

NINETEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)



Senate
Office of the Secretary

'22 JUL 28 AIO :33

SENATE

S. No. 922

RECEIVED BY: _____

Introduced by Senator FRANCIS G. ESCUDERO

AN ACT

PROVIDING FOR THE EMANCIPATION OF AGRARIAN REFORM BENEFICIARIES FROM THE ENSUING DEBT BURDEN FROM LANDS AWARDED UNDER THE COMPREHENSIVE AGRARIAN REFORM PROGRAM, INSTITUTING MECHANISMS FOR THE PROTECTION OF THE RIGHTS AND SAFEGUARDING THE WELFARE OF AGRARIAN REFORM BENEFICIARIES, AND FOR OTHER PURPOSES

EXPLANATORY NOTE

This bill seeks to provide financial relief to thousands of agrarian reform beneficiaries who struggle to make ends meet, let alone pay the amortization, interests, penalties and other surcharges on lands they have acquired under the Comprehensive Agrarian Reform Program (CARP). This bill likewise provides administrative relief to agencies mandated with the Herculean task of extracting payment from those who have very little.

President Ferdinand R. Marcos, Jr., in his first state of the nation address, took note of the need to emancipate small farmers from the burden of debt payment. He estimated that condonation of all agrarian reform loans will cost the government about P58.13 billion, equivalent to only a quarter of foregone revenues in a single fiscal year under Republic Act No. 10963 or the Tax Reform for Acceleration and Inclusion (TRAIN) Law and Republic Act No. 11534 or the Corporate Recovery and Tax Incentives for Enterprises (CREATE) Law. If the government could absorb P225.34 billion revenue loss in a single year to provide tax relief for the middle class and to attract foreign investors, then it should be able to absorb a fraction of that amount to provide reprieve to thousands of struggling agrarian reform beneficiaries and to move one step close to achieving our food security objectives.

Drawing from similar bills filed in previous Congresses, this bill hopes to fulfill two specific objectives. First, it seeks to provide farmers with additional resources by condoning annual amortization and interests, including penalties or surcharges, if any; and by improving farmers' access to credit through the resolution of the ownership of

awarded lands. Second, it reduces the cost of administering the land reform program by eliminating the need to collect amortization from agrarian reform beneficiaries.

As a matter of record, this representation filed just recently a similar bill that seeks to condone all payables on loans secured by agrarian reform beneficiaries under the CARP.

Additionally, however, this bill seeks to reduce bottlenecks and stumbling blocks to the full implementation of the agrarian reform program by upholding the power of the Department of Agrarian Reform to adjudicate agrarian reform matters, mandating all government agencies to provide support in the implementation of the program, and limit judicial interventions to those issued by the Supreme Court. The proposed measure likewise introduces provisions to expand the menu of support services that could be extended to the farmer-beneficiaries and to include lands awarded under Executive Order No. 75 s. 2019 among the lands that would be distributed for free to qualified beneficiaries.

Ultimately, the proposed measure aims to accomplish more the objectives of the Comprehensive Agrarian Reform Law, which now includes improving the lives of farmers, reducing rural poverty and accelerating rural development. As a distinguished Filipino economist has noted, a good stimulus for agriculture is for the government to write off its minuscule agrarian reform collectible.

To aid in the realization of genuine reforms in the agricultural sector, the swift passage of this measure is earnestly sought.

RESPECTFULLY SUBMITTED.



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BENEFICIARIES FROM THE ENSUING DEBT BURDEN FROM LANDS
AWARDED UNDER THE COMPREHENSIVE AGRARIAN REFORM PROGRAM,
INSTITUTING MECHANISMS FOR THE PROTECTION OF THE RIGHTS AND
SAFEGUARDING THE WELFARE OF AGRARIAN REFORM BENEFICIARIES,
AND FOR OTHER PURPOSES

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

1 Section 1. *Short Title.* – This Act shall be known as the “*New Emancipation Act.*”

2 Sec. 2. *Declaration of Policy.* – It is hereby declared the policy of the state to
3 promote comprehensive rural development and agrarian reform. To this end, and in
4 line with the mandate to undertake an agrarian reform program founded on the right
5 of farmers and regular farmworkers to own directly or collectively the lands they till,
6 the government shall establish mechanisms to emancipate small farmers from the
7 bondage of debt, to improve their access to credit and farm inputs, to boost farm
8 income and agriculture productivity.

9 Sec. 3. *Provision of Subsidy in the Acquisition and Distribution of Agricultural*
10 *Lands to Qualified Beneficiaries.* – The distribution of agricultural lands to qualified
11 beneficiaries shall be directly and fully subsidized by the State, thereby relieving
12 Agrarian Reform Beneficiaries (ARBs) from payment of any amortization, interest,
13 surcharges or penalties arising from the loans secured for lands awarded under the
14 Comprehensive Agrarian Reform Program (CARP).

1 Existing loans of ARBs with unpaid amortization and interest are hereby
2 condoned. All ARBs who have yet to possess their awarded lands under the CARP shall
3 receive it without any obligation to pay any amortization. ARBs who have completed
4 payment of the amortization of their awarded lands shall be given preference in the
5 award of the new package of support services from the National Government, which
6 includes initial capital upon issuance of the Certificate of Land Ownership Award,
7 access to credit facilities, and automatic qualification to various support services
8 including but not limited to provisions for housing, education, and other loans.

9 Sec. 4. *Jurisdiction and Automatic Referral of Agrarian Cases.* – The
10 Department of Agrarian Reform (DAR) shall be vested with primary and exclusive
11 jurisdiction to determine and adjudicate agrarian reform matters in accordance with
12 Republic Act No. 6657, as amended, otherwise known as the “Comprehensive Agrarian
13 Reform Law of 1988.” Any court or government agency exercising quasi-judicial
14 functions shall, without prejudice, automatically refer to the DAR any of the following
15 cases:

- 16 (a) Tenurial arrangements, whether leasehold, tenancy, stewardship or
17 otherwise, over lands devoted to agriculture;
- 18 (b) Disputes concerning farmworkers’ associations or representation of
19 persons in negotiating, fixing, maintaining, changing, or seeking to arrange
20 terms or conditions of any tenurial arrangements;
- 21 (c) Terms and conditions of transferring ownership from landowners to
22 farmworkers, tenants, and other ARBs, whether the disputants stand in the
23 proximate relation of farm operator and beneficiary, landowner and tenant,
24 or lessor and lessee;
- 25 (d) Cases when the DAR exercises quasi-judicial power as provided under
26 Section 50 and Section 50-A of Republic Act No. 6657, as amended;
- 27 (e) Final resolution of issues, disputes, and controversies arising out of
28 Agribusiness Venture Arrangements; and
- 29 (f) Any matter, dispute, or controversy arising from Agrarian Reform issues
30 and implementation of Agrarian Reform Programs.

1 *Sec. 5. Expansion of Support Services for Agrarian Reform Beneficiaries.* – In
2 addition to the support services provided under Section 37 of Republic Act No. 6657,
3 as amended, the DAR, in coordination with the Presidential Agrarian Reform Council
4 (PARC) and other government agencies concerned, shall ensure that the ARBs and
5 members of their respective families receive support services and assistance such as,
6 but not limited to: financial literacy services, direct financial assistance, fuel subsidies,
7 medical and health care assistance, scholarship grants and transport subsidies.

8 *Sec. 6. Distribution of Government-Owned Agricultural Lands.* – Government-
9 owned lands covered under Executive Order No. 75 s. 2019 shall be distributed to
10 qualified ARBs at no cost to the beneficiaries concerned.

11 *Sec. 7. Agency Support.* – All government agencies and instrumentalities shall
12 render prompt and necessary assistance in the implementation of this Act, subject to
13 applicable laws, rules and regulations.

14 *Sec. 8. Prohibition on the Issuance of Temporary Restraining Orders,*
15 *Preliminary Injunctions and Preliminary Mandatory Injunctions.* – No temporary
16 restraining order, preliminary injunction, or preliminary mandatory injunction shall be
17 issued by any court, except the Court of Appeals, against the DAR or its officials and
18 employees, to restrain or prohibit in any matter the distribution of lands covered under
19 the CARP.

20 *Sec. 9. Appropriations.* – The amount necessary for the implementation of the
21 provisions of this Act shall be included in the annual General Appropriations Act
22 following its enactment into law.

23 *Sec. 10. Implementing Rules and Regulations.* – Within thirty (30) days from
24 the effectivity of this Act, the DAR, in coordination with the PARC, Department of
25 Finance and the Land Bank of the Philippines, shall promulgate the necessary rules
26 and regulations to effectively implement the provisions of this Act.

27 *Sec. 11. Repealing Clause.* – Section 26 of Republic Act No. 6657, as amended,
28 otherwise known as the "*Comprehensive Agrarian Reform Law of 1988*" is hereby

1 repealed. All laws, decrees, orders, rules and regulations or parts thereof inconsistent
2 with any of the provisions of this Act are hereby repealed, amended or modified
3 accordingly.

4 Sec. 12. *Separability Clause.* – If any portion or provision of this Act is declared
5 unconstitutional, the remainder of this Act or any provision not affected thereby shall
6 remain in force and effect.

7 Sec. 13. *Effectivity Clause.* - This Act shall take effect fifteen (15) days after its
8 publication in the *Official Gazette* or at least two (2) newspapers of general circulation.

Approved,