



Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
 Constitution Hills, Quezon City

**SIXTEENTH CONGRESS**  
*Second Regular Session*



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**COMMITTEE REPORT NO. 509**

04 DEC 2014

Submitted by the Committee on Labor and Employment on \_\_\_\_\_

Re: House Bill No. **5268**

Recommending its approval in substitution of House Bill No. 2643

Sponsors: Reps. Karlo Alexei B. Nograles and Jesulito A. Manalo

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Mr. Speaker:

The Committee on Labor and Employment, to which was referred House Bill No. 2643, introduced by Reps. Jesulito A. Manalo, Christopher S. Co, Rodel M. Batocabe and Rufus B. Rodriguez, entitled:

**THE ANTI-AMBULANCE CHASING ACT OF 2013, THEREBY AMENDING PRESIDENTIAL DECREE NO. 442, OTHERWISE KNOWN AS THE LABOR CODE OF THE PHILIPPINES, AS AMENDED, FURTHER PROVIDING PROTECTION TO SEAFARERS AND OTHER WORKERS, TOGETHER WITH THEIR FAMILIES.**

has considered the same and recommends that the attached House Bill No. **5268**, entitled:

**AN ACT  
 PROTECTING SEAFARERS AND OTHER WORKERS AGAINST  
 AMBULANCE CHASING AND PROVIDING PENALTIES FOR  
 VIOLATION THEREOF**

be approved in substitution of House Bill No. 2643 with Reps. Jesulito A. Manalo, Christopher S. Co, Rodel M. Batocabe, Rufus B. Rodriguez, Karlo Alexei B. Nograles, Raymond Democrito C. Mendoza, Fernando "Ka Pando" L. Hicap, Eulogio "Amang" R. Magsaysay, Gary C. Alejano, Rose Marie "Baby" J. Arenas, Juan Johnny R. Revilla, Leah S. Paquiz, Gus S. Tambunting, Rodrigo A. Abellanosa, Linabelle Ruth R. Villarica, Emmeline Y. Aglipay, Luis "Jon-Jon" A. Ferrer IV, Emil L. Ong, Ma. Victoria R. Sy-Alvarado, Angelina D.L. Tan M.D., Sonny P. Collantes, Walden F. Bello, Jonathan A. dela Cruz and Philip A. Pichay as authors thereof.

Respectfully submitted,



**KARLO ALEXEI B. NOGRALES**  
Chairman  
Committee on Labor and Employment

**THE HONORABLE SPEAKER**  
**HOUSE OF REPRESENTATIVES**



Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Constitution Hills, Quezon City

**SIXTEENTH CONGRESS**  
*Second Regular Session*

**HOUSE BILL NO. 5268**

Introduced by Reps. Jesulito A. Manalo, Christopher S. Co, Rodel M. Batocabe, Rufus B. Rodriguez, Karlo Alexei B. Nograles, Raymond Democrito C. Mendoza, Fernando "Ka Pando" L. Hicap, Eulogio "Amang" R. Magsaysay, Gary C. Alejano, Rose Marie "Baby" J. Arenas, Juan Johnny R. Revilla, Leah S. Paquiz, Gus S. Tambunting, Rodrigo A. Abellanosa, Linabelle Ruth R. Villarica, Emmeline Y. Aglipay, Luis "Jon-Jon" A. Ferrer IV, Emil L. Ong, Ma. Victoria R. Sy-Alvarado, Angelina D.L. Tan M.D., Sonny P. Collantes, Walden F. Bello, Jonathan A. dela Cruz and Philip A. Pichay

**AN ACT**  
**PROTECTING SEAFARERS AND OTHER WORKERS AGAINST AMBULANCE CHASING AND PROVIDING PENALTIES FOR VIOLATION THEREOF**

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

1           **SECTION 1.** This Act shall be known as the "Anti-Ambulance Chasing Act".

2           **SEC. 2. Prohibition of Ambulance Chasing.** - It shall be unlawful for any person  
3 to engage in soliciting, personally or through an agent, from seafarers or other workers or  
4 their heirs, the pursuit of any claim against an employer for the recovery of monetary  
5 claim or benefit, including legal interest, arising from accidents, illness or death, in  
6 exchange for a certain amount which shall be retained or deducted from the amount of  
7 the monetary claim or benefit granted to or awarded to the seafarer or other worker or  
8 heirs thereof.

9           **SEC. 3. Attorney's Fees.** - Any lawyer who appears as counsel for the seafarer  
10 or other worker or their heirs in any case before the National Labor Relations  
11 Commission (NLRC) or any labor arbiter, the National Conciliation and Mediation Board  
12 (NCMB), the Philippine Overseas Employment Administration (POEA), the Department of

13 Labor and Employment (DOLE) or its regional offices, or other quasi-judicial bodies  
14 handling labor disputes shall be entitled to attorney's fees not exceeding ten percent  
15 (10%) of the compensation or benefit awarded to the seafarer or other worker or heirs  
16 thereof, which fees shall not be payable before the actual payment of the compensation  
17 or benefit. Any stipulation to the contrary shall be null and void.

18 **SEC. 4. Penalties.** - Any person who violates Section 2 of this Act shall be  
19 punished by a fine of not less than Fifty thousand pesos (PhP50,000.00) but not more  
20 than One hundred thousand pesos (PhP100,000.00), or by imprisonment of one (1) year  
21 but not more than two (2) years, or both fine and imprisonment. The same penalties shall  
22 be imposed upon any person who shall be in collusion in the commission of the  
23 prohibited act in Section 2 hereof.

24 **SEC. 5. Implementing Rules and Regulations.** - Within ninety (90) days from  
25 the approval of this Act, the Secretary of Labor and Employment shall promulgate the  
26 necessary rules and regulations for the effective implementation of the provisions of this  
27 Act.

28 **SEC. 6. Repealing Clause.** - All laws, orders, issuances, decrees, rules and  
29 regulations inconsistent with the provisions of this Act are repealed or modified  
30 accordingly.

31 **SEC. 7. Effectivity.** - This Act shall take effect fifteen (15) days after its  
32 publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,

FACT SHEET

House Bill No. **5268**  
in substitution of HB 2643

(As approved by the Committee on 19 November 2014)

**"AN ACT PROTECTING SEAFARERS AND OTHER WORKERS AGAINST AMBULANCE CHASING AND PROVIDING PENALTIES FOR VIOLATION THEREOF"**

*Introduced by: JESULITO A. MANALO, CHRISTOPHER S. CO, RODEL M. BATOCABE, RUFUS B. RODRIGUEZ, KARLO ALEXEI B. NOGRALES, RAYMOND DEMOCRITO C. MENDOZA, FERNANDO "KA PANDO" L. HICAP, EULOGIO "AMANG" R. MAGSAYSAY, GARY C. ALEJANO, ROSE MARIE "BABY" J. ARENAS, JUAN JOHNNY R. REVILLA, LEAH S. PAQUIZ, GUS S. TAMBUNTING, RODRIGO A. ABELLANOSA, LINABELLE RUTH R. VILLARICA, EMMELINE Y. AGLIPAY, LUIS "JON-JON" A. FERRER IV, EMIL L. ONG, MA. VICTORIA R. SY-ALVARADO, ANGELINA D. L. TAN, M.D., SONNY P. COLLANTES, WALDEN F. BELLO, JONATHAN A. DELA CRUZ AND PHILIP A. PICHAY*

*Committee Referral: COMMITTEE ON LABOR AND EMPLOYMENT*

*Committee Chairperson: REP. KARLO ALEXEI B. NOGRALES*

**OBJECTIVE:**

- To protect seafarers and other workers or their heirs from opportunistic practices of lawyers

**KEY PROVISIONS:**

- Prohibits "ambulance chasing" or the solicitation from seafarers, other workers or their heirs the pursuit of money claims against an employer arising from accidents, illness or death in exchange for a portion of the money claim awarded to the seafarer, worker or heir(s)
- Limits the attorney's fees of any lawyer serving as counsel to the seafarer, other worker or their heirs, not exceeding ten percent (10%) of the money claim, which fees shall not be payable before the actual payment of the compensation
- Penalizes any person who engages in ambulance chasing

**RELATED LAW:**

- None