


FOURTEENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
First Regular Session)

8 APR 28 1976

SENATE
S. No. **2201**RECEIVED BY: 

Introduced by Senator Miriam Defensor Santiago

EXPLANATORY NOTE

The attached bill seeks to expressly exclude jai-alai games from the franchised activities of the Philippine Amusement and Gaming Corporation (PAGCOR) by an express amendment of Presidential Decree No. 1869, the PAGCOR charter.

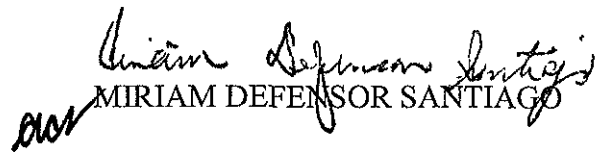
The basic principle, conceded by all legislators, is that the permit or franchise for the operation and regulation of any form of gambling is a legislative prerogative. In other words, gambling - in this instance jai-alai - being a prohibited activity can only be allowed by clear and express provision of law.

The proposed legislation will settle with finality the issue of authority of PAGCOR to operate and manage jai-alai games. This, in view of the recent judicial ruling that PAGCOR is vested with power to operate jai-alai games, a ruling arrived at when the issue was raised before the Court for the third time, a ruling marked by strong disagreements between and among the members of the highest court.

The issue of jai-alai is not merely and simply a legal issue; it involves peace and order, public policy and public morals. We cannot quibble about this. As all Cebuanos know only too well, the pernicious gambling activity called *masiao* - the illegal numbers game in the Visayas and Mindanao - is rooted in jai-alai. *Masiao* is hitched to - and thrives on - the three number winning combination that results from what is known as the special *Have* in professional jai-alai games. With *masiao* in the streets because of jai-alai, Cebu would have to contend with criminal activities, the shady dealings and the dubious characters that *masiao* is sure to bring. It happened in the past when jai-alai was around; it will happen again the moment jai-alai is back - unless jai-alai games are totally stopped by Congress.

This is consistent with the strong policy of the President that - exercising her power of control over all executive offices - she is against the resumption of jai-alai operations by PAGCOR and the proliferation of any form of gambling. Needless to say, the quick response of the President clearly indicates the sincerity and passion with which she wages her war against the proliferation of gambling and other vices and affirms her confidence in the unstinting moral crusade of the people of the Visayas against *masiao* and the ill effects and deeds it breeds. It gives us the assurance needed to push for the most restrictive reforms in the area of gambling.


This is a Senate counterpart bill to one filed in the House of Representatives by Rep. Raul V. Del Mar II.


MIRIAM DEFENSOR SANTIAGO

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1 AN ACT
2 AMENDING PRESIDENTIAL DECREE NO. 1869, EXPRESSLY EXCLUDING JAI-
3 ALAI GAMES FROM THE FRANCHISED ACTIVITIES OF THE
4 PHILIPPINE AMUSEMENT AND GAMING CORPORATION

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

7 SECTION 1. Section 1(b) of Presidential Decree No. 1869 is hereby amended to read
8 as follows:

9 “(b) To establish and operate clubs and casinos, for amusement and
10 recreation, sports gaming pools (basketball, football, lotteries, etc.) and such
11 other forms of amusement and recreation including games of chance,
12 EXCEPT JAI-ALAI, which may be allowed by law within the territorial
13 jurisdiction of the Philippines and which will : (1) generate sources of
14 additional revenue to fund infrastructure and socio-civic projects, such as
15 flood control programs, beautification, sewerage and sewage projects, Tulungan
16 ng Bayan Centers, Nutrition Programs, population Control and such other
17 essential public services; (2) create recreation and integrated facilities which
18 will expand and improve the country's existing tourist attractions; and (3)
19 minimize, if not totally eradicate, the evils, malpractices and corruptions that
20 are normally prevalent in the conduct and operation of gambling clubs and
21 casinos without direct government involvement.”

1 SECTION 2. Section 10 Presidential Decree No. 1869 is likewise amended to read as
2 follows:

3 “Sec. 10. Nature and term of franchise - Subject to the terms and
4 conditions established in this Decree, the Corporation is hereby granted for a
5 period of twenty-five (25) years, the rights, privileges and authority to operate
6 and maintain gambling casinos, clubs, and other recreation or amusement
7 places, sports, gaming pools, i.e. basketball, football, lotteries, etc. EXCEPT JAI-
8 ALAI, whether on land or sea, within the territorial jurisdiction of the Republic of
9 the Philippines.”

10 SECTION 3. Any law, presidential decree or issuance, executive order, letter of
11 instruction, administrative order, rule or regulation contrary to or inconsistent with the provisions
12 of this act is hereby repealed, modified or amended accordingly.

13 SECTION 4. This Act shall take effect fifteen (15) days after its publication in at least
14 two (2) newspapers of general circulation.

15 Approved,