

SENATE  
S. B. NO. 2066

14 JAN 20 P 6:20

RECEIVED BY: *ji*

Introduced by Senator Maria Lourdes Nancy S. Binay

EXPLANATORY NOTE

One of the inherent powers of the State is the power of eminent domain, which authorizes it to take property for public use upon payment of just compensation. From time to time, the State, its agencies, subdivisions, branches and instrumentalities (collectively known as the "Expropriating Authorities") file complaints for expropriation.

It has come to our attention, that there are several Expropriating Authorities, who upon completion of expropriation, failed to have titles of expropriated properties transferred from the previous owners to the name of the concerned Expropriating Authorities. Thus, unscrupulous previous owners are able to transfer ownership of their lands to innocent third parties and thus, deceiving the State and innocent third parties.

The Supreme Court appears to have ruled on these cases on a case-to-case basis trying to balance public policy and the equities of the situation. In some cases, the Supreme Court sustained ownership of innocent purchasers for value of these properties and the equity principle of laches against the State. In other cases, the Supreme Court upheld the ownership right of the State as against third parties invoking the principle that the State is not estopped by the negligence of its agents.

The common thread of these cases is the apparent negligence (oftentimes, gross or even criminal negligence under Republic Act 3019) of concerned public officers of Expropriating Authorities in failing to have the titles of the expropriated properties transferred to their names.

In all these cases, the State is forced to spend money, time and effort defending its ownership rights over properties that have long been expropriated against previous owners including heirs or descendants of previous owners and innocent purchasers for value. Given these situations, there is a need to provide an orderly proceeding to protect both the rights of the State and private individuals.

For the above reasons, the passage of this bill is earnestly requested.

  
MARIA LOURDES NANCY S. BINAY  
Senator



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

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1 AN ACT PROVIDING FOR AUTOMATIC TRANSFER OF TITLE TO GOVERNMENT  
2 OF EXPROPRIATED LANDS UPON FINALITY OF THE JUDGMENT OF  
3 EXPROPRIATION  
4

5 *Be it enacted by the Senate and House of Representatives of the Philippines in Congress*  
6 *assembled:*  
7

8  
9 **SECTION 1.** *Duty of Courts Promulgating the Judgment of Expropriation.* Upon the  
10 finality of the judgment declaring land expropriated in favor of the government, its agencies,  
11 branches, subdivisions, instrumentalities, or government owned or controlled corporations  
12 vested by law with powers of eminent domain, the court which promulgated the judgment  
13 shall immediately forward a copy of the decision to the registry of deeds with jurisdiction  
14 over the land duly expropriated.  
15

16 **SECTION 2.** *Duty of Registrars of Deeds to Issue Title in favor of Government.* Upon  
17 receipt of a copy of the final and executory decision expropriating the land, registrars of  
18 deeds with jurisdiction over the expropriated land shall immediately cancel the title of the  
19 land and issue a new one in favor of the government.  
20

21 **SECTION 3.** *Prescription of Actions Involving Just Compensation.* Complaints arising from  
22 the payment or non-payment of just compensation shall be filed with the appropriate court  
23 within ninety (90) days from the day the judgment of expropriation became final and  
24 executory. After one (1) year, any claim for just compensation shall be forever barred.  
25

26 **SECTION 4.** *Effect of Claims for Just Compensation.* Claims involving just compensation  
27 filed in accordance with Section 3 hereof, shall not affect the duty of the court and registrars  
28 of deeds under Sections 1 and 2 hereof.  
29

30 A final and executory judgment that just compensation had not been paid by government shall  
31 render the expropriation null and void.  
32

33 **SECTION 5.** *Retroactive Effect.* This Act may be given retroactive effect provided that  
34 vested rights including those in favor of innocent purchasers for value are not impaired.  
35

36 **SECTION 6.** *Implementing Rules and Regulations.* The Department of Justice shall  
37 promulgate the implementing rules and regulations within sixty (60) days from the effectivity  
38 of this Act.  
39

1 **SECTION 7. *Separability Clause.*** Should any part or provision of this Act be declared  
2 unconstitutional or invalid, other parts or provisions hereof not otherwise affected thereby  
3 shall remain in full force and effect.

4  
5 **SECTION 8. *Effectivity.*** This Act shall take effect fifteen (15) days after its publication in at  
6 least two (2) newspapers of general circulation.

7  
8 Approved,