

Gaming Machine (Fees) Determination 2015 (No 2)

Disallowable Instrument DI2015 – 246

made under the

***Gaming Machine Act 2004*, section 177 (Determination of fees)**

EXPLANATORY STATEMENT

The *Gaming Machine Act 2004* (the Act) regulates the operation of gaming machines in the Territory. The *Gaming Machine (Reform) Amendment Act 2015* (the Amendment Act), passed in June 2015, made significant amendments to the Act, including introducing a trading scheme supported by a new licensing and authorisation framework. These amendments commence on 31 August 2015.

This instrument revokes the determination of fees made by Disallowable Instrument DI2015-175, dated 11 June 2015 and notified on the Legislation Register on 22 June 2015.

Section 177 of the Act authorises fees to be determined by the Minister for the Act. This instrument provides for fees payable by applicants in relation to administrative tasks performed under the Act, including applications and notifications for approvals, licences, authorisation certificates, storage and quarantine permits, permits for linked jackpot arrangements and amendments to those licences, certificates, schedules and permits issued by the ACT Gambling and Racing Commission (the Commission). The fees are payable to the Commission.

This instrument includes a number of new fees reflecting the amendments made by the Amendment Act. Additionally, a number of fees have been abolished as a result of the changes to the Act. There are also fees which remain unchanged from those contained in DI2015-175 where there has been no amendment to the relevant provision.

A comparative table indicating the previous and revised fees, and a table setting out the abolished fees, are attached at Schedule 1 and Schedule 2 to this Explanatory Statement.

Licence and authorisation certificate applications for class C gaming machines

The fee for an initial licence application under existing section 11 of the Act was \$2,188.00. Under changes introduced by the Amendment Act, there is a separation of the assessment of eligibility to operate gaming machines (a *licence* under section 15) from the assessment of the maximum number of gaming machine authorisations at particular premises (an *authorisation certificate* under section 21), which takes into account factors relevant to the venue. The fees have been apportioned accordingly.

The fee for a class C licence application is \$1,100.00 and the fee for a class C authorisation certificate application is \$1,100.00. Therefore, the overall total to be paid by a new operator would be \$2,200.00 – comparable to the existing fee (with rounding).

As a result of the reforms, an existing class C licensee seeking to operate gaming machines in an additional venue would be required to complete only an authorisation certificate application under section 21, with the fee being \$1,100.00. This is significantly lower than the previous licence application fee.

The Amendment Act changes distinguish between licence and authorisation certificate applications for class C and class B gaming machines. This is discussed further immediately below.

Licence and authorisation certificate application for class B gaming machines

Previously, an initial licence application (for either class B or class C gaming machines) attracted a fee of \$2,188.00 under section 11 of the Act. Under the Amendment Act's changes, the ability to apply for a class B licence and authorisation certificate will be restricted to the purchase of an existing business that holds a class B licence.

The revised fee for a class B gaming machine licence and authorisation certificate application under section 28 is \$1,200.00. This fee has been set to reflect that the assessment relates to the continuation of an ongoing business, and therefore the primary issue for consideration is the eligibility of the new owner.

Minor licence amendment application

This is a new fee that reflects changes introduced under the new licensing and authorisation framework, a minor licence amendment application does not appear in the existing Act. Under new section 31, a licensee may apply to the Commission to correct a minor detail in their licence. This may include, for example, a change to the trading name of the licensee. The fee has been set at \$75.00 reflecting the need to reissue the licence.

It should also be noted that changes made on the Commission's own initiative are addressed under new section 37C (no fee is payable).

A minor licence amendment application should not be confused with a technical amendment made under section 22(1)(h) of the existing Act, for which the fee was \$36.00 per machine. A technical amendment to an authorisation certificate is now a notifiable action under section 37B of the Act as amended, and includes matters such as a change to the percentage payout, basic stake denomination, or the game installed on the gaming machine. The fee for a technical amendment remains at \$36.00 per machine.

Authorisation certificate amendment application

Subsection 22(1) of the existing Act sets out numerous licence amendment applications, to which fees apply. Equivalent provisions now appear in section 33 of the Act as amended, subject to some revisions, as follows:

- paragraph 33(1)(a) ***gaming area amendment***. This aligns with paragraph 22(1)(b) (***structural change amendment***) of the existing Act with a fee of \$290.00. The fee has increased slightly to \$300.00 to reflect that under new paragraph 33(1)(a), in addition to changes to the size or shape of a gaming area, an amendment may now include changes to the location of a gaming area or the addition of another gaming area at the authorised premises.

- paragraph 33(1)(b) ***premises relocation amendment*** – new suburb. This aligns with paragraph 22(1)(d) (***venue relocation amendment***) of the existing Act which had a fee of \$1,651.00. The fee has decreased to \$1,100.00 to align with the fee determined for an authorisation certificate application under section 21 above, given similarly detailed assessments are required by the Commission.
- paragraph 33(1)(b) ***premises relocation amendment*** – same suburb. This is a new provision with a fee of \$300.00. This fee is lower than for relocation amendments to a new suburb reflecting the fact that the Commission’s consideration of a relocation within the same suburb does not involve analysis of a social impact assessment.
- paragraph 33(1)(c) ***increase maximum amendment***. This is a new provision that reflects the revised licensing and authorisation framework. A licensee may apply to increase the maximum number of authorisations they may hold under an authorisation certificate. The fee has been set at \$1,000.00 as it involves similar considerations to an authorisation certificate application under section 21, including analysis of a social impact assessment, albeit at the same authorised premises. This provision should not be confused with the one-off increase maximum amendment under new section 37A, for which the fee is \$300.00 (see below).

Notification

The Amendment Act inserts new notification requirements for licensees to inform the Commission in writing about certain notifiable actions. Given these notifications are a new requirement under the Act, fees have been set proportionate to the administrative workload of the Commission which may include matters such as assessment of accounts, outstanding amounts payable, consideration of plans, preparing a new authorisation certificate. The new notification fees relate to:

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| • s 37A Notification - one-off increase maximum amendment | \$300.00 |
| • s 37E Notification - transfer of an authorisation certificate | \$500.00 |
| • s 127Q Notification that a quarantine permit is required | \$100.00 |
| • s 127R Notification that quarantine permit is to be extended | \$100.00 |
| • s 127X Notification - permit amendment | \$100.00 |
| • s 127ZB(2) Notification of the requirement to amend or issue a storage permit or a quarantine permit and, if required, issue a storage permit for an interim purpose for gaming machines | \$450.00 |

The fee for a notification of a technical amendment under new section 37B is \$36.00 per gaming machine which is identical to the previous fee for an application for a ***technical amendment*** under section 22(1)(h) of the existing Act.

The fee for section 113A Notification - disposal of gaming machines of \$36.00 per gaming machine is new. Depending on the circumstance, disposal of gaming machines may occur under section 112 (which has an existing fee of \$36.00 per gaming machine) or section 113A. Given this, the fee for section 113A has been set to ensure consistency for disposals.

Section 99 of the Act relates to the acquisition of gaming machines and has been amended from an approval process to a notifiable action. This is a key provision for activity under the trading scheme. The fee for a notification of the acquisition of an authorisation for a gaming machine has been set at \$120.00 for the acquisition of four or less authorisations. This amount applies to the notification of the acquisition of the authorisations. If the

gaming machine/s are acquired as part of the same notification, no additional fee will be applicable. If, however, a licensee acquires a gaming machine after the trade, or acquires a gaming machine to operate under an authorisation already held, a fee of \$36.00 per machine applies. This fee is identical to the previous fee for an application for approval of the acquisition of gaming machines under section 99 of the existing Act.

Application for replacement licence, authorisation certificate and authorisation schedule

The fee for an application for a replacement licence, authorisation certificate or authorisation schedule under new section 37I has been set at \$74.00 which is identical to that previously set for section 38 (Issue of a replacement copy of a gaming machine licence).

In-principle authorisation certificate applications

The fee for an application for an in-principle approval for an authorisation certificate under new section 38B has been set at \$1,100.00. This is a decrease from \$1,761.00 which was previously payable for an application for an in-principle approval for a licence under section 38D(1) of the existing Act. Under changes introduced by the Amendment Act, an applicant must either have a licence or have applied for a licence, and accordingly the considerations under this section are limited to authorisation certificate matters. Accordingly, this fee aligns with the fee payable under section 21.

The fee for section 38M is an increase over the current fees for existing section 38T. At conversion of the in-principle authorisation certificate, the Commission must satisfy itself again of the matters at section 21. As such, the fee for an application to convert an in-principle authorisation certificate under new section 38M has been set at \$1,100.00, the same amount as the section 21 fee.

The fee for an application to transfer an in-principle authorisation certificate under new section 38H has been set at \$500.00. This is a decrease from the fee \$661.00 which was previously set for existing section 38O (Application by an approval-holder to transfer the in-principle approval to someone else). The revised fee reflects that, under the amended Act, an in-principle authorisation certificate can only be transferred to someone who is a licensee or who has applied for a licence.

The fee for an application to extend an in-principle authorisation certificate under new section 38J has been set at \$220.00. This aligns with the fee previously set for section 38Q of the existing Act.

Approval of gaming machines, peripherals, suppliers and technicians

Application fees relating to the approval of gaming machines, peripherals, suppliers and technicians are identical to those contained in the previous fee determination DI2015-175.

The relevant provisions of the Act to which these fees apply are section 69 (Approval of gaming machines and peripheral equipment), section 72 (Application and approval as a supplier who is an individual and corporation), section 73 (Issue of replacement copy of approved supplier's certificate), section 74 (Application for approval as a technician), section 78 (Application for transfer of a technician from one supplier to another), section 81 (Issue of a replacement copy of a technician's identity card or certificate) and section 84 (Application for renewal of a technician's approval).

Repossession of gaming machines

The fee for an application for approval to repossess a gaming machine under section 107 as amended is identical to the existing fee payable of \$36.00 per gaming machine.

Disposal of gaming machines

The fee for an application for approval to dispose of a gaming machine under section 112 as amended is identical to the existing fee payable of \$36.00 per gaming machine.

Storage permits and quarantine permits

The Amendment Act introduces new storage permit and quarantine permit arrangements.

The fee for an application for a storage permit under new section 127O has been set at \$300.00. Although not directly equivalent, the fee has been set with due regard to the \$220.00 fee that applied to a temporary storage amendment of a licence under section 22(1)(c) of the existing Act. Under new section 127O, there is no limit as to the number of gaming machines that may be stored and no need to satisfy the Commission of the reason for the storage. It is expected that licensees will utilise the flexibility provided by this provision to better manage their business requirements.

The fee for an application to extend a storage permit under new section 127V has been set at \$100.00. This fee is lower than the fee applied to section 127O reflecting lower administrative workload as the Commission may not be required to attend storage premises to extend the permit period.

The Amendment Act introduces quarantine permits as part of phase 1 of the gaming machine reform package. The fees for notification that a quarantine permit is required (section 127Q) and for notification of an extension to a quarantine permit (section 127R) have been set at \$100.00 each.

The fee for new section 127ZE (Inspection of gaming machines held under a permit) has been set at \$300.00. This fee reflects that the inspection will require Commission officers to attend the storage premises.

Linked jackpot arrangements

All fees relating to linked-jackpot arrangements are identical to those contained in DI2015-175. The existing fees have been retained for section 134 (Application to operate a single-user approval for linked-jackpot arrangement), section 135 (Application to operate a multi-user permit linked-jackpot arrangement), section 139 (Application for amendment to the multi-user permit), section 140 (Application for an amendment to the financial or operational aspects of a multi-user permit) and section 141 (Application for the transfer of a multi-user permit).

Tabling

A determination under section 177 of the Act is a disallowable instrument and must be tabled in the Legislative Assembly in accordance with the *Legislation Act 2001*.

Date of effect

The instrument commences on 31 August 2015.

SCHEDULE 1 TO THE EXPLANATORY STATEMENT FOR THE GAMING MACHINE (FEES) DETERMINATION 2015 (NO 2) MADE UNDER THE GAMING MACHINE ACT 2004 – COMPARATIVE TABLE

Column 1 Item Number	Column 2 Relevant Section of Act	Column 3 Description of Matter for which Fee is Payable	Column 4 Previous Fee¹	Column 5 Fee from 31 Aug 2015	Column 6 % Change
1	15	Application for Class C gaming machine licence	Not applicable ²	\$1,100.00	
2	21	Application for authorisation certificate for Class C gaming machines (an <i>authorisation certificate application</i>)	Not applicable ³	\$1,100.00	
3	28	Application for gaming machine licence and authorisation certificate for Class B gaming machines (a <i>class B licence and authorisation certificate application</i>)	Not applicable	\$1,200.00	
4	31	Application for minor licence amendment (a <i>minor licence amendment application</i>)	Not applicable	\$75.00	
5	33	Application for authorisation certificate amendment (an <i>authorisation certificate amendment application</i>):			
	(1)(a)	a <i>gaming area amendment</i>	\$290.00	\$300.00	+3.4% ⁴
	(1)(b)	a <i>premises relocation amendment</i>			
		new suburb	\$1,651.00	\$1,100.00	-33.4%
		same suburb	\$1,651.00	\$300.00	-81.8%
	(1)(c)	a <i>increase maximum amendment</i>	Not applicable	\$1,000.00	
6	37A	Notification for a <i>one-off increase maximum amendment</i>	Not applicable	\$300.00	
7	37B	Notification for a <i>technical amendment</i>	\$36.00 per machine	\$36.00 per machine	0%
8	37E	Notification of transfer of an authorisation certificate to another licensee	Not applicable	\$500.00	

¹ Refer to *Gaming Machine (Fees) Determination 2015 (No 1)* - DI2015-175, dated 11 June 2015 and notified on the Legislation Register on 22 June 2015.

² New licensing and authorisation framework introduced under the Amendment Act results in two separate fees; one fee for a licence and one for an authorisation certificate. The amounts specified at Item 1 and Item 2 are calculated from the initial licence application under the previous fee determination of \$2,188.00.

³ Ibid.

⁴ This fee increase represents an extension of actions that a licensee may apply for.

**SCHEDULE 1 TO THE EXPLANATORY STATEMENT FOR THE GAMING
MACHINE (FEES) DETERMINATION 2015 (NO 2) MADE UNDER THE GAMING
MACHINE ACT 2004 – COMPARITIVE TABLE**

Column 1 Item Number	Column 2 Relevant Section of Act	Column 3 Description of Matter for which Fee is Payable	Column 4 Previous Fee¹	Column 5 Fee from 31 Aug 2015	Column 6 % Change
9	37I	Application for replacement of a licence, an authorisation certificate or an authorisation schedule	\$74.00	\$74.00	0%
10	38B	Application for an in-principle approval for an authorisation certificate	Not applicable ⁵	\$1,100.00	
11	38H	Application to transfer an in-principle authorisation certificate to someone else	Not applicable	\$500.00	
12	38J	Application to extend an in-principle authorisation certificate	Not applicable	\$220.00	
13	38M	Application to convert an in-principle authorisation certificate	Not applicable	\$1,100.00	
14	69	Application for the approval of a gaming machine or peripheral equipment for a gaming machine	\$440.00	\$440.00	0%
15	72	Application for approval as a supplier for: (a) an individual (b) a corporation	\$290.00 \$711.00	\$290.00 \$711.00	0% 0%
16	73	Issue a replacement copy of an approved supplier's certificate	\$74.00	\$74.00	0%
17	74	Application for approval as a technician	\$144.00	\$144.00	0%
18	78	Application for transfer of a technician from one supplier to another	\$58.00	\$58.00	0%
19	81	Issue a replacement copy of a technician's identity card or certificate	\$58.00	\$58.00	0%
20	84	Application for renewal of a technician's approval	\$144.00	\$144.00	0%

⁵ Previous in-principle approval applied to a licence and the fee was set at \$1,761.00. The licensing and authorisation framework now affects all fees for in-principle certificate (Items 10 to 13 inclusive).

SCHEDULE 1 TO THE EXPLANATORY STATEMENT FOR THE GAMING MACHINE (FEES) DETERMINATION 2015 (NO 2) MADE UNDER THE GAMING MACHINE ACT 2004 – COMPARITIVE TABLE

Column 1 Item Number	Column 2 Relevant Section of Act	Column 3 Description of Matter for which Fee is Payable	Column 4 Previous Fee¹	Column 5 Fee from 31 Aug 2015	Column 6 % Change
21	99	Notification for the acquisition of: (a) an authorisation for a gaming machine (including gaming machines if traded) (b) a gaming machine	Not applicable \$36.00 per machine	\$120.00 for four or less \$36.00 per machine	0%
22	107	Application for approval to repossess a gaming machine	\$36.00 per machine	\$36.00 per machine	0%
23	112	Application for approval to dispose of a gaming machine	\$36.00 per machine	\$36.00 per machine	0%
24	113A	Notification of disposal of a gaming machine	Not Applicable	\$36.00 per machine	
25	127O	Application for storage permit to store one or more gaming machines	Not Applicable ⁶	\$300.00	
26	127Q	Notification that a quarantine permit is required to store gaming machines	Not applicable	\$100.00	
27	127R	Notification to extend a quarantine permit to store gaming machines	Not applicable	\$100.00	
28	127V	Application to extend a storage permit for a general purpose	Not applicable	\$100.00	
29	127X	Notification to dispose of a stored or quarantined gaming machine or remove a gaming machine from storage	Not applicable	\$100.00	
30	127ZB(2)	Notification of the requirement to amend or issue a storage permit or a quarantine permit and, if required, issue a storage permit for an interim purpose for gaming machines	Not applicable	\$450.00	
31	127ZE	Inspection of gaming machines held under a storage or quarantine permit	Not applicable	\$300.00	
32	134	Application to operate a single-user	\$144.00	\$144.00	0%

⁶ Prior to the Amendment Act reforms, storage of gaming machines was limited to very specific circumstances that required Commission approval. The new arrangements introduce a range of storage permits and should not be compared with similar terminology for storage.

**SCHEDULE 1 TO THE EXPLANATORY STATEMENT FOR THE GAMING
MACHINE (FEES) DETERMINATION 2015 (NO 2) MADE UNDER THE GAMING
MACHINE ACT 2004 – COMPARITIVE TABLE**

Column 1 Item Number	Column 2 Relevant Section of Act	Column 3 Description of Matter for which Fee is Payable	Column 4 Previous Fee¹	Column 5 Fee from 31 Aug 2015	Column 6 % Change
		approval linked-jackpot arrangement			
33	135	Application to operate a multi-user permit linked-jackpot arrangement	\$2,909.00	\$2,909.00	0%
34	139	Application for amendment to the multi-user permit	\$731.00	\$731.00	0%
35	140	Application for an amendment to the financial or operational aspects of a linked-jackpot arrangement of a multi-user permit	\$731.00	\$731.00	0%
36	141	Application for the transfer of a multi-user permit	\$711.00	\$711.00	0%

SCHEDULE 2 TO THE EXPLANATORY STATEMENT FOR THE GAMING MACHINE (FEES) DETERMINATION 2015 (NO 2) MADE UNDER THE GAMING MACHINE ACT 2004 – FEES REMOVED FROM PREVIOUS DETERMINATION

Column 1 Relevant Section of the Act	Column 2 Description of Matter for which Fee is Payable	Column 3 Fee payable
11	Application for an initial gaming machine licence	\$2,188.00
22(1)(a)	Application for a gaming machine licence amendment to decrease the number of licensed gaming machines allowed under a licence (a <i>decrease machines amendment</i>)	\$36.00 per machine
22(1)(c)	Application for a gaming machine licence amendment to enable the licensee to temporarily store gaming machines at other premises (a <i>temporary storage amendment</i>)	\$220.00
22(1)(e)	Application for a gaming machine licence amendment to enable a licensee that is a club that holds more than one licence to decrease the number of gaming machines allowed under 1 or more licences by a total of not more than the relevant number of machines and increase the number of machines allowed under 1 other licence by the same number, to enable the licensee to relocate the gaming machines (a <i>small-scale machine relocation amendment</i>)	\$330.00
22(1)(f)	Application for a gaming machine licence amendment to enable a licensee that is a club that holds more than one licence to decrease the number of gaming machines allowed under one or more licences by a total of more than the relevant number of machines and increase the number of machines allowed under one other licence by the same number, to enable the licensee to relocate the gaming machines (a <i>large-scale machine relocation amendment</i>)	\$36.00 per machine
22(1)(g)	Application for a gaming machine licence amendment to enable a licensee that is a club to decrease the number of gaming machines allowed under one or more licences to enable the licensee to move the gaming machines to premises for which the licensee is applying for a licence (a <i>new venue amendment</i>)	\$1,651.00
22(1)(h)	Application for a gaming machine licence amendment to make one or more of the following changes to a gaming machine operated under the licence (a <i>technical amendment</i>): - the percentage payout of the gaming machine; - the basic stake denomination of the gaming machine; - the kind of gaming machine; and - any other detail mentioned in the schedule to the licence	\$36.00 per machine

SCHEDULE 2 TO THE EXPLANATORY STATEMENT FOR THE GAMING MACHINE (FEES) DETERMINATION 2015 (NO 2) MADE UNDER THE GAMING MACHINE ACT 2004 – FEES REMOVED FROM PREVIOUS DETERMINATION

Column 1 Relevant Section of the Act	Column 2 Description of Matter for which Fee is Payable	Column 3 Fee payable
31	Application for the transfer of a gaming machine licence	\$1,651.00
38D(1)	Application by a person for an in-principle approval for a licence	\$1,761.00
38D(2)	Application by a licensee for an in-principle approval for a venue relocation amendment or a new venue amendment	\$1,320.00
38M(1)(a)	Application by an approval-holder to amend an in-principle approval by increasing or decreasing the number of gaming machines reserved under the in-principle approval	\$1,320.00
38M(1)(b)	Application by an approval-holder to amend an in-principle approval by removing or changing a condition on the in-principle approval	\$220.00
38O	Application by an approval-holder to transfer the in-principle approval to someone else (the <i>proposed new approval-holder</i>)	\$661.00
38Q	Application by an approval-holder to extend the term of an in-principle approval	\$220.00
38T(1)(a)	Application by an approval-holder to have an in-principle approval for a licence converted into a licence	\$500.00
38T(1)(b)	Application by an approval-holder to have an in-principle approval for a venue relocation amendment converted into a venue relocation amendment	\$330.00
38T(1)(c)	Application by an approval-holder to have an in-principle approval for a new venue amendment converted into a new venue amendment	\$330.00