

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

Thirteenth Congress
First Regular Session

House Bill No. 3981



Introduced by Hon. Robert "Dodot" Jaworski, Jr.

EXPLANATORY NOTE

This bill seeks to privatize the Philippine Amusement and Gaming Corporation. The government should consider the privatization of PAGCOR, which would immediately give the national treasury P 80 Billion in additional fund.

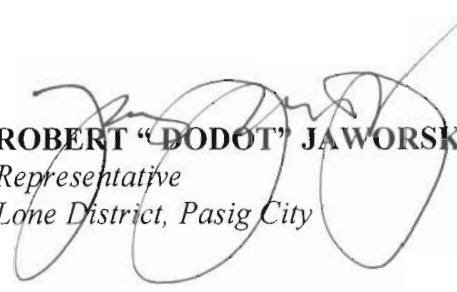
While PAGCOR may have been contributing a lot of money to the President's Social Fund, its existence has become so dubious that it has remained to be in the center of various controversies.

Further, the operation of gambling by the Republic of the Philippines through PAGCOR is patently discriminatory. While the wealthy are given the opportunity to gamble in government operated casinos, the poor are strictly prohibited to bet in jueteng, masiao, etc. The Philippine Government should not be in gambling, whether for the rich or poor.

Easily, the government can raise P80 billion from PAGCOR's privatization and the government will still retain a 40 percent stake based on the assessment of the Investment Houses Association of the Philippines (IHAP).

PAGCOR's privatization could boost the stock market with the entry of more foreign investors who are prepared to put their money on PAGCOR stocks. The privatization of PAGCOR can ignite a stock market boom in the country and that certainly will be good for the economy without resorting to new taxes.

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


ROBERT "DODOT" JAWORSKI, JR.
Representative
Lone District, Pasig City

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AN ACT
PROVIDING FOR THE PRIVATIZATION OF THE PHILIPPINE AMUSEMENT
AND GAMING CORPORATION AND FOR OTHER PURPOSES.

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

SECTION 1 The Philippine Amusement and Gaming Corporation shall be sold and its assets disposed of at their current market value not later than one (1) year from the effectivity of this Act and proceeds thereof shall be allocated for the priority projects of the government in agriculture, education, public health, public works and social services. Provided that, private entities who shall buy the business of PAGCOR and or its assets shall apply for its own legislative franchise for purposes of operating any gambling activity.

SECTION 2. The Privatization and Management Office (PMO), under the Department of Finance, shall oversee, direct, supervise and coordinate privatization and marketing programs undertaken by the government in connection with the sale or disposition of properties mentioned in Section 1 hereof. The Chairman and CEO of the Philippine Amusement and Gaming Corporation shall participate in the deliberation of the PMO in the sale and disposition of the assets and properties of PAGCOR.

All assets of the PAGCOR shall be sold in an open and transparent manner through public bidding.

SECTION 3. The implementing guideline and regulations shall be issued by the PMO within thirty (30) days from the effectivity of this Act.

SECTION 4. The PMO shall submit to the President of the Philippines and to the Congress of the Philippines a monthly report on the status of its asset disposition program, which shall include a description of the property, inventory of assets and liabilities, the bidders or buyers, the consideration and the terms of payment.

SECTION 5. Any person, official or employee of the government institution involved in the implementation of this Act, who willfully violates the rules and regulations hereof or who is guilty of gross negligence in the performance of his duties or who shall disclose information of a confidential nature which is prejudicial to the interest of the government or use such information for personal gain shall be held liable for any loss or injury to the government as a result thereof, without prejudice to other civil and criminal liabilities provided for by applicable laws.

SECTION 6. All laws, decrees, executive orders, rules and regulations, or parts thereof, inconsistent with any of the provisions of this Act are hereby repealed or modified accordingly.

SECTION 7. This Act shall take effect fifteen (15) days after its publication in at least two (2) national newspapers of general circulation.

Approved,