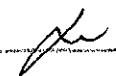


FOURTEENTH CONGRESS OF THE REPUBLIC )  
OF THE PHILIPPINES )  
First Regular Session )

7 AUG 14 2011

SENATE  
S. B. No. 1461

RECEIVED BY: 

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Introduced by Senator Miriam Defensor Santiago

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EXPLANATORY NOTE

Republic Act No. 7160, otherwise known as the Local Government Code of 1991, provides for the following: 1) In case of doubt, any question shall be resolved in favor of devolution of powers and of the local government unit (Section 5 [a]); 2) The general welfare provisions shall be liberally interpreted to give more powers to local government units in accelerating economic development and upgrading the quality of life for the people in the community (Section 5[c]); and 3) The policy of the State to require all national agencies and offices to conduct periodic consultations with appropriate local government units, nongovernmental and people's organizations, and other concerned sectors of the community before any project or program is implemented in their respective jurisdiction (Section 2 [c]).

In consonance with the said provisions of the Local Government Code, this bill seeks to amend the Local Government Code by giving local governments the power to decide whether gambling shall be allowed in their respective localities.

This bill strengthens the national policies that local government units "shall enjoy genuine and meaningful local autonomy" (Sec. 2, R.A. 7160) and that the national government shall only exercise "general supervision" and not control over local government units (Sec. 25 [a]).\*

  
MIRIAM DEFENSOR SANTIAGO


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

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7 AUG 14 P2:12

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1 AN ACT  
2 PROVIDING FOR LOCAL AUTONOMY IN THE DETERMINATION OF STATE POLICY  
3 ON GAMBLING, AMENDING FOR THIS PURPOSE THE LOCAL GOVERNMENT CODE,  
4 REPUBLIC ACT NO. 7160, SECTIONS 2, 27 AND 133 (O)

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

7 SECTION 1. Republic Act No. 7160, otherwise known as the Local Government Code,  
8 Section 2 is hereby amended to read as follows:

9 "Section 2. Declaration of Policy. – (a) It is hereby declared the policy of the State  
10 that the territorial and political subdivisions of the State shall enjoy genuine and  
11 meaningful local autonomy to enable them to attain their fullest development as  
12 self-reliant communities and make them more effective partners in the attainment  
13 of national goals. Toward this end, the State shall provide for a more responsive  
14 and accountable local government structure instituted through a system of  
15 decentralization whereby local government units shall be given more powers,  
16 authority, responsibilities and resources. The process of decentralization shall  
17 proceed from the national government to the local government units.

18 (b) It is also the policy of the State to ensure the accountability of local  
19 government units through the institution of effective mechanisms of recall,  
20 initiative and referendum.

21 (c) It is likewise the policy of the State to require all national agencies and  
22 offices to conduct periodic consultations with appropriate local government units,  
23 non-governmental and people's organizations, and other concerned sectors of the

1 community before any project or program is implemented in their respective  
2 jurisdictions.

3 (D) IT IS FURTHER THE POLICY OF THE STATE TO OBSERVE  
4 LOCAL AUTONOMY IN THE DETERMINATION OF STATE POLICY ON  
5 GAMBLING. CONFORMABLY WITH THIS POLICY, NO GAMBLING  
6 ENTERPRISE OPERATED BY INDIVIDUALS OR CORPORATIONS, OR  
7 CONTRACTED OUT BY THE NATIONAL GOVERNMENT TO FOREIGN  
8 OR DOMESTIC INDIVIDUALS, CORPORATIONS OR ENTITIES, OR  
9 OPERATED BY ANY OF ITS INSTRUMENTALITIES OR AGENTS, SHALL  
10 BE OPERATED, IMPLEMENTED, OR OTHERWISE UNDERTAKEN  
11 UNLESS THE CONSULTATIONS MENTIONED IN SECTION 2 (C) & 26  
12 HEREOF HAVE BEEN CONDUCTED AND WITH A MAYOR'S PERMIT, AS  
13 APPROVED BY THE SANGGUNIANG BAYAN OR SANGGUNIANG  
14 PANLUNSOD CONCERNED, IS OBTAINED."

15 Section 2. Section 133 of the same law is hereby amended to read as follows:

16 "Section 133. *Common Limitations on the Taxing Powers of Local Government*  
17 *Units.* - Unless otherwise provided herein, the exercise of the taxing powers of  
18 provinces, cities, municipalities, and barangays shall not extend to the levy of the  
19 following:

20 x x x

21 (o) Taxes, fees or charges of any kind on the National  
22 Governments, its agencies and instrumentalities, and local government units.  
23 PROVIDED, HOWEVER, THAT THIS LIMITATION SHALL NOT APPLY  
24 TO GAMBLING ENTERPRISES OPERATED BY THE NATIONAL  
25 GOVERNMENT OR ITS AGENTS OR INSTRUMENTALITIES, OR  
26 CONTRACTED OUT BY ITS FOREIGN OR DOMESTIC CORPORATIONS,  
27 INDIVIDUALS OR ENTITIES, WHICH HAVE BEEN GIVEN PERMITS BY  
28 THE LOCAL GOVERNMENT UNITS."

1           SECTION 3. *Repealing Clause.* – Any law, presidential decree or issuance, executive  
2 order, letter of instruction, administrative order, rule or regulation contrary to or inconsistent  
3 with, the provisions of this Act is hereby repealed, modified or amended accordingly.

4           SECTION 4. *Effectivity Clause.* – This Act shall take effect fifteen (15) days after its  
5 publication in at least two (2) newspapers of general circulation.

6           Approved,