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G.R. No. 207118 – REPUBLIC OF THE PHILIPPINES and THE CITY OF BAGUIO, Petitioners, v. ASSOCIATION OF BARANGAY COUNCILS, represented by its President, RUFINO M. PANAGAN, Respondent.

Promulgated:

April 22, 2025

DISSENTING OPINION

SINGH, J.:

I respectfully dissent.

The ponencia holds that the Anti-Illegal Gambling Law does not include in its scope the "Bingo sa Barangay" because it is a legitimate fund-raising endeavor under Section 391 of the Local Government Code (LGC). However, this position assumes that the "Bingo sa Barangay" requires only the approval of the local government unit and not the Philippine Amusement and Gaming Corporation (PAGCOR). On the other hand, as pointed out by our fellow Associate Justices, Section 391 of the LGC provides that fund-raising activities must still comply with national policy standards and regulations on morals, health, and safety. I agree that Presidential Decree No. 1869, as amended by Republic Act No. 9487, is one such national policy standard.

Nevertheless, it must be noted that the *ponencia* cites the amendment under Republic Act No. 9487, which excludes games of chance regulated by local government units:

SEC. 10. Nature and Term of Franchise. — Subject to the terms and conditions established in this Decree, the Corporation is hereby granted from the expiration of its original term on July 11, 2008, another period of twenty-five (25) years, renewable for another twenty-five years, the rights, privileges and authority to operate and license gambling casinos, gaming clubs and other similar recreation or amusement places, gaming pools, i.e. basketball, football, bingo, etc. except jai-alai, whether on land or sea, within the territorial jurisdiction of the Republic of the Philippines: Provided, That the corporation shall obtain the consent of the local government unit that has territorial jurisdiction over the area chosen as the site for any of its operations.

The operation of slot machines and other gambling paraphernalia and equipment, shall not be allowed in establishments open or accessible to the general public unless the site of these operations are three-star hotels and resorts accredited by the Department of Tourism authorized by the corporation and by the local government unit concerned.

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The authority and power of the PAGCOR to authorize, license and regulate games of chance, games of cards and games of numbers shall not extend to: (1) games of chance authorized, licensed and regulated by, in, and under existing franchises or other regulatory bodies; (2) games of chance, games of cards and games of numbers authorized, licensed, regulated by, in, and under special laws such as Republic Act No. 7922; and (3) games of chance, games of cards and games of numbers like cockfighting, authorized, licensed and regulated by local government units. The conduct of such games of chance, games of cards and games of numbers covered by existing franchises, regulatory bodies or special laws, to the extent of the jurisdiction and powers granted under such franchises and special laws, shall be outside the licensing authority and regulatory powers of the PAGCOR. (Emphasis supplied)

As observed by Associate Justice Alfredo Benjamin S. Caguioa, Section 391 of the LGC does not explicitly state that games of chance are considered as legitimate fund-raising activities. Rather, the LGC is replete with provisions which discourage gambling and games of chance. Sections 447, 458, and 468 provide uniformly that the *Sangguniang Bayan*, *Sangguniang Panlungsod*, and *Sangguniang Panlalawigan*, respectively, shall enact ordinances intended to prevent, suppress and impose appropriate penalties for gambling and games of chance:

SECTION 447. Powers, Duties, Functions and Compensation. — (a) The sangguniang bayan, as the legislative body of the municipality, shall enact ordinances, approve resolutions and appropriate funds for the general welfare of the municipality and its inhabitants pursuant to Section 16 of this Code and in the proper exercise of the corporate powers of the municipality as provided for under Section 22 of this Code, and shall:

(1) Approve ordinances and pass resolutions necessary for an efficient and effective municipal government, and in this connection shall:

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(v) Enact ordinances intended to prevent, suppress and impose appropriate penalties for habitual drunkenness in public places, vagrancy, mendicancy, prostitution, establishment and maintenance of houses of ill repute, gambling and other prohibited games of chance, fraudulent devices and ways to obtain money or property, drug addiction, maintenance of drug dens, drug pushing, juvenile delinquency, the printing, distribution or exhibition of obscene or pornographic materials or publications, and such other activities inimical to the welfare and morals of the inhabitants of the municipality;² (Emphasis supplied)

Sections 444 and 455, referring to municipal and city mayors, respectively, explicitly exclude games of chance from the list of allowable income-generating activities:

LOCAL GOV'T CODE.

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Republic Act No. 9487 (2007), An Act Further Amending Presidential Decree No. 1869, Otherwise Known as PAGCOR Charter.

SECTION 444. The Chief Executive: Powers, Duties, Functions and Compensation.—(a) The municipal mayor, as the chief executive of the municipal government, shall exercise such powers and performs such duties and functions as provided by this Code and other laws.

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(2) Initiate and maximize the generation of resources and revenues, and apply the same to the implementation of development plans, program objectives and priorities as provided for under Section 18 of this Code, particularly those resources and revenues programmed for agroindustrial development and country-wide growth and progress, and relative thereto, shall:

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(v) Issue permits, without need of approval therefor from any national agency, for the holding of activities for any charitable or welfare purpose, *excluding prohibited games of chance* or shows contrary to law, public policy and public morals;³ (Emphasis supplied)

On the other hand, the LGC explicitly allows local government units to authorize and license cockfighting. Sections 447 and 458 of the LGC grants the following authority to the *Sangguniang Bayan* and *Sangguniang Panlungsod*:

(3) Subject to the provisions of Book II of this Code, grant franchises, enact ordinances authorizing the issuance of permits or licenses, or enact ordinances levying taxes, fees and charges upon such conditions and for such purposes intended to promote the general welfare of the inhabitants of the municipality, and pursuant to this legislative authority shall:

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(v) Any law to the contrary notwithstanding, authorize and license the establishment, operation, and maintenance of cockpits, and regulate cockfighting and commercial breeding of gamecocks: *Provided*, That existing rights should not be prejudiced.⁴

While the above provisions of the LGC do not explicitly refer to the *Sangguniang Barangay*, the above provisions nevertheless clearly delineate prohibited games of chance from permissible games, like cockfighting.

I likewise join the position of Associate Justice Henri Jean Paul B. Inting that what is meant by "games of chance [...] authorized, licensed and regulated by local government units" under Republic Act No. 9487 are those activities where the local government units have been explicitly granted the power to authorize, license, and regulate games of chance, cards, and numbers. As shown above, the exception lies

 $^{^3}$ Id.

Id.

FHOMENA D. SINGH

Associate Justice

in the establishment, operation, and maintenance of cockpits, and the regulation of cockfighting and commercial breeding of gamecocks.

It bears emphasis that the ultimate ruling in *Magtajas v. Pryce Properties*⁵ does not support the position taken in the *ponencia*. In fact, in that case, the Court ruled in favor of the PAGCOR's authority over games of chance as being superior to the power of local governments:

It is a canon of legal hermeneutics that instead of pitting one statute against another in an inevitably destructive confrontation, courts must exert every effort to reconcile them, remembering that both laws deserve a becoming respect as the handiwork of a coordinate branch of the government. On the assumption of a conflict between [Presidential Decree No.] 1869 and the [Local Government] Code, the proper action is not to uphold one and annul the other but to give effect to both by harmonizing them if possible. This is possible in the case before us. The proper resolution of the problem at hand is to hold that under the Local Government Code, local government units may (and indeed must) prevent and suppress all kinds of gambling within their territories except only those allowed by statutes like [Presidential Decree No.] 1869. The exception reserved in such laws must be read in the Code, to make both the Code and such laws equally effective and mutually complementary.⁶

Finally, the pernicious effects of gambling is the strongest argument against the position of the *ponencia*, and "Bingo sa Barangay" presents the most fertile ground for the evils of illegal gambling to flourish. The relatively low-income households in the barangay will be exposed to the temptation of engaging in the illegal activity, under the guise of a harmless community activity and probably at a lower cost and financial requirements than other outlawed games of chance. The dangers to morality and public order, not to mention public interest, are therefore heightened.

WHEREFORE, I DISSENT and vote to GRANT the instant Petition.

Magtajas v. Pryce Properties Corp., Inc., 304 Phil 428 (1994) [Per J. Cruz, En Banc].