

HOUSE OF REPRESENTATIVES

House Bill No. 4027

INTRODUCED BY REPRESENTATIVE JESUS CRISPIN C. REMULLA

EXPLANATORY NOTE

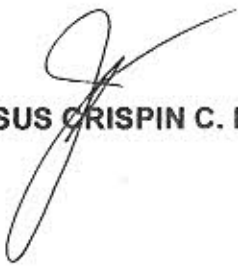
The rise of the real estate industry has contributed much to the growth of the Philippine economy in recent years.

In line with this development, Congress passed **Republic Act 9646** otherwise known as the **Real Estate Service Act of the Philippines**. This law makes it the policy of the State to promote the advancement in the sector by developing and nurturing through the proper and effective regulation and supervision a corps of technically competent and responsible professional real estate service practitioners whose standards of practice and service shall be globally competitive and will promote the growth of the industry as a whole.

Consistent with the said policy, this bill seeks to expand the employment opportunities in the real estate business by amending certain provisions of the aforesaid law in order to accord more qualified persons the opportunity of taking part as professionals in the field of real estate.

By giving more persons access to employment opportunities, this Act aims to provide a fertile ground for employment generation in the real estate industry. It will thus encourage economic growth and provide an effective vinculum to ease and curb the rise in unemployment.

In view of the foregoing, I recommend the immediate passage of this bill.


JESUS CRISPIN C. REMULLA

HOUSE OF REPRESENTATIVES

House Bill No. 4027

INTRODUCED BY REPRESENTATIVE JESUS CRISPIN C. REMULLA

AN ACT PROMOTING EMPLOYMENT OPPORTUNITIES IN REAL ESTATE SERVICE IN THE PHILIPPINES, AMENDING FOR THE PURPOSE CERTAIN PROVISIONS OF REPUBLIC ACT NUMBER 9646, OTHERWISE KNOWN AS THE REAL ESTATE SERVICE ACT OF THE PHILIPPINES

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

SECTION 1. Section 2 of Republic Act No. 9646 is hereby amended to read as follows:

"Section 2. Declaration of Policy. - The State recognizes the vital role of real estate service practitioners in the social political, economic development and progress of the country by promoting the real estate market, stimulating economic activity, **PROMOTING EMPLOYMENT OPPORTUNITIES IN THE SECTOR** and enhancing government income from real property-based transactions. Hence, it shall develop and nurture through proper and effective regulation and supervision a corps of technically competent, responsible and respected professional real estate service practitioners whose standards of practice and service shall be globally competitive and will promote the growth of the real estate industry.

SEC. 2. Section 31 of the same law is hereby amended to read as follows:

"Section 31. Supervision of Real Estate Salespersons. - For real estate salespersons, no examination shall be given, but they shall be accredited by the Board: *Provided*, That they have completed **RELEVANT EDUCATION** [at least two (2) years of college] and have undergone training and seminars in real estate brokerage, as may be required by the Board. Real estate salespersons shall be under the direct supervision and accountability of a real estate broker. As such, they cannot by themselves be signatories to a written agreement

involving a real estate transaction unless the real estate broker who has direct supervision and accountability over them is also a signatory thereto. No real estate salesperson, either directly or indirectly, can negotiate, mediate or transact any real estate transaction for and in behalf of a real estate broker without first securing an authorized accreditation as real estate salesperson for the real estate broker, as prescribed by the Board. A real estate broker shall be guilty of violating this Act for employing or utilizing the services of a real estate salesperson when he/she has not secured the required

x x x"

SEC. 3. Section 32 of RA 9646 is amended to read as follows:

"Section 32. Corporate Practice of the Real Estate Service. -

(a) No partnership or corporation shall engage in the business of real estate service unless it is duly registered with the Securities and Exchange Commission (SEC), and the persons authorized to act for the partnership or corporation are all duly registered and licensed real estate brokers, appraisers or consultants, as the case may be. The partnership or corporation shall regularly submit a list of its real estate service practitioners to the Commission and to the SEC as part of its annual reportorial requirements. [There shall at least be one (1) licensed real estate broker for every twenty (20) accredited salespersons.]

(b) x x x

(c) x x x

SEC. 4. All laws, decrees, executive orders, department or memorandum orders and other administrative issuances or parts thereof which are inconsistent with the provisions of this Act are hereby modified, superseded or repealed accordingly.

SEC. 5. This Act shall take effect fifteen (15) days following its publication in the Official Gazette or in a major daily newspaper of general circulation in the Philippines.

Approved,