

[REPUBLIC ACT NO. 224, June 05, 1948]

AN ACT TO CREATE A PUBLIC CORPORATION TO BE KNOWN AS THE "NATIONAL AIRPORTS CORPORATION," TO DEFINE ITS POWERS AND DUTIES, TO APPROPRIATE THE NECESSARY FUNDS THEREFOR, AND FOR OTHER PURPOSES.

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

SECTION 1. There is hereby created a public corporation to be known as the "National Airports Corporation," hereinafter called and designated the Corporation, to serve as an agency of the Republic of the Philippines for the development, administration, operation and management of government owned landing fields in the Philippines.

The said Corporation shall exist for a term of fifty years from the date of the approval of this Act, and shall have its principal place of business at Nichols Field, municipality of Paranaque, Province of Rizal.

SEC. 2. The "National Airports Corporation" shall have the following objects:

- a. To take over the use, management, operation, maintenance, development, control, regulation and policing of Nichols Field as a public airport for national and international air traffic, and of all other government airfields, except those controlled and/or operated by the Armed Forces of the Republic, and of any other airfields which it may acquire or construct;
- b. To plan, design, equip, expand, improve, repair, alter, or construct these airports or any navigation facilities appurtenant thereto with a view to providing the public with an efficient and modern air transportation service;
- c. To assist in the development and utilization of the air potential of the Philippines, and in the encouragement and promotion of civil aeronautics.

SEC. 3. The said Corporation shall be subject to the provisions of the Corporation Law in so far as they are not inconsistent with the provisions of this Act, or the purpose for which the Corporation is formed, and it shall enjoy the general powers mentioned in said Corporation Law in addition to the following powers:

- a. To enter into, make and execute contracts of any kind as may be necessary or incidental to the attainment of its objects, with any person, firm, or public or private corporation or entity, or, subject to the approval of the President, with any foreign government;
- b. To acquire, hold, purchase, or lease any personal or real property, rights of way, and easements which may be proper or necessary for

the furtherance of the purposes of the corporation;

- c. To exercise the right of eminent domain for the purposes for which it was created, in the manner provided by law for condemnation proceedings by the national, provincial and municipal governments;
- d. To sell, pledge, mortgage, alienate or otherwise dispose of any property, or interest therein, or part thereof, whenever in the judgment of the Board of Directors said property, or interest therein, or part thereof, is no longer needed or required for the purposes for which the corporation is formed; or to lease the same when the lease thereof for any purpose shall not interfere with the main use of the airport: *Provided, however,* That no real property of whatever value, nor fixed installations of any kind having a book value of one hundred thousand pesos or over, may be sold or otherwise disposed of by the Corporation without the approval of the President of the Philippines;
- e. To contract loans, to issue bonds and other obligations as security therefor: *Provided, however,* That at no time shall bonded indebtedness of the corporation exceed ten million pesos. In order that the corporation may validly issue bonds, the resolution of the Board of Directors authorizing the issuance thereof shall state the purpose and the terms and conditions of the bonds, which resolution shall be subject to the approval of the President of the Philippines upon recommendation of the Secretary of Finance. All bonds issued by the Corporation shall be exempt from taxation by the Republic of the Philippines or by any political subdivision thereof, and shall be receivable as security in any transaction with the Government of the Republic of the Philippines in which security is required. As security for any and all loans which it may contract, the Corporation is authorized to mortgage any and all airfields, installations and equipment which it has or may control.
- f. With the exception only of the amounts to be charged as landing fees, parking-space fees for transient aircraft, and royalties on sales or deliveries, direct or indirect, to an aircraft for its use of aviation gasoline, oil and lubricants, spare parts, accessories and supplies which shall be subject to the approval of the Civil Aeronautics Board, the Corporation shall have authority to determine, impose, collect and receive all charges, tolls, royalties, fees or rentals for the use of any of the property under its management and control; and to prescribe the terms and conditions under which such property may be used. As used in this section:
 - 1. "Landing fees" refer to all charges for the use of any landing strip or runway by any aircraft landing or taking off at the airport;
 - 2. "Terminal fees" refer to all charges for parking at or near the ramp, terminal area or building for purposes of loading or unloading passengers and/or cargo;
 - 3. "Transient aircraft" refers to all those which do not have, at the airport, any fixed base, area, or parking space;