Republic of the Philippines HOUSEOF REPRESENTATIVES Quezon City

EIGHTEENTH CONGRESS

First Regular Session

HOUSE BILL NO.



INTRODUCED BY HONORABLE CHERYL P. DELOSO-MONTALLA

EXPLANATORY NOTE

In November 6, 1902, the Philippine Commission enacted Act 496, known as Land Registration Law, that created the Court of Land Registration (CLR) and the office of the Registers of Deeds. The Law institutionalized the Torrens System of registration whereby real estate ownership may be judicially confirmed and recorded in the archives of the government. The system took effect on February 1, 1903.1

Upon the effectivity of Act No. 2374, the Court of Land Registration was replaced by the General Land Registration Office (GRLO), and on June 17, 1954 upon the effectivity of Republic Act No. 1151 was also replaced by the Land Registration Commissions (LRC). The Commissioner of Land Registration took over the powers and functions of the GLRO who was in direct control of the Registers of Deeds (RDs) as well as the Clerks of Court of First Instance in land registration cases. It was then that registry of deeds was established in every city and every province and branch registry was put up wherever else possible at the time.2

On February 9, 1981, the President of the Philippines issued Executive Order No. 649 reorganizing the LRC into the National Land Titles and Deeds Registration Administration (NLTDRA). This agency operated under the administrative auspices of the then Ministry of Justice and extended effective assistance to the Ministry of Agrarian Reform, the Land Bank of the Philippines, and other agencies in line with the Land Reform Program. In a Presidential Memorandum Circular of September 30, 1988, the NLTDRA was changed into the Land Registration Authority. This was in line Executive Order No. 292 dated July 25, 1987, instituting the Administrative Code of 1987, which took effect on November 23, 1989.³

It now has more than 2500 employees nationwide. And it has consistently increased its revenues through its registries of deeds for the past five years. Many new methods and techniques have been developed by the administration in the defense of the landowner. Time has not stymied the purpose of the agency but has honored its sense of duty to that of a fine new razor. In truth the authority is more active than ever, willing and able to be defend the integrity of the country's Torrens system.4

In order to further strengthen the LRA and correct the perception that it is only tasked to protect the integrity and veracity of land titles, it is fitting to change the name of LRA into a politically correct title of Property Registration authority. After all, the Registry of Deeds fall within its ambit. Further, minor correction in the entries in land titles pose a big problem not only to the holder of the title but also to LRA as the correction of such entry requires judicial action.

¹ https://www.lra.gov.ph/history.html

² Ibid.

³ Ibid.

⁴ Ibid.

It is the purpose of this bill to reorganize the LRA and rename it into the Property Registration Authority and provide it with the necessary latitude to correct minor errors in the entries in land titles without the need of a judicial order.

In this light, this bill is being filed and immediate passage of this bill is earnestly sought.

CHERYL P. DELOSO MONTALLA

Representative 2nd District, Zambales

Republic of the Philippines HOUSEOF REPRESENTATIVES

Quezon City

EIGHTEENTH CONGRESS

First Regular Session

HOUSE BILL NO. 484

INTRODUCED BY HONORABLE CHERYL P. DELOSO-MONTALLA

AN ACT REORGANIZING THE LAND REGISTRATION AUTHORITY, BROADENING ITS POWERS AND FUNCTIONS, CREATING FOR THE PURPOSE THE OFFICE OF LAND ADJUDICATOR, AMENDING PRESIDENTIAL DECREE NO. 1529, OTHERWISE KNOWN AS THE PROPERTY REGISTRATION DECREE AND OTHER RELATED LAWS AND FOR OTHER PURPOSES

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

CHAPTER I GENERAL PROVISIONS

Section 1. Short Title. - This Act shall be known as the "Property Registration Act of 2019".

Section 2. *Declaration of Policy*. - The State recognizes the need for the preservation of the integrity and indefeasibility of land titles once claim to ownership is established. Toward this end, the State needs to strengthen the Torrens System through the adoption of safeguards to prevent anomalous titling of real properties and ensure a streamlined and simplified registration proceedings.

CHAPTER II PROPERTY REGISTRATION AUTHORITY, COMPOSITION

- **Section 3.** *Land Registration Authority Renamed.* The Land Registration Authority is hereby renamed to Property Registration Authority (PRA).
- Section 4. Regional, Provincial or City Property Registration Authority Office and Officers. Each executive region, province, and city shall have a respective Property Registration Authority Office.
- **Section 5.** Composition of the Property Registration Authority. –The Property Registration Authority shall be headed by an Administrator, who shall be appointed by the President. He shall have the same rank and qualifications as that of the Presiding Justice of the Court of Appeals.

There shall be four (4) Deputy Administrators who shall handle operations, administration, adjudication, and information technology, respectively. The four (4) Deputy Administrators shall be appointed by the President, upon recommendation of the Administrator. They shall possess the same qualifications, as that of the Associate Justices of the Court of Appeals.

Section 6. *Tenure.* - The Administrator and Deputy Administrators shall serve for a term of seven (7) years from assumption of office and shall be entitled to full retirement benefits upon the expiration of their term.

Section 7. Qualifications, Salaries, Benefits and other Emoluments. – The Administrator shall have the same rank, salary, privileges, and benefits as that of the Presiding Justice of the Court of Appeals.

The Deputy Administrators shall have the same rank, salary, privileges and benefits as that of the Associate Justice of the Court of Appeals.

The Regional Registers of Deeds shall have the same qualifications, rank, salary and, privileges and benefits as that of the Judges of the Regional Trial Courts.

The Provincial and City Registers of Deeds shall possess the same qualifications, rank, salary and, privileges and benefits as that of the Judges of the Municipal Trial Courts.

The Metropolitan Registers of Deeds shall possess the same qualifications, rank, salary and, benefits and privileges and benefits as that of the Judges of the Municipal Trial Courts.

The Deputy Registers of Deeds shall have the same rank, salary and benefits and privileges as those of the Judges of the Municipal Trial Courts.

Section 8. *Appointment*. - The Registrars and Deputy Registrars shall be appointed by the President upon the recommendation of the Administrator.

CHAPTER III THE LAND ADJUDICATOR, ITS JURISDICTION AND FUNCTION

Section 9. Office of the Land Adjudicator; Regional Land Adjudication Officer, Qualifications, Salaries. – There is hereby created in each executive region Office of the Land Adjudicator (OLA), headed by a Regional Land Adjudication Officer (RLAO), which shall be attached to the Property Registration Authority.

The Land Adjudicator (LA) must have been engaged in the practice of law for at least ten (10) years. The LA in each region shall have the same rank, salary and, privileges and benefits as that of the Judges of the Regional Trial Courts.

The Deputy Administrator for Adjudication who shall act as Adjudicator General, who shall have administrative supervision over all the Land Adjudicators.

Section 10. *Jurisdiction of the Office of the Land Adjudicator*. –The Office of the Land Adjudicator shall have exclusive original jurisdiction over the following:

- a.) Petitions for correction, amendment, alteration, and revision of entries in certificates of title on any of the grounds provided under Section 108 of Presidential Decree No. 1529
- b.) Petitions questioning the validity of subdivision and consolidation plans approved by the Administrator of the Property Registration Authority pursuant to Section 6 (f) of Presidential Decree No. 1529 as well as similar plans approved by the Director of the Land Management Bureau.
- c.) Petitions for replacement of lost or destroyed owner's duplicate certificate of title under Section 109 of Presidential Decree No. 1529.
- d.) Petitions for reconstitution of lost or destroyed original or registry copies of certificate of title. *Provided* that the manually issued copies are still existing in the Registry Office concerned.

Section 11. *Resolution of Petitions.* – The petitions under Section 10 (a) shall be withdrawn from the Regional Trial Courts and transferred to their respective RLAO who shall then have exclusive original jurisdiction over the same.

Resolution of petitions under Section 10 (a), (c) and (d) shall be appealable to the Court of Appeals within the same period provided under Rule 43 of the Revised Rules of Court.

Resolution of petitions under Section 10 (b) shall be appealable to the Court of Appeals within the same period provided under Rule 43 of the Revised Rules of Court. *Provided*, that plans registered with the Register of Deeds pursuant to Section 50 of Presidential Decree No. 1529 shall only be questioned or assailed by way of *Consulta* in accordance with the provisions of Section 117 of the same Decree.

Section 12. Subpoena and Contempt Powers. – The Land Adjudication Officer shall have the authority to issue a subpoena duces tecum to direct a person requiring him to bring with him any books, documents, or other things under his control relevant to the proceedings pending before the OLA.

The Regional Land Adjudication Officer shall likewise have the authority to issue a subpoena *ad testificandum* to require a person to attend and testify at any proceeding pending before the OLA.

Failure to comply with the subpoena *duces tecum* or subpoena *ad testificandum* shall authorize the filing of a case for indirect contempt with the Regional Trial Court pursuant to Rule 71 of the Revised Rules of Court.

Section 13. *Payment of Fees.* – The Regional OLA shall acquire jurisdiction over the petitions under Section 10 of this Act upon payment of the filing fees by the petitioners.

The filing fees shall be fixed in the Implementing Rules and Regulations. The Property Registration Authority may increase the said fees as the need arises without need of further legislative authority.

CHAPTER IV CORRECTION OF TYPOGRAPHICAL ERRORS, ADMINISTRATIVE RECONSTITUTION

Section 14. Clerical and Typographical Errors, Request for System Update. — Clerical and typographical errors committed by encoders at the Registry Offices that are discovered after the printing of the certificate of title but before the release from the Release Module of the Computerized System of Registration may be electronically corrected at the instance of the Register of Deeds concerned by sending a Request for System Update (RSU) to the Registry of Deeds Operations (RD Ops) in the Property Registration Authority Central office.

The duty of the RD Ops to approve of the aforementioned RSU shall be ministerial in character. *Provided*, that the transaction is still pending in the Release Module. Any delay incurred by the RD Ops at this stage shall be deemed as a violation of republic Act No. 9485 or the Anti-Red Tape Act (ARTA) and shall be dealt with accordingly.

To ensure that only typographical and clerical errors discovered before the release of the transaction from the Release Module can be corrected by way of RSU, the Computerized System for Registration shall be programmed in a way that no RSU process can be made to institute corrections on titles after their release from the Release Module.

Effecting corrections or changes in a title by way of a RSU after the transaction has been released from the Release Module shall amount to introducing corrections upon a certificate of title without prior approval from the Office of the Land Adjudicator.

Section 15. Administrative Reconstitution. – Administrative reconstitution of lost or destroyed original or registry copies of certificates of title under Republic Act No. 6732 shall remain under the jurisdiction of the Property Registration Authority. *Provided*, that these titles shall be limited to those that were manually issued.

The Regional Trial Courts shall be divested of jurisdiction over petitions for cancellation of the encumbrance imposed on administratively reconstituted titles provided under Section 7 in relation to Section 9 of Republic Act No. 26. Instead, jurisdiction over said petitions shall be vested

on the Registry of Deeds exercising jurisdiction over the property covered by the administratively reconstituted title.

CHAPTER V ADVERSE CLAIM

Section 16. Adverse Claim. – Whoever claims any part or interest in registered land adverse to the registered owner, arising subsequent to the date of the original registration thereof, may, if no provision is made in this Decree for registering the same, make a statement in writing setting forth fully his alleged right or interest, and how or under whom acquired, a reference to the number of the certificate of title of the registered owner, the description of the land in which the right or interest is claimed.

The statement shall be signed and sworn to, and shall state the adverse claimant's residence, and a place at which all notices may be served upon him. This statement shall be entitled to registration as an adverse claim on the certificate of title. The adverse claim shall be effective only for a period of sixty (60) days from the registration thereof. Before the lapse of the aforesaid period, the adverse claimant may withdraw his adverse claim by filing with the Register of Deeds a sworn statement to that effect. In the event that he intends to pursue his claim, he may file the proper petition before the Regional Trial Court having jurisdiction over the property for the judicial determination of the validity of his claim or interest therein. The subsequent registration by the adverse claimant-petitioner of a Notice of *Lis Pendens* shall automatically result in the cancellation by the Register of Deeds concerned of the previous adverse claim annotation without the necessity of a Court Approval.

Before the lapse of the sixty (60) day period, the registered owner may assail the registration of the adverse claim on his title by way of *Consulta* pursuant to Section 117 of Presidential Decree No. 1529. The Property Registration Authority Administrator may uphold the registration of the adverse claim or reverse the action of the Register of Deeds, *Provided*, however, that no presumption of malice or conspiracy to cause undue damage on the part of the Register of Deeds shall arise from such reversal alone. The registered owner may institute the appropriate legal action against the adverse claimant for whatever damage he may have suffered by reason of the registration of the adverse claim on his title before the Regional Trial Court.

After the lapse of the sixty (60) day period and no petition was filed in court by the adverse claimant, or the filing of the said petition did not result in the registration of the corresponding Notice of *Lis Pendens*, the adverse claim shall, by operation of law, cease to have any legal force and effect.

After the aforementioned cancellation of the adverse claim, no second adverse claim based on the same ground shall be registered by the same claimant.

CHAPTER VI FINAL PROVISIONS

Section 17. Implementing Rules and Regulations. – The Property Registration Authority shall, in consultation with the Department of Justice, Office of the Court Administrator of the Supreme Court, University of the Philippines Law Center, Philippine Judges Association, and the Philippine Association of Registers of Deeds, issue the necessary rules and regulations for the effective implementation of this Act not later than three (3) months from the effectivity thereof.

Section 18. *Transitory Provision.* – The incumbent Administrator and Deputy Administrators' term of office shall commence upon the effectivity of this Act. The First Deputy Administrator shall have a full term, the Second Deputy shall have a term of six (6) years, the Third Deputy shall have a term of five (5) years, and the Fourth Deputy shall have a term of four (4) years.

The term of the subsequently appointed Deputy Administrators shall commence upon the assumption of office.

Section 19. Appropriations. – The appropriation for the effective implementation of this Act shall be sourced from the Land Registration Special Fund pursuant to Section 111 of Presidential Decree No. 1529.

Section 20. *Retroactivity Clause*. – This act shall have retroactive effect insofar as it does not prejudice nor impair vested or acquired rights in accordance with the Civil Code and other existing laws.

Section 21. Separability Clause. – If any provision or the application of any provision of this Act is declared unconstitutional, there remaining provisions not affected thereby shall remain in full force and effect.

Section 22. *Repealing Clause*. – All laws, rules, regulations, decrees, executive orders and other issuances or parts thereof which are inconsistent with this Act are hereby repealed, modified or amended accordingly.

Section 23. Effectivity Clause. – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in two (2) newspapers of national circulation.

Approved,