

Title:

Chamber of Real Estate and Builders Associations, Inc. v. The Secretary of Agrarian Reform

Facts:

The Chamber of Real Estate and Builders Associations, Inc. (CREBA) filed a Petition for Certiorari and Prohibition under Rule 65 of the 1997 Revised Rules of Civil Procedure against the Secretary of Agrarian Reform. CREBA, representing real estate and builders, challenged the validity of Department of Agrarian Reform (DAR) Administrative Order (AO) No. 01-02, as amended by DAR AO No. 05-07, and DAR Memorandum No. 88, which imposed regulations on the conversion of agricultural lands to non-agricultural uses.

Initially, DAR AO No. 07-97 was issued, consolidating rules on land use conversion. This was followed by DAR AO No. 01-99, further amending land use conversion rules. DAR AO No. 01-02 further amended previous orders and included all applications for land conversion. In response to issues of land conversion for real estate development, DAR AO No. 05-07 and Memorandum No. 88 were issued, which, according to CREBA, slowed down housing projects and exacerbated housing and employment issues.

CREBA argued that these DAR issuances were beyond the Secretary's jurisdiction, infringed on local government autonomy, violated constitutional due process and equal protection clauses, and were an invalid exercise of police power.

Issues:

1. Whether the DAR Secretary has jurisdiction over lands reclassified for non-agricultural uses.
2. Whether the DAR Secretary exceeded his jurisdiction by issuing orders regulating reclassified lands.
3. Whether the orders violated the autonomy of local government units.
4. Whether the orders violated the due process and equal protection clauses of the Constitution.
5. Whether Memorandum No. 88 was a valid exercise of police power.

Court's Decision:

The Supreme Court dismissed the petition. It held that CREBA improperly filed the Petition for Certiorari directly with the Supreme Court rather than observing the hierarchy of courts. The Court also clarified that the Secretary of Agrarian Reform was acting within his

administrative and quasi-legislative functions, not judicial or quasi-judicial ones, thereby ruling out the applicability of a Petition for Certiorari.

On substantive issues, the Court found that the DAR Secretary acted within his jurisdiction, as defined by relevant laws and executive orders, in regulating land use conversion. The Court held that the challenged orders did not violate local government autonomy, as they were in accordance with the Comprehensive Agrarian Reform Program (CARP) and local government codes allowing for such regulation. It further stated that the orders did not violate constitutional due process or equal protection clauses, as they were meant to implement statutory requirements. Moreover, Memorandum No. 88 was deemed a valid exercise of police power motivated by public welfare, specifically addressing food security concerns.

Doctrine:

The Supreme Court reiterated the doctrine of the hierarchy of courts, emphasizing that direct recourse to the Supreme Court is only allowed for compelling reasons, which were absent in this case. It also clarified the scope of administrative and quasi-legislative powers of the Secretary of Agrarian Reform in the context of land use conversion under the CARP.

Class Notes:

- **Hierarchy of Courts**: Petitioners must observe the hierarchy of courts, directing petitions first to lower courts unless exceptional circumstances justify skipping levels.
- **Jurisdiction over Land Use**: The Secretary of Agrarian Reform has the authority to regulate the conversion of agricultural lands to non-agricultural uses.
- **Local Government Autonomy**: Regulations on land use conversion by the DAR, under the CARP, do not infringe on the autonomy of local governments provided by the Local Government Code.
- **Exercise of Police Power**: Government actions that restrict land use conversion can be justified as valid exercises of police power for public welfare, such as food security.
- **Constitutional Challenges**: Administrative orders that implement statutory mandates do not necessarily violate constitutional provisions of due process and equal protection, especially when they aim to address broader social and economic policies.

Historical Background:

This case highlights the complexities and legal challenges in balancing national agrarian reform goals with development needs, local government autonomy, and constitutional rights. The rulings and procedures established here underscore the judiciary's role in

interpreting and delineating the boundaries of administrative authority in land use and agrarian reform issues within the Philippine legal framework.