Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

First Regular Session
THIRTEENTH CONGRESS

House Bill No. 447

Introduced by Rep. Manuel "Way Kurat" E. Zamora

EXPLANATORY NOTE

The rampant cancellation of Emancipation Patents (EPs) and Certficate of Land Ownership Awards (CLOAs) issued to farmer beneficiaries under the land reform program of the government has become alarming. Apparently, the main reason for these cancellations is that the subject pieces of land were erroneously covered under Presidential Decree No. 27 and Republic Act No. 6657. A lot of cancellation cases involving huge tracts of land previously awarded to farmer beneficiaries are now pending with various branches of the government. What is sad is that many EPs and CLOAs have been cancelled even after the farmer beneficiaries have religiously paid the required amortization for the lands awarded to them.

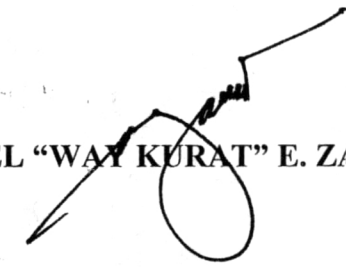
The root of the problem lies on the fact that EPs and CLOAs are apparently viewed as not having the same characteristics as other land titles by landowners and even some farmers and judges. In fact, past experiences have shown that these EPs and CLOAs can be cancelled anytime though existing laws grant EPs and CLOAs the same status as that of any other land title.

This bill seeks to rectify the situation by reason of the following:

1. It reaffirms that EPs and CLOAs are land titles under Presidential Decree No. 1529;
2. It provides the prescriptive periods for the filing of petitions for the cancellation of EPs and CLOAs;
3. It provides for compensation to landowners, whose lands were erroneously covered by land reform programs;
4. It ensures that the farmer beneficiaries do not bear the consequences of DAR's errors in distributing lands that should have been exempted from coverage of agrarian reform laws;
5. It limits the effects of DOJ Opinion 44, series of 1990 that excludes lands that have been reclassified or converted into non-agricultural uses from the coverage of agrarian reform laws even without the concurrence of the DAR; and
6. It prevents the cancellation of EPs and CLOAs through the enactment of laws that further exempt lands from the coverage of agrarian reform laws.

This bill was filed by former Representative Wigberto E. Tañada during the 11th Congress and it was refiled by the undersigned in recognition of the need to address the rampant cancellation of EPs and CLOAs at present.

Passage of this bill is earnestly requested.



MANUEL "WAY KURAT" E. ZAMORA

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

First Regular Session
THIRTEENTH CONGRESS

House Bill No. 447

Introduced by Rep. Manuel "Way Kurat" E. Zamora

AN ACT
ENSURING SECURITY OF TENURE FOR AGRARIAN REFORM BENEFICIARIES OVER LANDS AWARDED TO THEM UNDER THE COMPREHENSIVE AGRARIAN REFORM PROGRAM, PROVIDING GUIDELINES FOR THE CANCELLATION OF LAND OWNERSHIP AWARDS, PENALTIES FOR VIOLATIONS THEREOF, AND FOR OTHER PURPOSES

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

SECTION 1. *Declaration of Policy.*-It is the policy of the State to promote social justice and to establish owner cultivatorship of economic-size farms as the basis of Philippine agriculture. Towards this end, agricultural lands shall be distributed to qualified farmer beneficiaries. Their ownership shall be evidenced by emancipation patents (EPs) and certificates of land ownership awards (CLOAs).

SEC. 2. *Interpretation of this Act.*-All doubts pertaining to the interpretation of this Act shall be resolved in favor of farmer-beneficiaries to promote social justice.

SEC. 3. *Indefeasibility of Emancipation Patents and Certificates of Land Ownership Awards.*-Emancipation Patents (EPs) and Certificate of Land Ownership Awards (CLOAs) are titles under the operation of the Torrens System as provided under Presidential Decree No. 1529. As such, EPs and CLOAs shall enjoy the same security afforded to all land titles under the Torrens System of registration.

For this purpose, farmer beneficiaries who receive EPs or CLOAs pursuant to the Comprehensive Agrarian Reform Program are hereby deemed innocent purchasers for value and are entitled to the rights and protection as such persons under existing laws.

The rights of farmer beneficiaries and the protection of these rights shall commence on the date of registration of the EP or the CLOA.

SEC. 4. *Coverage.*-This Act shall cover all actions for the cancellation of EPs or CLOAs issued to agrarian reform beneficiaries under Presidential Decree No. 27 and Republic Act No. 6657. The petition for the cancellation may be filed on the ground that

said laws are excluded or exempted from distribution under agrarian laws or that they are found to be part of the landowners' retained areas.

SEC. 5. *Who May File Action and When.*-Only the former owner of the property may file an action for the cancellation of an EP or CLOA within the period of one (1) year from the date of registration of the EP or CLOA.

SEC. 6. *Where to File Action.*-The Provincial Agrarian Reform Adjudicator of the Department of Agrarian Reform Adjudication Board where the land is located shall have exclusive jurisdiction over petitions for EP or CLOA cancellation.

SEC. 7. *Prescriptive Periods.*-The following rules shall be observed in the filing of petitions for the cancellation of EPs or CLOAs:

a. No petition for cancellation of an EP or CLOA shall be entertained if the same is filed later than one (1) year after the date of registration of the EP or CLOA; Provided, that petitions for the cancellation of EPs or CLOAs for grounds other than the grounds provided in Section 4 hereof shall be pursued under the provisions of Presidential Decree No. 1529, other agrarian laws, and other administrative issuances;
b. If the EP or CLOA was issued while there is a pending case for the exclusion or exemption of the subject land, the prescriptive period shall be reckoned from the date of the final decision of the said case.

SEC. 8. *Other Prohibitions.*-(1) The reclassification of agricultural lands to non-agricultural uses by government agencies without the concurrence of the Secretary of the Department of Agrarian Reform prior to June 15, 1988, will not exempt or exclude said properties from the coverage of the comprehensive agrarian reform program, and the same shall not constitute a valid ground for the cancellation of an EP or CLOA; (2) Any amendment to agrarian reform laws issued subsequent to the distribution of an EP or CLOA shall not be ground for its cancellation; (3) The issue of just compensation shall be decided by agrarian reform courts but shall not be a ground for the cancellation of EP or CLOA.

SEC. 9. *Effect of Cancellation.*-If, pursuant to the provisions of this Act, an EP or CLOA is subsequently cancelled, all amortizations paid by the farmer beneficiaries shall be reimbursed to said beneficiaries. Provided, however, that said farmer beneficiaries shall also be entitled to all rights and benefits accruing to purchasers in good faith under the New Civil Code, the Property Registration Decree, and other applicable laws.

SEC. 10. *Recovery of Damages.*-In case recovery of the property is barred, the owner may recover damages pursuant to sections 99 and 107 of Presidential Decree No. 1529.

SEC. 11. *Duty of the DAR.*-In case an EP or CLOA is cancelled pursuant to the provisions of this Act, the DAR shall inform the affected farmer of the decision and discuss alternative arrangements to be pursued, including relocation to another site or assistance in negotiating with concerned agencies for direct acquisition in buying the land, if the farmer expresses interest therein. Provided, however, that in any case, the

DAR shall ensure that the affected beneficiaries are provided with available lands and shall provide for the safe relocation of the farmer to such new land.

SEC. 12. *Appeals*.-Appeals shall be governed by the Department of Agrarian Reform Adjudication Board implementing rules and regulations and Batas Pambansa Blg. 129 as the case may be.

SEC. 13. *Penal Provisions*.-Any person who causes the cancellation of EPs or CLOAs in violation of the provisions of this Act shall be punished by imprisonment from six (6) years and one (1) day to twelve (12) years or a fine not to exceed one hundred thousand pesos (P100,000), for every violation thereof, or both such imprisonment and fine at the discretion of the Court.

SEC. 14. *Implementing Rules*.-The Department of Agrarian Reform shall issue the necessary implementing rules and regulations consistent with the provisions of this Act.

SEC. 15.-*Repealing Clause*—Department of Agrarian Reform Administration Order Nos. 02, series of 1994, and 03, series of 1996, are hereby modified accordingly. All other laws and implementing rules and regulations inconsistent herewith are hereby repealed or modified accordingly.

SEC. 16. *Separability Clause*.-If any part of this Act is declared illegal or unconstitutional by any competent court, the same shall not affect the other provisions of this Act.

SEC. 17. *Effectivity*.-This Act shall take effect fifteen (15) days after its complete publication in the Official Gazette or in two (2) newspapers of general circulation.

Approved,