

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

NINETEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 5654

Introduced by HON. GUS S. TAMBUNTING



**AN ACT PROVIDING FOR THE CONDONATION OF ALL UNPAID PRINCIPAL,
INTERESTS, PENALTIES, OR SURCHARGES ON LOANS SECURED BY
AGRARIAN REFORM BENEFICIARIES UNDER THE COMPREHENSIVE
AGRARIAN REFORM PROGRAM AND FOR OTHER PURPOSES**

EXPLANATORY NOTE

Sec. 21, Art. II of the 1987 Constitution states that “The State shall promote comprehensive rural development and agrarian reform.”

This bill seeks to help our farmers to recover and overcome the fallout of the COVID-19 crisis, slow economic growth, and escalating wars. Condoning their land amortization will provide them with much-needed financial resources that shall develop their farms, increase their productivity and advance their agriculture-driven economy. In the end, it desires to improve the lives of farmers, reduce poverty, accelerate rural development and promote food security.

Former President Ramon Magsaysay once said, “I believe that he who has less in life should have more in law.”

This bill aims to exemplify the social justice aspect of agrarian reform.

Filipino farmers were not spared from the wrath of the pandemic. They had to sell their products for a low price yet they have to buy commodities whose prices continue to rise due to inflation.

If their land amortization will be condoned, they can use the money to help in buying their daily essential needs. We have to help our farmers because they are the backbone of our country since we are an agricultural country.

On behalf of the people of Parañaque City’s Second District, and for the common good of the Filipino people, the approval of the said measure is earnestly sought.


REP. GUS S. TAMBUNTING
2nd District, Parañaque City

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

Section 1. Condonation of Unpaid Amortizations, Interest Payments, Penalties or Surcharges. — All unpaid principal and interests, including penalties or surcharges, if any, due from loans used for land acquisition secured under the Comprehensive Agrarian Reform Program are hereby condoned by the Government, thereby relieving all farmer-beneficiaries from the payment thereof: Provided, That the condonation of such all unpaid principal, interests, penalties or surcharges, shall be in conformity with the applicable banking laws and regulations of the Bangko Sentral ng Pilipinas: Provided, further, That upon the effectivity of this Act, the Land Bank of the Philippines (LBP) shall issue the certification necessary to facilitate the issuance of a certificate of land title ownership in favor of the agrarian reform beneficiary concerned: Provided, finally, That the condonation of all unpaid principal, interests, penalties or surcharges shall release all attached liens and encumbrances arising from the loans secured for land acquisition.

Sec. 2. Implementing Rules and Regulations. — Within thirty (30) days from the effectivity of this Act, the Department of Agrarian Reform, in coordination with the Philippine Agrarian Reform Council, the Department of Finance, and the LBP shall promulgate the necessary rules and regulations to effectively implement the provisions of this Act.

Sec. 3. Repealing Clause. — Section 26 of Republic Act No. 6657, as amended, otherwise known as the "Comprehensive Agrarian Reform Law of 1988" is hereby repealed. All laws, decrees, orders, rules, and regulations or parts thereof inconsistent with any of the provisions of this Act are hereby repealed, amended, or modified accordingly.

Sec. 4. Effectivity Clause. - This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in at least two (2) newspapers of general circulation.

Approved