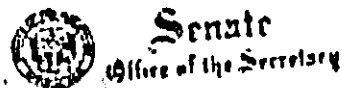


SIXTEENTH CONGRESS OF THE REPUBLIC )  
OF THE PHILIPPINES )  
Third Regular Session )



'16 JAN 26 P3:03

SENATE  
S. No. 3143

RECEIVED BY: *J*

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Introduced by Senator Miriam Defensor Santiago

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AN ACT  
PROVIDING FOR UNIFORM STANDARDS OF LIABILITY FOR HARM ARISING  
OUT OF GENERAL AVIATION ACCIDENTS

EXPLANATORY NOTE

The Philippine government pursues the development and utilization of our air potential, and the development of an air transportation system properly adapted to the present and future of foreign and domestic commerce. Accordingly, the government recognizes the need to: (1) promote safety of flight in air commerce of the Philippines; and (2) determine the corresponding liability of those concerned in cases of accidents.

Republic Act No. 776 or "The Civil Aeronautics Act of the Philippines," as amended, provides for, among other things the investigation of accidents involving aircraft and penalizes anyone who operates civil aircraft in violation of rules, regulations, or orders relating to aeronautics safety standards, practices, or procedures. However, it does not provide a system for determining liability and damages for compensating individuals injured in general aviation accidents.

Accordingly, this Act seeks to establish standards for determining liability for harm arising out of general aviation accidents.<sup>1</sup>

*Miriam Defensor Santiago*  
MIRIAM DEFENSOR SANTIAGO  
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<sup>1</sup> This bill was originally filed during the Thirteenth Congress, First Regular Session.

SIXTEENTH CONGRESS OF THE REPUBLIC )  
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Senate  
Office of the Secretary

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PROVIDING FOR UNIFORM STANDARDS OF LIABILITY FOR HARM ARISING  
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*Be it enacted by the Senate and the House of Representatives of the Philippines in Congress assembled:*

1 SECTION 1. *Short Title.* – This Act shall be known as the “General Aviation  
2 Accident Liability Standards Act.”

3 SECTION 2. *Declaration of Policy.* – The State, in its pursuit of the development  
4 and utilization of the air potential and the development of an air transportation system  
5 properly adapted to the present and future of foreign and domestic commerce in the  
6 Philippines, recognizes the need to:

- 7 (A) Promote safety of flight in air commerce of the Philippines; and  
8 (B) Determine the corresponding liability of those concerned in cases of accidents.

9 SECTION 3. *Definition of Terms.* – For purposes of this Act, the term:

10 (A) “Administrator” means the Administrator of the Air Transportation Office;

11 (B) “Airworthiness” means that an aircraft, its engines, propellers and other  
12 components and accessories, are of proper design and construction, and are safe for air  
13 navigation purposes, such design and construction being consistent with accepted  
14 engineering practice and in accordance with aerodynamic laws and aircraft science;

1 (C) "Claimant" means any person who brings a general aviation accident liability  
2 action subject to this Act, and any person on whose behalf such an action is brought,  
3 including:

4 (1) The claimant's decedent; and

5 (2) The claimant's parent or guardian, if the action is brought through or on  
6 behalf of a minor or incompetent;

7 (D) "General Aviation Accident" means any accident which arises out of the  
8 operation of any general aircraft and which results in harm;

9 (E) "General Aviation Aircraft" means any aircraft for which a type certificate or  
10 an airworthiness certificate has been issued by the Air Transportation Office which, at the  
11 time such certificate was originally issued, had a maximum seating capacity of fewer than  
12 twenty (20) passengers, and which is not, at the time of the accident, engaged in  
13 scheduled passenger carrying operations;

14 (F) "General Aviation Manufacturer" means:

15 (1) The builder or manufacturer of the airframe of a general aviation  
16 aircraft;

17 (2) The manufacturer of the engine of a general aviation aircraft; and

18 (3) Pain and suffering which is caused by such bodily injury; and emotional  
19 harm, including bereavement and loss of affection, care, or society, which is  
20 caused by such bodily injury;

21 (G) "Product" means a general aviation aircraft and any system, component,  
22 subassembly or other part of a general aviation aircraft; and

23 (H) "Property damage" means physical injury to tangible property, including loss  
24 of use of tangible property.

25 SECTION 4. *Coverage.* – The provisions of this Act shall apply only to-

1 (A) Any manufacturer, owner, or operator of any general aviation aircraft, and any  
2 person who repairs, maintains, or provides any other support for such an aircraft;

3 (B) Any occupant of a general aviation at the time of a general aviation accident,  
4 and any person who brings an action for harm caused by such accident on behalf of such  
5 occupant; and

6 (C) Any non-occupant of a general aviation aircraft at the time of a general  
7 aviation accident, only if such non-occupant is bringing an action for harm caused by such  
8 accident which arises out of the harm to an occupant of such aircraft at the time of such  
9 accident.

10 SECTION 5. *Uniform Standards of Liability for General Aviation Accidents.* –

11 (A) Any person claiming damages for harm arising out of a general aviation  
12 accident may bring an action against a party and may recover damages from such party, if  
13 such party was negligent and such negligence is a proximate cause of the claimant's  
14 harm.

15 (B) Any person claiming damages for harm arising out of a general aviation  
16 accident may bring an action against a general aviation manufacturer of a product and  
17 may recover damages from such general aviation manufacturer if–

18 (1) The product, when it left the control of the manufacturer, was in a  
19 defective condition unreasonably dangerous for its intended purpose, according to  
20 engineering and manufacturing practices which were reasonably feasible;

21 (2) The defective condition is a proximate cause of the claimant's harm;  
22 and

23 (3) The general aviation aircraft was being used at the time of the accident  
24 for a purpose and in a manner of which it was designed and manufactured.

1           (C) Any person claiming damages for harm arising out of a general aviation  
2 accident may bring an action against a general aviation manufacturer of a product and  
3 may recover damages from such general aviation manufacturer if-

4           (1) At the time the product left the control of the manufacturer, the  
5 manufacturer-

6           (a) Knew, or in the exercise of reasonable care should have known,  
7 about a danger connected with the product that caused the claimant's harm;  
8 and

9           (b) Failed to provide the warnings or instructions that a person  
10 exercising reasonable care would have provided with respect to the danger  
11 which caused the harm alleged by the claimant, unless such warnings or  
12 instructions, if provided, would not have materially affected the conduct of  
13 the user of the product; or

14           (2) After the product left the control of the general aviation manufacturer;  
15 the manufacturer-

16           (a) Knew, or in the exercise of reasonable care should have known,  
17 about the danger which caused the claimant's harm; and

18           (b) Failed to take reasonable steps to provide warnings or  
19 instructions, after the manufacture of the product, which would have been  
20 provided by a person exercising reasonable care, unless such warnings or  
21 instructions; if provided, would not have materially affected the conduct of  
22 the product user; and the failure to provide warnings or instructions  
23 described in subparagraph (1) or (2) of this paragraph is a proximate cause  
24 of the claimant's harm.

1 (D) Any person claiming damages for harm arising out of general aviation  
2 accident may bring an action against a general aviation manufacturer of a product and  
3 may recover damages from such general aviation manufacturer if-

4 (1) The manufacturer made an express warranty with respect to the product;

5 (2) Such warranty relates to that aspect of the product which caused the  
6 harm;

7 (3) The product failed to conform to such warranty; and

8 (4) The failure of the product to conform to such warranty is a proximate  
9 cause of the claimant's harm.

10 (E) In an action governed by paragraph (B) of this section, a general aviation  
11 manufacturer shall not be liable if such manufacturer proves, by a preponderance of  
12 evidence, that-

13 (1) The defective condition could have been corrected by compliance with  
14 action described in an airworthiness directive issued by the Administrator or a  
15 service bulletin issued by the manufacturer of the product; and

16 (2) Such directive or service bulletin was issued at a reasonable time before  
17 the date of the accident and after the product left the control of the general aviation  
18 manufacturer.

19 (F) In any action governed by paragraph (B) of this section, evidence of  
20 compliance with standards, conditions or specifications established, adopted or  
21 approved by the Civil Aeronautics Board shall be admissible with regard to whether the  
22 product was defective and unreasonably dangerous for its intended purpose.

23 **SECTION 6. Comparative Responsibility. -**

24 (A) All actions for harm arising out of a general aviation accident shall be  
25 governed by the principles of comparative responsibility. Comparative responsibility  
26 attributed to the claimant's conduct shall not bar recovery in an action under this Act, but

1 shall reduce any damages awarded to the claimant in an amount proportionate to the  
2 responsibility of the claimant. The trier of fact shall determine comparative responsibility  
3 by making findings indicating the percentage of total responsibility for the claimant's  
4 harm attributable to the claimant, each defendant, each third party defendant, and any  
5 other person not a party to the action.

6 (B) Except as provided in paragraph (C) of this section, a defendant is severally,  
7 but not jointly liable in any action for harm arising out of a general aviation accident, and  
8 the liability of any defendant in any such action shall be determined on the basis of such  
9 defendant's proportionate share of responsibility for the claimant's harm.

10 (C) In any action for harm arising out of a general aviation accident—

11 (1) A general aviation manufacturer who is the builder or manufacturer of  
12 the airframe of the general aviation aircraft involved is jointly and severally liable  
13 for harm caused by a defective system, component, subassembly or other part of  
14 such aircraft that the manufacturer installed or certified as part of the original type  
15 design for such aircraft; and

16 (2) A general aviation manufacturer who is the manufacturer of a system or  
17 component of a general aviation aircraft involved is jointly and severally liable for  
18 damages caused by a defective subassembly or other part of such system or  
19 component.

20 (D) A general aviation manufacturer and any other person jointly liable under  
21 paragraph (C) of this section shall have the right to bring an action for indemnity or  
22 contribution against any person with who they are jointly liable under paragraph (C) of  
23 this section.

24 **SECTION 7. *Time Limitation on Liability.* —**

25 (A) Except as provided in paragraph (B) of this section, no civil action for harm  
26 arising out of a general aviation accident which is brought against a general aviation

1 manufacturer may be brought for harm which is alleged to have been caused by *an*  
2 aircraft or a system, component, subassembly, or other part of an aircraft and which  
3 occurs more than –

4 (1) Twenty (20) years from –

5 (a) The date of delivery of the aircraft to its first purchaser or lessee,  
6 if delivered directly from the manufacturer; or

7 (b) The date of first delivery of the aircraft to a person engaged in  
8 the business of selling or leasing such an aircraft; or

9 (2) With respect to any system, component, subassembly, or other part  
10 which replaced another product in, or which was added to, the aircraft, and which  
11 is alleged to have caused the claimant's harm, twenty (20) years from the date of  
12 the replacement or addition.

13 (B) Paragraph (A) of this section does not apply in the case of harm to a claimant  
14 which occurs after the period set forth in paragraph (A) of this section if the general  
15 aviation manufacturer or the seller of the product that caused the claimant's harm gave an  
16 express warranty that the product would be suitable, for the purpose for which it was  
17 intended, for a longer period of time.

18 (C) Nothing in this Section shall be construed to affect a person's duty to provide,  
19 after the sale or lease of an aircraft, to aircraft owners, and to repair facilities to which a  
20 license or certificate to perform repairs has been issued by the Administrator, additional  
21 or modified warnings or instructions regarding the use of maintenance of such aircraft or  
22 any system, component, or other part of such aircraft.

23 SECTION 8. *Subsequent Remedial Measures.* – In any general aviation accident  
24 liability action governed by this Act, evidence of any measure taken after an event which,  
25 if taken previously, would have made the event less likely to occur is not admissible to



1 provide liability. Such evidence is admissible to the extent permitted under the Rules of  
2 Evidence.

3 SECTION 9. *Admissibility of Certain Evidence.* – In an action governed by this  
4 Act, evidence of national or local income tax liability, or any Social Security or other  
5 payroll tax liability attributable to past or future earnings, support, or profits and the  
6 present value of future earnings, support or profits alleged to have been lost or  
7 diminished because of harm arising out of a general aviation accident is admissible  
8 regarding proof of the claimant's harm.

9 SECTION 10. *Punitive Damages.* –

10 (A) Punitive damages may be awarded in an action under this Act for harm arising  
11 out of a general aviation accident only if the claimant establishes by clear and convincing  
12 evidence that the harm suffered was the direct result of conduct manifesting a conscious,  
13 flagrant indifference to the safety of those persons who might be harmed by use of the  
14 general aviation aircraft involved.

15 (B) Evidence regarding the financial worth of a defendant or the defendant's  
16 profits or any other evidence relating solely to a claim for punitive damages under this  
17 Act is not admissible unless the claimant establishes, before any such evidence is offered,  
18 that the claimant can present evidence that will establish *prima facie* proof of conduct  
19 manifesting a conscious, flagrant indifference to the safety of those persons who might be  
20 harmed by use of the general aviation aircraft involved.

21 (C) In any civil action in which the alleged harm to the claimant is death and the  
22 applicable law provides, or has been construed to provide, for damages only punitive in  
23 nature, a defendant may be liable for any such damages pursuant to the provisions of this  
24 Act regardless of whether a claim is asserted under this section. The recovery of any such  
25 damage shall not bar a claim under this section.

1           **SECTION 11. *Time Limitation on Bringing Actions.*** – Any action for harm arising  
2 out of general aviation accident shall be barred, notwithstanding any law, unless-

3           **(A)** The complaint is filed within two years after the date on which the accident  
4 occurred which caused the claimant's harm; and

5           **(B)** The summons and complaint are properly served upon the defendant within  
6 one hundred and twenty (120) days after the filing of such complaint, unless the party on  
7 whose behalf such service is required can show good cause why such service was not  
8 made within such one hundred and twenty (120) day period.

9           **(C)** Paragraph (B) of this section shall not apply to service of process in a foreign  
10 country.

11           **SECTION 12. *Penalties.*** – Any manufacturer, owner, or operator of any general  
12 aviation aircraft, and any person who repairs, maintains, or provides any other support for  
13 such aircraft found to be liable in this Act, shall be punished by a fine of not less than  
14 Five Thousand Pesos (P5,000.00) and not more than One Hundred Thousand Pesos  
15 (P100,000.00) in case of death or disability, or by imprisonment for not more than one  
16 year of both, in the discretion of the Court; and in case of property damage, by a fine  
17 proportionate to the damage on the property or by imprisonment for not more than one  
18 (1) year or both, in the discretion of the Court; Provided, that if the Penal Code has a  
19 more appropriate penalty or penalties, its applicable provisions shall be imposed instead  
20 of the ones specified in this Act.

21           **SECTION 13. *Separability Clause.*** – If any provisions or part hereof, is held  
22 invalid or unconstitutional, the remainder of the law or the provision not otherwise  
23 affected shall remain valid and subsisting.

24           **SECTION 14. *Repealing Clause.*** – Any law, presidential decree or issuance,  
25 executive order, letter of instruction, administrative order, rule or regulation contrary to

1 or inconsistent with, the provision of this Act is hereby repealed, modified or amended  
2 accordingly.

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

Approved,

/ctr26Npv2015