

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 5778



Introduced by **HON. JOY MYRA S. TAMBUNTING**

EXPLANATORY NOTE

The Games and Amusements Board was officially established in 1951 through Executive Order No. 392 to combat illegal activities and to regulate sporting operations. It is recognized nationwide as the only agency in the entire governmental machinery entrusted with the responsibility of regulating and supervising the conduct of all professional sports and games in the country and raising their standards to a level comparable to those of foreign countries.

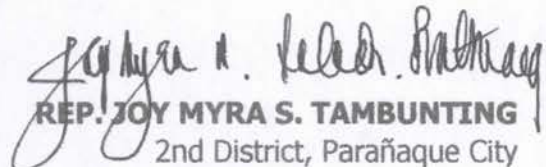
With the rise in technological advances during the past few years, new forms of professional games and amusements have surfaced and along with this, new modes of betting are made available to the populace. At present, the powers and functions of Games and Amusements Board emanates from Executive Order 392 which is further expanded by various executive orders, presidential decrees, administrative orders etc.

This bill seeks to expand and strengthen the powers and functions of the Games and Amusement Board by allowing for the board to hear and decide any matter, controversy, or dispute concerning the professional games and sports under its supervision. Further, this proposed measure shall provide for the board's authority to promulgate rules of procedures, for the speedy disposition of cases.

This proposed measure likewise seeks to allow the board to supervise and regulate new and emerging professional sports in the country including competitive computer/video gaming and other professional racing sports.

This proposed measure is based upon House Bill No. 8910 which is a product of concerted efforts of representatives from the 17th Congress.

On behalf of the people of Parañaque City's Second District, and for the common good of the Filipino people, the approval of the said measure is earnestly sought.


REP. JOY MYRA S. TAMBUNTING
2nd District, Parañaque City

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HOUSE BILL NO. 5778

Introduced by **HON. JOY MYRA S. TAMBUNTING**

**AN ACT STRENGTHENING THE GAMES AND AMUSEMENTS
BOARD AND FOR OTHER PURPOSES**

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

CHAPTER I

GENERAL PROVISIONS

SECTION 1. *Short Title.* - This Act shall be known as the "Games and Amusements Board Act".

SEC. 2. *Definition of Terms.* -As used in this Act:

- a. Cockfighting shall refer to the commonly known game or term "cockfighting derby, pintakasi or sabong," or its equivalent terms in different Philippine localities;
- b. Contact sports shall refer to sports, games, or competitions, other than boxing and wrestling, that involve permissible degree of physical contact, such as, but is not limited to, punching, striking, grappling, or any other combat technique that is allowed under the rules, between the participants or opponents;
- c. Fronton shall refer to the court where basque pelota games are played, including the adjoining structures used in connection with such games, such as the betting booths and galleries, totalizator equipment, and the grandstands where the public is admitted in connection with such games;
- d. Jai-alai or basque pelota game shall refer to the pelota game and which shall include the use of pala, raqueta, cesta punta, remonte and mano, in which professional players participate;
- e. Pelotari shall refer to a professional player engaged in playing basque pelota;
- f. Professional athlete shall refer to any natural person, who is paid a sum of money or other equivalent compensation as a salary or prize money for participating, either as an individual or member of a team, in a game, bout, tournament or contest of professional sport: Provided, That it shall not include those who are paid "token amounts" or its equivalent as salary, prize, or compensation;
- g. Professional boxer or wrestler shall refer to a professional athlete engaged in boxing or wrestling, respectively;
- h. Professional fighter shall refer to a professional athlete engaged in unarmed contact sports, other than boxing or wrestling, such as mixed martial arts, thai boxing, muay thai, and kickboxing;

- i. Professional sports or competitions shall refer to individual or team sports, games, contest, bouts, tournaments or competitions, whereby the participating athletes are paid sums of money or other forms of compensation as salary or prizes for participation, or those that are conducted by promoters, operators, owners or leagues, foundations or athletic societies for profit: Provided, That competitions with gate entry fees, television coverage, paid advertisements or sponsors are presumed to be conducted for profit: Provided further, That it shall not include competitions held by and under the auspices of national sports associations duly recognized as such by the Philippine Sports Commission, solely for the development of the national training pool, or under the auspices of schools, colleges and universities, for the health and sports development of their students, including inter-school competitions, or athletic associations or organizations of schools, colleges and universities participated in solely by bona fide students of the member schools, colleges and universities: Provided finally, That it shall not include competitions whereby the participating athletes are paid "token amounts" or its equivalent as salary, prize, or compensation;
- j. Purse shall refer to prize, percentage or other remuneration for which boxing, wrestling or mixed martial arts contestants compete;
- k. Special Armed Combat' shall refer to fights that involve the limited use of traditional or cultural fighting implements such as arnis and other non-bladed weapons involved in Filipino Martial Arts (FMA); and
- l. Token amount shall refer to the money or prizes the value of which shall be determined by the Board from time to time.

SEC. 3. *Games and Amusements Board.* - The Games and Amusements Board, hereinafter referred to as the GAB, shall be attached to the Office of the President for policy and program coordination. Except as otherwise herein provided, the GAB, created pursuant to Executive Order No. 392 (s. 1951), entitled: "Further Reorganizing the Different Executive Departments, Bureaus, Offices and Agencies of the Government of the Republic of the Philippines, Making Certain Readjustments of Personnel and Re-allotments of Funds In Connection Therewith, and For Other Purposes," shall continue to exercise its mandate over professional sports under Presidential Decree No. 871, entitled: "Placing Professional Basketball Games and Other Professional Games Under the Supervision and Regulation of the Games and Amusements Board," boxing and wrestling under Executive Order No. 120 (s. 1948), entitled: "Regulating Boxing and Wrestling Contests or Exhibitions," betting on horseracing under Republic Act No. 309, entitled: "An Act to Regulate Horse Racing in the Philippines," as amended, cockfighting under Presidential Decree No. 449, also known as the Cockfighting Law of 1974, in relation to Presidential Decree No. 1802, entitled: "Creating the Philippine Gamefowl Commission," jai-alai or basque pelota games under Executive Order No. 135 (s. 1948), entitled: "Regulating the Establishment, Maintenance, and Operation of Frontons and Basque Pelota Games (Jai Alai)," as amended, and anti-illegal gambling under Administrative Order Nos. 262 (s. 1992), entitled: "Creating the GAB Anti-Illegal Gambling Unit of the Games and Amusements Board," and Administrative Order No. 222 (s. 1995), entitled: "Strengthening the Operations of the Anti-Illegal Gambling Unit of the Games and Amusement Board."

SEC. 4. *Composition of GAB.* -The GAB shall be composed of a Chairman and two (2) Commissioners to be appointed by the President. The Chairman shall be the executive officer and shall manage the day-to-day operations of the agency.

SEC. 5. *Powers and Functions of GAB.* - The GAB, sitting as a collegial body, shall have the following powers and functions:

- a. *Rule -Making Power.* -The GAB shall be the policy making body of the agency. It shall have the power to promulgate rules and regulations necessary for the implementation of this Act and the accomplishment of its purposes and objectives;
- b. *Quasi -Judicial Power.* - The GAB shall have the power to hear and decide any matter, controversy, or dispute arising from this Act, including the authority:
 - 1. To promulgate its own rules of procedure for the speedy disposition of ' cases before it;
 - 2. To designate any of its officers to conduct hearing or investigation of any case pending before it;
 - 3. To summon parties, issue subpoena or require the production of such books, papers, contracts, records or other documents as may be necessary for the just determination and adjudication of any matter under investigation;
 - 4. To impose administrative sanctions and fines;
 - 5. To grant requests for provisional remedies;
 - 6. To conduct mediation, conciliation, arbitration or other modes of settling disputes; and
 - 7. To perform such other duties and exercise other powers incidental to or necessary to the exercise of its quasi-judicial powers.
- c. *Appeal.* - All actions of the GAB in the exercise of its quasi -judicial power shall be appealable to the Court of Appeals.
- d. *Other Powers.* - The GAB shall likewise have the authority to:
 - 1. Cooperate with local and international professional sports organizations or regulatory bodies and attend relevant sports conventions, competitions and events;
 - 2. Cooperate with organizations engaged in the promotion and control of amateur and collegiate sports;
 - 3. Appoint personnel as it shall deem necessary in the exercise and performance of its powers and duties, and/or to employ the services by contract or otherwise, consultant or any local or foreign expert or technical personnel to provide technical and necessary assistance, conduct seminars and training and pay reasonable emoluments for their services;
 - 4. Inspect the books, records and accounts of any person, entity or association conducting or authorized to conduct professional sports and require that the books and financial or other statement of such person, entity or association shall be kept in such manner as it may prescribe; and
 - 5. Perform such other duties and exercise all other powers incidental or necessary for the attainment of the purposes of the Board and proper enforcement of the provisions of this Act.

CHAPTER II

PROFESSIONAL SPORTS

A. GENERAL PROVISIONS

SEC. 6. *Powers and Duties Over All Professional Sports and Athletes.* -The GAB shall have the power to:

- a. Supervise and regulate all professional sports in the country including training exhibitions in connection therewith;
- b. Supervise and regulate new and emerging professional sports in the country including competitive computer/video gaming and other professional racing sports;
- c. Enforce all laws, decrees, executive orders, rules and regulations, relating to professional sports;
- d. Issue professional sports licenses for all professional athletes, officials, employees and persons connected with professional sports and collect fees therefor;
- e. Supervise the conduct of professional sports officials while in the performance of their duties as such;
- f. Issue permits for the holding of professional sports and collect fees therefor;
- g. Help in the preservation of Filipino Martial Arts by issuing licenses and permits for Special Armed Combat under strict terms and conditions the GAB may deem fit, with due regard to the safety of the fighters;
- h. Approve or disapprove, based on the minimum standards set by the GAB, the rules and regulations issued by persons, entities or associations relative to the operation and conduct of professional sports;
- i. Order the suspension or cancellation of any game in case of violation of law or non-compliance with the provisions of this Act or the rules and regulations promulgated hereunder or whenever such action is necessary for the best interest of the professional sports under the supervision of the GAB;
- j. Consider, investigate, hear and decide all questions, matters, controversies or disputes arising out of or connected with professional sports under its supervision in accordance with the rules and procedures it may adopt;
- k. Primary jurisdiction to hear and decide internal disputes of professional sports leagues and organizations;
- l. Adjudicate the claims between and among athletes, managers, promoters, and other persons connected with professional sports, arising out of and in accordance with their contract and award damages;
- m. Impose administrative sanctions and fines to erring athletes, boxers, fighters, promoters, managers, referees and other professional licensees of the GAB;
- n. Investigate game-fixing, point shaving and similar machinations in professional sports and cause the filing of appropriate cases against the parties involved;
- o. Designate any of its officers to conduct hearing or investigation of any case pending before it in the exercise of its quasi-judicial powers under this Act;
- p. Require any promoter or entity applying for a permit to conduct professional sports, contests or exhibitions to furnish the GAB with a cash or surety bond, in an amount equivalent to twenty-five per centum (25%) of the total estimate of receipts from the full seating capacity of the building, stadium or structure where the contest or exhibition is to be held, to answer for the following obligations in the order named:
 - i. Government share as provided for in Section 13 ;
 - ii. Reimbursement of tickets when so ordered by the GAB;
 - iii. Guarantee payment of services and prizes to competitors and games officials.
- q. Prescribe minimum standards for contracts between professional athletes and their managers, including their sharing in the purse or prize money, if any, and require the same to be registered with and approved by the GAB;
- r. Require the parties concerned to furnish the GAB with a copy of all contracts between promoters or other persons or entities conducting professional sports, contests or exhibitions, and professional athletes, their managers, and other persons who officiate

- at such sports, contests or exhibitions, at least seven (7) days before the sports, contest or exhibition to which the contract relates;
- s. Require the promoter or entity conducting the professional sports, contests or exhibitions to pay immediately after such sports, contest or exhibition, or, in case of a percentage contract, immediately after the percentage is determined by the auditor of the GAB, in cash or check, the prizes, purses, compensation or other remuneration of professional athletes, contestants, and all other persons entitled to payment, and to furnish the Board or its authorized representative with a copy of the receipt for such payment; and
 - t. Perform such other duties and exercise all other powers incidental or necessary for the attainment of the purposes of the Board and proper enforcement of the provisions of this Act.

SEC. 7. *License.* - No professional athlete, professional sports official or person connected with professional sports, regardless of nationality and residence, shall be allowed to engage in professional sports in the country, whether on a regular, seasonal or one-time basis, without first obtaining the appropriate professional license from the GAB. Such license may be suspended or revoked in any case where the GAB shall have reason to believe that any of the aforesaid persons is guilty of any dishonest or fraudulent practice, or has violated any law, decree, executive order, rule or regulation on professional sports, or for any just cause. No person, entity or association shall employ or enter into a contract with any professional athlete or sports official for the conduct of professional sports without such athlete or sports official having been duly licensed by the GAB.

SEC. 8. *Qualifications.* - The GAB shall, by regulation, prescribe the qualifications and requisites which each applicant for a license shall possess. All professional athletes shall be examined by a GAB physician, or the physician's duly authorized representative, who shall certify to both the applicant's physical and mental fitness for competition before he is granted a license.

SEC. 9. *Permit.* - It shall be unlawful for any person, entity or association to conduct professional sports without permit duly issued by the GAB. Every permit issued shall specify the person, entity or association to which it was issued, the place where and the date when the games are to be held.

SEC. 10. *Assignment of Sports Officials.* - At each professional sport, the GAB shall assign among the duly licensed professional sports officials the referees, timekeepers, scorers and other officials to officiate thereat and only the officials so designated shall have authority to perform their respective functions.

SEC. 11. *Duty of Person, Entity or Association Conducting Professional Games.* - It shall be the duty of the person, entity or association conducting professional sports, to see that peace and order is maintained in the premises of the place where the games are being conducted and that the rules and regulations governing the same are properly observed.

SEC. 12. *Admission Receipts and Other Income.* - The GAB shall, through its duly authorized representatives, supervise the sale of admission tickets for any professional sport. All tickets, except complimentary tickets, shall state the price, name of person, entity or association conducting the professional sports, team names and the date of the games printed plainly thereon. No ticket shall be sold for more than the price as printed thereon and any change in ticket prices or the date of the games shall be subject to the approval of the GAB.

SEC. 13. *Government Share.* - Any person, entity or association conducting professional sports shall set aside and remit to the GAB three percent (3%) of the gross gate receipts and income from television, radio, motion picture rights, and other forms of streaming or broadcasting using advanced technology and other electronic media, if any, which shall be available to defray the expenses of the personnel of the GAB assigned to supervise the games and for such other expenses in other activities of the GAB.

SEC. 14. *Submission of Copies of Contracts.* - All persons, leagues, corporations and other entities involved in professional sports shall submit to the GAB copies of all their contracts with radio and television networks or with entities engaged in other forms of streaming or broadcasting of professional sports using advanced technology and other electronic media, within ten (10) days from execution of the same.

SEC. 15. *Exempt Sports.* - The provisions of this chapter shall not apply to competitions held by and under the auspices of national sports associations duly recognized as such by the Philippine Olympic Committee solely for the development of the national training pool, or by schools, colleges and universities for the health and sports development of their students, including inter-school competitions, or by athletic associations and organizations of schools, colleges and universities participated in solely by bona fide students of the member schools, colleges and universities.

SEC. 16. *Foreign Travel.* - To ensure safety and welfare of licensees, the GAB may require athletes, officials, or other licensees who will travel abroad to participate in any sports tournaments, games or competitions to secure from the GAB an authority or clearance to travel and compete abroad: Provided, That this requirement shall be mandatory for boxers or fighters and their accompanying managers, trainers, promoters, or their duly authorized representatives who will travel to, and participate in any foreign boxing promotion or other contact sports competition abroad.

B. PROFESSIONAL BOXING AND OTHER CONTACT SPORTS.

SEC. 17. *Measures to be Undertaken Before, During, and After Each Match.* - The GAB shall implement the appropriate measures to be undertaken before, during and after each match of boxing or contact sports to ensure the safety of all boxers, wrestlers and fighters.

SEC. 18. *Medical Tests.* - In addition to medical tests required by the GAB, the GAB shall also require regular Computed Tomography Scan (CT scan) of the brain and when necessary, Magnetic Resonance Imaging (MRI) or such other additional tests as the GAB may in its discretion hereafter require.

All government hospitals, laboratories, clinics and medical installations catering to the public shall provide free annual CT Scans of the brain or MRI, when necessary, to indigent boxers, wrestlers and fighters, upon proper certification by the GAB.

SEC. 19. *Age of Contestants.* - No contestant under the age of eighteen (18) years shall be licensed as a professional boxer, wrestler or fighter. The GAB may, under exceptional circumstances, allow a minor, but not less than sixteen (16) years of age, to apply for a license and participate in a professional boxing, wrestling or mixed martial arts match upon written consent of the minor's parents or in the absence thereof, the court appointed legal guardian.

SEC. 20. *Persons Prohibited from Admission.* - Persons under sixteen (16) years of age, persons carrying firearms or deadly weapons of any description, except government officials in the performance of their official functions, intoxicated persons, and persons of disorderly

nature and conduct who are apt to disturb peace and order, shall not be admitted or allowed to remain in and around the premises of the place where boxing, wrestling or other contact sport contest or exhibition is being conducted: Provided, That persons under sixteen (16) years of age may, when accompanied by any of their parents or court appointed guardians, be admitted therein.

SEC. 21. *Licensed Physician.* - It shall be the duty of every promoter or person or entity conducting boxing, wrestling or contact sports contests or exhibitions to have in attendance at every such contest or exhibition at their expense, a licensed physician who has had not less than three years' medical practice, whose duty shall be to observe the physical condition of the boxers, wrestlers, and fighters and advise the referees with regard thereto, and one hour before the contestants enter the ring, to certify in writing to the GAB or its representative the contestants' physical condition to engage in the contest or exhibition.

SEC. 22. *Rest Period.* - In order to protect the health and safety of boxers, wrestlers or fighters, the GAB shall, by regulation, provide for mandatory rest periods for such boxers, wrestlers or fighters who participated in a fight, bout, contest or exhibition before they may be allowed to compete again.

C. ATHLETES' WELFARE FUND.

SEC. 23. *Establishment of Athletes' Welfare Fund.* - The Athletes' Welfare Fund shall be established and managed by the GAB for the benefit of athletes who sustain Injuries or die in the exercise of their profession, or in such other cases as the GAB may deem fit, except if the disability or death is a result of an unauthorized or illegally-conducted professional sports activity.

The GAB shall develop a program for immediate financial and medical assistance to deserving indigent athletes suffering from injuries and emergencies related to their profession.

The Athlete's Welfare Fund shall be constituted from one percent (1%) of all receipts and income of the GAB.

The GAB shall likewise be authorized to receive in trust any donation, endowment or contribution to the athletes' welfare fund.

CHAPTER III

BETTING ON HORSE RACING

SEC. 24. *Powers and Duties Relative to Horse Racing.* - The betting aspect of horse racing Including betting through off-track betting (OTB) stations or through the use of the telephone, the internet and other electronic means such as short messaging service (SMS), mobile and desktop applications and similar platforms, shall be under the exclusive regulation and supervision of the GAB, while all other aspects of the conduct of horse racing, including the framing and scheduling of races, the construction and safety of race tracks, the allocation of prizes, and the security of racing, shall be under the Philippine Racing Commission pursuant to Presidential Decree No. 420, entitled: "Creating the Philippine Racing Commission."

SEC. 25. *Establishment of Off Track Betting Station* - The GAB may authorize the establishment of Off Track Betting (OTB) station anywhere in the Philippines, subject to compliance with the terms and conditions set by the GAB including distance from other OTB stations and from places of worship and educational institutions.

SEC. 26. OTB Station Permit to Operate. - No OTB station shall be established and operated without the appropriate permit from the GAB. Neither shall any betting be conducted through the telephone, the internet and other electronic means such as short messaging service (SMS), mobile and desktop applications and similar platforms without the appropriate permits issued by the GAB.

SEC. 27. Records of Tickets Sold. - No person, race-track, racing club, nor any other entity holding horse races shall be allowed to hold races, unless such person, race track, racing club, or entity is provided with an automatic, electrically-operated public indicator system and ticket-selling machines, by means of which every ticket purchased on every horse in any race, shall be automatically and instantaneously recorded by electrical impulse on a prominently-displayed bulletin board, each figure, letter, or symbol of which shall be readable from a distance.

SEC. 28. Track Auditors and Checkers. - For the purpose of supervising and verifying the accuracy of reports of any person, race track, racing club, or any other entity holding races, with respect to the totalizator receipt or the total amount of wager made on each racing event, the dividends awarded for winning horses, whether win, place, or show on each event, and other matters referring to the financial computations or statements, the GAB shall appoint such number of auditing officers and checkers as may be necessary to be placed in the offices and tracks, race track, racing club, or entity concerned. It shall be the duty of said auditing officers and checkers to report to the GAB any irregularities or erroneous computations, which they may discover in connection with reports on the totalizator sales or the total sales of wager tickets, or the dividends awarded on each racing event.

SEC. 29. Betting. - The face value of totalizator tickets for wager may be One Peso (₱ 1.00), Two Pesos (₱ 2.00) or Five Pesos (₱ 5.00), whether for win, place, or show. The face value of said tickets, as the case may be, shall be the basis for the computation of dividends, and such dividends shall be paid after eliminating fractions of Ten Centavos (₱ 0.10). If no ticket has been sold on a winning horse, whether for win, place or show, the dividends corresponding to such race shall be paid out to the holders of tickets sold on the horses that finished dead heat, or on the horse that finished next to that on which not a single ticket was sold: Provided, That the owner of said winning horse shall be entitled to the corresponding stake or prize.

SEC. 30. Persons Prohibited from Betting. - Owners and employees of racing clubs or race tracks, persons or entities holding horse races, and their officials, including stewards, judges, handicappers, jockeys, and starters shall not be permitted to participate directly or indirectly, in the betting on races conducted in their own race-tracks. GAB members, including GAB officials and employees, are likewise prohibited from betting on any race.

SEC. 31. Persons Prohibited From Admission. - Persons carrying deadly weapons or firearms of any description, except government peace officers or security personnel of the race track or OTB station or officials of the GAB in the performance of their official functions, and intoxicated persons and persons who are apt to disturb peace and order, shall not be admitted or allowed to remain in a race track or OTB station during a racing day. In no case shall persons under twenty-one (21) years of age be allowed admission to a race track or OTB station and in no case shall persons under twenty-one (21) years of age be allowed to bet or to purchase wager tickets for others.

SEC. 32. OTB Station Limitation. - No OTB station shall be allowed to be established and allowed to operate less than 300 meters away from schools or learning institutions and churches or places of worship actively and currently being used as such. New OTB stations

shall only be allowed to be established if it is situated 500 meters away from an existing and operating OTB station. An existing OTB station transferring to another location shall be considered a new OTB station and shall be required to comply with the requirements therefor.

SEC. 33. *Time for Running Daily Double Races; Posting of Ticket Sales.* - The time for the running of the first race of any daily double event shall be determined by the GAB depending upon the circumstances surrounding each racing day which shall be announced to the public by the person, race track, racing club, or entity holding the races through loudspeakers at the time of the selection of the races constituting the daily double event, and the second race thereof shall be run not later than forty-five minutes after the first race. The sale of tickets for the daily double races shall be allowed after the Board or its authorized representatives have announced to the public the two races constituting each daily double event. The number of tickets sold on each horse in the two races of each daily double event and the totals thereof shall be posted at conspicuous bulletin boards. This information shall also be given to the public through loudspeakers. The closing of the sale of tickets for each event shall be properly announced by the ringing of a bell, after which no more tickets shall be sold.

SEC. 34. *Distribution of Receipts.* - The total wager funds or gross receipts from the sale of pari-mutuel tickets shall be apportioned as follows: eighty-seven and one-half per centum (87.5%) shall be distributed in the form of dividends among holders of win, place and show horses, as the case may be, in the regular races; twelve and one-half per centum (12.5%) shall be set aside as the commission of the person, race track, racing club, or any other entity conducting the races, which shall include the amounts for the payment of authorized stakes or prizes for win, place and show horses, and authorized bonuses for jockeys; and in the case of daily double races, the gross receipts derived from the total sale of daily double tickets shall be apportioned in the same manner as provided hereinabove, except that the eighty-seven and one-half per centum (87.5%) of the gross receipts from the total sale of daily double tickets shall be distributed in the form of dividends among the holders of the winning combination of horses, that is, the two horses that won first place in the two races, instead of among holders of win, place and show horses, as in the case of regular races: Provided, however, That of the twelve and one-half per centum (12.5%) representing the commission of the person, race-track, racing club, or any other entity holding horse-racing an amount equivalent to one-half per centum (0.5%) of the total wager funds or gross receipts from the sale of tickets shall be set aside and turned over to the GAB by the person, race-track, racing club, or any other entity holding the race as a special fund activity to cover the expenses and such other purposes authorized under this Act. Any unexpended balance of this fund at the end of each year in excess of Ten Thousand Pesos (P 10,000.00) shall be turned over to the Bureau of Animal Industry to be used by the latter exclusively for the promotion of horse breeding in the Philippines.

SEC. 35. *Books, Records and Accounts.* - The GAB or its duly authorized representative shall have the power to inspect at all times the books, records and accounts of any person, race track, racing club, or any other entity holding horse racing. It may require that the books and financial or other statements of such person, race track, racing club, or other entity holding horse-racing shall be kept in such manner as it may prescribe.

SEC. 36. *Unclaimed Dividends.* - All winning prizes or dividends unclaimed by the winners within thirty (30) days from the date of the race shall be forfeited in favor of the government, and collected by the GAB.

CHAPTER IV

COCKFIGHTING

SEC. 37. Powers and Functions relative to Cockfighting. - Except as otherwise devolved to the local government units pursuant to Republic Act No. 7160, otherwise known as the Local Government Code, the supervision, regulation, and control of all other aspects of cockfighting shall be with the GAB. The GAB shall have the following powers:

- a. Promulgate rules and regulations relative to the holding, methods, procedures, operations and conduct of cockfighting in general, as well as accreditation of cockpit personnel and association of cockpit owners, operators and lessees, to elevate the standard of cockfighting;
- b. Establish uniform rules and regulations to govern actual cockfighting enforceable in all cockpits in the Philippines and to provide sanctions for violations thereof;
- c. Promulgate rules and regulations for the registration and effective identification of fighting cocks as well as the prevention of theft and fraudulent use thereof;
- d. Supervise and regulate the conduct of international derbies and collect fees therefor;
- e. Regulate and supervise the live streaming, broadcasting or other forms of transmission of cockfights, and any and all betting on cockfighting through Off- Cockpit Betting Stations (OCBS) or through the telephone, internet and other electronic means such as short messaging service (SMS), mobile and desktop applications and similar platforms, and to collect fees amounting to three percent (3%) of the gross bets made through OCBS and the aforementioned platforms to defray the expenses of the GAB;
- f. Prescribe policy guidelines for the issuance of permits by the Bureau of Animal Industry for the importation or entry of gamecocks into the country for breeding or competition purposes;
- g. Promulgate its own rules and procedures relative to the conduct of its own business;
- h. Deputize any government office, entity, agency and public officer in the implementation of all laws, decrees, letters of instructions, general orders pertinent to cockfighting and rules and regulations issued by the GAB;
- i. Initiate, undertake, hear and decide any investigation for any violation of this Act, rules and regulations of the GAB and in connection therewith, to issue subpoena ad testificandum and subpoena duces tecum;
- j. Establish regional offices in such number and location as it will allow it to perform the duties stated herein; and
- k. Perform such other functions as may be authorized by law.

SEC. 38. Cockpits and Cockfighting. - In General:

- a. *Ownership.* Operation and Management of Cockpits. Only Filipino citizens, not otherwise inhibited by existing laws, shall be allowed to own, manage and operate cockpits. Cooperative capitalization is encouraged.
- b. *Establishment of Cockpits.* Only one (1) cockpit shall be allowed in each city or municipality, except that in cities or municipalities with a population of over one hundred thousand (100,000), two (2) cockpits may be established, maintained and operated, which shall be licensed as such by the local government units in accordance with the Local Government Code.
- c. *Establishment of OCBS.* The GAB may authorize the establishment of OCBS anywhere in the Philippines, subject to compliance with the terms and conditions set by the GAB: Provided, that the operator of the OCBS shall have a legislative franchise.
- d. *OCBS Limitation.* - No OCBS shall be established and operated, nor any betting through the telephone, the internet and other electronic means such as short messaging service (SMS), mobile and desktop applications and similar platforms be conducted, without a legislative franchise and the appropriate permits issued by the GAB;

Provided, That no OCBS shall be allowed to be established and allowed to operate less than 300 meters away from schools or learning institutions and churches or places of worship actively and currently being used as such: Provided further, That new OCBS shall only be allowed to be established if it is situated 500 meters away from an existing and operating OCBS: Provided finally, That existing OCBS transferring to another location shall be considered a new OCBS and shall be required to comply with the requirements therefore

- e. *Cockpits Site and Construction.* Cockpits shall be constructed and operated within the appropriate areas as prescribed in zoning law or ordinance. In the absence of such law or ordinance, the local executives shall see to it that no cockpits are constructed within or near existing residential or commercial areas, hospitals, school buildings, churches or other public buildings. Owners, lessees, or operators of cockpits which are now in existence and do not conform to this requirement are given three (3) years from the date of effectivity of this Act to comply herewith. Approval or issuance of building permits for the construction of cockpits shall be made by the city or provincial engineer in accordance with their respective building codes, ordinances or engineering laws and practices.
- f. *Holding of Cockfights.* Cockfighting shall be allowed only in licensed cockpits on days as the local government unit concerned sees fit: Provided, That no cockfighting shall be held on December 30 (Rizal Day), June 12 (Philippine Independence Day) November 30 (National Heroes Day), Holy Thursday, Good Friday, Election or Referendum Day and during Registration Days for such election or referendum.
- g. *Other games during cockfights proscribed.* No gambling of any kind shall be permitted on the premises of a cockpit or place where a cockfight is held while a game is ongoing. The owner, manager or lessee off such cockpit and the violators of this injunction shall be criminally liable.
- h. *Persons Prohibited From Admission.* - Persons carrying deadly weapons or firearms of any description, except government peace officers or security personnel of the cockpit arena or OCB station or officials of the GAB in the performance of their official functions, and intoxicated persons and persons of disorderly nature and conduct who are apt to disturb peace and order, shall not be admitted or allowed to remain in a cockpit arena or OCB station during a cockfighting event. In no case shall persons under twenty-one (21) years of age be allowed admission to a cockpit arena or OCB station and in no case shall persons under twenty-one (21) years of age be allowed to bet or to purchase wager tickets for others.

SEC. 39. *Cockfighting Officials.* - Gaffers, referees, mangagamot or specialists, bet takers or promoters of local cockfights shall not act as such in any cockfight herein authorized, without first securing a license from the city or municipality where such cockfighting is held. Gaffers, referees; mangagamot or specialists, bet takers or promoters who shall engage in a cockfight held in a different municipality or city or in international derbies shall secure a license from the GAB: Provided, That GAB should extend due consideration on their Capacity of the to pay. In both cases, the GAB shall maintain a register of all such gaffers, referees or bet takers.

SEC. 40. *International Cockfighting Events.* - For international cockfighting events, the GAB shall collect from the cockpit operator an amount equivalent to three percent (3%) of all gate receipts collected at the entrance gates. The GAB shall also collect from the cockpit operator the equivalent of 3% of its customary share from the betting pool, otherwise known as the plazada, from every international cockfight.

CHAPTER V

JAI ALAI

SEC. 41. Powers and Functions Relative to Jai-Alai. -The GAB shall:

- a. Exercise supervision over the establishment, maintenance and operation of fronton, basque pelota games and off-fronton stations operated by entities with the appropriate franchise;
- b. Promulgate rules and regulations relative to the holding, methods, procedures, operations and conduct of jai-alai;
- c. License pelotaris and all jai-alai personnel and to suspend or revoke any license granted under this Act to any basque pelota fronton or to any official or employee thereof, for violation of any of the rules and regulations which the GAB may prescribe, or for any just cause;
- d. Supervise and regulate the live streaming or broadcasting of jai-alai games and to collect fees therefor;
- e. Promulgate its own rules and procedures relative to the conduct of its own business;
- f. When warranted by the circumstances, deputize any government office, entity, agency and public officer in the implementation of all laws, decrees, letters of instructions, general orders pertinent to jai-alai and rules and regulations issued by the Board;
- g. To initiate, undertake, hear and decide any investigation for any violation of this act, rules and regulations of the Board and in connection therewith, to issue subpoena and subpoena duces tecum and ad testificandum;
- h. To perform such duties and exercise such powers as may be necessary or incidental to achieve the objectives of this Act;
- i. To perform such other functions as may be authorized by law.

SEC. 42. Persons Prohibited From Admission. - Persons carrying deadly weapons or firearms of any description, except government peace officers or security personnel of the fronton or off-fronton station or officials of the GAB in the performance of their official functions, and intoxicated persons and persons of disorderly nature and conduct who are apt to disturb peace and order, shall not be admitted or allowed to remain in a fronton or off-fronton station during a jai-alai game. In no case shall persons under twenty-one (21) years of age be allowed admission to a fronton or off-fronton station and in no case shall persons under twenty-one (21) years of age be allowed to bet or to purchase wager tickets for others.

SEC. 43. Gambling Prohibited. - No card games or any of the prohibited games shall be permitted within the premises of any fronton.

SEC. 44. Books, Records and Accounts. - The GAB, or its duly authorized representative, shall have the power to inspect at all times the books, records, and accounts of any fronton. The GAB may, in its discretion and as the circumstances may warrant, require that the books and financial or other statements of the person or entity operating the game be kept in such manner as the GAB may prescribe.

SEC. 45. Pelotaris, Judges, Referees, etc. shall be Licensed. - No person or entity operating a fronton, wherein games are played with betting, shall employ any pelotari, judge or referee, superintendent of games (intendente), or any other official whose duties are connected with the operation or supervision of the games, unless such person has been duly licensed by the GAB. Such license shall be granted upon satisfactory proof that the applicant is in good health, knows the rules and usages of the game, and is a person of good moral character and of undoubted honesty. In the case of pelotaris, such license shall be granted only upon the further condition that they are able to play the game with reasonable skill and with safety to

themselves and to their opponents. The GAB may further require other reasonable qualifications for applicants to a license, not otherwise provided herein.

SEC. 46. *Installation of Automatic Electric Totalizator.* - Any person or entity operating a fronton wherein betting in any form is allowed shall install in its premises an automatic electrically operated indicator system and ticket selling machine, commonly known as totalizator, which shall clearly record each ticket purchased on every player in any game, the total number of tickets sold on each event, as well as the dividends that correspond to holders of winning numbers.

SEC. 47. *Establishment of Off-fronton Stations.* - The GAB may authorize the establishment of off-fronton stations anywhere in the Philippines, subject to compliance with the terms and conditions set by the GAB including distance from other off-fronton stations and from places of worship and educational institutions.

SEC. 48. *Off-fronton Station Authority to Operate.* - No off-fronton station shall be established and operated without the appropriate permit from the GAB. Neither shall any betting be conducted through the telephone, the internet and other electronic means such as short messaging service (SMS), mobile and desktop applications and similar platforms without the appropriate permits issued by the GAB.

SEC. 49. *Supervision Over Sale of Betting Tickets and Payment of Dividends.* - For the purpose of verifying the accuracy of reports in connection with the sale of betting tickets and the computation of dividends awarded to winners on each event, as well as other statements with reference to the betting in the games played, the GAB shall assign such number of auditing officers and checkers as may be necessary for the purpose. These auditing officers and checkers shall be placed in the ticket selling booths, dividend computation booths and such other parts of the fronton, where betting tickets are sold and dividends computed. It shall be their duty to check up and correct any irregularity or any erroneous report or computation that may be made by officials of the fronton, in connection with the sale of tickets and the payment of dividends.

SEC. 50. *Distribution of Wager Funds.* - Unless otherwise provided for in the their franchise, the total wager funds or gross receipts collected by duly authorized jai-alai operators/clubs from the sale of the betting tickets shall be apportioned as follows: a commission not exceeding ten and one-half per centum (10.5%) on the total bets on each game or event shall be set aside for the person or entity operating the fronton and four and one-half per centum (4.5%) of such bets shall be remitted to the National Treasury for disposition as may be authorized by law or executive order; and the balance or eighty-five per centum (85%) of the total bets shall be distributed in the form of dividends among holders of "win" or "place" numbers or holders of the winning combination or grouping of numbers, as the case may be: Provided, however, That of the ten and one-half per centum (10.5%) representing the commission of the person or entity operating the fronton, an amount equivalent to one-half per centum (.5%) of the total bets or wager funds shall be set aside and remitted to the GAB, and made available to cover its expenses for the supervision and regulation of basque pelota games in frontons and off-frontons.

SEC. 51. *Supervision over the Conduct of Games; Enforcement of Rules and Regulations.* - The GAB shall place within the premises of the fronton such number of inspectors and agents as may be deemed necessary to supervise the conduct of the games, to see that the rules of the games are strictly enforced, and to carry out the provisions of this Act as well as such other regulations as may hereafter be prescribed.

SEC. 52. *Rules Governing the Games and- Personnel of the Fronton.* - The rules and regulations that have been adopted by any fronton to govern the operation of its games and the behavior, duties and performance of the officials and personnel connected therewith, such as pelotaris, judges, referees or superintendents of games (intendentes) and others, shall be the recognized rules and regulations of such fronton until the same are altered or repealed by the GAB; and subject to the approval of the GAB, any fronton may introduce any type or form of games or events, provided they are not contrary to the provisions of this Act or any law, rule or regulation hereafter issued.

SEC. 53. *Regulations Governing Pelotaris.* - Any rule or regulation adopted by any established fronton governing the conduct or performance of pelotaris to the contrary notwithstanding, the following regulations shall be observed:

- a. The pelotaris who are participating in the games shall not be allowed to communicate verbally or through signs with anyone in the public or with any official or employee of the fronton during the games, except with the judges or referees or the superintendent of games (intendente) in charge of the games;
- b. The program of games or events, as well as the line-up or order of playing of the pelotaris in each event shall be determined by the superintendent of games (intendente), subject to the approval of the GAB or its duly authorized representatives;
- c. Pelotaris shall be in good physical condition before participating in any game and shall be laid off from playing at least two days in a week; and
- d. The amount of dividends computed for any event shall not be posted within the view of the pelotaris participating in the event until after the termination of said event.

CHAPTER VI

OTHER FORMS OF AMUSEMENTS

SEC. 54. *Setting Up of a One-Stop Shop.* - The GAB shall set up a one-stop shop for the issuance of licenses or permits for the conduct of international amusement events or productions, such as concerts, theatrical plays, circus acts, among others, in coordination with the Bureau of Immigration, Department of Labor and Employment, Department of Tourism and other government agencies concerned.

CHAPTER VII

ANTI-ILLEGAL GAMBLING UNIT

SEC. 55. *Enforcement and Investigation Division.* - There shall be an Enforcement and Investigation Division that shall combat and prevent the existence and proliferation of illegal bookie joints and other illegal forms of organized gambling in professional sports and amusement games.

SEC. 56. *Creation of Anti-Illegal Gambling Unit.* - To assist the GAB in its fight against illegal bookie joints and other illegal forms of organized gambling in professional sports and amusement games, an Anti-Illegal Gambling Unit (AIGU) is hereby created to be composed of personnel from GAB Enforcement and Investigation Division and other organic personnel to be appointed by the GAB: Provided, That the GAB-AIGU may request for operational assistance from government agencies involved in gaming operations or law enforcement in the exercise of its functions.

SEC. 57. *Prosecution.* The GAB-AIGU shall monitor the status of arrests made and complaints filed to ensure that suspects are prosecuted. The GAB shall submit a quarterly report on the operations of the GAB-AIGU to the Office of the President.

CHAPTER VII

FINAL PROVISIONS

SEC. 58. *Appropriations.* - The amount needed to implement the provisions of this Act shall be charged against the current year's appropriation of the GAB and thereafter included in the annual General Appropriations Act.

SEC. 59. *Implementing Rules and Regulations.* - The GAB shall, within ninety (90) days after the effectivity of this Act, promulgate such rules and regulations necessary to implement this Act.

SEC. 60. *Separability Clause.* - If any part or provision of this Act shall be held to be unconstitutional, other parts or provisions hereof which are not affected thereby shall continue to be in full force and effect.

SEC. 61. *Repealing Clause.* - Presidential Decree No. 871, Executive Order No. 120 (s. 1948), Presidential Decree No. 449, Presidential Decree No. 1802, Executive Order No. 135 (s. 1948). Sections 6 and 7 of Executive Order No. 392 (s. 1951), and Sections 6,11,15,18, and 24 of Republic Act No. 309 are hereby repealed. All other laws, orders and proclamations, rules and regulations, or parts thereof, inconsistent with or contrary to the provisions of this Act or its purposes are hereby amended or modified accordingly.

SEC. 62. *Effectivity Clause.* - This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,