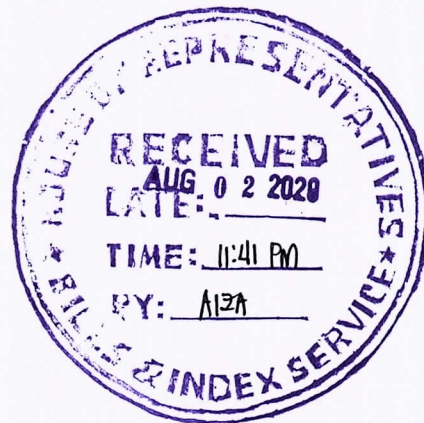


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

EIGHTEENTH CONGRESS
Second Regular Session

House Bill No. 7233



Introduced by Representative Evelina Escudero

EXPLANATORY NOTE

This bill seeks to amend Section 6 of Republic Act No. 1169, as amended.

Section 6 provides the allocation of PCSO's net receipts (gross receipts less the printing cost of tickets not to exceed two percent of such gross receipts) which is basically divided into a 55% - 45% distribution. The former is earmarked to winnings and prizes, the latter the charity fund, and operating expenses and capital expenditure. The PCSO Board of Directors (the "Board") is empowered to make payment and grant from the charity fund, which is a minimum of 30% of net receipts. Moreover, the Board is also authorized to allocate, a minimum of 15% of net receipts, for operating expenses and capital expenditures,

This bill proposes that the said discretionary powers of the Board be contained, if not removed, and that the charity fund be already specifically earmarked based on the policies set forth in RA No. 1169, as amended. In like manner, the Board's power of allocation over the 15% is to be expressly subjected to the approval of the Office of the President.

It is believed that with this amendment, the PCSO's charity fund will be distributed in accordance with specific and real needs grounded on justice and equity. It eradicates the lack of institutionalized criteria and standard in the disposition of funds, where arbitrariness has always led to abuse. In addition, the charity fund will become transparent as it finances as well certain legislations enacted by Congress.

In view of the foregoing, passage of this bill is earnestly requested.


EVELINA ESCUDERO

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

EIGHTEENTH CONGRESS
Second Regular Session

House Bill No. 7233

Introduced by Representative Evelina Escudero

**AN ACT INSTITUTIONALIZING A JUST AND EQUITABLE DISPOSITION
OF THE PHILIPPINE CHARITY SWEEPSTAKES OFFICE CHARITY
FUND, AMENDING FOR THAT PURPOSE SECTION 6 OF REPUBLIC ACT
1169, AS AMENDED**

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

SECTION 1. Section 6 of Republic Act No. 11459, as amended, is hereby further 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 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 a 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 year from date of draw shall be considered forfeited, and shall form part of the charity fund for disposition as stated [below] UNDER THE SUCCEEDING PARAGRAPHS.

B. Thirty percent (30%) shall be set aside as contributions to the charity fund WHICH SHALL BE EARMARKED AS FOLLOWS: [from which the Board of Directors, in consultation with the Ministry of Human Settlement on identified priority programs, needs, and requirements in specific communities and with approval of the Office of the President, shall make payments or grants for health 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 as the Board may from time establish and promulgate.]

- 1. 20% AMBULANCE, INCLUSIVE OF REPAIR AND MAINTENANCE, AND OTHER METHODS OF CONDUCTION/CONVEYANCE OF PATIENTS;*
- 2. 20% PHILIPPINE HEALTH INSURANCE CORPORATION FOR UNIVERSAL PHIL HEALTH COVERAGE;*
- 3. 20% CHARITY CLINIC, MEDICAL ASSISTANCE AND SERVICE PROGRAM, TO PRIVATE HOSPITALS;*
- 4. 20% DEPARTMENT OF HEALTH, INCLUDING REGIONAL, DISTRICT AND PROVINCIAL HOSPITALS;*
- 5. 20% PRESIDENT'S SOCIAL FUND.*

THE ABOVE ALLOCATION, TO ENSURE EQUITY AND FAIRNESS, SHALL BE SPENT AND DISTRIBUTED ON A PRIORITY BASIS IN ACCORDANCE WITH THE LATEST NATIONAL STATISTICAL COORDINATION BOARD (NSCR) DATA ON POPULATION AND POVERTY MAPPING, STARTING WITH THE POOREST IN THE COUNTRY.

The Board may apply part of the contributions to the charity fund to approved 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 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 Office of the President, and that in the event of its dissolution all such property shall be transferred to and shall automatically become the property of the Philippine Government.

C. Fifteen (15%) percent shall be set aside as contributions to the operating expenses and capital expenditures of the Office subject to the approval of the Office of the President.

D. All balances of any funds in the Philippine Charity Sweepstakes Office shall revert to 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 allocation herein authorized shall be subject to the usual auditing rules and regulations. [As amended by Batas Pambansa Blg. 42 dated 24 September 1979].

SEC. 2. All laws, presidential decrees, executive orders, proclamations and/or administrative regulations which are inconsistent with the provisions of this Act are hereby amended, modified, superseded or repealed accordingly.

SEC. 3. This Act shall take effect fifteen (15) days from its publication in the Official Gazette or at least three (3) newspapers of national circulation.

Approved,