

**2013**

**THE LEGISLATIVE ASSEMBLY FOR THE  
AUSTRALIAN CAPITAL TERRITORY**

**GAMING MACHINE (RED TAPE REDUCTION) AMENDMENT BILL 2013**

**EXPLANATORY STATEMENT**

**Presented by  
Joy Burch MLA  
Minister for Racing and Gaming**

## **GAMING MACHINE (RED TAPE REDUCTION) AMENDMENT BILL 2013**

### **Overview**

The Gaming Machine (Red Tape Reduction) Amendment Bill 2013 (the Bill) makes amendments to the *Gaming Machine Act 2004* (the Act). These amendments are aimed at reducing red tape relating to the approval of financial arrangements for the acquisition of gaming machines or the encumbrance of existing gaming machines, and relating to the approval of arrangements for undisbursed jackpot amounts.

The removal of sections 101 and 102 will reduce the time and effort spent by gaming machine licensees in applying to purchase machines as it will not be necessary to seek approval of financial arrangements. In addition, the amendments will remove the requirement for a licensee to seek approval of financial arrangements over existing machines, as this requirement does not fit with current commercial practice, and is unnecessary given other provisions of the Act. The Gambling and Racing Commission (the Commission) has other powers under the Act to seek information and investigate financial and contractual arrangements if required (such as where a third party may be receiving gaming machine revenue).

The amendments to section 144 provide some flexibility in the operation of this provision to ensure that the policy objective of returning unallocated jackpot funds to players is achieved, rather than these funds being payable to the Territory if the current four week deadline has not been met. Where a licensee has a good reason for not obtaining approval of a redistribution arrangement within the four week period, the Commission will be able to extend the period, an arrangement may be approved and ultimately funds can be returned to players.

The Bill also includes some minor amendments to correct and clarify language, and amends associated provisions of the Act.

The Bill will commence on the day after its notification day.

## CLAUSE NOTES

### **Clause 1      Name of Act**

This clause is a formal provision setting out the name of the Act as the *Gaming Machine (Red Tape Reduction) Amendment Act 2013*.

### **Clause 2      Commencement**

This clause provides for the commencement of the Act. The Act will commence on the day after its notification day.

### **Clause 3      Legislation Amended**

This clause provides that the legislation to be amended is the *Gaming Machine Act 2004*.

### **Clause 4      Section 100 (2) (f)**

This clause will omit the reference to section 101 as this section will be deleted (see clause 5 below).

### **Clause 5      Sections 101 and 102**

This clause removes sections 101 and 102 of the Act to make it a one step process for the application, approval and decision with regards to acquiring a gaming machine and removes the requirement to approve encumbrances of existing gaming machines.

### **Clause 6      Section 144 (3)**

This clause corrects the phrase 'is forfeited' to 'is a debt owing', to reflect that the Territory does not hold the jackpot funds, rather, these are held by the licensee and would be payable to the Territory in the event that there is no approved redistribution arrangement.

### **Clause 7      Section 144 (3) (b)**

This clause corrects the phrase 'the amount' to 'an arrangement' to clarify the provision.

### **Clause 8      New section 144 (4)**

Section 144 establishes that where there is an accumulated jackpot amount that cannot be won due to circumstances that are beyond the control of patrons, the undistributed amount can be returned to players through an arrangement approved by the Commission. At present, this approval must be granted within four weeks or the amount of the jackpot is forfeited to Territory. This clause provides that where the Commission is satisfied that a good reason exists, the four week period for approval of an arrangement for redistribution

of an undisbursed jackpot must be extended. Note also that section 151C of the Legislation Act 2001 operates to ensure that this extension may be granted even where the original four week period has ended.

**Clause 9      Schedule 1, item 48**

This clause removes item 48 'refuse to approve financial arrangement or amendment of financial arrangement' from the list of reviewable decisions in Schedule 1, as section 102 of the Act will be removed (see clause 5 above).

**Clause 10      Dictionary, definition of financial arrangement**

This clause removes the definition of financial arrangement from the Act's Dictionary, as this term is no longer included in the Act (see clause 5 above).