On CONTRACTORY

FOURTEENTH CONGRESS OF THE REPUBLIC) OF THE PHILIPPINES

First Regular Session

TOTAL 20 TO

SENATE

S. B. No. 1931

Introduced by GREGORIO B. HONASAN II

EXPLANATORY NOTE

Commonwealth Act No 141, otherwise known as the "Public Land Act", enacted in 1936, is the General Law governing the classification, delimitation, survey and disposition of alienable lands of the public domain. One of the modes of acquiring public lands under this law is by voluntary administrative legalization of imperfect title- more popularly known as "Free Patent". It is intended to legalize the undocumented private land rights of Filipinos who are found to be occupying and cultivating such lands for a certain period of time.

The present law has been in existence and implemented for more than 70 years. Some significant provisions of the law are found to be obsolete and not in keeping with the current realities and situation on the ground and have constrained the application of current land administration and management systems and procedures. A number of major limitations in the law have been identified that impact on the issuance of free patents and the rights of the grantee of the free patent after its issuance. As a consequence, land rights and land market forces have suffered. Several piecemeal amendments have been legislated but these did not quite address and reflect existing issues and problems in the implementation phase of the policy.

The proposed amendatory measure aims to facilitate the long overdue mass titling of public alienable and disposable (A & D) lands in the country as well as open up these land grants to free land market forces and asset reform.

The bill intends to provide for the following:

- 1. Reduction of the period of eligibility from 30 years to 10 years;
- 2. Extension of free patent to cover residential and commercial lands;
- 3. Removal of restrictions after patent issuance;
- 4. Removal of the reservation of the right to repurchase;
- 5. Continuous implementation of the Public Land Act;
- 6. Increase in penalties;
- 7. Allowing the employment or use of leasehold and other similar arrangements in complying with the requirements of the public land act regarding entry, occupation, improvement, cultivation or possession;
- 8. Non assessment and collection of fees required in the preparation, issue and registration of free patents and non contribution to the Assurance Fund; and

9. Providing the DENR with the authority to determine the form of technical description.

This proposed amendment further intends to enable the land sector to contribute to sustainable development, economic growth and poverty alleviation in the country. The passage of this bill ensures Philippine's recognition to the global efforts for sustainable development while providing an improved access to land and services to the majority of our people especially to the marginalized sector.

In view of the foregoing premises, it is therefore sought that this vital piece

of legislation be immediately enacted into law/

SEN. GREGORIO B. HONASAN II

FOURTEENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES
)
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SENATE

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S. B. No. <u>1931</u>

Introduced by SENATOR GREGORIO B. HONASAN II

AN ACT

REFORMING THE ADMINISTRATIVE TITLING PROCESS BY AMENDING CERTAIN PROVISIONS OF COMMONWEALTH ACT NO. 141 OTHERWISE KNOWN AS "THE PUBLIC LAND ACT", AS AMENDED

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

SECTION 1. - Section 44, Chapter VII, Title II of Commonwealth Act No. 141, as amended by Republic Act No. 6940 is hereby further amended to read as follows:

"Section 44. - A) Any natural born citizen of the Philippines who is not the owner of more than twelve (12) hectares and who for at least [thirty (30) years prior to the effectivity of this amendatory Act] TEN (10) YEARS PRIOR TO HIS/HER FILING OF APPLICATION FOR PATENT, has continuously occupied (and), cultivated OR POSSESSED either by himself/HERSELF or through his/her predecessors-in-interest, a tract or tracts of agricultural public land subject to disposition, [who shall have paid the real estate tax thereon while the same has not been occupied by any person] shall be entitled, under the provisions of this Chapter, to have a free patent issued to him/HER for such tract or tracts of land not to exceed twelve (12) hectares, INCLUSIVE OF HIS/HER CURRENTLY OWNED LANDS; PROVIDED: THAT IF THERE ARE TENANTS, SHARE CROPPERS, REGULAR OR SEASONAL FARM WORKERS ON THE LAND, THE ISSUANCE OF A FREE PATENT TO THE APPLICANT SHALL BE WITHOUT PREJUDICE TO HIS/HER RIGHTS UNDER EXISTING LAND REFORM LAWS.

B) THE PROVISIONS OF ANY LAW TO THE CONTRARY NOTWITHSTANDING, ANY NATURAL BORN CITIZEN OF THE PHILIPPINES WHO IS NOT THE OWNER OF MORE THAN TWELVE (12) HECTARES AND WHO FOR AT LEAST TEN (10) YEARS PRIOR TO HIS/HER APPLICATION FOR PATENT, HAS CONTINUOUSLY OCCUPIED, POSESSED OR CULTIVATED EITHER BY HIMSELF/HERSELF OR THROUGH HIS/HER PREDECESSORS-IN-INTEREST. A TRACT OR TRACTS OF

LAND OF THE PUBLIC DOMAIN SUBJECT TO DISPOSITION FOR RESIDENTIAL AND COMMERCIAL PURPOSES NOT TO EXCEED ONE THOUSAND SQUARE METERS (1,000 SQ.M), SHALL ALSO BE ENTITLED, UNDER THE PROVISIONS OF THIS CHAPTER, TO HAVE A FREE PATENT ISSUED TO HIM/HER FOR SUCH TRACT OR TRACTS OF LANDS. *PROVIDED*, THAT THE TOTAL AREA OF HIS/HER CURRENTLY OWNED LAND AND THE LAND APPLIED FOR SHALL NOT EXCEED TWELVE (12) HECTARES.

- ALL FREE PATENT APPLICANTS WHO HAVE POSSESSED, OCCUPIED OR CULTIVATED PUBLIC ALIENABLE AND DISPOSABLE LAND FOR AT LEAST TEN (10) YEARS PRIOR TO THE EFFECTIVITY OF THIS ACT SHALL BE ELIGIBLE FOR PATENT ISSUANCE."
- C) LAND ACQUIRED BY FREE PATENT UNDER THE PROVISIONS OF THIS CHAPTER SHALL BE TREATED AS ANY OTHER PRIVATE LAND WITH ALL THE CONCOMITANT RIGHTS THEREUNTO APPERTAINING AND SHALL NOT BE SUBJECT TO THE RESTRICTIONS OF, NOR SHALL IT ENJOY THE EXEMPTION FROM BEING HELD IN SATISFACTION OF ANY DEBT, AS HERETOFORE PROVIDED IN SECTION 118, AND SECTIONS 121, 122, 123 AND 124 OF COMMONWEALTH ACT NO. 141.

THIS APPLIES TO PATENTS ISSUED BEFORE OR AFTER THE DATE OF EFFECTIVITY OF THIS ACT.

- D) ANY ENCUMBRANCE IN ACCORDANCE WITH THE LAW CREATING AN INTEREST IN LAND THAT HAS BEEN ENTERED INTO BEFORE THE LAND IS ACQUIRED BY FREE PATENT, AND WHICH REMAINS IN EXISTENCE AT THE TIME OF THE GRANT OF FREE PATENT, SHALL BE PRESERVED AND MAY BE RECORDED ON THE PATENT AS AN ENCUMBRANCE AT THE TIME THE PATENT IS ISSUED."
- SEC. 2. Section 48, Chapter VIII, Title II of Commonwealth Act No. 141 as amended by Presidential Decree No. 1073, is hereby further amended to read as follows:
 - "SECTION 48. The following described citizens of the Philippines, occupying lands of the public domain or claiming to own any such lands or an interest therein, but whose titles have not been perfected or completed, may apply to the (Court of First Instance) REGIONAL TRIAL COURT of the province where the land is located for confirmation of their claims and the issuance of a certificate of title therefor, under the Land Registration Act, to wit:
 - (a) (Repealed by Section 3 of Presidential Decree No. 1073. 25 January 1977)
 - (b) Those who by themselves or through their predecessorsin-interest have been in open, continuous, exclusive and notorious possession and occupation of agricultural lands of the public domain, under a *bona fide* claim of acquisition or

ownership, since June 12, 1945, or earlier immediately preceding the filing of application for confirmation of title, except when prevented by wars or *force majeure*. Those shall be conclusively presumed to have performed all the conditions essential to a Government grant and shall be entitled to a certificate of title under the provisions of this chapter.

c) Members of the National Cultural minorities who by themselves or through their predecessors-in-interest have been in open. continuous, exclusive and notorious possession and occupation of lands of the public domain suitable to agriculture, whether disposable or not, under a bona fide claim of ownership since June 12, 1945 or earlier shall be entitled to the rights granted in subsection (b) hereof.

PROVIDED, THAT NOTHING IN THIS PROVISION SHALL BE TAKEN TO PRECLUDE THOSE IN POSSESSION OF PUBLIC ALIENABLE AND DISPOSABLE LAND FROM SEEKING ADMINISTRATIVE CONFIRMATION OF THEIR TITLE."

SEC. 3. Section 131, Chapter XVI, Title VI of Commonwealth Act No. 141 is hereby amended to read as follows:

"Section 131. Any person who sells forms issued and distributed gratuitously under this Act or who, being an officer charged with distributing them ,refuses or fails, without sufficient reason, to furnish the same, shall be punished for each offense by a fine of [not more than one hundred pesos] NOT LESS THAN FIFTY THOUSAND PESOS (P50,000.00) AND NOT MORE THAN FIVE HUNDRED THOUSAND PESOS (P500,000.00) or by imprisonment [for not more than three months] FOR NOT MORE THAN ONE YEAR, or both, upon the discretion of the court."

SEC. 4. Section 132, Chapter XVI, Title VI of Commonwealth Act No. 141 is hereby amended to read as follows:

"Section 132. - Any person, corporation, association or partnership which, not being qualified or no longer authorized to apply for public land under the provision of this Act, files or induces or knowingly permits another person, corporation, association or partnership to file an application in his/HER or its behalf or for his/HER or its interest, benefit or advantage, shall be punished by a fine of [not less than two hundred nor more than five thousand pesos] NOT LESS THAN 10% OF THE FAIR MARKET VALUE OF THE LAND APPLIED FOR or by imprisonment [for not less than two months nor more than five years] FOR SIX (6) YEARS TO TWELVE (12) YEARS, or both, upon the discretion of the court; and the application shall be cancelled. *PROVIDED*, THAT IN CASE THE OFFENDER IS A CORPORATION, ASSOCIATION OR PARTNERSHIP THE RESPONSIBLE OFFICIALS SHALL BE DEEMED JOINTLY AND SEVERALLY LIABLE; *PROVIDED*

FURTHER, THAT IN CASE THE OFFENDER IS A PUBLIC OFFICIAL OR GOVERNMENT OFFICIAL/EMPLOYEE, HE/SHE SHALL BE, IN ADDITION, REMOVED FROM THE OFFICE, FORFEIT ALL RETIREMENT BENEFITS, EXCEPT FOR ACCUMULATED LEAVE CREDITS AND BE PERPETUALLY DISQUALIFIED FROM HOLDING ANY ELECTIVE OR APPOINTIVE PUBLIC OFFICE."

- **SEC. 5.** Section 133, Chapter XVI, Title VI of Commonwealth Act No. 141 is hereby amended to read as follows:
 - "Section 133. Any person who, without having the qualifications required by this Act, shall by deceit or fraud acquire or attempt to acquire lands of the public domain or other real property or any right, title or interest, or property right of any class to the same, and any person aiding and abetting him therein or serving as a means or tool thereof, shall, upon conviction, be punished by a fine of [not more than five thousand pesos] NOT LESS THAN TEN PERCENT (10%) OF THE FAIR MARKET VALUE OF THE LAND APPLIED FOR, or by imprisonment [for not more than five years] FROM SIX (6) YEARS TO TWELVE (12) YEARS, or both, upon the discretion of the court. IF THE OFFENDER IS A PUBLIC OFFICIAL OR GOVERNMENT OFFICIAL/EMPLOYEE, HE/SHE SHALL BE, IN ADDITION, REMOVED FROM THE OFFICE, FORFEIT ALL **EXCEPT** RETIREMENT BENEFITS, FOR HIS/HER ACCUMULATED LEAVE CREDITS AND BE PERPETUALLY DISQUALIFIED HIM/HER FROM HOLDING ANY ELECTIVE OR APPOINTIVE PUBLIC OFFICE."
- **SEC.** 6. The employment or use of leasehold or other similar arrangements in complying with the requirements of this act regarding entry, occupation, improvement, cultivation or possession of public lands shall be allowed.
- **SEC. 7.** Upon the effectivity of this Act, no fees for the preparation, issue and registration of free patents and no contribution to the Assurance Fund shall be assessed or collected by the Register of Deeds.
- SEC. 8. In order to expedite the issuance of free patents, the Department of Environment and Natural Resources (DENR) through the Lands Management Sector (LMS)/Lands Management Bureau (LMB) shall determine the appropriate form, style and definition of technical description which shall not be limited to metes and bounds. Such technical description shall form part of the patent, subsequent title and derivatives thereof. Those free patents having technical description other than metes and bounds shall be treated as any private land with all the concomitant rights thereto appertaining pursuant to this Act and other existing laws.

- **SEC. 9.** All pending applications for free patent filed before the effectivity of this Act shall be treated as having been filed in accordance with the provisions of this Act.
- SEC. 10. Repealing Clause Sections 45 and 47 of Commonwealth Act No. 141, as amended by Republic Act 9176 and Section 119 of Commonwealth Act No. 141 are hereby repealed. All other laws, decrees, executive orders, executive issuances or letters of instructions, rules and regulations, or any part thereof, inconsistent or contrary to the provisions of this Act are hereby deemed repealed, amended or modified accordingly.
- **SEC. 11.** Separability Clause -If any provision of this Act is declared unconstitutional or invalid, other parts or provisions hereof not affected shall continue to be in full force and effect.
- **SEC. 12**. Effectivity Clause This Act shall take effect fifteen (15) days after its complete publication in the Official Gazette or in two (2) newspapers of general circulation.

Approved,