NINETEENTH CONGRESS OF THE) REPUBLIC OF THE PHILIPPINES) Third Regular Session)

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SENATE

s. No. 2969



(In substitution of Senate Bill Nos. 2801 and 2912, taking into consideration House Bill No. 10403)

Prepared and submitted jointly by the Committees on Higher, Technical and Vocational Education; Public Services; Ways and Means; and Finance with Senators Revilla, Gatchalian, Cayetano, A.P. and Tulfo as authors thereof

AN ACT

DECLARING THE PHILIPPINE STATE COLLEGE OF AERONAUTICS AS THE NATIONAL PROFESSIONAL INSTITUTION FOR AVIATION, RENAMING IT AS THE NATIONAL AVIATION ACADEMY OF THE PHILIPPINES, AND APPROPRIATING FUNDS THEREFOR

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

Section 1. Short Title. – This Act shall be known as the "National Aviation Academy of the Philippines Charter Act".

Sec. 2. *Declaration of Policy*. – The State shall promote quality education accessible and relevant to the changing needs of the people and society. It shall establish, maintain, and support a complete, adequate, and integrated aviation education and training system by strengthening the curricula of the various aviation and other related courses consistent with the standards set by the world's leading institutions of aviation learning.

To this end, the National Aviation Academy of the Philippines, as the leading higher education institution for aviation studies, is hereby declared as the national professional institution for aviation.

Sec. 3. National Aviation Academy of the Philippines. – The existing Philippine State College of Aeronautics (PhilSCA), as the national professional

institution for aviation, is hereby renamed as the National Aviation Academy of the Philippines (NAAP). As such, the NAAP shall specialize in aviation and aviation-related programs.

Sec. 4. *General Mandate.* – The NAAP shall develop leaders in the Philippine aviation and aerospace industries, both in the private/commercial sector and the government, including the Armed Forces of the Philippines (AFP) and its three (3) main branches – the Philippine Air Force (PAF), the Philippine Navy (PN), and the Philippine Army (PA), as well as the uniformed personnel.

To attain this purpose, the NAAP shall:

- a. Provide world-class academic and professional training to young Filipinos in the field of aviation and other related fields, and mold them into becoming responsible citizens who are aware of their role in nation-building;
- Produce efficient and well-trained aviation professionals whose technical capabilities are comparable to their counterparts in other countries and who can competently respond to the needs of the local and international aviation industry;
- c. Offer advanced professional studies and specialization for aviation and other related courses, primarily for those who serve as faculty of the State and private colleges and universities;
- d. Strengthen aviation and other related programs through the development and offering of industry-driven programs; spearheading collaboration between the academe and the aviation industry; and leading in the implementation of innovative teaching methods in aviation education;
- e. Serve as the premier academic institution in aviation and related fields of specialization by offering undergraduate, graduate, and professional degree programs, promoting collaboration with various colleges and universities in the country offering aviation programs, and contributing to the dissemination and application of knowledge on aviation and other related fields: *Provided*, That technical and regulatory aviation training required for compliance with international

standards shall remain under the exclusive authority of the Civil Aviation Training Center (CATC) of the Civil Aviation Authority of the Philippines (CAAP);

- f. Intensify innovative professional skills, as well as technological research and development in aviation, in collaboration with the CAAP and other attached agencies of the Department of Transportation, Department of National Defense, and the Philippine Space Agency;
- g. Offer ladderized undergraduate and graduate professional programs in aviation and other related fields of study as the Board of Trustees may deem necessary to carry out its objectives;
- h. Provide deserving students greater access to aviation education;
- Serve as a regional and global aviation hub in cooperation with international academic institutions, various networks of the aviation industry, and scholarly and professional associations in the Asia Pacific region and around the world; and
- j. Foster a globally competitive and culturally sensitive institution, by cultivating a deep understanding and appreciation of the role aviation plays in tourism, cultural exchange, and national development.

Sec. 5. Curricular Offerings. — The NAAP shall offer short-term technical-vocational, undergraduate, and graduate courses within its areas of competency and specialization in the field of aviation and aviation-related programs such as the following: Bachelor of Science in Air Transportation specializing in Commercial Pilot; Bachelor of Science in Aeronautical Engineering, including Drone Technology; Associate in Aircraft Maintenance Technology; and Associate in Aircraft Electronic Technology leading to Baccalaureate in Aircraft Maintenance Technology and Baccalaureate in Aircraft Electronics Technology.

The NAAP shall also provide education in Aviation Safety and Security, Supply Chain Management specializing in Aviation Logistics, and Aviation Information Technology.

The NAAP shall also develop and design academic offerings and confer degrees as appropriate, in accordance with the relevant policies, standards, and guidelines of the Commission on Higher Education (CHED), the Philippine

Qualifications Framework, and with the CAAP Civil Aviation Regulations Part 3, Approved Training Organizations, and undergraduate and graduate programs in the fields of aviation.

The CHED and CAAP may appoint faculty and graduates of the NAAP and other colleges and universities to serve as technical evaluators upon acquiring the necessary qualifications and certifications in the field of aviation.

To meet the needs of the national government, as well as local and international aviation industry requirements, the NAAP may add, remove, or revise undergraduate and graduate degree programs or diploma courses according to its capabilities and as the Board of Trustees may deem necessary to carry out its objectives: *Provided*, That no undergraduate and graduate degree program shall be offered without compliance with the prescribed policy, standards, and guidelines of CHED and, as may be applicable, the CAAP.

Sec. 6. *The NAAP Campuses.* – The NAAP shall be composed of both regular and extension campuses established by its Board of Trustees upon the recommendation of its President.

The regular campuses of the NAAP shall include the following: Villamor Air Base Campus in Pasay City, which shall serve as the main campus; the Basa Air Base Campus in Floridablanca, Pampanga; the Fernando Air Base Campus in Lipa City, Batangas; the Brigadier General Benito N. Ebuen Air Base (BGBNEAB) Campus in Lapu-Lapu City, Cebu, and those that may be created in the future.

The extension campuses of the NAAP shall include the following existing campuses: Basa-Palmayo Campus in Floridablanca, Pampanga; the BGBNEAB Campus in Medellin, Cebu; and those that may be created in the future.

- Sec. 7. *Academic Freedom.* The NAAP shall enjoy academic freedom, as provided in Republic Act No. 8292, otherwise known as the "Higher Education Modernization Act of 1997," and Paragraph 2, Section 5 of Article XIV of the Constitution.
- Sec. 8. Commitment to National Development. The NAAP shall utilize the expertise of the members of its community and other individuals concerning the country's goals towards national development in the primary areas of aviation and other related fields for the improvement of the quality of life, growth of the

economy, and transformation of the society.

With profound scientific and professional knowledge, the NAAP and its community members shall contribute to or take a solicited involvement in the public policy process.

As the national professional institution for aviation, the NAAP shall ensure the following:

- a. All programs and their total enrollment shall be in aviation and other related fields;
- b. Discontinue the offering of programs not allied with aviation and other related fields; and
- c. Accelerate the faculty development and training programs in aviation and other related fields.
- Sec. 9. Democratic Access. The NAAP shall take affirmative steps in democratizing the admission process to enhance access to its programs and services for disadvantaged students, such as indigenous peoples and poor but deserving students, valedictorians and salutatorians of public high schools, and students from depressed areas.

It shall admit at least one (1) student, who shall be recommended by the respective regional councils, in its Bachelor of Science in Air Transportation and Bachelor of Science in Aeronautical Engineering programs from every region: *Provided,* That applicants must pass the basic requirements of admission: *Provided, further,* That upon determination that there is no qualified applicant from a particular region, another qualified applicant, irrespective of domicile, shall be considered for such slot.

No student shall be denied admission to the NAAP by reason of age, gender, nationality, religious belief, economic status, ethnicity, physical disability, and political opinion or affiliation.

Sec. 10. *Institutional Autonomy and Excellence*. – As the national professional aviation institution, the NAAP shall enjoy institutional autonomy, pursuant to Paragraph 2, Section 5 of Article XIV of the Constitution, as well as the responsibility to maintain and enhance its high academic aviation standards in the performance of its instruction, extension, and community service.

Sec. 11. *Administration*. – The NAAP shall have the general powers of a corporation set forth in Republic Act No. 11232, otherwise known as the "Revised Corporation Code of the Philippines." The administration of the NAAP and the exercise of its corporate powers shall be vested exclusively in the Board of Trustees and the President of the NAAP.

Sec. 12. *Heads of NAAP Campuses*. - The administration of each campus shall be vested in a Campus Director who shall serve as head or administrator of each of the campuses and shall render full-time service for a term of two (2) years and may be reappointed to another term.

The campus director shall be appointed or designated by the Board of Trustees, upon the recommendation of the search committee and the NAAP President, subject to the guidelines, qualifications, and standards set by the Board; *Provided,* That upon the effectivity of this Act, the incumbent Campus Directors of the existing campuses of the NAAP shall continue to serve as such until the expiration of their term.

- Sec. 13. *The Governing Board*. The governing body of the NAAP shall be the Board of Trustees, hereinafter referred to as the Board, which shall be chaired by the Chairperson of the CHED. The President of the NAAP shall be the vice-chairperson of the Board and the following shall be the members:
- a. Chairperson of the Committee on Higher, Technical and Vocational Education of the Philippine Senate;
- b. Chairperson of the Committee on Higher and Technical Education of the House of Representatives;
- c. Director General of the National Economic and Development Authority (NEDA);
 - d. Commanding General of the PAF;
- e. Director General of the CAAP;

- f. President of the federation of faculty associations of the NAAP;
- g. President of the federation of student councils of the NAAP;
- h. President of the federation of alumni associations of the NAAP; and
- i. Two (2) private sector representatives who have distinguished themselves in their professions or fields of specialization.

The Board shall appoint two (2) private sector representatives who shall be selected from a list of at least five (5) qualified persons, as recommended by a search committee constituted by the President of the NAAP, in consultation with the Chairperson of the CHED and other members of the Board, based on the standards and qualifications for the position set by the Board: *Provided*, That one of the private sector representatives must have a distinctive contribution in the field of aviation and advancement of aviation education in the country, and in the reputable practice of the profession. They shall serve for a term of two (2) years from the date of appointment.

The terms of office of the presidents of the federation of faculty associations, federation of student councils, and federation of alumni associations shall be coterminous with their terms of office, as provided under their respective constitutions and bylaws.

For the purpose, the associations of faculty, alumni, and student councils in each campus shall organize themselves to form their respective federations, which in turn, shall elect their federation officials: *Provided*, That the alumni representative to the Board must not be a faculty or an employee of the NAAP, regardless of status or rank, at the time of representation.

- Sec. 14. *Compensation.* The members of the Board shall serve without compensation, but shall be entitled to reimbursement of actual and necessary expenses incurred in the attendance to meetings of the Board and other official business authorized by the Board, subject to existing laws, rules, and regulations.
- Sec. 15. *Powers and Duties of the Board.* The administration of the NAAP and the exercise of its corporate powers are vested in the Board, which shall have the following specific powers and duties in addition to its general powers of administration and the exercise of all the powers granted to the Board of Directors of a Corporation under Section 35 of Republic Act No. 11232:
 - a. Promulgate and implement policies in accordance with the declared State policies and the provisions of the Constitution on education and science and technology, as well as the policies, standards and thrusts of the CHED under Republic Act No. 7722, otherwise known as the "Higher Education Act of 1994";

 Approve the curricula, institutional programs, and rules on student discipline drawn by the Administrative and Academic Councils, as herein provided;

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- c. Appoint, upon the recommendation of the NAAP President, the vice presidents, deans, directors, heads of campuses, faculty members, and other officials of the NAAP;
- d. Prescribe the salaries of faculty members, administrative officials, and employees, subject to the provisions of RA No. 11466, otherwise known as the "Salary Standardization Law of 2019", and other laws amendatory thereto, Civil Service rules and regulations governing hours of service and such other requirements and conditions, other pertinent laws, rules and regulations;
- e. Fix the tuition fees and other necessary school charges, such as matriculation fees, graduation fees, and laboratory fees, as the Board may deem proper to impose, after due consultation with the concerned sectors. The fees and charges, including government subsidies and other income generated by the NAAP, shall constitute its funds to be used exclusively in the pursuit of its mandate as a state university, and shall be deposited in any authorized government depository bank. All interests that shall accrue therefrom shall form part of the same funds for the use of the NAAP. Any provision of existing law, rule or regulation to the contrary notwithstanding, any income generated by the NAAP from tuition fees and other charges, as well as from the operation of auxiliary services and land grants, shall be retained by the NAAP and may be disbursed by the Board for instruction, research, extension services, and other programs and projects of the NAAP: Provided, That all fiduciary fees shall be disbursed for the specific purposes for which these are collected: Provided, however, That if, for reasons beyond its control, the NAAP shall not be able to pursue any project for which the funds have been appropriated and allocated under its approved program of expenditures, the Board may authorize the use of said funds for any

reasonable and legal purposes which, in its discretion, may be necessary and urgent for the attainment of the objectives and goals of the NAAP;

4 f. Adopt and implement a socialized scheme of tuition and other school

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- f. Adopt and implement a socialized scheme of tuition and other school fees for greater access of poor but deserving students in accordance with Republic Act No. 10931, otherwise known as the "Universal Access to Quality Tertiary Education Act";
- g. Establish professional chairs in the NAAP and provide fellowship for qualified faculty members, and scholarships to deserving students;
- h. Receive and appropriate sums as may be provided by law for the support of the NAAP, and all other sums in the manner it may, in its discretion, determine to carry out the purposes and functions of the NAAP;
- i. Set the policies on admission and graduation of students;
- j. Award honorary degrees upon persons in recognition of learning, statesmanship, or eminence in the field of aviation, engineering, science, technology, education, public service or in any field of specialization within the academic competency of the NAAP, and authorize the awarding of certificates of completion of nondegree and nontraditional courses;
- k. Establish professional training centers, in collaboration with CAAP, to promote the development of the NAAP;
- Develop academic arrangements for institutional capability building in the aviation and aviation-related fields and in the appropriate institutions and agencies, whether public or private, local or foreign, and appoint experts or specialists as consultants, part-time, visiting, or exchange professors, and scholars, as the case may be;
- m. Adopt, whenever applicable, modern and innovative modes of transferring knowledge to allow greater access to education, such as the use of information technology, the dual training system, open distance learning, and community laboratory;
- n. Authorize an external management audit of the NAAP, to be financed

by the CHED, subject to the rules and regulations of the Commission on Audit (COA), and institute reforms, including academic and structural changes, on the basis of the audit results and recommendations;

- Develop consortia and other economic forms of linkages with local government units as well as public, private, local, or foreign institutions and agencies for the furtherance of the purposes and objectives of the NAAP;
- p. Import books or publications, instruments, equipment, and apparatuses for economic, technical, cultural, and aviation-related purposes;
- q. Enter into joint ventures or public-private partnerships with business and industry for the profitable development and management of the economic assets, the proceeds of which shall be used for the development and strengthening of the NAAP;
- r. Receive, in trust, all legacies, gifts, and donations of real and personal properties of all kinds and administer and dispose of the same, when necessary, for the benefit of the NAAP and subject to the limitations, discretions, and instructions of the donor, if any;
- s. Extend the term of the President of the NAAP beyond the age of retirement, but not beyond the age of seventy (70), based on the guidelines, qualifications, and standards set by the Board: *Provided*, That such extension shall be subject to the term limits provided in Section 17 of this Act: *Provided*, *further*, That the President's performance has been rated by the Board as outstanding and a unanimous recommendation for such extension has been decided upon by the Search Committee;
- t. Delegate any of its powers and duties provided to the President and other officials of the NAAP, as it may deem appropriate, so as to efficiently and effectively administer the affairs of the NAAP;
- u. Where most advantageous to the NAAP, outsource the management of nonacademic services such as health, food, building or grounds or

property maintenance, and other similar activities;

- v. Authorize the construction or repair of its buildings, machinery, equipment and other facilities, and the acquisition of real property, including the necessary supplies, materials and equipment; and
- w. Promulgate rules and regulations, as may be necessary, to carry out the purposes and functions of the NAAP.

Sec. 16. *Meetings of the Board.* – The Board shall regularly convene once every three (3) months. The Chairperson of the Board may, however, call a special meeting whenever necessary: *Provided*, That members are notified in writing at least three (3) working days prior to the conduct of said meeting.

A quorum of the Board shall consist of a majority of all its members holding office at the time of the meeting: *Provided, however,* That the Chairperson of the Board or the President of the NAAP is among those present in the meeting.

In case the Chairperson of the CHED cannot attend a meeting of the Board, a CHED Commissioner, duly designated by the Chairperson of the CHED as representative to the meeting, shall have all the rights and responsibilities of a regular member: *Provided*, That during the meeting, the President of the NAAP, as Vice Chairperson, shall be the presiding officer: *Provided, further*, That the provision notwithstanding, the Chairperson of the CHED may designate a CHED Commissioner as the regular Chairperson to the Board, in which case, the said CHED Commissioner shall act as the presiding officer.

In case the Chairpersons of the Senate Committee on Higher, Technical and Vocational Education, the House Committee on Higher and Technical Education, the Commanding General of the PAF, the Director General of the NEDA, and the Director General of the CAAP shall not be able to attend the Board meeting, they may designate their respective representatives who shall have the same rights and responsibilities as regular members of the Board: *Provided*, That the NEDA shall be represented by its Director designated by the Director General of the NEDA, and CAAP shall be represented by an Assistant Director General designated by the Director General of the CAAP.

Sec. 17. The NAAP President. - The NAAP shall be headed by a President

who shall be appointed by the Board, subject to its guidelines, qualifications, and standards, and based on the recommendation of a Search Committee duly constituted for the purpose of selecting the President.

The President shall be the chief executive officer, academic officer, and head of the NAAP and of the faculty. As such, the President shall exercise the powers specifically provided for in this Act, those determined by the Board, those that usually pertain to the Office of the President of similar educational institutions, and those that are related or necessary to its functions.

The NAAP President shall render full-time service for a term of four (4) years, and may be reappointed to another term.

The powers and duties of the President of the NAAP, in addition to those provided in this Act, shall include those usually pertaining to the Office of the President of similar state colleges and those delegated by the Board.

The salary of the President of the NAAP shall be in accordance with Republic Act No. 11466, otherwise known as the "Salary Standardization Law of 2019", and such other laws amendatory thereto, which may hereinafter be enacted, and on the joint circular for state universities and colleges' leveling instruments, and guidelines of the CHED and the Department of Budget and Management.

Within six (6) months before the expiration of the term of office of the President of the NAAP, the Board shall constitute the Search Committee for the presidency, and shall ensure the appointment or reappointment of a President on or before the expiration of the term.

In case of vacancy in the Office of the President by reason of death, compulsory retirement, resignation, removal for cause, or incapacity of the President to perform the functions of the office, the Board shall designate an Officer-in-Charge (OIC) of the NAAP, pending the appointment of a new President.

The President of the NAAP shall be assisted by the following officials: Vice President for Academic Affairs; Vice President for Administration, Planning, and Finance; and the Vice President for Research, Development, and Extension, who shall be appointed by the Board upon the recommendation of the President of

the NAAP.

Sec. 18. *The Secretary of the NAAP*. – The Board shall appoint a Secretary who shall serve as such for both the Board and the NAAP and shall keep all records and proceedings of the Board in addition to other duties and responsibilities. The Secretary of the NAAP shall serve upon each member of the Board the appropriate notice of Board meetings.

- Sec. 19. *The Treasurer of the NAAP.* The Treasurer of the Philippines shall be the *ex officio* Treasurer of the NAAP.
- Sec. 20. *The Administrative Council.* There shall be an Administrative Council consisting of the President of the NAAP, as Chairperson, and the vice presidents, deans, directors, and other officials of equal rank, as members whose duty is to review and recommend to the Board such policies governing the administration, management, and development planning of the NAAP.
- Sec. 21. *The Academic Council*. There shall be an Academic Council consisting of the President of the NAAP, as chairperson, and all academic staff with the rank of at least an assistant professor, as members.

The Academic Council shall review and recommend the curricular offerings, fix the requirements for the admission of students, as well as for their graduation and conferment of degrees, exercise disciplinary power over the students, and formulate rules and regulations on student discipline, subject to the review and approval of the Board through the President of the NAAP.

Sec. 22. *The Skills Training Council.* – There shall be a Skills Training Council, which shall be composed of the NAAP President, as Chairperson; the Dean of the Institute of Engineering and Technology, as vice chairperson; and a Senior Faculty with the rank of Associate Professor and having a license issued by the CAAP and the Professional Regulation Commission, as member. The Council shall act as an advisory body to the Board on matters relating to setting skills training directions, planning, fund sourcing, and allocation, and formulating and reviewing policies and guidelines pertaining to the skills training program of the NAAP.

Sec. 23. *The Faculty.* – No political belief, gender preference, cultural or community affiliation or ethnic origin, nor religious opinion or affiliation shall be a

matter of inquiry in the appointment of faculty members of the NAAP: *Provided*, That said appointment shall be subject to the guidelines, qualifications and standards set by the Board: *Provided*, *further*, That no member of the faculty shall teach for or against any particular church or religious sect.

Sec. 24. *Technical Faculty, Employees, and Consultants.* – To ensure quality, relevant, and up-to-date education, the NAAP shall also maintain a pool of local and international part-time faculty members who shall teach technical subjects, as well as employees and consultants who shall perform technical work. These technical faculty, employees, and consultants shall possess special knowledge, skills, and know-how in the various fields of aviation. They shall receive fair and appropriate compensation comparable to that of their counterparts in the private sector, as determined by the Board. They shall also have the privilege to arrange their specific work schedules, subject to existing Civil Service laws, rules, and regulations.

Sec. 25. *Scholarship Programs and Admission.* – The NAAP shall provide scholarships and other affirmative action programs to assist poor but deserving students who qualify for admission to the NAAP.

No student shall be denied admission to the NAAP by reason of gender, religion, political, cultural or community affiliation or ethnic origin.

Sec. 26. Student Affairs, — There shall be established in the NAAP the following student councils: for every college or institute, a student council; for every campus, a campus student council; and for the entire NAAP, a federation of all student councils. The student council shall serve as the primary student body that shall advance the interests, welfare, and aspirations of the students of the NAAP. It shall have the power to adopt internal rules of procedure consistent with the provisions of this Act.

Subject to due and comprehensive consultation with the students, there shall be a student publication established in every campus to be funded by student fees. Freedom of expression and autonomy in all matters of editorial and fiscal policy shall be guaranteed, especially in the selection of its editors and staff.

Sec. 27. Land Grants and Other Real Properties of the NAAP. – The State

shall support the NAAP as the professional institution for aviation through the annual General Appropriations Act and other financial benefits, and in kind, through land grants and donations and use of other real properties. To carry out the intent of these grants, income derived from the development of all land grants and real properties shall be used to further the ends of the NAAP, as may be determined by the Board.

Such parcels of land ceded by law, decree, or Presidential issuance to the NAAP are declared to be reserved for the purposes intended. The absolute ownership of the NAAP over these landholdings, including those covered by original and transfer certificates of title in the name of the NAAP and their future derivatives, is hereby confirmed. Where the issuance of proper certificates of title for these landholdings is yet pending, the appropriate government office may expedite the issuance thereof within six (6) months from the date of effectivity of this Act: *Provided*, That all registration requirements necessary for the issuance of the said titles have been submitted and complied with.

The Board may plan, design, approve, and cause the implementation of land leases: *Provided*, That such mechanisms and arrangements shall sustain and protect the environment in accordance with law, and be exclusive of the academic core zone of the campuses of the NAAP: *Provided, further,* That such mechanisms and arrangements shall not conflict with the academic mission of the NAAP.

The Board may allow the use of the income from real properties of the NAAP as security for transactions to generate additional revenues, when needed, for educational purposes.

The Board may approve the implementation of joint ventures: *Provided,* That in the event that the real properties of the NAAP are involved, only the income derived by the NAAP from the use of the real properties shall be the subject of its participation or obligation in the joint ventures: *Provided, further,* That no joint venture shall result in the alienation of the real properties of the NAAP.

Any plan to generate revenues and other sources from land grants and other real properties entrusted to the NAAP shall be consistent with the academic

mission and orientation of the NAAP, as well as protect it from undue influence and control of commercial interests: *Provided*, That such programs, projects or mechanisms shall be approved by the Board, subject to a transparent and democratic process of consultation with the constituents of the NAAP: *Provided, further*, That funds generated from such programs, projects or mechanisms shall not be meant to replace, in part or in whole, the annual appropriations provided by the national government to the NAAP.

Sec. 28. *Safeguards on Assets Disposition*. – The preservation of the value of the assets of the NAAP shall be of primordial consideration.

The sale of any existing property of the NAAP shall be prohibited: *Provided,* That the Board may alienate real property donated after the effectivity of this Act if the terms of the donation specifically allow it.

Sec. 29. Authority to Loan or Transfer Apparatus, Equipment, Supplies and Detail of Personnel. – The heads of national government agencies and instrumentalities may, upon the request of the Board, through the President of the NAAP, loan or transfer such apparatus, equipment or supplies as may be needed by the NAAP, and detail personnel for duty therein: *Provided*, That such loan, transfer or detail shall not be detrimental to public service.

The personnel so detailed shall perform such duties as required of them by the President of the NAAP and the time thus served shall be counted as part of their regular service.

Sec. 30. *Management of Assets, Liabilities, Personnel and Records of the NAAP.* – All assets, real and personal, personnel, and records of the PhilSCA, as well as its liabilities or obligations, are hereby transferred to the NAAP: *Provided,* That the positions, rights, and security of tenure of faculty members and personnel therein employed under existing laws prior to the conversion to an academy shall be respected: *Provided, further,* That the incumbents occupying the positions shall remain in the same status until otherwise provided for by the Board: *Provided, finally,* That the NAAP shall also accordingly upgrade or increase its human resource component as may be deemed appropriate by the Board.

All parcels of land belonging to the government occupied by the PhilSCA and all its campuses are hereby declared as property of the NAAP, and shall be

titled under its name, except those that are titled under the AFP through the PAF, which NAAP may continue to use for the purposes stated herein under a usufructuary agreement or any other arrangement as may be agreed upon by the parties: *Provided*, That should the NAAP cease to exist or be abolished, or should such aforementioned parcels of land be no longer needed by the NAAP, the same shall revert to the concerned local government unit or to the Republic of the Philippines, as the case may be: *Provided*, *further*, That such reversion shall no impair obligation of contracts.

Sec. 31. *Duty and Tax Exemptions.* – The importation of books or publications, instruments, equipment, and apparatuses, which are for economic, technical-vocational, scientific, philosophical, historical, legal, cultural or aviation-related purposes, including aircraft and aircraft tools and equipment, computers and software equipment, made by the NAAP, upon certification by the CHED, shall be exempt from customs duties in accordance with the provisions of Republic Act No. 10863, otherwise known as the "Customs Modernization and Tariff Act (CMTA)".

All grants, bequests, endowments, donations, and contributions made to and used actually, directly, and exclusively for educational purposes by the NAAP, shall be exempt from donor's tax and the same shall be considered as allowable deductions from gross income for purposes of computing the taxable income of the donor in accordance with the provisions of the National Internal Revenue Code of 1997, as amended.

- Sec. 32. Development Plan, Management Audit, and Organizational, Administrative, and Academic Structure. Within one hundred twenty (120) days after the approval of this Act, the NAAP shall accomplish the following:
 - A. Submit a five (5)-year development plan, including its program budget to the CHED for recommendation of the DBM;
 - B. Submit the revised Land Use Development and Infrastructure Plan (LUDIP), in accordance with Republic Act No. 11396, otherwise known as the "SUCs Land Use Development and Infrastructure Plan (LUDIP) Act";
 - C. Set up its organizational, administrative, and academic structure, including the appointment of key officials of the NAAP; and

D. Undergo a management audit in coordination with CHED.

Sec. 33. Reportorial Requirements and Auditing of Accounts. – The NAAP shall submit an annual report to Congress containing the financial statements, statement of assets and liabilities, and statement of income from tuition fees and other revenue sources. All accounts and disbursements of the NAAP shall be audited by the COA.

Sec. 34. *Rules of Construction*. – No statutory or other issuances shall diminish the powers, rights, privileges, and benefits accorded to the NAAP under this Act, or those enjoyed at present under other issuances not otherwise modified or repealed under this Act unless subsequent legislation expressly provides for their repeal, amendment or modification. Any case of doubt in the interpretation of any of the provisions of this Charter shall be resolved in favor of the academic freedom and institutional autonomy of the NAAP.

Sec. 35. Suppletory Application. – The provisions of RA No. 8292, otherwise known as the "Higher Education Modernization Act of 1997", shall form part of this Act."

Sec. 36. *Appropriations*. – The amount necessary for the initial implementation of this Act shall be charged against the current year's appropriations of the PhilSCA. Thereafter, such amount shall be included in the annual General Appropriations Act.

Sec. 37. *Transitory Provision*. – To provide strategic direction and leadership to the NAAP as the PhilSCA transitions to its pioneer status as the national professional institution for aviation and to ensure the attainment of its distinctive and purposeful mandate, as provided for in this Act, the incumbent President of the PhilSCA shall serve as the first President of the NAAP for a term of four (4) years without reappointment.

Sec. 38. *Implementing Rules and Regulations.* – Within sixty (60) days from the approval of this Act, the Board shall, in consultation with the CHED and the CAAP, issue rules and regulations to implement its provisions.

Sec. 39. *Separability Clause.* – If, for any reason, any part or provision of this Act is declared invalid or unconstitutional, the remaining parts or provisions not affected are in full force and effect.

Sec. 40. *Repealing Clause.* – Presidential Decree No. 1078, entitled "Converting the Basa Air Base Community College into the Philippine Air Force College of Aeronautics, Providing for a Charter for this Purpose", and Republic Act No. 7605, entitled "An Act Converting the Philippine Air Force College of Aeronautics into a State College to be Known as the Philippine State College of Aeronautics and for Other Purposes, Amending Presidential Decree Numbered Ten Hundred and Seventy-Eight, entitled, "Converting the Basa Air Base Community College into the Philippine Air Force College of Aeronautics, Providing for a Charter for this Purpose", and all other laws, decrees, orders, rules and regulations, and issuances thereof, inconsistent with the provisions of this Act are amended, repealed, or modified accordingly.

Sec. 41. *Effectivity Clause.* – This Act shall take effect fifteen (15) days after its complete publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,