

HOUSE OF REPRESENTATIVES

H. No. 4148

BY REPRESENTATIVES CUA (G.), VELARDE, OLAÑO, MANGUDADATU, PABLO,
CODILLA AND NICOLAS, PER COMMITTEE REPORT NO. 672

AN ACT MANDATING THE REPRESENTATION OF COOPERATIVES
IN THE BOARD OF DIRECTORS OF THE LAND BANK OF THE
PHILIPPINES, AMENDING THEREFORE REPUBLIC ACT NO.
3844, AS AMENDED

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

1 SECTION 1. Section 86 of Republic Act No. 3844, otherwise known as
2 the “Code of Agrarian Reform in the Philippines”, as amended by Republic
3 Act No. 7907, is hereby further amended to read as follows:

4 “SEC. 86. *The Board of Directors; Membership; Per*
5 *Diem.* – The affairs and business of the Bank shall be directed and
6 its property managed and preserved by a Board of Directors
7 consisting of [nine (9)] **TEN (10)** members to be composed of the
8 Secretary of Finance, as [Chairman] **CHAIRPERSON**, the President

1 of the Bank as [Vice-Chairman] VICE CHAIRPERSON, the
2 Secretary of Agrarian Reform, the Secretary of Labor, and the
3 Secretary of Agriculture as *ex officio* members. [The President of
4 the Philippines shall appoint two (2) members of the Board who
5 shall represent the agrarian reform beneficiaries and two (2)
6 members who shall represent the private sector. The two (2)
7 remaining members shall be elected from the shareholders coming
8 from the public sector to the extent that they may be entitled to two
9 (2) seats in proportion to the outstanding capital stock.] **THE**
10 **PRESIDENT OF THE PHILIPPINES SHALL APPOINT THE TWO (2)**
11 **MEMBERS REPRESENTING THE AGRARIAN REFORM**
12 **BENEFICIARIES: PROVIDED, THAT ONE (1) OF THE SAID**
13 **REPRESENTATIVES SHALL COME FROM AN ORGANIZED**
14 **AGRARIAN REFORM BENEFICIARIES FARMERS COOPERATIVE, IF**
15 **ANY; TWO (2) MEMBERS REPRESENTING THE PRIVATE SECTOR**
16 **AND ONE (1) MEMBER REPRESENTING THE COOPERATIVE**
17 **SECTOR: PROVIDED, FURTHER, THAT THE REPRESENTATIVE OF**
18 **THE COOPERATIVE SECTOR SHALL BE APPOINTED BY THE**
19 **PRESIDENT OF THE PHILIPPINES FROM THE NOMINEES OF THE**
20 **NATIONAL COOPERATIVE FEDERATIONS AND/OR UNIONS DULY**

1 **RECOGNIZED BY THE COOPERATIVE DEVELOPMENT**
 2 **AUTHORITY.**

3 “x x x

4 “No person shall be elected or appointed director of the
 5 Bank unless [he] **THAT PERSON** is a natural born citizen of the
 6 Philippines, not less than thirty-five (35) years of age, of good
 7 moral character, and has attained proficiency, expertise and
 8 recognized competence in one or more of the following: banking,
 9 finance, economics, law, agriculture, agrarian reform,
 10 **COOPERATIVES AND** business management: *Provided, further,*
 11 That no director, shareholder or employee of any other bank shall
 12 be eligible for election or appointment as member of the Board of
 13 Directors of the Bank.

14 “x x x.”

15 SEC. 2. All members of the Board of Directors at the time of the
 16 approval and effectivity of this Act shall continue in office until the end of
 17 their term of office as defined in Section 86 of Republic Act No. 3844, as
 18 amended. At the end of their term, the President shall appoint the members of
 19 the Board in accordance with this Act.

20 SEC. 3. *Repealing Clause.* – All laws, presidential decrees, executive
 21 orders, in whole or in part, including the rules and regulations promulgated

1 thereunder inconsistent with the provisions of this Act are hereby amended,
2 repealed or modified accordingly.

3 SEC. 4. *Effectivity.* – This Act shall take effect fifteen (15) days
4 following its publication in the *Official Gazette* or in at least two newspapers
5 of general circulation.

 Approved,