NINETEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES *Third Regular Session*  the state of a state of the st

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#### SENATE

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# COMMITTEE REPORT No. <u>320</u>

Submitted by the Committee on Public Works (upon the recommendation of the Subcommittee on the Right-of-Way Act), jointly with the Committees on Justice and Human Rights; and Ways and Means on SEP 112024

Re: Senate Bill No. <u>2821</u>

Recommending its approval in substitution of Senate Bill Nos. 1537, 2718, and 2769; taking into consideration House Bill No. 6571

Sponsor: Senator Mark A. Villar

### **MR. PRESIDENT:**

The Committee on Public Works (upon recommendation of the Subcommittee on the Right-of-Way Act), joint with the Committees on Justice and Human Rights; and Ways and Means to which were referred **Senate Bill No. 1537**, introduced by Senator Ramon Bong Revilla Jr., entitled:

#### **"AN ACT**

AMENDING SECTION 5 OF REPUBLIC ACT NO. 10752, OTHERWISE KNOWN AS 'AN ACT FACILITATING THE ACQUISITION OF RIGHT-OF-WAY SITE OR LOCATION FOR NATIONAL GOVERNMENT INFRASTRUCTURE PROJECTS AND FOR OTHER PURPOSES'''

Senate Bill No. 2718, introduced by Senator Francis "Chiz" G. Escudero, entitled:

# **"AN ACT**

INSTITUTING REFORMS IN THE ACQUISITION OF RIGHT-OF-WAY FOR INFRASTRUCTURE PROJECTS BY THE NATIONAL GOVERNMENT AND BY PUBLIC SERVICE PROVIDERS, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 10752, OTHERWISE KNOWN AS 'THE RIGHT-OF-WAY ACT''

and Senate Bill No. 2769, introduced by Senator Mark A. Villar, entitled:

# **"AN ACT**

PROVIDING ADDITIONAL GUIDELINES IN THE ACQUISITION OF RIGHT-OF-WAY, SITE, OR LOCATION FOR NATIONAL GOVERNMENT INFRASTRUCTURE PROJECTS, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 10752, OTHERWISE KNOWN AS 'THE RIGHT-OF-WAY ACT''

taking into consideration **House Bill No. 6571**, introduced by Representatives Gonzales, A., Momo, Pleyto, Recto, Herrera, *et al.*, entitled:

# **"AN ACT**

PROVIDING ADDITIONAL GUIDELINES IN THE ACQUISITION OF RIGHT-OF-WAY, SITE, OR LOCATION FOR NATIONAL GOVERNMENT INFRASTRUCTURE PROEJCTS, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 10752, OTHERWISE KNOWN AS 'THE RIGHT-OF-WAY ACT''

have considered the same and have the honor to report them back to the Senate with the recommendation that the attached **Senate Bill No.** 2821, prepared by the Committees entitled:

# **"AN ACT**

# INSTITUTING REFORMS IN THE ACQUISITION OF RIGHT-OF-WAY FOR INFRASTRUCTURE PROJECTS BY THE NATIONAL GOVERNMENT AND BY PUBLIC SERVICE PROVIDERS, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 10752, OTHERWISE KNOWN AS 'THE RIGHT-OF-WAY ACT''

be approved in substitution of Senate Bill Nos. 1537, 2718 and 2769, taking into consideration HBN 6571 with Senators Revilla, Escudero, and Villar M. as authors thereof.

**Respectfully Submitted:** 

Chairpersons

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**SEN. MARK A. VILLAR** Sub-Committee on Right-Of-Way Vice Chairman, Committee on Public Works Member, Committee on Ways and Means Deputy Majority Leader SEN. RAMON BONG REVILLA JR.

Committee on Public Works

## SEN. WIN GATCHALIAN

*Committee on Ways and Means Vice Chairman, Committee on Public Works* 

Vice Chairperson

## SEN. RAFFY T. TULFO

*Committee on Justice and Human Rights Member, Committee on Public Works Member, Committee on Ways and Means*  Respectfully Submitted:

Chairpersons

### SEN. MARK A. VILLAR

Sub-Committee on Right-Of-Way Vice Chairman, Committee on Public Works Member, Committee on Ways and Means Deputy Majority Leader

SEN. RAMON BONG REVILLA, JR.

Committee on Public Works

### SEN. WIN GATCHALIAN

*Committee on Ways and Means Vice Chairman, Committee on Public Works* 

Vice Chairperson

#### SEN. RAFFY T. TULFO

*Committee on Justice and Human Rights Member, Committee on Public Works Member, Committee on Ways and Means*  Members

# **SEN. LOREN LEGARDA**

*Committee on Public Works Committee on Ways and Means* 

# SEN. JOSEPH VIETOR G. EJERCITO

*Committee on Public Works Committee on Justice and Human Rights Committee on Ways and Means Deputy Majority Leader* 

**SEN. GRACE POE** *Committee on Public Works Committee on Ways and Means* 

SEN.'IMEE R. MARCOS Committee on Public Works Committee on Ways and Means

# SEN. ROBINHOOD C. PADILLA

*Committee on Public Works Committee on Justice and Human Rights* 

## SEN. CHRISTOPHER "BONG" GO

*Committee on Public Works Committee on Justice and Human Rights Committee on Ways and Means* 

# SEN. MANUEL "LITO" M. LAPID

*Committee on Public Works Committee on Ways and Means* 

# **SEN. RISA HONTIVEROS**

*Committee on Public Works Committee on Justice and Human Rights Committee on Ways and Means Deputy Minority Leader* 

SEN. RONALD **DELA ROSA** 

Committee on Justice and Human Rights Committee on Ways and Means

SEN. JOEL

*Committee on Public Works Committee on Ways and Means* 

Members

#### **SEN. LOREN LEGARDA**

Committee on Public Works Committee on Ways and Means

# **SEN. JOSEPH VICTOR G. EJERCITO**

*Committee on Public Works Committee on Justice and Human Rights Committee on Ways and Means Deputy Majority Leader* 

SEN. GRACE POE

*Committee on Public Works Committee on Ways and Means*  SEN. IMEE R. MARCOS Committee on Public Works

Committee on Ways and Means

**SEN. ROBINHOOD C. PADILLA** *Committee on Public Works Committee on Justice and Human Rights*  **SEN. CHRISTOPHER "BONG" GO** *Committee on Public Works Committee on Justice and Human Rights Committee on Ways and Means* 

SEN.<sup>T</sup>MANUEL "LITO" M. LAPID Committee on Public Works Committee on Ways and Means

# SEN. RISA HONTIVEROS

*Committee on Public Works Committee on Justice and Human Rights Committee on Ways and Means Deputy Minority Leader* 

#### SEN. RONALD "BATO" DELA ROSA

*Committee on Justice and Human Rights Committee on Ways and Means* 

### SEN. JOEL VILLANUEVA

*Committee on Public Works Committee on Ways and Means* 

#### SEN. MARIA LOURDES NANCY S. BINAY

DINAT

Committee on Ways and Means

**SEN. PIA S. CAYETANO** *Committee on Ways and Means* 

**SEN. JUAN MIGUEL "MIGZ" F. ZUBIRI** *Committee on Ways and Means* 

Ex Officio Members

SEN. JINGGOY EJERCITO ESTRADA

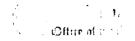
resident Pro Tempore

SEN. FRANCIS N. TOLENTINO Majority Leader

will interpellat SEN. AQÙILINO "KOKO" NTEL III PIN

*Minority Leader Chairperson Committee on Justice and Human Rights* 

HON. FRANCIS "CHIZ" G. ESCUDERO Senate President NINETEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES *Third Regular Session* 



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# SENATE

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S.B. No. <u>2821</u>

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(In substitution of S.B. Nos. 1537, 2718, and 2769, taking into consideration H.B. No. 6571)

Prepared by the Committee on Public Works (upon the recommendation of the Subcommittee on the Right-of-Way Act), jointly with the Committees on Justice and Human Rights and Ways and Means with Senators Revilla, Escudero, and Villar M., as authors thereof

# AN ACT

# INSTITUTING REFORMS IN THE ACQUISITION OF RIGHT-OF-WAY FOR INFRASTRUCTURE PROJECTS BY THE NATIONAL GOVERNMENT AND BY PUBLIC SERVICE PROVIDERS, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 10752, OTHERWISE KNOWN AS "THE RIGHT-OF-WAY ACT"

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 "Accelerated and

2 Reformed Right-of-Way (ARROW) Act".

Sec. 2. *Declaration of Policy.* – The State hereby affirms that private property shall not be taken for public use without just compensation. It shall ensure that owners of real property acquired for national government infrastructure projects and private infrastructure projects for public use are promptly paid just compensation, based on a nationally consistent real property valuation for a more expeditious acquisition of the required right-of-way for the projects.

9 It is also declared a policy of the State to recognize the importance and 10 participation of the private sector in delivering public services. Towards this end, 11 the State shall pursue policies that encourage private enterprise involvement and 12 facilitate the easier acquisition of right-of-way sites or locations for private 13 infrastructure projects for public use to ensure a more efficient delivery of public 14 services.

15 Sec. 3. Section 3 of Republic Act No. 10752 or "The Right-of-Way Act" is 16 hereby amended to read as follows:

"SEC. 3. [*National Government Projects*] COVERAGE. – THIS ACT SHALL APPLY TO INFRASTRUCTURE PROJECTS OF:

3 (A) THE NATIONAL GOVERNMENT - As used in this Act, the 4 term "national government projects" shall refer to all national 5 government infrastructure projects and its public service facilities, 6 engineering works and service contracts, including projects undertaken 7 by government-owned [and] – **OR** controlled corporations, all projects covered by Republic Act No. 6957, as amended by Republic Act No. 8 9 7718, [otherwise known as the "Build-Operate-and-Transfer Law",] **REPUBLIC ACT NO. 11966, OR THE "PUBLIC-PRIVATE** 10 PARTNERSHIP (PPP) CODE OF THE PHILIPPINES", and other 11 related and necessary activities[7] such as site acquisition, supply or 12 installation of equipment and materials, implementation, construction, 13 completion, operation, maintenance, improvement, repair and 14 15 rehabilitation, regardless of the source of funding[-]; AND

16"(B) PRIVATE ENTITY PROVIDING PUBLIC SERVICE - AS17USED IN THIS ACT, THE TERM "PRIVATE ENTITY" SHALL18REFER TO AN ENTITY THAT HAS BEEN GRANTED THE19RIGHT OF EMINENT DOMAIN UNDER ITS FRANCHISE20OR OTHER LAWS AND OPERATES, MANAGES, OR21CONTROLS ANY OF THE FOLLOWING PUBLIC SERVICES:

(1) DISTRIBUTION OF ELECTRICITY;

23 (2) TRANSMISSION OF ELECTRICITY;

24(3) PETROLEUM AND PETROLEUM PRODUCTS25PIPELINE TRANSMISSIONS SYSTEMS;

26 (4) WATER PIPELINE DISTRIBUTION SYSTEMS
27 AND WASTEWATER PIPELINE SYSTEMS,
28 INCLUDING SEWERAGE PIPELINE SYSTEMS;
29 (5) INTERNET CONNECTION,

30 **TELECOMMUNICATIONS, AND CONNECTIVITY;** 

31 **(6) AIRPORTS;** 

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32 (7) SEAPORTS;

2 (9) OTHER SIMILAR PUBLIC SERVICES. 3 [Subject to t] The provisions of Republic Act No. 7160, 4 [otherwise known as] OR the "Local Government Code of 5 1991", [local government units (LGUs) may also adopt the 6 provisions of this Act for use in the acquisition of right-of-way 7 for local government infrastructure projects] ON EMINENT 8 DOMAIN SHALL CONTINUE TO HAVE FORCE AND 9 EFFECT.

(8) IRRIGATION PROJECTS; OR

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10 Sec. 4. Section 4 of Republic Act No. 10752 is hereby amended to read as 11 follows:

SEC. 4. *Modes of Acquiring Real Property.* – (A) The
government may acquire real property needed as right-of-way site or
location for any national government infrastructure project, through
donation, negotiated sale, expropriation, or any other mode of
acquisition as provided by law.

"In case of lands granted through Commonwealth Act No. 141, [as
 amended, otherwise known as] OR "The Public Land Act", AS
 AMENDED, AND REPUBLIC ACT NO. 10023, the implementing
 agency shall:

- 21 (a) (i) Follow the other modes of acquisition enumerated in
  22 this Act, if the landowner is not the original patent holder
  23 and any previous acquisition of said land is not through a
  24 gratuitous title; or
- (b) (ii) Follow the provisions under Commonwealth Act No.
  141, as amended, regarding acquisition of right-of-way on
  patent lands, if the landowner is the original patent holder or
  the acquisition of the land from the original patent holder is
  through a gratuitous title.

The implementing agency may utilize donation or **A** similar mode of acquisition if the landowner is a government-owned or [government]controlled corporation.

1 When it is necessary to build, construct, or install on the subsurface or 2 subterranean portion of private and government lands owned, 3 occupied, or leased by other persons, such infrastructure as subways, 4 tunnels, underpasses, waterways, floodways, or utility facilities as part 5 of the government's infrastructure and development project, the 6 government or any of its authorized representatives shall not be 7 prevented from entry into and use of the subsurface or subterranean 8 portions of such private and government lands by surface owners or 9 occupants, if such entry and use are made more than fifty (50) meters 10 from the surface.

"(B) SUBJECT TO THE OWNERSHIP RESTRICTIONS UNDER 11 THE CONSTITUTION, A PRIVATE ENTITY MAY ACQUIRE 12 PRIVATE LAND OR PATRIMONIAL PROPERTY FOR RIGHT-OF-13 WAY SITE OR LOCATION OF AN INFRASTRUCTURE PROJECT, 14 AS MAY BE REASONABLY NECESSARY FOR THE EFFICIENT 15 MAINTENANCE AND OPERATION OF THE PUBLIC SERVICE 16 PURSUANT TO THE PRIVATE ENTITY'S FRANCHISE OR 17 18 **AUTHORITY TO OPERATE."** 

Sec. 5. A new Section 5 is hereby inserted after Section 4 of Republic Act No.
10752 and the subsequent sections shall be renumbered accordingly:

"SEC. 5. **RIGHT-OF-WAY ACTION PLAN.** - THE 21 **IMPLEMENTING AGENCY SHALL PREPARE A RIGHT-OF-WAY** 22 BEFORE THE ACQUISITION OF 23 ACTION PLAN (RAP) **RIGHT-OF-WAY** AN PROPERTIES NEEDED AS FOR 24 INFRASTRUCTURE PROJECT, WHICH SHALL CONTAIN THE 25 **FOLLOWING:** 26

27 (A) CENSUS AND PROFILE OF AFFECTED PERSONS;

28 (B) INVENTORY OF AFFECTED ASSETS;

29(C) ESTIMATED RIGHT-OF-WAY COSTS, INCLUDING30COMPENSATION FOR AFFECTED LAND, STRUCTURES, AND31IMPROVEMENTS, INCLUDING MACHINERY CONSIDERED AS

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- IMMOVABLES UNDER ARTICLE 415 OF THE NEW CIVIL CODE,
- 2 AND CROPS AND TREES TO PROJECT-AFFECTED PERSONS;
  - (D) SCHEDULE OF IMPLEMENTATION;
  - (E) INSTITUTIONAL ARRANGEMENTS; AND
    - (F) PROOF OF STAKEHOLDER CONSULTATIONS."

6 Sec. 6. A new Section 6 is hereby inserted after the new Section 5 of 7 Republic Act No. 10752 and the subsequent sections shall be renumbered 8 accordingly:

9 "SEC. 6. ENTRY AND USE OF PROPERTY WITHIN ANCESTRAL DOMAINS, - IN CASE OF ACOUISITION OF LAND 10 WITHIN ANCESTRAL DOMAINS COVERED BY CERTIFICATES 11 12 OF ANCESTRAL DOMAIN TITLE (CADT) OR ARE CONFIRMED BY THE NATIONAL COMMISSION ON INDIGENOUS PEOPLES 13 (NCIP) TO BE PART OF THE ANCESTRAL DOMAIN BUT ARE 14 PENDING ISSUANCE OF THE CADT, THE IMPLEMENTING 15 AGENCY SHALL SECURE THE NECESSARY CERTIFICATION 16 INFRASTRUCTURE **RIGHT-OF-WAY** 17 PRECONDITION. AN EASEMENT AGREEMENT SHALL BE EXECUTED BETWEEN THE 18 AND THE **NCIP-CERTIFIED** 19 IMPLEMENTING AGENCY INDIGENOUS POLITICAL STRUCTURE, AS PROVIDED FOR IN 20 **REPUBLIC ACT NO. 8371 OR THE "INDIGENOUS PEOPLES'** 21 RIGHTS ACT". UNDER THIS MODE, THE INDIGENOUS 22 CULTURAL COMMUNITIES (ICCS) OR THE INDIGENOUS 23 PEOPLES (IPS) SHALL GRANT THE IMPLEMENTING AGENCY 24 THE ABSOLUTE AND UNIMPEDED RIGHT TO USE THE 25 AFFECTED PORTION OF THEIR ANCESTRAL DOMAIN AS 26 INFRASTRUCTURE RIGHT-OF-WAY WHILE THE PUBLIC 27 PURPOSE REQUIREMENT SUBSISTS: PROVIDED, HOWEVER, 28 THAT THE ICCS OR IPS SHALL RETAIN OWNERSHIP OF THAT 29 FOR ICCS OR IPS WITH NO 30 PORTION OF THE LAND. ESTABLISHED INDIGENOUS POLITICAL STRUCTURE, THE 31 **PROVISIONS OF REPUBLIC ACT NO. 8371 ON THE PROCESS** 32

- 1 OF FREE AND PRIOR INFORMED CONSENT (FPIC) SHALL BE 2 **OBSERVED. THE EASEMENT PRICE TO BE PAID SHALL BE IN** 3 ACCORDANCE WITH THE PROVISIONS OF THIS ACT." 4 Sec. 7. Section 5 of Republic Act No. 10752 is hereby amended to read as 5 follows: 6 "SEC. [5] 7. Rules on Negotiated Sale. - The implementing 7 agency **OR THE PRIVATE ENTITY** may offer to acquire, through 8 negotiated sale, the right-of-way site or location for a national 9 government infrastructure project OR PRIVATE INFRASTRUCTURE 10 **PROJECT**, **RESPECTIVELY**, under the following rules: 11 "(a) The implementing agency **OR THE PRIVATE ENTITY** shall offer 12 to the property owner concerned, as compensation price, the sum of: 13 (1) The [current] market value of the land; 14 (2) The replacement cost of structures and improvements 15 therein; and (3) The [current] market value of crops and trees therein. 16 [To determine the appropriate price offer, the implementing 17 agency-may engage the services of a government financial institution 18 19 with adequate experience in property appraisal, or an independent property appraiser accredited by the Bangko Sentral ng Pilipinas (BSP) 20 or a professional association of appraisers recognized by the BSP to be 21 procured by the implementing agency under the provisions of Republic 22 Act No. 9184, otherwise known as the "Government Procurement 23 Reform Act", and its implementing rules and regulations pertaining to 24 25 consulting services.] THE APPROPRIATE PRICE OFFER SHALL BE BASED ON 26 THE VALUATION SYSTEM AND SCHEDULE OF MARKET VALUES 27 ESTABLISHED UNDER REPUBLIC ACT NO. 12001, OR THE 28
- 29 "REAL PROPERTY VALUATION AND ASSESSMENT REFORM
  30 ACT".

If the property owner does not accept the price offer, the implementing agency **OR THE PRIVATE ENTITY** shall initiate expropriation proceedings [pursuant to] **UNDER** Section [6] 8 hereof.

The property owner is given thirty (30) days to decide whether [or not] to accept the offer as payment for his property. Upon refusal or failure of the property owner to accept such **AN** offer or [fails and/or refuses] to submit the documents necessary for payments, the implementing agency **OR THE PRIVATE ENTITY** shall immediately initiate expropriation proceedings as provided **FOR** in Section [6] **8** [herein] **HEREOF**.

"(b) Subparagraph (a)(2) of Section [5] 7 hereof shall also apply to all
owners of structures and improvements who do not have legally
recognized rights to the land, and who meet all of the following
criteria:

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(1) Must be a Filipino citizen;

- 16 (2) Must not own any real property or any other housing facility,
  17 whether in an urban or rural area; [and]
- 18 (3) Must not be a professional squatter or a member of a
  19 squatting syndicate, as defined in Republic Act No. 7279,
  20 [otherwise known as] OR the "Urban Development and Housing
  21 Act of 1992", AS AMENDED; AND
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# (4) MUST NOT OCCUPY AN EXISTING RIGHT-OF-WAY WHICH IS TITLED TO THE GOVERNMENT.

"(c) With regard to the taxes and fees relative to the transfer of title of 24 the property to the Republic of the Philippines through negotiated sale, 25 the implementing agency OR THE PRIVATE ENTITY shall pay, for 26 the account of the seller, the capital gains tax[,]. THIS PROVISION 27 SHALL ONLY APPLY TO THE NEGOTIATED SALE OF PROPERTY 28 CLASSIFIED AS CAPITAL ASSETS. NEGOTIATED SALE OF 29 PROPERTY CLASSIFIED AS ORDINARY ASSETS ARE SUBJECT 30 TO THE EXISTING RULES AND REGULATIONS OF THE BIR, as 31

well as the documentary stamp tax, transfer tax and registration fees,
 while the **PROPERTY** owner shall pay any unpaid real property tax.

"(d) If requested by the property owner, the implementing agency OR
THE PRIVATE ENTITY shall remit to the LGU concerned the amount
corresponding to any unpaid real property tax, subject to the deduction
of this amount from the total negotiated price: *Provided, however,*That the said amount is not more than the negotiated price.

8 "(e) The property owner and the implementing agency **OR THE PRIVATE ENTITY** shall execute a deed of absolute sale: *Provided*, 9 That the property owner has submitted to the implementing agency 10 **OR THE PRIVATE ENTITY** the **ORIGINAL OR** Transfer Certificate of 11 Title, Tax Declaration, Real Property Tax Certificate, and other 12 documents necessary to transfer the title to the Republic of the 13 Philippines. The implementing agency **OR THE PRIVATE ENTITY** 14 shall cause the annotation of the deed of absolute sale on the 15 [Transfer] Certificate of Title[-] : **PROVIDED**, FURTHER, THAT IN 16 THE CASE OF UNTITLED LANDS, THE POSSESSOR OF THE 17 **PROPERTY SHALL SUBMIT TO THE IMPLEMENTING AGENCY,** 18 THE FOLLOWING: 19

- 20(I) TAX DECLARATION SHOWING THE POSSESSOR'S AND21THE PREDECESSORS' OPEN, CONTINUOUS, EXCLUSIVE,22AND NOTORIOUS POSSESSION OF THE LAND FOR AT23LEAST TWENTY (20) YEARS;
- 24(II) AFFIDAVIT FROM AT LEAST TWO (2) DISINTERESTED25RESIDENTS OF THE BARANGAY WHERE THE LAND IS26LOCATED THAT THE POSSESSOR OR THE PREDECESSORS27HAVE CONTINUOUSLY OCCUPIED THE LAND FOR AT28LEAST TWENTY (20) YEARS;
- 29 (III) REAL PROPERTY TAX CERTIFICATE;
- 30 (IV) CERTIFICATION FROM THE DENR THAT THE LAND IS
- 31 ALIENABLE AND DISPOSABLE;

1 (V) TECHNICAL DESCRIPTION OF THE PROPERTY AND 2 MAP BASED ON A SURVEY CONDUCTED BY A LICENSED 3 **GEODETIC ENGINEER AND APPROVED BY THE DENR; AND** 4 (VI) OTHER DOCUMENTS THAT SHOW OWNERSHIP: 5 **PROVIDED, FURTHERMORE, THAT UPON SUBMISSION OF** 6 ALL THE ABOVE-LISTED REQUIREMENTS TO CAUSE THE 7 TRANSFER OF THE TITLE TO THE REPUBLIC OF THE 8 PHILIPPINES, THE PROPERTY POSSESSOR SHALL BE 9 **REIMBURSED THE COST THEREOF UPON SUFFICIENT** 10 **PROOF.** 

"(f) Upon the execution of a deed of sale, the implementing agency
 OR THE PRIVATE ENTITY shall pay the property owner:

(1) [Fifty percent (50%)] SEVENTY PERCENT (70%) of the
negotiated price of the affected land, exclusive of taxes remitted
to the LGU concerned under subparagraph (d) herein; and

16 (2) Seventy percent (70%) of the negotiated price of the 17 affected structures, improvements, crops and trees, exclusive of 18 unpaid taxes remitted to the LGU concerned under 19 subparagraph (d) herein.

20THE IMPLEMENTING AGENCY OR PRIVATE ENTITY21SHALL PROMPTLY PAY THE ABOVE SUMS UPON THE22EXECUTION OF THE DEED OF SALE OR NO LATER THAN23THIRTY (30) DAYS THEREAFTER.

"(g) The implementing agency OR THE PRIVATE ENTITY shall, at 24 25 the times stated hereunder, pay the property owner the remaining [fifty percent (50%)] THIRTY PERCENT (30%) of the negotiated 26 price of the affected  $land[_7]$  and [thirty percent (30%)] of the affected 27 structures, improvements, crops and trees, exclusive of unpaid taxes 28 29 remitted to the LGU concerned under subparagraph (d) herein: Provided, That the land is already completely cleared of structures, 30 31 improvements, crops and trees:

- (1) At the time of the transfer of title in the name of the
   Republic of the Philippines, in cases where the land is wholly
   affected; or
- 4 (2) At the time of the annotation of a deed of sale on the title,5 in cases where the land is partially affected.

6 THE IMPLEMENTING AGENCY OR PRIVATE ENTITY
7 SHALL PROMPTLY PAY THE REMAINING BALANCE NO LATER
8 THAN SIXTY (60) DAYS FROM THE TRANSFER OF TITLE OR
9 ANNOTATION OF THE DEED OF SALE THEREON.

10 The provisions of subparagraph (a) herein shall also apply to 11 outstanding claims for right-of-way payments, except that the amount 12 to be offered shall be the price at the time of taking of the property, 13 including legal interest until fully paid."

14 Sec. 8. Section 6 of Republic Act No. 10752 is hereby amended to read as 15 follows:

"SEC. [6] 8. Guidelines for Expropriation Proceedings. – 16 Whenever it is necessary to acquire real property for the right-of-way 17 site or location [for] OF an[y national government] infrastructure 18 19 **PROJECT** through expropriation **BY THE GOVERNMENT OR A PRIVATE ENTITY**, the appropriate implementing agency, through the 20 21 Office of the Solicitor General, the Office of the Government Corporate 22 Counsel, [or] their deputized government or private legal counsel, OR THE PRIVATE ENTITY, THROUGH ITS DESIGNATED LEGAL 23 COUNSEL, shall immediately initiate the expropriation proceedings 24 before the proper court under the following guidelines: 25

"(a) Upon the filing of the complaint or at any time thereafter, and
after due notice to the [defendant] PROPERTY OWNER, the
implementing agency OR THE PRIVATE ENTITY shall immediately
deposit to the court in favor of the PROPERTY owner the amount
equivalent to the sum of:

31 (1) [One hundred percent (100%)] FIFTY PERCENT
32 (50%) of the [value of the land based on the current relevant

1	zonal valuation of the BIR, issued not more than three (3) years
2	prior to the filing of the expropriation complaint subject to
3	subparagraph (c) of this section] MARKET VALUE OF THE
4	LAND;
5	(2) SEVENTY PERCENT (70%) OF [Ŧ]The
6	replacement cost at [current] market value of the
7	improvements, MACHINERY CONSIDERED AS IMMOVABLE
8	UNDER ARTICLE 415 OF THE NEW CIVIL CODE and
9	structures; AND [as determined by:
10	(i) The implementing agency;
11	(ii) - A government financial institution with adequate
12	experience in property appraisal; and
13	(iii) An independent property appraiser accredited by the
14	BSP].
15	(3) SEVENTY PERCENT (70%) OF [7]The [current]
16	market value of crops and trees located within the property. [as
17	determined by the government financial institution, or an
18	independent property appraiser to be selected as indicated in
19	subparagraph (a) of Section 5 hereof]
20	THE FOREGOING AMOUNTS SHALL BE BASED ON THE
21	APPROVED SMV ESTABLISHED UNDER R.A. NO. 12001. IN
22	THE ABSENCE OF THE APPROVED SMV, THE FOLLOWING
23	SHALL, IN THE INTERIM, BE USED IN DETERMINING THE
24	APPROPRIATE AMOUNT FOR DEPOSIT: (I) THE BIR ZONAL
25	VALUATION OF THE LAND, AND (II) THE ASSESSED VALUE OF
26	THE IMPROVEMENTS, INCLUDING MACHINERY CONSIDERED
27	AS IMMOVABLES UNDER ARTICLE 415 OF THE NEW CIVIL
28	CODE, STRUCTURES, CROPS OR TREES.
29	Upon compliance with the guidelines above-mentioned, the
30	court shall immediately issue to the implementing agency OR THE
31	<b>PRIVATE ENTITY</b> an order to take possession of the property and

32 start the implementation of the project.

1 [If, within seven (7) working days after the deposit to the court 2 of the amount equivalent to the sum under subparagraphs (a)(1) to 3 (a)(3)-of this section, the court has not issued to the implementing 4 agency-a writ of possession for the affected property, the counsel of 5 the implementing agency-shall immediately seek from the court the 6 issuance of the writ of possession.] The court shall issue the writ of 7 possession *ex parte;* no hearing shall be required.

8 The court shall release the amount to the **PROPERTY** owner 9 upon presentation of sufficient proof[s] of ownership.

10 "(b) In case the owner of the property cannot be found, [if] IS 11 unknown, or deceased in cases where the estate has not been settled, 12 after exerting due diligence, or there are conflicting claims over the 13 ownership of the property and improvements and/OR structures thereon, the implementing agency OR THE PRIVATE ENTITY shall 14 deposit the amount equivalent to the sum under subparagraphs (a)(1)15 to (a)(3) of this section to the court for the benefit of the person to be 16 17 adjudged in the same proceeding as entitled thereto.

18 Upon compliance with the guidelines above-mentioned, the 19 court shall immediately issue to the implementing agency **OR THE** 20 **PRIVATE ENTITY** an order to take possession of the property and 21 start the implementation of the project.

[If, within seven (7) working days after the deposit with the court of the amount equivalent to the sum under subparagraphs (a)(1) to (a)(3) of this section, the court has not issued to the implementing agency a writ of possession for the affected property, the counsel of the implementing agency shall immediately seek with the court the issuance of the writ of possession.]

28 The court shall release the said amount to the person adjudged 29 in the same expropriation proceeding as entitled thereto.

"(c) In provinces, cities, municipalities, and other areas where there is
 no land classification, the city or municipal assessor is hereby
 mandated, within the period of sixty (60) days from the date of filing

1 of the expropriation case, to come up with the required land 2 classification and the corresponding declaration of real property and 3 improvement for the area. [In provinces, cities, municipalities, and 4 other areas where there is no zonal valuation, or where the current 5 zonal valuation has been in force for more than three (3) years, the 6 BIR is mandated, within the period of sixty (60) days from the date of 7 filing of the expropriation case, to conduct a zonal valuation of the 8 area, based on the land classification done by the city or municipal 9 assessor.1

10 "(d) With reference to subparagraph (a)(1) of this section, in case the completion of a government infrastructure project is of utmost urgency 11 12 and importance, and there is no land classification [or no existing zonal 13 valuation of the area concerned or the zonal valuation has been in 14 force for more than three (3) years, 1 the implementing agency **OR** THE PRIVATE ENTITY shall use the [BIR zonal] MARKET value 15 PURSUANT TO THE APPROVED SMV ESTABLISHED UNDER R.A. 16 NO. 12001 and land classification of similar lands within the adjacent 17 vicinity as the basis for the valuation. 18

19 IN THE ABSENCE OF THE APPROVED SMV UNDER REPUBLIC
20 ACT NO. 12001, THE BIR ZONAL VALUATION OF SIMILAR
21 LANDS WITHIN THE ADJACENT VICINITY, SHALL, IN THE
22 INTERIM BE USED.

"(e) In any of the cases in subparagraphs (a) to (d) of this section, 23 upon its receipt of the writ of possession issued by the court, the 24 implementing agency **OR THE PRIVATE ENTITY** may take 25 possession of the property and start the implementation of the project. 26 "(f) In the event that the owner of the property contests the 27 implementing agency OR THE PRIVATE ENTITY's proffered value, 28 the court shall determine the just compensation to be paid the 29 **PROPERTY** owner within sixty (60) days from the date of filing of the 30 expropriation case. When the decision of the court becomes final and 31 executory, the implementing agency OR THE PRIVATE ENTITY shall 32

pay the **PROPERTY** owner the difference between the amount already
 paid and the just compensation as determined by the court.
 "(g) With regard to the taxes and fees relative to the transfer of title of
 the property to the Republic of the Philippines through expropriation

5 proceedings, the implementing agency **OR THE PRIVATE ENTITY** 6 shall pay the documentary stamp tax, transfer tax and registration 7 fees, while the **PROPERTY** owner shall pay the capital gains tax and 8 any unpaid real property tax."

9 Sec. 9. Section 7 of Republic Act No. 10752 is hereby amended to read as 10 follows and the subsequent sections shall be renumbered accordingly:

"SEC. [7] 9. Standards for the Assessment of the Value of the
Property Subject to Negotiated Sale. – In order to facilitate the
determination of the market value of the property, the following
relevant standards shall be observed:

(a) The classification and use for which the property is suited;

16(b) The CURRENT ESTIMATED development cost for17improving the land;

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(c)The value declared by the owners;

(d) The current [selling price] MARKET VALUE of similar
lands in the vicinity;

(e) The reasonable disturbance compensation for the removal
and/OR demolition of certain improvements on the land and for the
value of improvements thereon;

(f) The size, shape or location, tax declaration, and THE
 APPROVED SMV ESTABLISHED UNDER R.A. NO. 12001, OR
 [zonal valuation of the land] IN THE ABSENCE OF SUCH SMV, THE
 BIR ZONAL VALUATION OF SIMILAR LANDS WITHIN THE
 ADJACENT VICINITY SHALL, IN THE INTERIM, BE USED."

"(g) **XXX** 

30 "(h) **xxx**31 "The implementing rules and regulations (IRR) to be prepared
32 under Section 13 hereof shall include, among other things, the terms

of reference which shall be used by the government financial institutions and independent property appraisers in the determination of the market value of the land. The terms of reference shall define in detail the standards stated herein."

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5 Sec. 10. Section 9 of Republic Act No. 10752 is hereby amended to read as 6 follows:

"SEC. [9] 11. Relocation of Informal Settlers. -7 The 8 DEPARTMENT OF HUMAN SETTLEMENTS AND **URBAN** DEVELOPMENT (DHSUD), THROUGH THE APPROPRIATE KEY 9 SHELTER AGENCY, [-government, through the Housing and Urban 10 Development Coordinating Council (HUDGC) and the National Housing 11 12 Authority (NHA),] in coordination with the LGUs and implementing 13 agencies concerned, shall establish and develop resettlement sites for 14 informal settlers, including the provision of adequate basic services and community facilities, in anticipation of informal settlers that have to be 15 removed from the right-of-way site or location of future infrastructure 16 projects, pursuant to the provisions of Republic Act No. 7279, 17 18 [otherwise known as] OR the "Urban Development and Housing Act of 1992." Whenever applicable, the concerned LGUs shall provide and 19 administer the resettlement sites. 20

In case the expropriated land is occupied by informal settlers 21 who refuse or are unable to demolish their structures and other 22 improvements therein despite the writ of possession issued by the 23 court under Section [6] 8 hereof, the court shall issue the necessary 24 writ of demolition for the purpose of dismantling any and all structures 25 found within the subject property. The implementing agency shall take 26 into account and observe diligently the procedure provided for in 27 Sections 28 and 29 of Republic Act No. 7279." 28

29 Sec. 11. Section 10 of Republic Act No. 10752 is hereby amended to read as 30 follows:

31"SEC. [10] 12. Appropriations for Acquisition of Right-Of-Way32Site or Location for National Government Infrastructure Projects in

1 Advance of Project Implementation. – The government shall provide 2 adequate appropriations that will allow the concerned implementing 3 agencies to acquire the required right-of-way site or location for 4 national government infrastructure projects in advance of project 5 implementation. These appropriations shall cover the funds needed to 6 cover the following expenses for activities directly related to right-of-7 way acquisition for the projects as provided in this Act:

(a) Cost of parcellary surveys and appraisal of properties affected by the projects;

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(b) Compensation for the project-affected land, structures,
 improvements, INCLUDING MACHINERY CONSIDERED AS
 IMMOVABLE UNDER ARTICLE 415 OF THE NEW CIVIL CODE,
 crops and trees;

(c) Cost of development and implementation of resettlement
projects covered by this Act, including planning, social preparation, and
other activities under the resettlement action plan; and

(d) Related expenses of the implementing agency, including
capital gains tax in the case of negotiated sale under Section [5] 7
hereof documentary stamp tax, transfer tax and registration fees for
the transfer of titles, and other relevant administrative expenses for
right-of-way management.

22FOR PUBLIC-PRIVATE PARTNERSHIP (PPP) PROJECTS,23APPROPRIATIONS FOR THE ACQUISITION OF RIGHT-OF-WAY24SHALL BE IN ACCORDANCE WITH REPUBLIC ACT NO. 11966,25ITS IMPLEMENTING RULES AND REGULATIONS, AND ANY26AMENDMENTS THERETO.

[In public-private partnership (PPP) projects, the modalities
 of which are defined in Republic Act No. 6957 as amended by
 Republic Act No. 7718, the implementing agency may, as part of the
 contract terms and conditions, require the project proponent to:

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2 3 (1) Advance the funds covering the cost of the right of way which shall be reimbursed later by the implementing agency, except for unsolicited proposals; or

4 (2) Finance the right of way cost which shall be recovered
5 partly or fully by the proponent from the tolls, fees, or tariffs to be
6 charged to the users of the completed project.]"

Sec. 12. Section 11 of Republic Act No. 10752 is hereby amended to read asfollows:

9 "SEC. [11] 13. Regulation of Developments Within Declared *Right-of-Way* – Upon [the] approval of an infrastructure project by the 10 head of the implementing agency concerned, with funding authorized 11 12 in the General Appropriations Act and with APPROVED PARCELLARY 13 SURVEY PLANS, [defined right-of-way,] no national government 14 agency or LOCAL GOVERNMENT UNIT (LGU) shall, within two (2) years from date of notice of taking, allow any development or 15 construction, or issue any building, construction, development, or 16 business permit[, which is] contrary to the approved plans and 17 purposes of the project, within the right-of-way, unless explicitly 18 authorized by the head of the implementing agency for justifiable 19 reasons. THE IMPLEMENTING AGENCY SHALL PROVIDE THE 20 **CONCERNED NATIONAL AGENCIES AND LGUS A COPY OF THE** 21 NOTICE OF TAKING UPON ITS ISSUANCE." 22

23 Sec. 13. Section 12 of Republic Act No. 10752 is hereby amended to read as 24 follows:

25 "SEC. [12] 14. Sanctions. – Violation of any provision of this Act
26 shall subject the government official or employee concerned to
27 appropriate administrative, civil, or criminal sanctions, including
28 suspension or dismissal from the government service and forfeiture of
29 benefits in accordance with the provisions of the law.

30VIOLATION BY A PRIVATE ENTITY OF ANY PROVISION OF31THIS ACT SHALL SUBJECT ITS PRESIDENT, MANAGER,

1 DIRECTOR, TRUSTEE, OR RESPONSIBLE OFFICERS TO CIVIL OR 2 CRIMINAL SANCTIONS."

3 Sec. 14. A new Section 15 is hereby inserted after the renumbered Section 4 14 of Republic Act No. 10752 and the subsequent sections shall be renumbered 5 accordingly:

6 "SEC. 15. APPLICABILITY OF REPUBLIC ACT NO. 8975. – 7 THE PROVISIONS OF REPUBLIC ACT NO. 8975 ON THE 8 PROHIBITION AND PENAL SANCTION ON THE ISSUANCE OF 9 TEMPORARY RESTRAINING ORDERS, PRELIMINARY 10 INJUNCTIONS, OR PRELIMINARY MANDATORY INJUNCTIONS 11 SHALL APPLY."

12 Sec. 15. A new Section 16 is hereby inserted after the new Section 15 of 13 Republic Act No. 10752 and the subsequent sections shall be renumbered 14 accordingly:

"SEC. 16. PUBLIC DISCLOSURE OF ESSENTIAL RIGHT-15 **OF-WAY INFORMATION. - THE IMPLEMENTING AGENCY OR** 16 THE PRIVATE ENTITY SHALL PUBLISH, THROUGH THEIR 17 18 **RESPECTIVE WEBSITES, ESSENTIAL INFORMATION ON THE RIGHT-OF-WAY ACQUISITION PROCESS SUCH AS, BUT NOT** 19 LIMITED TO: ROW ACTION PLAN (RAP), STATUS OF ROW 20 CLAIMS AND STATUS OF EXPROPRIATION CASES, SUBJECT TO 21 THE PROVISIONS OF REPUBLIC ACT NO. 10173 OR "THE DATA 22 PRIVACY ACT OF 2012." 23

24 Sec. 16. Section 13 of Republic Act No. 10752 is hereby amended to read as 25 follows:

26 "SEC. [13] 17. Implementing Rules and Regulations (IRR). – A
27 committee shall prepare, in consultation with key stakeholders, the IRR
28 for the proper implementation of this Act within sixty (60) days from its
29 approval.

30The committee shall be composed of the following officials or31their duly designated representatives:

1 (a) The Secretary of the Department of Public Works and 2 Highways as Chairperson; 3 (b) The Secretary of the Department of Transportation [and 4 **Communications**] as member; 5 (c) The Secretary of the Department of Energy as member; 6 (D) THE SECRETARY OF THE DEPARTMENT OF 7 INFORMATION AND COMMUNICATIONS TECHNOLOGY AS 8 **MEMBER;** (E) THE SECRETARY OF THE DEPARTMENT OF 9 **ENVIRONMENT AND NATURAL RESOURCES AS MEMBER;** 10 SECRETARY OF THE DEPARTMENT OF (F) THE 11 **AGRICULTURE AS MEMBER;** 12 (G) THE SECRETARY OF THE DEPARTMENT OF 13 **INTERIOR AND LOCAL GOVERNMENT AS MEMBER;** 14 (H) THE SECRETARY OF THE DEPARTMENT OF FINANCE 15 16 AS MEMBER; (d) (I) Secretary of the Department of Justice as member; 17 18 (e)(J) Secretary of the Department of Budget and 19 Management as member; (f) (K) The SECRETARY [Director General] of the National 20 Economic and Development Authority as member; 21 (q) (L) THE SECRETARY OF THE DEPARTMENT OF 22 HUMAN SETTLEMENTS AND URBAN DEVELOPMENT [The 23 Chairperson of the HUDCC] as member; [and] 24 (M) THE SECRETARY OF THE DEPARTMENT OF 25 **AGRARIAN REFORM AS MEMBER; AND** 26 (h) (N) Other representatives of concerned entities as 27 determined by the committee as members." 28 Sec. 17. Transitory Clause. - The provisions of this Act shall apply to all right-29 of-way transactions, except those which, as of the effectivity of this Act, the 30 Implementing Agency or the Private Entity and the property owner have reached a 31 written agreement on the agreed amount of compensation. 32

Sec. 18. Separability Clause. – If any provision of this Act is declared
 unconstitutional, the remainder thereof not otherwise affected shall remain in full
 force and effect.

Sec. 19. *Repealing Clause*. – All laws, presidential decrees, executive orders, letters of instruction, proclamations, or administrative regulations that are inconsistent with the provisions of this Act are hereby repealed, amended, or modified accordingly.

8 Sec. 20. *Effectivity Clause*. – This Act shall take effect after fifteen (15) days 9 following its publication in the *Official Gazette* or in a newspaper of general 10 circulation.

11 Approved,