

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
Third Regular Session

HOUSE BILL NO. 10417



Introduced by REPRESENTATIVE MANUEL ANTONIO F. ZUBIRI

EXPLANATORY NOTE

It is the policy of the State to protect consumers and afford them all possible means to protect their rights and interests in buying products as well as availing of services.

The advent of the boom of the air transportation signified it as the most effective means and convenient way of transportation. With the success of budget airlines in terms of passenger volumes, the industry now caters to all classes of commuters and travelers. Correlative with this however is the increasing problems faced by the airline passengers, such as: flight delays of airline carriers; overbooking of airline carriers; baggage losses; disappearances of reservations; difficulty of refunds and many others.

This bill primarily aims to lay down the rights of airline passengers and afford them protection in case of violations thereof. It also seeks to clarify and specify the liabilities of airline companies with the end view of harmonizing and balancing both the rights and liabilities of the airline companies and the passengers for the development and improvement of the airline industry.

Thus, approval of this Bill is earnestly sought.


MANUEL ANTONIO F. ZUBIRI
Representative
Third District, Bukidnon

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
Third Regular Session

HOUSE BILL NO. 10417

Introduced by REPRESENTATIVE MANUEL ANTONIO F. ZUBIRI

AN ACT
PROVIDING FOR A BILL OF RIGHTS FOR AIR PASSENGERS

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

SECTION 1. Title. – This Act shall be known as “Airline Passengers Bill of Rights Act of 2021.”

SEC. 2. Scope. – This Act establishes, under the conditions specified herein, the different rights of airline passengers including when (a) they are denied boarding against their will; (b) their flight is cancelled; (c) their flight is delayed; and (d) their baggage are lost, delayed or damaged. It shall apply to all flights or portions of a flight into, from, and within the territory of the Philippines operated by Philippine air carriers, and flights or portions of a flight from the territory of the Philippines operated by foreign air carriers.

SEC. 3. Definition of Terms. – For the purpose of this Act, the following terms shall mean:

a) “Airline Carrier” – or Air Carrier refers to a Philippine-based carrier operating scheduled or non-scheduled domestic and/or international flights to or from or serving a point within the Philippines, or a foreign carrier operating scheduled or non-scheduled international flights from the Philippines;

b) “Air Transportation” – refers to a transportation system for moving passengers and/or goods by air. It also refers to domestic, overseas, or foreign air transportation;

c) “Cancellation” – is the act of calling-off a flight. This shall include the following instances: (1) Cancellation by the air carrier before the estimated time of departure (ETD) with or without its fault; (2) Cancellation by the air carrier after an unduly long delay; (3) Cancellation by the passenger holding a regular fare/ticket, or in case such Terminal Delay extends to at least five (5) hours after the ETD for causes attributable to the carrier;

d) “Chronically Delayed Flight” – refers to a regularly scheduled flight in air transportation that has failed to arrive within thirty (30) minutes of the scheduled arrival time of the flight at least forty (40) percent of time during the most recent three-month period for which data is available;

e) Convention refers to the applicable international agreement, convention, or treaty on carriage of goods or persons by air signed and/or ratified by the Philippines;

f) “Covered Air Carrier” – refers to an air carrier conducting scheduled passenger air transportation within the Philippines;

g) Delay is the result of the deferment of a flight to a later time. “Terminal Delay” is a delay that occurs while passengers are still inside the terminal waiting for boarding, while “Tarmac Delay” is a delay that occurs while passengers are already on-board the aircraft;

h) 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 denied or not processed for boarding a particular flight;

i) Denied Boarding takes place

j) “Department” – refers to the Department of Transportation;

k) “Bumping” – refers to the denial of a seat on a plane when there is confirmed reservation. It results from overbooking, an airline practice designed to fill the empty seats that “no-show” passengers leave behind by overselling tickets;

l) Oversales – is the practice of airlines to sell more tickets than the available seats on a specific flight in anticipation that there will be “no-show” passengers;

m) Passenger – refers to a person who holds an airline ticket or contract of carriage; and

n) Tarmac Delay – refers to the holding of an aircraft on the ground before taking off or after landing without opportunity for its passengers to deplane.

SEC. 4. Passenger’s Rights. – An airline passenger shall have the following rights:

a) Confirmed Reservation. – A passenger with confirmed reservation cannot be denied of boarding the plane. A reservation is confirmed if there is a record in the airline’s computer system, absence of which a valid ticket may be presented. An airline passenger with a confirmed reservation is confirmed on the flight even if there is no record of the reservation in the airline’s computer system. Provided, that the passenger presents a valid ticket.

b) Refunds. – Airline tickets paid for with cash must be refunded immediately by the carrier or travel agency net of any applicable charges or cancellation fees. In cases of cancellation of a refundable ticket purchased through credit card, the refund shall be issued as a credit on the same card used to make the purchase. If purchased with a personal check, refund shall be through mail. In cases of non-refundable fare, passenger may apply the fare paid toward a future flight, net of any applicable charges or cancellation fees.

c) Delays and Cancellations. - An airline carrier shall provide for the essential needs of passengers on board an aircraft. If the flight is cancelled, the passenger shall be booked on the next available flight. If the flight is delayed, the passenger shall be entitled to services such as but not limited to meals, phone calls, comfortable place for waiting or accommodations in case of overnight delay.

d) Bumping. - If a passenger is involuntarily bumped off, said passenger may opt for a full refund in case he/she will not be booked within 12 hours from his/her original flight. Said passenger shall be entitled to a reduced refund if the airline carrier is able to arrange alternative transportation that will get him/her to his/her destination within two (2) hours of originally scheduled arrival time.

SEC. 5. Duties and Liabilities of Airline Carriers. – It shall be the duty and liability of airline carriers to:

a) Confirm Reservation. - The airline shall disclose its policy and procedure for managing the inability to board all passengers who have confirmed reservations on a flight and who have met the carrier’s check-in deadline and other requirements specified in the carrier’s contract of carriage. Such disclosure shall also provide for the criteria for establishing which passengers shall be denied boarding involuntarily.

Passengers denied boarding shall be entitled to compensation by cash or vouchers, or alternative transportation to the passenger’s ultimate destination by the same or another carrier. Provided, that the passenger shall be informed of the procedures and terms for offering compensation by cash or vouchers, before he/she agrees to give up his/her seat.

Provided further, that the passenger denied boarding voluntarily or involuntarily shall be informed of all other benefits.

Provided finally, that the air carrier shall compensate "bumped" passengers or passengers delayed due to flight cancellations or postponements of over twelve (12) hours by refund of 150 percent (150%) of ticket price.

b) Delays. - Notify passengers within ten (10) minutes of a delay of known diversions, delays and cancellations via airport overhead announcement, on-aircraft announcement and posting on airport television monitors.

c) Establish and disclose the procedure for returning passengers to terminal gate when delays occur so that no plane sits on the tarmac for longer than three (3) hours without connecting to a gate.

d) Provide for the essential needs of passengers during air or ground-based delays of longer than (2) two hours, including food, water, sanitary facilities and access to medical attention.

e) Provide for the needs of disabled, elderly and special-needs passengers by establishing procedures for assisting with the moving and retrieving of baggage, and the moving of passengers from one area of airport to another at all times by airline personnel.

f) Publish and update monthly on the company's public web site a list of chronically delayed flights, meaning those flights delayed by thirty (30) minutes or more, at least forty percent (40%) of the time, during a single month.

g) Make lowest fare information, schedules and itineraries, cancellation policies and frequent flier program requirements available in an easily accessed location and updated in real time.

h) Baggage. – Ensure that baggage is handled without delay or injury; if baggage is lost or misplaced, the airline shall notify customer of baggage status within twelve (12) hours and provide compensation equal to current market value of baggage and its contents; Provided, that the carrier shall make its best effort to deliver passenger's checked baggage within twenty-four (24) hours after arrival of the flight on which the passenger travelled and on which the passenger checked-in the baggage.

i) Refunds. – To process and pay all fully documented cash refund request within a reasonable period of time not to exceed fifteen (15) working days and to inform refund claimants promptly, but not later than twenty (20) workings days after refund request is received, of any further information that is necessary to process refund.

j) Passenger Complaints. – Establish and disclose the procedure to respond to all passenger complaints within twenty four (24) hours and with appropriate resolution within a week; Provided, that such response shall include a description of the compensation or recourse available to the complainant.

k) Consumer Complaint Report. – Air carriers are mandated to submit to the Civil Aviation Board, under oath, a quarterly Consumer Complaint Report that shows the total number of letters and/or email messages received during a specific quarter complaining about the service, to be categorized as follows:

1. Flight problems involving missed connections, diversions, cancellations, delay leaving gates, delay after leaving gates but before take-off, delay after landing but before deplaning, and arrival delay;

2. Oversales;

3. Reservations and ticketing;

4. Fares;

5. Refunds;
6. Baggage;
7. Customer Service;
8. Discrimination;
9. Advertising; and
10. Miscellaneous.

SEC. 6. Department of Transportation (DOTr). – The Department, through the Civil Aviation Board (CAB), shall have the power to monitor the compliance of all airline carriers with the provisions of this Act.

SEC. 7. Implementing Rules and Regulations. – Not later than 180 days after the date of enactment of this Act, the Secretary of the Department, through the CAB, shall issue final regulations to carry out the provisions of this Act.

SEC. 8. Penalties.

a) Any air carrier who violates the provisions of this Act shall give the affected passenger an amount of not less than Ten Thousand Pesos (Php10,000.00) but not more than Thirty Thousand Pesos (Php30,000.00) depending on the severity of the offense caused.

b) If an air carrier has a chronically delayed flight record for a particular quarter, a fine of Five Million Pesos (Php5,000,000.00) shall be imposed by the Civil Aeronautics Board.

c) In case of grave and repetitive violations, the penalty shall be the suspension or revocation of the certificate of public convenience of the domestic carrier, after the Department shall have conducted a hearing into the matter.

SEC. 9. 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. 10. Repealing Clause. – All laws, executive orders, presidential decrees, and rules and regulations or parts thereof inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SEC. 11. Effectivity. – This Act shall take effect fifteen (15) days after its publication in at least two (2) newspapers of general circulation.

Approved,