

FOURTEENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
First Regular Session)

7 NOV 12 1971

SENATE
S. No. 1840

RECEIVED BY: *[Signature]*

Introduced by Senator Miriam Defensor Santiago

EXPLANATORY NOTE

The Constitution, Article II, Section 5, provides:

The maintenance of peace and order, the protection of life, liberty and property, and the promotion of the general welfare are essential for the enjoyment by all the people of the blessings of democracy.

Air carriers, from the nature of their business and for reasons of public policy, are bound to observe extraordinary diligence in the safety of their passengers. They are also expected to provide them ease and comfort, making sure that air travel is worth their while.

Hence, this bill seeks to promote competition and greater efficiency of airlines by ensuring that rights of airline passengers are fully protected.*


Miriam Defensor Santiago
MIRIAM DEFENSOR SANTIAGO
[Signature]

* This bill was re-filed during the Thirteenth Congress, First Regular Session.

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1 AN ACT
2 TO PROMOTE COMPETITION AND GREATER EFFICIENCY OF AIRLINES BY
3 ENSURING THAT THE RIGHTS OF AIRLINE PASSENGERS
4 ARE FULLY PROTECTED

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

7 SECTION 1. *Short Title.* – This Act shall be known as the “Airline Deregulation and
8 Disclosure Act.”

9 SECTION 2. *Airline Passenger Protection.* –

10 (A) *Delay, Cancellation or Diversion.* –

11 (1) *Explanation of Delay, Cancellation or Diversion Required.* – An
12 announcement by an air carrier of a delay or cancellation of a flight, or a diversion of a
13 flight to an airport other than the airport which the flight is scheduled to land, shall
14 include an explanation of each reason for the delay, cancellation or diversion.

15 (2) *Prohibition on False or Misleading Explanations.* – No air carrier shall
16 provide an explanation under paragraph (1) that the air carrier knows or has reason to
17 know is false or misleading.

18 (3) *Delays After Enplaning or Before Deplaning.* –

19 (a) *In General.* – Except as provided in subparagraph (ii), no carrier may
20 require a passenger on a flight of that carrier to remain on-board an aircraft for a
21 period longer than two (2) hours after –

22 (i) The passenger enplaned, in any case in which the aircraft has
23 not taken flight from the airport during that period; or

1 (ii) The aircraft has landed at an airport, if the aircraft remains in
2 that airport without taking flight.

3 (b) *Election.* – A passenger described in subparagraph (a) may remain on-
4 board an aircraft described in clause (i) or (ii) of that subparagraph for a period
5 longer than the applicable period described in that subparagraph, if, not later than
6 the end of that 2-hour period –

7 (i) The air carrier offers the passenger an opportunity to deplane
8 with a full refund of air fare; and

9 (ii) the passenger declines that offer.

10 (B) *Economic Cancellations.* –

11 (1) *Non-Safety Cancellations.* – If, on the date a flight of an air carrier is
12 scheduled, the carrier cancels the flight for any reason other than safety, the carrier shall
13 provide to each passenger that purchased air transportation on the flight a refund of the
14 amount paid for the air transportation.

15 (2) *Cancellations for Safety.* – A cancellation for safety is a cancellation made by
16 reason of –

17 (a) An insufficient number of crew members;

18 (b) Weather;

19 (c) A mechanical problem; or

20 (d) Any other matter that prevents the safe operation of the flight; or

21 (e) Any other matter that prevents the flight from operating in accordance
22 with applicable rules and regulations.

23 (C) *Code Sharing.* – An air carrier, foreign air carrier, or ticket agent may sell air
24 transportation in the Philippines for a flight that bears a designator code of a carrier other than
25 the carrier that will provide the air transportation, only if the carrier or ticket agent selling the air
26 transportation first informs the person purchasing the air transportation that the carrier providing
27 the air transportation will be a carrier other than the carrier whose designator code is used to
28 identify the flight.

1 (D) *Multiple Flights.* – An air carrier, foreign air carrier, or ticket agent that sells air
2 transportation in the Philippines that requires taking flights on more than one (1) aircraft shall be
3 required to provide notification on a ticket, receipt, or itinerary provided to the purchaser of that
4 air transportation that the passenger shall be required to change aircraft.

5 (E) *Air Carrier Pricing Policies.* – An air carrier may not –

6 (1) Prohibit a person, including an agent of the government, that purchases air
7 transportation from only using a portion of the air transportation purchased, including
8 using the air transportation purchased for one-way travel instead of round-trip travel; or

9 (2) Assess an additional fee or charge for using only a portion of that purchased
10 air transportation to be paid by that person or any ticket agent that sold the air
11 transportation to that person.

12 (F) *Equitable Fares; Frequent Flyer Program Awards.* –

13 (1) *Reduced Fares.* – Subject to paragraph (2), if an air carrier makes seats
14 available on a specific date at a reduced fare, that air carrier shall be required to make
15 available air transportation at that reduced fare for any passenger that requests a seat at
16 that reduced fare during a twenty four (24) hour period beginning with the initial offering
17 of that reduced fare.

18 (2) *Limitation.* –

19 (a) *In General.* – An air carrier shall not be required under paragraph (1)
20 to make a seat available for a route at a reduced fare, if providing that seat at that
21 fare would result in the air carrier being unable to provide, for the twenty four
22 (24) hour period specified in that paragraph, the applicable historic average
23 number of seats offered at an unreduced fare for the route, as determined under
24 subparagraph (b).

25 (b) *Historic Average.* – With respect to a route, the historic average
26 number of seats offered at an unreduced fare for the route is the average number
27 of seats offered at an unreduced fare per day by an air carrier for flights scheduled
28 on that route during the twenty four (24) month period preceding the twenty four
29 (24) hour period specified in paragraph (1)

1 (3) *Standby Use of Tickets.* – An air carrier shall permit an individual to use a
2 ticket or equivalent electronic record issued by that carrier on a standby basis for any
3 flight that has the same origin and destination as are indicated on that ticket or equivalent
4 electronic record.

5 (4) *Frequent Flyer Program Awards.* –

6 (a) *In General.* – Subject to subparagraph (c), in a manner consistent with
7 applicable requirements of a frequent flyer program, if an air carrier makes any
8 seat available on a specific date for use by a person redeeming an award under
9 that frequent flyer program on any route in air transportation provided by the air
10 carrier, that air carrier shall, to the extent practicable during the 24-hour period
11 beginning with the redemption of that award –

12 (i) Redeem any other award under that frequent flyer program for
13 air transportation on that route; and

14 (ii) Make a seat available for the person who redeems that other
15 award on a flight on that route.

16 (b) *Standby Use of Frequent Flyer Program Awards.* – An air carrier shall
17 permit an individual to redeem a ticket or equivalent electronic record acquired
18 through a frequent flyer award on a standby basis for any flight that has the same
19 origin and destination as are indicated on that ticket or equivalent electronic
20 record.

21 (c) *Limitation.* –

22 (i) **IN GENERAL.** – An air carrier shall not be required under
23 subparagraph (a) to make a seat available for a route for use by a person
24 redeeming a frequent flyer award, if providing that seat to that person
25 would result in the air carrier being unable to provide, for the twenty four
26 (24) hour period specified in that paragraph, the applicable historic
27 average number of seats offered at an unreduced fare for the route, as
28 determined under clause (ii).

1 (ii) *Historic Average.* – With respect to a route, the historic
2 average number of seats offered at an unreduced fare for the route is the
3 average number of seats offered at an unreduced fare per day by an air
4 carrier for flights scheduled on that route during the twenty four (24)
5 month period preceding the 24-hour period specified in subparagraph (a).

6 (G) *Access to All Fares.* – Each air carrier operating in the Philippines shall make
7 information concerning all fares for air transportation charged by that air carrier available to the
8 public, through –

9 (1) Computer-based technology; and

10 (2) Means other than computer-based technology.

11 SECTION 3. *Penalty.* – Any air carrier who violates any provision of this Act shall
12 indemnify the affected passenger to an amount not less than Ten Thousand Pesos (P10,000.00)
13 but not more than Thirty Thousand Pesos (P30,000.00) depending on the severity of the offense
14 caused, other legal remedies the affected passenger may seek as provided by applicable laws and
15 regulations.

16 SECTION 4. *Separability Clause.* – If any provision or part hereof, is held invalid or
17 unconstitutional, the remainder of the law or the provision not otherwise affected shall remain
18 valid and subsisting.

19 SECTION 5. *Repealing Clause.* – Any law, presidential decree or issuance, executive
20 order, letter of instruction, administrative order, rule or regulation contrary to or inconsistent
21 with the provision of this Act is hereby repealed, modified, or amended accordingly.

22 SECTION 6. *Effectivity Clause.* – This Act shall take effect fifteen (15) days after its
23 publication in at least two (2) newspapers of general circulation.

24 Approved,