SIXTEENTH CONGRESS OF THE REPUBLIC) OF THE PHILIPPINES)

First Regular Session



AUG 15 A8:43

SENATE

Senate Bill No. 1298

INTRODUCED BY SEN. JINGGOY EJERCITO ESTRADA

EXPLANATORY NOTE

This measure was prepared and submitted by the Committee on Games and Amusement, the Committee on Local Government and the Committee on Finance in the Fifteenth Congress. Unfortunately, it was not passed into law.

The amusement industry flourishes in the country in a very wide spectrum – from simple and traditional pervahan in the suburbs to upscale and fantasy-like theme parks; from those alongside shopping malls to those integrated with other leisure spots such as beach or swimming resorts; from those catering children, to those catering the adventurous adults, and to those catering the entire family. It should be emphasized, however, that the fun, excitement and satisfaction that the amusement establishments provide their clients should always go hand in hand with the safety and security measures that they observe.

The Amusement Industry Safety Board Act seeks to ensure that the rides and devices of amusement parks are safe and are compliant with recognized This will ensure that both their employees and their clients are protected from any kind of harm.

To achieve this, this measure proposes the creation of Amusement Industry Safety Board which shall serve as the regulating agency regarding all matters pertaining to the amusement rides and devices. Likewise, an Amusement Industry Safety Standards Advisory Council (AISSAC) shall be created to advise the Board on important matters that will be helpful in the formulation of policies. procedures, guidelines, rules and regulations to effectively implement this piece of legislation.

The immediate passage of this bill is earnestly sought.

JINĠGOY EJERCITO ESTRADA Senator

SIXTEENTH CONGRESS OF THE REPUBLIC) OF THE PHILIPPINES

First Regular Session

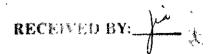


"13 AUG 15 A8:43

SENATE

)

Senate Bill No. $\underline{1}298$



INTRODUCED BY SEN. JINGGOY EJERCITO ESTRADA

AN ACT

CREATING THE AMUSEMENT INDUSTRY SAFETY BOARD THEREBY STRENGTHENING THE AMUSEMENT PARKS AND RIDES INDUSTRY, INSTITUTING SAFETY STANDARDS AND PROVIDING FUNDS THEREFOR

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

CHAPTER I

GENERAL PROVISIONS

SECTION 1. Short Title. – This Act shall be known as the "Amusement Industry Safety Board Act".

 SEC. 2. Declaration of Policy. – It is hereby declared the policy of the State to recognize the vital role of the youth in nation-building and to promote and protect their physical, moral, spiritual, intellectual, and social well-being. Towards this end, amusement parks are established primarily for the youth and consequently, an Amusement Industry Safety Board is deemed essential to protect the physical well-being of the youth while they are in amusement parks and rides.

It is, likewise, the policy of the State to recognize the indispensable role of the private sector, encourage private enterprise and provide incentive to needed investments. In the same manner, the State shall provide fiscal incentive systems to encourage needed investments and to reward performance of the business sector contributing to economic development.

SEC. 3. Principles and Objectives. – The State shall ensure the safe operation and maintenance of rides and devices, safety of riders against direct and indirect hazards in amusement parks, and in particular the protection of:

(a) Patrons or riders, tourists against hazards associated with operation of these establishments;

(b) Operators in imposing and enforcing reasonable safety rules against non compliant behaviour of patrons or riders; and,

7

8 9 10

15 16 17

18

19 20 21

22

23 24 25

26 27 28

29 30 31

32

33 34 35

36 37

38

39

44 45

46 47

48 49 50

51 52

53 54 55

56

(c) The amusement industry in complying with the recognized standards, set of procedures and guidelines to further ensure the quality and safety of amusement ride and devices.

SEC. 4. Definition of Terms. - As used in this Act, the following terms, words, and phrases shall have the following definitions:

- (a) Accredited amusement safety inspector refers to an individual who is accredited by the Board and certified by the Bureau of Product Standards of the Department of Trade and Industry, to inspect and certify that the amusement rides and devices pass the safety standards;
- (b) Amusement Industry refers to the collective term for the fairgrounds and amusement park industry which includes the people who design, manufacture, supply, control, operate, attend, maintain and carry out inspection of articles of fairground equipment and other attractions at fairgrounds and amusement parks;
- (c) Amusement Park refers to a fixed tract, area or site principally and commercially used by an enterprise as a permanent location for amusement structures, mechanical rides, devices and attractions, including theme parks;
- (d) Amusement Ride or Amusement Device refers to a device or a combination of devices or elements that carry, convey, or direct a person(s) over or through a fixed or restricted course or within a defined area, for the primary purpose of amusement or entertainment;
 - Where the term "amusement ride" or the word "ride" are used in this Act. their meaning shall correspond with the term "amusement device" as herein defined.
- (e) Board refers to the Amusement Industry Safety Board;
- (f) Camival or "Peryahan" refers to a mobile enterprise principally devoted to offering amusement or entertainment to the public in, upon, or by means of portable or movable amusement rides or devices or temporary structures in any number or combination, whether or not associated with other structures or forms of public attraction, including but not limited to "peryahan" on special occasions like school fairs, fiestas, and "tiangges";
- (g) Fairground refers to any part of premises which is for the time being used wholly or mainly for the operation of any fairground equipment other than a coin operated ride or non-powered children playground equipment. It includes both fixed amusement park and temporary sites;
- (h) Illness refers to a personal discomfort as a result of food poisoning, drug abuse, toxic inhalation, insect sting, or other similar occurrence that requires treatment:
- (i) Injury refers to a sustained bodily harm resulting in treatment such as, but not limited to trauma, cuts, bruises, burns and sprains;

- (j) Installation refers to the actual act of onsite construction or the physical setting up and making ready for use of an amusement ride or device;
- (k) Major Modification or Alteration refers to any change in either the structural or operational characteristics of the ride or device which will alter its performance from that specified in the manufacturer's design criteria;
- (I) Major Injuries / Illness refers to an injury and illness that may or may not require emergency first aid or significant treatment, or both;
- (m)Owner refers to a person who owns, leases, or manages the operation of an amusement ride or device:
- (n) Ride Attendant refers to any person who is appointed to work under the control and direction of an operator to assist in the operation of an amusement device:
- (o) Ride Operator refers to any individual having direct control of the starting, stopping, or speed control or proper functioning of an amusement ride or device;
- (p) Rider / Patron refers to an individual who is:
 - 1. waiting in the immediate vicinity of an amusement park or carnival;
 - 2. boarding an amusement ride or attraction;
 - 3. on an amusement ride before, during, and after its operation;
 - 4. leaving or approaching an amusement ride or device and in its immediate vicinity.

CHAPTER II

THE AMUSEMENT INDUSTRY SAFETY BOARD, COMPOSITION, POWERS AND FUNCTIONS

- **SEC. 5.** Creation of the Amusement Industry Safety Board. There is hereby established an "Amusement Industry Safety Board" hereinafter referred to as the Board, which shall be directly under the administrative supervision of the Office of the President. It shall serve as the sole national regulating body on all matters pertaining to the amusement rides and devices.
- **SEC. 6.** *Membership of the Board.* The Board shall be composed of seven (7) members or their duly designated representatives:
 - 1. The Chief of the Bureau of Fire Protection, as Chairperson;
 - 2. Two (2) representatives from small amusement ride business sector;
 - 3. Two (2) representatives from duly recognized industry association of fixed amusement ride parks;
 - 4. Two (2) representatives from the engineering profession sector, one of whom a mechanical engineer knowledgeable of amusement rides and devices and the other knowledgeable of electro-mechanical and programmable electronic rides and devices.

SEC. 7. Term of Office. – Each member shall be appointed by the President and shall serve for a term of five (5) years. The President shall fill any vacancy in the Board for the remainder of the unexpired term with a representative from the same sector as that of the member who caused the vacancy.

SEC. 8. Meetings and Quorum. — The Chairperson shall call the first meeting of the Board within sixty (60) days after all members have been appointed and qualified. After the initial meeting, the Board shall meet at the call of the Chairperson, at least four (4) times in one year. Five members of the board shall constitute a quorum. The vote of a majority of all the members shall be necessary for the adoption of any rule, resolution or decision of the Board.

SEC. 9. Allowances and Per Diems. — The members of the Board and its Advisory Council hereof as referred to in Section 11 of this Act, shall be entitled to per diems for meetings attended pursuant to existing government accounting and auditing rules and regulations. The members of the board and the Advisory Council shall receive no other compensation for their services but they shall be reimbursed for their actual and necessary expenses incurred in the performance of their official duties.

SEC. 10. Powers and Functions of the Board. – The Board shall have the following powers and functions:

(a) Promulgate national policies, implementing rules and regulations, and safety standards for the effective implementation of this Act including the adoption of internationally accepted standards on the amusement parks, rides and attractions:

(b) Conduct trainings and issue accreditation to amusement safety inspector who shall be responsible for the certification of the operational worthiness of all amusement rides, devices and attractions;

(c) Review order for summary closure or stoppage to owner or operator of unsafe amusement parks or a portion thereof, issued by the amusement safety inspector, in accordance with the rules, regulations and standards set forth in this Act;

(d) Develop and conduct safety program and information dissemination to the public relative to preventive safety measures to be observed in all amusement attractions;

(e) Study and develop a monitoring research program and evaluation of the effectiveness of the safety standards;

(f) In coordination with the local government unit having jurisdiction over the amusement park, investigate accidents or injuries, arising from amusement park's operations and recommend or initiate the filing of appropriate charges with the court having jurisdiction;

(g) Issue subpoena ad testificandum and duces tecum to any person in connection with its power to conduct investigation;

 (h) Resolve or decide on any issue on the interpretation of the safety standards brought before the Board;

- (i) To require the submission of records of the accident investigation reports relative to the Amusement Industry Safety Standards for the continuing study, research and evaluation of the effectiveness of the safety standards set forth in this Act: and.
- (i) Such other powers and functions as may be assigned by the President.
- **SEC. 11.** The Amusement Industry Safety Standards Advisory Council (AISSAC). There shall be an Amusement Industry Safety Standards Advisory Council (AISSAC) which shall be composed of representatives recommended by the industry sectors directly affected by this Act and duly authorized by the Board. The Council shall advise the Board on relevant issues and concerns for consideration in the formulation of policies, procedures, guidelines, rules and regulations for the effective implementation of the provisions of this Act.
- **SEC. 12.** Role and Responsibilities of the Local Government Units. The Local Government Units (LGUs), pursuant to the provisions of Republic Act 7160 otherwise known as the Local Government Code of 1991, and other relevant and existing laws, shall:
 - (a) Regulate the operation of amusement parks, rides and attractions, pursuant to the policies, guidelines and safety standards promulgated by the Board, including the inspection, monitoring and evaluation in compliance of this Act;
 - (b) Collect fees and charges, including but not limited to business permit fees;
 - (c) Identify and send safety practitioners for training on the Safety Standards to be conducted by the Board;
 - (d) Identify and designate a tourism area for the *peryahan* in its respective physical location development plan;
 - (e) Within 120 days after the issuance of the Board Guidelines, conduct a survey within its own jurisdiction on certain information, such as but not limited to:
 - i. Owners of Rides and Devices:
 - ii. Operators of Rides and Devices:
 - iii. Types of rides and devices, including but not limited to its serial numbers;
 - iv. Training and seminars attended to by the Owners and Operators of rides and devices:
 - v. Number of visitors or patrons per amusement park;
 - vi. Employment and livelihood generated from the operation of an amusement park; and,
 - vii. Such other pertinent information as may be required by the Board.

CHAPTER III

AMUSEMENT INDUSTRY SAFETY STANDARDS

SEC. 13. General Safety Requirements. – No owner of an amusement ride, park and device shall cause or allow the amusement ride or device to be operated unless the owner ensures that:

1 2

5

- (a) All equipment, materials and safeguards required are complied with and the same are maintained in good condition;
- (b) The amusement ride or devise is operated and maintained by a competent person; and,
- (c) A required inspection of the amusement ride or device is carried out by an accredited amusement safety inspector as a requirement for the issuance of permit.
- **SEC. 14.** Standards and Guidelines. The Board, by way of regulation, shall adopt internationally recognized standards, recommendations, set of procedures or guidelines to further ensure the quality and safety of amusement ride and devices.
- SEC. 15. Insurance Requirements. No person, corporation, or any juridical entity shall operate an amusement ride or device unless the same has provided the Local Government Unit having jurisdiction, through the Safety Inspector a documented proof of comprehensive general liability insurance the minimum amount of which shall be determined by the Board. The duration of insurance required shall be maintained for the entire period of the operation of the amusement ride or device. In the event that the insurance required hereof is cancelled, suspended or otherwise becomes invalid, the insurer shall, as soon as is reasonably possible, report the cancellation, suspension or invalidity to the Safety Inspector.
- **SEC. 16.** Ride Operator Requirements. —The owner of an amusement ride or device must have a documented training policy for the operation of an amusement ride or device. The ride or device owner must maintain a written certification for each person controlling the physical operation of an amusement ride or device that the person has received the training for the ride or device as required by the documented training policy or program.

CHAPTER IV

SCOPE OF INSPECTION

SEC. 17. Scope of Application. – This Code shall apply to all enterprises where amusement ride and device are designed, manufactured, constructed, installed, operated, inspected and transferred. The safety of fairgrounds and amusement parks shall be ensured of adequate protection and safety of amusement ride and device in order to avoid injuries or the infliction of unnecessary pain or distress to patrons and riders during the operation of amusement ride and device.

SEC. 18. Authorized Officers to Conduct Inspection of Amusement Ride and Device. — Only amusement ride inspector duly accredited by the Board are authorized to conduct amusement rides and devices inspection work. All

persons involved in the said inspection work shall undergo training conducted by the Board.

The certified amusement ride inspector must be either:

(a) an employee of the insurance company that ensures the amusement ride or device; or

 (b) an independent inspection service provider that the insurance company or owner has contracted with, or an employee of the independent inspection service provider.

SEC. 19. Annual Inspections. -

(a) An amusement ride or device must be inspected at least four (4) times annually or quarterly by a certified amusement ride inspector;

(b) Amusement rides or devices that are not operated on a continual yearround basis must be inspected in the same calendar year and prior to July 1, or the first operation in the country, whichever is later. Amusement rides that do not pass an inspection required by this section in the previous year must be re-inspected before being operated in the country;

(c) If an inspection reveals that an amusement ride or device does not meet the safety standards, the insurer or independent inspection service provider must notify the owner of all defects of the ride or device;

(d) No person shall operate an amusement ride or device unless:

i. the amusement ride or device passed the most recent annual inspection required by this section; and,

ii. all defects identified during the most recent annual inspection have been corrected and the amusement ride or device passed a reinspection;

(e) All inspections and re-inspections required by this section must include evaluation consistent with the safety standards of amusement rides. All owners and operators must permit reasonable inspection of an amusement ride by the certified amusement ride inspector selected by the insurer or independent inspection service provider;

(f) The inspections required by this section are in addition to and suppletory to any other inspections required or permitted by law;

(g) Before the amusement ride or device is operated, an owner of an amusement ride must submit to each sponsor, lessor, landowner, or other person who has contracted for the amusement ride to be offered to any rider or patron, an inspection certificate showing that the amusement ride passed the most recent inspection or re-inspection required by this section. The inspection certificate shall identify the amusement ride by name, manufacturer, and serial number, the date inspection was performed, and the inspector's name and certification number;

(h) An owner of an amusement ride must also file the certificate of inspection with the Board not later than ten (10) days after the completion of each inspection as required by this section.

- **SEC. 20.** Daily Inspections. No person shall operate an amusement ride or device unless a daily inspection has been performed. Each daily inspection shall be recorded in a logbook for each amusement ride or device and shall be kept for a period of not less than three (3) years. An owner or operator shall not knowingly operate, or permit to be operated, an amusement ride or device that has not passed a daily inspection.
- **SEC. 21.** Inspection after Alteration or Modification. An amusement ride or device that has been modified or altered in a manner that changes its dynamics or control system from the original manufacturer's design or specification since its last annual inspection must be inspected by a certified amusement ride inspector before it can be operated.
- **SEC. 22.** Inspection after an Injury or Illness. An amusement ride or device must be inspected by a certified amusement ride inspector before it can be operated following an injury or illness involving the ride.
- **SEC. 23.** Availability for Inspection and Information. The owner of an amusement ride must make the ride or device available for inspection at all reasonable times and places requested by any law enforcement agency. All relevant information on the operation of an amusement ride or device shall also be made available at all times.
- SEC. 24. Recording and Reporting. -
 - (a) An owner shall maintain a first-aid incident report log for all injuries or illnesses sustained by a rider or patron resulting from the operation of an amusement ride or device. The recorded information shall include the following:
 - i. name, address, age and telephone number of the rider receiving emergency health care service or treatment;
 - ii. date the injury or illness occurred;
 - iii. description of the injury or illness and the first-aid service or treatment administered:
 - iv. manufacturer's name and serial number of the amusement ride involved in the incident or illness; and,
 - v. any other pertinent information, as may be required by law.
 - (b) An owner shall maintain the first-aid incident report log for a period of not less than three (3) years, and shall make the first-aid incident report log available upon request by any interested party. An owner of an amusement ride or device shall provide a report to the local law enforcement agency of any accident or incident arising from the use or operation of an amusement ride or device resulting in serious rider injury or illness.

Operator Enforcement. - A ride operator, owner, sponsor, lessor, landowner, or other person who has contracted for the amusement ride or device to be offered to any rider or patron, may impose and enforce reasonable safety rules regarding the behaviour of riders or patrons. It may prohibit a person from riding a ride or may remove a rider from a ride for violations of those rules.

CHAPTER V

1

2

3

PENALTIES AND SANCTIONS

SEC. 26. Administrative Fines. - The Board by way of regulation, shall issue a schedule of administrative fines for violations of any provisions of this Code.

SEC. 27. Cease and Desist Order. - The Board is authorized to issue after due process except in instances when the continued operation causes imminent danger to public safety, a "cease and desist order" to any amusement ride and device operator, person, enterprise, firm, or corporation engaged, in the business in the amusement industry if found to be in violation of any of the provisions of this Act, should the continued operation of said entity, as the certified amusement safety inspector finds that a ride is unsafe to operate and would pose risk to public safety.

CHAPTER VI

INCENTIVES

30

SEC. 28. Tax Incentives on Importation. - All enterprises engaged in Amusement Industry as duly accredited by the Board, in consultation with the Department of Finance and the Board of Investments, shall, for five (5) years after the effectivity of this Act and thereafter, be exempted from the payment of tariff and duties for the importation of all types of amusement theme parks and amusement rides inputs, devices, equipment and machineries, including spare parts of all carnival ride equipment and renewable energy systems such as solar panels; Provided, however, That the imported inputs, devices, equipment and machineries shall be for the exclusive use of the importing enterprise; Provided further, That such are not manufactured domestically in sufficient quantity and This is without prejudice to other fiscal and non-fiscal comparable quality. incentives that the said enterprises may qualify to avail from other existing laws.

SEC. 29. Assistance to Mobile Operators. - Government Financial Institutions (GFIs) shall provide loan provisions for mobile operators or peryahan operators. Mobile Operators or Peryahan Operators shall secure a favourable endorsement from the Board to avail of the said loan provisions. Existing mobile operators or Peryahan Operators shall, to avail of the said loan provisions, obtain a certificate of safety compliance from the Board.

55

56 57

SEC. 30. Penalty on Illegal Importation. - Any person, partnership, corporation, association and other juridical entity found violating the provisions of Section 28 of this Act, shall suffer the penalty of imprisonment for a period of not less than six (6) months but not more than six (6) years, or a fine equivalent to two hundred percent (200%) of the value of imported materials or both, at the discretion of the court and the accessory penalties of confiscation of the imported goods in favour of the government and the revocation of the privileges given under this Act. In cases where the violation is committed by a juridical entity, the officers responsible shall suffer the penalty prescribed herein.

1 2

The importation of goods equivalent to or exceeding the declared assets of the enterprise or partnership; or the authorized capital stock in case of corporations, and/or resale of the imported goods shall be a *prima facie* evidence of the violation of Section 28 of this Act.

CHAPTER VII

TRANSITORY AND FINAL PROVISIONS

 SEC. 31. Appropriations. – The amount necessary for the implementation of this Act shall be included in the General Appropriations Act.

 SEC. 32. Mandatory Review. – The Congress of the Philippines shall undertake a mandatory review of this Code at least once every five (5) years and as often as it may deem necessary, to ensure that amusement ride and devices inspection policies, rules and regulations remain responsive to changing circumstances.

 SEC. 33. Implementing Rules and Regulations. – The Chairman, within ninety (90) days after the effectivity of this Act, through a technical working committee, and in consultation with the private sector concerned shall formulate the implementing rules and regulations for the full implementation of this Act. Copies of the formulated rules and regulations shall be submitted to the Committee on Games and Amusement of both Houses of Congress. Such rules and regulations shall take effect fifteen (15) days upon publication in a newspaper of general circulation.

SEC. 34. Separability Clause. – If any provision of this Act shall at any time be found to be unconstitutional or invalid, the remainder thereof not affected by such declaration shall remain in full force and effect.

SEC. 35. Repealing Clause. – All laws, decrees, rules or regulations inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SEC. 36. Effectivity Clause. – This Act shall take effect after fifteen (15) days following its complete publication in two (2) newspapers of general circulation.

Approved,