

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

TWENTIETH CONGRESS
First Regular Session



HOUSE BILL NO. **3303**

Introduced by
REPRESENTATIVE FRANZ S. PUMAREN

EXPLANATORY NOTE

Aviation industry is a vital component of the global economy and air travel is a common mode of transportation for millions of people. It encourages trade, supports tourism, creates employment and fosters growth. Having an efficient system in the air transport system is important for a developing country such as the Philippines,

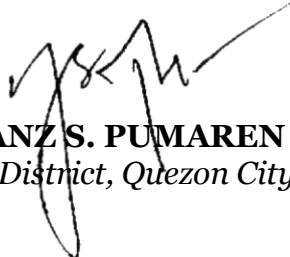
However, flight disruptions, such as delays and cancellations, can cause significant inconvenience and financial loss to passengers.

Air transportation is a Common Carrier and Article 1733 of the Civil Code provides that Common Carriers, from the nature of their business and for reasons of public policy, are bound to observe extraordinary diligence in the vigilance over the good and for the safety of the passengers transported by them, according to all circumstances of each case. The extraordinary diligence for the safety of the passengers generally begins when the passenger presents himself/herself at the proper place and in a proper manner to be transported.

This Act is intended primarily to protect the rights of air passengers and to ensure fair treatment in the event of flight disruptions. Further, this act shall also strengthen the Air Passenger Bill of Rights by the Civil Aeronautics Board (CAB) most especially in providing compensation for significant delays, cancellations, and other inconveniences caused by air carriers.

Thus this legislation shall improve overall quality of air travel services, passenger satisfaction and greater accountability for air carriers.

Given the foregoing, the passage of this measure is earnestly sought.


FRANZ S. PUMAREN
3rd District, Quezon City

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**AN ACT ESTABLISHING AIR PASSENGERS RIGHTS AND COMPENSATION
FOR DELAYED AND CANCELLED FLIGHTS**

Section 1: Short Title This Act may be cited as the "Air Passenger Compensation Act"

Section 2: Declaration of Policy It is hereby declared the policy of the State to protect the rights and promote the welfare of air passengers. The State recognizes great economic loss and emotional distress during cancelled flights, delayed flights or any flight disruptions. The State aims to ensure that air carriers provide adequate care and compensation to affected passengers.

Section 3: Definitions For the purposes of this Act the following shall be defined as follows:

- a. **Air Carrier/ Airlines** - means any person, entity, or corporation engaged in the business of air transportation of persons, property, or mail for hire.
- b. **Cancelled flight** – a non-operated scheduled flight
- c. **Delayed Flight** – a flight that departs and arrives after its scheduled time
- d. **Extraordinary Circumstances** – circumstances beyond control of the air carrier, such as but not limited to acts of God, fortuitous event, war, strikes, flood, storms or any natural disaster.
- e. **Flight** – scheduled air transport service
- f. **Passenger** - means any person who purchase and holds a confirmed ticket for a scheduled flight

Section 4: Scope of Application This Act shall apply to all flights departing from, arriving at, or transiting through any airports within the territorial jurisdiction of the Philippines.

Section 5: Passenger Rights and Compensation in case of Delayed Flights and Cancelled Flights Attributable to the Air carrier.

- a. For Delays of at least two (2) hours but less than three (3) hours Passengers are entitled to: sufficient food and refreshments, access to sanitary facilities, first aid if necessary, free phone calls and internet access. Airlines shall provide updates regarding the status of flights every twenty (20) minutes.

- b. For Delays of at least three (3) hours but not less than six (6) hours passengers shall be entitled to those stated in par (a) and should be given an option to rebook on the next flight or refund their tickets without additional charges against the passenger.
- c. For Delays of more than six (6) hours or more or in case of cancelled flights Passengers shall be entitled to those stated in the two preceding paragraph, if overnight or additional stay is necessary and/or passenger do not live nor reside within airport's vicinity, access to lounge and/or proper accommodation shall be provided by air carrier in favor of the passenger, free transportation to and from the accommodation must also be provided.

Passenger shall be entitled to a full refund of the ticket price or rebooking, without any additional cost, as well as endorsement to another airline if available or necessary at the option of the passenger. An additional compensation of three thousand (3,000) pesos shall also be given to the passenger in the event do not avail of the accommodation or overnight stay.

Refunds for cash purchases should be immediate while for credit card purposes they should be processed within seven (7) business days.

Section 6: Passenger Rights in Case of Diversion. When, due to extraordinary circumstances, an aircraft is unable to land at its originally scheduled destination instead, rerouted to an alternate airport the passenger shall be entitled to be promptly notified about the diversion, including its reason and new estimated time of departure/arrival, at least thirty (30) minutes after the airline becomes aware of the changes and if there is an extended delay, the airline must provide regular updates of the situation.

The passenger shall also be entitled to the rights stated in paragraph 5. In addition, an ground alternate transportation must be provided by the air carrier in order to get passengers to their final destination, if such is possible.

Section 7: Elderly, Children and Persons with Disability Passengers. Air carrier being a common carriers is required by law to exercise extraordinary diligence, therefore must give priority to passengers which requires proper attention and care. In case of delay and cancelled flights, air carriers should prioritize the elderly, children and passengers with disability. In addition to rights under Par. 5, they must be given proper medical attention if necessary, facilities and accommodation that will attend to their basic needs.

Section 8: Passenger Rights in Case they miss Connecting flights and/or other flights due to cancellation or delay of First scheduled flight. In the event that a passenger missed their connecting flights or other scheduled flights due to delay or cancellation of first flight from place of origin, the passenger shall be entitled to rebooking and/or full refund of the amount of all the missed scheduled flight/s.

Section 9: Passenger Right to Rebook flight under the name of an immediate family member or next of kin. If due to emergency or reasonable reasons, such as but not limited to, health status, death by the ticket holder or latter's immediate family, loss of employment or other reasons similar circumstances, a passenger needs to cancel the flight and/or will not be able to use the ticket purchased under his/her name, passenger can have his/her ticket rebooked under the name of his/her immediate family member or next of kin. Provided, that those circumstances are not present during the time the ticket was purchased.

Section 10: Exemption from Liability. Air carriers shall not be liable for monetary compensation under section 5, if the delay or cancellation was caused by force majeure or extraordinary circumstances such as, but not limited to, extreme bad weather, acts of God,

Security threats, Air traffic control directives or congestion, strikes by third parties or government requisitions. However, obligation to provide proper care such as sufficient food and beverages, accommodation, communication and option for rebooking shall remain.

Section 11: Enforcement. The Civil Aviation Authority of the Philippines (CAAP) and the Civil Aeronautics Board (CAB) shall be responsible for enforcing the provisions of this Act.

Section 12: Prescription. This act shall adopt the prescriptive period stated in our present laws in case of breach of Contract of Carriage (Culpa Contractual), case arising from this shall be filed within ten (10) years from the time the cause of action accrues, as the ticket for transportation is considered a written contract.

Section 13: Implementing Rules and Regulations (IRR) within sixty (60) days the Civil Aviation Authority of the Philippines (CAAP) and the Civil Aeronautics Board (CAB), in coordination with the Department of Transportation (DOTr) shall promulgate the necessary rules and regulations for the effective implementation of this Act.

Section 14: Penalties Air carriers found in violation of the provisions of this Act shall be subject to the following penalties:

- a. First Offense: A fine of not less than One Hundred Thousand Pesos (Php 100,000.00) but not more than Three Hundred Thousand Pesos (Php 300,000.00)
- b. Second Offense: A fine of not less than Three Hundred Thousand Pesos (Php 300,000.00) but not more than Seven Hundred Thousand Pesos (Php 700,000.00)
- c. Third Offense: A fine of not less than Seven Hundred Thousand Pesos (Php 700,000.00) but not more than One Million Pesos (Php 1,000,000.00)

Penalties shall be imposed without prejudice to any civil or criminal liabilities that may arise under any existing laws.

Section 15: Effectivity This Act shall take effect fifteen (15) days from its publications in the Official Gazette or at least two (2) newspapers of general circulation.

Section 16: Repealing Clause. – All other laws, decrees, executive orders, proclamations, other issuances, rules, and regulations, or parts thereof inconsistent with the provisions of this Act are hereby repealed or modified accordingly.