



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



**EIGHTEENTH CONGRESS**  
*First Regular Session*

**4176**

H. B. No. \_\_\_\_\_

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

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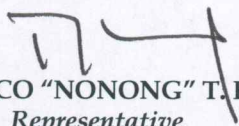
**AN ACT**  
**ESTABLISHING THE AKLAN AIRPORT AUTHORITY TO ADMINISTER AND**  
**OPERATE THE KALIBO INTERNATIONAL AIRPORT AND THE CATICLAN**  
**AIRPORT, APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES**

**EXPLANATORY NOTE**

Arguably one of the country's top tourist destination, Boracay attracted 619,934 tourists or 28% of the total number of tourists who visited the country in the first quarter of 2019. The figure is 12% higher around the same time in 2018 which proves that the Island of Boracay's allure greatly enthralls foreign and local tourists alike.

Despite the Island's stricter policies<sup>1</sup> in accepting visitors, the volume of local and foreign tourists visiting Boracay is still huge. Rightly so, the government's rehabilitation initiative paved the way for the pouring in of tourists. Due to this, facilities of the Caticlan and Kalibo airports must 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.

  
**HON. TEODORICO "NONONG" T. HARESCO, JR.**  
*Representative*  
**2<sup>nd</sup> District, Province of Aklan**

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<sup>1</sup> After Boracay's 6-month closure in 2018, the Department of Tourism has employed stricter measures on accommodation establishments, such as hotels and inns, as part of the government's efforts to maintain and rehabilitate the beauty of the Island.



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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 to  
5 be known as Aklan Airport Authority, hereinafter referred to as “Authority,” which shall  
6 be attached to the Department of Transportation. The principal office of the Authority  
7 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 proper  
10 and necessary.  
11
- 12 SEC. 3. *Primary Purpose and Objectives.* – The Authority shall principally undertake the  
13 effective, efficient and economical control, management and supervision of the Kalibo  
14 International Airport in the Municipality of Kalibo and the Caticlan Airport in the  
15 Municipality of Malay, hereinafter collectively referred to as “airports.”  
16
- 17 In addition, it shall have the following objectives:  
18
- 19 a) Encourage, promote, and develop international and air traffic in Western Visayas  
20 as a means of making it a center of international trade and tourism, and  
21 accelerating the development of the means of transportation and communication  
22 in the country; and  
23
- 24 b) Upgrade the services and facilities of the airports and to formulate internationally  
25 acceptable standards of airport accommodation and service.  
26
- 27 SEC. 4. *Duties and Functions.* – The Authority shall have the following duties and  
28 functions:  
29



- a) Formulate a comprehensive and integrated development policy and programs of the airports and implement, review, and update such policy and program periodically;
- b) Control, supervise, construct, maintain, operate, and provide such facilities or services as shall be necessary for the efficient functioning of the airports;
- c) To promulgate rules and regulations governing the planning, development maintenance, operation, and improvement of the airports, and to control and supervise the construction of any structure or the rendition of any service within the airports;
- d) Exercise all the powers of a corporation under Batas Pambansa Bilang 68, as amended, otherwise known as the Corporation Code of the Philippines, insofar as those powers are not inconsistent with the provisions of this Act;
- e) Acquire, purchase, own, administer, lease, mortgage, sell or otherwise dispose of any land, building, airport facility, or property of whatever kind and nature, whether movable or immovable, or any interest therein: *Provided*, That, any asset located in the Kalibo International Airport important to national security shall not be subject to alienation or mortgage by the Authority nor to transfer to any entity other than the National Government;
- f) Exercise the power of eminent domain in the pursuit of its purposes and objectives;
- g) Sue and be sued;
- h) Levy and collect dues, charges, fees or assessment for the use of airport premises, works, appliances, facilities or concessions, or for any service provided by the Authority;
- i) Retain and appropriate dues, and charges collected by the Authority relative to the use of airport premises and for such measures as may be necessary to make the Authority more effective in the discharge of its assigned tasks;
- j) Invest its idle funds, as it may deem proper, in government securities and other evidences of indebtedness; and
- 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 Philippine 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;
- b) Recommend to the President of the Philippines the appointment of a General Manager of the Authority, who shall be the Chief Executive Officer of the Authority;
- c) Approve the Authority's organizational and administrative structure, staffing pattern, operating and capital expenditures, and financial budgets upon recommendation of the General Manager;
- d) Approve the salary ranges, benefits and other terms and condition of service for all officers and employees of the Authority upon recommendation of the General Manager, which shall be subjected to existing laws, rules and regulations;
- e) Fix the rates of dues, charges, fees or assessments for the use of the airport premises, works, appliances, facilities, concessions, services, and other fees and charges related to the activities of the airport, upon recommendation of the General Manager; and



- 1 f) Exercise all functions and powers necessary or incidental to attain the purpose and  
2 objectives of this Act.  
3

4 **SEC. 8. *Functions, Powers and Duties of the General Manager.*** – The General Manager  
5 shall be directly responsible to the Board and shall have the following functions, power  
6 and duties:  
7

- 8 a) Direct and supervise the day-to-day management, operation and administration  
9 of the airports;  
10  
11 b) Implement and enforce decisions, orders, rules and regulations issues, prescribed,  
12 or adopted by the Board;  
13  
14 c) Undertake researches, studies, investigations and other activities related to the  
15 present operations and future improvements of the airports, and submit  
16 comprehensive reports and appropriate recommendation to the Board for proper  
17 action;  
18  
19 d) Appoint, transfer, suspend, remove, or otherwise discipline any subordinate  
20 officer or employee of the Authority, subject to the approval of the Board and in  
21 accordance with the existing rules and regulations of the Civil Service  
22 Commission;  
23  
24 e) Execute contracts, incur obligations, acquire and dispose of assets, and deliver  
25 documents on behalf of the Authority;  
26  
27 f) Grant permits or concessions to do business within the airports in accordance with  
28 such rules and regulations to be promulgated by the Authority for the purpose;  
29 and  
30  
31 g) Perform such other duties as the Board may delegate or assign and such acts as  
32 may necessary and proper to implement this Act.  
33

34 **SEC. 9. *Capital.*** – The Authority shall have an authorized capital stock equal to or  
35 consisting of:  
36

- 37 a) The value or fixed assets, including airport facilities, runways and equipment, and  
38 such other properties, movable, currently administered by or belonging to the  
39 airports as valued on the date of the effectivity of this Act;  
40  
41 b) The value of such real estate owned and/or administered by the airports; and  
42  
43 c) Government contribution in such amount as maybe deemed an appropriate initial  
44 amount, as approved by the President of the Philippines, which shall be more or  
45 less equivalent to sixty (60) months working capital requirement of the Authority  
46 shall be provided for the General Appropriations Act of the year following the  
47 effectivity of this Act.  
48

49 **SEC. 10. *Auditor.*** – The Commission on Audit shall appoint a representative who shall  
50 be the auditor of the Authority, together with the necessary personnel to assist said  
51 representative in the performance of duties. The number and salaries of the auditor and  
52 said personnel shall be determined by the Commission on Audit, in accordance with the



1 revised compensation and position classification system and other applicable laws, rules  
2 and regulations.

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

7  
8 **SEC. 11. *Annual Report.*** – The Board shall submit to the President of the Philippines and  
9 both Houses of Congress of the Philippines, through the Department of Transportation,  
10 an annual report of the activities and operations of the Authority.

11  
12 **SEC. 12. *Applicability of Civil Service Laws.*** – The Authority and its officials and  
13 employees shall be subjected to the existing Civil Service laws and its rules and  
14 regulations.

15  
16 **SEC. 13. *Borrowing Power.*** – The Authority may, in accordance with existing laws, rules,  
17 and regulations on local and foreign borrowing, raise funds, either from local or  
18 international sources, by way of loans, credits or securities, and other borrowing  
19 instrument, with the power to create pledges, mortgages, and other voluntary liens or  
20 encumbrances on any of its assets or properties, upon recommendation of the Secretary  
21 of the Transportation, subject to the prior approval of the President of the Philippines.

22  
23 All loans contracted by the Authority under this section together with all interests and  
24 other sums payable in respect thereof, shall constitute a charge upon all revenues and  
25 assets of the Authority and shall rank equally with one another, but shall have priority  
26 over any other claim or charge on the revenue and assets of the Authority: *Provided, That,*  
27 this provision shall not be constructed as a prohibition or restriction on the power of the  
28 Authority to create pledges, mortgages, and other voluntary liens or encumbrances on  
29 any asset or property of the Authority.

30  
31 The payment of the loans or other indebtedness of the Authority may be guaranteed by  
32 the National Government, subject to the approval of the President of the Philippines.

33  
34 **SEC. 14. *Tax Exemption.*** – The Authority shall be exempt from the payment of realty  
35 taxes imposed by the National Government or any of its political subdivisions, agencies  
36 and instrumentalities: *Provided, That,* no tax exemption herein granted shall extend to any  
37 subsidiary which may be organized by the Authority.

38  
39 **SEC. 15. *Transfer of Existing Facilities and Intangible Assets.*** – All existing public airport  
40 facilities, runways, lands, buildings and other properties movable and immovable  
41 belonging to or presently administered by the airports, and all assets, powers, rights,  
42 interest, or privileges relating to airport works or air operation, including all equipment  
43 which are necessary for operation of the air navigation, air traffic control and crash fire,  
44 and rescue facilities are hereby transferred to the Authority.

45  
46 **SEC. 16. *Transfer Liabilities and Debts.*** – Upon transfer to and acceptance by the  
47 Authority of the physical facilities, intangible assets, and completed projects referred to  
48 in the preceding sections, all debts, liabilities and obligations of government agencies or  
49 entities concerned in respect of such physical facilities, tangible assets, and completed  
50 projects within the airports shall likewise be assumed by the Authority.

51  
52 **SEC. 17. *Projects in Progress.*** – All ongoing projects relating to the construction of  
53 facilities of the airports shall be continued by the agency or agencies involved. Until their



1 completion thereafter, such projects shall be transferred to the Authority in accordance  
2 with the agreement among agencies concerned. Any disagreement relating to such  
3 transfer shall be submitted to the Board for final decision.  
4

5 **SEC. 18. *Separability Clause.*** – If any provisions of this Act or the application of such  
6 provision to any person or circumstances be declared unconstitutional, the remainder of  
7 this Act or the application of such provision to other person or circumstances shall not be  
8 affected by such declaration.  
9

10 **SEC. 19. *Repealing Clause.*** – All laws, decrees, proclamations, executive orders, rules and  
11 regulations or other issuances or parts thereof contrary to inconsistent with the  
12 provisions of this Act are hereby repealed, amended or modified accordingly.  
13

14 **SEC. 20. *Effectivity.*** – This Act shall take effect fifteen (15) days after its publication in  
15 two (2) national newspapers of general circulation.  
16

17 *Approved,*