


14th Congress of the Republic)
of the Philippines)
1st Regular Session)

7 JUL -4 P5 28

RECEIVED BY: 

SENATE

S. No. 1177

Introduced by Senator Aquilino Q. Pimentel Jr.

EXPLANATORY NOTE

The establishment of the Comprehensive Agrarian Reform Program under Proclamation No. 131, Executive Order No. 229, Republic Act No. 6657 and other related laws would be incomplete without the institution of a system for administrative adjudication to settle controversies arising from the implementation of the law.

Expectedly, a piece of social legislation which limits property rights and distributes land would generate numerous disputes. To address this concern, the Department of Agrarian Reform Adjudication Board (DARAB) was created under Executive Order No. 129-A dated July 26, 1987.

The DARAB affords the disadvantaged agrarian reform beneficiary an expeditious and inexpensive mode of resolving conflict. Its proceedings are summary in nature and non-adversarial in character.

Despite the good intentions behind its creation, the DARAB is beset with serious structural flaws, specifically, with respect to its composition and its capacity to effectively discharge its mandated tasks.

This bill creates an independent body, to be known as the National Agrarian Reform Adjudication Commission (NARAC), composed of a chairman and fourteen (14) Commissioners, who are all appointed by the President upon recommendation of the DAR Secretary. The qualifications of the commissioners are provided in the bill to ensure the appointment of qualified and competent persons to the said positions.

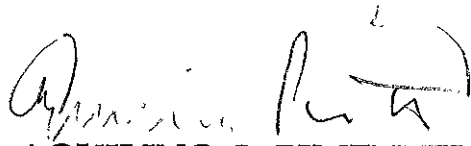
The NARAC has jurisdiction over all agrarian disputes, including the determination of just compensation. It sits *en banc* only for the purpose of promulgating rules of procedure and formulating policies. Its adjudicatory functions are exercised through five (5) divisions, which act independently of each other.

Each division has Provincial Agrarian Reform Adjudicators (PARADs), which have exclusive original jurisdiction over all agrarian disputes. The decisions of the PARADS are appealable to NARAC and thereafter to the Supreme Court by a petition for *certiorari*, unlike those of the DARAB which are appealable to the Court of Appeals.

To ensure compliance with the reglementary period for deciding cases, the bill requires adjudicators to execute sworn statements, attesting compliance with such period before they can claim their salaries.

The Chairman is authorized to prescribe and approve administrative adjudication to support the agrarian reform program of the government.


For the foregoing reasons, the passage of this bill is earnestly sought.



AQUILINO Q. PIMENTEL, JR.

14th Congress of the Republic)
of the Philippines)
1st Regular Session)

7 JUL -4 P5 08

RECEIVED BY: 

SENATE

S. No. 1177

Introduced by Senator Aquilino Q. Pimentel Jr.

AN ACT
CREATING THE NATIONAL AGRARIAN REFORM
ADJUDICATION COMMISSION, DEFINING ITS POWERS AND
FUNCTIONS, AND APPROPRIATING FUNDS THEREFOR

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

SECTION 1. *The National Agrarian Reform Adjudication Commission:*

Creation, Composition and Jurisdiction. - There shall be created a National Agrarian Reform Adjudication Commission, hereinafter known as the Commission, to be composed of a Chairman and fourteen (14) members. There shall be established a provincial office of the Commission in each province of the country, to be headed by a Provincial Agrarian Reform Adjudicator (PARAD). The Commission shall be attached to the Department of Agrarian Reform (DAR) for program and policy coordination only.

The Commission may sit *en banc* or in five (5) divisions, each composed of three (3) members.

The Commission shall exercise its adjudicatory and all other powers, functions, and duties, through its divisions. The first, second and third divisions shall handle cases coming from Luzon and the fourth and fifth divisions shall handle cases from Visayas and Mindanao, respectively. The divisions shall have exclusive appellate jurisdiction over cases decided by the PARADs within their respective territorial jurisdictions.

The Chairman shall be the Presiding Commissioner of the first division and shall designate the presiding commissioners of the other divisions. In case of the effective absence or incapacity of the Chairman, the Presiding Commissioner of the second division shall be the acting chairman.

The Commission shall be vested with jurisdiction to determine and adjudicate all agrarian reform disputes arising from or in connection with the implementation of Republic Act No. 6657, otherwise known as the Comprehensive Agrarian Reform Law of 1988, and other agrarian reform laws.

SEC. 2. Powers of the Commission. - The Commission has the following powers and authority, to be exercised, in proper cases, by the members of the Commission sitting *en banc* or through its divisions or the PARADs, as herein provided:

- 1) To promulgate rules and regulations governing the hearing and disposition of cases before it and the PARAD as well as those pertaining to its internal functions and such as may be necessary to carry out the purposes of this Act;
- 2) To administer oaths, summon the parties to a controversy, issue subpoenas requiring the attendance and testimony of witnesses or the production of such books, papers, and other documents as may be material to a just determination of the matter under investigation, and to testify in any investigation or hearing conducted pursuant to this Act;
- 3) To conduct investigation for the determination of a question, matter or controversy within its jurisdiction, proceed to hear and determine the disputes even in the absence of any party thereto who has been summoned or served with notice to appear, conduct its proceedings or any part thereof in public, adjourn its hearings to any time and place, refer technical matters to an expert and to accept his report as evidence after hearing of the parties upon due notice, direct parties to be joined or

excluded from the proceedings, correct, amend or waive any error, defect or irregularity, whether in substance or in form, give all such directions as it may deem necessary or expedient in the determination of the dispute before it, and dismiss any matter or refrain from further hearing or from determining the dispute or part thereof, where it is trivial or where further proceedings by the Commission are not necessary or desirable; and

- 4) To hold any person in direct or indirect contempt and impose appropriate penalties therefor in accordance with law. A person guilty of misbehavior in the presence of or so near the Chairman or any member of the Commission or any PARAD as to obstruct or interrupt the proceedings before the same, including disrespect toward said officials, offensive conduct toward others, or refusal to be sworn or to answer as a witness or to subscribe to an affidavit or deposition when lawfully required to do so, may be summarily adjudged in direct contempt by said officials and punished by a fine not exceeding Five thousand pesos (₱5,000.00) or imprisonment not exceeding five (5) days, or both if it be before the Commission or a member thereof, or by a fine not exceeding One thousand pesos (₱1,000.00) or imprisonment not exceeding one (1) day, or both if it be before the PARAD. The person adjudged in direct contempt by a PARAD may appeal to the Commission and the execution of the judgment shall be suspended pending the resolution of the appeal upon the filing by such person of a bond on condition that he will abide by and perform the judgment of the Commission should the appeal be decided against him. Judgment of the Commission on direct contempt is immediately executory and unappealable. Indirect contempt shall be dealt with by the Commission or the PARAD in the manner prescribed under Rule 71 of the Rules of Court.

5) To enjoin or restrain any actual or threatened commission of any or all prohibited or unlawful acts or to require the performance of a particular act in any agrarian dispute which, if not restrained or performed forthwith, may cause grave or irreparable damage to any part or render ineffectual any decision in favor of such party: *Provided*, That no temporary or permanent injunction in any case involving or growing out of an agrarian dispute as defined in this Act shall be issued except after hearing the testimony of witnesses, with opportunity for cross-examination, in support of the allegations of the complaint made under oath, and testimony in opposition thereto, if offered, and only after a finding of fact by the Commission, to the effect:

- a) That prohibited or unlawful acts have been threatened and will be committed and will be continued unless restrained: *Provided*, That no injunction or temporary restraining order shall be issued on account of any threat, prohibited or unlawful act, except against the person, association or organization making the threat or committing the prohibited or unlawful act or actually authorizing or ratifying the same after actual knowledge thereof;
- b) That substantial and irreparable injury to complainant's property will follow;
- c) That as to each item of relief to be granted, greater injury will be inflicted upon the complainant by the denial of relief than upon the defendant by the granting of relief;
- d) That complainant has no adequate remedy at law; and
- e) That the public officers charged with the duty to protect complainant's property are unable or unwilling to furnish adequate protection.

SEC. 3. *Manner of Voting.* - The concurrence of two (2) Commissioners of a

division shall be necessary for the pronouncement of a judgment or resolution. Whenever the required membership in a division is not complete and the concurrence of two (2) Commissioners to arrive at a judgment or resolution cannot be obtained, the Chairman shall designate such number of additional Commissioners from other divisions as may be necessary.

The conclusions of a division on any case submitted to it for decision shall be reached in consultation before the case is assigned to a member for the writing of the opinion. It shall be mandatory for the division to meet for purposes of the consultation ordained herein. A certification to this effect signed by the Presiding Commissioner of the division shall be issued and a copy thereof attached to the record of the case and served upon the parties.

SEC. 4. *Headquarters.* - The Commission and its first, second and third divisions shall have their offices in Metropolitan Manila and the fourth and fifth divisions, in the cities of Cebu and Cagayan de Oro, respectively.

SEC. 5. *Appointment; Qualifications; Oath and Term of Office.* - The Chairman and the other Commissioners shall be appointed by the President upon recommendation of the Secretary of Agrarian Reform. The PARADs shall be appointed by the Chairman subject to civil service law, rules and regulations. The Chairman and the other Commissioners shall be members of the Philippine Bar and must have been engaged in the practice of law in the Philippines for at least fifteen (15) years, with at least five (5) years of experience or exposure in the field of agrarian relations or agrarian reform.

The PARADs shall likewise be members of the Philippine Bar and must have been engaged in the practice of law in the Philippines for at least seven (7) years, with at least three (3) years experience or exposure in the field of agrarian relations or agrarian reform.

The Chairman, the Commissioners and the PARADs shall, before assuming

the duties and functions of their *respective offices*, each execute a statement under oath that he, his spouse and children do not own any agricultural land which have not been properly subjected to the provisions of Republic Act No. 6657 and other agrarian reform laws.

The Chairman, the Commissioners and the PARADs shall hold office during good behavior until they reach the age of sixty-five (65) years, unless sooner removed for cause as provided by law or become incapacitated to discharge the duties of their office.

SEC. 6. Staff Complement; Administrative Supervision. - The Commission shall be complemented by the following staffing pattern:

I. Office of the Chairman

~~Support Staff~~

One (1) Executive Clerk of the Commission

Five (5) Attorney VI

Five (5) Legal Officer III

One (1) Executive Assistant V

Two (2) Executive Assistant IV

Two (2) Executive Assistant III

Four (4) Computer Programmers

Three (3) Stenographic Reporters

One (1) Sheriff

One (1) Interpreter

One (1) Bailiff

One (1) Docketing Clerk

Three (3) Senior Clerks

Two (2) Private Secretaries

One (1) Driver

One (1) Messenger

Finance Management Division

Division Chief

One (1) Cashier

One (1) Accountant IV

One (1) Accountant III

One (1) Accountant II

One (1) Accountant I

One (1) Budget Officer IV

One (1) Budget Officer III, No. 1567

One (1) Budget Officer II

One (1) Budget Officer I

One (1) Senior Bookkeeper

One (1) Bookkeeper

Two (2) Accounting Clerks

Two (2) Computer Programmers

Three (3) Senior Clerks

Litigation Division

Division Chief

Two (2) Attorney VI

Four (4) Attorney V

Six (6) Legal Officer III

Three (3) Computer Programmers

Two (2) Stenographic Reporters

Three (3) Senior Clerks

Land Valuation Division

Division Chief

One (1) Attorney V

Four (4) Attorney IV

Three (3) Legal Officer III

Four (4) Appraisers
One (1) Accountant V
One (1) Accountant IV
Three (3) Computer Programmers
Three (3) Stenographic Reporters
Three (3) Senior Clerks

Legal Research and Information Division

Division Chief
Three (3) Research Attorney V
Five (5) Legal Officer III
Three (3) Technical Assistants
Two (2) Statisticians
Two (2) Computer Programmers
Two (2) Senior Clerks

Administrative and Management Division

One (1) Division Chief
One (1) Personnel Officer
Two (2) Human Resource Development Officer III
Two (2) Human Resource Development Officer II
One (1) Administrative Officer V
One (1) Administrative Officer III
Three (3) Senior Clerks
Four (4) Computer Programmers
Two (2) Messengerial Aides
Two (2) Utility Men
Two (2) Duplicating Machine Operators
Two (2) Security Guards

Records Division

Division Chief

Two (2) Records Officer III

One (1) Records Officer II

One (1) Records Officer I

One (1) Clerk III

One (1) Clerk II

One (1) Clerk

One (1) Messenger

Legislative Liaison Division

One (1) Division Chief

Three (3) Legislative Liaison Specialists

One (1) Press Relations Officer

Three (3) Computer Programmers

Three (3) Senior Clerks

One (1) Duplicating Machine Operator

II. Office of the Division Presiding Commissioner

Support Staff

One (1) Deputy Executive Clerk of Division

One (1) Executive Secretary V

One (1) Executive Assistant IV

One (1) Executive Assistant III

Three (3) Attorney V

Four (4) Legal Officer III

Three (3) Stenographic Reporters

One (1) Interpreter

One (1) Bailiff

One (1) Sheriff

Three (3) Computer Programmers

Three (3) Senior Clerks

Two (2) Private Secretaries

One (1) Driver

One (1) Messenger

Clerical and Utility Division

One (1) Senior Clerk

Two (2) Clerk Typists

Two (2) Utility Men

Two (2) Messengers

One (1) Duplicating Machine Operator

Two (2) Security Guards

Land Valuation Division

Four (4) Appraisers

One (1) Accountant IV

One (1) Accountant III

Two (2) Attorney IV

Three (3) Clerk-Typists

Two (2) Computer Programmers

III. Office of the Commissioner

Support Staff

Three (3) Attorney V

One (1) Executive Assistant IV

One (1) Executive Assistant III

One (1) Executive Assistant II

Three (3) Legal Officer III

Two (2) Computer Programmers

Two (2) Stenographers

One (1) Interpreter

One (1) Sheriff

One (1) Clerk-Typist

One (1) Private Secretary

One (1) Driver

One (1) Messenger

IV. Office of the Provincial Agrarian Reform Adjudicator (PARAD)

~~Support Staff~~

One (1) Executive Assistant III

One (1) Executive Assistant II

One (1) Attorney V

Three (3) Legal Officer III

One (1) Researcher

One (1) Interpreter

One (1) Bailiff

One (1) Docketing Clerk

Two (2) Computer Programmers

One (1) Stenographic Reporter

One (1) Sheriff

Two (2) Senior Clerks

One (1) Private Secretary

One (1) Driver

One (1) Messenger

~~Clerical and Utility Division~~

One (1) Senior Clerks

Two (2) Clerk-Typists

Two (2) Messengers

One (1) Duplicating Machine Operator

Two (2) Security Guards

The Chairman of the Commission shall appoint additional staff and employees of the Commission and its divisions and provincial offices as the needs of the service may require, subject to civil service law, rules and regulations, and upgrade their current salaries, benefits and other emoluments in accordance with

law.

The Chairman, aided by the Executive Clerk of the Commission, shall have administrative supervision over the Commission, its divisions, and all its personnel including the PARADs.

The Commission, when sitting *en banc* shall be assisted by the same Executive Clerk, and when acting thru its divisions, by said Executive Clerk for its first division and four (4) other Deputy Executive Clerks for the second, third, fourth and fifth divisions, respectively, in the performance of similar or equivalent functions and duties as are discharged by the Clerk of Court and Deputy Clerks of Court of the Court of Appeals.

SEC. 7. *Jurisdiction of the PARAD.* - The PARAD shall have original and exclusive jurisdiction to hear and decide, within thirty (30) calendar days after the submission of the case by the parties for decision without extension, even in the absence of stenographic notes, the following agrarian disputes:

- a) The rights and obligations under agrarian reform laws of persons, whether natural or juridical, engaged in the management, cultivation or use of all agricultural lands covered under Republic Act No. 6657 and other agrarian reform laws;
- b) The fixing and collection of lease rentals, disturbance compensation, amortization payments, and similar disputes concerning the functions of the Land Bank of the Philippines (LBP) in the agrarian reform program;
- c) Those involving the sale, lease, alienation, foreclosure, pre-emption or redemption of agricultural lands covered under Republic Act No. 6657 and other agrarian reform laws;
- d) Petitions for determination of just compensation to be paid to landowners for lands covered under Republic Act No. 6657 and other agrarian reform laws;

- e) Those arising from or connected with membership or representation in compact farms, farmers' cooperatives and other registered farmers' associations or organizations;
- f) Those involving the issuance, correction and cancellation of certificates of land ownership award and emancipation patents which are registered with the Land Registration Authority; and
- g) Such other agrarian cases or disputes arising from or connected with the implementation of Republic Act No. 6657 and other agrarian reform laws.

SEC. 8. *Salaries, Benefits and Certification Requirement.* - The Chairman and other Members of the Commission shall receive an annual salary equivalent to, and the same allowances and benefits as, those of the Presiding Justice and Associate Justices of the Court of Appeals, respectively. The PARAD shall receive an annual salary equivalent to, and the same allowances and benefits as, those of a judge of a Regional Trial Court.

The Chairman, the Commissioners, and the PARADs shall, before receiving their salaries, execute a statement under oath that they have complied with the reglementary periods prescribed herein for the disposition of cases.

SEC. 9. *Proceedings Before the Commission.*

- a) *Notice and Hearing; Restraining Order.* - Hearings on petitions for the issuance of restraining orders or injunctions shall be held after due and personal notice thereof has been served, in such manner as the Commission shall direct, to all known persons against whom relief is sought, and also to the chief executive and other public officials of the province or city within which the unlawful acts have been threatened or committed, charged with the duty to protect complainant's property: *Provided, however,* That if the complainant shall also allege that, unless a

temporary restraining order shall be issued without notice, a substantial and irreparable injury to complainant's property will be unavoidable, such a temporary restraining order may be issued upon testimony under oath, sufficient, if sustained, to justify the Commission in issuing a temporary injunction upon hearing after notice. The temporary restraining order shall be effective for no longer than twenty (20) days and shall become void at the expiration of said period. Unless otherwise ordered by the Commission in justifiable cases, no temporary restraining order or temporary injunction shall be issued except on condition that the complainant shall first file an undertaking with adequate security in an amount to be fixed by the Commission sufficient to recompense those enjoined for any loss, expense or damage caused by the improvident or erroneous issuance of such order or injunction, including all reasonable costs together with reasonable attorney's fees and expense of defense against the order or against the granting of any injunctive relief sought in the same proceeding and subsequently denied by the Commission.

The undertaking herein mentioned shall be understood to constitute an agreement entered into by the complainant and the surety upon which an order may be rendered in the same suit or proceeding against said complainant and surety, upon a hearing to assess damages, or which hearing complainant and surety shall have reasonable notice, the said complainant and surety submitting themselves to the jurisdiction of the Commission for that purpose: *Provided*, That nothing herein contained shall deprive any party having a claim or cause of action under or upon such undertaking from electing to pursue his ordinary remedy by suit at law: *Provided, further*, That the reception of evidence for the application of a writ of injunction may be delegated by the Commission to any PARAD who shall conduct such hearings in such places as he may determine to be accessible to the parties and their

witnesses and who shall submit thereafter his recommendation to the Commission.

b) *Technical Rules: Not Binding.* - The Commission or the PARAD shall not be bound by technical rules of procedure and evidence prevailing in the regular courts but shall proceed to hear and decide all cases, disputes or controversies in a most expeditious and objective manner, employing all reasonable means to ascertain the facts of every case without regard to technicalities of law or procedure. Towards this end, it shall adopt uniform rules of procedure to achieve a just, expeditious and inexpensive determination of every action or proceeding before it and the PARADs. In all proceedings before the PARAD, the use of the local language or dialect shall be preferred, to enable the farmer-litigants and para-legals to participate fully.

c) *Appearance of Farmer-Leaders and Para-legals.* - Responsible farmer leaders and para-legals shall be allowed to represent themselves, their fellow farmers, or their organizations, in any proceeding before the Commission or the PARAD. When there are two (2) or more representatives for any individual or group, the representatives should choose only one from among themselves to represent such party or group before any proceeding.

SEC. 10. Appeal. - Declarations, awards, or orders of the PARADs are final and executory unless appealed to the Commission by any or both parties within fifteen (15) calendar days from receipt of such decisions, awards, or orders. Such appeal may be entertained only on any of the following grounds:

- 1) If there is a *prima facie* evidence of abuse of discretion on the part of the PARAD;
- 2) If the decision, order or award was secured through fraud or coercion, including graft and corruption;

- 3) If made purely on questions of law; and
- 4) If serious errors on the findings of facts are raised which would cause grave or irreparable damage or injury to the appellant.

In case of a judgment involving a monetary award, an appeal by the landowner may be perfected only upon the posting of a cash or surety bond issued by a reputable bonding company duly accredited by the Commission in the amount equivalent to the monetary award in the judgment appealed from.

In all cases, the appellant shall furnish a copy of the memorandum of appeal to the other party who shall file a comment thereon not later than ten (10) calendar days from receipt thereof.

The Commission shall decide all cases within twenty (20) calendar days from receipt of the Comment of the appellee. The decision of the Commission shall be final and executory after fifteen (15) calendar days from receipt thereof by the parties. The losing party may be allowed only one motion for reconsideration.

SEC. 11. Execution of Decisions, Orders, or Awards. - The Commission or any PARAD may, *motu proprio* on motion of any interested party, issue a writ of execution on a judgment within five (5) years from the date it becomes final and executory, requiring a sheriff or a duly deputized officer to execute and enforce final decisions, orders or awards of the Commission or PARADs. In any case, it shall be the duty of the responsible officer to immediately separately furnish the parties and their counsel of record with copies of the decisions, orders or awards. Failure to comply with the duty prescribed herein shall subject such responsible officer to appropriate administrative sanctions.

The Chairman of the Commission may designate special sheriffs and take any measure under existing laws to ensure compliance with the decisions, orders or awards of the Commission and PARADs, including the imposition of administrative fines which shall not be less than Five hundred pesos (₱500.00) nor more than Ten thousand pesos (₱10,000.00).

SEC. 12. *Penalty for Frivolous Appeals.* - To discourage frivolous or dilatory appeals from the decisions or orders of the PARAD, the Commission may impose reasonable penalties, including but not limited to fines or censures upon erring parties and/or their counsel of record.

SEC. 13. *Certification of the BARC.* - The PARAD shall not take cognizance of any agrarian dispute unless a certification from the Barangay Agrarian Reform Committee (BARC) that the dispute has been submitted to it for mediation and conciliation without any success of settlement is presented. If no certification is issued by the BARC within thirty (30) days after a matter or issue is submitted to it for mediation or conciliation the case or dispute may be brought before the PARAD.

SEC. 14. *Certiorari.* - Any decision, order, award or ruling of the Commission on any agrarian dispute or on any matter pertaining to the application, implementation, enforcement, or interpretation of Republic Act No. 6657 and other pertinent laws on agrarian reform may be brought to the Supreme Court on *certiorari* within fifteen (15) days from receipt of a copy thereof.

SEC. 15. *Personnel.* - All PARADs and affected support personnel of the Department of Agrarian Reform Adjudication Board (DARAB) shall continue to hold office and discharge their functions in a hold-over capacity under the Commission pending appointment or re-appointment to their respective positions or until their successors shall have been appointed. Existing Regional Agrarian Reform Adjudicator (RARAD) positions under the DARAB are deemed abolished and their existing personnel shall also be appointed to any vacant position to which they may qualify.

SEC. 16. *Appropriations.* - There is hereby authorized to be appropriated

for the implementation of this Act the sum of One hundred fifty million pesos (₱ 150,000,000.00) to be included in the budget of the Department of Agrarian Reform (DAR) for the initial year of implementation. Thereafter, such amount as may be needed for the administration and operation of the Commission shall be included in the Annual General Appropriations Act.

SEC. 17. *Repealing Clause.* - All laws, decrees, executive orders, proclamations, rules and regulations, or parts thereof inconsistent with this Act are hereby repealed, amended or modified accordingly.

SEC. 18. *Effectivity Clause.* - This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in at least two (2) national newspapers of general circulation, whichever comes earlier.

Approved,