

# House of Representatives

# Supplementary Order Paper

Tuesday, 2 September 2003

## Gambling Bill

### *Proposed amendments*

Hon George Hawkins, in Committee, to move the following amendments:

#### *Clause 2*

To omit *subclause (1)* (lines 6 to 13 on page 8), and substitute the following subclauses:

- (1) The following sections come into force on the day after the date on which this Act receives the Royal assent:
  - (a) **sections 8A to 8D**; and
  - (b) **section 25(b)**; and
  - (c) **section 29**; and
  - (d) **section 75D**; and
  - (e) **sections 77 to 84**; and
  - (f) **section 85(1), (2)(a), and (3)**; and
  - (g) **section 87A**; and
  - (h) **sections 88 to 91B**; and
  - (i) **section 100**; and
  - (j) **section 154B**; and
  - (k) **section 282**; and
  - (l) **sections 285 to 289B**; and
  - (m) **section 330A** as far as it relates to **section 282**; and
  - (n) **section 331** as far as it relates to the items in **Schedule 5** relating to the Racing Act 2003 (except **new section 61**); and
  - (o) **section 333(2)**; and
  - (p) **section 334**; and
  - (q) **Schedule 4B** as far as it relates to the Casino Control Act 1990; and
  - (r) **section 4(1)** as far as it relates to the sections specified in paragraphs (a) to (q).

- (1A) **Schedule 4B** as far as it relates to the Gaming and Lotteries Act 1977 comes into force on 1 **October 2003**.

*Clause 4(1)*

To omit from the definition of **associated person** the words “under **section 125**” (line 2 on page 10), and substitute the words “for a particular casino by the Secretary or the Gambling Commission, as the case may be”.

To omit the definition of **authorised chip** (lines 3 and 4 on page 10), and substitute the following definition:

**authorised chip** means a chip that satisfies any applicable minimum operating standards specified by the Secretary under **section 119C**

To omit the definition of **authorised game** (lines 5 and 6 on page 10).

To omit from *paragraph (a)(v)* of the definition of **authorised purpose** the expression “1971” (line 18 on page 10), and substitute the expression “2003”.

To omit from *paragraph (b)* of the definition of **authorised purpose** the expression “(iii)” (line 22 on page 10), and substitute the expression “(v)”.

To omit *paragraph (b)(i)* of the definition of **bookmaking** (lines 17 and 18 on page 11), and substitute the following paragraph:

- (i) the activities of the New Zealand Racing Board or a racing club under the Racing Act 2003; or

To omit *paragraph (b)(iii)* of the definition of **bookmaking** (line 20 on page 11), and substitute the following paragraph:

- (iii) casino gambling

To omit the definition of **broadcaster** (lines 22 to 24 on page 11), and substitute the following definition:

**broadcaster** and **broadcasting** have the same meanings as in section 2(1) of the Broadcasting Act 1989

To omit from the definition of **corporate society** the words “a society” (line 2 on page 13), and substitute the words “1 society”.

To omit the definition of **galloping conference** (lines 25 and 26 on page 14).

To omit from *paragraph (a)* of the definition of **gambling** (line 30 on page 14) the words “or other reward”.

To omit the definition of **gambling area** (lines 4 to 6 on page 15), and substitute the following definition:

**gambling area** means,—

- (a) for a class 4 venue, that part of the venue that is specified by the Secretary, under **section 65(2)(ga)**, as an area where class 4 gambling is permitted or, if the Secretary does not specify an area under that section, the class 4 venue; or
- (b) for a casino venue, that part of the venue that is specified by the Gambling Commission under **section 119** or the Casino Control Authority under the Casino Control Act 1990 as an area where casino gambling is permitted

or, if the Gambling Commission does not specify an area under that section or the Casino Control Authority has not specified an area, the casino venue

To add to *paragraph (d)* of the definition of **gambling equipment** the word “; but” (line 19 on page 15), and also the following paragraph:

- (e) does not include a machine, device, or thing declared not to be gambling equipment by regulations made under **section 327**

To omit from *paragraph (d)(iii)* of the definition of **gaming machine** the word “; and” (line 3 on page 16), and substitute the word “; or”.

To insert, after *paragraph (d)(iii)* of the definition of **gaming machine** (after line 3 on page 16), the following subparagraph:

- (iv) a communication device that is used both to dispense tickets in and draw a lottery that is a sales promotion scheme; and

To omit from *paragraph (f)* of the definition of **gaming machine** the words “that is of a kind used by the Lotteries Commission on the date on which this Act receives the Royal assent” (lines 8 to 10 on page 16).

To omit the definition of **greyhound conference** (lines 13 and 14 on page 16).

To omit the definition of **harness conference** (lines 24 and 25 on page 16).

To insert, before the definition of **illegal gambling** (before line 26 on page 16), the following definition:

**housie—**

- (a) means gambling that satisfies any applicable game rules, and where—
  - (i) the numbers are selected randomly and announced to participants; and
  - (ii) the participants mark or cover the numbers announced on their own cards; and
  - (iii) the winners are participants who mark or cover any given arrangement of the numbers on their card and announce that fact openly to the other participants and to the organisers; and
- (b) includes any other game played in a similar manner to that specified in **paragraph (a)**

To insert in the definition of **key person**, after *paragraph (b)(iii)* (after line 33 on page 17), the following paragraph:

- (iiia) a person who is a director, chief executive or senior manager of a venue operator, or any other person who the Secretary reasonably believes to have a significant interest in the management, ownership, or operation of a venue operator:

To insert in *paragraph (a)* of the definition of **lottery**, after the word “device” (line 22 on page 18), the words “involving multiple participants”.

To insert in *paragraph (a)(ii)* of the definition of **lottery**, after the word “draw” (line 26 on page 18), the words “that takes place after all participants have entered”.

To omit from the definition of **net proceeds** the word “turn-over” (line 15 on page 19), and substitute the word “turnover”.

To omit from *paragraph (a)* of the definition of **net proceeds** the words “reasonable and necessary expenses” (lines 16 on page 19), and substitute the words “actual, reasonable, and necessary costs”.

To omit from *paragraph (b)* of the definition of **net proceeds** the words “and reasonable expenses” (line 19 on page 19), and substitute the words “, reasonable, and necessary costs”.

To omit *paragraph (c)(i) and (ii)* of the definition of **New Zealand lottery** (lines 36 and 37 on page 19).

To insert, after *paragraph (a)* of the definition of **prize competition** (after line 38 on page 21), the following paragraph:

- (ab) that distributes prizes of money or in which participants seek to win money; and

To omit the definition of **problem gambling** (lines 7 to 10 on page 22), and substitute the following definition:

**problem gambler** means a person whose gambling causes harm or may cause harm

To insert, after the definition of **publish** (after line 2 on page 23), the following definitions:

**racing club** has the same meaning as in section 5(1) of the Racing Act 2003

**racing code** has the same meaning as in section 5(1) of the Racing Act 2003

To omit *paragraphs (c) and (d)* of the definition of **relevant offence** (lines 10 to 13 on page 23), and substitute the following paragraphs:

- (c) an offence against this Act, the previous gaming Acts, the Racing Act 2003, or the Racing Act 1971; or
- (d) an offence against a regulation made under the previous gaming Acts, the Racing Act 2003, or the Racing Act 1971

To omit *paragraph (b)(i)* of the definition of **remote interactive gambling** (lines 18 to 21 on page 23), and substitute the following subparagraph:

- (i) gambling promoted by the Lotteries Commission; or

To omit from *paragraph (b)(ii)* of the definition of **remote interactive gambling** the expression “1971” (line 22 on page 23), and substitute the expression “2003”.

To add to *paragraph (b)(iii)* of the definition of **remote interactive gambling** the word “; or” (line 26 on page 23), and also the following subparagraph:

- (iv) a sales promotion scheme that is in the form of a lottery and is conducted in New Zealand

To insert, after the definition of **responsible gambling** (after line 37 on page 23), the following definition:

**responsible Ministers** means the Minister responsible for the department developing and implementing the integrated problem gambling strategy and the Minister responsible for this Act

To omit from the definition of **sales promotion scheme** the words “(except a device used to both dispense tickets in and draw a lottery) nor a prize prohibited under **section 12**, used by a creator, distributor, or vendor of goods or services to promote the sale of” (line 39 on page 23 to line 1 on page 24), and substitute the words “nor a prize prohibited under **section 12**, used by a creator, distributor, or vendor of goods or services to promote the sale of those”.

To omit the definition of **territorial authority** (lines 25 to 30 on page 24), and substitute the following definition:

**territorial authority**—

- (a) has the same meaning as in section 5(1) of the Local Government Act 2002; but
- (b) does not include the Minister of the Crown who is, for the time being, responsible for that Act

To omit from the definition of **venue manager** the word “the” (line 1 on page 25), and substitute the expression “1”.

To omit from the definition of **venue operator** the words “or a person who exercises significant influence in the management of that business” (lines 6 and 7 on page 25).

To insert, after *subclause (1)* (after line 10 on page 25), the following subclause:

- (1A) For the purposes of this Act, an **evidence of age document** means a document as defined in section 2A of the Sale of Liquor Act 1989.

*Clause 5(b)*

To add the words “(for example, by paying prizes, meeting costs, or making grants)” (line 23 on page 25).

*Clause 7*

To omit *subclause (2)* (lines 10 to 13 on page 26).

To omit *subclauses (3) and (4)* (lines 14 to 26 on page 26), and substitute the following subclauses:

- (3) A person has a **significant influence in a casino** if the person—
  - (a) is or will be a director of the holder of, or applicant for, or proposed transferee or alienee of, a casino licence for the casino; or

- (b) is or will be employed or engaged by the holder of, or applicant for, or proposed transferee or alienee of, a casino licence for the casino as the chief executive or a senior manager of the casino; or
  - (c) owns or will own shares, directly or indirectly in the holder of, or applicant for, or proposed transferee or alienee of, a casino licence for the casino that confer control of 20% or more of the voting rights of shareholders of any class in the holder, applicant, or proposed transferee or alienee.
- (3A) A significant influence in a casino includes any influence that the Secretary or the Gambling Commission (as the case may be) considers to be a significant interest in the management, ownership, or operation of a casino, however acquired or to be acquired.
- (4) **Subsection (3)** does not limit what the Secretary or the Gambling Commission, as the case may be, considers to be a significant influence under **subsection (3A)**.

*Clause 7A*

To insert in *subclause (1)*, before the word “transferee” (line 19 on page 27), the word “proposed”.

To insert in *subclause (2)*, after the words “in a casino” (line 21 on page 27), the words “or other person to whom the Secretary has given advice”.

To omit from *subclause (3)* the expression “**subsection (1)**” (line 27 on page 27), and substitute the expression “**subsection (2)**”.

*Clause 8*

To omit from *subclause (1)(b)* the expression “1971” (line 9 on page 28), and substitute the expression “2003”.

To insert in *subclause (2)*, after the words “illegal and” (lines 12 and 13 on page 28), the words “are not authorised by and”.

*New clauses 8A to 8D*

To insert, after *clause 8* (after line 15 on page 28), the following clauses:

**8A No more casinos**

- (1) No new casino venue licences may be granted under this Act.
- (2) However, an existing casino venue licence may be renewed.

**8B No increase in casino gambling**

A person must not increase the opportunities for casino gambling.

**8C What is increase in casino gambling**

- (1) Decisions on what constitutes an increase in the opportunities for casino gambling are a function and responsibility of the Casino Control Authority, until **section 267** of this Act comes into force, and of the Gambling Commission after that.

- (2) An increase in the opportunities for casino gambling includes but is not limited to—
- (a) an increase in the number of gaming machines unless the increase is accompanied by a reduction in the number of table games that the Casino Control Authority, or the Gambling Commission, believes is proportionate;
  - (b) an increase in the number of table games unless the increase is accompanied by a reduction in the number of gaming machines that the Casino Control Authority, or the Gambling Commission, believes is proportionate;
  - (c) an increase in total player space at table games unless the increase is accompanied by a reduction in other opportunities for casino gambling that the Casino Control Authority, or the Gambling Commission, believes is proportionate.
- (3) Opportunities for casino gambling are not increased—
- (a) by increases, in the Auckland casino, that comply with the Order for the Variation of Conditions of Casino Premises Licence dated 6 December 2002;
  - (b) by gambling conducted by the New Zealand Racing Board referred to in **section 99**.

**8D No compensation**

No compensation is payable by the Crown to any person for any loss or damage arising from the enactment or operation of **sections 8A to 8C**.

*Clause 15(2)*

To omit from *paragraph (c)* the expression “1971” (line 5 on page 32), and substitute the expression “2003”.

*Clause 17*

To omit from *paragraph (a)(i)* the word “expenses” (line 27 on page 32), and substitute the word “costs”.

To insert, after *paragraph (c)* (after line 8 on page 33), the following paragraph:

- (ca) if the gambling is conducted in sessions of more than 1 game, a society conducts no more than 1 session per day; and

*Clause 20(d)*

To omit the word “purpose” (line 4 on page 35), and substitute the word “purposes”.

*Heading to clause 24*

To omit the word “become” (line 3 on page 37).

*Clauses 27 to 29*

To omit these clauses (line 27 on page 37 to line 23 on page 38), and substitute the following clauses:

**27 Existing gaming machine licences and site approvals**

- (1) Despite **section 332**, an existing gaming machine licence held on the commencement of this section becomes, and must be treated as if it were, a class 4 operator's licence.
- (2) A site approval held on the commencement of this section becomes, and must be treated as if it were, a class 4 venue licence (and expires on the same date as the relevant operator's licence).
- (3) For the purposes of **sections 51, 52, 67, and 68**, the Secretary may treat a corporate society as the holder of a class 4 operator's licence or class 4 venue licence if the Secretary is satisfied that it is the same, or substantially the same, entity as the society that held an existing gaming machine licence on the commencement of this section.

**28 Status of New Zealand Racing Board and racing clubs**

- (1) The New Zealand Racing Board and societies that are racing clubs under the Racing Act 2003 must be treated as corporate societies for the purposes of—
  - (a) a class 4 operator's licence or class 4 venue licence; or
  - (b) an application for, or the renewal or amendment of, either licence.
- (2) A class 4 venue licence may be issued to the New Zealand Racing Board or a racing club to conduct class 4 gambling only at—
  - (a) a venue owned or leased by the New Zealand Racing Board and used mainly for racing betting or sports betting; or
  - (b) a racecourse.

**29 Meaning of casino gambling**

In this Act, **casino gambling** means gambling—

- (a) that satisfies relevant game rules; and
- (b) to which both a casino venue licence and casino operator's licence apply; but
- (c) that does not include the gambling conducted by the New Zealand Racing Board referred to in **section 99**.

*Clause 31*

To omit from *subclause (2)(b)* the words “, the galloping conference, harness conference, or greyhound conference” (line 35 on page 40 and line 1 on page 41), and substitute the words “or a racing code”.

To omit *subclause (3)* (lines 8 to 18 on page 41), and substitute the following subclause:

- (3) If a racing code is required to provide information about a person, then it must provide any information that it holds that relates to—



- (a) breaches, within the last 10 years, by the person of any rules of racing made under the Racing Act 2003 or the Racing Act 1971; or
- (b) the conviction, within the last 10 years, of the person for an offence against the Racing Act 2003 or the Racing Act 1971.

*Clause 38(1)(b)*

To omit the words “all relevant requirements” (line 3 on page 47), and substitute the words “any relevant requirement”.

*Clause 42(1)*

To omit this subclause (lines 18 to 23 on page 51), and substitute the following subclause:

- (1) A class 3 operator’s licence remains in force until—
  - (a) the expiry of the period for an appeal under **section 41(2)**;  
or
  - (b) the outcome of an appeal, if the appellant—
    - (i) appeals a refusal to renew or amend the licence under **section 41(1)(b) or (c)**; or
    - (ii) appeals a decision to suspend or cancel the licence under **section 41(1)(d)**.

*Clause 43(2)(b)*

To omit the words “added to the licence by the Secretary” (line 5 on page 52).

*Clause 46*

To omit from *subclause (2)(b)* the words “, the galloping conference, harness conference, or greyhound conference” (lines 28 and 29 on page 54), and substitute the words “or a racing code”.

To omit *subclause (3)* (lines 1 to 11 on page 55), and substitute the following subclause:

- (3) If a racing code is required to provide information about a person, then it must provide any information that it holds that relates to—
  - (a) breaches, within the last 10 years, by the person of any rules of racing made under the Racing Act 2003 or the Racing Act 1971; or
  - (b) the conviction, within the last 10 years, of the person for an offence against the Racing Act 2003 or the Racing Act 1971.

*Clause 47*

To omit *subclause (1)(j)* (lines 7 to 11 on page 56), and substitute the following paragraph:

- (j) a key person is not a key person in relation to a class 4 venue licence held, or applied for, by the applicant (except in the case of a club that intends to operate gambling equipment on its own non-commercial premises, the New Zealand Racing Board, or a racing club).

To omit *subclause (4)(c)(ii)* (lines 3 to 5 on page 57), and substitute the following subparagraph:

- (ii) the Racing Act 2003 or the Racing Act 1971 (and any rules of racing made under either of those Acts); and

*Clause 49(1)(c)*

To omit the words “, harness racing, or greyhound racing under the Racing Act 1971” (lines 34 and 35 on page 58), and substitute the words “made under the Racing Act 2003”.

*Clause 51(6)(a)*

To insert, before the word “society” (line 30 on page 60), the word “corporate”.

*Clause 53(1)(b)*

To omit the words “all relevant requirements” (lines 14 and 15 on page 62), and substitute the words “any relevant requirement”.

*Clause 57(1)*

To omit this subclause (lines 10 to 15 on page 67), and substitute the following subclause:

- (1) A class 4 operator’s licence remains in force until—
  - (a) the expiry of the period for an appeal under **section 56(2)**;
  - or
  - (b) the outcome of an appeal, if the appellant—
    - (i) appeals a refusal to renew or amend the licence under **section 56(1)(b) or (c)**; or
    - (ii) appeals a decision to suspend or cancel the licence under **section 56(1)(d)**.

*Clause 58(2)(b)*

To omit the words “added to the licence by the Secretary” (line 26 on page 67).

*Clause 60*

To insert in *subclause (2)*, after *paragraph (a)* (after line 9 on page 68), the following paragraph:

- (ab) a description of the venue and its location; and

To insert in *subclause (2)*, after *paragraph (h)* (after line 31 on page 68), the following paragraph:

- (ha) evidence that any gambling equipment that the applicant proposes to operate under the licence is not and will not be financed by the manufacturer, distributor, or vendor of the equipment; and

To add to *subclause (2)* the word “; and” (line 37 on page 68), and also the following paragraph:

- (k) evidence that the venue is suitable in all other respects to be a class 4 venue.

To omit from *subclause (3A)* the words “Totalisator Agency Board” (lines 11 and 12 on page 69), and substitute the words “New Zealand Racing Board or a racing club”.

*Clause 61*

To omit from *subclause (3)(b)* the words “the galloping conference, harness conference, or greyhound conference” (lines 2 and 3 on page 71), and substitute the words “or a racing code”.

To omit *subclause (4)* (lines 10 to 20 on page 71), and substitute the following subclause:

- (4) If a racing code is required to provide information about a person, then it must provide any information that it holds that relates to—
  - (a) breaches, within the last 10 years, by the person of any rules of racing made under the Racing Act 2003 or the Racing Act 1971; or
  - (b) the conviction, within the last 10 years, of the person for an offence against the Racing Act 2003 or the Racing Act 1971.

*Clause 62*

To insert, after *subclause (1)(g)* (after line 15 on page 72), the following paragraph:

- (ga) on issue of the licence, the applicant will not operate any gambling equipment that is financed by the manufacturer, distributor, or vendor of the equipment; and

To omit *new subclause (1)(la)* (line 34 on page 72 to line 1 on page 73), and substitute the following paragraph:

- (la) if the New Zealand Racing Board is the applicant, the class 4 venue is either—
  - (i) owned or leased by the New Zealand Racing Board and used mainly for racing betting or sports betting; or
  - (ii) a racecourse; and

To insert, after *subclause (1)(m)* (after line 5 on page 73), the following paragraphs:

- (ma) the proposed venue is suitable in all other respects to be a class 4 venue; and
- (mb) there are no other factors that are likely to detract from achieving the purpose of this Act; and

To insert in *subclause (2)*, after the word “applicant” (line 9 on page 73), the words “, or if there is a venue agreement, the parties to the agreement, and the venue manager”.

*Clause 63(1)(c)*

To omit *subparagraph (ii)* (lines 34 to 36 on page 73), and substitute the following subparagraph:

- (ii) the Racing Act 2003 or the Racing Act 1971 (and any rules of racing made under either of those Acts); and

*Clause 65*

To insert in *subclause (1)(b)*, after the words “expiry date” (line 10 on page 75), the words “(which must be not later than 18 months after the commencement date)”.

To omit from *subclause (1)(ha)* the words “being carried out at that time” (line 23 on page 75), and substitute the words “offered and available at that time”.

To insert in *subclause (2)*, after *paragraph (g)* (after lines 10 and 11 on page 76), the following paragraph:

- (ga) conditions specifying areas within a class 4 venue as the only areas permitted for conducting class 4 gambling:

To insert in *subclause (3A)*, before the word “society” (in line 21 on page 76), the word “corporate”.

To add the following subclause (after line 28 on page 76):

- (5) For the purposes of **subsection (1)(ha)**, if the class 4 venue is a racecourse, the primary activity of the venue must be treated as including the provision of sports, recreation, entertainment, and convention facilities.

*Clause 66(1)*

To omit *paragraph (c)* (lines 4 to 6 on page 77), and substitute the following paragraph:

- (c) a key person in relation to a class 4 venue licence breaches a rule of racing made under section 29 of the Racing Act 2003:

To omit *paragraph (g)* (lines 12 to 14 on page 77), and substitute the following paragraph:

- (g) the corporate society has not conducted class 4 gambling at the venue for a period of more than 4 weeks (in which case the class 4 venue licence must be surrendered unless the Secretary agrees that the venue may remain inactive for a further specified period).

*Clause 69(1)(b)*

To omit the words “all relevant requirements” (line 3 and 4 on page 80), and substitute the words “any relevant requirement”.

*Clause 73(1)*

To omit this subclause (lines 6 to 11 on page 85), and substitute the following subclause:

- (1) A class 4 venue licence remains in force until—
  - (a) the expiry of the period for an appeal under **section 72(2)**;
  - or
  - (b) the outcome of an appeal, if the appellant—

- (i) appeals a refusal to renew or amend the licence under section **72(1)(b) or (c)**; or
- (ii) appeals a decision to suspend or cancel the licence under **section 72(1)(d)**.

*Clause 74*

To omit *subclause (1)* (lines 14 and 15 on page 85), and substitute the following subclause:

- (1) A corporate society—
  - (a) must surrender a class 4 venue licence to the Secretary in the circumstances described in **section 66(1)(g)**;
  - (b) may surrender a class 4 venue licence to the Secretary at any other time.

To omit from *subclause (2)(b)* the words “added to the licence by the Secretary” (line 22 on page 85).

*Clause 75C*

To add, as subclause (2), the following subclause (after line 25 on page 87):

- (2) The holder of a class 4 operator’s licence who contravenes this section commits an offence and is liable on summary conviction to a fine not exceeding \$5,000.

*Clause 75D*

To omit *subclauses (1) and (2)* (lines 27 to 32 on page 87), and substitute the following subclause:

- (1) On and from the date that is 6 months after the commencement of this section, the holder of a class 4 venue licence must not operate, or allow to be operated at the class 4 venue a gaming machine that is able to accept banknotes with a denomination greater than \$20.

*Clause 80(1)*

To insert, after the word “Secretary” (line 28 on page 90), the words “, in the manner that the Secretary reasonably requests”.

*Clause 81(2)*

To omit the words “there is a subsequent period of more than 6 months” (lines 21 and 22 on page 91), and substitute the words “, at any time after 17 October 2001, there is a period of 6 months or more”.

*Clause 82*

To omit the expression “**83**” (line 28 on page 91), and substitute the expression “**80**”.

*Clause 83*

To omit from *subclause (1)(b)* the words “more than 6 months” (line 1 on page 92), and substitute the words “6 months or more”.

To omit from *subclause (3)*, the expression “**80(b)**” (line 11 on page 92), and substitute the expression “**80(1)**”.

To insert in *subclause (4)*, after the word “or” (line 24 on page 92), the word “reduced”.

*Clause 84*

To omit from *subclause (1)(b)* the word “subsection” (line 32 on page 92), and substitute the word “section”.

To insert in *subclause (6)*, after the word “territorial” (line 25 on page 93), the word “authority”.

To omit from *subclause (6)(b)* the word “society,” (line 30 on page 93), and substitute the word “society”.

To omit from *subclause (7)* the expression “**80(b)**” (line 2 on page 94), and substitute the expression “**80(1)**”.

To omit *subclause (8)* (lines 12 to 14 on page 94), and substitute the following subclause:

- (8) The limit in **subsection (1A)** and the condition as to number imposed under **subsection (7)** may be overridden under **section 87**, or reduced by regulations made under **section 282(1)(a)**.

*Clause 85(3)*

To omit the word “overridden” (line 26 on page 94), and substitute the word “reduced”.

*Clause 86*

To omit from *subclause (3)(b)* the expression “**2004**” (line 34 on page 95), and substitute the expression “**2005**”.

To omit from *subclause (7)* the word “overridden” (line 18 on page 96), and substitute the word “reduced”.

*Clause 87*

To omit from the heading to this clause the words “**gaming machines at 9 machine venues**” (lines 20 and 21 on page 96), and substitute the words “**than 9 machines at certain class 4 venues**”.

To insert in *subclause (1)*, after the word “club” (line 23 on page 96), the words “that proposes to operate gaming machines at a class 4 venue”.

To omit from *subclause (3)(b)* the expression “**2004**” (line 14 on page 97), and substitute the expression “**2005**”.

To omit from *subclause (6)* the word “overridden” (line 24 on page 97), and substitute the word “reduced”.

*New clause 87A*

To insert, after *clause 87* (after line 25 on page 97), the following clause:

**87A Power to issue, renew, or amend class 4 licence may be overridden**

The Secretary’s power to issue, renew, or amend a class 4 operator’s licence or class 4 venue licence may be overridden by regulations made under **section 282**.

*Clause 90(2)(b)*

To omit the word “less” (line 1 on page 99), and substitute the word “fewer”.

*Clause 91*

To insert in *subclause (2)*, before the word “district” (line 13 on page 100), the words “territorial authority”.

To insert in *subclause (4)*, after the word “determining” (line 21 on page 100), the words “its policy on whether class 4 venues may be established in the territorial authority district,”.

To omit from *subclause (4)(f)* the words “purpose of” (line 35 on page 100), and substitute the words “activity at”.

*Clause 91A*

To omit from *subclause (1)* the words “716A of the Local Government Act 1974 and, for the purpose of subsection (1)(b) of that section, the territorial authority must give specific” (lines 4 to 6 on page 101), and substitute the words “83 of the Local Government Act 2002 and, for the purpose of subsection (1)(e) of that section, the territorial authority must give”.

To omit *subclause (1)(a)* (lines 8 and 9 on page 101), and substitute the following subclause:

- (a) each society that holds a class 4 venue licence for a venue in the territorial authority district; and

To omit from *subclause (1)(b)* the word “Maori” (line 10 on page 101), and substitute the word “Māori”.

To omit *subclause (2)* (lines 12 to 14 on page 101), and substitute the following subclause:

- (2) A policy may be amended or replaced only in accordance with the special consultative procedure, and this section applies to that amendment or replacement.

To omit from *subclause (4)* the words “or amending” (line 19 on page 101), and substitute the words “, amending, or replacing”.

*Clause 91B*

To omit *paragraph (a)* (lines 31 to 33 on page 101), and substitute the following paragraph:

- (a) the name and address of each society that holds a class 4 venue licence for a venue in the territorial authority district; and

*New clauses 92AAA and 92AA*

To insert, after the heading above *clause 92* (after line 1 on page 102), the following clauses:

**92AAA Gaming machine profits must be banked**

- (1) A venue manager must bank all gaming machine profits from class 4 gambling into a dedicated account at a registered bank in the name of the holder of the class 4 operator’s licence.
- (2) The gaming machine profits must be banked within the time frame specified in regulations made under **section 330** or, if no time frame is specified, as soon as reasonably practicable.
- (3) If a venue manager contravenes this section, the holder of the class 4 operator’s licence—

- (a) must take immediate steps to disconnect all gaming machines at the class 4 venue and advise the Secretary of the disconnection; and
  - (b) must not reconnect the gaming machines at the venue until the gaming machine profits have been banked.
- (4) A person who contravenes **subsection (1) or (3)** commits an offence and is liable on summary conviction to a fine not exceeding \$5,000.
- (5) In this section and **section 92AA, gaming machine profits** has the same meaning as in section 12B of the Gaming Duties Act 1971.

**92AA Interest, etc, on gaming machine profits**

- (1) The holder of a class 4 operator's licence must ensure that the interest or other investment return on the gaming machine profits referred to in **section 92AAA**, plus the proceeds from the sale of any fittings, chattels, or gambling equipment purchased from those profits is credited to or banked into (as the case may be) a dedicated account in the name of the class 4 operator at a registered bank.
- (2) The interest, investment return, or proceeds must be banked within the time frame specified in regulations made under **section 330** or, if no time frame is specified, as soon as reasonably practicable.
- (3) Unless the Secretary gives consent to the interest, investment return, or proceeds being transferred to another bank account, the funds must remain in the dedicated account specified in **subsection (1)** until the class 4 operator applies the funds—
- (a) to meet the costs of the class 4 gambling operation; or
  - (b) to an authorised purpose.
- (4) A holder of a class 4 operator's licence who contravenes this section commits an offence and is liable on summary conviction to a fine not exceeding \$5,000.

*Clause 92(1)*

To omit *subclause (1)* (lines 5 to 8 on page 102), and substitute the following subclause:

- (1) A corporate society must apply or distribute the net proceeds from class 4 gambling only to or for an authorised purpose specified in the corporate society's licence.

*Clause 92(4)(b)*

To omit the words "under **section 72**" (line 26 on page 102).

*Clause 93(1)*

To omit the words "ceases to conduct class 4 gambling must" (lines 5 and 6 on page 106), and substitute the words "has not conducted class 4 gambling for a period of more than 4 weeks must, unless it has notified the Secretary and the



Secretary has agreed that it may remain inactive for a further specified period.”.

*Clause 93A*

To insert in *subclause (1)(b)*, after the word “to” (line 27 on page 106), the words “apply or”.

To omit from *subclause (3)(a)* the word “wrongly” (line 8 on page 107), and substitute the word “improperly”.

*Clause 94(1)*

To omit from *paragraph (a)* the words “of net proceeds or turnover” (lines 21 and 22 on page 108), and substitute the words “(for example, as a percentage of turnover, player expenditure, or net proceeds)”.

To omit from *paragraph (f)* the expression “94D” (line 12 on page 109), and substitute the expression “92D”.

To omit from *paragraph (g)* the word “application” (line 14 on page 109), and substitute the words “management, application,”.

*New clause 94A*

To insert, after *clause 94* (after line 21 on page 109), the following clause:

**94A Payment of commission prohibited**

- (1) The payment of, or receipt of, commission by any person for conducting class 4 gambling is prohibited.
- (2) A person who contravenes **subsection (1)** commits an offence and is liable on summary conviction to a fine not exceeding \$10,000.

*Clause 95*

To insert in the heading after the word “limit” (line 22 on page 109), the words “or exclude”.

To insert in *subclause (1)*, after the word “on” (line 23 on page 109), the words “, or exclude,”.

To insert in *subclause (2)*, after the word “limited” (line 26 on page 109), the words “or excluded”.

To insert in *subclause (2)(a)*, after the word “venue,” (line 28 on page 109), the words “including salary or wages paid to a key person or another person for work associated with class 4 gambling at the venue,”.

To insert in *subclause (5)*, after the word “society” (line 20 on page 110), the words “, whether before or after the passage of this Act,”.

*Clause 96*

To omit this clause (lines 1 to 19 on page 111), and substitute the following clause:

**96 Secretary may investigate and audit licensees, grant recipients, and businesses at class 4 venues**

- (1) The Secretary may, to the extent that is necessary to determine compliance with this Act, investigate and audit the generation and distribution of the proceeds from class 4 gambling, which may include—
  - (a) an investigation and audit of the holder of a class 4 operator’s licence or a class 4 venue licence:

- (b) an investigation and audit of grant recipient:
  - (c) an investigation and audit of a business operating at a class 4 venue.
- (2) The persons referred to in **subsection (1)** must provide any information required by the Secretary for the purpose of carrying out an investigation or audit under that subsection.
  - (3) The Secretary may publish, or require the corporate society to publish, in the form that the Secretary considers appropriate—
    - (a) the results of the investigation and audit:
    - (b) a summary of the results of the investigation and audit with details of where to obtain the full results.
  - (4) The Secretary may recover the costs of investigating or auditing from the holder of class 4 operator's licences in accordance with regulations made under **section 329**.
  - (5) A person who fails to comply with this section commits an offence and is liable on summary conviction to a fine not exceeding \$5,000.

*Clause 97*

To add the following subclause (after line 24 on page 112):

- (6) To avoid doubt, this section applies whether—
  - (a) the condition is attached either before or after the money is received by the person concerned; or
  - (b) any money is actually received by the person concerned.

*Clause 99*

To omit this clause (lines 12 to 20 on page 113), and substitute the following clause:

**99 Racing betting and sports betting in casinos**

- (1) Racing betting or sports betting in a casino that is conducted by the New Zealand Racing Board and that is authorised by, and complies with, the Racing Act 2003 must not be treated as casino gambling and, accordingly, is not subject to this subpart.
- (2) A casino licence holder must notify the Secretary within 10 working days after the licence holder enters into an agreement with the New Zealand Racing Board that allows the New Zealand Racing Board to conduct racing betting or sports betting in a casino.

*Clause 101(4)*

To omit this subclause (lines 34 and 35 on page 114).

*New clause 101A*

To insert, after *clause 101* (after line 35 on page 114), the following clause:

**101A Directions as to operating casinos**

Directions given by the Authority under section 70 of the Casino Control Act 1990 become, and must be treated as if they were, minimum operating standards specified under **section 119C**.

*Clause 102*

To omit from *subclause (1)* the words “associated persons” (line 4 on page 115), and substitute the words “persons with a significant influence”.

To omit from *subclause (2)* the words “an associated person” (line 6 on page 115), and substitute the words “person with a significant influence”.

To omit from *subclause (2)(a), (b), and (c)* the words “associated person” wherever they appear (lines 9, 11, 13, 16, 23 to 24, 25, 27, 31, 33, 35, 37, and 40 on page 115), and substitute in each case the words “person with a significant influence”.

*Clause 103*

To insert in *subclauses (1), (2), (3), (4), and (6)*, before the word “transferee” wherever it appears (lines 16, 17, 20, 23, and 33 on page 117 and lines 3 and 15 on page 118), the word “proposed”.

To omit from *subclauses (1) to (3)* the words “their associated persons” wherever they appear (lines 18, 21, 24, and 34 on page 117), and substitute in each case the words “persons with a significant influence”.

To omit from *subclause (4)* the words “associated persons” (line 4 on page 118), and substitute the words “persons with a significant influence”.

*Clause 104*

To omit from *subclause (1)* the words “mortgage, charge, or encumbrance is” (line 21 on page 118), and substitute the words “proposed holder of, and the nature, terms, and conditions of the mortgage, charge, or encumbrance are”.

To omit *subclause (2)* (lines 23 to 27 on page 118), and substitute the following subclause:

- (2) A casino licence may not be transferred or alienated as a result of a mortgage, charge, or encumbrance being enforced unless the proposed transferee or alienee and any person who has or is likely to have a significant influence has first been approved by the Gambling Commission.

To omit *subclause (4)* (lines 5 to 9 on page 119), and substitute the following subclause:

- (4) In considering whether to approve a proposed transferee or alienee, and persons with a significant influence under **subsection (2)**, the Gambling Commission must investigate the suitability of the proposed transferee or alienee, and person in accordance with **sections 102 and 103**.

*Clause 107*

To omit from *subclause (1)* the words “associated person” (lines 23 and 24 on page 119), and substitute the words “person with a significant influence”.

To omit from *subclause (2)(a)* the words “associated persons” (line 27 on page 119), and substitute the words “persons with a significant influence”.

*Clause 108*

To omit from *subclause (1)* the words “associated person” (line 7 on page 120), and substitute the words “person with a significant influence”.

To omit from *subclause (2)* the word “impose” (line 24 on page 120), and substitute the word “specify”.

*Clause 111(6)(e)*

To insert, after the words “agreement is” (line 15 on page 122), the words “entered into or”.

*Clause 114(1)(a)*

To omit the words “associated persons” (line 29 on page 123), and substitute the words “persons with a significant influence”.

*Clause 115*

To omit from *paragraph (c)* the words “associated person” (line 4 on page 126), and substitute the words “person with a significant influence”.

To omit from *paragraph (e)* the words “associated persons” (lines 8 and 9 on page 126), and substitute the words “persons with a significant influence”.

*Clause 116(1)*

To omit from *paragraph (a)* the words “associated persons” (line 17 on page 126), and substitute the words “persons with a significant influence”.

To omit from *paragraph (b)* the words “associated persons” (lines 19 and 20 on page 126), and substitute the words “persons with a significant influence”.

*Clause 119*

To omit *subclause (2)(d)* (line 35 on page 128), and substitute the following subclause:

- (d) must not permit an increase in the opportunities for casino gambling; and

To omit *subclause (3)* (lines 3 to 9 on page 129).

*Clause 119A*

To omit this clause (line 10 on page 129 to line 6 on page 130), and substitute the following clause:

**119A Procedure for specifying, varying, or revoking casino licence conditions**

- (1) The Gambling Commission must notify the holder of the relevant casino licence, the Secretary, and any other person who it considers is affected by a proposal to specify, vary, or revoke the conditions of a casino licence.
- (2) Notification under **subsection (1)** must include—
  - (a) the reason for the proposal; and
  - (b) the procedure to be followed before the Gambling Commission makes a decision relating to the proposal.
- (3) The holder of the casino licence, the Secretary, and any other person affected may make written submissions to the Gambling Commission concerning the proposal within 20 working days after the date of the notice under **subsection (1)** or within any longer period that the Gambling Commission allows.

- (4) The Gambling Commission must consider any submissions made under **subsection (3)** and may, if it considers it appropriate, seek comment from the casino licence holder on the submissions received from the Secretary or other persons affected.
- (5) The Gambling Commission must notify the holder of the casino licence, the Secretary and other persons affected of—
  - (a) its decision concerning the proposal and the reasons for the decision; and
  - (b) the right to appeal the decision and the process for an appeal.

*Clause 119B*

To omit this clause (lines 7 to 21 on page 130).

*Clause 119D*

To omit this clause (lines 1 to 33 on page 131), and substitute the following clause:

**119D Procedure for specifying, varying, or revoking minimum operating standards**

- (1) The Secretary must notify the holder of the relevant casino licence and other persons who the Secretary considers are affected by a proposal to specify, vary, or revoke the minimum operating standards of the casino licence.
- (2) Notification under **subsection (1)** must include—
  - (a) the reason for the proposal; and
  - (b) the procedure to be followed before the Secretary makes a decision relating to the proposal.
- (3) The holder of the casino licence and other persons affected may make written submissions to the Secretary concerning the proposal within 20 working days after the date of the notice under **subsection (1)** or within any longer period that the Secretary allows.
- (4) The Secretary must consider any submissions made under **subsection (3)** and may, if he or she considers it appropriate, seek comment from the holder of the casino licence on the submissions received.
- (5) The Secretary must notify the holder of the casino licence and other persons affected of—
  - (a) the Secretary's decision concerning the proposal and the reasons for the decision; and
  - (b) the right to appeal the decision and the process for an appeal.

*Clause 119E*

To omit *subclause (1)* (line 35 on page 131 to line 2 on page 132), and substitute the following subclause:

- (1) The holder of a casino licence or other person affected may appeal to the Gambling Commission against a decision of the Secretary to specify, vary, or revoke, or to refuse to specify, vary, or revoke, the minimum operating standards of a casino licence.

To omit from *subclause (5)* the word “written” (line 21 on page 132).

*Clause 121*

To omit from *subclause (3)(a)* the words “may allow” (line 14 on page 135), and substitute the words “allows if an application for an extension is made within the time period specified in this paragraph”.

To omit from *subclause (5)* the word “other” (line 22 on page 135).

To omit *subclause (7)* (lines 30 to 33 on page 135).

*Clause 122*

To omit from *subclause (1)(c)* the words “suspension to be lifted” (lines 11 and 12 on page 136), and substitute the words “Gambling Commission to consider withdrawing the suspension before the end of the suspension period”.

*Clause 123*

To omit from *subclause (1)(a)* the words “or suspended, for cancellation or endorsement” (lines 34 and 35 on page 136).

To omit from *subclause (2)(a)* the word “written” (line 2 on page 137).

*Clause 125*

To omit *subclause (1)* (line 26 to 28 on page 138), and substitute the following subclause:

- (1) No person may have or continue to have a significant influence in a casino unless that person is approved as an associated person for that casino—
- (a) by the Secretary, in the circumstances described in this section; or
  - (b) by the Gambling Commission, on appeal from a decision of the Secretary, on application for a casino operator’s licence, on application for renewal of a casino venue licence, and on application for approval of a proposed transferee or alienee of a licence.

To omit from *subclause (2)(a)* the words “must investigate” (line 31 on page 138), and substitute the words “must undertake any investigations the Secretary considers necessary”.

To omit *subclause (4)* (lines 15 to 17 on page 139), and substitute the following subclauses:

- (4) The Secretary must not approve a person as an associated person unless the Secretary is satisfied that the person meets the suitability requirements specified in **section 102**.
- (4A) In assessing suitability, the Secretary has the powers, and other persons have the obligations, in **section 103** as if references to the Gambling Commission were references to the Secretary.

To omit from *subclause (5)* the words “each casino licence holder with whom the person may be associated” (lines 18 to 20 on page 139), and substitute the words “each casino licence holder to whom the decision directly relates”.

To insert, after *subclause (5)* (after line 20 on page 139), the following subclause:

- (5A) If the Secretary refuses to approve a person as an associated person under this section, the person must not acquire or continue to hold the position or interest that confers the significant influence in the casino.

*Clause 125A*

To omit from *subclause (1)* the words “under **section 125 or section 128**” (line 27 on page 139), and substitute the words “in any of the circumstances described in **section 125**”.

To omit from *subclause (5)* the word “written” (line 12 on page 140).

*Clause 127*

To omit the words “by the Secretary” (line 7 on page 141).

To insert in *paragraph (a)*, after the words “the Secretary” (line 10 on page 141), the words “or the Gambling Commission (as the case may be)”.

*Clause 128(3)*

To omit this *subclause* (lines 22 to 26 on page 141).

*Clause 129*

To omit this clause (lines 14 to 33 on page 142), and substitute the following clauses:

**129 Responsibility of licensee aware of person with significant influence**

A casino licence holder must advise the Secretary that a person has acquired a significant influence in a casino to which the holder’s licence relates as soon as the licence holder becomes aware of that fact.

**129A Affected transactions**

- (1) This section applies if a person acquires a significant influence in a casino without prior approval as an associated person.
- (2) An **affected transaction** means any transaction by which a person acquired a significant influence in a casino without prior approval as an associated person and includes all aspects of the means by which that influence was acquired.
- (3) If the Secretary refuses to approve an associated person, the Secretary must then—
  - (a) advise the Gambling Commission that an affected transaction has occurred; and
  - (b) provide the Gambling Commission with a summary of the information held by the Secretary about the affected transaction.

*Clause 130(1)*

To add the words “and the provisions of **section 125** apply to a review as if it were an original investigation” (line 3 on page 143).

*Clause 131*

To omit from *subclause (1)(a)* the words “under **section 125 or section 128**” (lines 23 and 24 on page 143), and substitute the words “by the Secretary in any of the circumstances described in **section 125**”.

*Clause 137(1)(b)(iii)*

To omit this *subparagraph* (lines 15 and 16 on page 147), and substitute the following *subparagraph*:

- (iii) the credit history of the applicant.

*Clause 138(3)*

To add the words “if an application for an extension is made within the time period specified in this subsection” (line 34 on page 147).

*Clause 145*

To omit from *subclause (1)(a)* the words “for cancellation or endorsement” (line 34 on page 151).

To omit from *subclause (1)(b)* the words “in writing” (line 2 on page 152).

*Clause 146*

To insert in *subclause (1)*, after the words “not, in” (line 9 on page 152), the words “relation to”.

*Clause 147*

To omit *subclause (6)* (lines 20 and 21 on page 153), and substitute the following *subclause*:

- (6) A certificate of approval remains unchanged until the period for appeal in **subsection (2)** expires, or pending the outcome of an appeal if the appellant appeals a suspension or cancellation under **subsection (1)(b)**.

*Clause 148*

To omit this clause (lines 24 to 33 on page 153), and substitute the following clause:

**148 Restricted hours of operation**

- (1) A holder of a casino licence must not conduct casino gambling on Christmas Day, Good Friday, or on Anzac Day between the hours of 3 am and 1 pm.
- (2) A holder of a casino licence who contravenes **subsection (1)** commits an offence and is liable on summary conviction to a fine not exceeding \$10,000.
- (3) The Governor-General may, by Order in Council, make regulations prescribing the days on, and the hours during, which a licensed casino may conduct casino gambling and the activities that may be undertaken.



- (4) Regulations made under **subsection (3)** must not override **subsection (1)** but may impose restrictions that are additional to the restrictions in that subsection.

*Clause 152*

To add the following subclause (after line 14 on page 155):

- (6) The holder of a casino operator's licence who contravenes this section commits an offence and is liable on summary conviction to a fine not exceeding \$5,000.

*Clause 154A*

To insert, after the word "casino" (line 18 on page 156), the word "operator's".

To add, as subclause (2), the following subclause (after line 23 on page 156):

- (2) The holder of a casino operator's licence who contravenes this section commits an offence and is liable on summary conviction to a fine not exceeding \$5,000.

*Clause 154B*

To omit *subclauses (1) and (2)* (lines 25 to 30 on page 156), and substitute the following subclause:

- (1) On and from the date that is 6 months after the commencement of this section, the holder of a casino licence must not operate, or allow to be operated, at the casino a gaming machine that is able to accept banknotes with a denomination greater than \$20.

*Clause 160(1)*

To omit the words "without delay" (line 17 on page 159), and substitute the words ", as soon as practicable,".

*Clause 162(4)*

To insert, after the word "section," (line 1 on page 161), the word "**conducted**".

*Clause 174*

To add the following subclause (after line 34 on page 166):

- (4) A person required to provide information under **subsection (2)** must provide the information as promptly as is reasonable in the circumstances.

*Clause 175(2)(a)*

To omit from *subparagraph (ii)* the words "a licensed promoter's licence under this Act or any licence under previous gaming Acts" (lines 11 to 13 on page 167), and substitute the words "a licence under this Act or previous gaming Acts".

To add the following *subparagraph* (after lines 16 and 17 on page 167):

- (iv) the profile of past compliance by the applicant and each key person with—

- (A) this Act, minimum standards, game rules, *Gazette* notices, and licence conditions; and
- (B) the Racing Act 2003 or the Racing Act 1971 (and any rules of racing made under either of those Acts); and
- (C) previous gaming Acts, and regulations made under previous gaming Acts; and
- (D) a licence or a site approval issued under a previous gaming Act; and

*Clause 177(3)(a)*

To omit the words “audit of the licensed promoter” (line 9 on page 170), and substitute the words “investigation and audit of the licensed promoter by the Secretary”.

*Clause 184(1)*

To omit this subclause (lines 27 to 33 on page 176), and substitute the following subclause:

- (1) A licensed promoter’s licence remains in force until—
  - (a) the expiry of the period for an appeal under **section 183(2)**; or
  - (b) the outcome of an appeal if the appellant—
    - (i) appeals a decision to amend or revoke a condition of a licence, or to add a new condition to a licence under **section 183(1)(ab)**; or
    - (ii) appeals a refusal to renew the licence under **section 183(1)(b)**; or
    - (iii) appeals a decision to suspend or cancel the licence under **section 183(1)(c)**.

*Clause 185(2)*

To omit this subclause (lines 9 and 10 on page 177), and substitute the following subclause:

- (2) A licensed promoter must pay the money into a trust account, at a registered bank, operated either—
  - (a) for the activities of the society or the licensed promoter generally; or
  - (b) for a particular promotion.

*Clause 188(2)(b)*

To omit the words “to pay the bond on demand until the licensed promoter has rendered an account to the society under **section 187**” (lines 1 to 3 on page 179), and substitute the words “under this Act”.

*Clause 193*

To omit *paragraph (b)* (lines 1 and 2 on page 181), and substitute the following paragraph:

- (b) providing for the manner and timing of the audit of a licensed promoter’s trust account.

To omit from *paragraph (c)*, the word “amount” (line 3 on page 181), and substitute the words “, expressed in any appropriate way including a specific amount or a percentage,”.

To insert in *paragraph (d)*, after the word “reward” (line 6 on page 181), the words “, expressed in any appropriate way including a specific amount or a percentage,”.

*Clause 196(1)*

To omit the words “knowledge, experience, and expertise” (lines 26 and 27 on page 182), and substitute the words “knowledge, skills, and experience”.

*Clause 198(1)*

To omit *paragraph (ba)* (line 7 on page 185).

To omit from *paragraph (d)(i)* the words “mortgagee, chargeholder, or encumbrancer” (line 11 on page 185), and substitute the words “mortgage, charge, or encumbrance”.

To omit from *paragraph (d)(ii)* the words “their associated persons” (lines 13 and 14 on page 185), and substitute the words “persons with a significant influence”.

To omit *paragraph (g)* (lines 23 to 26 on page 185), and substitute the following paragraph:

- (g) consider and decide appeals against decisions of the Secretary to specify, vary or revoke, or to refuse to specify, vary, or revoke the minimum operating standards included in a casino licence:

To omit *paragraph (i)(iii)* (lines 5 to 8 on page 186), and substitute the following subparagraph:

- (iii) a decision by the Secretary to amend or revoke a condition of, or add a new condition to, a class 3 operator’s licence, class 4 operator’s licence, or class 4 venue licence:

To insert, after *paragraph (n)* (after line 18 on page 186), the following paragraph:

- (na) facilitate a meeting and advise the responsible Ministers on the proposed problem gambling levy in accordance with the process established under **sections 285 to 289B**:

*Clause 199A(2)(a)*

To insert, after the words “conduct research,” (line 11 on page 187), the words “facilitate consultation,”

*Clause 200(1)*

To omit the words “**(d) to (n)** and may but is not obliged to do so in carrying out its other functions” (lines 25 and 26 on page 187), and substitute the words “**(g) to (n)** and a division of the Gambling Commission may, but is not obliged to, carry out its other functions. A decision to sit as a division must be made by the full Gambling Commission”.

*Clause 201*

To insert, after *subclause (1)* (after line 16 on page 188), the following subclause:

- (1A) The Secretary must ensure that staff allocated to perform administrative services for the Gambling Commission are separated, physically and operationally, from other staff responsible for policy, licensing, and compliance concerning gambling.

*Clause 206*

To omit from *subclause (1)* (lines 18 and 19 on page 190) the words “, within 10 working days of the date of the decision”.

To insert, after *subclause (1)* (after line 19 on page 190), the following subclause:

- (1A) The High Court may reconsider afresh a matter that comes to it on appeal and may confirm, modify, or reverse a decision of the Gambling Commission or may direct the Gambling Commission to reconsider a decision.

To omit from *subclause (3)* the words “decision appealed being made” (line 25 on page 190), and substitute the words “date of the notice of the Gambling Commission’s decision, or any longer period that the High Court or the Court of Appeal may allow”.

*Clause 209*

To omit *paragraph (b)* (line 19 on page 194), and substitute the following paragraph:

- (b) to maximise profits so generated, subject to ensuring that the risks of problem gambling and underage gambling are minimised:

*Clause 213*

To insert, after *subclause (1)* (after line 17 on page 195), the following subclause:

- (1A) Written directions given by the Minister under **subsection (1)** may require the Lotteries Commission to vary or revoke any rule made under **section 216** or under previous gaming Acts, or to make a new rule under that section.

*Clause 216*

To omit *subclause (6)* (lines 13 to 16 on page 196), and substitute the following subclause:

- (6) In making any rules under this section, the Lotteries Commission must have regard to the desirability of—
  - (a) minimising the risk of players or participants in New Zealand lotteries becoming problem gamblers; and
  - (b) minimising the risk of under-age gambling.

*Clause 217A*

To omit this clause (lines 5 to 10 on page 197).

*Clause 247(4)*

To omit the word “Maori” (line 36 on page 211), and substitute the word “Māori”.

*Clause 249(1)*

To omit *paragraph (c)* (lines 31 to 35 on page 212), and substitute the following paragraph:

- (c) Sport and Recreation New Zealand, as established under the Sport and Recreation New Zealand Act 2002.

*Clause 254(1)(b)(i)*

To omit the expression “1974” (line 29 on page 215), and substitute the expression “2002”.

*Clause 264*

To omit from *subclause (1)* the words “member or employee of the Board or of a distribution committee or subcommittee” (lines 3 and 4 on page 220), and substitute the words “member of the Board or of a distribution committee or subcommittee, or an employee of the Secretary,”.

To omit from *subclause (6)(a)* the words “and employees of the Board or of a distribution committee or subcommittee” (lines 34 and 35 on page 220), and substitute the words “of the Board or of a distribution committee or subcommittee and to former employees of the Secretary”.

*Clause 266*

To omit the words “**247 and 248**” (line 15 on page 221), and substitute the words “**247, 248, 333, and 334**”.

*Clause 271*

To insert in *subclause (1)*, after *paragraph (a)* (after line 28 on page 223), the following paragraph:

- (ab) a New Zealand lottery that is highly repetitive or frequently drawn:

To omit from *subclause (3)(a)* the word “by” (line 1 on page 224), and substitute the word “for”.

To insert, after *subclause (4)* (after line 8 on page 224), the following subclause:

- (4A) Without limiting **subsection (4)**, reasonable grounds exist for the purposes of that subsection if the defendant proves that he or she had sighted an evidence of age document of the person to whom the charge relates, indicating that the person was 18 years or over.

*Clause 272*

To omit *subclause (2)* (lines 23 to 25 on page 224), and substitute the following subclause:

- (2) Every corporate society commits an offence that allows a person under 18 years to participate in class 4 gambling at a venue for which it holds a class 4 venue licence.

To omit from *subclause (3)* the words “, or fails to stop a person under 18 years participating” (lines 27 and 28 on page 224), and substitute the words “ a person under 18 years to participate”.

To omit *subclause (5)* (lines 3 to 10 on page 225), and substitute the following subclauses:

- (5) It is a defence to a charge under **subsection (3)** if the defendant proves that he or she had reasonable grounds to believe that the person to whom the charge relates was 18 years or over.
- (5A) Without limiting **subsection (5)**, reasonable grounds exist for the purposes of that subsection if the defendant proves that he or she had sighted an evidence of age document of the person to whom the charge relates, indicating that the person was 18 years or over.

#### Clause 273

To omit *subclauses (2) and (3)* (line 29 on page 225 to line 8 on page 226), and substitute the following subclauses:

- (2) Every holder of a casino operator’s licence commits an offence who allows a person under 20 years—
- (a) to participate in casino gambling; or
  - (b) to enter, or remain in, the gambling area of a casino.
- (3) It is a defence to a charge under **subsection (2)** if the defendant proves that he or she had reasonable grounds to believe that the person to whom the charge relates was 20 years or over.
- (3A) Without limiting **subsection (3)**, reasonable grounds exist for the purposes of that subsection if the defendant proves that he or she had sighted an evidence of age document of the person to whom the charge relates, indicating that the person was 20 years or over.

#### Clause 274

To omit from *subclause (1)* the word “age” (line 20 on page 226), and substitute the words “date of birth”.

To insert in *subclause (3)*, after the word “person” (line 26 on page 226), the words “of the consequences”.

To omit from *subclause (6)* the words “as defined in section 2A of the Sale of Liquor Act 1989” (lines 4 and 5 on page 227).

#### Clause 275

To add the following subclauses (after line 25 on page 227):

- (3) Any money or prize from class 4 gambling that is not claimed under **subsection (2)(b)** within 7 days must be treated as if it were net proceeds of class 4 gambling.

- (4) This section does not apply to any money or prize won in a New Zealand instant game if the winning ticket was purchased before the commencement of this section.

*Clause 278*

To omit from *subclause (3)* the words “licence must post” (lines 10 and 11 on page 229), and substitute the words “operator’s licence must display”.

To add the following subclause (after line 20 on page 229):

- (5) A venue manager, or holder of a casino operator’s licence, who contravenes **subsection (3)** commits an offence and is liable on summary conviction to a fine not exceeding \$5,000.

*Clause 278A*

To omit *subclause (1)* (lines 23 to 30 on page 229), and substitute the following subclause:

- (1) The venue manager or the holder of a casino operator’s licence, or a person acting on behalf of either of those persons, must, after identifying a person under **section 278(4)** who he or she has reasonable grounds to believe is a problem gambler, approach the person and offer information or advice to the person about problem gambling.

*Clause 279*

To insert in *subclause (1)*, after the word “licence” (line 14 on page 230), the words “, or a person acting on behalf of either of those persons,”.

To insert in *subclause (1)*, after the words “class 4” (line 17 on page 230), the word “venue”.

To omit *subclause (3)* (lines 6 to 8 on page 231).

*New clause 279A*

To insert, after *clause 279* (after line 8 on page 231), the following clause:

**279A Requirement to remove person who enters gambling venue in breach of exclusion order**

- (1) A venue manager or the holder of a casino operator’s licence, or a person acting on behalf of either of those persons, must remove any person who enters the gambling area of a class 4 venue or casino venue in breach of an exclusion order issued, or a condition of re-entry imposed, under **section 278A** or **section 279**.
- (2) A member of the police may, if called on to assist a person specified in **subsection (1)** in effecting a removal, use such force as is reasonable in the circumstances to effect the removal.

*Clause 280*

To omit from the heading to this clause the word “**Breach**” (line 9 on page 231), and substitute the words “**Offences relating to breach**”.

To omit *subclause (2)* (lines 20 to 27 on page 231), and substitute the following subclause:

- (2) Every venue manager, or holder of a casino operator's licence, or person acting on behalf of either of those persons, commits an offence who knowingly allows a person to enter the gambling area of a class 4 venue or casino venue, or knowingly fails to remove a person who has entered those areas,—
- (a) in breach of an exclusion order issued under **section 279(1)**; or
  - (b) in breach of a condition of re-entry imposed under **section 279(2)**.

*Clause 281(1)*

To insert, after *paragraph (c)* (after line 12 on page 232), the following paragraph:

- (ca) declaring a venue or class of venue as suitable or unsuitable to be a class 4 venue:

*Clause 282(1)*

To omit from *subclause (1)(a)* the words “region within New Zealand” (lines 32 and 33 on page 233), and substitute the words “area within New Zealand (or both)”.

To insert, after *paragraph (a)* (after line 33 on page 233), the following paragraphs:

- (ab) prescribing policies, procedures, or systems for considering class 4 operator licence applications if maximum limits are set under **subsection (1)(a)** (for example, a sinking lid policy):
- (ac) prescribing transitional and savings provisions if maximum limits are set under **subsection (1)(a)**:

*Clause 285*

To omit *subclause (2)* (lines 16 to 18 on page 236).

To omit *subclause (4)* (lines 29 to 34 on page 236).

*New clause 285A*

To insert, after *clause 285* (after line 34 on page 236), the following clause:

**285A Process for developing integrated problem gambling strategy**

- (1) The department that has responsibility for implementing the problem gambling strategy must do the following things in developing the strategy:
  - (a) undertake a needs assessment; and
  - (b) prepare a strategy in draft; and
  - (c) develop costings for the draft strategy; and
  - (d) in the case of the initial levy period, estimate the costs of the department that has responsibility for the integrated problem gambling strategy during the transition to the strategy in the period before the introduction of the initial levy; and



- (e) take into account any under-recovery or over-recovery of levy in the previous levy period; and
  - (f) estimate annual funding requirements for the strategy for a 3-year period; and
  - (g) estimate, using the formula set out in **section 287**, levy rates for each gambling sector liable to pay the levy; and
  - (h) consult on the matters outlined in **paragraphs (a) to (g)** with—
    - (i) at least 1 representative of corporate societies licensed to operate gaming machines in commercial venues; and
    - (ii) at least 1 representative of corporate societies licensed to operate gaming machines in non-commercial venues; and
    - (iii) at least 1 representative of casino licence holders; and
    - (iv) the New Zealand Racing Board; and
    - (v) the New Zealand Lotteries Commission; and
    - (vi) representatives of the providers of problem gambling services; and
    - (vii) any other groups it believes are likely to be affected significantly by the proposed strategy.
- (2) The department responsible for the integrated problem gambling strategy must then submit the proposed strategy and the proposed levy rates to the Gambling Commission and the responsible Ministers.
- (3) On receipt of the proposed integrated problem gambling strategy and the proposed levy rates, the Gambling Commission, or its expert representative, must convene a meeting to consult on the strategy and the rates.
- (4) At a minimum, the following persons must be requested to attend the meeting referred to in **subsection (3)**:
- (a) the department responsible for the integrated problem gambling strategy;
  - (b) the department responsible for the administration of this Act;
  - (c) 1 or more representatives of gambling operators who will be subject to the levy;
  - (d) 1 or more representatives of providers of problem gambling services;
  - (e) 1 or more representatives of any other groups the Gambling Commission believes are likely to be significantly affected.
- (5) Within 10 working days of the meeting convened under **subsection (3)**, the Gambling Commission must submit a report to the responsible Ministers making recommendations on the total annual amount of the problem gambling levy for the

relevant 3-year period and the levy rate for each gambling sector or each gambling operator or each class of gambling operator that is subject to the levy.

- (6) To avoid doubt, the Gambling Commission may engage an expert under **subsection (3)** in any area that it considers relevant (for example, facilitation or mediation).

#### Clause 286

To omit from *subclause (1)* the word “Minister” (line 3 on page 237), and substitute the words “responsible Ministers after they have considered the report submitted to them by the Gambling Commission under **section 285A(5)**”. To omit *subclause (2)* (lines 8 to 11 on page 237), and substitute the following subclause:

- (2) The purpose of the levy is to recover the cost of developing, managing, and delivering the integrated problem gambling strategy.

To insert in *subclause (3)* after the words “sector of gambling” (line 14 on page 237), the words “or specified sectors of gambling”.

To insert, after *subclause (3)(b)* (after line 18 on page 237), the following paragraph:

- (ba) the levy rate for each gambling operator or each class of gambling operator or each gambling sector:

#### Clause 287

To omit from *subclause (1AA)* the words “the amount of Government funding applied each year for an integrated problem gambling strategy” (lines 12 and 13 on page 238), and substitute the words “the approximate cost of an integrated problem gambling strategy”.

To omit from *subclause (1)* the words “calculate the levy” (line 14 on page 238), and substitute the words “assist in estimating the proposed levy rates”. To omit the formula from *subclause (1)* (lines 16 to 18 on page 238), and substitute the following formula:

$$\text{levy rate} = \frac{((A \times W1) + (B \times W2)) \times C}{D}$$

To omit *items A to E* of the formula in *subclause (1)* (line 20 on page 238 to line 2 on page 239), and substitute the following items:

- A is the estimated current player expenditure in a sector divided by the total estimated current player expenditure in all sectors subject to the levy
- B is the customer presentations to problem gambling services that can be attributed to gambling in a sector divided by total customer presentations to problem gambling services in which a sector that is subject to the levy can be identified
- C is the funding requirement for the period for which the levy is payable

D is the forecast player expenditure in a sector for the period during which the levy is payable

To omit *subclauses (2) and (3)* (line 21 on page 239 to line 34 on page 240), and substitute the following subclauses:

- (2) In calculating the levy rate under **subsection (1)**,—
- (a) **player expenditure**, in amount A,—
- (i) for the New Zealand Racing Board, has the same meaning as **betting profits** in section 4(2) and (3) of the Gaming Duties Act 1971; and
  - (ii) for a gaming machine operator (including the New Zealand Racing Board), has the same meaning as **gaming machine profits** in section 12B of the Gaming Duties Act 1971; and
  - (iii) for a casino operator, has the same meaning as **casino win** in section 12M of the Gaming Duties Act 1971; and
  - (iv) for the Lotteries Commission, means turnover less prizes paid and payable:
- (b) the proposed amounts of A and B, and the periods to which they apply, must take into account the latest, most reliable, and most appropriate sources of information from—
- (i) the Inland Revenue Department on expenditure; and
  - (ii) the department responsible for the integrated problem gambling strategy on customer presentations to problem gambling services:
- (c) the proposed amount of C must take into account—
- (i) the approximate cost to Government of the integrated problem gambling strategy in the 3-year period for which the levy is payable; and
  - (ii) in the case of the initial levy period, the estimated costs of the department that has responsibility for the integrated problem gambling strategy during the transition to the strategy in the period before the introduction of the initial levy; and
  - (iii) any under-recovery or over-recovery of levy in the previous period:
- (d) the proposed amount of D must take into account—
- (i) the latest, most reliable, and most appropriate sources of information on past expenditure available from the Inland Revenue Department; and
  - (ii) advice from the Secretary on an appropriate forecasting method:
- (e) the values of W1 and W2 must be specified in the regulations.

- (3) The problem gambling levy payable by a gambling operator is calculated by multiplying player expenditure by the levy rate calculated for that operator.

To omit *subclause (4)(b)* (lines 1 to 3 on page 241), and substitute the following paragraph:

- (b) the levy may be calculated and collected at intervals of less than a year (for example, weekly, monthly, or quarterly).

*Clause 288*

To omit from *subclause (1)(a)* the words “Totalisator Agency Board” (line 4 on page 242), and substitute the words “New Zealand Racing Board”.

To omit *subclause (1)(b)* (lines 5 to 7 on page 242).

To omit *subclause (2)* (lines 15 to 21 on page 242), and substitute the following subclause:

- (2) To avoid doubt, **sections 286 and 287** authorise an initial levy—
- (a) that commences partway through a financial year; and
  - (b) that is set at a rate sufficient to recover the full cost of an integrated problem gambling strategy for—
    - (i) that financial year; and
    - (ii) each of the other 2 years in the relevant 3-year period; and
    - (iii) in the case of the initial levy period, the full costs of the transition to the strategy incurred in the period before the introduction of the initial levy.

*New clause 288A*

To insert, after *clause 288* (after line 21 on page 242), the following clause:

**288A Early reconsideration**

If the department responsible for the integrated problem gambling strategy considers that a significant change in the gambling environment warrants an earlier reconsideration of the strategy or the levy or the levy rates, it may initiate the process in this subpart within the 3-year period.

*Clause 289B*

To omit *subclauses (1) and (2)* (lines 2 to 10 on page 243), and substitute the following subclauses:

- (1) In this section, the **problem gambling committee** means the body that was approved under section 116ZJ of the Gaming and Lotteries Act 1977.
- (1A) The problem gambling committee must prepare and provide the following documents to the Minister, within 3 months after the expiry of its last financial year or within a longer period if the Minister allows:
- (a) a report on the meetings and activities of the committee during that financial year or longer period; and

- (b) a copy of the committee's audited accounts for the committee's final year or, if the committee's final accounts span a longer period, that longer period.
- (1B) The Minister must present the report and audited accounts to the House of Representatives as soon as practicable after the Minister receives them.
- (2) The problem gambling committee may agree with the department responsible for the integrated problem gambling strategy, to transfer its assets, property, rights, and liabilities to that department or may authorise that department to act on its behalf in providing any goods or services, or in managing assets or liabilities.

*Clause 289C*

To omit this clause (lines 16 to 19 on page 243).

*Clause 295(3)*

To omit the expression "**section 297**" (line 12 on page 247), and substitute the words "**sections 296A to 299**".

*Clause 296*

To omit the words "The functions of a gambling inspector are to ensure, to the extent that is practicable, compliance with this Act by—" (lines 20 and 21 on page 247), and substitute the words "A gambling inspector must ensure, to the extent that is reasonably practicable, compliance with this Act by carrying out the following functions:".

To omit *paragraph (c)* (lines 27 to 29 on page 247), and substitute the following paragraph:

- (c) conducting compliance audits of all aspects of the operations of societies, businesses operating at class 4 venues, and grant recipients, to the extent that is necessary to determine compliance with this Act:

To omit from *paragraph (d)* the words "assisting in the prosecution of" (lines 30 and 31 on page 247), and substitute the word "prosecuting".

*Clause 296A*

To omit from *subclause (1)* the words "in writing" (line 8 on page 248).

To insert, after *subclause (1)* (after line 14 on page 248), the following subclause:

- (1A) A person required to provide information under **subsection (1)** must provide the information as promptly as is reasonable in the circumstances.

To insert in *subclause (2)*, after the words "A person" (line 15 on page 248), the words "(other than a licence holder)".

To insert in *subclause (3)*, after the words "a person" (line 18 on page 248), the words "(other than a licence holder)".

*Clause 297*

To omit from *subclause (1)* the words "an inspection" (line 24 on page 248), and substitute the words "his or her functions".

To insert in *subclause (5)*, after the words “A person” (line 28 on page 249), the words “(other than a licence holder)”.

To insert in *subclause (6)*, after the words “a person” (line 31 on page 249), the words “(other than a licence holder)”.

*Clause 298*

To omit this clause (lines 1 to 18 on page 250), and substitute the following clauses:

**298 Power of gambling inspector to seize equipment in casino venue**

- (1) A gambling inspector may, while in a casino venue, seize any gambling equipment, device or thing if the inspector has reasonable grounds to believe it will be evidence of the commission of an offence against sections **312 to 314**.
- (2) A gambling inspector may exercise the power set out in **subsection (1)** only after he or she has given the person from whom the gambling equipment, device, or thing is proposed to be seized the opportunity to surrender the item to the inspector.
- (3) When exercising the power of seizure set out in **subsection (1)**, a gambling inspector may use such force as is reasonable in the circumstances.
- (4) To avoid doubt, **subsection (1)** does not authorise a gambling inspector to search any person.
- (5) A gambling inspector who exercises powers under this section must show his or her warrant of appointment to any person at the casino who may be interested in, or affected by, the exercise of those powers.

Compare: 1990 No 62 s 87

**298A Power of gambling inspector to seize equipment in public place**

- (1) A gambling inspector may, while in a public place, seize any gambling equipment, device, or thing if the inspector has reasonable grounds to believe it will be evidence of an offence.
- (2) A gambling inspector may exercise the power set out in **subsection (1)** only after he or she has given the person from whom the gambling equipment, device, or thing is proposed to be seized the opportunity to surrender the item to the inspector.
- (3) When exercising the power set out in **subsection (1)**, the gambling inspector may use such force as is reasonable in the circumstances.
- (4) To avoid doubt, **subsection (1)** does not authorise a gambling inspector to search any person.

- (5) A gambling inspector who exercises powers under this section must show his or her warrant of appointment to any person at the place who may be interested in, or affected by, the exercise of those powers.
- (6) In this section, **offence** means—
  - (a) an offence against this Act; or
  - (b) a crime involving dishonesty that involves or relates to gambling.

**298B Return of equipment seized under section 298 or section 298A**

- (1) A gambling inspector must, if practicable, serve notice on the person from whom any gambling equipment, device, or thing has been seized under **section 298(1)** or **section 298A(1)**, or who has surrendered any item to the inspector in accordance with those sections, setting out particulars of the equipment, device, or thing and the date on which it was taken into the inspector's possession.
- (2) The person on whom notice is served may, after 48 hours after the notice is served, apply to the District Court for an order directing that the inspector return any gambling equipment, device, or thing specified in the order to the person.

Compare: 1990 No 62 ss 88–89

*New clause 305A*

To insert, after *clause 305* (after line 12 on page 253), the following clause:

**305A Disposal of things seized under search warrant**

- (1) In any proceedings for an offence relating to any thing seized under warrant, the court may order, either at the trial or hearing or on an application, that the thing be delivered to the person appearing to the court to be entitled to it, or that it be otherwise disposed of in any manner that the court thinks fit.
- (2) A gambling inspector or member of the police may, at any time, unless an order has been made under **subsection (1)**, return the thing to the person from whom it was seized, or apply to a District Court Judge for an order for its disposal.
- (3) On any such application, the District Court Judge may make any order that a court may make under **subsection (1)**.
- (4) If proceedings for an offence relating to the thing are not brought within 3 months of its seizure, any person claiming to be entitled to the thing may, after the expiry of that period, apply to a District Court Judge for an order that it be delivered to him or her.
- (5) On any such application, the District Court Judge may—
  - (a) adjourn the application, on any terms that he or she thinks fit, for proceedings to be brought; or

- (b) make any order that a court may make under **subsection (1)**.

*Clause 307A*

To omit from the heading to this clause the words “**casino gambling**” (line 3 on page 255), and substitute the words “**gambling in casino**”.

To omit from *subclause (1)* the words “participate in casino gambling” (lines 4 and 5 on page 255), and substitute the words “gamble in a casino”.

To insert in *subclause (3)*, after the word “section” (line 15 on page 255), the words “commits an offence and”.

*Clause 312(2)*

To omit this *subclause* (lines 22 to 28 on page 256), and substitute the following subclause:

- (2) Every person who commits an offence against **subsection (1)** is liable on summary conviction to a term of imprisonment not exceeding 1 year or to a fine not exceeding \$20,000.

*Clause 319*

To omit from *subclause (2)* the words “, except that the Secretary may retain the portion of the fees approved by the Minister of Finance for expenses related to collection” (lines 31 to 33 on page 261).

To omit *subclause (3)* (lines 1 to 3 on page 262).

*Clause 320(a)*

To insert, after the word “regulations” (line 16 on page 262), the words “or game rules”.

*Clause 324AA*

To omit from *subclause (2)* the words “**39(1), 41(5), 54(1), 56(5), 70(1), 72(5), 119A(2), (5), and (6), 119B(2), 119D(2), (5), and (6), 119E(2) and (5), 121(2), 122(1) and (2), 123(2), 125A(4) and (5), 130(3), 138(2) and (5), 142(6), 144, 147(5), 181(1), 183(2), or 298(2),**” (lines 25 to 28 on page 264), and substitute the following words “**39(1), 41(2), 54(1), 56(2), 70(1), 72(2), 119A(2), 119B(2), 119D(2), 119E(2), 121(2), 125A(2), 138(2), 142(6), 147(2), 181(1), 183(2) 296A(1), or 298(2),**”.

To insert in *subclause (3)*, after *paragraph (b)* (after line 36 on page 264), the following paragraph:

- (ba) a notification to the Secretary under **section 80(1)**; or

*Clause 324*

To omit *subclause (1)(a)* (line 9 on page 265), and substitute the following subclause:

- (a) holders of class 3 operator’s licences, class 4 operator’s licences, class 4 venue licences, casino licences, licensed promoter’s licences, and certificates of approval; and

To omit from *subclause (1)(b)* the expression “1971”(line 11 on page 265), and substitute the expression “2003”.

To omit from *subclause (2)(b)* the expression “1971”(line 17 on page 265), and substitute the expression “2003”.



To add the following subclause (after line 17 on page 265):

- (3) A person who is required by the Secretary to provide information under **subsection (1) or subsection (2)** must provide that information within 10 working days, or any longer time frame that the Secretary may allow.

*Clause 326*

To omit from *subclause (1)* the words “, by notice in the *Gazette*,” (line 23 on page 265), and substitute the words “and amend or revoke rules made”.

To insert, after *subclause (1)* (after line 26 on page 265), the following subclauses:

- (1A) The Secretary must publish a notice in the *Gazette* containing the following information, as soon as reasonably practicable after making, amending, or revoking game rules under **subsection (1)**:
  - (a) a statement that game rules have been made, amended, or revoked;
  - (b) the date on which the game rule, amendment, or revocation takes effect;
  - (c) a statement that a copy of the game rules, amendment, or revocation may be obtained from the Secretary, and how it may be obtained.
- (1B) A rule, amendment, or revocation made under **subsection (1)** does not take effect before the notice in the *Gazette* about that rule, amendment, or revocation, required by **subsection (1A)**, takes effect.

To omit from *subclause (5)* the words “A notice under” (line 6 on page 266), and substitute the words “A game rule made, amended, or revoked”.

*Clause 329*

To insert in *subclause (1)*, after the words “costs of” (line 4 on page 268), the words “the Secretary, the Gambling Commission, or the Police in”.

To insert, after *subclause (1)* (after line 8 on page 268), the following subclause:

- (1A) Examples of the costs that may be recovered include—
  - (a) the cost of processing applications;
  - (b) the costs of issuing licences or certificates;
  - (c) the cost of funding the gambling inspectorate;
  - (d) the costs of providing, operating, and maintaining systems, databases or other processes in connection with the administration of this Act;
  - (e) the costs of services provided by third parties (for example, credit checking agencies).

To insert in *subclause (2)*, after the word “may” (line 9 on page 268), the word “specify”.

To omit from *subclause (2)* the word “specify” wherever it appears (lines 10, 12, 14, and 16 on page 268).

*Clause 330(1)*

To insert, after *paragraph (c)* (after line 32 on page 268), the following paragraph:

- (ca) specifying the time frame within which, and the accounts into which, the profits from class 4 gambling must be banked:

*New clause 330A(1)*

To omit the expression “286,” (line 17 on page 269).

*New clause 330B*

To insert, after *clause 330A* (after line 34 on page 269), the following clause:

**330B Amendments to Casino Control Act 1990 and Gaming and Lotteries Act 1977**

The Casino Control Act 1990 and the Gaming and Lotteries Act 1977 are amended in the manner set out in **schedule 4B**.

*Clause 331*

To omit the word “indicated” (line 3 on page 270), and substitute the words “set out”.

*Clause 332*

To omit *subclause (1)* (line 5 on page 270), and substitute the following subclause:

- (1) The following Acts are repealed:
  - (a) Casino Control Act 1990 (1990 No 62);
  - (b) Gaming and Lotteries Act 1977 (1977 No 84).

*Clause 333*

To omit from *subclause (1)* the word “subsection” (line 14 on page 270), and substitute the word “section”.

To omit *subclause (1)(a) to (e)* (lines 17 to 27 on page 270), and substitute the following paragraph:

- (a) all regulations made under the previous gaming Acts currently in force:

To omit *subclauses (2) and (3)* (lines 4 to 11 on page 271), and substitute the following subclauses:

- (2) Until all of **subpart 4 of Part 2** is in force, both the Gaming and Lotteries Act 1977 and those relevant parts of this Act in force, apply to existing gaming machine licences.
- (3) However, if there is any inconsistency between the provisions of this Act and any provisions of the Gaming and Lotteries 1977, this Act prevails.

To add the following clause (after line 11 on page 271):

**334 Decisions during transitional period**

- (1) This section applies to applications made under the previous gaming Acts to the Minister, the Secretary, the Casino Control Authority, or a Court.
- (2) An application that is decided in the period from the date on which this Act receives the Royal assent until the date of repeal of the previous gaming Acts must be based on both the previous gaming Acts and any relevant parts of this Act currently in force.
- (3) An application that is received but not decided before the repeal of the previous gaming Acts (except an application concerning class 4 gambling) must be based solely on this Act.
- (4) An application concerning class 4 gambling that is decided in the period from the date of repeal of the previous gaming Acts and until the date on which all of **subpart 4 of Part 2** of this Act comes into force must be based on the previous gaming Acts and the relevant parts of this Act then in force.
- (5) An application concerning class 4 gambling that is not decided before all of **subpart 4 of Part 2** comes into force must be decided solely on the basis of this Act.
- (6) For the purposes of **subsections (2) and (4)**, if there is any inconsistency between the provisions of this Act and any provisions of the previous gaming Acts, this Act prevails.

*Schedule 1*

To insert, after *clause 8* (after line 14 on page 275), the following clause:

- 8A Conditions regulating the number of gaming machines and table games, and the ratio of one to the other, and player space and positions at tables and machines.

*Schedule 4A*

To insert, after the item relating to **s 75B** (after line 3 on page 318), the following item:

s 75C	Obligation to provide information on disposal of gaming machines	\$2,500
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To insert, after the item relating to **s 75D** (after line 5 on page 318), the following items:

s 92AAA	Requirement to bank gaming machine profits	\$2,500
s 92AA	Requirement to bank interest, investment return, etc, on gaming machine profits	\$2,500

To insert, after the item relating to **s 92D** (after line 5 on page 318), the following item:

s 96	Failure to provide information Secretary requires for investigation and audit	\$2,500
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To insert, after the item relating to **s 100** (after line 7 on page 318), the following item:

s 148(2)	Operating outside restricted hours	\$5,000
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To insert, after the item relating to **s 151** (after line 9 on page 318), the following items:

s 152	Failure to provide training for employees	\$2,500
s 154A	Obligation to provide information on disposal of gaming machine	\$2,500

To omit the item relating to **s 177(2)(c)** (line 8 on page 318), and substitute the following item:

s 175	Licensed promoter may only be employed by society as licensed promoter	\$500
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To insert, after the item relating to **s 273(1)** (after line 18 on page 318), the following item:

s 278(5)	Requirement to display notice of policy for identifying problem gamblers	\$2,500
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*New Schedule 4B inserted*

To insert, after *Schedule 4A* (after page 318), the following Schedule:

**Schedule 4B** s 330B  
**Amendments to Casino Control Act 1990 and  
Gaming and Lotteries Act 1977**

**Casino Control Act 1990** (1990 No 62)

Repeal the heading above section 27A and substitute:

*“Prohibition”.*

Repeal from the heading to section 27A the words **“Moratorium on considering applications received between 16 October 1997 and 15 October 2003”** and substitute the words **“Prohibition on considering applications received on or after 16 October 1997”**.

Repeal section 27A(1) and substitute:

“(1) Subsection (2) applies to every application for a casino premises licence received by the Authority on or after 16 October 1997.”

Repeal section 27A(3).

Omit from section 27A(4) the word “moratorium” and substitute the word “prohibition”.

Repeal section 27B.

**Gaming and Lotteries Act 1977** (1977 No 84)

Repeal section 116ZF(b).

Repeal section 116ZG(a) and substitute:

“(a) to use the amount that the committee has determined must be provided in the financial year beginning on 1 July 2003—

“(i) primarily to purchase problem gambling services; and

“(ii) secondarily to meet reasonable administrative costs of the committee; and”.

Repeal section 116ZJ(4)(c).

**Gaming and Lotteries Act 1977 (1977 No 84)—continued**

Repeal section 116ZJ(4)(d) and substitute:

“(d) the committee is capable of ensuring that every sector of the gaming industry represented on the committee (except societies) pays an appropriate amount towards the amount that the committee has determined will be provided in the financial year beginning on 1 July 2003 for—

“(i) the purchase of problem gambling services by the committee; and

“(ii) the reasonable administrative costs of the committee.”

Repeal section 116ZP and substitute:

**“116ZP Transitional levy until 30 June 2004**

“(1) This section applies to—

“(a) a society that is granted a new licence in the period beginning on 1 October 2003 and ending on 30 June 2004:

“(b) a society whose licence is due to expire in the period beginning on 30 September 2003 and ending on 29 June 2004 that has applied for a renewal of the licence before the date on which it is due to expire:

“(c) a society whose application for a renewal of its licence was made—

“(i) before 1 October 2002; and

“(ii) before the expiry of its existing licence; and

“(iii) that has not been determined at the commencement of this section.

“(2) A society to which—

“(a) **subsection (1)(a) or (c)** applies must pay, for each gaming machine that is subject to its licence, the levy prescribed in **Part 1 of Schedule 4**,—

“(i) in the case of **subsection (1)(a)**, for the month in which its licence is granted:

“(ii) in the case of **subsection (1)(c)**, as if the society had been granted a new licence in the month in which the anniversary of the original commencement of its licence falls due:

“(b) **subsection (1)(b)** applies must pay, for each gaming machine that is subject to its licence, the levy prescribed in **Part 2 of Schedule 4** for the period in which its licence is due to expire.

“(3) The levies must be paid to the Secretary for Internal Affairs.

“(4) The levy amounts prescribed in **Schedule 4** are inclusive of goods and services tax.”

Repeal section 116ZQ.

Repeal section 116ZR(2) and substitute:

**Gaming and Lotteries Act 1977** (1977 No 84)—continued

“(2) Every additional levy payable under **subsection (1)** is the amount per gaming machine that would be payable by the society under **section 116ZP(1)(a)** if the application for amendment were an application for a new licence.”

Add to the heading to section 116ZS the words “**paid under problem gambling levy regulations**”.

Insert, before section 116ZS(1), the following subsections:

“(1AAA) This section applies to a society that has paid a levy under the Gaming and Lotteries (Problem Gambling Levy) Regulations 2002 (the **regulations**).

“(1AA) Except where subsection (2) applies, payments of levy under the regulations by a society whose licence is due to expire in the period beginning on 30 June 2003 and ending on 29 September 2003 must be treated as payments for the period ending on 30 June 2004.”

Repeal section 116ZS(3).

Repeal section 116ZS(4)(b) and substitute:

“(b) within the specified period of time the licence is amended so as to reduce the number of gaming machines subject to the licence,—

a refund must be paid at the rate of \$24.75 (including GST) for each gaming machine that is no longer subject to the licence for every whole month from the time of the reduction to the earlier of either—

“(i) the date on which the licence is due to expire; or

“(ii) **30 June 2004**.”

Repeal section 116ZS(5) to (7).

Insert, after section 116ZS:

**116ZSA Refunds of levies paid under section 116ZP**

“(1) This section applies to a levy paid by a society under **section 116ZP**.

“(2) A refund payable under this section must be paid—

“(a) by the Department, from the trust bank account referred to in section 116ZV(1)(b); or

“(b) by the problem gaming committee, if there are insufficient funds in the trust bank account to pay the refund.

“(3) If a society has paid a levy in error, the levy must be refunded.

“(4) If a licence is amended in a way that reduces the number of gaming machines subject to the licence, a refund for each gaming machine must be paid that is equal to the amount prescribed by **Part 1 of Schedule 4** as if the society’s licence had been granted in the month following the month in which the society applied for the amendment.”

Insert, after section 116ZW:

**Gaming and Lotteries Act 1977 (1977 No 84)—continued**

**“116ZX Regulations revoked**

The Gaming and Lotteries (Problem Gambling Levy) Regulations 2002 (SR 2002/219) are revoked.”

Add:

**Schedule 4** s 116ZP(2)  
**Transitional levy until 30 June 2004**

Part 1

Levy for purposes of section 116ZP(1)(a) and (c)

Month in which society’s licence granted	Levy (\$)
October 2003	411
November 2003	366
December 2003	320
January 2004	274
February 2004	229
March 2004	183
April 2004	137
May 2004	91
June 2004	46

Part 2

Levy for purposes of section 116ZP(1)(b)

Period in which society’s licence due to expire	Levy (\$)
30 September 2003 to 30 October 2003	411
31 October 2003 to 29 November 2003	366
30 November 2003 to 30 December 2003	320
31 December 2003 to 30 January 2004	274
31 January 2004 to 28 February 2004	229
29 February 2004 to 30 March 2004	183
31 March 2004 to 29 April 2004	137
30 April 2004 to 30 May 2004	91
31 May 2004 to 29 June 2004	46

*Schedule 5*

To omit this Schedule (pages 319 to 325), and substitute the following Schedule:

**Schedule 5** s 331  
**Amendments to Racing Act 2003**

**Section 5(1)**

Insert, in the appropriate alphabetical order:

“**Board operator** means the person supervising a Board venue

“**Board venue** means premises that are owned or leased by the Board and where the main business carried on at the premises is providing racing betting or sports betting services under this Act

“**harm** has the same meaning as in section 4(1) of the Gambling Act 2002

**Section 5(1)**—continued

“**problem gambler** has the same meaning as in section 4(1) of the Gambling Act 2002

“**Secretary** means the Secretary for Internal Affairs

“**territorial authority**—

“(a) has the same meaning as in section 5(1) of the Local Government Act 2002; but

“(b) does not include the Minister of the Crown who is, for the time being, responsible for that Act

“**territorial authority consent** means consent granted by a territorial authority under **section 65C**

“**territorial authority district** means a district in respect of which a territorial authority is constituted.”

**Section 61**

Repeal and substitute:

“61 **Use of betting systems for gaming purposes, etc**

“(1) The Board may operate a totalisator, or any other betting system for the time being authorised under this Act, for the purpose of, or in conjunction with, class 3 gambling conducted by a society that holds a licence under **section 32** of the Gambling Act 2002.

“(2) The operation of a totalisator or other betting system under **subsection (1)** is subject to the provisions of the Gambling Act 2002, and to all the game rules and conditions of the licence that apply to the class 3 gambling for which the operation is being carried out.

“(3) Despite the Gambling Act 2002, the Board may pay its employees for operating, or assisting in the operation of, a totalisator or other betting system, but the payment (or any part of it) may not be charged to, or be recoverable from, the society on whose behalf the operation is carried out.

Compare: 1971 No 155 ss 99S, 99T”.

**Section 63**

Repeal and substitute:

“63 **Restrictions on betting**

“(1) Every person commits an offence who,—

“(a) being under 18 years, makes a bet, whether on his or her own behalf or on behalf of another person; or

“(b) makes a bet on behalf of any person under 18 years.

“(2) Every member, officer, agent or employee of a racing club, or of the Board, or of an agent of the Board, commits an offence who—

“(a) receives, registers, or takes into account a bet by a person under 18 years, whether the bet is made by that person on his or her own behalf or on behalf of any other person; or



**Section 63**—continued

- “(b) permits to be received, registered, or taken into account a bet by a person under 18 years, whether the bet is made by that person on his or her own behalf or on behalf of any other person; or
  - “(c) offers or provides credit to any person if he or she knows, or ought to know, that the credit is intended to be used to make a bet.
- “(3) It is a defence to a charge under **subsection (2)(a) or (b)** if the defendant proves that he or she had reasonable grounds to believe the person to whom the charge relates was 18 years or over.
- “(4) Without limiting **subsection (3)**, reasonable grounds exist for the purposes of that subsection if the defendant proves that he or she had sighted an evidence of age document of the person to whom the charge relates, indicating that the person was 18 years or over.
- “(5) Every person who commits an offence against this section is liable on summary conviction to,—
- “(a) in the case of an offence against **subsection (1)(a)**, a fine not exceeding \$500;
  - “(b) in the case of an offence against **subsection (1)(b)**, a fine not exceeding \$1000;
  - “(c) in the case of an offence against **subsection (2)(a) or (b)**, a fine not exceeding \$5,000;
  - “(d) in the case of an offence against **subsection (2)(c)**, a fine not exceeding \$10,000;
- “(6) In this section and **section 63A**,—
- “**bet** means a bet made with the Board (whether directly or through a racing club or other agent) or a racing club conducting equalisator betting
  - “**evidence of age document** has the same meaning as in section 2A of the Sale of Liquor Act 1989.
- Compare: 1971 No 155 s 100(1)–(3), (7)

**63A Power to require particulars**

- “(1) If any member of the police, or any member, officer, agent or employee of a racing club, or of the Board, or of an agent of the Board (as the case may be) has reasonable grounds to believe that a person has committed, is committing, or is attempting to commit an offence under **section 63(1)(a)**, he or she may demand from that person an evidence of age document verifying his or her age.
- “(2) Every person commits an offence who, being required under **subsection (1)** to give information regarding his or her age, fails to give that information, or supplies any false information relating to his or her age.

**Section 63**—continued

“(3) Every person who commits an offence against **subsection (2)** is liable on summary conviction to a fine not exceeding \$500.

Compare: 1971 No 155 s 100(4), (5).”

**New Parts 6A and 6B**

Insert, after section 65:

**“Part 6A****“Territorial authority consent****“65A When territorial authority consent is required**

A territorial authority consent is required if the Board proposes to establish a Board venue.

**“65B Application for territorial authority consent**

“(1) An application for a territorial authority consent must be made to the territorial authority for the district in which the Board venue will be located.

“(2) The application must be accompanied by the information required by the territorial authority to enable it to consider the application properly.

**“65C Considering and determining application for territorial authority consent**

“(1) A territorial authority must—

“(a) consider an application for a territorial authority consent in accordance with its Board venue policy; and

“(b) either grant or refuse a consent.

“(2) The territorial authority must notify the Board and the Secretary of its determination within 30 working days after the later of—

“(a) the date of receipt of the application; or

“(b) the date that it adopts a Board venue policy.

“(3) A territorial authority must not consider an application for territorial authority consent before it has a Board venue policy.

**“65D Territorial authority must adopt Board venue policy**

“(1) A territorial authority must, within 6 months after the commencement of this section, adopt a policy on Board venues.

“(2) In adopting a policy, the territorial authority must have regard to the social impact of gambling within the territorial authority district.

“(3) The policy must specify whether or not new Board venues may be established in the territorial authority district and, if so, where they may be located.

“(4) In determining its policy on whether Board venues may be established in the territorial district and where any Board

**New Parts 6A and 6B—continued**

venues may be located, the territorial authority may have regard to any relevant matters, including—

- “(a) the characteristics of the district and parts of the district:
- “(b) the location of kindergartens, early childhood centres, schools, places of worship, and other community facilities:
- “(c) the cumulative effects of additional opportunities for gambling in the district.

**“65E Adoption and review of Board venue policy**

“(1) A policy on Board venues under **section 65D** must be adopted in accordance with the special consultative procedure in section 83 of the Local Government Act 2002 and, for the purpose of subsection (1)(e) of that section, the territorial authority must give notice of the proposed policy, in a manner that the territorial authority considers appropriate to—

- “(a) the Board; and
- “(b) organisations representing Māori in the territorial authority district.

“(2) A policy may be amended or replaced only in accordance with the special consultative procedure, and this section applies to that amendment or replacement.

“(3) **Subsection (1)(b)** does not affect the ability of a territorial authority to take similar action in respect of any other population group.

“(4) A territorial authority must, as soon as practicable after adopting, amending, or replacing a policy on Board venues, provide a copy of the policy to the Board and the Secretary.

“(5) A territorial authority must complete a review of a policy within 3 years after the policy is adopted and then within 3 years after that review and each subsequent review is completed.

“(6) A policy does not cease to have effect because it is due for review or being reviewed.

**“Part 6B**

**“Harm prevention and minimisation**

**“65F Regulations relating to harm prevention and minimisation**

The Governor-General may, by Order in Council, make regulations for all or any of the following purposes:

- “(a) prescribing requirements for the design, layout, and furnishing of a Board venue:
- “(b) prescribing the information or messages that the Board must provide to persons about racing betting and sports betting at the venue:

**New Parts 6A and 6B—continued**

- “(c) prescribing codes requiring the advertising of racing betting, sports betting, racecourses, and Board venues to be responsible:
- “(d) requiring the Board to provide problem gambling awareness training for employees involved in supervising racing betting and sports betting at Board venues:
- “(e) prescribing systems or processes ancillary to racing betting and sports betting, including the availability of automatic teller machines at a Board venue:
- “(f) prescribing any other requirements relating to harm prevention or minimisation.

**“65G Regulations relating to admission to and exclusion from Board venues**

- “(1) The Governor-General may, by Order in Council, make regulations controlling or prohibiting admission to Board venues.
- “(2) The regulations may exclude from a Board venue any specified class or classes of person, either absolutely or subject to any special conditions that may be specified in the regulations.
- “(3) Every person who enters, or remains on, a Board venue in breach of a regulation made under this section must be treated as having committed an offence under section 4 of the Trespass Act 1980 and is liable accordingly.

**“65H Regulations relating to exclusion of problem gamblers from Board venues and racecourses**

- “(1) The Governor-General may, by Order in Council, make regulations—
  - “(a) prescribing 1 or more procedures to enable a Board operator or racing club to identify problem gamblers:
  - “(b) prescribing procedures for prohibiting identified problem gamblers from entering a Board venue or racecourse:
  - “(c) prescribing procedures for removing a person who a Board operator or racing club has reasonable grounds to believe is a problem gambler:
  - “(d) ensuring that access to Board venues and racecourses by identified problem gamblers is restricted:
  - “(e) prescribing 1 or more procedures that must be completed by a problem gambler as a condition of re-entry to a Board venue or racecourse.
- “(2) Regulations made under **subsection (1)** must—
  - “(a) specify the grounds on which a person may be identified as a problem gambler:
  - “(b) set out the steps to be taken to identify a person as a problem gambler:

**New Parts 6A and 6B—continued**

- “(c) prescribe the persons (including the qualifications of those persons) who are authorised to perform specific functions in relation to identifying and excluding problem gamblers:
- “(d) set out the rights, including the rights of appeal against specified decisions, of a person who is subject to the procedure.

**“65I Board must pay problem gambling levy**

The Board must pay a problem gambling levy in accordance with **sections 285 to 289B** of the Gambling Act 2002 and regulations made under that Act.

**“65J Board must provide information to Secretary**

- “(1) The Secretary may require information from the Board for research, and policy analysis and development, associated with the purposes of the Gambling Act 2002.
- “(2) The Secretary may require from the Board any information necessary to calculate, administer, and collect the problem gambling levy payable under **section 65I**.
- “(3) If required by the Secretary to provide information under **subsection (1) or (2)**, the Board must provide that information within 10 working days or any longer time that the Secretary may allow.”

*Schedule 6*

To omit lines 1 to 4 on page 328, and substitute the following definition:

**“dutiable game—**

- “(a) means gambling by means of a gaming machine under the Gambling Act 2002; but
- “(b) does not include casino gambling as defined in **section 29** of that Act”.

To omit lines 17 to 25 on page 328, and substitute the following item:

Repeal the definition of **authorised game** in section 12M.

To insert, after line 28 on page 328, the following item:

Insert, after the definition of **casino** in section 12M:

**“casino gambling** has the same meaning as in **section 29** of the Gambling Act 2002”.

To insert, after line 8 on page 329, the following items:

Omit from paragraph (b) of the definition of **gaming income** in section 12M the words “authorised game” and substitute the words “casino gambling”.

Repeal the definition of **play** in section 12M and substitute:

“**play**, in relation to casino gambling, includes participate in or commence that gambling”

To omit from the heading to the item relating to the Securities Amendment Act 1988, the words “**Securities Amendment**” (line 4 on page 332), and substitute the words “**Securities Markets**”.

To omit the item relating to the Sport, Fitness, and Leisure Act 1987 (lines 29 to 32 on page 332).

To insert, after line 19 on page 333, the following item:

Insert in section 87(5)(a)(i), after the expression “(e),” the expression “(ea),”.

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### Explanatory note

This Supplementary Order Paper amends the Gambling Bill.

#### *Policy amendments*

*Clause 2*, which relates to the commencement of the Bill, is amended to substitute *subclause (1)* and to insert *new subclause (1A)*. The substituted *subclause (1)* brings several other provisions of the Bill into force on the day after the date on which the Bill receives the Royal assent. These include—

- *new clauses 8A to 8D* (which relate to the prohibition on the grant of any further casino venue licences and on any increase in casino gambling):
- *clause 29* (which relates to the meaning of **casino gambling**):
- *clauses 83(4), 84(8), and 85(3)* (which provide that the limits and conditions on gaming machine numbers may be overridden by regulations made under *clause 282*):
- *new clause 87A* (which provides that the Secretary’s power to issue, renew, or amend a class 4 operator’s licence or class 4 venue licence may be overridden by regulations made under *clause 282*):
- *clause 282* (which authorises the making of regulations relating to gaming machines in class 4 venues):
- *clauses 285 to 289B* (which set out the procedures for developing an integrated problem gambling strategy and setting the problem gambling levy and rates):
- *clause 330A* (as far as it relates to *clause 282*, which relates to consultation requirements when making regulations):
- *clause 333(2) and new clause 334* (which relate to decisions concerning licences and applications for licences during the transitional period before all provisions of the Bill are in force):
- the amendments to the Casino Control Act 1990 set out in *new Schedule 4B* (which relate to the prohibition on considering casino premises licence applications received on or after 16 October 1997).

*New subclause (1A)* brings the amendments to the Gaming and Lotteries Act 1977 (which are to be inserted by *new Schedule 4B*) into force on **1 October 2003**. These amendments relate to the problem gambling levy that is payable by non-casino gaming machine operators in the transitional period until all provisions of the Bill are in force.

*Clause 4(1)* (which relates to interpretation) is amended—

- to substitute the definitions of **authorised chip, broadcaster, gambling area, problem gambler, and territorial authority**;
- to insert definitions of **housie, racing club, racing code, and responsible Ministers**;
- to omit the definitions of **galloping conference, greyhound conference and harness conference**, which are now covered by the definition of **racing code** set out in section 5(1) of the Racing Act 2003;
- to omit the definition of **authorised game**;
- to amend the definitions of **New Zealand lottery, remote interactive gambling, and sales promotion scheme** in relation to remote interactive gambling;
- to make technical amendments to the definitions of **associated person, authorised purpose, bookmaking, corporate society, gambling, gambling equipment, gaming machine, key person, lottery, net proceeds, prize competition, relevant offence, sales promotion scheme, venue manager, and venue operator**.

*Clause 4* is also amended to insert *new subclause (1A)*, which provides that, for the purposes of the Bill, **evidence of age document** has the same meaning as in the Sale of Liquor Act 1989.

*New clauses 8A to 8C* are inserted to make it explicit that there will be no further casino venue licences granted under the Bill and there is to be no increase in the opportunities for casino gambling. *New clause 8D* provides that no compensation is payable by the Crown to any person for any loss or damage arising from the enactment or operation of *clauses 8A to 8C*.

*Clause 60(2)* (which relates to applications for class 4 venue licences) is amended—

- to insert *new paragraph (ab)*, which provides that an application must be accompanied by a description of the venue and its location; and
- to insert *new paragraph (ha)*, which provides that an application must be accompanied by evidence that any gambling equipment the applicant proposes to operate at the venue is not financed by the manufacturer, distributor, or vendor of the equipment; and
- to insert *new paragraph (k)*, which provides that an application must be accompanied by evidence that the proposed venue is suitable in all other respects to be a class 4 venue.

*Subclause (3A)* is also amended to reflect the commencement of the Racing Act 2003.

*Clause 62(1)* (which relates to the grounds for granting a class 4 venue licence) is amended—

- to insert *new paragraphs (ga) and (ma)*, which provide that the Secretary must refuse to grant a class 4 venue licence unless the Secretary is satisfied of the matters set out in proposed *new clause 60(2)(ha) and (k)*:
- to substitute *new paragraph (la)*, to reflect the passage of the Racing Act 2003:
- to insert *new paragraph (mb)*, which provides that the Secretary must refuse to grant a licence unless the Secretary is satisfied that there are no other factors that are likely to detract from achieving the purposes of the Bill.

*Clause 62(2)* is amended to include that if the Secretary decides to refuse to grant a class 4 venue licence, and there is a class 4 venue agreement, the Secretary must notify the parties to the agreement and the venue manager.

*Clause 65* (which relates to the content and conditions of a class 4 licence) is amended by adding *new subclause (5)*, to clarify that the primary activity of a class 4 venue that is a racecourse includes the provision of sports, recreation, entertainment, and convention facilities, as well as holding race meetings. Several other technical amendments are also made to the clause.

*Clause 75D(1)* is amended to limit the prohibition on operating gaming machines that incorporate functioning banknote acceptors at class 4 venues only to gaming machines that incorporate a banknote acceptor that is able to accept denominations of more than \$20. *Subclause (2)* is omitted because it is intended that this prohibition now relate to all gaming machines, rather than just machines to which a class 4 venue licence applies after the commencement of the clause. *Clause 154B*, which relates to prohibition on banknote acceptors on gaming machines in casino venues, is amended to the same effect.

*Clause 198(1)* (which relates to the Gambling Commission's functions) is amended in several respects. *Paragraph (g)* is amended to reflect the Gambling Commission's role in considering appeals against decisions of the Secretary relating to the specification, variation, or revocation of minimum operating standards. *New paragraph (na)* is inserted to provide for the Gambling Commission's role in facilitating a consultation meeting on the problem levy, and for its role in advising the responsible Ministers on the setting of the levy under *clauses 285 to 289B*. Other technical amendments are also made to the clause.

*Clause 199A(2)* is amended to make clear that the Gambling Commission may appoint an expert to arrange and facilitate the consultation on the problem gambling levy that is referred to in *clause 198(1)(na)*.

*Clause 201* is amended by adding *subclause (2)*, which ensures that the departmental staff providing administrative support for the Gambling Commission are independent of the staff responsible for gambling policy, licensing, and compliance.

It is proposed to omit *clause 217A*, which prohibits the Lotteries Commission from conducting New Zealand lotteries by way of gaming machines or remote interactive gambling.



*Clause 271*, which creates offences relevant to age restrictions on instant games and similar games, is amended to include a reference to New Zealand lotteries that are highly repetitive or frequently drawn.

*Clause 281*, which authorises the making of regulations relating to harm prevention and minimisation, is amended to insert *new paragraph (ca)*. The new paragraph provides that the regulations may declare a venue or class of venue as suitable or unsuitable to be a class 4 venue.

*New clause 285A* is inserted to set out the procedure and consultation that must be undertaken by the department responsible for developing an integrated problem gambling strategy and by the Gambling Commission in relation to the strategy.

*Clause 286* is amended to provide that both the Minister responsible for the department responsible for developing the integrated problem gambling strategy and the Minister who is responsible for the Bill (the **responsible Ministers**) must provide advice to the Governor-General on the regulations that require gambling operators to pay a levy. This is to be done after the responsible Ministers have received the Gambling Commission's report under *new clause 285A*.

*Clause 287* is amended to reflect the enhanced role of the Gambling Commission in the process for developing the integrated problem gambling strategy under *new clause 285A*. Several minor amendments are also included as a consequence of the levy formula being used to assist in estimating the proposed levy rates on a triennial basis rather than annually.

*Clause 288* is amended to reflect the commencement of the Racing Act 2003. *Subclause (2)* is amended to reflect that the proposed levy rates will be set for a 3-year period unless *new clause 288A* applies.

*New clause 288A* is inserted to enable the department responsible for developing the integrated problem gambling strategy to initiate the process to reconsider the strategy or the levy or the levy rates within the 3-year period if the circumstances warrant it.

*Clause 289B* is amended to ensure that the problem gambling committee produces an annual report for its final year of operation. It also allows the committee and the department responsible for the integrated problem gambling strategy to mutually agree on the transfer of the committee's property, rights, and liabilities.

*Clause 289C* is omitted because matters relating to the transitional arrangements for the problem gambling levy are now dealt with in proposed *new Schedule 4B*, which makes amendments to the Gaming and Lotteries Act 1977.

*New clause 298A* is inserted to provide that a gambling inspector may, while in a public place, seize any gambling equipment, device, or thing, if the inspector has reasonable grounds to believe that it will provide evidence of the commission of a certain offences.

*Clause 320(a)*, which authorises the making of regulations relating to infringement offences, is amended to empower the making of regulations that prescribe infringement offences for breaches of game rules made by the Secretary under *clause 326*.

*New clause 330B* (which inserts *new Schedule 4B* into the Bill) is inserted to amend the Casino Control Act 1990 and the Gaming and Lotteries Act 1977. The Casino Control Act amendments relate to the prohibition on considering casino premises licence applications received on or after 16 October 1997. The Gaming and Lotteries Act amendments provides for the setting of a transitional problem gambling levy on non-casino gaming machines for 2003–04.

*Clause 333(2) and (3)* (which are savings provisions) are amended to clarify that, as a transitional measure until all of *subpart 4 of Part 2* of the Bill is in force, the Gaming and Lotteries Act applies to existing gaming machine licences. However, if there is a conflict between the provisions of the Bill (then in force) and the Gaming and Lotteries Act, the Bill prevails.

*New clause 334* is added to clarify which Acts will apply when making decisions in the transitional period.

#### *Technical amendments*

This Supplementary Order Paper also makes technical amendments to the Bill.

*Clause 5(b)* is amended to provide some examples of what distributing the turnover of gambling includes.

*Clause 7* is amended to substitute *subclauses (2) to (4)*, which define what constitutes a significant influence in a casino and acknowledge the role of the Secretary and the Gambling Commission (as the case may be) in determining what constitutes a significant influence.

*New clause 7A* is amended in several respects. The amendment to *subclause (1)* is a drafting change. *Subclause (2)* is amended to give the other persons to whom the Secretary has provided advice the opportunity to provide information and make submissions. The amendment to *subclause (3)* corrects a wrong cross-reference.

*Clause 17* is amended to make minor drafting changes and to insert *new paragraph (ca)* to clarify that gambling operators cannot avoid the turnover limit for class 1 gambling by operating multiple gambling sessions in 1 day.

The amendments to *clause 20(d)* and the heading to *clause 24* make minor drafting changes.

*Clause 27* is amended for consistency with the equivalent provision relating to casinos (*clause 101*), and to allow a society that must incorporate under the Bill to be treated as an existing society.

*Clause 29* is substituted. The main amendment to the clause is to clarify that casino gambling is gambling that satisfies relevant game rules. This makes the clause consistent with other similar provisions such as *clauses 17(d), 19(d), 22(c), and 25(a)(iii)*.

*Clause 38(1)(b)* is amended to clarify that the Secretary may suspend or cancel a class 3 operator's licence if a society fails to comply with only some of the requirements under that subclause. *Clauses 53(1)(b)* (which relates to suspension or cancellation of a class 4 operator's licence) and *69(1)(b)* (which relates to suspension or cancellation of a class 4 venue licence) are also amended to the same effect.

*Clause 42(1)* is amended to clarify that, if an appeal is lodged under the clause, a class 3 operator's licence remains in force until the end of the period for lodging the appeal or until the outcome of the appeal. *Clauses 57(1)* (which relates to class 4 operator's licences), *73(1)* (which relates to class 4 venue licences), and *184(1)* (which relates to licensed promoter licences) are also amended to the same effect.

*Clause 43(2)(b)* is amended to remove the implication that, on the surrender of a class 3 operator's licence, the holder of the licence need not comply with conditions of the licence that were imposed at the time it was issued. *Clause 58(2)(b)* (which relates to the surrender of a class 4 operator's licence) and *clause 74(2)(b)* (which relates to the surrender of a class 4 venue licence) are also amended to the same effect.

*Clause 47(1)(j)* is amended to clarify that a key person in relation to a class 4 operator's licence may also be a key person in relation to a class 4 venue licence so long as the class 4 operator does not operate at the venue concerned.

The amendment to *clause 56(1)(a)* is a drafting change.

*Clause 66(1)(g)* is amended to provide certainty about when a corporate society ceases to conduct class 4 gambling.

*Clause 74(1)* is consequentially amended to reflect that a corporate society must surrender its class 4 venue licence in the circumstances described in *clause 66(1)(g)* (ie, if it has ceased conducting class 4 gambling at the venue for a period of more than 4 weeks).

*Clause 75C* is amended to add *new subclause (2)*, which creates an offence for the holder of a class 4 operator's licence to fail to comply with the obligation to provide the Secretary with certain information on the disposal of gaming machines. *Schedule 4A* is also amended to provide that the offence may be proceeded against by way of infringement notice.

*Clause 80(1)* is amended to provide that the notification to the Secretary of class 4 venues, the number of gaming machines, and the serial number and model of those machines must be in the manner reasonably requested by the Secretary.

*Clause 81(2)* is amended to clarify that the subsequent period of 6 months referred to in the subclause means any period of 6 months after 17 October 2001.

The amendments to *clauses 82 to 85* correct wrong cross-references and make minor drafting changes.

*Clause 86(3)(b)* is amended to defer, by 1 year, the date before which the Minister may not consider an application by clubs that have merged to operate up to 30 gaming machines at a class 4 venue.

*Clause 87* is amended to—

- improve the heading to the clause; and
- defer, by 1 year, the date set out in *subclause (3)(b)* before which the Minister may not consider an application by a club to operate up to 18 gaming machines at a class 4 venue.

*New clause 87A* is inserted to provide that the power to issue, renew, or amend a class 4 operators licence or class 4 venue licence may be overridden by regulations under *clause 282*.

The amendments to *clauses 90(2)(b) and 91* are drafting changes for consistency with other provisions.

*Clause 91A(1)* is amended to reflect the commencement of the Local Government Act 2002 on 1 July 2003, and to provide that a territorial authority must give the notice required by the clause to each corporate society that holds a class 4 venue licence in the territorial authority's district. *Subclauses (2) and (4)* are amended to make it clear that if a class 4 venue policy is revoked, it must be replaced.

*Clause 91B(a)* is amended for consistency with the changes to *clause 91A(1)*.

*New clauses 92AAA and 92AA* are inserted to require the holder of a class 4 operator's licence and the venue manager at a class 4 venue to bank the proceeds (including interest) of class 4 gambling.

*Clause 92(1)* is amended to clarify the requirement that net proceeds from class 4 gambling be applied for an authorised purpose and no other purpose.

The amendments to *clauses 93(1), 93A, and 94* correct wrong cross-references and make drafting changes.

*New clause 94A* is inserted to make it clear that it is an offence for any person to pay or receive a commission for conducting class 4 gambling.

*Clause 95* is amended to provide that the Secretary may exclude certain costs that may be incurred by a corporate society that conducts class 4 gambling.

*Clause 96* is substituted. The revised clause clarifies that the Secretary may undertake an investigation or audit of a licensee, grant recipient, or business operating at a class 4 venue in order to determine compliance with the Bill in relation to the distribution of proceeds from class 4 gambling. *New subclause (5)* provides that a person who fails to co-operate with the investigation or audit commits an offence.

*Clause 97* is amended to add *new subclause (6)*. This subclause provides, for the avoidance of doubt, that the prohibition on certain persons seeking or receiving money with a condition attached applies whether or not—

- the condition is attached before or after the money is received by the person; or
- any money is actually received by the person.

*Clause 101* is amended to omit *subclause (4)*. The substance of this provision is now dealt with in *new clause 8A*.

*New clause 101A* is inserted to provide a savings provision in relation to directions given by the Casino Control Authority under section 70 of the Casino Control Act 1990. The new clause provides that these directions must be treated as if they were minimum operating standards specified by the Secretary under *new clause 119C*.

*Clause 102* is amended for consistency with other clauses that make it clear that a person with a significant influence in a casino does not become an

associated person until they have been approved by the Secretary. *Clauses 103, 104, 107, 108, 114, 115, 116, and 198* are also amended in the relevant places to the same effect.

*Clause 108(2)* is amended for consistency with *clause 119*.

*Clause 111(6)(e)* is amended for consistency with *clause 110(1)*.

*Clause 119(2) and (3)* are consequentially amended as a result of *new clauses 8A to 8D*.

*Clause 119A* is substituted. The revised clause widens the group of persons that the Gambling Commission must notify in relation to a proposal to specify, vary, or revoke the conditions of a casino licence to include any person whom the Gambling Commission is affected by the proposal. *Clause 119D*, which relates to the procedures for specifying, varying, or revoking minimum operating standards of a casino licence, is also substituted to the same effect.

*Clause 119B* is omitted because the substance of the provision is largely covered by *clause 206*, which deals with appeals against decisions of the Gambling Commission generally.

*Clause 119E(2)* is substituted for consistency with the amendments to *clause 119B*. *Subclause (5)* is amended because the general requirements relating to the form of notices under the Bill are now dealt with in *new clause 324AA*.

*Clause 121* is amended in several respects. *Subclause (3)(a)* is amended for consistency with *clause 70(2)(a) and (b)*. The amendment to *subclause (5)* corrects a drafting error. *Subclause (7)* is omitted because the substance of the provision is superseded by the amendments proposed to *clause 122*.

*Clause 122(1)(c)* is amended to clarify that the lifting of a suspension by the Gambling Commission is not an automatic process, but occurs only if the Gambling Commission considers the suspension should be withdrawn.

*Clause 123(1)(a)* is amended to make it clear that a casino licence is cancelled even if the licence holder does not surrender the licence as required by the clause. *Subclause (5)* is amended because the general requirements relating to the form of notices under the Bill is now dealt with in *clause 324AA*.

*Clause 125* is amended in several respects. *Subclause (1)* is amended to provide a clearer outline of the respective roles of the Secretary and the Gambling Commission in considering whether persons having a significant influence in a casino should be approved or not approved as associated persons. *Subclause (2)(a)* is amended to provide the Secretary with more discretion in deciding upon the extent of investigations necessary in determining whether a person has or is likely to have a significant influence in a casino. *Subclause (4)* is amended for consistency with *subclause (1)* and to make drafting changes. *New subclause (5A)* is inserted to clarify that a person who is not approved by the Secretary as an associated person must not continue to hold a significant influence in a casino.

The amendments to *clause 125A* are minor drafting changes.

*Clause 127* is amended for consistency with *clause 125*.

*Clause 128* is amended to omit *subclause (3)* because the substance of this provision is now dealt with in proposed *clause 125(5A)*.

*Clause 129* is substituted and *new clause 129A* is inserted for consistency with *clause 125* and to make drafting changes.

The amendment to *clause 130(1)* clarifies that *section 125* (approval of an associated person) applies to the review of an associated person as if the review were an original investigation.

*Clause 131(1)(a)* is amended for consistency with *new clause 125A*.

The amendment to *clause 137(b)(iii)* is a minor drafting change.

*Clause 138(3)* is amended for consistency with *clause 70(2)(a) and (b)*.

*Clause 145* is amended in 2 respects. The amendment to *subclause (1)(a)* is for consistency with *clause 123*. *Subclause (1)(b)* is amended because the general requirements relating to the form of notices under the Bill are now dealt with in *new clause 324AA*.

The amendment to *clause 146* is a drafting change.

*Clause 147(6)* (which relates to appeals to the Gambling Commission in relation to certificates of approval) is amended to clarify that a certificate of approval remains unchanged until the period for an appeal to the Gambling Commission expires or pending the outcome of an appeal.

*Clause 148* is substituted to clarify the intent of the provision and to make it an offence for the holder of a casino licence to conduct casino gambling on the restricted days set out in *subclause (1)*. *Schedule 4A* is also amended to provide that the offence set in *subclause (2)* may be proceeded against by way of infringement notice.

*Clause 152* is amended to provide a penalty for the failure of a holder of a casino operator's licence to comply with the requirement to train its employees. *Schedule 4A* is also amended to provide that the offence may be proceeded against by way of infringement notice.

*Clause 154A* is amended in 2 respects. The first amendment is a drafting change. The second amendment adds *new subclause (2)*, which provides a penalty for the failure of a casino licence holder to comply with the requirement to notify the Secretary of certain matters relating to the disposal of gaming machines. *Schedule 4A* is also amended to provide that the offence may be proceeded against by way of infringement notice.

*Clause 160(1)* is amended to provide more flexibility in the time frame for gambling inspectors to investigate complaints from customers about the conduct of casino gambling.

*Clause 162(4)* is amended for consistency with *clause 23(4)*.

*Clause 174* is amended to clarify that a person who is requested by the Secretary to provide information under *subclause (2)* must provide the information as soon as reasonably practicable.

*Clause 175(2)* is substituted to be consistent with *clause 47(4)*.

*Clause 177(3)(a)* is amended to clarify the intent of the provision.

*Clause 185(2)* is amended to clarify that a licensed promoter must pay money raised by, or paid to, a licensed promoter into a trust account at a registered

bank that is operated for the activities of the society or licensed promoter generally, or for a particular promotion or event.

*Clause 188(2)(b)* is amended to remove the implication that the approved surety's obligations end once a licensed promoter has surrendered his or her licence.

The amendments to *clause 193(b), (c), and (d)* are minor drafting changes.

The amendment to *clause 196(1)* is a minor drafting change.

*Clause 200(1)* is amended to enable the Gambling Commission, when it is performing its appellate function against decisions of the Secretary, to sit in divisions.

*Clause 206* is amended to clarify the powers of the High Court and to allow flexibility in the time frame for making appeals.

*Clause 209* is amended to include a reference, in the list of the Lotteries Commission's functions, to minimising the risks of problem gambling and underage gambling. This makes the provision consistent with *clause 216* which includes similar requirements in relation to the making of rules.

*Clause 213* is amended to make it clear that the Minister may, by written direction, require the Lotteries Commission to vary or revoke any lottery rule made by it under *clause 216* or under previous gaming Acts, or require it to make a new rule.

The amendment to *clause 247(4)* is a minor drafting change.

The amendment to *clause 249* reflects the commencement of the Sport and Recreation New Zealand Act 2002 on 1 January 2003.

The amendment to *clause 254(1)(b)(i)* reflects the commencement of the Local Government Act 2002 on 1 July 2003.

The amendments to *clause 264* recognise that the Lottery Grants Board does not have employees as such, but is serviced by employees of the Secretary for Internal Affairs.

*Clause 266* is amended to include references to *clause 333* and *new clause 334*.

*Clause 271*, which relates to the age restriction on instant games and other similar games, is amended to insert *new subclause (4A)*, which specifies (without limitation) what constitutes reasonable grounds for the defendant to believe that a person who is suspected of committing an offence under *subclause (1)* was over the age limit set out in that subclause. *Clause 272* (which relates to the age restriction on class 4 gambling) and *clause 273* (which relates to the age limit on casino gambling) are also amended to the same effect.

*Clause 272(2)* is amended to recognise the fact that a corporate society may have more than 1 venue.

The amendments to *clause 274(1), (3), and (6)* are minor drafting changes.

*Clause 275* is amended by adding *new subclauses (3) and (4)*. *New subclause (3)* provides that in the case of any unclaimed prize or money from class 4 gambling, the prize or money must be treated as net proceeds of class 4 gambling. This is to ensure that class 4 gaming machine operators do not treat any unclaimed prizes as windfall profit. *New subclause (4)* clarifies that the

clause does not apply to any prize or money won in a New Zealand instant game if the winning ticket was purchased before the commencement of the clause.

*Clause 278*, which relates to the requirement to develop a policy for identifying problem gamblers, is amended—

- to clarify the application of *subclause (3)* in relation to holders of a casino operator's licence; and
- to add new *subclause (5)*, which makes it an offence to fail to display the notice required by *subclause (3)*.

*New clause 278A* is amended to simplify the drafting of *subclause (1)*.

*Clause 279*, which provides that an exclusion order must be issued to a self-identified problem gambler, is amended to omit *subclause (3)*. The substance of this provision is now proposed to be dealt with in *new clause 279A*.

*Clause 280*, which creates offences relating to the breach of an exclusion order, is amended to recast the heading to the clause and to consequentially amend *subclause (2)* for consistency with *new clause 279A*.

*Clause 282(1)*, which authorises the making of regulations relating to gaming machines in class 4 venues, is amended—

- to clarify that the area specified in *paragraph (a)* need not be a local authority region and to make it clear that there may be both a national cap on gaming machines and caps set in some areas; and
- to insert *new paragraph (ab)*, which provides that regulations may be made prescribing policies, procedures, or systems for considering class 4 operator licence applications where maximum limits have been set on the number of gaming machines under *paragraph (a)*.

*Clause 295(3)* is consequentially amended to reflect the proposed insertion of *clause 296A*, which relates to the power of gambling inspectors to require information or documents.

The amendments to *clauses 296, 296A, 297, and 298* make drafting changes to clarify the intent of the clauses.

*New clause 305A* is inserted to deal with the disposal of things that are seized under a search warrant.

*Clause 307A(1)* is amended to clarify that the provision relates to any gambling conducted in a casino, including gambling conducted by the New Zealand Racing Board.

*Clause 312* is amended to create 1 level of offence to reflect the fact that the potential winnings may be very significant even if only a small sum is staked.

*Clause 319* is amended to clarify that the Secretary may recover any costs involved in administering the Bill by way of regulations made under *clause 329*.

*Clause 324AA(2)* is substituted. It now includes all references to the provisions that require service of a notice.

*Clause 324* is amended in several respects. *Subclause(1)(a)* is amended to clarify the particular licence holders from whom the Secretary may require



information. The amendments to *subclauses (1)(b) and (2)(b)* are drafting changes. *New subclause (3)* is added to specify the time frame within which a licence holder must provide the information required by the Secretary under *subclauses (1) and (2)*.

*Clause 326* is amended to require the Secretary to publish a notice in the *Gazette* stating that game rules (which are authorised under the clause) have been made, amended, or revoked and where they may be obtained.

*Clause 329* (which authorises the making of regulations that prescribe fees) is amended to insert *new subclause (1A)*, which provides examples of the costs that may be recovered by the regulations.

*Clause 330(1)* (which relates to other regulations) is amended to insert *new paragraph (ca)*, which relates to the time frame within which, and the accounts into which, the profits of class 4 gambling must be banked.

*Clause 330A* (which relates to consultation on certain regulations) is amended to omit the reference to *clause 286* because consultation on the problem gambling levy is now explicitly set out in the Bill.

The amendment to *clause 331* is a minor drafting change.

The amendment to *clause 332* is a drafting change that allows the previous gaming Acts to be revoked on different dates.

The amendment to *clause 8 of Schedule 1* is a minor drafting change.

*Schedule 4A* (which lists infringement offences) is amended to insert further offences that may be proceeded against by way of infringement notice.

The amendments to *Schedule 6* make corrections and consequential amendments.

#### *Amendments due to commencement of Racing Act 2003*

*Clauses 4(1), 15(2), 28, 31(2)(b) and (3), 46(2)(b) and (3), 47(1)(j) and (4)(c)(iii), 49(1)(c), 60(3A), 61(3)(b) and (4), 62(1)(la), 63(1)(c), 66(1)(c), 99, 287(2)(a)(i), 288(1)(a), 324(1)(b) and (2)(b), and Schedule 5* are amended to reflect the commencement of the Racing Act 2003 on 1 August 2003.

