

REPUBLIC ACT NO. 1160 of June 18, 1954

AN ACT TO FURTHER IMPLEMENT THE FREE DISTRIBUTION OF AGRICULTURAL LANDS OF THE PUBLIC DOMAIN AS PROVIDED FOR IN COMMONWEALTH ACT NUMBERED SIX HUNDRED AND NINETY-ONE, AS AMENDED TO ABOLISH THE LAND SETTLEMENT AND DEVELOPMENT CORPORATION CREATED UNDER EXECUTIVE ORDER NUMBERED THREE HUNDRED AND FIFTY-FIVE, DATED OCTOBER TWENTY-THREE, NINETEEN HUNDRED AND FIFTY, AND TO CREATE IN ITS PLACE THE NATIONAL RESETTLEMENT AND REHABILITATION ADMINISTRATION, AND FOR OTHER PURPOSES

SECTION 1. It is hereby declared to be the policy of Congress to help speed up the free distribution of agricultural lands of the public domain to landless tenants and farm workers who are citizens of the Philippines and to encourage migration to sparsely populated regions pursuant to the fundamental policy of the government to promote the level of production, employment and living standards of the people.

SECTION 2. *National Resettlement and Rehabilitation Administration.* — In furtherance of the above, policy there is hereby created a corporation to be known as National Resettlement and Rehabilitation Administration hereafter referred to as "NARRA" to perform under the supervision and control of the President of the Philippines, through the Office of Economic Coordinator all the duties and functions of the Bureau of Lands as provided in Commonwealth Act Numbered Six hundred and ninety-one as amended, and such other duties as hereinafter specified in this Act. It shall be headed by a General Manager and an Assistant General Manager who shall be appointed as hereinafter provided.

SECTION 3. The NARRA shall have at least three divisions, to wit: (1) Settler Selection and Screening, (2) Transportation and Supplies, and (3) Settlement Assistance and Community Work. The General Manager shall submit at the beginning of each fiscal year, but not later than July thirty-one, a program of activities for the whole fiscal year together with the budget of expenditures to support such a program for the final approval of the President of the Philippines.

POWERS

SECTION 4. *General powers.* — NARRA is hereby authorized to adopt, alter, and use an official seal; to make contracts, to lease or own real and personal property,

and to sell or otherwise dispose of the same; to sue and be sued; and to make such regulations as are necessary to execute the functions vested in it by this Act.

SECTION 5. *Special powers.* — NARRA is authorized:

- (1) To give land, subject to the qualifications, requirements and conditions prescribed by the Public Land Act and under the terms and conditions as may be defined by the Board of Directors, to landless citizens of the Philippines who need, deserve and are capable of tilling the land,
- (2) To facilitate the settlement, acquisition and cultivation of agricultural lands;
- (3) To acquire by purchase such agricultural portions of landed estates as may be directed by the President of the Philippines for the prosecution of the policy stated in section one of this Act.
- (4) To reclaim swamps and marshes, obtain title thereto where feasible, and to support them into agricultural lands for settlement;
- (5) To promote community life in the settlements;
- (6) To borrow money from any credit institution for any of the purposes herein provided;
- (7) To survey, subdivide and set aside lots or areas of such lands for farming, townsites, roads, parks, government centers, and other public and civic improvements, and to dispose of farm lands and townsites lots to persons qualified to the extent of areas authorized under the Constitution and the Public Land Act, subject to such other qualifications and to prices, terms and conditions as may be prescribed by the Board of Directors;
- (8) To secure for the settlers from other government agencies such assistance and facilities as may be necessary to accelerate development, cultivation and electrification of settlements; construction of irrigation systems; institution of credit facilities, enhancement of cottage industries; and establishment of processing plants, warehouses and marketing facilities; and
- (9) To do such other things and to transact all such business directly or indirectly necessary, incidental or conducive to the attainment of the policy enunciated in this Act

SECTION 6. In addition to the functions and duties specified and to implement the same properly, the NARRA shall undertake the following activities:

(1) To select and screen applicants for allocation within the areas set aside for purposes of settlement in the public domain who (a) are *bona fide* farmers in the highly settled areas, (b) do not own any land with an area of five hectares or more, (c) have not owned any homestead, (d) have not secured any homestead rights from any homesteader, (e) are capable of discharging their responsibilities as settlers, and (f) shall work the land in the settlement areas on the basis of the family-operated, family-type farms: *Provided*, That in selecting applicants the following order or priority shall be observed: (a) actual *bona fide* tenants or occupants of the land; (b) surrendered dissidents, who take an oath and show sincere desire, to support the Constitution of the Philippines; (c) graduates of agricultural schools and colleges, (d) trainees who have completed military training; (e) veterans and members of guerrilla organizations; and (f) other applicants possessing the qualifications required herein.

(2) To assist settlers in transporting themselves, their belongings, work animals and farm equipment, if any, from the communities from which they are migrating to the settlement areas reserved for the purpose, and for subsistence necessary until credit can be provided by the Agricultural Credit and Cooperative Financing Administration (ACCFA) under section thirteen of this Act, or by any other credit institution by loaning to them the full amount required for such purposes. These loans shall be non-interest bearing, a lien upon the land, and shall be amortized over a period of ten years, payable annually beginning with the end of the third year after the date of arrival in the settlement area, subject to the right of the borrower to pay in full at any time prior to the maturity of the loan;

(3) To assist the said settlers in securing equipment, supplies and materials needed in the settlement areas at the most advantageous prices or terms, and, if requested, to assist the cooperative associations of the new settlers in securing the most advantageous prices or terms on farm implements and supplies needed by the cooperative associations and their members;

(4) To help provide housing and other accommodations for the new settlers in the settlement areas upon arrival by locating them in properly surveyed and subdivided lots reserved for the purpose, to help organize community activities that the new settlers require upon arrival in the new settlement, and to cooperate with the agricultural extension service, the Bureau of Health, the Bureau of Public Schools and other pertinent agencies of the Government, in providing the services for the proper establishment of community facilities as well as the organization of collective efforts essential to development in the new settlement areas.

(5) To submit its annual report and balance sheets to the President and the Congress of the Philippines, as provided in sections five hundred and seventy-four to five hundred and seventy-seven of the Administrative Code;

(6) To appoint and fix the number and salaries, upon recommendation of the Office of Economic Coordination and with the approval of the President of the Philippines and subject to Civil Service Law and Rules and the salary law, of such subordinate personnel as may be necessary for the proper discharge of its duties and functions and upon recommendation of the Office of Economic Coordination and with the approval of the President, suspend, remove or otherwise discipline, any of its subordinate employees, and

(7) To perform such other related duties as may be assigned to it by the President of the Philippines from time to time.

SECTION 7. *Board of Directors — Its Compositions, tenure of office and meetings.* — The powers and functions of NARRA shall be exercised by a Board of Directors to be composed of a Chairman and five members. They shall be appointed by the President of the Philippines with the consent of the Commission on Appointments for a term of three years. Any person chosen to fill a vacancy shall serve only for the unexpired term of the member whom he succeeds.

The Board shall hold regular meetings and such number of special meetings as may be called by the Chairman or any three members from time to time; *Provided, however,* That the total number of meetings of the Board shall not be more than four a month. The Chairman and the members shall each receive a per diem of twenty-five pesos for every meeting actually intended.

SECTION 8. *Powers and duties of the Board of Directors.* — The Board of Directors shall have the following powers and duties:

(1) To prescribe, amend and repeal by laws, rules and regulations governing the manner in which the general business of NARRA may be exercised, including provisions regarding subdivision of lands into small farm lots, distribution thereof, initial aid to settlers and manner of payment of such lots, and provisions for the formation of such committee or committees as the General Manager may deem necessary to facilitate the business of the NARRA, and to expedite the disposition of, and the issuance of titles, over said farm lots of contemplated in section five;

(2) To appoint and fix the term of office of the General Manager, and Assistant General Manager, whose compensation shall be twelve thousand pesos per annum for the General Manager, and nine thousand pesos per annum for the Assistant General Manager, subject to the recommendation of the Office of Economic Coordination and the approval of the President of the Philippines, and to appoint and fix the compensation of a Secretary of the Board and such other officers of the Corporation as may be needed. The Board, by majority vote of all the members, may for cause, upon recommendation of the Office of Economic Coordination and with

the approval of the President of the Philippines, suspend and/or remove the General Manager and/or the Assistant General Manager; and

(3) To approve the annual budget and such supplemental budgets of NARRA which may be submitted to it by the General Manager from time to time.

SECTION 9. NARRA shall be the custodian and administrator of public lands reserved or may hereafter be reserved by the President of the Philippines for settlement, all lands actually reserved for the Land Settlement and Development Corporation (LASEDECO), and the agricultural lands surveyed and subdivided under Commonwealth Act Numbered Six hundred ninety-one.

SECTION 10. The Land Settlement and Development Corporation created under Executive Order Numbered Three hundred fifty-five, dated October twenty-three, nineteen hundred and fifty, known for short as LASEDESCO, is hereby abolished, and all its obligations under said Executive Order, except its commercial accounts which are to be paid as hereinafter provided, are hereby transferred to the Treasury of the Philippines to be amortized over a period of fifteen years subject to the availability of funds of the Government.

All assets of the LASEDECO, including farm machinery and equipment, shall be turned over to a Board of Liquidators and shall be sold at public auction, the proceeds thereof to be used in paying off its accounts with commercial firms and the net proceeds to be transferred to the Agricultural Credit and Cooperative Financing Administration (ACCFA) for loan to settlers or cooperative organizations of settlers as provided for under this Act: *Provided, however*, that such buildings, equipment, and machinery as may be needed the settlers' cooperatives either in the area where such property is located or in areas being settled under the provisions of this Act may be transferred to the said cooperatives at an appraised value fixed by the Board of Liquidators.

SECTION 11. To carry out of the purposes of this Act, there is hereby appropriated for the "Revolving Fund of the Colonists", as provided for in Commonwealth Act Numbered Six hundred and ninety-one, the sum of five million pesos for the fiscal year 1954-1955 out of any funds in the National Treasury not otherwise appropriated, to be spent by the NARRA upon recommendation of the Office of Economic Coordination and under the supervision and authority of the President of the Philippines for the activities prescribed herein. A sum of not less than eight million pesos for every fiscal year thereafter, for a period of ten years, shall be included in the General Appropriations Acts for the subsequent fiscal years for the said "Revolving Fund of the Colonists" to carry out the purposes of this Act.

SECTION 12. All public agricultural lands referred to in section fourteen of Executive Order Numbered Three hundred and fifty-five, dated October Twenty-three, nineteen hundred and fifty, are hereby transferred to the jurisdiction of the

NARRA to be disposed of in accordance with the provisions of this Act: Provided, That the settlement of the agricultural lands so transferred under this section by voluntary settlers who do not receive any direct assistance under the provisions of this Act or by duly qualified homestead applicants shall not be precluded nor obstructed.

SECTION 13. In addition to the financial aid that may be given to settlers from the "Revolving Fund of the Colonists", the Agricultural Credit and Cooperative Financing Administration (ACCFA) created under Republic Act Numbered Eight Hundred and twenty-one is hereby authorized to give loans or financial assistance to the settlers or settlers cooperatives to help establish themselves as independent farmers following their arrival in the settlement areas: Provided, however, That it may require any borrower to become a bona fide member of a cooperative association in the settlement areas as a condition for giving such financial aid or loan. Such loans shall be subject to the conditions specified in section six, subsection two, of this Act, with the modification that the lien shall be on the borrower's produce and that the amortization period shall begin one year after the date of the loan.

TRANSITORY AND SPECIAL PROVISIONS

SECTION 14. The officials, employees and laborers of the LASEDECO who may be separated from the service by virtue hereof and who are entitled to retire under Republic Act Numbered Six hundred sixty shall be so retired upon the payment of the obligations of the LASEDECO to the Government Service Insurance System subsisting under said account on the date of the approval hereof. Those who may not be retired shall be entitled to thirty days' separation pay, the money value of earned vacation and sick leaves, and gratuity which shall be paid in one lump sum equivalent to one month's salary for every year of satisfactory service rendered in any branch of the government and government agencies and the instrumentalities on the basis of the highest salary received by them; *Provided*, That any of said officials, employees or laborers who has rendered less than one year of service shall be paid in one lump sum a gratuity equivalent to one half of one months' salary: *And provided, further*, That in case of subsequent reinstatement in the Government service or in any Government-owned or controlled corporation of any such official, employee or laborer who has been paid gratuity hereunder, he shall refund to the National Government the value of the gratuity which he would not have as yet received if it had been payable in monthly installments.

SECTION 15. Subject to the provisions of section ten hereof, the President of the Philippines shall provide by executive order for the liquidation of the assets and liabilities of LASEDECO and is hereby authorized to transfer to NARRA such properties, equipment, assets and rights of LASEDECO as may be needed by the former in carrying out the purposes and objectives of this Act.

SECTION 16. Any provision of law to the contrary notwithstanding, all surveyed portions of the public agricultural lands heretofore transferred or reserved for the administration of NARRA under this Act and of those which may hereafter be

transferred by the President of the Philippines to NARRA for the purposes of this Act, shall be ceded to NARRA, and the President of the Philippines shall from time to time cause the issuance of patents or other deeds transferring title to such lands to NARRA in accordance with the provisions of the Public Land Act and such rules and regulations as may be promulgated to facilitate the transfer of title to NARRA.

PENAL PROVISIONS

SECTION 17. No officer or employee of NARRA shall be permitted in any manner to acquire, directly or indirectly, any land within the land settlement projects of NARRA. Any such officer or employee who violates the provisions of this section shall immediately be removed by competent authority and said officer or employee shall be punished by imprisonment for not less than one year nor exceeding five years and by a fine of not less than one thousand nor more than five thousand pesos. Should a dummy be used to violate the provisions of this section, the same penalty shall be applied to the dummy.

SECTION 18. No official or employee of the Corporation shall directly or indirectly be financially interested in any contract with the corporation or in any special privilege granted by said corporation during his term of office. Any violation of this prohibition shall be punished by dismissal from office and by a fine of not more than five thousand pesos and imprisonment of not more than five years.

MISCELLANEOUS PROVISIONS

SECTION 19. If any provision of this Act is declared unconstitutional, or the applicability thereof to any person, circumstance, or transaction is held invalid, the validity of the remainder of the Act and the applicability of such provision to other persons, circumstances, and transactions shall not be affected thereby.

SECTION 20. All Act, parts of Act, and any special charters, or parts thereof, inconsistent herewith are hereby repealed.

SECTION 21. This Act shall take effect upon its approval.

Approved: June 18, 1954