


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

7 AUG -1 2002

SENATE

RECEIVED BY: 

S. No. 1418

Introduced by Sen. Gregorio B. Honasan II

EXPLANATORY NOTE

It has been the main thrust of the national government to deliver efficient, expeditious and competent services to the public as its premier vehicle towards economic growth and development. Cognizant of this need, the Medium-Term Philippine Development Plan has placed among its vital recommendations to reinvent the system of land administration in this country.

The overall perspective on the ways and means the government undertakes its tasks in land administration from land surveys, mapping, classification, titling to registration are tainted with clear inefficiency brought about by structural and operational defects. The various government bureaucracies in charge of administering the country's vast land resources cut-across multiple agencies like the Land Registration Authority (LRA), Registries of Deeds (RoD), Land Management Bureau (LMB), Land Management Service (LMS) in the regional, provincial and community offices, National Mapping and Resource Information Authority, and CARP Secretariat and its field offices.

This bill which will put in place major structural reforms in the system of administering the land by integrating the various government offices together with its functions into a single agency in government service is envisioned to bring about efficacy in the land administration and program towards sustainable development. Rationalizing the multiple laws and government offices with overlapping functions, will in effect eradicate undue delays, high cost of transactions and other obstacles in the country's land administration system.

If the government is really keen in placing the Philippines amongst the roster of 1st world countries in 20 years as adhered by the President during her State of the Nation Address (SONA) speech before the joint session of Congress, our nation should cope with the global standards in managing government bureaucracy: professionalism, streamlined structure, transparency and simplified transactions among others.

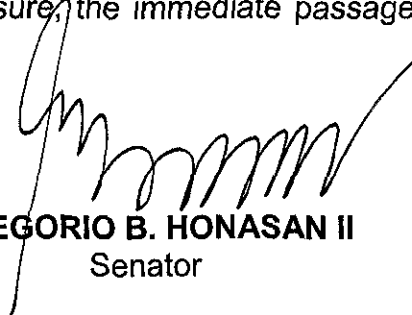
Be that as it may, the advantages of this proposed measure was however welcomed with an over-whelming rejection during the last Congress by the thousands of employees whose careers in different government offices tasked with land administration had been placed in jeopardy due to the critical need to reorganize their bloated bureaucracies.

In order to address the predicaments and protect the interests of these government workers, a 5-year moratorium on displacement of incumbent personnel is placed in this bill so that those employees who will not be

accommodated under the unified system will be given enough time to exit their present post well prepared.

Let us show the world that our government is vigorously making all the necessary reforms to respond to the call of this age of globalization to build an economy viable and attractive to international trading partners by displaying its efforts towards sustainable development.

Considering the urgency of this measure, the immediate passage of this bill is earnestly sought.

A handwritten signature in black ink, appearing to read 'Gregorio B. Honasan II', written over a vertical line that extends from the text below.

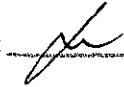
GREGORIO B. HONASAN II
Senator

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AN ACT INSTITUTING REFORMS IN LAND ADMINISTRATION

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

ARTICLE I

GENERAL PROVISIONS

Section 1. Short Title—This Act shall be known as “The Land Administration Reform Act of 2007.”

Section 2. Declaration of Policy—It is hereby declared the policy of the State to institute continuing reforms in land administration and management in order to optimize and rationalize their contribution to the goals of national development, tenure security, eradication of poverty, and attainment of social, economic, and cultural justice. Towards this end, the State shall:

- (a) Integrate and rationalize the structure, powers, functions, and responsibilities of the different agencies involved in land administration and management in order to increase the efficiency, effectiveness, transparency, accountability and expedite the delivery of services.
- (b) Undertake reforms in land administration and management to ensure equitable distribution and full utilization and development of land resources.
- (c) Provide an efficient and effective classification, mapping, surveying, disposition, registration and management of land resources; and
- (d) Develop, establish and maintain an up-to-date, open, accessible, integrated and computer-based land information, records and database system.

Section 3. Definition of Terms.—For the purpose of this Act, the following terms shall, unless the context indicates otherwise, have the following meanings:

- (a) “Alienable and disposable lands” refers to agricultural lands of the public domain which have been delineated, classified, and certified as available for disposition under the public land act.

- (b) "Agricultural lands" refers to lands devoted to or suitable for the cultivation of the soil, planting of crops, or growing of trees, and not classified as mineral land, forest land, or national park, or sub-classified as residential land, commercial land, or industrial land.
- (c) "Automated Registration System" refers to a system using appropriate technology for scanning, recording, and land registration using electronic devices to store the copy of certificates of title and other documents relative thereto.
- (d) "Classification and Reclassification" refers to the Act of Congress in setting the specific limits of forestlands and national parks and increasing or decreasing their boundaries by law, as provided for in Article XII, Section 4 of the 1987 Philippine Constitution.
- (e) "*Consulta*" refers to the procedure wherein the issue of registration or certain instruments is resolved in accordance with Presidential Decree No. 1529.
- (f) "Director General" refers to the person occupying the position of Director General of the Land Administration Authority created by this Act.
- (g) "Land" refers to resources, both man-made and natural, found on the surface, below and above the ground, including inland waters and the air therein.
- (h) "Land Administration and Public Land Management" refers to the administration of all functions, powers and activities related to the mapping, land survey, classification, ownership, disposition, and registration of land titles and deeds, and the management of public lands.
- (i) "Land Information System" refers to a system of linking textual attributes (such as ownership, identity, location and value) of land into spatial reference designed to facilitate access to information and assist in planning and decision making.
- (j) "Land Management Bureau (LBM)" refers to the staff Bureau of the Department of Environment and Natural Resources (DENR).
- (k) "Land Management Services (LMS)" refers to the land management sector or offices of the DENR at the regional, provincial, and district level.
- (l) "Land registration case" refers to the proceeding, either administrative or judicial, for registering the title to, or interest in, a land so that such title or interest becomes a matter for public record, and all persons who have interest in the land may be informed thereof, actually or constructively, and bound thereby if they make no objections thereto within a specific time.
- (m) "Land Registration Authority (LRA)" refers to the attached agency of the Department of Justice (DOJ), including the Registers of Deeds (RoD).
- (n) "National Mapping and Resource Information Authority (NAMRIA)" refers to the agency known by that name attached to the DENR.
- (o) "President" refers to the President of the Philippines

- (p) "Public domain" refers to lands that belong to the State, which may either be agricultural, forest or timber, mineral or national park as provided for in the Constitution.
- (q) "Public lands" refer to lands which have not been subject to private property rights or subject to sale or other modes of acquisition or concession under the general laws, and are devoted to public use.

ARTICLE II

CREATION OF THE LAND ADMINISTRATION AUTHORITY

Section 4. Creation of the Land Administration Authority (LAA)-- To carry out the purpose of this Act, the Land Administration Authority (LAA) is hereby created and placed under the Office of the President. It shall be the primary government agency responsible for land administration and public land management.

Section 5. General Powers and Functions of the LAA—The LAA shall exercise the following powers and functions:

(a) Land Survey & Mapping

- 1) Execute, complete and continually update the nationwide cadastral surveys in accordance with the provisions of Act. No. 2259 as amended, and update all existing cadastral maps;
- 2) Conduct nationwide survey and topographic mapping to assist Congress in determining the specific limits of forest lands and national parks, to delimit the specific boundaries and classification of alienable and disposable lands of the public domain, and to identify the specific boundaries of environmentally protected areas under Republic Act 7586 otherwise known as the National Integrated Protected Areas System (NIPAS)
- 3) In coordination with local government units and the pertinent agencies, conduct and/or approve surveys and mapping necessary in the implementation of Republic Act No. 7160 or the Local Government Code, Republic Act No. 7279 or the Urban Development and Housing Act, Republic Act, Republic Act No. 8435 or the Agriculture and Fisheries Modernization Act (AFMA), Republic Act 7916 or the Ecozone Law, Republic Act No. 6657 or the Comprehensive Agrarian Reform Law (CARL), and other existing laws requiring survey and mapping;
- 4) Verify and approve all private land consolidation, subdivision and consolidation-subdivision surveys intended for titling purposes;
- 5) Prescribe standards, rules and regulations for the conduct of all kinds of geophysical surveys, mapping, aerial photography, remote sensing and similar activities in accordance with existing laws and internationally accepted principles, practices and standards;
- 6) Prescribe a uniform base map that shall be used for all public and private mapping activities, and provide convenient and affordable public access to the same; and

- 7) *Establish and maintain an appropriate custodial and storage system that shall ensure the security and integrity of all survey and mapping records.*

(b) Land Registration

- (1) *Register original titles to land and subsequent dealings in registered lands under the provisions of Act No. 496 and Presidential Decree No. 1529 as amended; provided, that prior to registering a tenure instrument and issuing an original certificate of title based thereon, the LAA shall first verify compliance with the conditions and requirements prescribed under the law authorizing the issuance of said tenure instrument;*
- (2) *Establish and maintain an appropriate custodial and storage system that shall ensure the security and integrity of all registration and titling records, subject to the provisions of Act No. 496, Presidential Decree 1529 and pertinent laws; and*
- (3) *Compile a nationwide master list of suspected spurious land titles and tenure instruments, undertake thorough investigation of the same end and, when merited, initiate the proper proceedings for the cancellation thereof by a competent court; provided, that cancellation of instruments which have not yet been registered under the Torrens system as provided under existing laws and which are found to be spurious shall be effected by the LAA under rules and procedures that it shall promulgate consistent with this Act and existing laws, and provided, further, that patently fake title shall also dealt with administratively by the LAA.*

c) Public Land Administration

- (1) *Administer, manage and/or dispose of all alienable and disposable lands of the public domain under the provisions of Commonwealth Act No. 141 otherwise known as the Public Land Act, as amended, Friar Lands under the provisions of Act No. 1120, patrimonial property of the National government under Act No. 3038, and such other public lands as have not been placed under the jurisdiction of any other government agency or instrumentality, in accordance with existing laws; and*
- (2) *Coordinate with local government units and the appropriate agencies in releasing alienable and disposable lands of the public domain for the accelerated implementation of agrarian reform, socialized housing, resettlement and other government programs requiring land.*

d) Land Records and Information Technology

- (1) *Establish and maintain a secure, integrated, and accessible computerized database of all survey and mapping records, registration and titling records and other land information data, and*
 - (2) *Establish and maintain an open system to provide convenient nationwide public access to survey, mapping, registration, titling and other data; subject, however, to the requirements of security and confidentiality under existing laws.*
- (e) *Formulate and recommend policies and programs to achieve the intent and purposes of this Act;*

- (f) Determine, fix, and collect reasonable amounts to be charged as fees, fines and penalties in the implementation of this Act;
- (g) Receive grants and donations;
- (h) Enter into contracts in the implementation of this Act, subject to existing laws;
- (i) Perform such other powers and functions as are currently lodged with the LRA/RoD, LBM/LMS, NAMRIA, DENR/CARP National Secretariat under PD 1529, CA 141 as amended and other existing laws and issuances; and
- (j) Perform such other functions as are necessary, proper and incidental to implement the provisions of this Act.

ARTICLE III IMPLEMENTING MECHANISM

Section 6. Structure and Organization.—The LAA shall consist of:

- (a) The Office of the Director General;
- (b) The Offices of the four (4) Deputy Directors General;
- (c) The Offices of the five (5) Assistant Director General; and
- (d) Land Offices

Section 7. The Director General.—The authority and responsibility for the exercise of the mandate of the LAA, the accomplishment of its objectives, and the discharge of its powers and functions shall be vested in the Director General, a cabinet rank with portfolio, who shall be appointed by the President and subject to confirmation by the Commission on Appointments. The appointment shall be for a fixed term of four (4) years subject to reappointment for another term of four (4) years only. The Director General shall have the following functions:

- (a) Advise the President on the promulgation of rules, regulations, and other issuances relative to land administration and public land management;
- (b) Establish policies and standards for the efficient and effective operations of the LAA in accordance with the programs of the Government;
- (c) Promulgate rules, regulations, and other issuances necessary in carrying out the LAA's mandate, objectives, policies, plans, programs and projects;
- (d) Exercise control and supervision over all functions and activities of the LAA and its Land Offices;
- (e) Delegate authority over all powers, functions and activities of the LAA; and
- (f) Perform such other functions as may be provided by law or assigned by the President.

Section 8. Office of the Director General – The Office of the Director General shall consist of the Director General and his immediate staff and the following offices:

- (a) Management Services Office
- (b) Planning and Monitoring Office
- (c) Human Resources Office
- (d) Legal and Land Adjudication Office
- (e) Special Projects and Programs Office

Section 9. Office of the Deputy Directors General—The Director General shall be assisted by four (4) Deputies who shall be appointed by the President. The Director General is hereby authorized to delineate, assign and/or reassign the respective functional administrative divisions of responsibility of the Deputy Director General, as follows:

- (a) Surveys—Provides all technical programs, procedures and operations involved in the surveying and mapping activities of the LAA
- (b) Land Title Registration—Provides all technical programs, procedures and operations in the registration functions of the LAA
- (c) Public Land Administration and Management—Provides all technical programs, procedures and operations in the disposition, administration and management of public lands not otherwise in the control of any other agency or instrumentality of the government, functions of the LAA
- (d) Land Information and Technology—Provides all technical programs, procedures and operations in the records and information technology management functions of the LAA

No Deputy Director General shall be assigned primarily administrative responsibilities. Within his/her functional area of responsibility, the Deputy Directors General shall have the following functions:

- (a) Recommend policies and programs to the Director General and advise the Director General in the promulgation of administrative orders and other issuances with respect to his/her area of responsibility;
- (b) Issue technical and operating standards, guidelines, regulations and orders to enforce policies with respect to his/her area of responsibility. Provided, that the Deputy Director General assigned to land title registration shall resolve issue of registrability of instruments elevated in consulta as provided for under PD 1529 as amended;
- (c) Provide opinion and advise the field office on the efficient and effective implementation of policies, programs and projects in his/her area of responsibility, consistent with LAA policies, that will efficiently and effectively govern its activities and functions under his/her responsibility;
- (d) Coordinate the functions and activities of the units under his/her responsibility with those of other units under the responsibility of other Deputies;
- (e) Exercise authority on monitoring and evaluation of technical and operating standards related to the functions and activities of units his/her responsibility in the land offices of the LAA;
- (f) Exercise supervision over the offices, services, operating units and officers and employees under his direct responsibility;

- (g) Perform other functions as may be provided by law or assigned appropriately by the Director General.

Provided, that the Deputy Director General for Land Title Registration should be a member of the Philippines Bar with experience on land registration and the Deputy Director General for Survey shall be a Geodetic Engineer.

Provided, further that aside from the functions above-stated, the Deputy Director General for Land Title Registration shall exercise executive supervision over all clerks of court and personnel of the regular courts throughout the Philippines with respect to the discharge of their duties and functions in relation to the registration of lands.

Section 10. Assistant Director General.—The Director General and the Deputies shall be assisted by five (5) Assistant Directors General appointed by the Director General. They shall oversee the general administration of the LAA and shall be responsible for the following:

- (a) Management Services Office
- (b) Planning and Monitoring Office
- (c) Human Resource Office
- (d) Legal and Land Adjudication Office
- (e) Special Projects and Programs Office

Section 11. Land Offices—Permanent field offices at the city and provincial levels are hereby established and shall be called land Offices. The LAA may also establish additional Land Offices in a city or province as it may be determined for the efficient and effective delivery of its services. Provided, that provinces and cities with existing Registry of Deeds upon approval of this Act shall automatically establish Land Offices.

The Land Offices shall be headed by an Executive Land Officer. He/She shall exercise general supervision on land survey, land registration, public land administration and record and information management within his/her jurisdiction. He/She shall also implement such other functions of the LAA in his/her respective area of responsibility as may be delegated by the Director General to provide a more efficient and effective delivery of services. Provided, that the registration personnel shall continue to exercise its other registration functions in accordance with existing laws.

The Land Offices at the provincial and city levels shall be comprised of the following offices: (a) local surveys and mapping unit; (b) local registration and titling unit; (c) local public land administration unit; (d) local records and information technology unit; (e) administrative support unit; (f) legal unit, and (g) such other units as may be established thereat by appropriate directive of the Director-General: Provided, that the Land Offices herein created shall co-locate in a One-Stop-Shop concept as soon as the necessary infrastructure is made available.

ARTICLES IV LAND ADJUDICATION BOARD

Section 12. Creation of the Land Adjudication Board (LAB).—There is hereby created a Land Adjudication Board (LAB). The LAB shall be the quasi-judicial body of the LAA and shall have the following functions:

(a) Exercise exclusive original jurisdiction over all matters involving the implementation of laws, rules and regulations on land administration and public land management, and all cases and /or controversies arising therefrom; Provided, that all petitions for the correction of clerical of typographical errors committed in writing, copying, transcribing, or typing of an entry in the maps, survey plans, and certificate of land titles shall be administratively addressed by the LAA Land Offices

(b) Exercise exclusive original jurisdiction on conflicts arising from the determination and adjudication in land administration and public land management matters, *except cases falling under the jurisdiction of the Department of Agrarian Reform (DAR) under the CARP law and the National Commission on Indigenous Peoples under the IPRA law unless specifically provided herein.* Provided, that jurisdiction over conflicts and cases arising from ownership of private lands shall remain with the regular courts. Provided, further that existing cases on land ownership and conflicts pending in the regular courts shall remain under the court's jurisdiction unless otherwise remanded by the courts to the LAA or LAB for disposition subject to the pertinent provisions of this Act.

The LAB shall be under the administrative supervision of the Director General and shall be divided into three divisions. Each division shall exercise equal powers, independently resolving cases raised on appeal from the decision of the Local Land Adjudication Boards, created pursuant to Section 14 hereof, from Luzon, Visayas, and Mindanao: Provided, That the divisions assigned to handle cases from Visayas and Mindanao shall hold permanent office in any of the cities therein.

Section 13. Composition—Each division of the LAB shall be composed of three (3) members who shall be appointed by the President for a fixed term of (4) years and can be reappointed for another term of four (4) years.

All members of the Land Adjudication Board shall be members of the Philippine Bar with at least ten (10) years experience in property and land administration and management related matters.

The members of each division shall elect their Presiding Officer who shall serve for a term of four years.

Section 14. Local Land Adjudication Board.—Local Land Adjudication Board (LLAB) are hereby created in all provincial and city Land Offices that shall serve as first level board. The LLAB shall be composed of four (4) members. The Presiding Officer shall be the Executive Land Officer, the two other members shall be the head of the local surveys unit and the head of the local registration unit while the fourth member shall be a representative designated by the Chief Executive of the Local Government Unit where the LLAB sits.

Decisions, order, and resolutions of the Local Land Adjudication Board shall be raised on appeal to the LAB.

Section 15. Budget and Administrative Support.—The LAB shall determine and propose its budgetary requirements and shall be submitted as part of the LAA's budget request. Disbursements of the approved budget resources shall be the sole responsibility and accountability of the LAB. Secretariat services shall be provided by the LAA.

Section 16. Proceedings and Procedures.—The LAB shall not be bound by technical rules of procedure and evidence but shall proceed to hear and decide all cases, disputes, or controversies in a most expeditious manner, employing all reasonable means to ascertain the facts of every case in accordance with justice and equity and the merits of the case. Toward this end, it shall adopt a uniform rule of procedure to achieve a just, expeditious, and inexpensive determination of merits: Provided, That it shall endeavor to settle disputes and controversies amicably.

In the exercise of its functions, the LAB shall have the power to summon witnesses, administer oaths, take testimony, require submission of reports, compel the production of books and documents and answers to interrogatories, issue subpoena and subpoena duces tecum, and enforce its writs through sheriffs of other duly deputized officers. It shall punish direct and indirect contempt in the same manner and subject to the same penalties as provided for in the Rules of Court.

Responsible persons shall be allowed to represent themselves or their organizations in any proceedings before the LAB: Provided, however, That when there are two or more representatives for any individual or group, the representatives should choose only one from among themselves to represent such part or group before any LAB proceedings.

Section 17. Finality of Determination.—Any case or controversy before the LAB shall be decided within thirty (30) days after it is submitted for resolution. Only one (1) motion for reconsideration shall be allowed. Moreover, any order, award, ruling, or decision shall be final after the lapse of fifteen (15) days from receipt by the parties of a copy thereof.

Section 18. Frivolous Appeals.—To discourage frivolous or dilatory appeals from the decisions, awards, ruling, or orders, the LAB may impose reasonable penalties including, but not limited to, fines or censures upon erring parties.

ARTICLE V

JUDICIAL REVIEW

Section 19. Certiorari.—Any decision, order, award, or ruling of the LAB on any dispute or on any matter pertaining to the application, implementation, enforcement, or interpretation of this Act and other pertinent laws on land administration and public land management may be brought to the Court of Appeals by certiorari within fifteen (15) days from the receipt of a copy thereof.

The findings of fact of the LAB shall be final and conclusive if based on substantial evidence.

Section 20. Procedure on Review.—Review by the Court of Appeals of the Supreme Court, as the case may be, shall be governed by the Rules of Court.

Section 21. Authenticity and Validity of Land Record and Titles—The LAA shall have the sole authority and power to validate, authenticate and reconstitute land titles and land ownership records and information; Provided, that existing cases filed under the regular courts shall remain under its jurisdiction unless remanded to the LAA.

ARTICLES VI

STAKEHOLDER'S ADVISORY COMMITTEE

Section 22. Stakeholders' Advisory Committee—The LAA shall be assisted by a Stakeholders' Advisory Committee composed of the following:

(a) Nine (9) representatives from the basic sectors chosen through the nomination process of the National Anti-Poverty Commission (NAPC), of whom one (1) shall be a woman;

(b) Three (3) representatives from the private sector appointed by the President: Provided that one shall come from the business sector and another one from the Geodetic Engineer's sector

(c) Three (3) representatives from the League of Municipalities, Cities and Provinces, respectively;

(d) The Director General, as ex-officio member.

(e) The Executive Secretary

The Executive Secretary or his duly designated alternate shall serve as the Chairperson of the Stakeholders' Advisory Committee. Except for the Director General, the members of the Stakeholders' Advisory Committee shall not hold office in the LAA nor receive any salary but shall be entitled, for actual attendance during meetings, to such allowances and honoraria as are allowed by rules and regulations promulgated by the Commission on Audit.

Section 23. Functions of the Stakeholders Advisory Committee.—The Committee shall advise the LAA on the formulation of policies and policy development pertaining to land administration and public land management and shall monitor their implementation. It shall submit, within three months following the end of each calendar year, a report to the President on its advisory and monitoring activities.

Section 24. Meetings of the Committee.—The Chairperson shall convene regular meetings of the Committee, which shall be at least once every quarter. Special meetings may also be called by the Chairperson or at the initiative of at least three (3) members.

Section 25. Secretariat and Logistical Support.—The Office of the Director General shall provide secretariat and logistical support to the Committee.

ARTICLES VII

TRANSITORY PROVISIONS

Sections 26. Transfer of Powers and Transition Plan.—The powers and functions of the LAA heretofore vested by law in the DENR, DOJ, LRA/RoD, LMB/LMS and DENR-CARP National Secretariat or in any office within or attached to these agencies, are hereby transferred to and vested in the Office of the Director General. The Director General shall be responsible for the identification, preparation and formulation of a transition plan to ensure the smooth and seamless transfer and assumption of powers, functions and personnel from the abovementioned agencies to the LAA; Provided, that such

transition plan shall be prepared, formulated and developed in consultation with the affected agencies and its representative stakeholders; Provided further, that the transition plan shall integrate such other actions and activities necessary, including provisions under this section and as provided for under this Act to complete the transition to the LAA.

Section 27.—Transfer of the NAMRIA as an Attached Agency of the LAA.—The NAMRIA is hereby attached to the LAA. It shall retain its structure, budgetary allocation under the current General Appropriations Act, and all properties, equipment, and other facilities necessary in the performance of its mandate.

Section 28. Organization of the LAA.—The LAA's organizational and administrative structure and functions and staffing pattern, including the personnel's duties and responsibilities and the appropriate compensation package shall be submitted by the Director General within six (6) months upon approval of this Act for review and approval of the President and shall be fully implemented within a period of six (6) months after such approval of the President.

Section 29. Transfer of the President.—To ensure a smooth transition, all incumbent personnel of the DENR's LMB/LMS, DENR-CARP National Secretariat and its field offices, the DOJ's LRA/RoD shall continue to perform their present duties and functions as interim personnel of the LAA until such time, being not later than twelve (12) months from the effectivity of this Act, that the regular staff of the LAA, based on the new staffing pattern, shall have been appointed: Provided, that all incumbent and qualified personnel of the DENR's LMB/LMS, DENR-CARP National Secretariat and its field offices, the DOJ's LRA/RoD shall be allowed to fill up the appropriate positions for regular personnel of the LAA and its field offices Provided, further, That the regular personnel shall be appointed by the Director General, or his/her duly authorized representative, on the basis of merit, previous permanent appointment, fitness, and seniority. Provided moreover, that no incumbent personnel of the affected agencies shall be separated from government service within a period of five (5) years from effectivity of this Act.

Section 30. Exemption from Salary Standardization Law—All officials and personnel of the LAA including LAB and LLAB shall be exempted from the Salary Standardization Law.

Section 31. Integration of LMB/LMS, DENR-CARP National Secretariat, and LRA/ROD.—The DENR's Land Management Bureau, Land Management Services, and CARP National Secretariat and its field offices, and the DOJ's Land Registration Authority and Register of Deeds, are hereby integrated into the Land Administration Authority.

Section 32. Separation Pay and Other Benefits.—Personnel who are not offered appointment within twelve (12) months upon the effectivity of this Act under the new staffing pattern of the LAA on at least equivalent terms and conditions as their present employment by reason of duplication or redundancy and those who decline an appointment in the LAA by reason of diminution in rank and conditions shall be entitled to all gratuities and benefits under existing laws.

Section 33. Reemployment—Government personnel who are separated as a result of the integration of the aforesaid offices may apply for positions and be employed in other agencies or branches of the government including

Government-Owned and/or—Controlled Corporations (GOCCs), Government Financial Institutions (GFIs), or local government units (LGUs).

Section 34. Unexpended Appropriations and Transfer of Assets.—Upon approval of this Act, the unexpended appropriations, assets and properties of the LRA and Rod, LMB, DENR-CARP National Secretariat and its field offices, are hereby transferred to the LAA.

Such other unexpected appropriations as may be deemed appropriate by the Department of Budget and Management for transfer to the LAA shall also be so transferred.

All real and personal properties, liabilities, records, documents, positions, contracts, and agreements which, upon the effectivity of this Act, are vested in, or owned, by the LMB/LMS, DENR-CARP National Secretariat and its Field Officers, and LRA/RoD are hereby transferred to the LAA.

Section 35. Penal Provisions.—Any persons who sells forms issued and distributed gratuitously under this Act or who, being an officer charged with distributing them refuses or fails without sufficient reason, to furnish the same, shall be punished for each offense by a fine of not less than one hundred thousand pesos and not more than one million pesos or imprisonment of not less than six months nor more than three years, or both, upon the discretion of the Courts.

Any person, corporation, association, or partnership which, not being qualified or not longer authorized to apply for registration purposes, files or induces or knowingly permits another person, corporation, association, or partnership to file an application in his/her or its behalf or for his/her or its interest, benefit or advantage, shall be punished for each offense by a fine of not less than one hundred thousand pesos (P100,000.00) or imprisonment of not less than five (5) years, or both, at the discretion of the Courts: Provided, That in case the offender is a corporation, association, or partnership, their responsible officials shall be deemed jointly and severally liable. The application shall be cancelled.

Any person who shall , by deceit or fraud, acquire or attempt to acquire lands of the public domain or other real property or any right, title or interest, or property right of any class to the same, and any person aiding and abetting him therein or serving as a means or tool thereof, shall, upon conviction, be punished by a fine or not less than five years nor more than twelve years, or both, in the discretion of the Courts.

Any person who shall tamper or attempt to tamper any records of the LAA that will result in the acquisition of rights, title or interest over real property and any person aiding and abetting him therein or serving as a means or tool thereof, shall, upon conviction, be punished by a fine of not less than five hundred thousand pesos (P500,000.00) and imprisonment of not less than twelve (12) years, or both, at the discretion of the Court.

For purposes of this Act, if the offender is a public official or government official or employee, he or she shall be, in addition to the existing penalties, removed from office, forfeit all retirement benefits except the monetary value of accumulated leave credits, and be perpetually disqualified from holding any elective or appointive public office.

Section 36. Preservation of Records.—The LAA shall have possession and control of all records, books, papers, offices, equipment, supplies, money, funds, appropriations, land and other property, real or personal, held for the benefit or use of all bodies, offices, and officers whose duties, powers, and functions have been transferred to and conferred upon the Authority.

Pending a written notice of receipt issued by a duly authorized officer of the LAA, it shall be the duty of any and all personnel responsible for, or in possession of records relating to the affairs of the LMB, LMS, the DENR—CARP national Secretariat and its field offices, the LRA and the RoD to protect and preserve such records.

Without prejudice to any other penalties provided for by law, any person who fails to fulfill his/her duty pursuant to the above paragraph, shall be guilty of an offense against the provisions of this Act, punishable by a fine of not less than one million pesos (P1,000,000.00) or imprisonment of not more than five years, or both, upon the discretion of the Court.

Section 37. Saving Clause—All orders, determination, rules, regulations, permits, certificates, licenses, and privileges which have been issued made or granted effective by the former LMB, LMS, LRA, RoD, DENR-CARP National Secretariat and its field offices, or their predecessors shall continue to be in effect according their terms until modified, terminated, superseded, set aside, or repealed.

No suit, action, or other proceeding commenced by or against any officer in his official capacity as an officer of any division or unit of the former LMB, LMS, LRA, RoD, DENR-CARP National Secretariat and its field offices, the functions of which are transferred by this Act to the LAA shall abate by reason of this Act. In like manner, no cause of action by or against such division or unit or by or against any officer thereof in his official capacity shall abate by reason of the enactment of this Act. Causes of actions, suits, other proceedings may be asserted for or against the LAA or such official of the LAA or such official of the LAA as may be appropriate.

ARTICLE VII

MISCELLANEOUS PROVISIONS

Section 38. Use of Income and Other Sources of Funds.—The LAA is hereby authorized to use one hundred percent (100%) of all revenues derived from fees, charges, fines, penalties and other sources for capital outlay on infrastructure, procurement of equipment and services related to the integration, updating and maintenance of computer-based land information and database system, training and skills upgrading including personnel capacity building of LAA.

The LAA shall be allowed to receive, hold and utilize funds from grants, donations, contributions and other gratuitous sources both foreign and local for the implementation of its mandate, programs and projects, subject to existing rules and regulations.

Section 39. Assurance Fund.—A special account within the LAA is hereby created for the entire proceeds of the Assurance Fund, which shall no longer be paid to the National Treasurer as provided for in Section 94 of PD No. 1529 held by the National Treasurer shall be transferred to the LAA. Claims from the Assurance Fund shall be heard, decided, and determined by the Land

Adjudication Board. All pending cases or claims against the Assurance Fund now being handled by the Bureau of Treasury, through the Office of the Solicitor General, shall likewise be transferred to the Land Adjudication Board. Thereafter, the National Treasurer shall no longer be impleaded as party in any action against the Assurance Fund.

Section 40. Indemnification of Officials and Personnel.—The LAA shall indemnify all officials and personnel for all costs and expenses reasonably incurred by such persons in connection with any civil or criminal actions, suits, or proceedings to which they may be or made a party by reason of the performance of their functions or duties, unless they are finally adjudged in such actions or proceedings to be liable.

In the event of settlement or compromise, indemnification shall be provide only in connection with such matters covered by the settlement as to which the LAA is advised by an external counsel that the persons to be indemnified did not commit any gross negligence or misconduct.

The costs and expenses incurred in defending the aforementioned action, suit or proceeding may be paid by the LAA in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of the Director General, where in the official or employee shall repay the amount advanced should it ultimately be determined by the LAA that such official or employee is not entitled to be indemnified as provided in this section.

Section 41. Implementing Rules and Regulations.—Within sixty (60) days from the effectivity of this Act, the LAA shall promulgate the rules and regulations to implement the provisions of this Act. Said rules and regulations shall be submitted to the Congressional Oversight Committee for approval. In the process of the formulation of the IRR for this Act, consultations shall be made with the Stakeholders' Advisory Committee and submitted to the Office of the President for approval. Copies of the IRR shall be distributed to the Congressional Oversight Committee on Land Administration.

Section 42. Congressional Oversight Committee on the Land Administration Act.—There is hereby created a Congressional Oversight Committee composed of seven (7) members from the Senate Committee on Environment and Natural Resources and seven (7) members from the House of Representatives Committee on Natural Resources, Housing and Urban Development, and Government Reorganization.

The Congressional oversight committee, which shall function for a period not more that three (3) years, shall review the implementing rules promulgated by the LAA including the procedures on claims against the assurance fund and oversee the implementation of this Act.

The Secretariat of the Oversight Committee shall be drawn from the existing secretariat personnel of the committees of the Senate and the House of Representatives comprising the oversight and the funding for its operations shall be taken from the existing budget of the concerned committees.

Section 43. Separability Clause.—Should any provision of this Act or any part hereof be declared unconstitutional or invalid by a Court, the other provisions hereof which are not affected thereby, shall remain in force and effect.

Section 44. Repealing Clause.—The provisions of PD 1529 pertaining to the assurance fund, and their implementing rules and regulations are hereby amended or modified accordingly.

All other laws, decrees, orders, instructions, proclamations, rules and regulations or parts thereof, including pertinent provisions of Commonwealth Act No. 141, Act No. 496, Presidential Decree No. 1529, Executive Order No. 192 and its related rules and regulations; Executive Order No. 469 dated February 11, 1981 and the subsequent presidential memorandum Circular dated 3 September 1988 and their related rules and regulations; and the Administrative Code of 1987, which are inconsistent with any provision of this Act, are hereby repealed, modified, or amended accordingly.

Section 45. Effectivity.—This Act shall take effect fifteen (15) days after its complete publication in the Official Gazette or in a newspaper of general circulation.

Approved,