

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City



SIXTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 1266

Introduced by HON. FLORENCIO C. GARAY

EXPLANATORY NOTE

This bill seeks to increase the cash payment given to landowners as compensation for lands covered by Republic Act No. 6657, as amended, otherwise known as the Comprehensive Agrarian Reform Act of 1988.

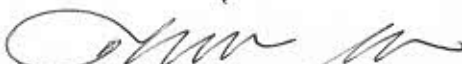
Republic Act No. 6657 declares that:

"It is the policy of the State to pursue a Comprehensive Agrarian Reform Program (CARP). The welfare of the landless farmers and farm workers will receive the highest consideration to promote social justice and to move the nation towards sound rural development and industrialization, and the establishment of owner cultivatorship of economic-sized farms as the basis of Philippine agriculture.

To this end, a more equitable distribution and ownership of land, with due regard to the rights of landowners to just compensation and to the ecological needs of the nation, shall be undertaken to provide farmers and farm workers with the opportunity to enhance their dignity and improve the quality of their lives through greater productivity of agricultural lands." (Underscoring supplied.)

Under Section 18 of the same law, it appears that only a small portion of the compensation for lands surrendered to the farmers is paid in cash, to wit: 25% for lands above 50 hectares, 30% for lands above 24 hectares up to 50 hectares, and 35% for lands 24 hectares and below. As proposed, this bill increases the cash portion to 40%, 50% and 60%, respectively, so as to give the landowners a more equitable compensation for what may have been the product of his decades of hard work and savings.

In view of its national and local importance, the approval of this bill is earnestly sought.



FLORENCIO C. GARAY

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AN ACT
INCREASING THE CASH PAYMENT GIVEN TO LANDOWNERS AS
COMPENSATION FOR LANDS COVERED BY THE COMPREHENSIVE
AGRARIAN REFORM PROGRAM, AMENDING FOR THE PURPOSE
REPUBLIC ACT NO. 6657, AS AMENDED, OTHERWISE KNOWN AS "THE
COMPREHENSIVE AGRARIAN REFORM ACT OF 1988"

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

SECTION 1. Section 18 of Republic Act No. 6657, otherwise known as the Comprehensive Agrarian Reform Act, as amended, is hereby further amended to read as follows:

"Section 18. Valuation and Mode of Compensation. The LBP shall compensate the landowner in such amount as may be agreed upon by the landowner and the DAR and LBP or as may be finally determined by the court as just compensation for the land.

The compensation shall be paid in one of the following modes at the option of the landowners:

1. Cash payment, under the following terms and conditions:

(a)For lands above fifty (50) hectares, insofar as the excess hectarage is concerned - [Twenty-five percent

(25%)] **FORTY PERCENT (40%)** cash, the balance to be paid in government financial instruments negotiable at any time;

(b)For lands above twenty-four (24) hectares and up to fifty (50) hectares – [Thirty percent (30%)] **FIFTY PERCENT (50%)** cash, the balance to be paid in government financial instruments negotiable at any time;

(c)For lands twenty-four (24) hectares and below – [Thirty-five percent (35%)] **SIXTY PERCENT (60%)** cash, the balance to be paid in government financial instruments negotiable at any time.

x x x"

SECTION 2. This Act shall take effect fifteen (15) days after its publication in at least two (2) national newspapers of general circulation.

Approved,