

AN ACT PROVIDING FOR THE ADMINISTRATION AND TEMPORARY LEASING AND SALE OF CERTAIN HACIENDAS AND PARCELS OF LAND, COMMONLY KNOWN AS FRIAR LANDS, FOR THE PURCHASE OF WHICH THE GOV...

Act No. 1120, April 26, 1904

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Whereas, pursuant to the provisions of sections sixty-three sixty-four, and sixty-five of an Act of the Congress of the United States, entitled "An Act temporarily to provide for the administration of the affairs of civil government in the Philippine Islands, and for other purposes," approved July first, nineteen hundred and two, the Government of the Philippine Islands, on the twenty-second day of December, nineteen hundred and three, entered into contracts with the Philippine Sugar Estates Development Company, Limited, La Sociedad Agricola dc Ultramar, the British-Manila Estates Company, Limited, and the Recoleta Order of the Philippine Islands, for the purchase of about one hundred and sixty-four thousand one hundred and twenty-seven hectares of land, situated in the Provinces of La Laguna, Bulacan, Cavite, Bataan, Cebu, Rizal, Isabela, and Mindoro, for the aggregate sum of seven million two hundred and thirty-nine thousand seven hundred and eighty-four dollars and sixty-six cents; money of the United States; and

Whereas in said contracts of purchase it was provided, among other things, that the Government of the Philippine Islands should have a period of six months from the date of said contracts within which to examine the titles to said lands, and also within which to survey the same in order to ascertain whether there is the quantity of land specified in said contracts, and in the event there is not, that a proportionate reduction shall be made in the amounts agreed to be paid therefor and it was further provide in said contracts that the said parties, so agreeing to sell, obligated themselves to convey good and indefeasible titles to said lands by proper conveyances; and

Whereas by said section sixty-five of said Act of Congress the Government of the Philippine Islands is empowered to lease the said lands after their acquisition for a period not exceeding three years, and to sell the same on such terms and conditions as it may prescribe, subject to the limitations and conditions contained in said Act of Congress: Provided, That all deferred payments and the interest thereon shall be payable in the money prescribed for the payment of principal and interest of the bonds authorized to be issued and sold for the purpose of realizing the money necessary to pay for said lands by said sixty-four of said Act of Congress, and that said bonds deferred payments shall bear interest at the rate borne by said bonds: And provided further, That all moneys realized or received from the sales or other disposition of said lands, or by reason thereof shall constitute a trust fund for the payment of principal and interest of said bonds, and also constitute a sinking fund for the payment of said bonds at their maturity: And provided further, That actual settlers and occupants at the time said lands are acquired by the Government shall have the preference over all others to lease, purchase, or acquire their holdings within such reasonable time as may be determined by said Government and Whereas the said lands are not public lands in the sense in which those words are used in the Public Land Act, Numbered Nine hundred and twenty-six, and can not be acquired or leased under the provisions thereof, and it is necessary to provide proper agencies for carrying out the terms of said contracts of purchase and the requirements of said Act of Congress with reference to the leasing and selling of said lands and the creation of a sinking-fund to secure the payment of the bonds so

issued: Now, therefore,

By authority of the United States, be it enacted by the Philippine Commission, that:

SECTION 1. The Civil Governor is authorized and directed to have careful examination made to ascertain the sufficiency and soundness of the titles to said land so contracted to be purchased by the Government of the Philippine Islands from the said corporations as set forth in the preamble hereof.

His action in employing the firm of Del Pan, Ortigas and Fisher, attorneys at law in the city of Manila, to make such examination and also to perform all legal services required of them in completing such purchases and thereafter in the leasing and selling of said lands as hereinafter provided, they to be compensated for their services at the rate of five thousand five hundred dollars per annum, payable monthly, for such time as in the opinion of the Civil Governor their services may be needed, is hereby approved and confirmed.

SEC. 2. The Consulting Engineer to the Commission is hereby directed to have careful surveys made of the said haciendas and tracts of land in order to ascertain with accuracy and certainty whether there is the amount of land in each of said haciendas and tracts specified in said contracts, and for that purpose he is empowered to put in the field and maintain the necessary surveying parties, and any funds in his hands at the present time not in terms devoted to defraying the cost of specific public works are hereby declared available for that purpose. As soon as these surveys shall have been completed he shall make report of the results thereof to the Civil Governor. Such steps as have already been taken by the Consulting Engineer by direction of the Civil Governor looking to the survey of said haciendas and lands are approved and confirmed.

SEC. 3. The firm of Del Pan, Ortigas and Fisher is also directed, as soon as the examination of the title deeds to said property shall have been completed, to make report of the result of their investigations in that behalf to the Civil Governor, and under his direction to supervise the final deeds of conveyance of said lands by said corporations to the Government of the Philippine Islands. The Civil Governor is also directed to submit their report together with the said deeds to the Attorney-General for his opinion.

SEC. 4. The Civil Governor is hereby empowered, when it shall have been ascertained that the titles to said lands are perfect and indefeasible and proper instruments of conveyance are tendered by said corporations, to direct the payment to the corporations named in the preamble of the several sums agreed to be paid for said lands, and to that end to draw the warrants of the government of the Philippine Islands upon the sum realized from the sale of the bonds issued and sold as provided in Act Numbered One thousand and thirty-four.

SEC. 5. When the titles to said lands are finally vested in the Government of the Philippine islands, they shall be under the immediate control and direction of the Bureau of Public Lands. The Chief of the Bureau of Public Lands is empowered and directed, pending the completion of the purchase of said lands, to receive, take charge of, and carefully preserve the said contracts of sale and purchase and all documents, title deeds, or other papers pertaining to said lands, and all held notes, surveys, and other data relating thereto, and also the deeds of conveyance hereafter made pursuant to the terms of said contracts of sale and purchase, and thereafter to keep and preserve the same, except as required for registration of said lands.

SEC. 6. The title deeds and instruments of conveyance pertaining to the lands in each province, when executed and delivered by said grantors to the Government and placed in the keeping of the Chief of the Bureau of Public Lands, as above provided, shall be by him transmitted to the register of deeds of each province in which any part of said lands lies, for registration in accordance with law.

SEC. 7. Upon the vesting of the titles to said lands in the Government of the Philippine Islands by proper deeds of conveyance, or sooner if so directed by the Civil Governor, the Chief of the Bureau of Public Lands shall

ascertain the names and residences of the actual, bona fide settlers and occupants then in possession of said lands or of any portion of them, together with the extent of their several holdings and the character and value thereof. He is also directed to ascertain from said occupants whether they desire to purchase their holdings upon the terms proscribed in the succeeding sections.

SEC. 8. In case any occupant in possession does not desire to purchase his holding, but does desire to lease the same, then it shall be the duty of the Chief of the Bureau of Public Lands, after vesting of title, to see that such occupant attorneys in due form to the Government and enters into a lease' with the usual covenants and agrees to pay a. reasonable rental for the use and occupation of his holding. Such rental shall be fixed by the Chief of the Bureau of Public Lands, but in no instance shall any lease be made for a longer term than three years.

SEC. 9. In the event the Chief of the Bureau of Public Lands should find any of the said lands vacant, he is directed to take possession and charge thereof, and he may either lease such unoccupied lands for a term not exceeding three years or offer the same for sale, as in his judgment may seem for the best interests of the Government, and in making such sales he shall proceed as provided in chapter two of the Public Land Act.

SEC. 10. Should he find any of the said lands in possession of a person or persons declining either to buy or to rent as above set forth he shall take possession thereof if he can do so peaceably and if not he shall begin proper legal proceedings in the Court of Land Registration to settle title and to oust him or them from his or their holdings and, upon adjudication in favor of the Government, shall likewise take possession of the same with the same power and authority as though originally vacant. He shall not however, sell any of the main hacienda houses or other large and substantial buildings save upon a resolution of the Commission authorizing him so to do.

SEC. 11. Should any person who is the actual and bona fide settler upon and occupant of any portion of said lands at the time the same is conveyed to the Government of the Philippine Islands desire to purchase the land so occupied by him, he shall be entitled to do so at the actual cost thereof, to the Government, and shall be allowed ten years from the date of purchase within which to pay for the same in equal annual installments, if he so desires all deferred payments to bear interest at the rate of four per centum per annum.

SEC. 12. It shall be the duty of the Chief of the Bureau of Public Lands by proper investigation to ascertain what is the actual value of the parcel of land held by each settler and occupant, taking into consideration the location and quality of each holding of land, and any other circumstances giving it value. The basis of valuation shall likewise be, so far as practicable, such that the aggregate of the values of all the holdings included in each particular tract shall be equal to the cost to the Government of the entire tract, including the cost of surveys, administration, and interest upon the purchase money to the time of sale. When the cost thereof shall have been thus ascertained, the Chief of the Bureau of Public Lands shall give the said settler and occupant a certificate which shall set forth in detail that the Government has agreed to sell to such settler and occupant the amount of land, so held by him, at the price so fixed, payable as provided in this Act at the office of the Chief of the Bureau of Public Lands, in gold coin of the United States or its equivalent in Philippine currency, and that upon the payment of the final installment, together with all accrued interest the Government will convey, to such settler and occupant the said land so held by him by proper instrument of conveyance, which shall be issued and become effective in the manner provided in section one hundred and twenty-two of the Land Registration Act. The Chief of the Bureau of Public Lands shall, in each instance where a certificate is given to the settler and occupant of any holding, take his formal receipt showing the delivery of such certificate, signed by said settler and occupant.

SEC. 13. The acceptance by the settler and occupant of such certificate shall be considered as an agreement by him to pay the purchase price so fixed and in the installments and at the interest Specified in the certificate, and he shall by such acceptance become a debtor to the Government in that amount together with all accrued interest. In

the event that any such settler and occupant may desire to pay for his holding of said lands in cash, or within a shorter period of time than that above specified he shall be allowed to do so, and if payment be made in cash the lands shall it once be conveyed to him as above provided. But if purchase is made by installments, the certificate shall so state in accordance with the facts of the transaction: And provided however, That every settler and occupant who desires to purchase his holding must enter into the agreement to purchase such holding by accepting the said certificate and executing the said receipt whenever called on so to do by the Chief of the Bureau of Public Lands, and a failure on the part of the settler and occupant to comply with this requirement shall be considered as a refusal to purchase, and he shall be ousted as above provided and thereafter his holding may be leased or sold as in case of unoccupied lands: And provided further, That the Chief of the Bureau of Public Lands in his discretion may require of any settler and occupant so desiring to purchase that, pending the investigation requisite to fix the precise extent of his holding and its cost, he shall attorneys to the Government as its tenant and pay a reasonable rent for the use of his holding but no such lease shall be for a longer term than three years, and refusal on the part of any settler and occupant so desiring to purchase to execute a lease pending such investigation shall be treated as a refusal either to lease or to purchase, and the Chief of the Bureau of Public Lands shall proceed to oust him as in this Act provided.

SEC. 14. It shall be the duty of the Chief of the Bureau of Public Lands to collect and receive all rent and installments of purchase money and interest thereon due and payable under the provisions of this Act, and to give proper receipts and acquittances therefor and make proper record, thereof in the books of his office.

SEC. 15. The Government hereby reserves the title to each and every parcel of land sold under the provisions of this Act until the full payment of all installments of purchase money and interest by the purchaser has been made, and any sale or incumbrance made by him shall be invalid as against the Government of the Philippine Islands and shall be in all respects subordinate to its prior claim.

SEC. 16. In the event of the death of a holder of a certificate the issuance of which is provided for in section twelve hereof, prior to the execution of a deed by the Government to any purchaser, his widow shall be entitled to receive a deed of the land stated in the certificate upon showing that she has complied with the requirements of law for the purchase of the same. In case a holder of a certificate dies before the giving of the deed and does not leave a widow, then the interest of the holder of the certificate shall descend and deed shall issue to the persons who under the laws of the Philippine Islands would have taken had the title been perfected before the death of the holder of the certificate upon proof of the holders thus entitled of compliance with all the requirements of the certificate. In case the holder of the certificate shall have sold his interest in the land before having complied with all the conditions thereof, the purchaser from the holder of the certificate shall be entitled to all the rights of the holder of the certificate upon presenting his assignment to the Chief of the Bureau of Public Lands for registration.

SEC. 17. In the event that any lessee or purchaser of land under the provisions of this Act should fail to pay his rent or any installment of purchase money and interest thereon, or accrued interest; on any installment not due, when and as the same matures, it shall be the duty of the Chief of the Bureau of Public Lands at once to protect the Government from loss. In the case of a lease, when the lessee is delinquent in payment of rent, the Chief of the Bureau of Public Lands is empowered to declare the lease forfeited, making proper entry to that effect in the books of his office and giving notice thereof to the tenant, and to enter upon and take possession of the land held by the lessee and bring suit against the lessee for all rent due in the case of a delinquent purchaser, the Chief of the Bureau of Public Lands may enforce payment of any past due installment and interest by bringing suit to recover the same with interest thereon, and also to enforce the lien of the Government against the land by selling the same in the manner provided by Act Numbered One hundred and ninety for the foreclosure of mortgages. In the event

of such sale the purchaser at such sale shall acquire a good and indefeasible title. The proceeds of sale shall be applied to the payment of the costs of court and of all installments due or to become due on such land. If the proceeds of the sale are sufficient to pay all delinquent installments as well as all future installments and all costs of the litigation, there shall be no further claim or liability against the original purchaser. If the proceeds of the sale of said lands should amount to more than sufficient to pay all purchase money and interest due the Government and costs of suit, the surplus thereof shall be returned to the original purchaser, or to the person entitled thereto.

SEC. 18. No lease or sale made by the Chief of the Bureau of Public Lands under the provisions of this Act shall be valid until approved by the Secretary of the Interior.

SEC. 19. No purchaser or lessee under this Act shall acquire any exclusive rights to any canal, ditch, reservoir, or other irrigation works, or to any water supply upon which such irrigation works are or may be dependent, but all of such irrigation works and water supplies shall remain under the exclusive control of the Government of the Philippine Islands and be administered under the direction of the Chief of the Bureau of Public Lands for the common benefit of those interests dependent upon them. And the Government reserves as a part of the contract of sale in each instance the right to levy an equitable contribution or tax for the maintenance of such irrigation works, the assessment of which shall be based upon the amount of benefits received, and each purchaser under this Act, by accepting the certificate of sale or deed herein provided to be given, shall be held to assent thereto. And it is further provided that all lands leased or conveyed under this Act shall remain subject to the right of way of such irrigation canals, ditches, and reservoirs as now exist or as the Government may hereafter see fit to construct.

SEC. 20. All persons receiving title to lands under the provisions of this Act shall hold such lands subject to the same public servitudes as existed upon lands owned by private persons under the sovereignty of Spain, including those with reference to the littoral of the sea and the banks of navigable rivers and rivers upon which rafting may be done.

SEC. 21. The Civil Governor, when authorized by resolution of the Commission, may, by proclamation, designate any tract or tracts of said lands as nonalienable, and reserve the same for public use, and thereafter such tracts shall not be subject to sale, lease, or other disposition under this Act.

SEC. 22. It shall be the duty of the Chief of the Bureau of Public Lands to make quarterly reports, through the Secretary of the Interior, to the Commission showing the lands leased or sold by him in accordance with the provisions of this Act, the amounts of money derived from such rentals and sales, and such other information as in his opinion may be of value to the Commission in connection with the said lands and their administration and disposition as provided by this Act. Both the Secretary of the Interior and the Chief of the Bureau of Public Lands shall have the right to require of the special counsel named in the first section hereof, or of their successors, such advice and assistance as from time to time may be required by them in the performance of their duties under this Act, and it shall lie the duty of said counselors to give such legal advice and assistance.

SEC. 23. All moneys derived by the Chief of the Bureau of Public Lands from the leasing or sale of said lands, or from interest on deferred payments thereon, shall by him be promptly deposited in the Insular Treasury. Such moneys shall be by the Treasurer held separate and apart from general insular funds and shall constitute a trust fund for the payment of the principal and interest of the seven million two hundred and thirty-seven thousand dollars of bonds, issued and sold by the Secretary of War in the name and on behalf of the Government of the Philippine Islands for the purpose of raising money to pay the purchase price of said lands as provided in Act Numbered One thousand and thirty-four, entitled "An Act providing for the issue of bonds of the Government of

the Philippine Islands to the amount of seven million two hundred and thirty-seven thousand dollars," old coin of the United States of the present standard value, for the purpose of acquiring funds for the payment of the purchase price of certain large tracts of land in the Philippine Islands, commonly known as the Friar Lands, pursuant to the provisions of sections sixty-three, sixty-four, and sixty-five of the Act of Congress entitled "An Act temporarily to provide for the administration of the affairs of civil government in the Philippine Islands, and for other purposes, approved July first, nineteen hundred and two." Said money shall also constitute a sinking fund for the payment of said bonds at maturity and may be invested and reinvested in safe interest-bearing bonds or other securities, which shall likewise be held by the Treasurer as a part of such sinking fund, and all interest, dividends, or profits derived from said bonds or other securities thus purchased shall likewise be a part of such sinking fund and may in turn be invested and reinvested in bonds or other securities. All purchases of bonds or other securities by the Treasurer shall be subject to the approval of the Secretary of Finance and Justice.

SEC. 24. The Chief of the Bureau of Public Lands under the supervision of the Secretary of the Interior, shall prepare and issue such forms and instructions, consistent with this Act, as may be necessary and proper to carry into effect all the provisions hereof that are to be administered by or under the direction of the Bureau of Public Lands, and for the conduct of all proceedings arising under such provisions.

SEC. 25. The sum of ten thousand pesos. Philippine currency, is hereby appropriated, out of any funds in the Insular Treasury not otherwise appropriated, for the purpose of paying the salary of the special counsel referred to in the first section hereof and for making the investigations and surveys required hereby and for the general carrying out of the provisions of this Act.

SEC. 26. The short title of this Act shall be "The Friar Lands Act."

SEC. 27. The public good requiring the speedy enactment of this bill, the passage of the same is hereby expedited in accordance with section two of "An Act prescribing the order of procedure by the Commission in the enactment of laws," passed September twenty-sixth, nineteen hundred.

SEC. 28. This Act shall take effect on its passage.

Enacted, April 26, 1904.

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