EXPLANATORY NOTE

Cockfighting is an expression of our cultural heritage. Filipinos have enjoyed cockfighting or sabong even before the Spaniards arrived.

Presidential Decree No. 449 or the Cockfighting Law of 1974 has already foreseen the commercialization and pernicious effects of cockfighting on the morals of our society. Nowadays, every group with a camera has been able to exploit the latest technology and has illegally broadcast live cockfights for online betting by the public. Just recently, the Bureau of Internal Revenue closed down illegal betting stations because of non-payment of taxes.

With the advent in technology, a gaping hole in the regulation of cockfighting has been exposed. The power given to local government units did not envision the proliferation of online cockfighting which transcends municipal boundaries. The Philippine Gaming and Amusement Corporation (PAGCOR), the agency tasked with regulating all games of chance, is hampered by its limited powers over online cockfighting. Thus, the imperative need in further empowering PAGCOR to deal with the menace of online gaming based on cockfighting.

The passage of this bill is earnestly sought.

HON. FRANZ JOSEF "CHICOY" G. ALVAREZ
Representative, 1st District, Palawan

HON. AURELIO "DONG" D. GONZALES, JR.
Representative, 3rd District, Pampanga

HON. JOSE GAY G. PADIERNOS
Representative, Galing sa Puso Partylist
AN ACT
FURTHER AMENDING PRESIDENTIAL DECEDE NO. 1869, OTHERWISE
KNOWN AS THE PAGCOR FRANCHISE, PROVIDING AUTHORITY FOR THE
REGULATION OF OFF-COCKPIT, ELECTRONIC, AND ONLINE GAMES BASED
ON COCKFIGHTING, 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 (PAGCOR) franchise
granted under Presidential Decree No. 1869, is hereby further 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
gambling casinos, gaming clubs and other similar recreation or amusement places,
gaming pools, i.e. basketball, football, bingo, etc. except jai-alai, 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 site
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.

“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: (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 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 the licensing authority and regulatory powers of the PAGCOR: PROVIDED,
THAT ALL ESTABLISHMENT, OPERATION AND MANAGEMENT OR
MAINTENANCE OF REMOTE, OFF-COCKPIT, ELECTRONIC, AND ONLINE
GAMES BASED ON COCKFIGHTING, INCLUDING ITS BROADCASTING OR
LIVESTREAMING, THE PLACING AND ACCEPTING OF AND PAYMENTS OF
WAGERS OR BETS REMOTELY, OFF-TRACK, OFFSHORE, ELECTRONIC,
ONLINE OR OF ANY SIMILAR MEANS WHICH MAY BE ESTABLISHED IN
THE FUTURE, AMONG OTHERS, WHETHER LOCAL OR OFFSHORE, WILL BE
UNDER THE EXCLUSIVE CONTROL AND SUPERVISION OF THE PAGCOR,
SUBJECT TO RULES THAT IT MAY PROMULGATE ON THE MATTER.”

Section 2. Separability Clause. – If, for any reason, any part or provision of this Act is declared
invalid or unconstitutional, the remaining parts or provisions not affected thereby shall remain
in full force and effect.

Section 3. Repealing Clause. – All laws, decrees, executive orders, proclamations, rules and
regulations and other issuances or parts thereof which are inconsistent with the provisions of
this Act, are hereby repealed, amended or modified accordingly.

Section 4. Effectivity Clause. – This Act shall take effect fifteen (15) days from the date of its
publication, upon the initiative of the grantee, in the Official Gazette or in at least two
newspapers of general circulation in the Philippines.

Approved,