable administrative costs;
- ii. Reimbursement of the value of the fare, subject to the payment of reasonable administrative costs; and
- iii. 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.

This provision shall be the minimum entitlement of a passenger in case of cancellation and shall not prohibit the airline from granting more favourable conditions or recourses as it may deem appropriate,

Delayed Flights. Every passenger has a right to redress when their flights are delayed.

I. Terminal Delay

In case of 'terminal delay' of at least two (2) hours after the ETD, whether or not such is attributable to the carrier, a passenger shall have the right to:

- i. Be notified beforehand via public announcement, written/published notice:
- ii. Be provided with:
 - a. Refreshments and/or meals,
 - b. Free phone calls: text or e-mails, and first aid. if necessary.

In case the flight is delayed for at least four (4) hours for causes attributable to the carrier, the passenger, in addition to the above amenities: shall have the right to;

- i. Declare that he/she is cancelling his/her reservation;
- ii. Rebook or refund in accordance with paragraph (I) of this Section; or
- iii. Ask to be endorsed to another carrier, in accordance with paragraph (f) of this Section.

In case a flight is delayed for at least six (6) hours after the ETD for causes attributable to the carrier, it shall be deemed cancelled for the purpose of making available to the passenger the rights and amenities required to be provided in case of actual cancellation as provided in paragraph (f) item number (1), and in addition, an affected passenger shall be given the following:

- i. Additional compensation equivalent to the value of the sector not flown: and
- ii. The right to board the flight if it takes place after six hours and the affected passenger has not availed of the rights provided in paragraph (f) item number (1). For this purpose, the air carrier is obliged to exert all efforts to contact the passenger for the flight.
- iii. 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.

Damaged baggage shall be compensated at one hundred pesos (Php 100.00) per kilogram if it is in a domestic flight unless the passenger has declared a higher valuation of the baggage at check-in time, For international flights: item (i) under this paragraph shall apply.

iii. Death or Bodily Injury of Passenger. Every passenger has a right to safety and security of his or her person.

For international flights, in case of death or bodily injury sustained by a passenger, the relevant Convention and inter-carrier agreement shall apply. However, an international carriage performed under the 1966 Montreal Inter-Carrier Agreement which includes a point in the United States of America (USA) as a point of origin, a point of destination or agreed stopping place, the limit of liability for each passenger for death, wounding or other bodily injury shall be the sum of seventy-five thousand dollars (USD 75,000.00) inclusive of legal fees and costs. *Provided*, in the case of a claim brought in a state where a provision is made for a separate award for legal fees and costs, the limit shall be the sum of fifty-eight thousand dollars (USD 58,000.00), exclusive of legal fees and costs.

For domestic flights, the equivalent amount in Peso provided by the relevant Convention shall apply.

Sec.16. Assistance Desk. Air carriers shall provide Customer Service Representatives who can address common problems on the spot which includes arranging for meals, hotel rooms and accommodation for stranded passengers, write checks for denied boarding compensation, arrange luggage resolutions, and settle other routine claims or complaints.

In addition, the CAB shall provide Complaints and Assistance Desks manned by CAB or CAB-deputized personnel in all airports who shall assists passengers, whose rights have been violated, including the filing and the petition

Sec. 17. Remedies of the Passengers. - Every passenger whose right provided in this Act is violated shall have the following remedies:

- a. Go to the Customer Service Representative (CSR) of the air carrier at their designated counter. Ask for two (2) copies of the report form and write the nature of the complaint
- b. Submit the forms to the CSR and get acknowledgement receipt, Give one copy to the CSR for processing.
- c. Give the other copy at the Complaints and Assistance Desk (CAD) of

This provision shall be the minimum entitlement of a passenger in case of delay and it shall not prohibit the airline from granting more favorable conditions or recourses as it may deem appropriate.

h. **Loss, Damage and Delay of Baggage.** Every passenger has a right to compensation for any loss, damage, or delay of baggage attributable to the fault of the air carrier.

Compensation for loss of baggage shall be in the following amounts:

i. For international flights, twenty dollars (USD 20.00) per kilo for checked in baggage and four hundred dollars (USD 400.00) for hand-carried baggage.

ii. For domestic flights, the equivalent amount in pesos shall apply.

A passenger's baggage is presumed to have been lost, if within a period of fourteen (14) days, counted from the time the passenger or consignee should have received the same, the baggage is not delivered to said passenger or consignee.

Once the baggage is declared to be permanently lost in case of domestic flights, the provisions set in the contract of carriage shall apply in the valuation of lost belongings. In case of international flights, the limits set by the Warsaw Convention or the Montreal Convention, whichever is applicable, shall apply.

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 that his/her baggage has been of and the reason thereof in the passenger's baggage has been offloaded, 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.

The air carrier shall carry the off-loaded baggage in the next flight with available space: deliver the same to the passenger either personally or at his/her residence and tender an amount of one thousand pesos (PhP 1,000.00) for every two (2) days of late delivery, as compensation for the inconvenience. The passenger shall also have a right to the refund of the checked baggage fees if the baggage was not delivered to the passenger within twenty-four (24) hours from the arrival of flight.

Air carriers are liable for provable consequential damages up to the amount of their liability limit in connection with the loss and delay in the delivery of baggage, in accordance with the limits set by the Warsaw Convention or the Montreal Convention, whichever is applicable

CAB or CAB-deputized personnel at the airport and attach the report form from the air carrier on the report form from CAB.

d. Get acknowledgment receipt of complaint from CAB.

e. Get resolution slip from the air carrier's CSR and attach it on your CAB report form and submit it to the CAB CAD.

f. If case is not resolved, go to CAB CAD and report such incident together with documents, and other evidence, to support your claim.

Sec.18. *Compensation as Liquidated Damages-* The compensation provided in the preceding sections, if accepted by the passenger, shall constitute liquidated damages for all the damages incurred by the passenger as a result of the air carrier's failure to provide the passenger with a confirmed reserved space.

Provided, that while a confirmed reservation is necessary to make a passenger eligible for compensation, a written confirmation issued by the air carrier or an authorized agent qualifies the passenger in this regard even if the air carrier cannot find the reservation in the electronic records, as long as the passenger did not cancel the reservation or miss a confirmation deadline.

Provided further that in addition to the aforementioned compensation, a passenger denied boarding shall have priority booking for the air carrier's next flight with available space using the same ticket and have the same services originally opted and paid for which includes but not limited to seat selection, baggage check-in, and other paid services, in such subsequent flight. If the passenger does not receive these services on the subsequent flight or was required to pay a second time, the air carrier must refund these payments to the passenger.

Provided finally, that a passenger shall not be denied from boarding for two (2) consecutive times on the same day, except when public safety, order, health and moral requires or instances enumerated in Section 15 (e) pertaining to government requisitions of space.

CHAPTER III OBLIGATIONS OF THE CARRIER

Sec.19. *Responsible Overbooking* - Overbooking, as a revenue-management options of air carriers, shall be properly and rationally practiced; and done in utmost good faith,

Sec. 20. *Immediate Payment of Compensation.* - An air carrier liable for compensation as herein provided shall make the compensation 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 for the amount specified, or cash, or the document necessary to claim the compensation or benefits mentioned above.

Sec.21. Duty of the Carrier during Check-in Period - Passengers shall be given enough time before the published **ETD** within which to go through the check-in and final security processes. For this purpose, air carriers shall open their check-in counters at least three (3) hours prior to the ETD.

A passenger within the cordoned or other designated check-in area at least one (1) hour before the **ETD** shall not be considered a late check-in or a no-show. For this purpose, a system of stamping or certifying that a passenger has entered the cordoned or other designated check-in area on time shall be put in place by the carrier. The carrier shall exert utmost diligence in ensuring that passengers within the cordoned or other designated check-in area and/or lined up at the check-in counters are checked in for their flights before the check-in deadline.

In case the passenger is late, he/she may be denied check-in and directed to a. standby or rebooking counter, as the case may be, for proper processing.

Sec. 22. Designation of an "All-Flight Counter" and Per Route Counter. - 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 dedicated counter for a flight nearing check-in deadline to facilitate the checking in of passengers at least an hour before the published ETD.

Sec. 23. 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.

Sec. 24. Written Reports. - Air carriers shall submit a monthly report to the CAB on the following:

- a. The number of regular and promotional fare passengers who have been denied boarding, whose flights were delayed or had been cancelled:
- b. The number of regular and promotional fare passengers whose baggage had been lost, damaged_ or off-loaded: and

- c. The number of regular and promotional fare passengers who died or sustained in an injury during the course of the flight or performance of the contract of carriage, as well as the reasons and other circumstances of such occurrences.

Provided, that the air carriers shall maintain a database, containing the names, addresses: and/or other particulars of such passengers, their flights, concerns or complaints, as well as records of the air carrier's personnel regarding **the** same, if any, and other pertinent information, available to the CAB upon request.

CHAPTER IV FINAL PROVISIONS

Sec. 25. *Implementing Rules and Regulations.* - The Department of Transportation (DOTr), Department of Trade and Industry (DTI) and the Civil Aeronautics Board (CAB) shall adopt rules and regulations to implement the provisions of this Act within sixty (60) days from the date of its approval in consultation with accredited passenger organizations.

Sec. 26. *Congressional Oversight Committee.* - A Congressional Oversight Committee, hereinafter referred to as the "Committee", 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 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, among others, in aid of legislation:

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

In furtherance of the hereinabove cited objectives: the Committee is empowered to require DoTr, DTI, and GAB, 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 acting separately.

Sec. 27. *Appropriations.* - The Secretary of Transportation shall immediately include in the Department's program the operationalization of the upholding of the enumerated rights in this Act, the initial funding of which shall be charged against the current appropriations for the Civil

Aeronautics Board (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. 28. *Separability Clause.* - If any section(s) or any part of this Act is declared unconstitutional by a competent authority, the remaining sections or parts thereof shall not be affected thereby.

Sec. 29. *Repealing Clause.* All other orders, guidelines, economic regulations, and other issuances of the CAB, DTI, and the DOTr, which are inconsistent with these provisions: are hereby amended, repealed or modified accordingly. Otherwise, provisions not deemed inconsistent shall be of suppletory application.

Sec. 30. *Penalties.* - Any violation of Section 6 and Section 7 shall be a ground for the denial of subsequent applications for approval of regular and/or promotional fare, or for the suspension or recall of the approval made on the advertised fare/rate.

Violations of Section 9 and 10 of this Act shall be subject to the penalties provided for in Section 3 of Republic Act No. 9442, Section 4 of Batas Pambansa Bilang 344, and Section 24 of Republic Act No. 9994, as the case may be.

Any violation of this Act shall be penalized in accordance with the pertinent provisions of Republic Act No. 77 or the Civil Aeronautics Act of the Philippines, and Republic Act no. 7394 or the Consumer Act of the Philippines.

SEC. 31. *Effectivity.* - This Act shall take effect fifteen (15) days after its complete publication in at least two (2) newspapers of general circulation.

Approved.