

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

NINETEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 1797



Introduced by **HON. LUIS RAYMUND “LRAY” F. VILLAFUERTE, JR.,
HON. MIGUEL LUIS R. VILLAFUERTE, HON. TSUYOSHI ANTHONY G.
HORIBATA AND HON. NICOLAS ENCISO VIII**

EXPLANATORY NOTE

Every vehicle owner is required by law to secure a Compulsory Third Party Liability (CPTL). This is a mandatory requirement in order to indemnify any injured passengers or a third party from mishap without proving negligence.

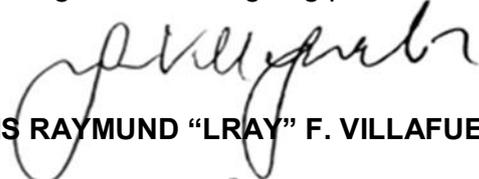
As stated in Section 378 of the Insurance Code of the Philippines, any claim for death or injury to any passenger or third party shall be paid without the necessity of proving fault or negligence of any kind in which the total indemnity in respect of any person shall not exceed five thousand pesos (P 5,000.00). Nevertheless, the claim must be accompanied by a medical certificate, police report, death certificate and receipts.

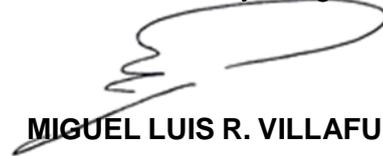
However, for the past years, the no-fault indemnity remains unchanged and considered insufficient to finance all the hospitalization and expenses for the damage done. The inadequacy considered as proof that the compensation for any injury is slow, low and not enough.

This bill seeks to increase from five thousand pesos (P 5,000.00) to fifty thousand pesos (P 50,000.00) the total indemnity claim for death or injury to any passenger or third party without the necessity of proving fault or negligence.

This bill also lessens the stress and frustration of people especially the low and marginalized who are not only hospitalized but confronted with the delay of payment by the Insurance company.

In the light of the foregoing premises, the passage of this bill is earnestly sought.


LUIS RAYMUND “LRAY” F. VILLAFUERTE, JR.


MIGUEL LUIS R. VILLAFUERTE


TSUYOSHI ANTHONY G. HORIBATA


NICOLAS ENCISO VIII

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HORIBATA AND HON. NICOLAS ENCISO VIII**

AN ACT
**INCREASING THE TOTAL INDEMNITY CLAIM FOR DEATH OR SERIOUS
PHYSICAL INJURY TO ANY PASSENGER OR THIRD PARTY WITHOUT THE
NECESSITY OF PROVING FAULT OF NEGLIGENCE, AMENDING FOR THE
PURPOSE SECTION 378 OF THE INSURANCE CODE OF THE PHILIPPINES**

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

SECTION 1. Section 378 of Presidential Decree No. 1460, otherwise known as the
“*Insurance Code of 1978*” is hereby amended to read as follows.

“Any claim for death or serious physical injury to any passenger or third party
pursuant to the provisions of this Chapter shall be paid without the necessity of proving
fault or negligence of any kind; Provided. That for purposes of this section –

- (i.) The total indemnity in respect of any one person shall not exceed [five]
FIFTY thousand pesos;”

SECTION 2. Payment claims for physical injuries are not serious, as defined under
the Revised Penal Code, of any passenger or third party pursuant to the provision of
this Chapter without necessity of proving fault or negligence of any kind shall be
maintained at Five Thousand Pesos (Php 5,000.00).

SECTION 3. This Act shall take effect fifteen (15) days after its publication in at least
two (2) newspapers of general circulation.

Approved,