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SENATE
OFFICE OF THE SECRETARY

10 SEP 28 P 3:09

SENATE

Senate Bill No. 2548

RECEIVED BY 

INTRODUCED BY SEN. JINGGOY EJERCITO ESTRADA

EXPLANATORY NOTE

Jueteng is not only a form of gambling but has become a way of life for many. In a country where majority of the population lives below poverty line, it is not surprising that people bet their hopes on this poor man's game.

Unfortunately, jueteng is not merely a social act but a tremendous source of corruption. Given the huge revenues generated from its operations – with daily collection of at least fifty million pesos (P50,000,000.00) in Luzon alone – it has attracted the interest not only of unscrupulous individuals but also of corrupt politicians.

Indeed, it has become so intertwined with politics that at least thirty percent (30%) of gross collections are allocated to law enforcement officers and national and local officials.

Curbing this illegal activity is not easy. Prohibiting it is difficult.

Despite various laws enacted against illegal gambling, the government fails to go after big-time syndicates and operators. Sadly, those who sincerely wage war against these criminals are the ones ironically being implicated, while the guilty ones remain scot-free, and are given preferential treatment in government, particularly by officials in cahoots with them.

The proposed measure seeks to address this problem by legalizing jueteng and setting in place the necessary governmental mechanism for its operations.

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


Hence, early passage of this proposed measure is earnestly sought.


JINGGOY EJERCITO ESTRADA
Senator

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**AN ACT
LEGALIZING JUETENG**

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 **“Jueteng Act of 2010”**.

SEC 2. Definition of Terms. – For purposes of this Act, the term:

1. Jueteng – refers to a form of lottery or numbers game that involves the combination of 37 numbers against 37 numbers, marked in small wooden sizes 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, which could be 1-4, 2-6, 5-9, 34-36, etc. or a total of 1,379 combinations.
2. Illegal jueteng operator – refers to the maintener, investor, conductor and banker of jueteng activities.
3. Employee – refers to any individual who collects or solicits bet, or directly or indirectly takes part in jueteng activities for compensation.
4. PAGCOR – refers to the Philippine Amusement and Gaming Corporation

SEC 3. Establishment of Jueteng. – There shall be established a numbers game or jueteng, to be placed under the sole control and supervision of PAGCOR. Provincial, city or municipal offices may be established by the PAGCOR for its operation at the local level.

SEC 4. Responsibilities of PAGCOR. – PAGCOR shall have the following responsibilities:

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

2. To ensure that the determination of the winning numbers and/or combination thereof shall be made open to the public either through television or radio broadcast and/or in the presence of observers, randomly selected for every draw;
3. To take necessary steps for ensuring that proceeds are properly allocated and distributed as provided by existing laws, particularly the provisions of this Act;
4. 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;
5. 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;
6. To formulate the game's necessary mechanics and appropriate standards for its operation;
7. To adopt measures that safeguard the interest of the betting public;
8. 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,
9. To adopt such other measures as it may deem necessary.

SEC 5. Prohibition. – No individual or private entity shall be engaged directly or indirectly in the operation of jueteng and no franchise or license relating thereto shall likewise be issued by PAGCOR or any other government agency or instrumentality. Any violation thereof shall be punishable under this Act and under other appropriate existing laws.

No local police or government officials shall allow the operation of any illegal numbers game. The presence of the latter shall be a ground for disciplinary action in accordance with the existing laws.

SEC 6. Allocation of Proceeds. – All revenues, proceeds and income generated from jueteng operation shall be allocated and distributed in the following manner:

- a. Not more than twenty percent (20%) of the daily gross collection shall be allocated to pay for the services of the authorized collectors, their supervisors and other personnel;
- b. Thirty percent (30%) shall be utilized to pay for the winning tickets and the rest shall be placed under the Presidential Social Development Fund of PAGCOR and other related programs, subject to existing policies and procedures;
- c. Ten percent (10%) to the province; and,
- d. Forty percent (40%) to the city or municipality within the province to be allocated based on the population to be used primarily for day care centers and educational purposes.

SEC 7. Penalties. – The following penalties are hereby imposed:

- a. The penalty of *reclusion perpetua* in its minimum period and a fine ranging from One Million Pesos (P1,000,000.00) to Two Million Pesos (P2,000,000.00) shall be imposed upon any illegal jueteng operator or any person who shall directly finance and/or maintain illegal jueteng operations.
- b. The penalty of *reclusion temporal* in its medium 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 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 One Hundred Thousand Pesos (P100,000.00) to Five Hundred Thousand Pesos (P500,000.00) shall be imposed upon any individual who shall directly or indirectly take part as an employee in any illegal jueteng operations.
- d. The penalty of *prision correccional* in its minimum period and a fine ranging from One Hundred Thousand Pesos (P100,000.00) to Five Hundred Thousand Pesos (P500,000.00) shall be imposed upon any security officer, security guard, watchman, private or house detective of hotels, villages, buildings, enclosures and the like which have the reputation of an illegal jueteng place or where jueteng activities are being held.
- e. The penalty of *reclusion perpetua* in its maximum period with temporary absolute disqualification and a fine ranging from One Million Pesos (P1,000,000.00) to Two Million Pesos (P2,000,000.00) shall be imposed if the offender is a government or public official, regardless of the extent of participation in illegal jueteng operations.

SEC 8. Appropriations. – There is hereby authorized to be appropriated such sum as may be necessary to carry out the provisions of this Act.

SEC 9. Separability Clause. – If any provision or part hereof, is held invalid or unconstitutional, the remainder of the law or the provision not otherwise affected shall remain valid and subsisting.

SEC 10. 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 11. Effectivity Clause. – This Act shall take effect fifteen (15) days after its publication in at least two (2) newspapers of general circulation.

Approved,