

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

SIXTEENTH CONGRESS
First Regular Session

House Bill No. 4296



Introduced by **Rep. Cresente C. Paez and Rep. Teddy Brawner Baguilat**

EXPLANATORY NOTE

The 1987 Philippine Constitution mandates the State to undertake an agrarian reform program founded on the right of farmers to own directly or collectively the lands they till. Towards this end the State shall encourage and undertake the just distribution of all agricultural lands. Congress thus enacted Republic Act 6657, otherwise known as the Comprehensive Agrarian Reform Law (CARL) on June 10, 1988, which initially targeted to distribute agricultural lands over a period of ten years through the Comprehensive Agrarian Reform Program (CARP).

After ten years of CARP implementation in 1998, the Land Acquisition and Distribution (LAD) component of the program was not yet completed. Thereafter, Congress passed Republic Act 8532 to augment the funding for CARP until June 2008.

Studies have shown by 2008 that the CARP has made a positive impact on the lives of agrarian reform beneficiaries, especially those in established Agrarian Reform Communities who have experienced significantly higher farm incomes. Still by June 2008, around 1.2 million hectares still needed to be covered and distributed to agrarian reform beneficiaries. Hence, Congress passed Republic Act 9700 otherwise known as the CARPER law, extending the LAD for another five years or until June 30, 2014.

As of February 2014, the Department of Agrarian Reform reported to the House Committee on Agrarian Reform that 790,671 hectares of agricultural lands remain to be covered under CARP. Additionally, there are still approximately 273,473 hectares of agricultural lands without Notices of Coverage (NOCs) as of January 2014. These lands are mostly large landholdings under Compulsory Acquisition or 10 hectares and below.

Sec. 63 of Republic Act 6657, as amended, also appropriated Php 150 Billion for the LAD from the Agrarian Reform Fund. But as of December 2013, a reported Php25 Billion is left to fund the LAD beyond June 30, 2014. After the completion of the LAD, the yearly appropriation shall be

allocated fully to support services, agrarian justice delivery and operational requirements of the DAR and other CARP implementing agencies.

At the AR committee hearing last March 5, 2014, the DAR categorically expressed that they will not be able to finish issuing all Notices of Coverage (NOCs) for the said hectarage by June 30, 2014. The DAR declared that they recommend filing a 1-liner amendment of Sec. 30 of R.A. 9700 to continue the issuance of NOCs beyond June 30, 2014 to complete the targets for CARP coverage.

Thus, with barely three months to go before June 30, 2014, the future of agrarian reform needs to be intently tackled once again by Congress. It is the responsibility of this Congress to ensure that the agrarian reform program fulfill its promise of giving land to the tillers as enshrined in the 1987 Constitution.

Moreover, President Benigno Simeon Aquino declared at the 2012 State of the Nation Address (SONA) that before he steps down in 2016, all lands covered by CARP shall have been distributed.

Therefore, in order to fulfil the mandate of the Constitution on social justice, this bill is being filed to continue and complete the land acquisition and distribution process for all private and public agricultural lands even beyond June 30, 2014.

In view of the foregoing, the immediate passage of the bill is urged.



REP. CRESENTE C. PAEZ
Representative, COOP NATCCO



REP. TEDDY BRAWNER BAGUILAT
Representative, Lone District of Ifugao

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

AN ACT
MANDATING THE COMPLETION OF THE LAND ACQUISITION AND DISTRIBUTION (LAD) COMPONENT OF THE COMPREHENSIVE AGRARIAN REFORM PROGRAM (CARP) PURSUANT TO REPUBLIC ACT NO 6657, OTHERWISE KNOWN AS THE "COMPREHENSIVE AGRARIAN REFORM LAW," AS AMENDED

SECTION 1. The acquisition and distribution of all agricultural lands under Republic Act 6657 otherwise known as the Comprehensive Agrarian Reform Program, as amended, shall be completed to its finality in accordance with the mandate under the 1987 Constitution.

SECTION 2. Section 30 of Republic Act No. 9700 is hereby amended to read as follows:

Section 30. ISSUANCE OF NOTICES OF COVERAGE AND Resolution of Cases and/ or PROCEEDINGS - THE NOTICES OF COVERAGE SHALL BE ISSUED UNTIL JUNE 30, 2015 TO LANDOWNERS OF ALL AGRICULTURAL LANDS WHICH HAVE NOT YET BEEN COVERED BY THE CARP. SUCH ISSUANCE OF NOTICE OF COVERAGE STARTS THE PROCEEDINGS IN THE IMPLEMENTATION OF THE PROVISIONS OF REPUBLIC ACT 6657 AS AMENDED.

Any case and/or proceeding involving the implementation of the provisions of Republic Act No. 6657, as amended, which may remain pending on JUNE 30, 2015 shall be allowed to proceed to its finality and be executed even beyond such date.

SECTION 3. THE FOLLOWING AGRICULTURAL LANDS SHALL BE COVERED

UNDER THE CARP EVEN BEYOND JUNE 30, 2015:

A) LANDS CLASSIFIED AS ALIENABLE AND DISPOSABLE, WHICH ARE SUITABLE FOR AGRICULTURE BUT ARE NOT IN THE CARP COVERAGE AS OF JUNE 30, 2015;

B) LANDS DECLARED AS ALIENABLE AND DISPOSABLE, WHICH ARE SUITABLE FOR AGRICULTURE AFTER JUNE 30, 2015;

C) GOVERNMENT LANDS THAT ARE RESERVED FOR MILITARY OR EDUCATIONAL PURPOSES BUT WHICH ARE NO LONGER ACTUALLY, DIRECTLY AND EXCLUSIVELY USED AND FOUND TO BE NECESSARY FOR THEIR INTENDED PURPOSES IN RELATION TO EO 448 AND EO 407.

SECTION 4. Section 21 of Republic Act No. 9700, is hereby further amended to read as follows:

“SEC. 63. Funding Source. - The amount needed to further implement the CARP as provided in this Act until THE COMPLETE ACQUISITION AND DISTRIBUTION OF ALL AGRICULTURAL LANDS COVERED BY THE CARP, upon expiration of funding under pertinent laws, shall be funded from the Agrarian Reform Fund and other funding sources in the amount of at least One Hundred Fifty Billion Pesos (P150,000,000.00).

"Additional amounts are hereby authorized to be appropriated as and when needed to augment the Agrarian Reform Fund in order to fully implement the provisions of this Act;

"Sources of funding or appropriations shall include the following:

"(a) Proceeds of the sales of the Privatization and Management Office (PMO);

"(b) All receipts from assets recovered and from sales of ill-gotten wealth recovered through the PCGG excluding the amount appropriated for compensation to victims of human rights violations under the applicable law;

"(c) Proceeds of the disposition and development of the properties of the Government in foreign countries, for the specific purposes of financing production credits, infrastructure and other support services required by this Act;

"(d) All income and, collections of whatever form and nature arising from the agrarian reform operations, projects and programs of the DAR and other CARP implementing agencies;

"(e) Portion of amounts accruing to the Philippines from all sources of official

foreign aid grants and concessional financing from all countries, to be used for the specific purposes of financing productions, credits, infrastructures, and other support services required by this Act:

"(f) Yearly appropriations of no less than Five billion pesos (P5,000,000,000.00) from the General Appropriations Act;

"(g) Gratuitous financial assistance from legitimate sources; and

"(h) Other government funds not otherwise appropriated.

"All funds appropriated to implement the provisions of this Act shall be considered continuing appropriations during the period of its implementation: *Provided*, That if the need arises, specific amounts for bond redemptions, interest payments and other existing obligations arising from the implementation of the program shall be included in the annual General Appropriations Act: *Provided, further*, That all just compensation payments to landowners, including execution of judgments therefore, shall only be sourced from the Agrarian Reform Fund: *Provided, however*, That just compensation payments that cannot be covered within the approved annual budget of the program shall be chargeable against the debt service program of the national government, or any unprogrammed item in the General Appropriations Act: *Provided, finally*, That after the completion of the land acquisition and distribution component of the CARP, the yearly appropriation shall be allocated fully to support services, agrarian justice delivery and operational requirements of the DAR and the other CARP implementing agencies."

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SECTION 5. SECTION 26 OF R.A. 9700 IS HEREBY AMENDED AS FOLLOWS:

Section 26. Congressional Oversight Committee. - A Congressional Oversight Committee on Agrarian Reform (COCAR) is hereby created to oversee and monitor the implementation of this Act. It shall be composed of the Chairpersons of the Committee on Agrarian Reform of both Houses of Congress, three (3) Members of the House of Representatives, and three (3) Members of the Senate of the Philippines, to be designated respectively by the Speaker of the House of Representatives and the President of the Senate of the Philippines.

The Chairpersons of the Committees on Agrarian Reform of the House of Representatives and of the Senate of the Philippines shall be the Chairpersons of the COCAR. The Members shall receive no compensation; however, traveling and other necessary expenses shall be allowed.

In order to carry out the objectives of this Act, the COCAR shall be provided with the necessary appropriations for its operation. An initial amount of Twenty-five million pesos (P25,000,000.00) is hereby appropriated for the COCAR for the first year of its

operation and the same amount shall be appropriated every year thereafter.

The term of the COCAR shall end six (6) months after June 30, 2015.

SECTION 6. Repealing Clause. - All other laws, decrees, executive orders, issuances, rules and regulations, or part thereof inconsistent with this Act are hereby likewise repealed or amended accordingly.

SECTION 7. Separability Clause. - If, for any reason, any section or provisions of this Act is declared unconstitutional or invalid, the other sections or provisions not affected thereby shall remain in full force and effect.

SECTION 8. Effectivity Clause.- This Act shall take effect after fifteen (15) days upon publication in at least two (2) newspapers of general circulation.

Approved.