

[Commonwealth Act No. 539, May 26, 1940]

AN ACT AUTHORIZING THE PRESIDENT OF THE PHILIPPINES TO ACQUIRE PRIVATE LANDS FOR RESALE IN SMALL LOTS; PROVIDING FOR THE CREATION OF AN AGENCY TO CARRY OUT THE PURPOSES OF THIS ACT; AND SETTING ASIDE FUNDS AND AUTHORIZING THE ISSUANCE OF BONDS FOR THE PAYMENT OF SAID LANDS.

Be it enacted by the National Assembly of the Philippines:

SECTION 1. The President of the Philippines is authorized to acquire private lands or any interest therein, through purchase or expropriation, and to subdivide the same into home lots or small farms for resale at reasonable prices and under such conditions as he may fix to their bona fide tenants or occupants or to private individuals who will work the lands themselves and who are qualified to acquire and own lands in the Philippines.

SEC. 2. The President may designate any department, bureau, office, or instrumentality of the National Government, or he may organize a new agency to carry out the objectives of this Act. For this purpose, the agency so created or designated shall be considered a public corporation.

SEC. 3. The corporation shall have power.

- (a) To make-small loans to farmers to finance the operations of their farms;
- (b) To organize, finance and manage farmers cooperatives;
- (c) To do any and all things that may be necessary to carry out the purposes of the corporation.

SEC. 4. The President shall pay for the lands acquired in accordance with the provisions of this Act, in cash or by installments, out of-the-funds made available under this Act, or with the proceeds of the bonds issued in accordance with the provisions of section six of this Act.

SEC. 5. The amounts appropriated under Commonwealth Act Numbered Twenty, as amended by Commonwealth Act Numbered Two hundred sixty, and Commonwealth Act Numbered Three hundred and seventy-eight, as amended by Commonwealth Act Numbered Four hundred and twenty, are made available for the purposes of this Act.

SEC. 6. In case the amounts appropriated in section five hereof are not sufficient to carry cut die provisions of this Act, the President is authorized to tissue in the name, and on behalf of the Government of the Philippines, bonds to be known as "Social Security Bonds" in an amount not exceeding twenty million pesos payable in fifty years. The President shall determine the form of the bonds, the date of issue thereof, and the rates and dates of payment of the interest thereon, which rate shall not be in:excess of five per centum per annum. The bonds shall be registered in the Treasury of the Philippines, where the principal and interest shall be payable in Philippine currency or its equivalent in the United States currency at the time of the