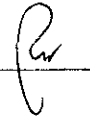


FIFTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Second Regular Session)



11 SEP -1 P12 :55

SENATE

RECEIVED BY: 

S.B. No. 2952

Introduced by Sen. Antonio "Sonny" F. Trillanes IV

Explanatory Note

Section 74, Chapter IV of Republic Act 3844 also known as the *Agricultural Land Reform Code* established the Land Bank of the Philippines in 1963 to finance the acquisition by the government of landed estates for division and resale to small landholders, as well as the purchase of the landholding by the agricultural lessee from the landowner.

From its initial and modest role of the financing arm of the agrarian reform, Land Bank has evolved into a full-service commercial bank. In its forty-eight years of corporate existence, Land Bank has become a renowned government financial institution meritoriously receiving scores of highly acclaimed awards and citations from both local and international award-giving bodies, which is a testament to its sound management and profuse growth over the years.

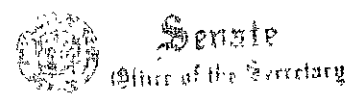
Today, Land Bank is by far the largest formal credit institution in the rural areas. Its credit delivery system is able to penetrate a substantial percentage of the country's total number of municipalities. Moreover, Land Bank ranks among the top five commercial banks in the country in terms of deposits, assets, loans and capital.

In light of the impending expiration of the corporate life of the Land Bank in 2013, this bill seeks to extend the Bank's life for another period of fifty (50) years, in optimistic anticipation that it would continue to replicate with greater dedication and visibility its past successes in countryside development and continue to expansion of its loan portfolio in favor of its priority sectors: the farmers and fisherfolk, small and medium enterprises and microenterprises, livelihood loans and agribusiness, agri-infrastructure and other agriculture and environment-related projects, socialized housing, schools and hospitals.

In view of the foregoing, the immediate approval of this bill is earnestly sought.

ANTONIO "SONNY" F. TRILLANES IV

FIFTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Second Regular Session)



11 SEP -1 12:55

SENATE

RECEIVED BY:

S. No. 2952

Introduced by Sen. Antonio "Sonny" F. Trillanes IV

AN ACT
EXTENDING THE TERM OF THE CORPORATE LIFE OF THE LAND BANK OF
THE PHILIPPINES, FURTHER AMENDING REPUBLIC ACT 3844, OTHERWISE
KNOWN AS THE AGRICULTURAL LAND REFORM CODE, AS AMENDED

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

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SECTION 1. *Extension of the corporate life of the Land Bank of the Philippines.* -

The term of the corporate life of the Land Bank of the Philippines (LBP), whose franchise was granted under Republic Act No. 3844, also known as the "Agricultural Land Reform Code", is hereby extended for a period of fifty (50) years from the expiration of its original term on 08 August 2013, renewable for another fifty (50) years.

SEC. 2. *Amendment of Republic Act No. 3844.* - For this purpose, Republic Act No.

3844 also known as the "Agricultural Land Reform Code" is hereby further amended to read as follows:

(1) A new Sec. 75 shall be inserted after the existing Sec. 74 [Creation], to read as follows:

"Sec. 74. *Creation.* - To finance the acquisition by the Government of landed estates for division and resale to small landholders, as well as the purchase of the landholding by the agricultural lessee from the landowner, there is hereby established a body corporate to be known as the "Land Bank of the Philippines", hereinafter called the "Bank", which shall have its principal place of business in Manila. The legal existence of the Bank shall be for a period of fifty years counting from the date of the approval hereof. The Bank shall be subjected to

1 such rules and regulations as the Central Bank may from time to time
2 promulgate.”

3
4 **“SEC. 75. EXTENSION OF THE TERM OF THE BANK. - THE**
5 **TERM OF THE CORPORATE LIFE OF THE BANK IS HEREBY**
6 **EXTENDED FOR A PERIOD OF FIFTY (50) YEARS FROM THE DATE**
7 **OF THE EXPIRATION OF ITS ORIGINAL TERM ON 08 AUGUST 2013,**
8 **RENEWABLE FOR ANOTHER FIFTY (50) YEARS.**

9
10 (2) All of the subsequent Sections of the Republic Act No. 3844 shall be accordingly re-
11 numbered and references thereto in the law shall be appropriately adjusted.

12
13 **SEC. 3. Repealing Clause.** – All laws, presidential decrees, executive orders in
14 whole or in part, including the rules and regulations promulgated thereunder inconsistent
15 with the provisions of this Act, are hereby amended, repealed or modified accordingly.

16
17 **SEC. 4. Effectivity.** – This Act shall take effect fifteen (15) days following its
18 publication in the Official Gazette or in at least two (2) newspapers of general circulation in
19 the country.

Approved,