

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 5527



Introduced by HON. LUIS RAYMUND "LRAY" F. VILLAFUERTE, JR.

EXPLANATORY NOTE

This bill proposes the further amendment of Batas Pambansa (B.P.) Blg. 129, as amended, to increase the jurisdiction in civil cases of the first level courts nationwide, i.e., the Metropolitan Trial Courts (MeTCs), the Municipal Trial Courts in Cities (MTCCs), the Municipal Trial Courts (MTCs), and the Municipal Circuit Trial Courts (MCTCs).

Section 5, R.A. 7691, automatically adjusted the jurisdictional amount under Sec. 33 (1) of BP 129 to Two Hundred Thousand Pesos (P200,000.00) after five (5) years from its effectivity, or on 20 March 1999, and to Three Hundred Thousand Pesos (P300,000.00) five (5) years thereafter, or on 22 February 2004. In the case of Metro Manila, the jurisdictional amount was adjusted to Four Hundred Thousand Pesos (P400,000.00) after five years from the effectivity of R.A. 7691, or on 20 March 1999. **Thereafter, no other amendments to the jurisdictional amounts of the first level courts have been introduced despite inflation and the constant increase in real property value.**

In civil actions which involve title to, possession of, or any interest in real property, the assessed value of the real property, which determines the jurisdiction of courts in civil cases, is based on its fair market value multiplied by the assessment level fixed by ordinances of the *sangguniang panlalawigan*, *sangguniang panglungsod*, or *sangguniang bayan*, as the case may be. The Local Government Code requires the provincial, city or municipal assessor to undertake a general revision of property assessments every three (3) years.

As a result of the fair market value of real property having risen considerably, nearly all civil cases involving title to, possession of, or any interest in real property are filed with the second level courts, or the Regional Trial Courts.

Based on statistical reports of the Court Management Office, Office of the Court Administrator, 47,442 civil cases were filed with the first level courts in 2018, 14% of which are covered by the Revised Rules on Summary Procedure, 66% are covered

by the Revised Rules on Small Claims Cases, while 20% are covered by the regular rules. By year end, only 21,169 cases were left pending, with 15% covered by the Revised Rules on Summary Procedure, 66% by the Revised Rules on Small Claims Cases, and 19% by the regular rules.

In comparison to the inflow of civil cases in the second level courts, there were 68,457 for 2018, with 108,484 cases left pending at the end of the year despite an outflow of 65,363 cases.

It is respectfully proposed that the jurisdictional threshold of the first level courts under Sec. 33 (1) and (3), B.P. 129, as amended by R.A. 7691, be increased to Two Million Pesos (P2,000,000.00) for civil actions, probate proceedings (testate and intestate), and admiralty and maritime actions, and Four Hundred Thousand Pesos (P400,000.00) for civil actions which involve title to, or possession of, real property, or any interest therein, whether in or outside Metro Manila.

It is also recommended that an additional provision be included providing for the regular increase of both these jurisdictional amounts every five (5) years by One Hundred Thousand Pesos (P100,000.00), similar to Sec. 5, R.A. 7691.

Consequently, Sec. 19, B.P. 129, as amended, which provides for the jurisdiction of Regional Trial Courts in civil cases, particularly paragraphs 2, 3, 4, and 8, would likewise need to be amended to reflect such increases.

To help de-clog the dockets of the second level courts and increase the number of cases that can be covered by the simpler procedures and quicker resolution mandated by the Revised Rules on Small Claims Cases and Revised Rules on Summary Procedure, the passage of this bill is earnestly sought.


LUIS RAYMUND "LRAY" F. VILLAFUERTE, JR.

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HOUSE BILL NO. 5527

Introduced by **HON. LUIS RAYMUND "LRAY" F. VILLAFUERTE, JR.**

An Act Further Expanding the Jurisdiction of the Metropolitan Trial Courts, Municipal Trial Courts in Cities, Municipal Trial Courts, and Municipal Circuit Trial Courts, Amending for the Purpose Batas Pambansa Blg. 129, Otherwise Known as the "Judiciary Reorganization Act of 1980," As Amended

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

SECTION 1. Section 19 of Batas Pambansa Blg. 129, otherwise known as the "Judiciary Reorganization Act of 1980," As Amended, is hereby amended to read as follows:

"Section 19. *Jurisdiction of the Regional Trial Courts in Civil Cases.* – Regional Trial Courts shall exercise exclusive original jurisdiction:

x x x

(2) In all civil actions which involve the title to, or possession of, real property, or any interest therein, where the assessed value exceeds Four Hundred Thousand Pesos (P400,000.00), except for forcible entry into and unlawful detainer of lands or buildings, original jurisdiction over which is conferred upon the Metropolitan Trial Courts, Municipal Trial Courts in Cities, Municipal Trial Courts, and Municipal Circuit Trial Courts;

(3) In all actions in admiralty and maritime jurisdiction where the demand or claims exceed Two Million Pesos (P2,000,000.00);

(4) In all matters of probate, both testate and intestate, where the gross value of the estate exceeds Two Million Pesos (P2,000,000.00);

x x x

(8) In all other cases in which the demand, exclusive of interest, damages of whatever kind, attorney's fees, litigations expenses and costs or the value of the property in controversy exceeds Two Million Pesos (P2,000,000.00)."

SECTION 2. Section 33 of the same law is hereby amended to read as follows:

"Section 33. *Jurisdiction of the Metropolitan Trial Courts, Municipal Trial Courts in Cities, Municipal Trial Courts, and Municipal Circuit Trial Courts in Civil Cases.* – Metropolitan Trial Courts, Municipal Trial Courts in Cities, Municipal Trial Courts, and Municipal Circuit Trial Courts shall exercise:

- (1) Exclusive original jurisdiction over civil actions and probate proceedings, testate and intestate, including the grant of provisional remedies in proper cases, where the value of the personal property, estate, or amount of the demand does not exceed Two Million Pesos (P2,000,000.00), exclusive of interest, damages of whatever kind, attorney's fees, litigation expenses, and costs, the amount of which must be specifically alleged: *Provided*, That interest, damages of whatever kind, attorney's fees, litigation expenses, and costs shall be included in the determination of the filing fees: *Provided, further*, That where there are several claims or causes of actions between the same or different parties, embodied in the same complaint, the amount of the demand shall be the totality of the claims in all the causes of action, irrespective of whether the causes of action arose out of the same or different transactions;

x x x

- (3) Exclusive original jurisdiction in all civil actions which involve title to, or possession of, real property, or any interest therein where the assessed value

of the property does not exceed Four Hundred Thousand Pesos (P400,000.00) exclusive of interest, damage of whatever kind, attorney's fees, litigation expenses and costs: *Provided*, That in cases of land not declared for taxation purposes, the value of such property shall be determined by the assessed value of the adjacent lots.

(4) Exclusive original jurisdiction in admiralty and maritime actions where the demand or claim does not exceed Two Million Pesos (P2,000,000.00).

SECTION 3. Five (5) years from the effectivity of this Act and every five (5) years thereafter, the jurisdictional amounts mentioned in Sec. 19 (2), (3), (4) and (8), and Sec. 33 (1), (3) and (4) of Batas Pambansa Blg. 129, as amended by this Act, shall be increased by One Hundred Thousand Pesos (P100,000.00).

SECTION 4. All laws, decrees, and orders inconsistent with the provisions of this Act shall be considered amended or modified accordingly.

SECTION 5. The provisions of this Act shall apply to all civil cases that have not yet reached the pre-trial stage. However, by agreement of all the parties, civil cases cognizable by the Metropolitan Trial Courts, Municipal Trial Courts in Cities, Municipal Trial Courts, and Municipal Circuit Trial Courts by the provisions of this Act may be transferred from the Regional Trial Courts to the latter. The Supreme Court shall define the administrative procedure for the transfer of cases affected by the redefinition of jurisdiction to the Metropolitan Trial Courts, Municipal Trial Courts in Cities, Municipal Trial Courts, and Municipal Circuit Trial Courts.

SECTION 6. This Act shall take effect fifteen (15) days following its publication in the *Official Gazette* or in two (2) national newspapers of general circulation.

Approved,