

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. **6989**



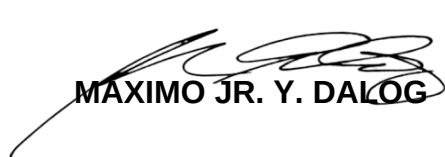
INTRODUCED BY REP. MAXIMO JR. Y. DALOG

EXPLANATORY NOTE

This Bill seeks to amend certain provisions of Republic Act No. 7662, or the Legal Education Reform Act of 1993 to allow the Legal Education Board (LEB) to fully carry out its mandate.

Under Section 4 of Republic Act no. 7662, the Legal Education Board is attached to the Commission on Higher Education solely for the purpose of budgetary and administrative support despite it being an independent agency. In addition, in a case decided by the Supreme Court on September 10, 2019, it declared unconstitutional several LEB Memorandums which were a consequence of Sections 2 and 7 of the Legal Education Reform Act of 1993 as it interferes with the power of the Court to promulgate rules concerning the practice of law and admissions thereto and the Integrated Bar. In addition, Section 7 (e) of the Legal Education Reform Act of 1993 violates institutional academic freedom.

In order therefore to improve the quality of legal education and to take into consideration the ruling of the Supreme Court in *Pimentel v. LEB*, approval of this bill is earnestly sought.


MAXIMO JR. Y. DALOG

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AN ACT
STRENGTHENING THE LEGAL EDUCATION BOARD, AMENDING FOR THE
PURPOSE REPUBLIC ACT NO. 7662, OTHERWISE KNOWN AS THE “LEGAL
EDUCATION REFORM ACT OF 1993”, AND APPROPRIATING FUNDS
THEREFOR

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

SECTION 1. – This Act shall be known as the “[~~Revised~~] COMPREHENSIVE Legal Education Reform Act”.

SEC. 2. – Section 2 of Republic Act No. 7662 is hereby amended to read as follows:

“SEC. 2. *Declaration of Policies.* – It is hereby declared the policy of the State to uplift the standards of legal education to prepare law students for THE PRACTICE OF LAW, AND advocacy, counselling, problem-solving and decision-making IN OTHER ALLIED FIELDS, SO AS to infuse in them the ethics of the legal profession AND impress upon them the importance, nobility and dignity of the legal profession as an equal and indispensable partner of the Bench in the administration of justice and to develop socially-committed lawyers with integrity and competence.

TO this end, the State shall undertake appropriate reforms in the legal education system THAT SHALL require THE proper selection of law students, maintain quality among LEGAL EDUCATION INSTITUTIONS, and [require legal apprenticeship and continuing legal education] IMPLEMENT STUDENT AND FACULTY DEVELOPMENT PROGRAMS.

SEC. 3. Section 3 of Republic Act no. 7662 is hereby amended to read as follows:

“SEC. 3. *General and Specific Objectives of Legal Education.* – a) Legal Education in the Philippines is geared to attain the following general objectives:

- 1) to prepare students for the practice of law;
- 2) to increase awareness among STUDENTS of the needs of the poor, deprived and oppressed sectors of society;
- 3) to train STUDENTS OF LAW for leadership;
- 4) to contribute towards the promotion and advancement of justice and the improvement of THE administration OF the legal system and LEGAL EDUCATION INSTITUTIONS in the light of the historic and contemporary development of law WORLDWIDE; AND
- 5) TO GENERATE LEGAL RESEARCH AND SCHOLARSHIP THAT CONTRIBUTE TO THE EXPANSION OF LEGAL KNOWLEDGE.

b) Legal education shall aim to accomplish the following specific objectives AMONG LAW STUDENTS:

- 1) to impart a broad knowledge of THE law and its various fields, and of legal PHILOSOPHIES, SYSTEMS, AND institutions;
- 2) to enhance legal research abilities AND CAPACITIES to analyze articulate and apply the law effectively, as well as to allow a holistic approach ADDRESSING legal problems and issues;
- 3) to prepare for advocacy, counselling, problem-solving and decision-making, and develop THE ability to deal with recognized legal problems of the present and the future;
- 4) to develop competence in any field of law as is necessary for gainful employment or sufficient as a foundation for future training beyond the basic professional degree, and to develop the desire and capacity for continuing study and self-improvement;
- 5) to INSTILL the ethics and responsibilities of the legal profession; and
- 6) to CREATE AN ENVIRONMENT CONDUCIVE TO THE TRAINING OF PROSPECTIVE lawyers who conscientiously pursue the lofty goals of THE profession and faithfully adhere THROUGH STRICT ADHERENCE to its ethics norms.”

SEC. 4. A new Section 4 is hereby inserted after Section 3 of Republic Act No. 7662, to read as follows:

“SEC. 4. *DEFINITION OF TERMS.* – AS USED IN THIS ACT:

- A) JURIS DOCTOR PROGRAM – AN ACADEMIC PROGRAM LEADING TO A JURIS DOCTOR DEGREE AND IS PRIMARILY DESIGNED FOR THE TRAINING AND FORMATION OF PROSPECTIVE LAWYERS TO QUALIFY THEM TO TAKE THE BAR EXAMINATIONS IN ACCORDNACE WITH THE RULES OF THE SUPREME COURT. FOR THIS PURPOSE, THE BACHELORS OF LAW DEGREE OBTAINED IN THE PHILIPPINES PRIOR TO

THE EFFECTIVITY OF THIS ACT, SHALL AUTOMATICALLY BE DEEMED AS EQUIVALENT OF JURIS DOCTOR DEGREE WITHOUT THE NEED OF FURTHER CONFERMENT;

- B) GRADUATE LAW PROGRAMS – ADVANCED ACADEMIC STUDIES AFTER COMPLETION OF THE JURIS DOCTOR PROGRAM OR THE LADDERIZED MASTER OF LEGAL STUDIES- JURIS DOCTOR PROGRAM TO FURTHER LEGAL SCHOLARSHIP AND PROFESSIONAL SKILLS, SUCH AS MASTER AND DOCTORATE DEGREES OF LAW, INCLUDING BUT NOT LIMITED TO MASTER OF LAWS, DOCTOR OF CIVIL LAW, DOCTOR OF JURIDICAL SCIENCE, DOCTOR OF PHILOSOPHY IN LAW, AND OTHER EQUIVALENTS;
- C) LEGAL EDUCATION – THE TOTALITY OF VARIOUS ACADEMIC PROGRAMS IN HIGHER EDUCATION DESIGNED FOR THE TRAINING OF PROSPECTIVE LAWYERS AND LEGAL SCHOLARS. IT SHALL ENCOMPASS THE JURIS DOCTOR, GRADUATE LAW PROGRAMS, AND OTHER LEGAL STUDIES PROGRAMS; AND
- D) LEGAL EDUCATION INSTITUTIONS – ALL HIGHER EDUCATION INSTITUTIONS RECOGNIZED BY THE COMMISSION ON LEGAL EDUCATION (CLED), AND AUTHORIZED OR ACCREDITED UNDER THIS ACT TO OFFER THE JURIS DOCTOR, GRADUATE LAW PROGRAMS, OR OTHER POST BACCALAUREATE LEGAL STUDIES PROGRAMS.”

SEC. 5. A new Section 5 is hereby inserted after Section 4 of this Act, to read as follows:

“SEC. 5. *COVERAGE.* – THIS ACT SHALL APPLY TO ALL EXISTING LEGAL EDUCATION INSTITUTIONS IN THE PHILIPPINES, INCLUDING LEGAL EDUCATION INSTITUTIONS IN THE BANGSAMORO AUTONOMOUS REGION IN MUSLIM MINDANAO.

THE UNIVERSITY OF THE PHILIPPINES, WHICH HAS BEEN DECLARED AS A NATIONAL UNIVERSITY, IS EXCLUDED FROM THE COVERAGE OF THIS LAW.

ALL LEGAL EDUCATION INSTITUTIONS, INCLUDING THOSE ESTABLISHED FOLLOWING THE APPROVAL OF THIS ACT AND WHICH SHALL BE RECOGNIZED SHALL BE RECOGNIZED AND ACCREDITED BY THE CLED, SHALL BE COVERED.”

SEC. 6. Section 4 of Republic Act no. 7662 is hereby amended and renumbered as Section 6, to read as follows:

“SEC. 6. *COMMISSION ON LEGAL EDUCATION; Creation and Composition.* – To carry out the purposes of this Act, there is hereby

created the COMMISSION ON LEGAL EDUCATION, hereinafter referred to as the CLED, WHICH SHALL BE ATTACHED TO THE OFFICE OF THE PRESIDENT.

The CLED shall be composed of a CHAIRPERSON and the following as regular members: a representative of the Integrated Bar of the Philippines (IBP); a representative of the LEGAL EDUCATION INSTITUTIONS' SECTOR, [~~Philippine Association of Law Schools (PALS)~~]; a representative of the LAW PROFESSORS' SECTOR [~~Philippine Association of Law Professors (PALP)~~]; a representative from the [~~ranks of~~] active law practitioners' SECTOR; and a representative from the law students' sector.

~~[With the exception of the representative of the law students' sector, the ChairPERSON and regular members of the CLED must be natural born citizens]~~ THE CHAIRPERSON AND REGULAR MEMBERS OF THE CLED MUST ALL BE NATURAL-BORN FILIPINO CITIZENS. WITH THE EXCEPTION OF THE REPRESENTATIVE OF THE LAW STUDENTS' SECTOR, THEY SHALL BE MEMBERS OF THE PHILIPPINES BAR WHO HAVE BEEN ENGAGED IN THE PRACTICE OF LAW AND HAVE BEEN [~~of the Philippines and members of the Philippine Bar, who have been engaged for at least ten (10) years in the practice of law,~~] ACTIVELY ENGAGED IN TEACHING IN A RECOGNIZED AND ACCREDITED LEGAL EDUCATION INSTITUTION FOR AT LEAST TEN (10) YEARS. RETIRED OR RESIGNED JUSTICES OF THE SUPREME COURT AND COURT OF APPEALS OR ELECTED OR APPOINTED GOVERNMENT OFFICIALS WHOSE DUTIES AND FUNCTIONS PROHIBIT THEM FROM ENGAGING IN THE PRACTICE OF LAW OR ACTIVELY ENGAGING IN LEGAL EDUCATION DURING THEIR TERM OF OFFICE MUST HAVE BEEN ENGAGED IN THE PRACTICE OF LAW OR LEGAL EDUCATION FOR AT LEAST FIVE (5) YEARS PRIOR TO OR AFTER THEIR ELECTION OR APPOINTMENT AS SUCH.

THE CHAIRPERSON AND REGULAR MEMBERS MUST PREFERABLY BE HOLDERS OF AN EARNED MASTER OF LAWS DEGREE OR A MASTER'S DEGREE IN AN EDUCATION-RELATED FIELD, AND MUST NOT HAVE BEEN CANDIDATES FOR ELECTIVE POSITIONS IN THE ELECTIONS IMMEDIATELY PRECEDING THEIR APPOINTMENT. THEY SHALL BE ACADEMICIANS KNOWN FOR THEIR HIGH DEGREE OF PROFESSIONALISM AND INTEGRITY. WHO HAVE DISTINGUISHED THEMSELVES AS AUTHORITIES IN THE FIELD OF LEGAL EDUCATION."

SEC. 7. Section 5 of Republic Act no. 7662 is hereby amended and renumbered as Section 7, to read as follows:

"SEC. 7. *Term of Office; Compensation.* – The ChairPERSON and regular members of the CLED shall be appointed by the President OF THE PHILIPPINES for a term of five (5) years, [~~without PREJUDICE~~]

~~TO ONE reappointment]~~ WITHOUT PREJUDICE OF BEING REAPPOINTED EXCEPT THE REPRESENTATIVE FROM THE LAW STUDENTS' SECTOR. THE APPOINTMENT SHALL BE MADE BY THE PRESIDENT from a list of at least three (3) nominees prepared, with prior authorization from the Supreme Court, by the Judicial and Bar Council (JBC), for every position or vacancy, and no such appointment shall need confirmation by the Commission on Appointments. IF THE APPOINTMENT IS MADE TO FILL UP A VACANCY CAUSED BY DEATH, DISQUALIFICATION, INCAPACITY, OR RESIGNATION, THE TERM OF OFFICE SHALL BE FOR THE UNEXPIRED PORTION OF THE TERM OF THE PREDECESSOR.

THE CHAIRPERSON OR ANY REGULAR MEMBER OF THE CLED, WHOSE TERM HAS ENDED, SHALL SERVE IN A HOLDOVER CAPACITY UNTIL THE SUCCESSORS ARE APPOINTED.

The Chairperson and regular member of the CLED shall have the same ranks, SALARIES, BENEFITS, AND OTHER EMOLUMENTS as the ChairPERSON and members, respectively, of the Constitutional Commissions: *Provided*, That their salaries, BENEFITS, AND OTHER EMOLUMENTS shall not be diminished during their term of office.

THE CHAIRPERSON AND MEMBERS OF THE COMMISISON SHALL, UPON COMPLETION OF THEIR TERM, BE ENTITLED TO RETIREMENT AND OTHER APPLICABLE BENEFITS AND EMOLUMENTS GRANTED UPON THE CHAIRPERSON AND MEMBERS OF CONSTITUTIONAL COMMISSIONS.

SEC. 8. Section 6 of Republic Act No. 7662 is hereby amended and renumbered as Section 8, to read as follows:

"SEC. 8. *Secretariat.* – The CLED SHALL HAVE A SECRETARIAT WHICH SHALL BE HEADED BY AN EXECUTIVE DIRECTOR AND APPOINTED BY THE CLED. THE EXECUTIVE DIRECTOR MUST BE A MEMBER OF THE PHILIPPINE BAR AND MUST HAVE BEEN ENGAGED IN THE PRACTICE OF LAW, AS WELL AS ACTIVELY ENGANGED IN LEGAL EDUCATION IN A RECOGNIZED AND ACCREDITED LEGAL EDUCATION INSTITUTION FOR AT LEAST FIVE (5) YEARS. THE SECRETARIAT SHALL CONSIST OF OFFICES NECESSARY FOR THE EFFECTIVE PERFORMANCE OF THE CLED'S POWERS AND FUNCTIONS.

THE CLED SHALL DETERMINE THE ORGANIZATIONAL STRUCTURE AND STAFFING PATTERN OF THE COMMISSION IN ACCORDANCE WITH THE REVISED COMPENSATION AND POSITION CLASSIFICATION SYSTEM, SUBJECT TO THE EVALUATION AND APPROVAL OF THE DEPARTMENT OF BUDGET AND MANAGEMENT (DBM), AND IN COMPLIANCE WITH THE CIVIL SERVICE LAWS, RULES, AND REGULATIONS.

THE CLED SHALL ESTABLISH ONE FIELD OFFICE EACH IN LUZON, VISAYAS, AND MINDANAO, AS IT MAY DEEM NECESSARY.”

SEC. 9. Section 7 of Republic Act No. 7662 is hereby amended and renumbered as Section 9, to read as follows:

“SEC. 9. *Powers and Functions.* – ~~[For the purpose of achieving]~~ TO ACHIEVE the objective of this Act, the CLED shall have the following powers and functions:

- a) TO DEVELOP STRATEGIC PLANS, POLICIES, PRIORITIES, AND PROGRAMS ON LEGAL EDUCATION AND RESEARCH, AND IMPLEMENT THE SAME UNDER THE PROVISIONS OF THIS ACT, OR IN THE ABSENCE OF SUCH PROVISIONS, TO RECOMMEND TO CONGRESS AND THE SUPREME COURT APPROPRIATE REMEDIAL LEGISLATION OR RULE INVOLVING MATTERS AFFECTING LEGAL EDUCATION;
- b) WITHIN THE PARAMETERS OF ITS POWERS AND FUNCTIONS AS HEREIN ENUMERATED, to administer the legal education system AND SUPERVISE LEGAL EDUCATION INSTITUTIONS in the country;
- c) to set standards of accreditation for LEGAL EDUCATION INSTITUTIONS AND OTHER LEGAL EDUCATION PROGRAMS, AS WELL AS THE NUMBER OF EXISTING LEGAL EDUCATION INSTITUTIONS AND OTHER LEGAL EDUCATION PROGRAMS IN THE COMMUNITY, without encroaching upon the academic freedom of institutions;
- d) to accredit LEGAL EDUCATION INSTITUTIONS that meet the standards of ~~[accreditation]~~ QUALITY ASSURANCE SYSTEMS PRESCRIBED BY THE COMMISSION, UPON CONSULTATION WITH DULY ESTABLISHED EDUCATIONAL ACCREDITING BODIES, WHETHER LOCAL OR INTERNATIONAL, AND PROVIDE INCENTIVES, INCLUDING SUBSIDIES, TO ACCREDITED LEGAL EDUCATION INSTITUTIONS, PUBLIC OR PRIVATE, AND TO THEIR STUDENTS AND FACULTY MEMBERS;
- e) to prescribe minimum standards for admission TO LEGAL EDUCATION ~~[law admission]~~ and minimum qualifications and compensation of faculty members;
- f) to prescribe the basic curricula for the course of study aligned to the requirements for admission to the Bar, law practice and social consciousness, and such other courses of study as may be prescribed by the LEGAL EDUCATION INSTITUTIONS ~~[and colleges]~~ under different levels of accreditation status;

- g) to monitor and evaluate the performance of LEGAL EDUCATION INSTITUTIONS for the provision of applicable incentives and/or subsidies;
- h) TO IDENTIFY, SUPPORT AND DEVELOP POTENTIAL AREAS OF EXCELLENCE IN LEGAL EDUCATION FOR THE PROMOTION OF NATIONALLY-ROOTED AND GLOBALLY COMPETITIVE PROGRAMS, SCHOLARSHIPS, RESEARCH, AND THE RULE OF LAW.
- i) TO ESTABLISH AND ADMINISTER SCHOLARSHIP PROGRAMS, GRANTS, AND OTHER FORMS OF ASSISTANCE FOR THE PROFESSIONAL DEVELOPMENT AND CAPACITY-BUILDING OF LAW FACULTY AND STUDENTS OF LEGAL EDUCATION INSTITUTIONS IN THE PHILIPPINES;
- j) TO RESOLVE ALL CASES INVOLVING ACTS OR OMISSIONS IN VIOLATION OF THIS LAW, ORDERS, MEMORANDA, AND CIRCULARS ISSUED BY THE COMMISSION, HOLD HEARINGS, CONDUCT INVESTIGATIONS AND OTHER APPROPRIATE DISPUTE RESOLUTION, AND IMPOSE ADMINISTRATIVE PENALTIES INCLUDING FINES, PROVIDED THAT THIS POWER DOES NOT ENCROACH UPON THE ACADEMIC FREEDOM OF THE INSTITUTION AND THE EXERCISE OF JURISDICTION OF REGULAR AND SPECIAL COURTS, LABOR TRIBUNALS, AND OTHER QUASI-JUDICIAL BODIES;
- k) TO APPROVE OR DOWNGRADE THE IMPOSITION OF THE PENALTY OF EXPULSION;
- l) TO COLLECT REASONABLE FEES FOR THE ISSUANCE OF GOVERNMENT PERMIT OR GOVERNMENT RECOGNITION, AND OFFICIAL CERTIFICATIONS, AND FOR THE HOLDING OF SEMINARS, AND OTHER SERVICES PROVIDED BY THE CLED, AND TO USE THE FUNDS GENERATED TO ACHIEVE THE OBJECTIVES OF THIS ACT, OR FOR THE ADVANCEMENT OF LEGAL EDUCATION IN THE COUNTRY;
- m) TO APPROVE AND ACT ON ALL MATTERS UNDER REPUBLIC ACT NO. 11448 RELATED TO TRANSNATIONAL HIGHER EDUCATION INSTITUTIONS AND PROGRAMS INVOLVING LEGAL EDUCATION, SUBJECT TO COORDINATION WITH THE COMMISSION ON HIGHER EDUCATION (CHED), AND REPUBLIC ACT NO. 10650 IN CONNECTION WITH OPEN DISTANCE LEARNING IN STUDY OF THE LAW PROGRAM;
- n) TO DETERMINE THE DESCRIPTORS OF THE LEGAL EDUCATION PROGRAMS, AND TO ESTABLISH AND MANAGE PATHWAYS AND EQUIVALENCIES FOR LEGAL EDUCATION WITHIN THE PHILIPPINE QUALIFICATIONS FRAMEWORK (PQF)

UNDER REPUBLIC ACT NO. 10968 AND OTHER INTERNATIONAL FRAMEWORK, UPON CONSULTATION WITH THE SUPREME COURT OF THE PHILIPPINES THROUGH THE OFFICE OF THE BAR CONFIDANT;

- o) TO DETERMINE THE EQUIVALENCY AND RECOGNITION OF LAW PROGRAMS OBTAINED ABROAD, CONSISTENT WITH RELEVANT NATIONAL AND INTERNATIONAL STANDARDS;
- p) TO PARTICIPATE IN THE FORMULATION, PERIODIC REVIEW, AND UPDATING OF NATIONAL STANDARDS AFFECTING LEGAL EDUCATION, INCLUDING QUALIFICATIONS, OUTCOMES, AND PROGRAM REQUIREMENTS, TO ENSURE ALIGNMENT WITH NATIONAL AND INTERNATIONAL COMPETENCY FRAMEWORKS AND BENCHMARKS;
- q) TO ACCEPT DONATIONS, GRANTS, AID, FUNDING, AND ANY GRATUITOUS TRANSFERS, WHETHER IN CASH, REAL OR PERSONAL PROPERTY FROM LOCAL OR INTERNATIONAL DEVELOPMENT PARTNERS, TO BE USED FOR ACCOMPLISHING THE OBJECTIVES OF THIS ACT OR FOR THE ADVANCEMENT OF LEGAL EDUCATION IN THE COUNTRY; AND
- r) to perform such other functions and prescribe such rules and regulations necessary for the attainment of the policies and objectives of this Act.”

SEC. 10. Sections 8 and 9 of Republic Act No. 7662 are hereby amended, consolidated, and renumbered as Section 10, to read as follows:

“SEC. 10. *Accreditation of LEGAL EDUCATION INSTITUTIONS AND WITHDRAWAL OR DOWNGRADING OF ACCREDITATION.* – LEGAL EDUCATION INSTITUTIONS may not operate unless accredited by the CLED. Accreditation of LEGAL EDUCATION INSTITUTIONS may be granted only to THOSE recognized by the government AND WHOSE CHARTERS OR ARTICLES OF INCORPORATION EXPRESSLY OR IMPLIEDLY AUTHORIZE THEM TO OFFER LAW COURSES.

The CLED may withdraw or downgrade the accreditation status of a LEGAL EDUCATION INSTITUTION if it fails to maintain the standards set for its accreditation status.”

SEC. 11. Section 10 of Republic Act No. 7662 is hereby deleted.

SEC. 12. Section 11 of Republic Act No. 7662 is hereby amended, to read as follows:

“SEC. 11 *Legal Education Fund.* – There is created a special endowment fund, to be known as the Legal Education Fund OR FUND, which shall be under the control of the CLED, and TO BE USED EXCLUSIVELY FOR THE

IMPROVEMENT AND STRENGTHENING OF LEGAL EDUCATION IN THE ENTIRE COUNTRY. THE FUND SHALL BE administered as a separate fund by the Social Security System (SSS), which shall invest the same with due and prudent regard to its solvency, safety and liquidity.

The Legal Education Fund shall be ~~[established out of, and maintained from, the amounts appropriated pursuant to paragraph 2, Section 13 hereof, and]~~ SOURCED from THE FOLLOWING:

- I) GRANTS, BEQUESTS, ENDOWMENTS, DONATIONS, ~~[grants in aid]~~ and other forms of contributions received by the ~~[Board for the purposes of this Act]~~ COMMISSION, EXCEPT THOSE EARMARKED FOR A SPECIFIC PURPOSE;
- II) from sixty percent (60%) of the privilege tax paid by every lawyer effective Fiscal Year 1994 WHICH SHALL BE REMITTED TO THE COMMISSION WITHIN A PERIOD OF ONE (1) YEAR FROM THE ENACTMENT OF THIS ACT;
- III) THE EQUIVALENT OF ONE PERCENT (1%) OF THE GROSS SALES OF THE LOTTO OPERATION OF THE PHILIPPINE CHARITY SWEEPSTAKES OFFICE (PCSO), AND PHILIPPINE AMUSEMENT AND GAMING CORPORATION (PAGCOR);
- IV) AN ADDITIONAL AMOUNT OF TEN PESOS (PHP10.00) OF FILING FEES IN APPELLATE COURTS AND ALL OTHER LOWER COURTS SHALL BE COLLECTED BY THEIR RESPECTIVE CLERKS OF COURTS, OR EQUIVALENT FUNCTIONARY, FOR EACH ACTION OF SPECIAL PROCEEDING FILED THEREWITH. SUCH ADDITIONAL AMOUNTS SHALL BE RECEIPTED FOR SEPARATELY AS PART OF A SPECIAL FUND TO BE KNOWN AS THE *LEGAL EDUCATION FUND*, WHICH SHALL BE TURNED OVER ON A REGULAR BASIS TO THE CLED; AND
- V) AN ADDITIONAL AMOUNT OF FIFTY PESOS (PHP50.00) SHALL BE COLLECTED FROM ALL THE TRANSACTIONS UNDER EXISTING LAWS, RULES, AND REGULATIONS BY THE LAND REGISTRATION AUTHORITY (LRA) AND ITS REGISTRIES. THE AMOUNTS SO COLLECTED SHALL BE RECEIPTED FOR SEPARATELY AND SHALL ACCRUE TO A SPECIAL FUND TO BE KNOWN AS THE *LEGAL EDUCATION FUND*, WHICH SHALL BE TURNED OVER ON A REGULAR BASIS TO THE CLED.

FOR THE PURPOSE, THE AMOUNT NECESSARY AS SEED CAPITAL OF THE LEGAL EDUCATION FUND SHALL BE INCLUDED IN THE ANNUAL GENERAL APPROPRIATIONS ACT.

Being a special endowment fund, only the interests earned on the Fund shall be used exclusively for the purposes of this Act, WHICH SHALL INCLUDE support for faculty development grants, professorial chairs, library improvements and similar programs for the advancement of LEGAL education in accredited LEGAL EDUCATION INSTITUTIONS.

The Fund shall also be used for the operation of the [Board] COMMISSION. ~~For purpose~~ TO DETERMINE THE AVAILABLE AMOUNT FOR EXPENDITURE, an amount not exceeding FIFTY PERCENT (50%) of the interest on the Fund shall be utilized.

The CLED, in consultation with the SSS, shall issue the necessary rules and regulations for the collection, administration and utilization of the Fund.”

SEC. 13. Section 12 of Republic Act No. 7662 is hereby deleted and a new Section 12 is inserted after Section 11 to read as follows:

“SEC. 12. *TAX EXEMPTIONS.* – ANY DONATION, CONTRIBUTION, BEQUEST, AND GRANT, IN CASH OR PROPERTY, REAL OR PERSONAL, DESTINED TO BE PART OF TH LEGAL EDUCATION FUND, WHICH MAY BE MADE TO THE CLED, SHALL BE EXEMPT FROM DONOR’S TAX AND SHALL CONSTITUTE AS ALLOWABLE DEDUCTION FROM GROSS INCOME TAX OF THE DONOR, AS PROVIDED UNDER THE NATIONAL INTERNAL REVENUE CODE OF 1987, AS AMENDED.

VALUATION OF DONATIONS OTHER THAN MONEY SHALL BE BASED ON WHICHEVER IS LOWER BETWEEN THE ACQUISITION COST AND FAIR MARKET VALUE OF THE PROPERTY AT THE TIME THE DONATION IS MADE.”

SEC. 14. Section 13 of Republic Act No. 7662 is hereby amended, to read as follows:

“SEC. 13. *Appropriations.* –

THE AMOUNT NECESSARY FOR THE IMPLEMENTATION OF THIS ACT SHALL BE INCLUDED IN THE ANNUAL GENERAL APPROPRIATIONS ACT.”

SEC. 15. A new Section 14 is hereby inserted after Section 13, to read as follows:

“SEC. 14. *IMPLEMENTING RULES AND REGULATIONS.* – WITHIN ONE HUNDRED TWENTY (120) DAYS FROM THE EFFECTIVITY OF THIS ACT, THE CLED SHALL, IN COORDINATION WITH THE UNIVERSITY OF THE PHILIPPINES LAW CENTER, INTEGRATED BAR OF THE PHILIPPINES, ASSOCIATION OF LAW SCHOOLS, ASSOCIATION OF LAW PROFESSORS, ASSOCIATION OF LAW STUDENTS, AND OTHER RELEVANT STAKEHOLDERS, ISSUE THE RULES AND REGULATIONS

FOR THE IMPLEMENTATION OF THIS ACT: *PROVIDED*, THAT THE RULES AND REGULATIONS PREVIOUSLY ISSUED BY THE LEB IN THE FORM OF MEMORANDUM ORDERS, RESOLUTIONS AND OTHER ISSUANCES SHALL CONTINUE TO BE IN FULL FORCE AND EFFECT UNLESS THEY DIRECTLY CONTRAVENE ANY PROVISION OF THIS ACT OR ARE AMENDED OR REPEALED BY SUBSEQUENT CLED ISSUANCES.”

SEC. 16. A new Section 15 is hereby inserted after Section 14, to read as follows:

“SEC. 15. *TRANSITORY PROVISION.* – FOR OPERATIONAL CONTINUITY AND SMOOTH TRANSITION, UPON THE EFFECTIVITY OF THIS ACT, THE INCUMBENT CHAIRPERSON AND COMMISSIONERS OF THE LEB, INCLUDING THOSE ON HOLDOVER CAPACITY, SHALL BE GIVEN A FRESH TERM AND SHALL SERVE AS THE FIRST SET OF CHAIRPERSON AND COMMISSIONERS, RESPECTIVELY, OF THE CLED.

PROVIDED, HOWEVER, OF THOSE FIRST APPOINTED UNDER THIS ACT, THE CHAIRPERSON AND REPRESENTATIVE OF THE INTEGRATED BAR OF THE PHILIPPINES SHALL SERVE FOR A TERM OF FIVE (5) YEARS, REPRESENTATIVES OF THE LEGAL EDUCATION INSTITUTIONS’ SECTOR AND LAW PROFESSORS’ SECTOR FOR FOUR (4) YEARS, AND REPRESENTATIVES OF THE ACTIVE LAW PRACTITIONERS’ SECTOR AND THE LAW STUDENTS’ SECTOR FOR THREE (3) YEARS, RECKONED FROM THE EFFECTIVITY OF THIS ACT.

WITHIN THREE (3) MONTHS AFTER THE EFFECTIVITY OF THIS ACT, THE CLED SHALL APPOINT THE EXECUTIVE DIRECTOR WHO WILL HEAD THE SECRETARIAT, SUBJECT TO THE RULES AND REGULATIONS OF THE CSC.”

SEC. 17. Section 14 of Republic Act No. 7662 is hereby renumbered as Section 16, to read as follows:

“SEC. 16. *Separability Clause.* – If any provision of this Act is declared unconstitutional or the application thereof to any person, circumstance or transaction is held invalid, the validity of the remaining provisions of this Act and the applicability of such provisions to other persons, circumstances and transactions shall not be affected thereby.”

SEC. 18. Section 15 of Republic Act No. 7662 is hereby renumbered as Section 17, to read as follows:

“SEC. 17. *Repealing Clause.* – All laws, decrees, executive orders, rules and regulations, issuances or parts thereof inconsistent with this Act are hereby repealed or amended accordingly.”

SEC. 19. Section 16 of Republic Act No. 7662 is hereby amended and renumbered as Section 18, to read as follows:

“SEC. 18. *Effectivity.* – This Act shall take effect fifteen (15) days AFTER its publication in the *Official Gazette* or in a newspaper of general circulation.”

Approved,