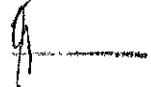


FOURTEENTH CONGRESS OF THE
REPUBLIC OF THE PHILIPPINES
First Regular Session

7 JUL -4 1977

SENATE

RECEIVED BY: 

Senate Bill No. 1027

INTRODUCED BY HON. MANNY VILLAR

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: (a) promote safety of flight in air commerce of the Philippines; and (b) 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 aeronautical 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.


MANNY VILLAR

FOURTEENTH CONGRESS OF THE
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7 JUL -4 P1:21

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

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

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

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

- (A) promote safety of light in air commerce of the Philippines; and
- (B) determine the corresponding liability of those concerned in cases of accidents.

Sec. 3. Definition of Terms- For purposes of this Act, the terms:

- (1) “Administrator” means the Administrator of the Air Transportation Office;
- (2) “Claimant” means any person who brings a general aviation accident liability
action subject to this Act, and any person on whose behalf such an action is brought,
including:
 - (a) the claimant’s decedent; and
 - (b) the claimant’s parent or guardian, if the action is brought
through or on behalf of a minor or incompetent;
- (3) “General Aviation Accident” means any accident which arises out of the
operation of any general aviation aircraft and which results in harm;
- (4) “General Aviation Aircraft” means any aircraft for which a type certificate or an
airworthiness certificate has been issued by the Air Transportation Office which, at the
time such certificate was originally issued , had a maximum seating capacity of fewer

than twenty passengers, and which is not , at the time of accident ,engaged in scheduled passenger carrying operations;

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

(6) "General Aviation Manufacturer" means:

- (a) the builder or manufacturer of the airframe of a general aviation aircraft;
- (b) the manufacturer of the engine of a general aviation aircraft; and
- (c) the manufacturer of any system, component, sub-assembly, or other part of a general aviation aircraft;

(7) "Harm" means:

- (a) property damage or bodily injury sustained by a person;
- (b) death resulting from such bodily injury;
- (c) pain and suffering which is caused by such bodily injury; and
- (d) emotional harm, including bereavement and loss of affection, care, or society, which is caused by such bodily injury;

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

(9) "Property damage" means physical injury to tangible property; including loss of use of tangible property.

Sec. 4. Coverage – The provision of this Act shall apply only to—

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

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

(3) any non-occupant of a general aviation aircraft at the time of a general aviation accident, only if such non-occupant is bringing an action for harm caused by such accident which arises out of the harm to an occupant of such aircraft at the time of such accident .

Sec. 5 Uniform Standards of Liability for General Aviation Accidents –

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

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

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

(b) the defective condition is a proximate cause of the claimant's harm; and

(c) the general aviation aircraft was being used at the time of the accident for a purpose and in a manner for which it was designated and manufactured.

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

(a) at the time the product left the control of the manufacturer, the manufacturer-

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

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

(b) after the product left the control of the general aviation manufacturer, the manufacturer—

(i) knew, or in the exercise of reasonable care should have known, about the danger which caused the claimant's harm; and

(j) failed to take reasonable steps to provide warnings or instructions, after the manufacture of the product, which would have been provided by a person exercising reasonable care, unless such warnings or instructions, if provided, would not have materially affected the conduct of the product user and the failure to provide warnings or instructions described in subparagraph (a) or (b) of this paragraph is a proximate cause of the claimant's harm.

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

(a) the manufacturer made an express warranty with respect to the product;

(b) such warranty relates to that aspect of the product which caused the harm;

(c) the product failed to conform to such warranty; and

(d) the failure of the product to conform to such warranty is a proximate cause of the claimant's harm.

(C)(1) In an action governed by subsection (B) of this section, a general aviation manufacturer shall not be liable if such manufacturer proves, by a preponderance of the evidence, that—

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

(b) such directive or service bulletin was issued at a reasonable time before the date of the accident and after the product left the control of the general aviation manufacturer.

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

Sec. 6. Comparative Responsibility. –

(A) All actions for harm arising out of general aviation accident shall be governed by the principles comparative responsibility. Comparative responsibility attributed to the claimant's conduct shall not bar recovery in an action under this Act, but shall reduce any damages awarded to the claimant in an amount proportionate to the responsibility of the claimant. The trier of fact shall determine comparative responsibility by making findings indicating the percentage of total responsibility for the claimant's harm attributable to the claimant, each defendant, each third-party defendant, and any other person not a party to the action.

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

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

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

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

(D) A general aviation manufacturer and any other person jointly liable under subsection (C) of this section shall have the right to bring an action for indemnity or

contribution against any person with whom they are jointly liable under subsection (C) of this section.

SECTION 7. Time Limitation on Liability.-

(A) Except as provided in subsection (B) of this section, no civil action for harm arising out of a general aviation accident which is brought against a general aviation manufacturer may be brought for harm which is alleged to have been caused by an aircraft or a system, component, subassembly, or other part of an aircraft and which occurs more than

(1) twenty years from--

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

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

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

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

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

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

Such evidence is admissible to the extent permitted under the Rules of Evidence.

SECTION 9. Admissibility of Certain Evidence.- In an action governed by this Act, evidence of national, or local income tax liability or any Social Security or other payroll tax liability attributable to past or future earnings, support or profits and the

present value of future earnings, support, or profits alleged to have been lost or diminished because of harm arising out of a general aviation accident is admissible regarding proof of the claimant's harm.

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

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

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

SECTION 11. Time Limitation on Filing Actions.- Any action for harm arising out of a general aviation accident shall be barred, notwithstanding any law, unless

(1) the complaint is filed within two years after the date on which the accident occurred which caused the claimant's harm; and

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

Paragraph (2) of this subsection shall not apply to service of process in a foreign country.

SECTION 12. Penalties.- Any manufacturer, owner, or operator of any general aviation aircraft, and any person who repairs, maintains, or provides any other support for such an aircraft found to be liable in this Act, shall be punished by a fine of not less than Five Thousand Pesos (P5,000.00) and not more than one Hundred Thousand Pesos (P100,000.00) in case of death or disability, or by imprisonment for not more than two (2) years or both, in the discretion of the Court; and in case of property

damage, by a fine proportionate to the damage on the property or by imprisonment for not more than one (1) year or both, in the discretion of the Court: Prodded, that if the Penal Code has a more appropriate penalty or penalties, its applicable provisions shall be imposed instead of the ones specified in this Act.

SECTION 13. Separability Clause.- if any provision, or part hereof, is held invalid or unconstitutional, the remainder of the law or the provision not otherwise affected shall remain valid and subsisting.

SECTION 14. Repealing Clause.- Any law, presidential decree or issuance, executive order, letter of instruction, administrative order, rule or regulation contrary to or inconsistent with, the provisions of this Act is hereby repealed, modified or amended accordingly.

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

Approved,