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

First Regular Session

3051House Bill No.

HOUSE OF REPRESENTATIVES RECEIVED 1 7 AUG 2016 SEVENTEENTH CONGRESS REGISTRATION UNIT BILLS AND INDEX SERVICE

Introduced by REP. KAKA BAG-AO, REP. GABRIEL BORDADO, and REP. TOMASITO VILLARIN

EXPLANATORY NOTE

It is the policy of the State to promote social justice in all phases of national development. 1 It is also the policy of the State to promote comprehensive rural development and agrarian reform.²

Art XIII, Sec. 4 of the 1987 Constitution mandates that the State shall, by law, undertake an agrarian reform program founded on the right of farmers and regular farmworkers who are landless, to own directly or collectively the lands they till or, in the case of other farmworkers, to receive a just share of the fruits thereof. To this end, the State shall encourage and undertake the just distribution of all agricultural lands, subject to such priorities and reasonable retention limits as the Congress may prescribe, taking into account ecological, developmental, or equity considerations, and subject to the payment of just compensation. In determining retention limits, the State shall respect the right of small landowners. The State shall further provide incentives for voluntary land-sharing.

Pursuant to such mandate, Rep. Act No. 6657 otherwise known as the Comprehensive Agrarian Reform Law (CARL) was passed in June 10, 1988. The law covered all agricultural lands to be distributed to qualified agrarian reform beneficiaries. As different from the previous land reform program, the CARL included not merely the land tenure improvement component but also delivery of support services and program beneficiary development. The initial amount needed to implement the law for ten years was funded from the Agrarian Reform Fund created under Sections 20 and 21 of Executive Order No. 229 which appropriated Php 50 Billion for the program. The land acquisition and distribution (LAD) component of the program was initially targeted to be completed within ten (10) years or until June 1998.

Section 10, Article II 1987 Constitution.

² Section 21, Article II, 1987 Constitution.

After ten years of implementation of CARL, the LAD component of the program was not completed. Rep. Act No. 8532 was passed by Congress to augment the Agrarian Reform Fund for another Php50 Billion to allow the continuation of the agrarian reform program until June 2008.

In June 2008, however, approximately 1.3 million hectares of agricultural lands remained to be covered and distributed to agrarian reform beneficiaries. Thus, Republic Act No 9700 was passed by Congress extending the program for another five years for the final acquisition and distribution of all agricultural lands to be completed by June 30, 2014. Unlike R.A. 8532 which merely augmented ARF, the new law amended several provisions of Republic Act 6657 instituting reforms that would accelerate the implementation of CARP. The Congressional Oversight Committee on Agrarian Reform (COCAR) was also established under the new law to oversee and monitor the implementation of CARL. R.A. 9700 also appropriated at least P150 billion for the period of implementation of the program.

As of February 2014, the Department of Agrarian Reform (DAR) 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 283,473 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. The issuance of Notice of Coverage to landowners starts the proceeding of implementation of CARP. Section 73 (a) of R.A. 6657 as amended still punishes the ownership or possession, for the purpose of circumventing the provisions of the Act, of agricultural lands in excess of the total retention limits or award ceilings by any person, natural or juridical, except those under collective ownership by farmer-beneficiaries.

Studies³ have revealed that ARBs especially those in established Agrarian Reform Communities who have started making productive of the awarded lands experienced significantly higher farm incomes. In order to fulfill the mandate of the Constitution on social justice which is one of the cornerstones of our constitutional democracy, there is a need to continue and complete the land acquisition and distribution process for all private and public agricultural lands.

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

Lone District, Dinagat Islands Third District, Camarines Sur

REP. TOMASITO VILLARIN

Akbayan Party-List

³ Comprehensive Agrarian Reform Program Impact Assessment: Study on the Impact of CARP on Poverty Reduction and Prospects for Long Term Growth. Asia Pacific Policy Center. October 2007.

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SEVENTEENTH CONGRESS

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House Bill No.

Introduced by REP. KAKA BAG-AO, REP. GABRIEL BORDADO, and REP. TOMASITO VILLARIN

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

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

SECTION 1. The land acquisition and distribution component of the comprehensive agrarian reform program shall be completed within two years from the effectivity of this act.

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

Section 30. [Resolution of Cases] ISSUANCE OF NOTICES OF COVERAGE, ACCEPTANCE OF VOLUNTARY OFFER TO SELL AND RESOLUTION OF CASES AND/OR PROCEEDINGS. — THE DAR SHALL CONTINUE TO ISSUE NOTICES OF COVERAGE AND ACCEPT VOLUNTARY OFFERS TO SELL BY LANDOWNERS OF AGRICULTURAL LANDS COVERED BY REPUBLIC ACT NO. 6657, AS AMENDED WITHIN TWO YEARS FROM THE EFFECTIVITY OF THIS ACT. SUCH ISSUANCE OF NOTICE OF COVERAGE OR ACCEPTANCE OF VOLUNTARY OFFER TO SELL STARTS THE PROCEEDINGS IN THE IMPLEMENTATION OF THE PROVISIONS OF REPUBLIC ACT NO. 6657, AS AMENDED.

Any case and/or proceeding, AS INITIATED BY THE ISSUANCE OF A NOTICE OF COVERAGE OR ACCEPTANCE OF A VOLUNTARY OFFER TO SELL, involving the implementation of the provisions of Republic Act No. 6657, as amended, which may remain pending [on June 30, 2014] TWO YEARS AFTER THE EFFECTIVITY OF THIS ACT shall be allowed to proceed to its finality and be executed even beyond such date.

SEC. 3. Section 26 of Republic Act No. 9700 is hereby amended to read as follows:

Section 26. Congressional Oversight Committee.

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The term of the COCAR shall end six (6) months after the expiration of the [extended period of five (5) years] **EFFECTIVITY OF THIS ACT**.

- **SEC. 4.** The funding source provided under Section 21 of Republic Act No. 9700 shall further be utilized from the effectivity of this Act until the complete acquisition and distribution of all agricultural lands covered by the Comprehensive Agrarian Reform Program (CARP). Provided, 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.
- **SEC. 5.** 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.
- **SEC. 6. 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.
- **SEC. 7.** *Effectivity.* This Act shall take effect after fifteen (15) days upon publication in at least two (2) newspapers of general circulation.

Approved,