

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



Senate  
Office of the Secretary

'13 NOV 14 P4:12

SENATE  
S. No. 1918

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Introduced by Senator Miriam Defensor Santiago

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EXPLANATORY NOTE

The present lottery system of the Philippine Charity Offices (PCSO) has been plagued by allegations of graft and corruption, especially in connection with the authority of this agency to conduct lotteries and other similar activities, in collaboration, association, or joint venture with any person, association, company, or entity, whether domestic or foreign, including any arrangements that bears an identifiable resemblance to the subsisting Equipment Lease Agreement (ELA).

It is necessary to pass a law in order to make it completely clear that the prohibition against a joint venture applies not only to investment, but also to programs, projects, and activities. Hence, there is a need to amend the PCSO Charter, or Republic Act No. 1169, to remove from the agency the authority to conduct lotteries or other similar activities, in collaboration, association, or joint venture with any person, association, company, or entity, whether domestic or foreign, including any arrangement that bears an identifiable resemblance to the existing ELA.\*

*miriam defensor santiago*  
MIRIAM DEFENSOR SANTIAGO

*avr*

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\* This bill was originally filed during the Thirteenth Congress, First Regular Session.

13 NOV 14 P4:12

SENATE  
S. No. **1918**

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1 AN ACT  
2 AMENDING SECTION ONE OF REPUBLIC ACT NO. 1169, OTHERWISE KNOWN AS  
3 THE CHARTER OF THE PHILIPPINE CHARITY SWEEPSTAKES OFFICE

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

4 SECTION 1. Section 1 of Republic Act No. 1169, otherwise known as the Charter of the  
5 Philippine Charity Sweepstakes Office, is hereby amended to read as follows:

6 "Sec. 1. *The Philippine Charity Sweepstakes Office.* - The Philippine  
7 Charity Sweepstakes Office, hereinafter designated the Office, shall be the  
8 principal government agency for raising and providing for funds for health  
9 programs, medical assistance and services, and charities of national character, and  
10 as such shall have the general powers conferred in section thirteen of Act  
11 Numbered One Thousand Four Hundred Fifty-Nine, as amended, and shall have  
12 the authority:

13 A. To hold and conduct charity sweepstakes races, lotteries, and other  
14 similar activities, in such frequency and manner, as shall be determined, and  
15 subject to such rules and regulations as shall be promulgated by the Board of  
16 Directors.

17 B. [Subject to the approval of the Minister of Human Settlements, to] TO  
18 engage in health and welfare-related investments, programs, projects and  
19 activities which may be profit-oriented, by itself or in collaboration, association or  
20 joint venture with any person, association, company or entity, whether domestic  
21 or foreign, except [for the activities mentioned in the preceding paragraph (A), for  
22 the purpose of providing for permanent and continuing sources of funds for health

1 programs, including the expansion of existing ones, medical assistance and  
2 services, and/or charitable grants: Provided, That such investments will not  
3 compete with the private sector in areas where investments are adequate, as may  
4 be determined by the National Economic and Development Authority]

5 **CHARITY SWEEPSTAKES, RACES, LOTTERIES, AND OTHER**  
6 **SIMILAR ACTIVITIES.**

7 C. To undertake any other activity that will enhance its funds generation  
8 operations and funds management capabilities, subject to the same limitations  
9 provided for in the preceding paragraph.

10 It shall have a Board of Directors, hereinafter designated the Board,  
11 composed of five members who shall be appointed, and whose compensation and  
12 term of office shall be fixed, by the President.”

13 SECTION 2. *Repealing Clause.* - All laws, decrees, orders, proclamation, rules and  
14 regulations or parts thereof inconsistent with the provisions of this Act are hereby repealed,  
15 amended, or modified accordingly.

16 SECTION 3. *Effectivity Clause.* - This Act shall take effect fifteen days (15) days after its  
17 publication in at least two (2) newspapers of general circulation.

Approved,