

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City



SIXTEENTH CONGRESS
First Regular Session

House Bill No. 2044

Introduced by Representatives
DIOSDADO MACAPAGAL ARROYO and GLORIA MACAPAGAL ARROYO

AN ACT
INSTITUTING REFORMS IN THE LAND ADMINISTRATION SYSTEM,
CREATING FOR THIS PURPOSE, THE LAND ADMINISTRATION
AUTHORITY, AND FOR OTHER PURPOSES

EXPLANATORY NOTE

Land is the most tangible and limited resources of any country. It is similarly the most valuable commodity priced by its citizenry and most controversial because not every person can have access to land. In the Philippines, the country's 30 million hectares of land is shared by the country's more than 80 million Filipinos. However, not all Filipinos have access to these lands much more own any land. Thus it is imperative that our country's land resources are effectively and equitably managed not only by the State and its agencies but by its people for the sake of generations to come.

Because land is a major resource of a country and its people, the utilization of our land resources for national and local development is crucial to maximize the benefits derived from the utilization, management and ownership of land. The responsibility of ensuring that the benefits accruing to the country's land resources rests with national and local governments. In the case of national government, the Department of Environment and Natural Resources (DENR), it is mandated to administer, conserve, protect and manage almost 15.88 million hectares of forestlands or 52.9% of the country's total land area.

Likewise, the DENR, through the Land Management Bureau (LMB), is further mandated to dispose and issue titles to another 6.0 million hectares of untitled lands that has been released and classified as alienable and disposal (A&D) lands. On the other hand, the Land Registration Authority (LRA) is responsible for the registration of

issued titles released by the DENR or judicially decreed lands totaling another 6 million hectares. However, both agencies operate on totally different systems of records, information and document management systems and are guided by outdated legal mandates (e.g. Public Land Act of 1936 and Land Registration Act of 1902/Property Registration Decree of 1978) that are not any more attuned to present-day conditions of land administration in the Philippines.

On the other hand, local government units (LGUs) are the key field managers of land resources for both public and private lands. Whilst the DENR and LRA have specific mandates on the over-all administration of public and private lands, LGUs exercise direct administration, preservation, utilization and allocation of land uses and resources at the local levels. In this regard, LGUs have a big stake in the effective and efficient management of land resources in their localities because a large part of the local revenues generated by LGUs in their localities come income from real property taxes and land related transactions such as the transfer taxes.

A joint study by the Bureau of Local Government Finance (BLGF) and the National Tax Research Centre (NTRC) of the Department of Finance, reported that the period 2000-2005, that LGUs are losing some PhP 9.5 billion yearly due to poor collection efficiency of local property taxes. Among key reasons cited for the poor collection of RPT among LGUs are inefficient collection system, understated values of assessed real properties compared to real market values and local economic development. It is no wonder that many LGUs are dependent on national revenue transfers, particularly the yearly internal revenue allotments (IRA), because RPT collection which should be the main source of local revenues for is a mere 12.5 % of the total revenues generated by LGUs.

The proposed Land Administration Reform Act of 2013 aims to upgrade, systematize and integrate the administration, management and operations of the country's land resources in both public and private lands. It also aims to improve, rationalize and systematize the land records, titling, documentation and information systems into an open, updated, and reliable systems. The bill further aims to improve the delivery of land related services to the general public and reduce delays in land document processing and releases. And finally, the bill aims to enhance and improve transparency and governance in the land resource and administration system but cutting down the overly bureaucratic, technically-oriented land titling and registration processes in the system.

Some of the main features of the proposed Land Administration Reform Act of 2013 are the following:

- a) Integration of the functions, operations and systems of the DENR's Land Management Bureau and the Land Registration Authority into a single Land Administration Authority (LAA) under the Office of the President (OP) with provincial and city offices;

- b) Establishment of regional, provincial and city-level Land Adjudication Boards (LAB) as quasi-judicial bodies that would resolve and address to land related conflicts and cases such as overlapping titles, ownership disputes, transfers and exchanges;
- c) Elevating the management and administration of land resources to the level of a Cabinet-secretary with portfolio that would be appointed by the President of the Philippines and confirmed by the Commission of Appointments;
- d) Establishment of a multi-sectoral Stakeholders' Advisory Committee that shall assist the LAA in the formulation of policies on land administration and public land management and monitor its implementation;
- e) Strengthen the administrative accountability and authority of the LAB to administratively address simple clerical and typographical errors in the issuance of plans, maps and titles;
- f) Strengthen fiscal autonomy and eliminate graft and corruption in the lands administration sector by allowing the LAA to use its income to support its operations and projects, including increases in salaries and provision of incentives to LAA personnel.

The proposed Land Administration Reform Act of 2013 hopes to provide the necessary foundation to jumpstart a long-delayed and oft-neglected but highly sensitive problems confronted by almost all Filipino citizens --- ensuring the credibility and sanctity of the land they own. Whilst, the proposed bill does not presume to resolve all the detailed, complex and multi-dimensional problems pervading in the administration and management of the country's most critical yet finite land resources, the proposed Land Resources Administration Reform Act of 2013 firmly hopes to provide the impetus to take the first critical and serious step to its solution.

It is fervently prayed and admonished that the proposed Land Administration Reform Act of 2013 be urgently and readily passed into law so that our future generations of Filipinos will not have to suffer the negligence and distress suffered by our parents and ancestors. We can remedy this malady today and not tomorrow, we therefore submit this proposed bill for approval by the Philippine House of Representatives.



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PURPOSES

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

ARTICLE I
GENERAL PROVISIONS

SECTION 1. *Short Title.* – This Act shall be known as "The Land
Administration Reform Act of 2013."

SECTION 2. *Declaration of Policy.* – It is hereby declared the policy of
the State to institute continuing reforms in land administration and
management so that their contribution to the goals of national development,
tenure security, eradication of poverty, and attainment of social, economic,
and cultural justice can be optimized and realized. Towards this end, the
State shall:

- (a) Integrate and rationalize the structure, powers,
functions, and responsibilities of the different agencies
involved in land administration and management with the
view of increasing their efficiency, effectiveness,
transparency, accountability and speed in the delivery of
services;

(b) Undertake reforms in land administration and management to ensure equitable distribution and full utilization and development of land resources;

(c) Provide an efficient and effective classification, mapping, surveying, disposition, registration and management of land resources; and

(d) Develop, establish and maintain an up-to-date, open, accessible, integrated and computerized land information records database.

SECTION 3. *Definition of Terms.* – For the purpose of this Act, the following terms shall, unless the context indicates otherwise, have the following meanings:

(a) "Alienable and disposable lands" refer to agricultural lands of the public domain which have been delineated, classified and certified as available for disposition under the Public Land Act.

(b) "Agricultural lands" refer to lands actually devoted to or suitable for the cultivation of the soil, planting of crops or growing of trees, and not classified as mineral land, forest land or national park, or subclassified as residential land, commercial land or industrial land.

(c) "Automated registration system" refers to a system using appropriate technology for scanning, recording and registering land through the use of electronic devices to store the copy of certificates of title and other documents relative thereto.

(d) "Classification and reclassification" refers to the act of Congress in setting the specific limits of forest lands and national parks, and increasing or decreasing their boundaries by law, as provided for in Section 4, Article XII of the 1987 Philippine Constitution.

(e) "*Consulta*" refers to the procedure wherein the issue of registrability of certain instruments is resolved in accordance with Presidential Decree No. 1529.

(f) "Director General" refers to the person occupying the position of Director General of the Land Administration Authority created by this Act.

(g) "Land" refers to resources, both man-made and natural, found on the surface, below and above the ground, including inland waters and the air therein.

(h) "Land Administration and Management Project (LAMP)" refers to the project office providing technical and administrative support to the interagency endeavor of the Philippine government to identify strategic directions toward land administration reform in land institutions, laws, taxes and fees, and valuation.

(i) "Land administration and public land management" refers to the administration of all functions, powers and activities related to the mapping, land survey, classification, ownership, disposition and registration of land titles and deeds, and the management of public lands.

(j) "Land Information System" refers to a system of linking textual attributes (such as ownership, identity, location and value) of land into spatial reference designed to facilitate access to information and to assist in planning and decision making.

(k) "Land Management Bureau (LMB)" refers to the staff bureau of the Department of Environment and Natural Resources (DENR).

(l) "Land Management Services (LMS)" refers to the land management sector or offices of the DENR at the regional, provincial and district level.

(m) "Land registration case" refers to the proceeding, either administrative or judicial, for registering the title to, or interest in, a land so that such title or interest becomes a matter of public record, and all persons who have interest in the land may be informed thereof, actually or constructively, and be bound thereby if they make no objections thereto within a specific time.

(n) "Land Registration Authority (LRA)" refers to the attached agency of the Department of Justice (DOJ), including the Registers of Deeds (RoD).

(o) "National Mapping and Resources Information Authority (NAMRIA)" refers to the agency known by that name attached to the DENR.

(p) "President" refers to the President of the Philippines.

(q) "Public domain" refers to lands that belong to the State which may either be agricultural, forest or timber, mineral or national park as provided for in the Constitution.

(r) "Public lands" refers to lands which have not been subject to private property rights or subject to sale or other modes of acquisition or concession under general laws, and are devoted to public use.

ARTICLE II CREATION OF THE LAND ADMINISTRATION AUTHORITY

SECTION 4. *Creation of the Land Administration Authority (LAA).* – To carry out the objectives of this Act, the Land Administration Authority (LAA) is hereby created and placed under the Office of the President. The LAA shall be the principal government agency responsible for land administration and public land management.

SECTION 5. *General Powers and Functions of the LAA.* – The LAA shall exercise the following duties, powers and functions:

A. Land Survey & Mapping

(1) Execute, complete and continually update the nationwide cadastral surveys in accordance with the provisions of Act No. 2259 as amended, and update all existing cadastral maps;

(2) Conduct nationwide surveys and topographic mapping to assist Congress in determining the specific limits of forest lands and national parks, to delimit the specific boundaries and classification of alienable and disposable lands of the public domain, and to identify the specific boundaries of environmentally protected areas under Republic Act No. 7586, otherwise known as the National Integrated Protected Areas System (NIPAS);

(3) In coordination with local government units and the pertinent agencies, conduct and/or approve surveys and mapping necessary in the implementation of Republic Act No. 7160 or the Local Government Code, Republic Act No. 7279 or the Urban Development and Housing Act, Republic Act No. 8435 or the Agriculture and Fisheries Modernization Act (AFMA), Republic Act 7916 or the Ecozone Law, Republic Act No. 6657 or the Comprehensive Agrarian Reform Law (CARL), and other existing laws requiring survey and mapping;

(4) Verify and approve all private land consolidation, subdivision and consolidation-subdivision surveys intended for titling purposes;

(5) Prescribe standards, rules and regulations for the conduct of all kinds of geophysical surveys, mapping, aerial photography, remote sensing and similar activities in accordance with existing laws and internationally accepted principles, practices and standards;

(6) Prescribe a uniform base map that shall be used for all public and private mapping activities, and provide convenient and affordable public access to the same; and

(7) Establish and maintain an appropriate custodial and storage system that shall ensure the security and integrity of all survey and mapping records.

B. Land Registration

(1) Register original titles to land and subsequent dealings in registered lands under the provisions of Act No. 496 and Presidential Decree No. 1529 as amended; *provided*, that prior to registering a tenure instrument and issuing an original certificate of title based thereon, the LAA shall first verify compliance with the conditions and requirements prescribed under the law authorizing the issuance of said tenure instrument;

(2) Establish and maintain an appropriate custodial and storage system that shall ensure the security and integrity of all registration and titling records, subject to the provisions of Act No. 496, Presidential Decree 1529 and pertinent laws; and

(3) Compile a nationwide master list of suspected spurious land titles and tenure instruments, undertake thorough investigation of the same and, when merited, initiate the proper proceedings for the cancellation thereof by a competent court; *provided*, that cancellation of instruments which have not yet been registered under the Torrens system as provided under existing laws and which are found to be spurious shall be effected by the LAA under rules and procedures that it shall promulgate consistent with this Act and existing laws, and *provided further*, that patently fake titles shall also be dealt with administratively by the LAA.

C. Public Land Administration

(1) Administer, manage and/or dispose of all alienable and disposable lands of the public domain under the provisions of Commonwealth Act No. 141 otherwise known as the Public Land Act, as amended, Friar Lands under the provisions of Act No. 1120, patrimonial property of the National Government under Act No. 3038, and such other public lands as have not been placed under the jurisdiction of any other government agency or instrumentality, in accordance with existing laws; and

(2) Coordinate with local government units and the appropriate agencies in releasing alienable and disposable lands of the public domain for the accelerated implementation of agrarian reform, socialized housing, resettlement and other government programs requiring land.

D. Land Records and Information Technology

(1) Establish and maintain a secure, integrated, and accessible computerized database of all survey and mapping records, registration and titling records and other land information data, and ensure the timely updating of said database; and

(2) Establish and maintain an open system to provide convenient nationwide public access to survey, mapping, registration, titling and other land data; subject, however, to the requirements of security and confidentiality under existing laws.

In addition to the foregoing, the LAA is tasked to do the following:

(1) Formulate and recommend policies and programs to achieve the intent and purposes of this Act;

(2) Determine, fix and collect reasonable amounts to be charged as fees, fines and penalties in the implementation of this Act;

(3) Receive grants and donations;

(4) Conduct, regulate, verify and approve all types of land surveys including surveys intended for the implementation of Commonwealth Act No. 141, as amended, Republic Act No. 6657 or the Comprehensive Agrarian Reform Law (CARL) and Republic Act No. 8371 or the Indigenous Peoples' Rights Act of 1997 (IPRA);

(5) Enter into contracts in the implementation of this Act, subject to existing laws;

(6) Perform such other powers and functions as are currently lodged with the LRA/RoD, LMB/LMS, NAMRIA, DENR-CARP National Secretariat under PD 1529, CA 141 as amended and other existing laws and issuances; and

(7) Perform such other functions as are necessary, proper and incidental to implement the provisions of this Act.

Provided, that whenever any reference is made to the LRA/RoD, the LMB/LMS and the DENR-CARP National Secretariat under Executive Order No. 192, Presidential Decree No. 1529 and Commonwealth Act No. 141, as amended, pertaining to a duty, power, purpose, responsibility or jurisdiction transferred to the LAA by this Act, it shall be deemed to be a reference to, and to mean, the LAA and the Director General of the LAA, as the case may be.

SECTION 6. *Stakeholders' Advisory Committee (SAC).* – The LAA shall be assisted by a Stakeholders' Advisory Committee which shall be composed of the following:

- (a) Nine (9) representatives from the basic sectors chosen through the nomination process of the National Anti-Poverty Commission (NAPC);
- (b) Three (3) representatives from the private sector appointed by the President, *provided*, that two shall come from the business sector and the Geodetic Engineer's sector, respectively;
- (c) Three (3) representatives from the League of Municipalities, Cities and Provinces, respectively; and
- (d) The Director General, as ex-officio member.

The President shall designate the chairperson from among the members of the SAC. Except for the LAA Director General, the members of the SAC shall not hold office in the LAA nor receive any salary in connection with their appointment. They, however, shall be entitled to such allowances and honoraria as are allowed by the rules and regulations promulgated by the Commission on Audit for actual attendance during meetings.

SECTION 7. *Functions of the SAC.* – The SAC shall be primarily in charge in advising the LAA on the formulation of policies and policy development pertaining to land administration and public land management and in monitoring their implementation. The SAC shall submit within three (3) months following the end of each calendar year a report to the President on its advisory and monitoring activities.

SECTION 8. *Meetings of the SAC.* – The chairperson of the SAC shall convene the same for regular meetings at least once every quarter. Special meetings may also be called anytime by the chairperson or at the initiative of at least three (3) members.

SECTION 9. *Secretariat and Logistical Support.* – The office of the LAA Director General shall provide secretariat and logistical support to the SAC.

ARTICLE III IMPLEMENTING MECHANISM

SECTION 10. *Structure and Organization.* – The LAA shall be composed of the following offices:

- (a) The office of the Director General;

- (b) The offices of the Deputy Directors General;
- (c) The offices of the Assistant Directors General;
- and
- (d) Land offices.

SECTION 11. *The Director General.* – The authority and responsibility for the exercise of the mandate of the LAA, the accomplishment of its objectives and the discharge of its powers and functions shall be vested in the Director General who shall be appointed by the President and be entitled to a cabinet rank. In particular, the Director General shall have the following functions:

- (a) Advise the President on the promulgation of rules, regulations and other issuances relative to land administration and public land management;
- (b) Serve as *ex officio* member of each division of the Land Adjudication Board pursuant to Section 16 hereof;
- (c) Establish policies and standards for the efficient and effective operations of the LAA in accordance with the programs of the government;
- (d) Promulgate rules, regulations and other issuances necessary in carrying out the LAA's mandate, objectives, policies, plans, programs and projects;
- (e) Exercise control and supervision over all functions and activities of the LAA; and
- (f) Perform such other functions as may be provided by law or assigned by the President.

SECTION 12. *Office of the Director General.* – The office of the Director General shall consist of the Director General, his immediate staff and the Office of the Legal Services.

SECTION 13. *Deputy Directors General.* – The Director General shall be assisted by at least three (3) Deputy Director General who shall be appointed by the President. At least one of the Deputy Director General shall be a member of the bar or a geodetic engineer with at least five (5) years experience in any land administration function. For this purpose, the Director General is hereby authorized to delineate, assign and/or reassign the respective functional areas of responsibility of the Deputy Director General.

Within his functional area of responsibility, a Deputy Director General shall have the following duties:

(a) Advise the Director General in the promulgation of administrative orders and other issuances with respect to his area of responsibility;

(b) Exercise supervision over the offices, departments or operating units, and officers and employees under his responsibility;

(c) Promulgate rules and regulations that will efficiently and effectively govern the activities of the units under his responsibility;

(d) Coordinate the functions and activities of the units under his responsibility with those of other units under the responsibility of other Deputy Directors General;

(e) Exercise authority on substantive and administrative matters related to the functions and activities of the units under his responsibility as may be delegated by the Director General; and

(f) Perform such other functions as may be provided by law or assigned by the Director General.

SECTION 14. *Assistant Directors General.* – The Director General and Deputy Directors General shall be assisted by five (5) Assistant Director General in the formulation, management and implementation of land administration and public land management laws, policies, plans, programs and projects.

SECTION 15. *Land Offices.* – Permanent field offices at the city and provincial levels are hereby established and shall be called Land Offices. The LAA may also establish additional Land Offices in a city or province as may be determined for the efficient and effective delivery of its services. *Provided*, that provinces and cities with existing Registry of Deeds upon approval of this Act shall automatically establish Land Offices.

The Land Offices shall be headed by an Executive Land Officer. He/She shall exercise general supervision on land survey, land registration, public land administration and record and information management within his/her jurisdiction. He/She shall also implement such other functions of the LAA in his/her respective area of responsibility as may be delegated by the Director General to provide a more efficient and effective delivery of services. *Provided*, that the registration personnel shall continue to exercise their other registration functions in accordance with existing laws.

ARTICLE IV LAND ADJUDICATION BOARD

SECTION 16. *Creation of the Land Adjudication Board (LAB).* – There is hereby created a quasi-judicial body called the Land Adjudication Board (LAB) which shall discharge the following functions:

(a) Exercise exclusive original jurisdiction over all matters involving the implementation of laws, rules and regulations on land administration and public land management, and all cases and /or controversies arising therefrom; *Provided*, that all petitions for the correction of clerical or typographical errors committed in writing, copying, transcribing, or typing of an entry in the maps, survey plans, and certificate of land titles shall be administratively addressed by the LAA Land Offices

(b) Exercise exclusive original jurisdiction on conflicts arising from the determination and adjudication in land administration and public land management matters, except cases falling under the jurisdiction of the Department of Agrarian Reform (DAR) under the CARP law and the National Commission on Indigenous Peoples under the IPRA law unless specifically provided herein. *Provided*, that jurisdiction over conflicts and cases arising from ownership of private lands shall remain with the regular courts. *Provided further*, that existing cases on land ownership and conflicts pending in the regular courts shall remain under the regular courts' jurisdiction unless otherwise remanded by the courts to the LAA or LAB for disposition subject to the pertinent provisions of this Act.

The LAB shall be under the administrative supervision of the Director General and be divided into three (3) divisions. Each division shall exercise equal powers, independently resolving cases raised on appeal from the decisions of the Local Land Adjudication Boards, created pursuant to Section 14 hereof, from Luzon, Visayas, and Mindanao: *Provided*, That the divisions assigned to handle cases from Visayas and Mindanao shall hold permanent office in any of the cities therein.

SECTION 17. *Composition.* – Each division of the LAB shall be composed of three (3) permanent members who shall be appointed by the President: *Provided*, that the Director General of the LAA shall sit as *ex officio* member of each division.

The permanent members of each division shall elect their presiding officer.

SECTION 18. *Local Land Adjudication Board.* – A Local Land Adjudication Board (LLAB) is hereby created in every provincial and city

Land Office which shall serve as first level board. The LLAB shall be composed of three (3) members and shall be presided by the Executive Land Officer. The remaining members of the LLAB shall be the heads of the local surveys unit and the local registration unit, respectively.

Decisions, orders, and resolutions of the LLAB are appealable to the LAB.

SECTION 19. *Budget and Administrative Support.* – The LAB shall determine and propose its budgetary requirements which shall be submitted as part of the LAA's budget request. Disbursements of the approved budget resources shall be the sole responsibility of the LAB. Secretariat services shall be provided by the LAA.

SECTION 20. *Proceedings and Procedures.* – The LAB shall not be bound by technical rules of procedure and evidence but shall proceed to hear and decide all cases, disputes or controversies in a most expeditious manner, employing all reasonable means to ascertain the facts of every case in accordance with justice and equity and the merits of the case. Towards this end, it shall adopt uniform rules of procedure to achieve a just, expeditious and inexpensive determination of the merits of every case, *provided*, that it shall exert utmost efforts in all instances to settle disputes and controversies amicably.

In the exercise of its administrative and adjudicatory functions, the LAB shall have the power to summon witnesses, administer oaths, take testimony, require submission of reports, compel the production of books and documents and answers to interrogatories, issue *subpoena* and *subpoena duces tecum* and enforce its writs through sheriffs or other duly deputized officers. It shall punish direct and indirect contempt in the same manner and subject to the same penalties as provided for in the Rules of Court.

Responsible persons shall be allowed to represent themselves or their organizations in any proceedings before the LAB, *provided, however*, that when there are two or more representatives for any individual or group, the representatives should choose only one from among themselves to represent such party or group before any LAB proceedings.

SECTION 21. *Finality of Determination.* – Any case or controversy before the LAB shall be decided within thirty (30) days after it is submitted for resolution. Only one (1) motion for reconsideration shall be allowed.

Any order, award, ruling or decision of the LAB shall become final and executory after the lapse of fifteen (15) days from receipt by the parties of a copy thereof.

SECTION 22. *Frivolous Appeals.* – The LAB may deny *motu proprio* any appeal which in its determination is frivolous or dilatory.

ARTICLE V JUDICIAL REVIEW

SECTION 23. *Certiorari*. – Any decision, order, award or ruling of the LAA on any dispute or on any matter pertaining to the application, implementation, enforcement or interpretation of this Act and other pertinent laws on land administration and public land management may be brought to the Court of Appeals by certiorari within sixty (60) days from the receipt of a copy thereof.

The findings of fact of the LAA shall be final and conclusive if based on substantial evidence.

SECTION 24. *Injunctive Relief*. – Only the Court of Appeals and the Supreme Court of the Philippines shall have jurisdiction to issue any temporary restraining order and/or writ of preliminary injunction against the LAA or any of its duly authorized or designated offices in any case, dispute or controversy arising from, necessary to, or in connection with the application, implementation, enforcement or interpretation of this Act and other pertinent laws on land administration and public land management.

SECTION 25. *Procedure on Review*. – The disposition by the Court of Appeals or the Supreme Court of any appeal brought under this Act shall be governed by applicable provisions of the Rules of Court.

SECTION 26. *Authenticity and Validity of Land Record and Titles*. – The LAA shall have the sole authority and power to validate, authenticate and reconstitute land titles and land ownership records and information; *provided*, that existing cases filed under the regular courts shall remain under its jurisdiction unless remanded to the LAA.

ARTICLE VI TRANSITORY PROVISIONS

SECTION 27. *Transfer of Powers and Transition Plan*. – The powers and functions of the LAA heretofore vested by law in the DENR, DOJ, LRA/RoD, LMB/LMS and DENR-CARP National Secretariat or in any office within or attached to these agencies, are hereby transferred to and vested in the Office of the Director General. The Director General shall be responsible for the identification, preparation and formulation of a transition plan to ensure the smooth and seamless transfer and assumption of powers, functions and personnel from the abovementioned agencies to the LAA; *provided*, that such transition plan shall be prepared, formulated and developed in consultation with the affected agencies and its representative stakeholders; *provided further*, that the transition plan shall integrate such other actions and activities necessary, including provisions under this section and as provided for under this Act to complete the transition to the LAA.

SECTION 28. *Transfer of the NAMRIA as an Attached Agency of the LAA.* – The NAMRIA is hereby attached to the LAA. It shall retain its structure, budgetary allocation under the current General Appropriations Act, and all properties, equipment, and other facilities necessary in the performance of its mandate.

SECTION 29. *Organization of the LAA.* – The LAA's organizational and administrative structure and functions and staffing pattern, including the personnel's duties and responsibilities and the appropriate compensation package shall be submitted by the Director General within six (6) months upon approval of this Act for review and approval of the President and shall be fully implemented within a period of six (6) months after such approval of the President.

SECTION 30. *Transfer of Personnel.* – To ensure a smooth transition, all incumbent personnel of the DENR's LMB/LMS, DENR-CARP National Secretariat and its field offices, the DOJ's LRA/RoD shall continue to perform their present duties and functions as interim personnel of the LAA until such time, being not later than twelve (12) months from the effectivity of this Act, that the regular staff of the LAA, based on the new staffing pattern, shall have been appointed: *Provided*, that all incumbent and qualified personnel of the DENR's LMB/LMS, DENR-CARP National Secretariat and its field offices, the DOJ's LRA/RoD shall be allowed to fill up the appropriate positions for regular personnel of the LAA and its field offices, *provided further*, that the regular personnel shall be appointed by the Director General, or his/her duly authorized representative, on the basis of merit, previous permanent appointment, fitness, and seniority.

SECTION 31. *Separation Pay and Other Benefits.* – Personnel who are not offered appointment within twelve (12) months upon the effectivity of this Act under the new staffing pattern of the LAA on at least equivalent terms and conditions as their present employment by reason of duplication or redundancy and those who decline an appointment in the LAA by reason of diminution in rank and conditions shall be entitled to the separation pay and other benefits in accordance with Sections 10.1 to 10.3 and 13 of Executive Order No. 366 dated 04 October 2004.

SECTION 32. *Reemployment.* – Government personnel who are separated as a result of the integration of the aforementioned offices may apply for positions and be employed in other agencies or branches of the government including government-owned and controlled corporations (GOCCs), government financial institutions (GFIs) or local government units (LGUs).

SECTION 33. *Unexpended Appropriations and Transfer of Assets.* – The unexpended balances of appropriations in the current General Appropriations Act and other laws in force upon approval hereof, pertaining to, held, or used by, or available to the LRA and RoD, the LMB, the LMS, the DENR-CARP National Secretariat and its field offices, and the LAMP are hereby transferred to the LAA.

Such other unexpended balances of appropriations as may be deemed appropriate by the Department of Budget and Management for transfer to the LAA shall also be so transferred.

All real and personal properties, assets, liabilities, records, documents, positions, appropriations, contracts and agreements which, upon the effectivity of this Act, are vested in, or owned, by the LMB/LMS, the DENR-CARP National Secretariat and its field offices, the LRA/RoD and the LAMP are hereby transferred to the LAA.

SECTION 34. *Penal Provisions.* – Any person who sells forms issued and distributed gratuitously under this Act or who, being an officer charged with distributing them, refuses or fails without sufficient reason to furnish the same shall be punished for each offense by a fine of not less than One Hundred Thousand Pesos (P100,000.00) and not more than One Million Pesos (P1,000,000.00) or imprisonment of not less than six (6) months nor more than three (3) years, or both, at the discretion of the court.

Any person, corporation, association or partnership which, not being qualified or no longer authorized to apply for registration purposes, files or induces or knowingly permits another person, corporation, association or partnership to file an application in his/her or its behalf, or for his/her or its interest, benefit or advantage shall be punished for each offense by a fine of not less than One Hundred Thousand Pesos (P100,000.00) or imprisonment of not less than five (5) years, or both, at the discretion of the court: *provided*, that in case the offender is a corporation, association or partnership, their responsible officials shall be deemed jointly and severally liable. The application shall be cancelled.

Any person who shall, by deceit or fraud, acquire or attempt to acquire lands of the public domain or other real property or any right, title or interest, or property right of any class to the same, and any person aiding and abetting him therein or serving as a means or tool thereof shall, upon conviction, be punished by a fine of not less than One Hundred Thousand Pesos (P100,000.00) and imprisonment of not less than five (5) years nor more than twelve (12) years, or both, at the discretion of the court.

Any person who shall tamper or attempt to tamper any records of the LAA that will result in the acquisition of rights, title or interest over real property and any person aiding and abetting him therein or serving as a means or tool thereof shall, upon conviction, be punished by a fine of not less than Five Hundred Thousand Pesos (P500,000.00) and imprisonment of not less than twelve (12) years, or both, at the discretion of the court.

For purposes of this Act, if the offender is a public official or government official or employee, he or she shall be, in addition to the existing penalties, removed from office, forfeit all retirement benefits except the monetary value of accumulated leave credits and be perpetually

disqualified from holding any elective or appointive public office.

SECTION 35. *Preservation of Records.* – The LAA shall have possession and control of all records, books, papers, offices, equipment, supplies, moneys, funds, appropriations, land and other property, real or personal, held for the benefit or use of all bodies, offices and officers whose duties, powers and functions have been transferred to and conferred upon the LAA.

Pending a written notice of receipt issued by a duly authorized officer of the LAA, it shall be the duty of any and all personnel responsible for, or in possession of records relating to the affairs of the LMB, the LMS, the DENRCARP National Secretariat and its field offices, the LRA and the RoD to protect and preserve such records.

Without prejudice to any other penalties provided for by law, any person who fails to fulfill his/her duty pursuant to the above paragraph shall be guilty of an offense against the provisions of this Act, punishable by a fine of not less than One million pesos (P1,000,000.00) or imprisonment of not more than five years, or both, at the discretion of the court.

SECTION 36. *Saving Clause.* – All orders, determination, rules, regulations, permits, certificates, licenses and privileges which have been issued, made or granted effective by the former LMB, LMS, LRA, RoD, DENR-CARP National Secretariat and its field offices, and LAMP, or their predecessors shall continue to be in effect according to their terms until modified, terminated, superseded, set aside or repealed.

No suit, action or other proceeding commenced by or against any officer in his official capacity as an officer of any division or unit of the former LMB, LMS, LRA, RoD, DENR-CARP National Secretariat and its field offices, and LAMP, the functions of which are transferred by this Act to the LAA shall abate by reason of this Act. In like manner, no cause of action by or against such division or unit or by or against any officer thereof in his official capacity shall abate by reason of the enactment of this Act. Causes of actions, suits or other proceedings may be asserted for or against the LAA or such official of the LAA, as may be appropriate.

ARTICLE VII MISCELLANEOUS PROVISIONS

SECTION 37. *Use of Income and Other Sources of Funds.* – The LAA is hereby authorized to use thirty percent (30%) of all revenues derived from fees, charges, fines, penalties and other sources for capital outlay on infrastructure, procurement of equipment and services related to the integration, updating and maintenance of computer-based land information and database system, training and skills upgrading including personnel capacity building of LAA.

In addition, the LAA shall be allowed to receive, hold and utilize funds from grants, donations, contributions and other gratuitous sources both foreign and local for the implementation of its mandate, programs and projects, subject to existing rules and regulations.

SECTION 38. *Assurance Fund.* – A special account within the LAA is hereby created for the entire proceeds of the Assurance Fund, which shall no longer be paid to the National Treasurer as provided for in Section 94 of Presidential Decree No. 1529. Claims from the Assurance Fund shall be heard, decided and determined by the LAB. All pending cases or claims against the Assurance Fund now being handled by the Bureau of Treasury, through the Office of the Solicitor General, shall likewise be transferred to the LAB. Thereafter, the National Treasurer shall no longer be impleaded as a party in any action against the Assurance Fund.

SECTION 39. *Indemnification of Officials and Personnel.* – The LAA shall indemnify all officials and personnel for all costs and expenses reasonably incurred by such persons in connection with any civil or criminal actions, suits or proceedings to which they may be or made a party by reason of the performance of their functions or duties, unless they are finally adjudged in such actions or proceedings to be liable.

In the event of settlement or compromise, indemnification shall be provided only in connection with such matters covered by the settlement as to which the LAA is advised by an external counsel that the persons to be indemnified did not commit any gross negligence or misconduct.

The costs and expenses incurred in defending the aforementioned action, suit or proceeding may be paid by the LAA in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of the Director General wherein the official or employee shall repay the amount advanced should it ultimately be determined by the LAA that such official or employee is not entitled to be indemnified as provided in this section.

SECTION 40. *Implementing Rules and Regulations.* – Within sixty (60) days from the effectivity of this Act, the LAA shall promulgate the rules and regulations to implement the provisions of this Act. Said rules and regulations shall be submitted to the Congressional Oversight Committee on Land Administration created under Sec. 41 hereof.

SECTION 41. *Congressional Oversight Committee on the Land Administration Reform Act.* – There is hereby created a Congressional Oversight Committee composed of seven (7) Members from the Senate and the House of Representatives, respectively to be designated by the Senate President and the House Speaker, as the case may be. The Committee on Environment and Natural Resources shall act as chair.

The Congressional Oversight Committee, which shall function for a period of not more than three (3) years, shall review the implementing rules

and regulations promulgated by the LAA including the procedures on claims against the Assurance Fund and shall oversee the implementation of this Act.

The secretariat of the Congressional Oversight Committee shall be drawn from the existing secretariat personnel of the committees of the Senate and the House of Representatives comprising the oversight committee and the funding for its operations shall be taken from the existing budget of the concerned committees.

SECTION 42. *Separability Clause.* – Should any provision of this Act or any part hereof be declared unconstitutional or invalid by a court, the other provisions hereof which are not affected thereby shall remain in force and effect.

SECTION 43. *Repealing Clause.* – The provisions of PD 1529 pertaining to the Assurance Fund, and their implementing rules and regulations are hereby amended or modified accordingly.

All other laws, decrees, orders, instructions, proclamations, rules and regulations or parts thereof, including pertinent provisions of Commonwealth Act No. 141, Act No. 496, Presidential Decree No. 1529, Executive Order No. 192 and its related rules and regulations; Executive Order No. 469 dated February 11, 1981 and the subsequent Presidential Memorandum Circular dated 30 September 1988 and their related rules and regulations; and the Administrative Code of 1987, which are inconsistent with any provision of this Act, are hereby repealed, modified, or amended accordingly.

SECTION 44. *Effectivity.* – This Act shall take effect fifteen (15) days after its complete publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,