

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

THIRTEENTH CONGRESS
First Regular Session

House Bill No. 4345



Introduce by CONGRESSMAN JOSE G. SOLIS

EXPLANATORY NOTE

This bill seeks to legalize *jueteng* in the Philippines.

Gambling is reputed to be the Filipinos' favorite pastime. One of the most popular forms at the moment is *jueteng*. It is a game of chance which appeals to commonfolk because they can bet as twenty five centavos. *Jueteng* is so widespread that almost every province has its own version of the *jueteng*. In the Visayas and Mindanao, it is called *Masiao*.

Jueteng has gone beyond the control of government law enforcement agencies as shown by its proliferation, and has spread even to far-flung areas of the country. One big reason for the continued existence of *jueteng* is that it enjoys the protection of both law enforcers and government officials – from city councilors and policemen to congressmen, governors and regional military commanders. In short, it has become an avenue for corruption among the above mentioned officials.

Through the legalization of *jueteng*, the government can finally collect the revenues sourced from this numbers game, and make use of the proceeds to finance important government programs and projects. Legalizing *jueteng* will deny syndicates the opportunity to benefit from it, and stamp-out corruption.

Hence, the approval of this bill is highly and earnestly recommended.

A handwritten signature in black ink, consisting of a large, stylized 'J' followed by 'G' and 'S' in a cursive script.

JOSE G. SOLIS

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AN ACT
LEGALIZING JUETENG

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

SECTION 1. **Short Title.** – This Act shall be known as the “*Jueteng Act of 2005*”.

SEC. 2. **Declaration of Policy.** – It is hereby declared the policy of the State to eliminate the corrupting influence of numbers game especially on public officers, raise revenues for the government and safeguard the interest of the betting public. Towards this end, the operations of numbers of game, particularly *jueteng* shall be legalized.

SEC. 3. **Definition of Terms.** – For purposes of this Act, the term:

1. *Jueteng* – refers to a form of lottery or numbers game that usual involves 37 numbers, marked in small wooden sizes of balls and placed inside a container; and is played by drawing and recording one number which will become the first number of the winning combination and returning the same to the container for the drawing of the second number of the winning combination.

2. Illegal *jueteng* operator – refers to the maintainer, conductor and banker engaged in *jueteng* activities without the required franchise or license;

3. *Jueteng Employee* – refers to any individual who directly or indirectly takes part in *jueteng* activities for compensation;

SEC. 4. ***Legalization of Jueteng.*** – The operations of numbers game for *jueteng* shall be legalized under the sole control and supervision of the Local Government Unit (LGU) where the game is conducted.

SEC. 5. ***Responsibilities of the LGU.*** – In addition to its powers and functions, the LGU shall have the following responsibilities:

1. To issue franchise or license to individuals or private entity who shall engage in the operation of *jueteng* upon submission of the complete documents required for the purpose;

2. To formulate rules and regulations relating to the conduct of the game;

3. To ensure that the determination of the winning numbers or combination thereof shall be made open to the public either through television or radio broadcast and in the presence of observers, randomly selected for every draw;

4. To take necessary steps for ensuring that proceeds are properly allocated and distributed as provided by existing laws, particularly the provision of this Act;

5. To take steps for coordination of various operations nationwide, establishing for this purpose, provincial, city and municipal outlets to operate and supervise the game at the local level;

6. To coordinate with various law enforcement agencies and engage their services in the apprehension and consequent prosecution of those who are illegally operating the same;

7. To formulate the game's necessary mechanics and appropriate standard for its operation, in coordination with Philippine Amusements and Gaming Corporation (PAGCOR);

8. To adopt measures that safeguard the interest of the betting public;

9. To maintain liaison with different government agencies and appropriate non-government agencies, and ensure their maximum cooperation and coordination in all matters relating to *jueteng* operation; and

10. To adopt such other measures as it may deem necessary.

SEC. 6. ***Prohibition.*** – No individual or private entity shall be engaged directly or indirectly in the operation of *jueteng* without franchise or license relating thereto. Any violation thereof shall be punishable under this Act.

SEC. 7. ***Allocation of Proceeds.*** – All revenues, proceeds and income generated from *jueteng* operation shall be allocated and distributed in the following manner: Not more than fifteen percent (15%) of the daily gross collection shall be allocated to pay for the services of the collectors and their supervisors. The balance shall be utilized to pay for the winning tickets and the rest shall constitute the net receipts which shall be allocated as follows: Twenty percent (20%) to the municipality or city concerned; ten percent (10%) to the province; twenty percent (20%) to the national government for the implementation of its social and infrasture projects; and twenty percent (20%) for the administrative and operating expenses. The remaining fifteen percent (15%) shall be retained as reserve capital: *Provided*, That the retained earnings at the end of every calendar year in excess of One hundred million pesos (P100,000,000.00) shall be deposited to the National Treasury. The amount received by the LGUs concerned shall be utilized to maintain peace and order. Prizes not claimed by the public within six (6) months from the date of the draw shall be considered forfeited, and shall form part of the net receipts as stated in the preceding paragraph hereof.

SEC. 8. ***Penalties.*** – The following penalties are hereby imposed:

a. The penalty of *reclusion perpetua* in its minimum period and a fine ranging from Five hundred thousand pesos (P500,000.00) to One million pesos (P1,000,000.00) shall be imposed upon any illegal *jueteng* operator or any person who shall directly finance or maintain illegal *jueteng* operations.

b. The penalty of *reclusion temporal* in its medium period and a fine ranging form Three hundred thousand pesos (P300,000.00) to Five hundred thousand pesos (P500,000.00) shall be imposed upon any person who shall

knowingly permit illegal *jueteng* operations to be carried on in an inhabited or uninhabited place or any building, vessel or other means of transportation owned or controlled by him.

c. The penalty of *prision mayor* in its minimum period and a fine ranging from Ten thousand pesos (P10,000.00) to Fifty thousand pesos (P50,000.00) shall be imposed upon any security officer, security guard, watchman, private or house detective of hotels, villages, buildings, enclosures and the like where illegal *jueteng* activities are being held.

d. The penalty of *prision correccional* in its maximum period and a fine ranging from Ten thousand pesos (P10,000.00) to Fifty thousand pesos (P50,000.00) shall be imposed upon any person who collects bets for the operation of illegal *jueteng*.

e. The penalty of *reclusion perpetua* in its maximum period with temporary absolute disqualification and a fine ranging from Five hundred thousand pesos (P500,000.00) to One million pesos (P1,000,000.00) shall be imposed if the offender is a government or public official, regardless of the extent of participation in illegal *jueteng* operations.

SEC. 9. The Department of the Interior and Local Governments, in coordination with the PAGCOR, shall formulate and prepare the necessary rules and regulation to implements the provisions of this Act. Rules and regulations issued pursuant to this section shall take effect thirty (30) days after publication in a newspaper of general circulation in the Philippines.

SEC. 10. ***Appropriations.*** – The amount necessary for the initial implementation of this Act shall be charged to the existing budget of the LGU concerned.

SEC. 11. ***Separability Clause.*** – If any of the sections or provisions of this Act is held invalid, all the other provisions not affected thereby shall remain in force and effect.

SEC. 12. ***Repealing Clause.*** – Any law, presidential decree or issuance, executive order, letter of instruction, administrative order, rule or regulation contrary to or inconsistent with the provision of this Act is hereby repealed, modified or amended accordingly.

SEC. 13. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in at least two (2) newspapers of general circulation in the Philippines.

Approved,