

REPUBLIC ACT No. 6395

AN ACT REVISING THE CHARTER OF THE NATIONAL POWER CORPORATION

Section 1. The Charter of the National Power Corporation is hereby revised, and shall henceforth read as follows:

"Sec. 1. Declaration of Policy. Congress hereby declares that (1) the comprehensive development, utilization and conservation of Philippine water resources for all beneficial uses, including power generation, and (2) the total electrification of the Philippines through the development of power from all sources to meet the needs of industrial development and dispersal and the needs of rural electrification are primary objectives of the nation which shall be pursued coordinately and supported by all instrumentalities and agencies of the government, including its financial institutions.

"Sec. 2. The National Power Corporation; Its Corporate Life; "Corporation" and "Board" Defined. To carry out the above-stated policy, specifically to undertake the development of hydroelectric generation of power and the production of electricity from nuclear, geothermal and other sources, as well as the transmission of electric power on a nationwide basis, the public corporation created under Commonwealth Act Numbered One hundred twenty and known as the "National Power Corporation" shall continue to exist for fifty years from and after the expiration of its present corporate existence.

"In the pursuit of its objectives, the Corporation shall, as far as feasible, spread the benefits of its projects and operations to the greatest number of the population possible, and the Corporation shall prosecute faithfully such projects as will promote the total electrification of Luzon Islands, Visayan Islands and the Mindanao Islands.

"The words "Corporation" and "Board" appearing in this Act shall respectively refer to the National Power Corporation and the National Power Board.

"Sec. 3. Powers and General Functions of the Corporation. The powers, functions, rights and activities of the Corporation shall be the following:

"(a) To have continuous succession under its corporate name until otherwise provided by law;

"(b) To prescribe its by-laws not inconsistent with this Act;

"(c) To adopt and use a seal and alter it at its pleasure;

"(d) To sue and be sued in any court;

"(e) To conduct investigations and surveys for the development of water power in any part of the Philippines;

"(f) To take water from any public stream, river, creek, lake, spring or waterfall in the Philippines, for the purposes specified in this Act; to intercept and divert the flow of waters from lands of riparian owners and from persons owning or interested in waters which are or may be necessary for said purposes, upon payment of just compensation therefor; to alter, straighten, obstruct or increase the flow of water in streams or water channels intersecting or connecting therewith or contiguous to its works or any part thereof: *Provided*, That just compensation shall be paid to any person or persons whose property is, directly or indirectly, adversely affected or damaged thereby;

"(g) To construct, operate and maintain power plants, auxiliary plants, dams, reservoirs, pipes, mains, transmission lines, power stations and substations, and other works for the purpose of developing hydraulic power from any river, creek, lake, spring and waterfall in the Philippines and supplying such power to the inhabitants thereof; to acquire, construct, install, maintain, operate, and improve gas, oil, or steam engines, and/or other prime movers, generators and machinery in plants and/or auxiliary plants for the production of electric power; to establish, develop, operate, maintain and administer power and lighting systems for the transmission and utilization of its power generation; to sell electric power in bulk to

(1) industrial enterprises,

(2) city, municipal or provincial systems and other government institutions,

- (3) electric cooperatives,
- (4) franchise holders, and
- (5) real estate subdivisions:

Provided, That the sale of power in bulk to industrial enterprises and real estate subdivisions may be undertaken by the Corporation when the power requirement of such enterprises or real estate subdivision is not less than 100 kilowatts, when in the judgment of the Public Service Commission the franchise holder is not in a position or fails or refuses to adequately supply such power requirement, unless the franchise holder consents thereto: *Provided, further*, That the Corporation shall continue to sell electricity to industrial enterprises under existing contracts; and provide for the collection of the charges for any service rendered;

"(h) To acquire, promote, hold, transfer, sell, lease, rent, mortgage, encumber and otherwise dispose of property incident to, or necessary, convenient or proper to carry out the purposes for which the Corporation was created: *Provided*, That in case a right of way is necessary for its transmission lines, easement of right of way shall only be sought: *Provided, however*, That in case the property itself shall be acquired by purchase, the cost thereof shall be the fair market value at the time of the taking of such property;

"(i) To construct works across, or otherwise, any stream, watercourse, canal, ditch, flume, street, avenue, highway or railway of private and public ownership, as the location of said works may require: *Provided*, That said works be constructed in such a manner as not to endanger life or property: And provided, further, That the stream, watercourse, canal ditch, flume, street, avenue, highway or railway so crossed or intersected be restored as near as possible to their former state, or in a manner not to impair unnecessarily their usefulness. Every person or entity whose right of way or property is lawfully crossed or intersected by said works shall not obstruct any such crossings or intersection and shall grant the Board or its representative, the proper authority for the execution of such work. The Corporation is hereby given the right of way to locate, construct and maintain such works over and throughout the lands owned by the Republic of the Philippines or any of its branches and political subdivisions. The Corporation or its representative may also enter upon private property in the lawful performance or prosecution of its business and purposes, including the construction of the transmission lines thereon: *Provided*, That the owner of such private property shall be indemnified for any actual damage caused thereby: *Provided, further*, That said action for damages is filed within five years after the rights of way, transmission lines, substations, plants or other facilities shall have been established: *Provided, finally*, That after the said period, no suit shall be brought to question the said rights of way, transmission lines, substations, plants or other facilities;

"(j) To exercise the right of eminent domain for the purpose of this Act in the manner provided by law for instituting condemnation proceedings by the national, provincial and municipal governments;

"(k) When essential to the proper administration of its corporate affairs or necessary for the proper transaction of its business or to carry out the purposes for which it was organized, to contract indebtedness and issue bonds subject to approval of the President upon recommendation of the Secretary of Finance;

"(l) To exercise such powers and do such things as may be reasonably necessary to carry out the business and purposes for which it was organized, or which, from time to time, may be declared by the Board to be necessary, useful, incidental or auxiliary to accomplish the said purpose;

"(m) To cooperate with, and to coordinate its operations with those of the National Electrification Administration and public service entities;

"(n) To exercise complete jurisdiction and control over watersheds surrounding the reservoirs of plants and/or projects constructed or proposed to be constructed by the Corporation. Upon determination by the Corporation of the areas required for watersheds for a specific project, the Bureau of Forestry, the Reforestation Administration and the Bureau of Lands shall, upon written advice by the Corporation, forthwith surrender jurisdiction to the Corporation of all areas embraced within the watersheds, subject to existing private rights, the needs of waterworks systems, and the requirements of domestic water supply;

"(o) In the prosecution and maintenance of its projects, the Corporation shall adopt measures to

prevent environmental pollution and promote the conservation, development and maximum utilization of natural resources; and

"(p) Generally, to exercise all the powers of a corporation under the Corporation Law insofar as they are not inconsistent with the provisions of this Act.

"Sec. 4. Fixing of Rates by the Board and Review by the Public Service Commission. The Board shall fix the rates and fees to be charged by the Corporation so that the Corporation's rate of return shall be not more than ten per centum (10%) on a rate base composed of the sum of its net assets in operation as revalued from time to time plus two months' operating capital: *Provided*, That in determining the rate of return, interest on loans, bonds and other debts shall not be included as expenses. Such rates and fees shall be effective and enforceable fifteen (15) days after publication in a newspaper of general circulation. The Public Service Commission shall have exclusive original jurisdiction over all cases contesting said rates or fees. Any complaint against such rates or fees shall be filed with the Public Service Commission within thirty (30) days after the effectivity of such rates or fees, but the filing of such complaint or action shall not stay the effectivity of said rates or fees. The Public Service Commission shall verify the rate base, and the rate of return computed therefrom, in accordance with the standards herein outlined. The Public Service Commission shall finish, within sixty (60) calendar days, any and all proceedings necessary and/or incidental to the case, and shall render its findings or decisions thereon within thirty (30) calendar days after said case is submitted for decision.

"In cases where the decision is against the fixed rates or fees, excess payments shall be reimbursed and/or credited to future payments, in the discretion of the Commission.

"The decision of the Public Service Commission shall be appealable to the Supreme Court in accordance with the provisions of the Rules of Court.

"The Corporation shall charge in any interconnected system a uniform schedule of rates for all its customers that fall within the same classification.

"The rates to be charged in any interconnected system in Luzon, Visayas, and Mindanao, respectively, shall be determined independently from each other, and expenses or fixed investments in any one region shall not be utilized for purposes of fixing the rates to be charged in another region, but shall be determined in the light of conditions and circumstances obtaining in each region.

"Sec. 5. Capital Stock of the Corporation. The authorized capital stock of the Corporation is three hundred million pesos divided into three million shares having a par value of one hundred pesos each, which shares are not to be transferred, negotiated, pledged, mortgaged, or otherwise given as security for the payment of any obligation. The said capital stock has been subscribed and paid wholly by the Government of the Philippines in accordance with the provisions of Republic Act Numbered Four thousand eight hundred ninety-seven.

"Sec. 6. The National Power Board; Its Composition; Compensation of Members; Qualifications; Powers and Duties. The corporate powers of the Corporation shall be vested in and exercised by the Board composed of seven members consisting of a chairman, vice-chairman and five directors who, with the exception of the vice-chairman, shall be appointed by the President of the Philippines, with the consent of the Commission on Appointments.

"In the appointment of said members, the President of the Philippines shall appoint one to represent Luzon, one to represent the Visayas, one to represent Mindanao, one to represent labor, and one to represent the business sector. The labor representative shall be chosen from at least five recommendees of the employees' recognized bargaining units in the Corporation.

"The General Manager shall be the ex-officio Vice-Chairman of the Board.

"The said members of the Board shall serve for terms of three years, except that any person appointed to fill a vacancy shall serve only for the unexpired term of the member whom he succeeds.

"Every member of the Board shall possess any one or a combination of the following qualifications: A duly licensed professional of recognized competence in engineering, in business management and finance, or in law, particularly in the field of corporate practice, with at least ten years actual and distinguished experience in their respective fields of expertise, or a recognized labor leader with sufficient training,

particularly in labor-management relations, and of good moral character. The regional representatives appointed by the President of the Philippines shall be residents of the regions they represent.

"The members of said Board shall receive a per diem of not to exceed three hundred pesos for each regular meeting of the Board and one hundred pesos for each special meeting actually attended by them: *Provided*, That such per diems shall not exceed one thousand five hundred pesos during any month for each member: And, provided, further, That no other allowances or any form of compensation shall be paid them, except actual expenses in traveling to and from their residences to attend Board meetings.

"A majority of the members of the Board shall constitute a quorum for the transaction of the business of the Board.

"The Board shall, moreover, have the following specific powers and duties:

"(a) To formulate and adopt policies and measures for the management and operation of the Corporation;

"(b) To adopt an annual and supplemental budget of receipts and expenditures of the Corporation according to its requirements, which may include financial assistance of not more than ten thousand pesos each to municipalities which are the site of or contiguous to watersheds, lakes or natural sources of hydroelectric power being utilized by the Corporation, subject to the approval of the Office of Economic Coordination: *Provided*, That copies of the budgets of receipts and expenditures herein referred to shall be submitted to the Committee on National Enterprises and Government Corporations of the Senate and the Committee on Government Enterprises of the House of Representatives within fifteen (15) days from the transmission thereof to the Office of Economic Coordination;

"(c) Subject to the provisions of existing laws and regulations and upon the recommendation of the general Manager, to organize, reorganize and determine the Corporation's staffing pattern and the number of personnel, to fix their salaries and to define their powers and duties;

"(d) To appoint and fix the compensation of the General Manager, subject to the approval of the President of the Philippines, and to appoint and fix the compensation of the Assistant General Manager, regional managers, and department chiefs with the approval of the Administrator of Economic Coordination;

"(e) For cause, to suspend, or remove, by a majority vote of all members, the General Manager, with the approval of the President of the Philippines, and the Assistant General Manager, regional managers and department chiefs, with the approval of the Office of Economic Coordination; and

"(f) To adopt and set down guidelines for the employment of personnel on the basis of merit, technical competence and moral character.

"Sec. 7. The General Manager; His Powers and Duties; Regional Managers and Other Officers and Employees of the Corporation. The management of the Corporation shall be vested in the General Manager, assisted by the Assistant General Manager and three regional managers respectively for operations in Luzon, Visayas and Mindanao, a department chief for finance, a department chief for engineering and construction, a department chief for administration, and such additional officers and employees as the said Board may provide. For this purpose, the General Manager shall have the following powers and duties:

"(a) To execute and administer the policies and measures approved by the Board, and have the responsibility for the efficient discharge of management functions;

"(b) To submit for the consideration of the Board such other policies and measures which he deems necessary to carry out the purposes and provisions of this Act;

"(c) To direct and supervise the operation and internal administration of the Corporation and, for this purpose, may delegate some or any of his administrative responsibilities and duties to other officers of the Corporation;

"(d) Subject to the guidelines and policies set up by the Board, to appoint and fix the number and compensation of subordinate officials and employees of the Corporation; and, for cause, to remove,

suspend or otherwise discipline, any subordinate employee with the approval of the Board;

"(e) To prepare an annual report on the activities of the Corporation at the close of each fiscal year and submit a copy thereof to the President of the Philippines, President of the Senate, and Speaker of the House of Representatives and to the chairman of the committee concerned in the Senate and in the House of Representatives: *Provided*, That the Corporation shall similarly submit to the respective chairman of the said committees of Congress a report of its operations and financial statements within fifteen (15) days from the end of every quarter: And provided, further, That said committees, either motu proprio or upon the request of any of their members, or of any Member of Congress, as the case may be, shall have the authority to look into all the matters relative to the financial and business operations and expenditures of the Corporation;

"(f) To exercise such other powers and duties as may be vested in him by the Board from time to time.

In the case of absence or disability of the General Manager, the Assistant General Manager shall act in his place.

"Under the supervision and control of the General Manager, the regional managers shall take charge of the operations of the Corporation as well as its power development program within their respective regions, and, subject to such conditions as the Board may prescribe upon recommendation of the General Manager, shall have as much autonomy as shall ensure the efficient conduct of the Corporation's affairs.

"The Auditor General shall be *ex-officio* Auditor of the Corporation. The provisions of Section five hundred eighty-four of the Revised Administrative Code, as amended by Section one of Republic Act Numbered Twenty-two hundred sixty-six, shall apply to the office of the representative of the Auditor General in the Corporation.

"Sec. 8. Authority to Incur Indebtedness and Issue Bonds; Their Conditions, Privileges and Exemptions; Sinking Funds; Guarantee.

"(a) Domestic Indebtedness. Whenever the Board deems it necessary for the Corporation to incur indebtedness or to issue bonds to carry out the purpose for which the Corporation has been organized, it shall, by resolution, so declare and state the purpose for which the proposed debt is to be incurred and the conditions of the bonds. In order that such resolution be valid, it shall be passed by the affirmative vote of at least four members of the Board and approved by the President of the Philippines upon recommendation of the Secretary of Finance.

"The bonds shall be issued under the following conditions: (1) they shall be in registered form and transferable at the Office of the Treasurer of the Philippines; (2) they shall not be sold at less than par; (3) they shall be payable ten years or more from date of issue as may be determined by the Secretary of Finance before their issuance but may be redeemable, at the pleasure of the Board, after five years from such date of issue; (4) they shall bear interest at an annual rate to be determined before their issuance by the Secretary of Finance; (5) the interest may be payable quarterly, semi-annually or annually as may be determined by the Secretary of Finance before the issuance of the bonds; and (6) both principal and interest shall be payable in legal tender of the Philippines.

"The bonds issued under the authority of this subsection shall be exempt from the payment of all taxes by the Republic of the Philippines, or by any authority, branch, division or political subdivision thereof which facts shall be stated upon the face of said bonds. Said bonds shall be receivable as security in any transaction with the Government in which such security is required.

"A sinking fund shall be created, the total thereof at each annual due date of the bonds shall be equal to an amount of annuity earning an annual interest of nine-tenths of the rate of interest of the bonds as fixed by the Secretary of Finance. The sinking fund shall be under the custody of the Treasurer of the Philippines, who shall invest the same subject to the approval of the Board and the Secretary of Finance.

"The Republic of the Philippines hereby guarantees the payment by the Corporation of both the principal and the interest of the bonds issued by said Corporation by virtue of this Act, and shall pay such principal and interest in case the Corporation fails to do so, and there are hereby

appropriated, out of the general funds in the National Treasury not otherwise appropriated, the sums necessary to make the payments guaranteed by this Act: *Provided*, That the sums so paid by the Republic of the Philippines shall be refunded by the Corporation: *Provided, further*, That the Corporation shall set aside five per centum of its annual net operating revenues before interests as a reserve or sinking fund to answer for amounts advanced to it by the National Government for any loan, credit and indebtedness contracted by the former for which the latter shall be held answerable as primary obligor or guarantor under the provisions of this Act: *Provided, furthermore*, That the setting aside of the amounts mentioned herein shall automatically cease the moment the accumulated sinking fund or reserve exceeds the amounts advanced to the Corporation by the National Government under this Act: And, provided, finally, That the Corporation may periodically make partial payments to the National Government out of the said reserves.

"The total principal indebtedness of the Corporation under this subsection, exclusive of interest, shall not at any time exceed five hundred million pesos.

"(b) Foreign Loans. The Corporation is hereby authorized to contract loans, credits, any convertible foreign currency or capital goods, and indebtedness from time to time from foreign governments, or any international financial institutions or fund sources the total outstanding amount of which, exclusive of interests, shall not exceed two hundred million United States dollars or the equivalent thereof in other currencies, on such terms and conditions as it shall deem appropriate for the accomplishment of its purposes and to enter into and execute agreements and other documents specifying such terms and conditions.

"The President of the Philippines, by himself, or through the Secretary of Finance or the Governor of the Central Bank, is hereby authorized to negotiate and contract with foreign governments or any international financial institutions, in the name and on behalf of the Corporation, one or several loans, for the purpose of assisting in the reconstruction, or promoting the development, of the economy of the country.

"The President of the Philippines, by himself, or through the Secretary of Finance or the Governor of the Central Bank, is hereby further authorized to guarantee, absolutely and unconditionally, as primary obligor and not as surety merely, in the name and on behalf of the Republic of the Philippines, the payment of the loan or loans herein authorized as well as the performance of all or any of the obligations undertaken by the Corporation in the territory of the Republic of the Philippines pursuant to loan agreements entered into with foreign governments or any international financial institutions.

"In the negotiation and contracting of any loan, credit or indebtedness under this subsection, the provision of Section four-a of Republic Act Numbered Four thousand eight hundred sixty, as provided in Section five of Republic Act Numbered Six thousand one hundred forty-two, shall apply.

"The loans, credits and indebtedness contracted under this subsection and the payment of the principal, interest and other charges thereon, as well as the importation of machinery, equipment, materials and supplies by the Corporation, paid from the proceeds of any loan, credit or indebtedness incurred under this Act, shall also be exempt from all taxes, fees, imposts, other charges and restrictions, including import restrictions, by the Republic of the Philippines, or any of its agencies and political subdivisions.

"Sec. 9. Construction of Power Projects Recommended by the General Manager. Upon determination by the General Manager, on his own initiative or as recommended by the regional manager concerned, that the construction of any project by the Corporation is advisable, a report to the Board, on the engineering and economic feasibility of the project together with preliminary plans and estimates of the cost of the proposed development and the estimated income to be derived therefrom shall be submitted by the General Manager.

"The Board may thereupon, at its discretion, designate a consulting board composed of two competent and impartial engineers and one competent economist to pass upon the different aspects of the project and comment on the report of the General Manager. The Board shall, with the said report and comment in view, decide whether or not the project shall be constructed, and what changes, if any, shall be made in the scheme proposed by the General Manager.

"Sec. 10. Construction or Repair Work Awarded upon Public Bidding; Exceptions. All work of construction

or repair of the Corporation involving an estimated cost of seventy-five thousand pesos or more shall be let by the General Manager, with the approval of the Board, to the responsible bidder who made the lowest or most advantageous bid. Notice to bidders shall be published as provided by law. In case no satisfactory bid is received, the General Manager may proceed to advertise anew, or with the approval of the Board, do the work by administration. Before award of contract is made, the General Manager shall require the contractor to give an adequate bond to secure the proper accomplishment of the work under contract and to satisfy all obligations for materials used and labor employed upon the same: *Provided*, That any repair, reconstruction or other work of an emergency nature may be authorized by the Board to be undertaken by administration or by contract: And, provided, further, That any single work of construction or repair involving an estimated total cost of less than seventy-five thousand pesos may, at the option of the General Manager, be authorized by him to be undertaken by administration or by "pacquiao" contract after a canvass of the market to determine the lowest or most advantageous price.

"Sec. 11. Penalty for Destroying, Injuring or Interfering with any project of the Corporation, or maliciously Interfering with any Person in the Discharge of his Duties Connected therewith. Any person or persons who shall maliciously destroy, injure, or interfere with any canal, raceway, ditch, lock, pier, inlet, crib, bulkhead, dam, gate, sluice, reservoir, aqueduct, conduit, pipes, culvert, post, abutment, conductor, cable-wire, insulator, weir, benchmark, monument, or other works, appliance, machinery, building or property of the Corporation, or who shall maliciously do any act which shall injuriously affect the quantity or quality of the water or electrical energy of the Corporation or the supply, transmission, measurement, or regulation thereof, or who shall maliciously interfere with any person engaged in the discharge of duties connected therewith, or who shall maliciously prevent, obstruct and interfere with the survey, works and the construction of access road and transmission lines or any related works of the Corporation, shall be guilty of felony and punished with a fine ranging from one to five thousand pesos or with imprisonment ranging from one to five years, or both such fine and imprisonment, at the discretion of the Court, and any injured party shall have the right to recover all damages suffered and cost of suit in a separate civil action in any court of competent jurisdiction.

"Sec. 12. Appropriation of Public Waters. Subject to existing rights, all unappropriated public waters which may be used and developed for hydraulic power purposes shall be granted to the Corporation by the Secretary of Public Works and Communications: *Provided*, That in case of conflict with the needs for domestic water supply, the latter shall prevail.

"Sec. 13. Non-profit Character of the Corporation; Exemption from all Taxes, Duties, Fees, Imposts and other Charges by Government and Governmental Instrumentalities. The Corporation shall be non-profit and shall devote all its returns from its capital investment, as well as excess revenues from its operation, for expansion. To enable the Corporation to pay its indebtedness and obligations and in furtherance and effective implementation of the policy enunciated in Section one of this Act, the Corporation is hereby declared exempt:

"(a) From the payment of all taxes, duties, fees, impost, charges, costs and service fees in any court or administrative proceedings in which it may be a party, restrictions and duties to the Republic of the Philippines, its provinces, cities, municipalities and other government agencies and instrumentalities;

"(b) From all income taxes, franchise taxes and realty taxes to be paid to the National Government, its provinces, cities, municipalities and other government agencies and instrumentalities;

"(c) From all import duties, compensating taxes and advanced sales tax, and wharfage fees on import of foreign goods required for its operations and projects; and

"(d) From all taxes, duties, fees, impost, and all other charges imposed by the Republic of the Philippines, its provinces, cities, municipalities and other government agencies and instrumentalities, on all petroleum products used by the Corporation in the generation, transmission, utilization, and sale of electric power.

"Sec. 14. Contract with Franchise Holders, Conditions of. The Corporation shall, in any contract for the supply of electric power to a franchise holder, require as a condition that the franchise holder, if it receives at least sixty per cent of its electric power and energy from the Corporation, shall not realize a rate of return of more than twelve per cent annually on a rate base composed of the sum of its net assets in operation revalued from time to time, plus two-month operating capital, subject to the non-impairment-of-obligations-of-contracts provision of the Constitution: *Provided*, That in determining the rate of return,

interest on loans, bonds and other debts shall not be included as expenses. It shall likewise be a condition in the contract that the Corporation shall cancel or revoke the contract upon judgment of the Public Service Commission after due hearing and upon a showing by customers of the franchise holder that household electrical appliances, have been damaged resulting from deliberate overloading by, or power deficiency of, the franchise holder. The Corporation shall renew all existing contracts with franchise holders for the supply of electric power and energy in order to give effect to the provisions hereof.

"Sec. 15. Laws Governing Relations of Corporation with Electric Cooperatives. Nothing in this Act, shall, directly or indirectly, alter, modify, or repeal the provisions of Republic Act Numbered Six thousand thirty-eight, particularly in respect of the rights of electric cooperatives registered under the same Act. In its contracts and relations with such cooperatives, the Corporation shall be governed by the provisions of the said Act and the specific legislative franchise of such cooperatives.

"Sec. 16. Non-impairment of Collective Bargaining Agreements and Rights of Labor Unions. Nothing in this Act shall be construed to impair existing collective bargaining agreements with the labor unions in the Corporation or the right of employees to organize and bargain collectively or diminish the rights of labor in the Corporation under the Industrial Peace Act or other labor laws."

"Sec. 17. Separability Clause. The provisions of this Act are hereby declared to be separable, and in the event any one or more of such provisions are held unconstitutional, they shall not affect the validity of other provisions.

"Sec. 18. Repealing Clause. All laws, executive and administrative orders, or parts thereof, inconsistent with any provision of this Act are hereby repealed or modified accordingly.

Section 2. Effective Date. This Act shall take effect upon its approval.

Approved: September 10, 1971