Republic of the Philippines
HOUSE OF REPRESENTATIVES
Batasan Hills, Quezon City



THIRTEENTH CONGRESS

First Regular Session

House Bill No. 701

Introduced by REP. JUDY J. SYJUCO

EXPLANATORY NOTE

The government in its effort to generate revenue to support its mass-based programs and undertakings created the Philippine Charity Sweepstakes Office by virtue of Republic Act No. 1169. It was conceptualized to be a primary source of funding assistance for priority government projects particularly those related to health and social welfare.

In the early stages of its existence the Philippine Charity Sweepstakes Office played its role to the hilt as the lead agency that gives paramount concern to the betterment of the underprivileged sectors of our society. It was responsible for the implementation of numerous developmental projects that benefited the people especially those who have less in life in terms of financial and social amenities. Financial assistance then was always delivered on time and processing of pertinent papers required for such flowed easily.

Sadly, however, the changes brought about by political progression and bureaucratic transgression altered the image of the Philippine Charity Sweepstakes Office as the country's foremost institution in social welfare development. The institution now is just a mere shadow of its former grandeur. Undying reports of graft and corruption in the implementation of its programs abound amidst perennial bickering among its top-level personnel. Considering that the Philippine Charity Sweepstakes Office is one of the highest revenue earner in the country, it is supposed to be the most visible partner of the government in its noble quest to provide a better life for the less-empowered sectors of our society.

Against this background of confusion and bureaucratic chaos, this bill, therefore, seeks to redirect a portion of the charity fund of the Philippine Charity Sweepstakes Office to particular government institutions that can implement social welfare and health programs to the fullest. This proposed measure mandates that the Department of Health and the Department of Social Welfare and Development receive fifteen (15%) and ten (10%) percent share, respectively, of the charity fund of the Philippine Charity Sweepstakes Office to finance its priority programs, including the continuation of existing ones. This way, better coordination between the agencies will be attained and continuity of long-term programs will be ensured.

In view of the foregoing, immediate approval of this bill is earnestly sought.

JUDY J. SYJUCO

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AN ACT
AMENDING THE CHARTER OF THE PHILIPPINE CHARITY SWEEPSTAKES OFFICE, AS AMENDED, AND FOR OTHER PURPOSES

Be it enacted by the Senate and House of Representatives of the Republic of the Philippines in Congress assembled:

SECTION 1. Section six (6) of Republic Act Numbered Eleven Hundred and Sixty Nine as amended, is hereby re-amended to read as follows:

Section 6. Allocation of Net Receipts - From the gross receipts from the sale of sweepstakes tickets, whether for sweepstakes races, lotteries, or other similar activities, shall be deducted the printing cost of such tickets, which in no case shall exceed two percent (2%) of such gross receipts to arrive at the net receipts. The net receipts shall be allocated as follows:

a. Fifty five percent (55%) shall be set aside as prize fund for the payment of prizes, including those for the owners, jockeys of running horses, and sellers of winning tickets.

Prizes not claimed by the public within one (1) year from the date of draw shall be considered forfeited, and shall form part of the charity fund for disposition as stated below:

b. [Thirty percent (30%)] FIFTEEN PERCENT (15%) shall be set aside as contributions to the charity fund from which the Board of Directors, in consultation with the [Ministry of Human Settlements] HOUSING AND URBAN DEVELOPMENT COORDINATING COUNCIL on identified priority [health programs] PROGRAMS, needs and requirements in specific communities and with the approval of the Office of the President, shall make payments of grants for programs, including the expansion of existing ones, medical assistance and services and/or charities of national character, such as the Philippine National Red Cross, under such policies and subject to such rules and regulations the Board may from time to time establish and promulgate. The Board may apply investments of the Office pursuant to section 1 (B) hereof, but in no case shall such application to investments exceed ten percent (10%) of the net receipts from the sale of any sweepstakes tickets in any given year.

Any property acquired by an institution or organization with funds given to it under this Act shall not be sold or otherwise disposed of without the approval of the Office of the President (Prime Minister), and that in the event of the dissolution, all such property shall be transferred to and shall automatically become the property of the Philippine government.

c. FIFTEEN PERCENT (15%) SHALL BE SET ASIDE AS CONTRIBUTIONS, UPON THE APPROVAL OF THE OFFICE OF THE PRESIDENT, FOR PAYMENTS OF GRANTS FOR HEALTH PROGRAMS, INCLUDING THE EXPANSION AND/OR CONTINUOUS IMPLEMENTATION OF EXISTING ONES, TO THE DEPARTMENT OF HEALTH, SUBJECT TO SUCH RULES AND REGULATIONS AS THE BOARD, IN COORDINATION WITH THE DEPARTMENT CONCERNED AND WITH THE APPROVAL OF THE OFFICE OF THE PRESIDENT, MAY ESTABLISH AND PROMULGATE.

d. TEN PERCENT (10%) SHALL BE SET ASIDE AS CONTRIBUTIONS, UPON THE APPROVAL OF THE OFFICE OF THE PRESIDENT, FOR PAYMENTS OF GRANTS FOR SOCIAL WELFARE PROGRAMS, INCLUDING EXPANSION AND/OR CONTINUOUS IMPLEMENTATION OF EXISTING ONES, TO THE DEPARTMENT OF SOCIAL WELFARE AND DEVELOPMENT, SUBJECT TO SUCH RULES AND REGULATIONS AS THE BOARD, IN COORDINATION WITH THE CONCERNED AGENCY AND WITH THE APPROVAL OF THE OFFICE OF THE PRESIDENT, MAY ESTABLISH AND PROMULGATE.

e. [Fifteen percent (15%] FIVE PERCENT (5%) shall be set aside as contributions to the operating expenses and capital expenditures of the Office.

f. All balances of any funds in the Philippine Charity Sweepstakes Office shall revert and form part of the charity fund provided for in paragraph (B), and shall be subject to disposition as above stated.

The disbursements of the allocations herein authorized shall be subject to the usual auditing rules and regulations."

SECTION 2. Repealing clause - All laws, decrees, executive orders and issuances inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SECTION 3. Separability clause - If for any purpose whatsoever any part or portion of this Act is deemed invalid or unconstitutional, the remaining part or portion not affected thereby shall remain in full force and effect.

SECTION 4. This Act shall take effect fifteen (15) days after its complete publication in two (2) newspapers of general circulation.

APPROVED,