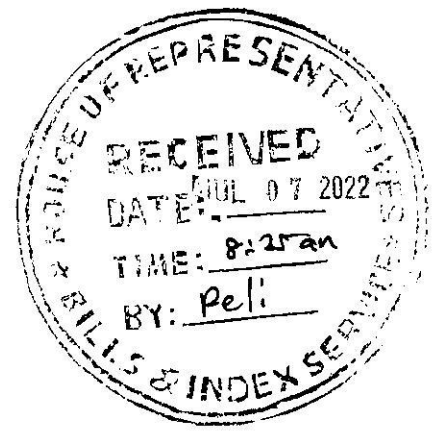




Republic of the Philippines
House of Representatives
Quezon City, Metro Manila



NINETEENTH CONGRESS
First Regular Session

H. B. No. 1522

Introduced by Representative TEODORICO "NONONG" T. HARESCO, JR.

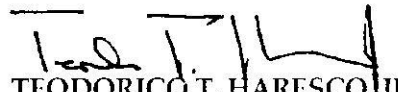
AN ACT
ESTABLISHING THE AKLAN AIRPORT AUTHORITY TO ADMINISTER
AND OPERATE THE KALIBO INTERNATIONAL AIRPORT AND THE
CATICLAN AIRPORT, APPROPRIATING FUNDS THEREFOR, AND FOR
OTHER PURPOSES

EXPLANATORY NOTE

Despite Boracay Island's stricter policies due to the ongoing COVID-19 pandemic and its rehabilitation in 2018, the volume of tourists visiting Boracay is still huge. In fact, the Island welcomed a total of 267,278 tourists from January to March 2022 alone¹. As the country continues to work towards full economic recovery, the contributions tourism will bring about through the reopening of destinations such as Boracay Island cannot be overlooked.

Given this, the facilities of the Caticlan and Kalibo airports must then be improved to allow for better services offered to tourists visiting Boracay. In the same manner, the influx of visitors in the Island is tantamount to greater investments generating jobs and giving wider economic opportunities for the people of Aklan.

In this light, this proposed measure seeks to establish the Aklan Airport Authority to oversee the effective, efficient and economical management and supervision of the two airports in the province of Aklan, namely the Caticlan Airport also known as Godofredo P. Ramos Airport, in the Municipality of Malay, and the Kalibo International Airport in the Municipality of Kalibo. In view of the foregoing, the passage of this bill is earnestly sought.


TEODORICO T. HARESCO, JR.

¹ Philippine Information Agency. *Boracay welcomes over 260T tourists in Q1.*
<https://pia.gov.ph/news/2022/04/08/boracay-welcomes-over-260t-tourists-in-q1>



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

1 **SECTION 1. Title.** - This Act shall be known as the "Charter of the Aklan Airport
2 **Authority"**

3
4 **SEC. 2. The Aklan Airport Authority.** - There is hereby established a body corporate
5 to be known as Aklan Airport Authority, hereinafter referred to as "Authority," which
6 shall be attached to the Department of Transportation. The principal office of the
7 Authority shall be located at the Kalibo International Airport, Kalibo, Aklan.

8
9 The Authority may have such branches, agencies, or subsidiaries as it may deem
10 proper and necessary.

11
12 **SEC. 3. Primary Purpose and Objectives.** - The Authority shall principally undertake
13 the effective, efficient and economical control, management and supervision of the
14 Kalibo International Airport in the Municipality of Kalibo and the Caticlan
15 Airport in the Municipality of Malay, hereinafter collectively referred to as
16 "airports."

17
18 In addition, it shall have the following objectives:

- 19
20 a) Encourage, promote, and develop international and air traffic in Western
21 Visayas as a means of making it a center of international trade and
22 tourism, and accelerating the development of the means of transportation
23 and communication in the country; and

24

25 b) Upgrade the services and facilities of the airports and to formulate
26 internationally acceptable standards of airport accommodation and service.

27

28 **SEC. 4. Duties and Functions.** – The Authority shall have the following duties
29 and functions:

30 a) Formulate a comprehensive and integrated development policy and
31 programs of the airports and implement, review, and update such policy
32 and program periodically;

33

34 b) Control, supervise, construct, maintain, operate, and provide such facilities
35 or services as shall be necessary for the efficient functioning of the airports;

36

37 c) To promulgate rules and regulations governing the planning,
38 development maintenance, operation, and improvement of the airports, and
39 to control and supervise the construction of any structure or the rendition of
40 any service within the airports;

41

42 d) Exercise all the powers of a corporation under Batas Pambansa Bilang 68,
43 as amended, otherwise known as the Corporation Code of the Philippines,
44 insofar as those powers are not inconsistent with the provisions of this Act;

45

46 e) Acquire, purchase, own, administer, lease, mortgage, sell or otherwise dispose
47 of any land, building, airport facility, or property of whatever kind and
48 nature, whether movable or immovable, or any interest therein: *Provided,*
49 That, any asset located in the Kalibo International Airport important to
50 national security shall not be subject to alienation or mortgage by the Authority
51 nor to transfer to any entity other than the National Government;

52

53 f) Exercise the power of eminent domain in the pursuit of its purposes
54 and objectives;

55

56 g) Sue and be sued;

57

58 h) Levy and collect dues, charges, fees or assessment for the use of airport
59 premises, works, appliances, facilities or concessions, or for any service
60 provided by the Authority;

61

62 i) Retain and appropriate dues, and charges collected by the Authority
63 relative to the use of airport premises and for such measures as may be
64 necessary to make the Authority more effective in the discharge of its
65 assigned tasks;

66

67 j) Invest its idle funds, as it may deem proper, in government securities and
68 other evidences of indebtedness; and

69

70 k) Provide services, whether on its own or otherwise, within the airports and the

approaches thereof as may be necessary or in connection with maintenance and operation of the airports and their facilities.

SEC. 5. Police Authority. - The Authority shall have the power to exercise such police authority as may be necessary within its premises or areas of operation to carry out its functions and attain its purposes and objectives: *Provided, That,* the Authority may request the assistance of law enforcement agencies, including request for deputization as may be required. Such police authority shall be exercised in connection with the following, among others:

- a) Maintenance of security to passengers, cargoes, aircraft, airport equipment, structures, facilities, personnel, funds, and documents;
- b) Regulation of the entry to, exit from, and movement within the airports
- c) Maintenance of peace and order within the premises of the Authority;
- d) Regulation and supervision of private security agencies operating in the airports
- e) Enforcement of the rules and regulations promulgated by the Authority pursuant to law; and
- f) In case of emergencies or imminent danger involving national security within the premises of the airports, the Philippines Air Force Security Command shall take charge.

SEC. 6. Composition of the Board. - The corporate powers of the Authority shall be exercised by and vested in the Board of Directors (Board) which shall be composed of a chairman, a Vice Chairman and nine (9) members. The Secretary of Transportation and the General Manager of the Authority shall be the *ex-officio* Chairman and Vice Chairman of the Board, respectively.

The Secretary of Finance, the Secretary Tourism, the Secretary of Justice, the Commissioner of Immigration, and the Provincial Governor of Aklan, or their duly authorized representatives shall be *ex-officio* members of the Board. In addition, four (4) members from the private sector who shall be residents of the Province of Aklan shall be appointed by the Board for a term of three (3) years, subject to the existing rules and regulations of the Governance Commission for GOCCs (GCG).

The Board shall promulgate its rules relative to meetings, quorum requirements and compensation or allowances of the members, subject to existing rules and regulations.

SEC. 7. Functions, Powers and Duties of the Board. - In addition to the powers vested in the Board under the other sections of this Act, the Board shall have the following functions, powers and duties:

- a) Define and approve the programs, plans, policies, procedure, and guidelines of the Authority for the development and operation of the airports;

- 120
121 b) Recommend to the President of the Philippines the appointment of a
122 General Manager of the Authority, who shall be the Chief Executive
123 Officer of the Authority;
124
125 c) Approve the Authority's organizational and administrative structure,
126 staffing pattern, operating and capital expenditures, and financial
127 budgets upon recommendation of the General Manager;
128
129 d) Approve the salary ranges, benefits and other terms and condition of service
130 for all officers and employees of the Authority upon recommendation of the
131 General Manager, which shall be subjected to existing laws, rules and
132 regulations;
133
134 e) Fix the rates of dues, charges, fees or assessments for the use of the
135 airport premises, works, appliances, facilities, concessions, services, and
136 other fees and charges related to the activities of the airport, upon
137 recommendation of the General Manager; and
138
139 f) Exercise all functions and powers necessary or incidental to attain the purpose
140 and objectives of this Act

141
142 **SEC. 8. Functions, Powers and Duties of the General Manager.** – The General Manager
143 shall be directly responsible to the Board and shall have the following functions,
144 power and duties:
145

- 146 a) Direct and supervise the day-to-day management, operation and
147 administration of the airports;
148
149 b) Implement and enforce decisions, orders, rules and regulations issues,
150 prescribed, or adopted by the Board;
151
152 c) Undertake researches, studies, investigations and other activities related to
153 the present operations and future improvements of the airports, and
154 submit comprehensive reports and appropriate recommendation to the
155 Board for proper action;
156
157 d) Appoint, transfer, suspend, remove, or otherwise discipline any subordinate
158 officer or employee of the Authority, subject to the approval of the Board and
159 in accordance with the existing rules and regulations of the Civil
160 Service Commission;
161
162 e) Execute contracts, incur obligations, acquire and dispose of assets, and
163 deliver documents on behalf of the Authority;
164
165 f) Grant permits or concessions to do business within the airports in accordance
166 with such rules and regulations to be promulgated by the Authority for the

purpose; and

- g) Perform such other duties as the Board may delegate or assign and such acts as may necessary and proper to implement this Act.

SEC. 9. Capital. – The Authority shall have an authorized capital stock equal to or consisting of:

- a) The value or fixed assets, including airport facilities, runways and equipment, and such other properties, movable, currently administered by or belonging to the airports as valued on the date of the effectivity of this Act;
- b) The value of such real estate owned and/or administered by the airports; and
- c) Government contribution in such amount as maybe deemed an appropriate initial amount, as approved by the President of the Philippines, which shall be more or less equivalent to sixty (60) months working capital requirement of the Authority shall be provided for the General Appropriations Act of the year following the effectivity of this Act.

SEC. 10. Auditor. – The Commission on Audit shall appoint a representative who shall be the auditor of the Authority, together with the necessary personnel to assist said representative in the performance of duties. The number and salaries of the auditor and said personnel shall be determined by the Commission on Audit, in accordance with the revised compensation and position classification system and other applicable laws, rules and regulations.

The Auditor shall as soon as possible but not later than three (3) months after the accounts have been submitted for audit, send an annual report to the Board. The Auditor may also submit such periodic and special reports as the Board may deem necessary.

SEC. 11. Annual Report. – The Board shall submit to the President of the Philippines and both Houses of Congress of the Philippines, through the Department of Transportation, an annual report of the activities and operations of the Authority.

SEC. 12. Applicability of Civil Service Laws. – The Authority and its officials and employees shall be subjected to the existing Civil Service laws and its rules and regulations.

SEC. 13. Borrowing Power. – The Authority may, in accordance with existing laws, rules, and regulations on local and foreign borrowing, raise funds, either from local or international sources, by way of loans, credits or securities, and other borrowing instrument, with the power to create pledges, mortgages, and other voluntary liens or encumbrances on any of its assets or properties, upon recommendation of the Secretary of the Transportation, subject to the prior approval of the President of the Philippines.

All loans contracted by the Authority under this section together with all interests and other sums payable in respect thereof, shall constitute a charge upon all revenues and assets of the Authority and shall rank equally with one another, but shall have priority over any other claim or charge on the revenue and assets of the Authority: *Provided, That, this provision shall not be constructed as a prohibition or restriction on the power of the Authority to create pledges, mortgages, and other voluntary liens or encumbrances on any asset or property of the Authority.*

The payment of the loans or other indebtedness of the Authority may be guaranteed by the National Government, subject to the approval of the President of the Philippines.

SEC. 14. Tax Exemption. - The Authority shall be exempt from the payment of realty taxes imposed by the National Government or any of its political subdivisions, agencies and instrumentalities: *Provided, That, no tax exemption herein granted shall extend to any subsidiary which may be organized by the Authority.*

SEC. 15. Transfer of Existing Facilities and Intangible Assets. - All existing public airport facilities, runways, lands, buildings and other properties movable and immovable belonging to or presently administered by the airports, and all assets, powers, rights, interest, or privileges relating to airport works or air operation, including all equipment which are necessary for operation of the air navigation, air traffic control and crash fire, and rescue facilities are hereby transferred to the Authority.

SEC. 16. Transfer Liabilities and Debts. - Upon transfer to and acceptance by the Authority of the physical facilities, intangible assets, and completed projects referred to in the preceding sections, all debts, liabilities and obligations of government agencies or entities concerned in respect of such physical facilities, tangible assets, and completed projects within the airports shall likewise be assumed by the Authority.

SEC. 17. Projects in Progress. - All ongoing projects relating to the construction of facilities of the airports shall be continued by the agency or agencies involved. Until their completion thereafter, such projects shall be transferred to the Authority in accordance with the agreement among agencies concerned. Any disagreement relating to such transfer shall be submitted to the Board for final decision.

SEC. 18. Separability Clause. - If any provisions of this Act or the application of such provision to any person or circumstances be declared unconstitutional, the remainder of this Act or the application of such provision to other person or circumstances shall not be affected by such declaration.

SEC. 19. Repealing Clause. - All laws, decrees, proclamations, executive orders, rules and regulations or other issuances or parts thereof contrary to inconsistent with the provisions of this Act are hereby repealed, amended or modified accordingly.

263 **SEC. 20. Effectivity.** - This Act shall take effect fifteen (15) days after its publication
264 in two (2) national newspapers of general circulation.

265

266 *Approved,*