

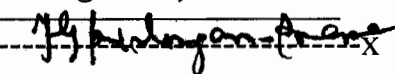
EN BANC

G.R. No. 158464 (*Jocelyn S. Limkaichong vs. Land Bank of the Philippines and Department of Agrarian Reform, represented by the Secretary of Agrarian Reform, through the Provincial Agrarian Reform Officer*)

Promulgated:

August 2, 2016

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SEPARATE CONCURRING OPINION

VELASCO, JR., J.:

I concur with the well-crafted *ponencia* of my esteemed colleague, Associate Justice Lucas P. Bersamin.

While the grant of the petition is moored on the pronouncement in *Republic v. Court of Appeals (Republic)*,¹ as reinforced later in *Land Bank of the Philippines v. Suntay*,² I submit that the petition should be granted on the ground that the fifteen (15)-day period to file the case with the Special Agrarian Court (SAC) required by the 1994 DARAB Rules of Procedure (1994 DARAB Rules) and adopted in the 2009 version is null and void, it being a gross breach of Section 57 of Republic Act No. 6657 (RA 6657), otherwise known as the *Comprehensive Agrarian Reform Law (CARL)*.

I am in complete agreement with the *ponencia*'s application herein of the doctrine in *Republic*, as reiterated in *Suntay*, to the end that there is no statutory period within which the issue of just compensation must be brought before the proper Regional Trial Court (RTC) acting as the SAC. But while the *ponencia* is of the position that the rulings in *Republic* and *Suntay* have already been superseded, I respectfully submit that the doctrine is as valid and applicable now as it were before.

The issue in the case at bar originated from the petition of Jocelyn S. Limkaichong (Limkaichong) for the determination of the amount of just compensation that she is entitled to under the CARL. Pursuant to Sec. 16 of the law, the Department of Agrarian Reform (DAR) "*shall conduct summary administrative proceedings to determine the compensation for the land*"³ if the landowner rejects the initial offer of compensation from the government; and "[a]ny party who disagrees with the decision may bring the matter to the court of proper jurisdiction for final determination of just compensation."⁴

¹ G.R. No. 122256, October 30, 1996.

² G.R. No. 157903, October 11, 2007.

³ RA 6657, Sec. 16(d).

⁴ *Id.*, Sec. 16(f).



None of the parties doubts that the proper court in this case is the RTC in Dumaguete City designated as the SAC. Respondents postulate, however, that the judicial remedy is subject to a 15-day reglementary period reckoned from the date of receipt of the DAR's valuation, citing Sec. 54 of the CARL, as well as Sec. 11, Rule XIII of the 1994 DARAB Rules. The rule provides:

Sec.11. Land Valuation and Preliminary Determination and Payment of Just Compensation. – The decision of the Adjudicator on land valuation and preliminary determination of just compensation shall not be appealable to the Board but shall be brought directly to the Regional Trial Courts designated as Special Agrarian Courts within fifteen (15) days from receipt of the notice thereof. Any party shall be entitled to only one motion for reconsideration.

Replicated in Sec. 6, Rule XIX of the 2009 DARAB Rules is the imposition of the 15-day reglementary period. The provision reads:

Sec. 6. Filing of Original Action with the Special Agrarian Court for Final Determination. – The party who disagrees with the decision of the Board/Adjudicator may contest the same by filing an original action with the Special Agrarian Court (SAC) having jurisdiction over the subject property **within fifteen (15) days from his receipt** of the Board/Adjudicator's decision. (emphasis added)

Since it was not disputed herein, as it was in fact admitted, that petitioner Limkaichong availed of the judicial remedy after about two-and-a-half months had elapsed from receipt of notice, respondents claim that the SAC ought to have dismissed her petition outright.

Respondents' argument fails to persuade.

Discussion

The determination of just compensation is a judicial function

The payment of just compensation is a constitutional limitation to the government's exercise of eminent domain. Despite making numerous appearances in various provisions of the fundamental law,⁵ it was the

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Article III. Bill of Rights

Section 9. Private property shall not be taken for public use without **just compensation**.

Article XII. National Economy and Patrimony

Section 18. The State may, in the interest of national welfare or defense, establish and operate vital industries and, **upon payment of just compensation**, transfer to public ownership utilities and other private enterprises to be operated by the Government.

Article XIII. Social Justice and Human Rights

Section 4. The State shall, by law, undertake an agrarian reform program founded on the right of farmers and regular farmworkers who are landless, to own directly or collectively the lands they till or, in the case of other farmworkers, to receive a just share of the fruits thereof. To this end, the State shall encourage and undertake the just distribution of all agricultural lands, subject to such priorities and reasonable retention limits as the Congress may prescribe, taking into account ecological, developmental, or equity considerations, and **subject to the payment of just compensation**. In determining retention limits, the State shall respect the right of small landowners. The State shall further provide incentives for voluntary land-sharing. (emphasis added)

understanding among the members of the Constitutional Commission that the concept of “just compensation” would nevertheless bear the same jurisprudentially-settled meaning throughout the document.⁶

As settled, the term “just compensation” refers to the full and fair equivalent of the property taken from its owner by the expropriator. The measure is not the taker’s gain, but the owner’s loss. The word “just” is used to qualify the meaning of the word “compensation” and to convey thereby the idea that the amount to be tendered for the property to be taken shall be real, substantial, full and ample.⁷

The determination of just compensation is essentially a judicial function, consistent with the Court’s roles as the guardian of the fundamental rights guaranteed by the due process and equal protection clauses, and as the final arbiter over transgressions committed against constitutional rights.⁸ This was the teaching in the landmark *Export Processing Zone Authority v. Dulay (Dulay)*⁹ wherein the Court held that:

The determination of “just compensation” in eminent domain cases is a judicial function. **The executive department or the legislature may make the initial determinations but** when a party claims a violation of the guarantee in the Bill of Rights that private property may not be taken for public use without just compensation, **no statute, decree, or executive order can mandate that its own determination shall prevail over the court’s findings. Much less can the courts be precluded from looking into the “just-ness” of the decreed compensation.** (emphasis added)

Dulay involved an expropriation case for the establishment of an export processing zone. There, the Court declared provisions of Presidential Decree Nos. 76, 464, 794, and 1533 as unconstitutional for encroaching on the prerogative of the judiciary to determine the amount of just compensation to which the affected landowners were entitled. The Court further held that, at the most, the valuation in the decrees may only serve as guiding principles or factors in determining just compensation, but it may not substitute the court’s own judgment as to what amount should be awarded and how to arrive at such amount.¹⁰

The seminal case of *Dulay* paved the way for similar Court pronouncements in other expropriation proceedings. Thus, in *National Power Corporation v. Zabala*,¹¹ as in the catena of cases that preceded it,¹²

⁶ Record of the Constitutional Commission Proceedings and Debates, Vol. 3, pp. 16-21; Minutes of the Constitutional Commission dated August 7, 1986.

⁷ *National Power Corporation v. Spouses Zabala*, G.R. No. 173520, January 30, 2013, citing *Republic v. Rural Bank of Kabacan, Inc.*, G.R. No. 185124, January 25, 2012, 664 SCRA 233, 244; *National Power Corporation v. Manubay Agro-Industrial Development Corporation*, 480 Phil. 470, 479 (2004).

⁸ *EPZA v. Dulay*, G.R. No. L-59603, April 29, 1987.

⁹ *Id.*

¹⁰ *Id.*

¹¹ G.R. No. 173520, January 30, 2013.

¹² *Republic v. Lubinao*, G.R. No. 166553, July 30, 2009, 594 SCRA 363, 378; *National Power Corporation v. Tuazon*, G.R. No. 193023, June 29, 2011, 653 SCRA 84, 95; and *National Power Corporation v. Saldares*, G.R. No. 189127, April 25, 2012, 671 SCRA 266, 277-278.

the Court refused to apply Sec. 3-A of Republic Act No. 6395, as amended,¹³ in determining the amount of just compensation to which the landowner therein was entitled. As held:

x x x The payment of just compensation for private property taken for public use is guaranteed no less by our Constitution and is included in the Bill of Rights. **As such, no legislative enactments or executive issuances can prevent the courts from determining whether the right of the property owners to just compensation has been violated. It is a judicial function that cannot “be usurped by any other branch or official of the government.”** Thus, we have consistently ruled that statutes and executive issuances fixing or providing for the method of computing just compensation are not binding on courts and, at best, are treated as mere guidelines in ascertaining the amount thereof.

To reiterate, the concept of just compensation is uniform across all forms of exercise of eminent domain. There is then neither rhyme nor reason to treat agrarian reform cases differently insofar as the determination of just compensation is concerned. I therefore express my concurrence to the line of cases that ruled that the land valuation by DAR is only preliminary and is not, by any means, final and conclusive upon the landowner or any other interested party, for, in the end, the courts still have the right to review with finality the determination in the exercise of what is admittedly a judicial function.¹⁴

The jurisdiction of the SAC is original and exclusive

Congress bestowed on the SACs “original and exclusive jurisdiction” over petitions for the determination of just compensation relating to government-taking of properties under the CARL. This could not be any clearer from the language of Sec. 57 of the law, to wit:

Section 57. Special Jurisdiction. — The Special Agrarian Courts shall have **original and exclusive jurisdiction** over all petitions for the **determination of just compensation to landowners**, and the prosecution of all criminal offenses under this Act. The Rules of Court shall apply to all proceedings before the Special Agrarian Courts, unless modified by this Act. (emphasis added)

¹³ Sec. 3A. x x x

In determining the just compensation of the property or property sought to be acquired through expropriation proceedings, the same shall:

(a) With respect to the acquired land or portion thereof, not to exceed the market value declared by the owner or administrator or anyone having legal interest in the property, or such market value as determined by the assessor, whichever is lower.

(b) With respect to the acquired right-of-way easement over the land or portion thereof, not to exceed ten percent (10%) of the market value declared by the owner or administrator or anyone having legal interest in the property, or such market value as determined by the assessor whichever is lower.

x x x x

¹⁴ *Heirs of Vidad v. Land Bank of the Philippines*, G.R. No. 166461, April 30, 2010.

The fundamental tenet is that jurisdiction can only be granted through legislative enactments,¹⁵ and once conferred cannot be diminished by the executive branch. It can neither be expanded nor restricted by executive issuances in the guise of law enforcement. Thus, although the DAR has the authority to promulgate its own rules of procedure,¹⁶ it cannot modify the “original and exclusive jurisdiction” to settle the issue of just compensation accorded the SACs. Stated in the alternative, the DAR is precluded from vesting upon itself the power to determine the amount of just compensation to which a landowner is entitled.

This further finds support under Sec. 18 of the CARL, to wit:

Section 18. Valuation and Mode of Compensation. — The LBP shall compensate the landowner in such amounts as **may be agreed upon** by the landowner and the DAR and the LBP, in accordance with the criteria provided for in Sections 16 and 17, and other pertinent provisions hereof, **or as may be finally determined by the court**, as the just compensation for the land. (emphasis added)

As can be gleaned, the CARL contemplates of only two modes of fixing the proper amount of just compensation: either by agreement of the parties, or by court ruling. Should the parties then fail to agree, the only remaining option is to seek court intervention. Notably, the law does not leave to any other body, not even the DAR, the final determination of just compensation. The jurisdiction of the SAC on this matter, therefore, remains to be original and exclusive.

This is consistent with the oft-cited ruling that the taking of property under RA 6657 is an exercise of the power of eminent domain by the State, and that the valuation of property or determination of just compensation in eminent domain proceedings is essentially a judicial function which is vested with the courts and not with administrative agencies.¹⁷ As held in *Land Bank of the Philippines v. Court of Appeals*:¹⁸


It is clear from Sec. 57 that the RTC, sitting as a Special Agrarian Court, has original and exclusive jurisdiction over all petitions for the determination of just compensation to landowners. **This original and exclusive jurisdiction of the RTC would be undermined if the DAR would vest in administrative officials original jurisdiction in compensation cases and make the RTC an appellate court for the review of administrative decisions.** Thus, although the new rules speak of directly appealing the decision of adjudicators to the RTCs sitting as Special Agrarian Courts, it is clear from Sec. 57 that the original and exclusive jurisdiction to determine such cases is in the RTCs. **Any effort**

¹⁵ *Magno v. People*, G.R. No. 171542, April 6, 2011; citing *Machado v. Gatdula*, G.R. No. 156287, February 16, 2010, 612 SCRA 546, 559; *Spouses Vargas v. Spouses Caminas*, G.R. Nos. 137839-40, June 12, 2008, 554 SCRA 305, 317; *Metromedia Times Corporation v. Pastorin*, G.R. No. 154295, July 29, 2005, 465 SCRA 320, 335; and *Dy v. National Labor Relations Commission*, 229 Phil. 234, 242 (1986).

¹⁶ RA 6657, Sec. 49.

¹⁷ *Land Bank of the Philippines v. Montalvan*, G.R. No. 190336, June 27, 2012; citing *Land Bank of the Philippines v. Court of Appeals*, 376 Phil. 252 (1999); and *Land Bank of the Philippines v. Celada*, 515 Phil. 467 (2006).

¹⁸ 376 Phil. 252 (1999).



to transfer such jurisdiction to the adjudicators and to convert the original jurisdiction of the RTCs into appellate jurisdiction would be contrary to Sec. 57 and therefore would be void. Thus, direct resort to the SAC by private respondent is valid. (emphasis added)

The Court has applied this holding in numerous other cases. *Heirs of Vidad v. Land Bank of the Philippines*¹⁹ (*Heirs of Vidad*) summarized the Court's jurisprudence on this point thusly:

In *Land Bank of the Philippines v. Wycoco*,²⁰ the Court upheld the RTC's jurisdiction over Wycoco's petition for determination of just compensation **even where no summary administrative proceedings was held before the DARAB** which has primary jurisdiction over the determination of land valuation. x x x

In *Land Bank of the Philippines v. Court of Appeals*,²¹ the landowner filed an action for determination of just compensation **without waiting for the completion of DARAB's re-evaluation of the land.** x x x

In *Land Bank of the Philippines v. Natividad*,²² wherein Land Bank questioned the alleged **failure of private respondents to seek reconsideration of the DAR's valuation**, but instead filed a petition to fix just compensation with the RTC x x x.

In *Land Bank of the Philippines v. Celada*,²³ where the issue was whether the SAC erred in assuming jurisdiction over respondent's petition for determination of just compensation **despite the pendency of the administrative proceedings before the DARAB** x x x. (emphasis added)

In the cases cited in *Heirs of Vidad*, the Court has invariably upheld the original and exclusive jurisdiction of the SACs over petitions for the determination of just compensation, notwithstanding the seeming failure to exhaust administrative remedies before the DAR.

More recently, in *Land Bank of the Philippines v. Montalvan*,²⁴ therein petitioner argued that the landowner's filing with the SAC of a separate complaint for the determination of just compensation was premature because the revaluation proceedings in the DAR were still pending. The Court ruled, however, that the pendency of the DAR proceedings could not have ousted the SAC from its original and exclusive jurisdiction over the petition for judicial determination of just compensation since "*the function of fixing the award of just compensation is properly lodged with the trial court and is not an administrative undertaking.*"²⁵

¹⁹ G.R. No. 166461, April 30, 2010.

²⁰ G.R. No. 140160, January 13, 2004.

²¹ 376 Phil. 252 (1999).

²² G.R. No. 127198, May 16, 2005.

²³ G.R. No. 164876, January 23, 2006.

²⁴ G.R. No. 190336, June 27, 2012.

²⁵ *Land Bank of the Philippines v. Montalvan*, G.R. No. 190336, June 27, 2012.

Direct resort to the SAC is, therefore, valid. The Court never considered the issuance of a prior DAR valuation as neither a jurisdictional requirement nor a condition precedent, and in its absence, as a fatal defect.

Allowing the DAR valuation to attain finality diminishes the jurisdiction of the SAC

The dictum allowing the valuation by the DAR to attain finality if not brought before the SAC within 15 days is inconsistent with the above disquisitions. The DAR's valuation, being preliminary in nature, could not attain finality, as it is only the courts that can resolve the issue on just compensation.²⁶ Administrative rules that impose a reglementary period for filing a petition before the SAC, consequently allowing the DAR's preliminary valuation to attain finality, unduly diminish the original and exclusive jurisdiction of the SAC, and convert it into an appellate one.

To clarify, the doctrine of "finality of judgment" is reserved only to those rendered by judicial or quasi-judicial bodies in the valid exercise of their jurisdiction. Dispositions of judicial and quasi-judicial bodies on matters within their jurisdiction or competence to decide are valid and binding.²⁷ On the other hand, a judgment issued without jurisdiction is no judgment at all and cannot attain finality no matter how long a period has elapsed.

The imposition of the 15-day reglementary period ought to then be construed as a claim of jurisdiction. By decreeing that its valuation is capable of attaining finality, the DAR effectively arrogated unto itself the power to make a final determination, a binding judgment, on the amount of just compensation the landowner is entitled to, a power expressly bestowed exclusively upon the courts under Secs. 18 and 57 of the CARL. Consequently, it rendered the proceedings before the SACs appellate in nature, rather than originally commenced thereon.

Moreover, it contravened the Court's doctrine in the landmark case of *Dulay* wherein we held that the judicial branch can never be barred from resolving the issue of just compensation. Apropos herein is a reproduction of the Court's holding in *Dulay*:

The determination of "just compensation" in eminent domain cases is a **judicial function. The executive department or the legislature may make the initial determinations but** when a party claims a violation of the guarantee in the Bill of Rights that private property may not be taken for public use without just compensation, **no statute, decree, or executive order can mandate that its own determination shall prevail over the**

²⁶ *Heirs of Vidad v. Land Bank of the Philippines*, G.R. No. 166461, April 30, 2010; citing *Association of Small Landowners in the Philippines, Inc. v. Secretary of Agrarian Reform*, G.R. No. 78742, July 14, 1989, 175 SCRA 343, 382.

²⁷ *Vios v. Patangco*, G.R. No. 163103, February 6, 2009.

court's findings. Much less can the courts be precluded from looking into the "just-ness" of the decreed compensation. (emphasis added)

The Court's pronouncement in *Republic*²⁸ should, therefore, be upheld. There, the landowner filed a petition for the determination of just compensation before the SAC beyond the reglementary period mandated by the DAR rules. Nevertheless, the Court held that the outright dismissal of the case was not warranted. Instead, it endeavored to preserve the original and exclusive jurisdiction of the SACs in the following wise:²⁹

In accordance with [the procedure for the determination of compensation cases under R.A. No. 6657], the private respondent's case was properly brought by it in the RTC, and it was error for the latter court to have dismissed the case. In the terminology of [Sec.] 57 [of the CARL], the RTC, sitting as a Special Agrarian Court, has original and exclusive jurisdiction over all petitions for the determination of just compensation to landowners. **It would subvert this original and exclusive jurisdiction of the RTC for the DAR to vest original jurisdiction in compensation cases in administrative officials and make the RTC an appellate court for the review of administrative decisions.**

Consequently, although the new rules speak of directly appealing the decision of adjudicators to the RTCs sitting as Special Agrarian Courts, it is clear from [Sec.] 57 that the original and exclusive jurisdiction to determine such cases is in the RTCs. **Any effort to transfer such jurisdiction to the adjudicators and to convert the original jurisdiction of the RTCs into appellate jurisdiction would be contrary to [Sec.] 57 and therefore would be void. What adjudicators are empowered to do is only to determine in a preliminary manner the reasonable compensation to be paid to landowners, leaving to the courts the ultimate power to decide this question.** (emphasis added)

Invoking this doctrine, the Court, in *Suntay*,³⁰ emphasized that the petition before the SAC is an original action, and not an appeal. It echoed that "[a]ny effort x x x to convert the original jurisdiction of the RTCs into appellate jurisdiction would be contrary to Section 57 and therefore would be void."³¹ Resultantly, the Court ruled that the filing of the petition beyond the 15-day period in that case did not bar the SAC from exercising its original and exclusive jurisdiction in resolving the issue of just compensation.

In line with this ruling, the Court resolved in *Heirs of Vidad*³² that:

x x x RA 6657 does not make DARs valuation absolutely binding as the amount payable by LBP. A reading of Section 18 of RA 6657 shows that the courts, and not the DAR, make the final determination of just compensation. **It is well-settled that the DAR's land valuation is only preliminary and is not, by any means, final and conclusive upon**

²⁸ G.R. No. 122256, October 30, 1996.

²⁹ *Republic v. Court of Appeals*, G.R. No. 122256, October 30, 1996.

³⁰ G.R. No. 157903, October 11, 2007.

³¹ *Land Bank of the Philippines v. Suntay*, G.R. No. 157903, October 11, 2007.

³² G.R. No. 166461, April 30, 2010.

the landowner or any other interested party. The courts will still have the right to review with finality the determination in the exercise of what is admittedly a judicial function. (emphasis added)

All told, the DAR's valuation cannot be treated as the amount of just compensation the landowner is entitled to, notwithstanding the lapse of 15 days from receipt of notice thereof. It is not in the nature of an award that was "finally determined by the court," for, aside from the DAR not being a court of law, the postulation would render the subsequent petition before the SAC an appeal. This would, in turn, contravene the clear and categorical tenor of the law that the jurisdiction of the SAC, with respect to the issue of just compensation, is **original and exclusive**.

The 15-day reglementary period has no statutory basis

The inapplicability of the 15-day reglementary period is further bolstered by Sec. 16 of the CARL, which outlined the procedure for the acquisition of private lands under the law.³³ While the provision states that the party who disagrees with the valuation by the DAR may bring the issue to court,³⁴ the law is silent as to the period for doing so.

It is plain error for respondents to claim that the 15-day period finds basis under Sec. 54 of the CARL, which pertinently reads:

Section 54. Certiorari. — Any decision, order, award or ruling of the DAR on any agrarian dispute or on any matter pertaining to the application, implementation, enforcement, or interpretation of this Act and other pertinent laws on agrarian reform may be brought to the Court of

³³ **Section 16. Procedure for Acquisition of Private Lands.** — For purposes of acquisition of private lands, the following procedures shall be followed:

(a) After having identified the land, the landowners and the beneficiaries, the DAR shall send its notice to acquire the land to the owners thereof, by personal delivery or registered mail, and post the same in a conspicuous place in the municipal building and barangay hall of the place where the property is located. Said notice shall contain the offer of the DAR to pay a corresponding value in accordance with the valuation set forth in Sections 17, 18, and other pertinent provisions hereof.

(b) Within thirty (30) days from the date of receipt of written notice by personal delivery or registered mail, the landowner, his administrator or representative shall inform the DAR of his acceptance or rejection of the offer.

(c) If the landowner accepts the offer of the DAR, the Land Bank of the Philippines (LBP) shall pay the landowner the purchase price of the land within thirty (30) days after he executes and delivers a deed of transfer in favor of the government and surrenders the Certificate of Title and other muniments of title.

(d) In case of rejection or failure to reply, the DAR shall conduct summary administrative proceedings to determine the compensation for the land requiring the landowner, the LBP and other interested parties to submit evidence as to the just compensation for the land, within fifteen (15) days from the receipt of the notice. After the expiration of the above period, the matter is deemed submitted for decision. The DAR shall decide the case within thirty (30) days after it is submitted for decision.

(e) Upon receipt by the landowner of the corresponding payment or, in case of rejection or no response from the landowner, upon the deposit with an accessible bank designated by the DAR of the compensation in cash or in LBP bonds in accordance with this Act, the DAR shall take immediate possession of the land and shall request the proper Register of Deeds to issue a Transfer Certificate of Title (TCT) in the name of the Republic of the Philippines. The DAR shall thereafter proceed with the redistribution of the land to the qualified beneficiaries.

(f) Any party who disagrees with the decision may bring the matter to the court of proper jurisdiction for final determination of just compensation.

³⁴ RA 6657, Sec. 16(f).

Appeals by certiorari except as otherwise provided in this Act within fifteen (15) days from the receipt of a copy thereof.

The title of the provision itself evinces that the period only applies to *certiorari* petitions before the Court of Appeals (CA) for purposes of reviewing DAR rulings falling within its jurisdiction. It serves to distinguish petitions for certiorari under the CARL from those filed under the Rules of Court, which are allowed a 60-day leeway for filing.³⁵

Moreover, any party desiring to appeal a ruling to the CA or to this Court is mandated to do so within fifteen (15) days, as provided under Sec. 60 the CARL.³⁶ Thus, if Congress intended for the same period to likewise apply to the filing of petitions for the determination of just compensation before the SAC, reckoned from the date of notice from the DAR ruling, then the law would have expressly provided the same.

Succinctly put, there is no basis for requiring the petition for the determination of just compensation to be filed within 15 days from receipt of notice of the DAR's valuation. The validity of Sec. 11, Rule XIII of the 1994 Rules, as reincarnated in Sec. 6, Rule XIX of the 2009 Rules, cannot then be sustained and, instead, must be struck down as void and of no legal effect.

Aside from lacking statutory basis, the imposition of the 15-day reglementary period likewise unduly diminishes the jurisdiction vested on the SACs, as earlier discussed. Guilty of reiteration, the duty to fix just compensation is a judicial function, and the jurisdiction of the SACs to set the appropriate value for it is original and exclusive. This is the clear import of Sec. 57 of the CARL. These cardinal doctrines, however, are violated by the imposition of a 15-day reglementary period under Sec. 11, Rule XIII of the 1994 Rules of Procedure and Sec. 6, Rule XIX of the 2009 Rules of Procedure. These rules supplement the perceived silence of the CARL with a provision that contradicts Sec. 57 thereof—vesting the DAR with the authority to render a binding judgment on the valuation of the subject property, and converting the original action before the SAC into an appellate one.

It is settled jurisprudence that a rule or regulation cannot offend or collide with a legal provision. In cases of conflict between the law and the rules and regulations implementing the same, the law must always prevail.³⁷ The Court said as much in *Miners Association of the Philippines, Inc. v. Factoran*:³⁸

³⁵ RULES OF COURT, Rule 65, Sec. 4.

³⁶ **Section 60. Appeals.** — An appeal may be taken from the decision of the Special Agrarian Courts by filing a petition for review with the Court of Appeals within fifteen (15) days receipt of notice of the decision; otherwise, the decision shall become final.

An appeal from the decision of the Court of Appeals, or from any order, ruling or decision of the DAR, as the case may be, shall be by a petition for review with the Supreme Court within a non-extendible period of fifteen (15) days from receipt of a copy of said decision.

³⁷ *Commissioner of Internal Revenue v. Bicolandia Drug*, G.R. No. 148083, July 21, 2006.

³⁸ G.R. No. 98332, January 16, 1995.

We reiterate the principle that the power of administrative officials to promulgate rules and regulations in the implementation of a statute is necessarily limited only to carrying into effect what is provided in the legislative enactment. The principle was enunciated as early as 1908 in the case of *United States v. Barrias*. The scope of the exercise of such rule-making power was clearly expressed in the case of *United States v. Tupasi Molina*, decided in 1914, thus: “Of course, the **regulations adopted under legislative authority by a particular department must be in harmony with the provisions of the law**, and for the sole purpose of carrying into effect its general provisions. **By such regulations, of course, the law itself cannot be extended.** So long, however, as the regulations relate solely to carrying into effect its general provisions. By such regulations, of course, the law itself cannot be extended. So long, however, as the regulations relate solely to carrying into effect the provision of the law, they are valid.” (emphasis added, citations omitted)

The spring cannot rise higher than its source. And just as a statute cannot be at variance with the Constitution, so too must the implementing rules conform to the language of the law.³⁹ Rules and regulations cannot go beyond the terms and provisions of the basic law they seek to implement. The power to promulgate Rules and Regulations cannot be extended to amending or expanding the statutory requirements or to embrace matters not covered by the statute. Rules that subvert the statute cannot be sanctioned.⁴⁰


Such being the case, Sec. 11, Rule XIII of the 1994 Rules of Procedure and Sec. 6, Rule XIX of the 2009 Rules of Procedure are null and void and of no legal effect. There is no period expressly nor impliedly prescribed by RA 6657 within which landowners may bring an action with the SAC for the determination of the just value of their lots.

Nevertheless, the government, in the interim, is not precluded from proceeding to take the property in issue, provided that the necessary deposit has been made. Thus, while landowners may take their sweet time to institute the said case, the fact that the DAR will proceed to cancel the title of lot owners and replace the same with a Certificate of Land Ownership is more than ample reason for them to file the case with the SAC posthaste. The expropriation process is then, in a manner of speaking, self-policing since the landowners are compelled to litigate and file a case for just compensation if they are unsatisfied with the government’s deposit. The inapplicability of the 15-day reglementary period is, therefore, of no moment.

³⁹ *Republic of the Philippines v. Bajao*, G.R. No. 160596, March 20, 2009.

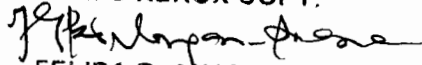
⁴⁰ *People v. Maceren*, No. L-32166, October 18, 1977, 79 SCRA 450; citing *University of Santo Tomas v. Board of Tax Appeals*, 93 Phil. 376, 382 (1953), citing 12 C.J. 845-46. As to invalid regulations, see *Collector of Internal Revenue v. Villaflor*, 69 Phil. 319 (1940); *Wise & Co. v. Meer*, 78 Phil. 655, 676 (1947); *Del Mar v. Phil. Veterans Administration*, No. L-27299, June 27, 1973, 51 SCRA 340, 349.

In view of the foregoing, I respectfully register my vote to GRANT the instant petition. The 15-day requirement under Sec. 11, Rule XIII of the 1994 DARAB Rules of Procedure and Sec. 6, Rule XIX of the 2009 DARAB Rules of Procedure should be declared NULL and VOID and of no legal effect for being contrary to Sec. 57 of the CARL.



PRESBITERO J. VELASCO, JR.
Associate Justice

CERTIFIED XEROX COPY:



FELIPA B. ANAMA
CLERK OF COURT, EN BANC
SUPREME COURT