

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 3944



Introduced by: Hon. Iris Marie D. Montes

AN ACT
PROHIBITING THE PROMOTION AND ADVERTISEMENT OF GAMBLING AND
GAMBLING-RELATED ACTIVITIES AND PRESCRIBING PENALTIES THEREFOR

EXPLANATORY NOTE

The World Health Organization has classified pathological gambling as a disease. Accordingly, "Serious problem gambling, referred to as pathological gambling, was first included in the DSM-III in 1980. In the DSM-V it was renamed gambling disorder and placed in the new 'Addictions and Related Disorders' category. It is the only non-substance addiction included."¹

The WHO has consistently warned that addictive behaviors, like gambling, have devastating effects on individuals, families and their communities and have enormous socioeconomic impacts at national and global levels.

The Baylor University's 2011 study shows that the social costs for each pathological gambler is \$9,393 per year or almost half a million pesos if the expenses to solve the crimes, adjudication, lost job productivity, unemployment insurance, therapy and treatment fees, suicide, social services costs, and others are considered.²

Easier access to gambling through online platforms has only exacerbated this problem. Instead of promoting financial success, gambling has destroyed lives, families, and communities.

While the government is able to gain a few billions of revenues per year, thousands of our countrymen, many of whom are poor, spend trillions of pesos on gambling.

Apart from financial harm, there is a growing body of research linking gambling to mental health problems, particularly to higher rates of depression,

¹ The epidemiology and impact of gambling disorder and other gambling-related harm (<https://www.who.int/docs/default-source/substance-use/the-epidemiology-and-impact-of-gambling-disorder-and-other-gambling-relate-harm.pdf>)

² The Hidden Social Costs of Gambling. The Gambling Culture at pp. 19-28. Available at <https://www.baylor.edu/content/services/document.php/145417.pdf> (date last accessed: January 24, 2023)

increased risk of suicide ideation and attempts, and higher anxiety. The gambling-related burden of harm was 2.5 times more than diabetes and 3.0 times more than drug use disorder.

In addition, studies have shown strong associations between gambling and substance use: at-risk and problem gamblers had higher rates of tobacco, alcohol, and drug use. Gambling is statistically significantly associated with elevated rates of crime. It can be penetrated by criminal organizations, and in the case of gambling addiction, can provoke criminal activity. As access to money becomes more limited, gamblers often resort to crime in order to pay debts, appease debtors, maintain appearances, and garner more money to gamble.

Because both media and marketing significantly influence gambling behavior, particularly through advertising and social media content, this bill seeks to prohibit the promotion and advertisement of whatever form of gambling in any media form in order to preserve good order and public morals and suppress the harmful effects of gambling that can lead to serious health problems, financial stress, relationship breakdown, family violence, mental illness and even suicide.

In view thereof, approval of this bill is earnestly sought.


IRIS MARIE D. MONTES
Kababaihan Kabalikatan para sa Kapakanan
at Kaunlaran ng Bayan (4K) Party-list

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

SECTION 1. *Short Title.* - This Act shall be known as the "Gambling Promotion and Advertisement Prohibition Act".

SEC. 2. *Declaration of Policy.* - It is the policy of the State to protect its people from all matters affecting the security of its social order, particularly the preservation of good order and public morals. It is also the policy of the State to promote a just and dynamic social order that will ensure the prosperity and independence of the nation and free the people from poverty through policies that provide adequate social services, promote full employment, a rising standard of living, and an improved quality of life for all.

Consistent thereto, the State adopts measures to suppress the harmful effects of gambling, which has been a notorious social menace impairing family relationships, finances, and values, as it undermines the value of an individual's dignified work by allowing reckless and risky expenditures at the possibility of instant monetary gain, which have led many Filipinos to experience dire financial situations. Towards this end, it shall prohibit the promotion and advertisement of gambling and gambling-related activities in whatever nature or manner.

SEC. 3. *Definition of Terms.* - As used in this Act, the following terms shall mean:

(a) "Advertisement" refers to the business of conceptualizing, presenting, making available and communicating to the public, through any form of mass media, any fact, data or information about the attributes, features, quality or availability of consumer products, services or credit. For the purpose of this Act, advertising shall be understood as Gambling and Gambling-related activities advertising and shall not include non-promotional communication intended for informational purposes only;

(b) "Gambling" refers to any game scheme, regardless of whether winning thereat is dependent upon chance or skill or both, wherein wagers consisting of money, articles of value or representative of value are at stake or made;

(c) "Gambling-related activities" refer to any activities, services, or content that directly or indirectly support, promote, encourage, facilitate, or profit from gambling behavior or are associated with gambling, including but not limited to advertising, endorsements, affiliate marketing, tutorials, streaming or recording gambling sessions, providing access to gambling platforms, or any activity that encourages users to participate in gambling, whether online or offline;

(d) "Promotion" refers to an event or activity with the aim of endorsing or promoting gambling through techniques intended for broad consumer participation which contain promises of gain such as prizes, in cash or in kind, as reward for a gambling activity and which utilize mass media or other widespread media of information. It also means techniques purely intended to increase the patronage for gambling activities;

SEC. 4. *Prohibiting the Promotion and Advertisement of Gambling and Gambling-Related Activities.* - It shall be unlawful to promote, endorse, encourage, facilitate or advertise gambling or any gambling-related activities.

This shall specifically refer to any communication, messages and images promoting gambling or offering gambling-related products and services, sharing information on how to place, receive or transmit bets through gambling websites or apps, and promoting gambling activities online or to the general public.

SEC. 5. *Ban on Sponsorships.* - Licensees, operators, and service providers of gambling platforms and services are prohibited from sponsoring any sport, concert, cultural or art event, as well as individual and team athletes, artists, or performers where such sponsorship shall require or involve the advertisement, marketing or promotion of any online gambling platform or service.

SEC. 6. *Penalties.* - Any person, entity, or gambling operator found violating any provision of this Act shall be subject to the following penalties to be imposed by the PAGCOR after due notice and hearing:

(a) First Offense - a fine of not less than Twenty Million Pesos (Php20,000,000.00) and suspension of license for six (6) months;

(b) Second Offense - a fine of not less than Fifty Million Pesos (50,000,000.00) or a suspension of license for one (1) year; and

(c) Third and Succeeding Offenses - aside from the administrative penalties of a fine of not less than One Hundred Million Pesos (Php100,000,000.00) and permanent revocation of license or permit to operate that PAGCOR may impose, the offender may be subjected to criminal prosecution under this Act, and the Chief Operating Officer or President of the company, including Directors, Managers, or Managing Partners, shall be penalized with imprisonment of not more than six (6) years by the court.

SEC. 7. *Implementing Rules and Regulations.* - The Philippine Amusement and Gaming Corporation (PAGCOR), in coordination with the Department of Information and Communications Technology (DICT), and the Department of

Justice (DOJ), shall formulate and issue the necessary implementing rules and regulations within ninety (90) days from the effectivity of this Act.

SEC. 8. *Separability Clause.* — If any provision of this Act is declared unconstitutional, the remainder of this Act or any provision not affected, shall remain in full force and effect.

SEC. 9. *Repealing Clause.* — Any law, presidential decree or issuance, executive order, letter of instruction, administrative order, rule or regulation contrary to or inconsistent with the provisions of this Act is repealed, modified or amended accordingly.

SEC. 10. *Effectivity.* — This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,