

FIRST DIVISION

[G.R. No. 146587, July 02, 2002]

**REPUBLIC OF THE PHILIPPINES, REPRESENTED BY THE
GENERAL MANAGER OF THE PHILIPPINE INFORMATION AGENCY
(PIA), PETITIONER, VS. THE HONORABLE COURT OF APPEALS
AND THE HEIRS OF LUIS SANTOS AS HEREIN REPRESENTED BY
DR. SABINO SANTOS AND PURIFICACION SANTOS IMPERIAL,
RESPONDENTS.**

DECISION

VITUG, J.:

Petitioner instituted expropriation proceedings on 19 September 1969 before the Regional Trial Court ("RTC") of Bulacan, docketed Civil Cases No. 3839-M, No. 3840-M, No. 3841-M and No. 3842-M, covering a total of 544,980 square meters of contiguous land situated along MacArthur Highway, Malolos, Bulacan, to be utilized for the continued broadcast operation and use of radio transmitter facilities for the "Voice of the Philippines" project. Petitioner, through the Philippine Information Agency ("PIA"), took over the premises after the previous lessee, the "Voice of America," had ceased its operations thereat. Petitioner made a deposit of P517,558.80, the sum provisionally fixed as being the reasonable value of the property. On 26 February 1979, or more than nine years after the institution of the expropriation proceedings, the trial court issued this order -

"WHEREFORE, premises considered, judgment is hereby rendered:

"Condemning the properties of the defendants in Civil Cases Nos. 3839-M to 3842-M located at KM 43, MacArthur Highway, Malolos, Bulacan and covered by several transfer certificates of title appearing in the Commissioners' Appraisal Report consisting of the total area of 544,980 square meters, as indicated in plan, Exhibit A, for plaintiff, also marked as Exhibit I for the defendants, and as Appendix 'A' attached to the Commissioners' Appraisal Report, for the purpose stated by the plaintiff in its complaint;

"Ordering the plaintiff to pay the defendants the just compensation for said property which is the fair market value of the land condemned, computed at the rate of six pesos (P6.00) per square meter, with legal rate of interest from September 19, 1969, until fully paid; and

"Ordering the plaintiff to pay the costs of suit, which includes the aforesaid fees of commissioners, Atty. Victorino P. Evangelista and Mr. Pablo Domingo."^[1]

The bone of contention in the instant controversy is the 76,589-square meter property previously owned by Luis Santos, predecessor-in-interest of herein

respondents, which forms part of the expropriated area.

It would appear that the national government failed to pay to herein respondents the compensation pursuant to the foregoing decision, such that a little over five years later, or on 09 May 1984, respondents filed a manifestation with a motion seeking payment for the expropriated property. On 07 June 1984, the Bulacan RTC, after ascertaining that the heirs remained unpaid in the sum of P1,058,655.05, issued a writ of execution served on the plaintiff, through the Office of the Solicitor General, for the implementation thereof. When the order was not complied with, respondents again filed a motion urging the trial court to direct the provincial treasurer of Bulacan to release to them the amount of P72,683.55, a portion of the sum deposited by petitioner at the inception of the expropriation proceedings in 1969, corresponding to their share of the deposit. The trial court, in its order of 10 July 1984, granted the motion.

In the meantime, President Joseph Ejercito Estrada issued Proclamation No. 22,^[2] transferring 20 hectares of the expropriated property to the Bulacan State University for the expansion of its facilities and another 5 hectares to be used exclusively for the propagation of the Philippine carabao. The remaining portion was retained by the PIA. This fact notwithstanding, and despite the 1984 court order, the Santos heirs remained unpaid, and no action was taken on their case until 16 September 1999 when petitioner filed its manifestation and motion to permit the deposit in court of the amount of P4,664,000.00 by way of just compensation for the expropriated property of the late Luis Santos subject to such final computation as might be approved by the court. This time, the Santos heirs, opposing the manifestation and motion, submitted a counter-motion to adjust the compensation from P6.00 per square meter previously fixed in the 1979 decision to its current zonal valuation pegged at P5,000.00 per square meter or, in the alternative, to cause the return to them of the expropriated property. On 01 March 2000, the Bulacan RTC ruled in favor of respondents and issued the assailed order, vacating its decision of 26 February 1979 and declaring it to be unenforceable on the ground of prescription -

"WHEREFORE, premises considered, the court hereby:

"1) declares the decision rendered by this Court on February 26, 1979 no longer enforceable, execution of the same by either a motion or an independent action having already prescribed in accordance with Section 6, Rule 39 of both the 1964 Revised Rules of Court and the 1997 Rules of Civil Procedure;

"2) denies the plaintiff's Manifestation and Motion to Permit Plaintiff to Deposit in Court Payment for Expropriated Properties dated September 16, 1999 for the reason stated in the next preceding paragraph hereof; and

"3) orders the return of the expropriated property of the late defendant Luis Santos to his heirs conformably with the ruling of the Supreme Court in *Government of Sorsogon vs. Vda. De Villaroya*, 153 SCRA 291, without prejudice to any case which the parties may deem appropriate to institute in relation with the amount already paid to herein oppositors and the purported transfer of a portion of the said realty to

the Bulacan State University pursuant to Proclamation No. 22 issued by President Joseph Ejercito."^[3]

Petitioner brought the matter up to the Court of Appeals but the petition was outrightly denied. It would appear that the denial was based on Section 4, Rule 65, of the 1997 Rules of Civil Procedure which provided that the filing of a motion for reconsideration in due time after filing of the judgment, order or resolution interrupted the running of the sixty-day period within which to file a petition for *certiorari*; and that if a motion for reconsideration was denied, the aggrieved party could file the petition only within the remaining period, but which should not be less than five days in any event, reckoned from the notice of such denial. The reglementary period, however, was later modified by A.M. No. 00-2-03 S.C., now reading thusly:

"Sec. 4. *When and where petition filed.* --- The petition shall be filed not later than sixty (60) days from notice of the judgment, order or resolution. In case a motion for reconsideration or new trial is timely filed, whether such motion is required or not, the sixty (60) day period shall be counted from notice of the denial of said motion."

The amendatory provision, being curative in nature, should be made applicable to all cases still pending with the courts at the time of its effectivity.

In *Narzoles vs. NLRC*,^[4] the Court has said:

"The Court has observed that Circular No. 39-98 has generated tremendous confusion resulting in the dismissal of numerous cases for late filing. This may have been because, historically, i.e., even before the 1997 revision to the Rules of Civil Procedure, a party had a fresh period from receipt of the order denying the motion for reconsideration to file a petition for *certiorari*. Were it not for the amendments brought about by Circular No. 39-98, the cases so dismissed would have been resolved on the merits. Hence, the Court deemed it wise to revert to the old rule allowing a party a fresh 60-day period from notice of the denial of the motion for reconsideration to file a petition for *certiorari*. x x x

"The latest amendments took effect on September 1, 2000, following its publication in the Manila Bulletin on August 4, 2000 and in the Philippine Daily Inquirer on August 7, 2000, two newspapers of general circulation.

"In view of its purpose, the Resolution further amending Section 4, Rule 65, can only be described as curative in nature, and the principles governing curative statutes are applicable.

"Curative statutes are enacted to cure defects in a prior law or to validate legal proceedings which would otherwise be void for want of conformity with certain legal requirements. (*Erectors, Inc. vs. National Labor Relations Commission*, 256 SCRA 629 [1996].) They are intended to supply defects, abridge superfluities and curb certain evils. They are intended to enable persons to carry into effect that which they have designed or intended, but has failed of expected legal consequence by reason of some statutory disability or irregularity in their own action. They make valid that which, before the enactment of the statute was

invalid. Their purpose is to give validity to acts done that would have been invalid under existing laws, as if existing laws have been complied with. (Batong Buhay Gold Mines, Inc. vs. Dela Serna, 312 SCRA 22 [1999].) Curative statutes, therefore, by their very essence, are retroactive. (Municipality of San Narciso, Quezon vs. Mendez, Sr., 239 SCRA 11 [1994].)"^[5]

At all events, petitioner has a valid point in emphasizing the "public nature" of the expropriated property. The petition being imbued with public interest, the Court has resolved to give it due course and to decide the case on its merits.

Assailing the finding of prescription by the trial court, petitioner here posited that a motion which respondents had filed on 17 February 1984, followed up by other motions subsequent thereto, was made within the reglementary period that thereby interrupted the 5-year prescriptive period within which to enforce the 1979 judgment. Furthermore, petitioner claimed, the receipt by respondents of partial compensation in the sum of P72,683.55 on 23 July 1984 constituted partial compliance on the part of petitioners and effectively estopped respondents from invoking prescription expressed in Section 6, Rule 39, of the Rules of Court.^[6]

In opposing the petition, respondents advanced the view that pursuant to Section 6, Rule 39, of the Rules of Court, the failure of petitioner to execute the judgment, dated 26 February 1979, within five years after it had become final and executory, rendered it unenforceable by mere motion. The motion for payment, dated 09 May 1984, as well as the subsequent disbursement to them of the sum of P72,683.55 by the provincial treasurer of Bulacan, could not be considered as having interrupted the five-year period, since a motion, to be considered otherwise, should instead be made by the prevailing party, in this case by petitioner. Respondents maintained that the P72,683.55 paid to them by the provincial treasurer of Bulacan pursuant to the 1984 order of the trial court was part of the initial deposit made by petitioner when it first entered possession of the property in 1969 and should not be so regarded as a partial payment. Respondents further questioned the right of PIA to transfer ownership of a portion of the property to the Bulacan State University even while the just compensation due the heirs had yet to be finally settled.

The right of eminent domain is usually understood to be an ultimate right of the sovereign power to appropriate any property within its territorial sovereignty for a public purpose.^[7] Fundamental to the independent existence of a State, it requires no recognition by the Constitution, whose provisions are taken as being merely confirmatory of its presence and as being regulatory, at most, in the due exercise of the power. In the hands of the legislature, the power is inherent, its scope matching that of taxation, even that of police power itself, in many respects. It reaches to every form of property the State needs for public use and, as an old case so puts it, all separate interests of individuals in property are held under a tacit agreement or implied reservation vesting upon the sovereign the right to resume the possession of the property whenever the public interest so requires it.^[8]

The ubiquitous character of eminent domain is manifest in the nature of the expropriation proceedings. Expropriation proceedings are not adversarial in the conventional sense, for the condemning authority is not required to assert any conflicting interest in the property. Thus, by filing the action, the condemnor in