



HOUSE OF REPRESENTATIVES

H. No. 3871

BY REPRESENTATIVES PING-AY AND PAEZ, PER COMMITTEE REPORT NO. 430

AN ACT MANDATING THE REPRESENTATION OF COOPERATIVES
IN THE BOARD OF DIRECTORS OF THE LAND BANK OF
THE PHILIPPINES, AMENDING THEREFORE REPUBLIC ACT
NO. 3844, AS AMENDED

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

1 SECTION 1. Section 86 of Republic Act No. 3844, otherwise known as
2 the "Code of Agrarian Reform in the Philippines", as amended by Republic
3 Act No. 7907, is hereby further amended to read as follows:

4 "SEC. 86. *The Board of Directors; Membership; Per*
5 *Diem.* – The affairs and business of the Bank shall be directed
6 and its property managed and preserved by a Board of Directors
7 consisting of [nine (9)] ELEVEN (11) members to be composed of
8 the Secretary of Finance, as [chairman] CHAIRPERSON, the
9 President of the Bank as [vice-chairman] VICE CHAIRPERSON, the
10 Secretary of Agrarian Reform, the Secretary of Labor, and the
11 Secretary of Agriculture as *ex officio* members. The President of
12 the Philippines shall appoint two (2) members of the Board who
13 shall represent the agrarian reform beneficiaries: *PROVIDED,*
14 THAT AT LEAST ONE (1) OF THE SAID REPRESENTATIVES SHALL

1 COME FROM AN ORGANIZED AGRARIAN REFORM BENEFICIARIES
 2 FARMERS COOPERATIVE, IF ANY, [and] two (2) members who
 3 shall represent the private sector[.], [The two (2) remaining
 4 members] ONE (1) MEMBER WHO SHALL REPRESENT
 5 THE COOPERATIVE SECTOR: *PROVIDED*, THAT THE
 6 REPRESENTATIVE SHALL COME FROM THE NOMINEES OF THE
 7 NATIONAL COOPERATIVE FEDERATIONS AND/OR UNIONS DULY
 8 REGISTERED WITH THE COOPERATIVE DEVELOPMENT
 9 AUTHORITY, AND ONE (1) MEMBER WHO SHALL REPRESENT
 10 [shall be elected from] the [shareholders] STAKEHOLDERS
 11 [coming from the public sector to the extent that they may be
 12 entitled to two (2) seats in proportion to the outstanding capital
 13 stock] FROM THE RURAL FINANCIAL SECTOR.

14 "X X X

15 "X X X

16 "X X X

17 "No person shall be elected or appointed director of the
 18 Bank unless [he] THAT PERSON is A natural born citizen of the
 19 Philippines, not less than thirty-five (35) years of age, of good
 20 moral character, and has attained proficiency, expertise and
 21 recognized competence in one or more of the following: banking,
 22 finance, economics, law, agriculture, agrarian reform,
 23 COOPERATIVES AND business management: *Provided, further*,
 24 That no director, shareholder or employee of any other bank shall
 25 be eligible for election or appointment as member of the Board of
 26 Directors of the Bank.

27 "X X X."

1 SEC. 2. All members of the Board of Directors at the time of the
2 approval and effectivity of this Act shall continue in office until the end of
3 their term of office as defined in Section 86 of Republic Act No. 3844, as
4 amended. At the end of their term, the President shall appoint the members of
5 the Board in accordance with this Act.

6 SEC. 3. *Repealing Clause.* – All laws, presidential decrees,
7 executive orders in whole or in part, including the rules and regulations
8 promulgated thereunder inconsistent with the provisions of this Act, are hereby
9 amended, repealed or modified accordingly.

10 SEC. 4. *Effectivity.* – This Act shall take effect fifteen (15) days
11 following its publication in the *Official Gazette* or in at least two (2)
12 newspapers of general circulation.

Approved,

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