

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

NINETEENTH CONGRESS
Third Regular Session
House Bill No. **10787**



Introduced by: Congressman **BIENVENIDO M. ABANTE, JR.**

AN ACT
STRENGTHENING THE POWER OF THE PHILIPPINE AMUSEMENT AND GAMING CORPORATION (PAGCOR) TO LICENSE, REGULATE, AND SUPERVISE ALL ONSITE AND ONLINE GAMES OF CHANCE INCLUDING ITS GAME FACILITIES AMENDING FURTHER REPUBLIC ACT NO. 9487 OTHERWISE KNOWN AS PAGCOR CHARTER AS AMENDED, AND FOR OTHER PURPOSES

EXPLANATORY NOTE

The Holy Writ has sternly warned us that, "*For the love of money is the root of all evil...*" 1 Timothy 6:10 (KJV)

Last February 2, 2017, former President Rodrigo Duterte signed Executive Order (EO) No. 13. Arguably, the order is an effort to strengthen the fight against illegal gambling and clarify jurisdictions for licensing agencies that regulate and license gambling facilities and online gambling houses. However, it was widely believed to have opened the floodgates for POGOs.

As early as 2022, the positions of some of our government agencies have already held that while POGO revenues contribute to the government coffers, these come at significant social costs and moral damage to us as we have clearly seen before our very eyes that there are links to some illegal activities such as prostitution, employment of minors, and violation of labor laws even extrajudicial killings in POGO operations which are now considered as an issue of threat to national security.

Concomitantly, last June 4, 2018, a disbarment case was filed against former Government Corporate Counsel, Atty. Rudolf Philip B. Jurado and thereafter was reprimanded and sternly warned by the Supreme Court for allegedly overstepping his authority by allowing the Aurora Pacific Economic Zone and Free Port Authority (APECO) to issue franchises beyond its jurisdiction.¹

Here, we can surmise that while debatably often unintentional, legal loopholes can have far-reaching negative consequences that undermine the rule of law public trust, and public safety. The intricacies of the legal system can often give rise to unintended consequences, as legal

¹ https://lawphil.net/judjuris/juri2020/oct2020/pdf/ac_12247_2020.pdf

loopholes can be exploited in ways that undermine the intended purpose of the law for the benefit of their personal interests.

Thus, we do not want and cannot afford that the ambiguities and inconsistencies within our laws will only be exploited by savvy individuals, organizations, and agencies to circumvent the intended spirit and purpose of the legislation.

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



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

SECTION 1. *Short Title.* – This Act shall be known as the “**Empowering PAGCOR Act of 2024**”

SEC. 2 - an Act Further Amending Presidential Decree no. 1869, otherwise known as PAGCOR Charter under Republic Act 9487 is hereby further amended to read as follows:

(1) Section 1, Delegation of Policy, is hereby amended to read as follows:

SEC 1. Declaration of Policy - It is hereby declared to be the policy of the State to centralize and integrate **INCLUDING ALL** [all] games of chance **INCLUDING ITS FACILITIES WHETHER ONSITE OR ONLINE** [not heretofore] authorized by existing franchises or permitted by law in order to attain the following objectives:

- a. To [centralize and integrate] **REGULATE** the right and authority to operate and conduct games of chance into one corporate entity to be controlled, administered, and supervised by the Government;
- b. To establish and operate clubs and casinos, for amusement and recreation, including sports gaming pools **INCLUDING BUT NOT LIMITED TO** (basketball, football, lotteries, etc.) and such other forms of amusement and recreation including games of chance, which may be allowed by law within the territorial jurisdiction of the Philippines and which will:

- (1) generate sources of additional revenue to fund infrastructure and socio-civic projects, such as flood control programs, beautification, sewerage, and sewage projects, Tulungan ng Bayan Centers,

Nutritional Programs, Population Control, and other essential public services;

(2) create recreation and integrated facilities that will expand and improve the country's existing tourist attractions; and

(3) minimize, if not totally eradicate, the evils, malpractices, and corruptions that are normally prevalent in the conduct and operation of gambling clubs and casinos without direct government involvement.

(2) Section 3, Corporate Powers. The Corporation shall have the following powers and functions, among others, is hereby amended to read as follows:

SEC. 3 Corporate Powers. The Corporation shall have the following powers and functions, among others:

- a. XXX;
- b. XXX;
- c. XXX;
- d. XXX;
- e. XXX;
- f. XXX;
- g. XXX;
- h. XXX;
- i. XXX;
- j. XXX;
- k. to perform such other powers and functions as may be provided by law, **SUCH AS HAVING ACCESS TO THE PREMISES OF GAMING FACILITIES, WHETHER ONSITE OR ONLINE AT ANY TIME OF THE DAY OR NIGHT WHENEVER THE GAME IS BEING UNDERTAKEN TO CHECK ITS COMPLIANCE OF LICENSING OR IF THERE ARE ANY ILLEGAL GAMBLING ACTIVITIES CLANDESTINELY CONDUCTED THEREIN, AND TO REPORT THE SAME TO THE RESPECTIVE AUTHORITIES;** and
- l. XXX.

(3) Section 10, Nature and Term of Franchise, is hereby amended to read as follows:

SEC. 10. Nature and Term of Franchise. - Subject to the terms and conditions established in this Decree, the Corporation is hereby granted from the expiration of its original term on July 11, 2008, another period of twenty-five (25) years, renewable for another twenty-five (25) years, the rights, privileges, and authority to ~~operate and license~~ **LICENSE, REGULATE, AND SUPERVISE ALL** gambling casinos, gaming clubs, and other similar recreation or amusement places, gaming pools, ~~i.e.~~ **SUCH AS BUT NOT LIMITED TO** basketball, football, bingo, etc. except jai-alai, **PHILIPPINE OFFSHORE GAMING OPERATORS, (POGO), INTERNET GAMING LICENSEES (IGL) AND ALL OTHER ELETRONIC GAMES AND**

AMUSEMENTS whether on land or sea, within the territorial jurisdiction of the Republic of the Philippines: Provided, That the corporation shall obtain the consent of the local government unit that has territorial jurisdiction over the area chosen as the site for any of its operations.

The operation of slot machines and other gambling paraphernalia and equipment, shall not be allowed in establishments open or accessible to the general public unless the sites of these operations are three-star hotels and resorts accredited by the Department of Tourism authorized by the corporation and by the local government unit concerned, **AND SHALL NOT WITHIN A FIVE HUNDRED (500) METER LINEAR RADIUS FROM ANY EXISTING PLACES OF WORSHIP AND EDUCATIONAL INSTITUTIONS.**

The authority and power of the PAGCOR to authorize, license, and regulate games of chance, games of cards, and games of numbers [~~shall not extend to~~] **SHALL LIKEWISE EXTEND TO:**

- (1) games of chance authorized, licensed, and [~~regulated~~] or to be authorized, licensed, and [~~regulated by, in,~~] and under existing franchises ~~or other regulatory bodies~~;
- (2) games of chance, games of cards, and games of numbers authorized, licensed, regulated by, in, and under **ALL** special laws [~~such as Republic Act No. 7922~~], and
- (3) games of chance, games of cards, and games of numbers like cockfighting, authorized, licensed, and regulated by local government units. The conduct of such games of chance, games of cards, and games of numbers covered by existing franchises, [~~regulatory bodies~~], or special laws, to the extent of the jurisdiction and powers granted under such franchises and special laws, shall be [~~outside~~] **WITHIN** the licensing authority, ~~and~~ **SUPERVISORY AND** regulatory powers of the PAGCOR."

SEC 2. Repealing Clause. All laws, presidential decrees, executive orders, letters of instruction, administrative rules and regulations, or parts thereof which are contrary to or inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SEC 3. Separability Clause. In case any provision of this Act is declared unconstitutional or invalid, the other provisions hereof which are not affected thereby shall continue in full force and effect.

SEC 4. Effectivity. This Act shall take effect fifteen (15) *days* after its complete publication in the Official Gazette or in two (2) national newspapers of general circulation whichever is earlier.

Approved.