

GAMBLING LEGISLATION AMENDMENT BILL 2002

EXPLANATORY NOTES

Short Title

Gambling Legislation Amendment Bill 2002

Objectives of the Legislation

The *Gambling Legislation Amendment Bill 2002* makes a number of necessary, but relatively minor, amendments to achieve greater consistency in the administration of all gaming Acts and to clarify and strengthen a number of existing provisions.

The principal changes proposed in this Bill include:

- clarifying provisions relating to appeals made to the Minister under the *Gaming Machine Act 1991*;
- providing a consistent framework for the licensing of individuals;
- increasing consistency of penalties applicable across all seven gaming Acts; and
- enhancing the ability to investigate business and executive associates of licence holders.

Reasons for the Legislation

Since 1996, considerable legislative changes to the regulation of legalised gaming in Queensland has occurred through the enactment of the *Keno Act 1996*, *Lotteries Act 1997*, *Wagering Act 1998*, *Interactive Gambling (Player Protection) Act 1998* and the *Charitable and Non-Profit Gaming Act 1999*.

Furthermore, substantial amendments to the *Gaming Machine Act 1991* occurred between 1997 and 1999, as a result of *The Review of Queensland Gaming Machine Regulatory Arrangements* (the “White Paper”).

Additionally, significant legislative changes occurred in 2000 arising from the *Policy Direction for Gambling in Queensland*.

As a result of the significant legislative program for the regulation of gambling which has occurred over the past six years, the *Gambling Legislation Amendment Bill 2002* will amend the gaming Acts to ensure greater consistency of regulation across the gaming Acts. It will also clarify and strengthen a number of issues within the Acts to ensure the ongoing probity of those conducting gambling operations and the ongoing integrity of the gambling activities being conducted.

Further aspects of the Bill will implement strengthened provisions to minimise the potential for harm to arise from gambling in Queensland. Consequently, support for the passage of this Bill will enhance the continued effective operation of Queensland's regulatory regime.

Estimated Cost for Government Implementation

There will be minor additional costs to the Government following the implementation of infringement notices as a result of amendments to the *Casino Control Act 1982*.

However, this will be offset by a reduction in the administration costs associated with the regulation of gaming, as a result of creating greater consistency across the gaming Acts and by clarifying the intent of some existing provisions.

Assessment of Bill's Consistency with Fundamental Legislative Principles

This legislation has been prepared taking into consideration fundamental legislative principles. The Office of the Queensland Parliamentary Counsel (OQPC) had identified clause 35 of the Bill which inserts a new section 30C(4) into the *Gaming Machine Act 1991* as a potential breach of fundamental legislative principles, having regard to section 4(3)(a) of the *Legislative Standards Act 1992*. Specifically, under new section 30C(4), a decision of the Commission or chief executive made in relation to a matter referred back to the Commission or chief executive by the Minister for further consideration as part of an appeal process is not a decision against which a person may further appeal.

It is considered that the inclusion of the new section 30C(4) does not infringe FLPs, because the reconsideration by the Commission is a part of and a result of the appeal process that the applicant has already utilised. To

allow an appeal from reconsideration by the Commission, itself bought about by an appeal, has the potential to create an endless administrative loop.

Consequently, the new section is necessary in order to ensure some finality to the appeal process for appeals from the Commission to the Minister.

Consultation

Government consultation has taken place with the Department of the Premier and Cabinet; the Department of Tourism, Racing and Fair Trading; the Department of Local Government and Planning; the Department of State Development; the Department of Employment and Training; the Department of Primary Industries; the Department of Families and the Department of Justice and Attorney-General. The Office of the Queensland Parliamentary Council has prepared the Bill.

Consultation also took place with the major areas of the gambling industry, which are affected by the Bill.

NOTES ON PROVISIONS

PART 1—PRELIMINARY

Clause 1 sets out the short title of the Act.

Clause 2 provides for the commencement of the Act.

PART 2— AMENDMENT OF CASINO CONTROL ACT 1982

Clause 3 notes that Part 2 amends the *Casino Control Act 1982*.

Clause 4 amends section 4 to change the heading to read “Definitions”, inserts definitions for “accepted representations”, “gaming commission”, “holder”, “information notice”, “registrar”, “relevant casino operator” and “show cause notice” and provides a minor technical change to the definition of “casino key employee” and “casino operator”. The clause also re-locates the section to a schedule.

Clause 5 inserts section 35A to empower the chief executive to request by written notice from the applicant for a casino key employee licence or a casino employee licence, further information that is necessary and reasonable to help make a decision in relation to an application.

Clause 6 amends section 36(1) and (1A) to modernise the language of the sections and increase the penalty under (1A) to 200 penalty units. It also amends section 36(4) to refer to the chief executive refusing to grant a casino key employee licence. This reflects that, in future, all decisions in relation to casino key employee and casino employee licences will be made by the chief executive rather than the Minister.

Clause 7 amends section 37(1) and (2) to change the chief executive’s function from providing recommendations to the Minister to that of deciding applications. It also deletes section 37 (1A) as it is replaced by the new section 35A.

Clause 8 replaces section 38 to transfer authority from the Minister to the chief executive to grant or refuse to grant an application for a casino employee or casino key employee licence. This will create consistency with decision-making under the other gaming Acts. The clause also replaces section 39 to enable the chief executive to issue a casino key employee or a casino employee licence on conditions deemed necessary or desirable in the public interest. New sections 39A-39E are inserted to provide for the form in which the licence must take and gives the chief executive the authority to change conditions of a licence. The sections also state the requirement for recording a change in conditions of a licence and replacing a licence.

Clause 9 omits sections 44 and 45 and inserts a new divisional heading “Division 5—Suspension and cancellation of casino key employee and casino employee licences”. The replacement sections 44–44G modernise the provisions dealing with casino key employee and casino employee licences by making them consistent with disciplinary actions and procedures in the other gaming Acts. In this regard, the new sections deal with the grounds and procedures for suspension or cancellation, the chief executive’s duty to consider representations by employees in receipt of show cause notices and procedures for ending the show cause process

without further action. They also cover censuring licensees, directions to rectify, suspension and cancellation of licences and the immediate suspension of licences. The decision-making powers in the new sections are exercised by the chief executive rather than by the Minister.

Clause 10 recasts section 62(4)–(6A) as offences of either 40 or 200 penalty units and modernises the language of the sections. The introduction of penalties will enable the issuing of infringement notices for breaches of the section.

Clause 11 amends section 62A to modernise the language of the section which states that gaming equipment can not be operated outside of a casino without an approval under the section. It also clarifies that a breach of section 62(2) does not occur if the action is merely incidental to gaming equipment being operated in accordance with an approval under section 62A.

Clause 12 recasts section 63(6) and 63(9) as offences with penalties of 40 penalty units and 200 penalty units respectively. In addition, it inserts a section 8A with a penalty of 200 penalty units if a casino operator does not comply with a direction under section 63(8). It also inserts a new section 63(10) with a penalty of 40 penalty units for employees who do not conduct games in accordance with the rules.

Clause 13 recasts section 64A(4) as an offence with a penalty of 20 penalty units and modernises the language.

Clause 14 recasts section 72(2) as an offence with a penalty of 40 penalty units and modernises the language.

Clause 15 inserts new sections 72A and 72B to include the existing requirements from the Regulation for advertising of casinos and directions in relation to such advertising. By placing the provisions in the Act and increasing the penalty to 200 penalty units the amendments strengthen the current regime and make it consistent with other gaming Acts.

Clause 16 amends section 76(3) and inserts 76(4) and 76(5) to recast 76(3) as an offence with a penalty of 200 penalty units and modernises the section.

Clause 17 amends section 82 to create an offence of 200 penalty units if a casino operator fails to have the financial records audited by an appropriate person. It also modernises the language of the section and creates a defence in certain circumstances for auditors who fail to comply with 82(2).

Clause 18 inserts a new section 87A to enable an inspector to require a person suspected of or found committing or attempting to commit an offence under the Act to provide their name and residential address and if required proof of both to the inspector. A breach of the provision attracts a maximum penalty of 40 penalty units. The provision also creates a defence to the commission of an offence under this provision when it is later found that the person was not guilty of having committed the original offence that prompted the inspector to request the person's name and address.

Clause 19 inserts a new "Part 9A—Appeals to Gaming Commission" (sections 91A—91G) providing applicants for holders of employee licences with the ability to appeal against specified decisions of the chief executive about which they are aggrieved. The appeals will be heard by the Queensland Gaming Commission, in line with appeals from other gaming Acts. The new sections detail who may appeal, how to start an appeal, who grants a stay of operation of the decision and its limits, the hearing procedures, the power to gather evidence, the powers of the Gaming Commission on appeal and when decisions may be appealed to the District Court.

Clause 20 amends section 92(3) to create a new ground to exclude a person from a casino, when the safety of a dependent or someone in their care is at risk because of that person's presence in the casino. For example, a patron could be excluded if the person left a child unattended in a car while the patron gambled at the casino as the person had placed the child at risk of harm.

Clause 21 amends section 93(1) to clarify that an appeal against an exclusion from a casino made under section 92 must be made to the Minister within 3 months of the person receiving the direction from the casino operator.

Clause 22 amends section 127(2)(h) to increase the amount of penalty able to be provided in a regulation from an existing 10 penalty units to 20 penalty units.

Clause 23 inserts a new divisional heading "Division 3—Transitional provisions for Gambling Legislation Amendment Act 2002" and defines the term "commencement". It inserts a new section 131 to provide finality for unclaimed winnings from keno games which were conducted as casino games prior to the start of state-wide keno which has been conducted under the *Keno Act 1996* from 23 June 1997. In this regard, the amendment defines unredeemed keno dollars to be those that are not redeemed for cash within a year after the commencement of the amendment Act and applies to keno dollars that would have been useable under this Act before 23 June

1997. The provision clarifies that keno dollars can only be redeemed for cash for a year after the commencement of this section and creates a duty for the casino operator to pay unredeemed keno dollars by cheque to the chief executive. This clause also inserts a new section 132 which provides for how to deal with an application for a casino key employee or casino employee licence that was made and not decided before the commencement of the provision. Lastly, this clause inserts a new section 133 to provide for the continuation of appeals to the Minister under section 93 of the *Casino Control Act 1982*, which have not been decided before the commencement of the division.

PART 3—AMENDMENT OF CHARITABLE AND NON-PROFIT GAMING ACT 1999

Clause 24 provides that Part 3 amends the *Charitable and Non-Profit Gaming Act 1999*.

Clause 25 amends section 69(4) to enable the chief executive to investigate a business or executive associate of a licensee who was an associate, but who was not investigated, at the time of the application by the licensee. This strengthens and expands the circumstances in which an investigation of associates can be undertaken. The amendment is also made to the other gaming Acts.

Clause 26 inserts a new section 100B to create offences relating to the use or modification of regulated general gaming equipment which has not been approved under section 100(1) and creates a maximum penalty of 40 penalty units for breaching the provision. This is consistent with the requirements of other gaming Acts.

Clause 27 amends the definition of “regulated general gaming equipment” to clarify that it is concerned with equipment which has an electronic or computer controlled random number generator and expands the scope to include equipment used in an art union or bingo.

PART 4—AMENDMENT OF GAMING MACHINE ACT 1991

Clause 28 provides that Part 4 amends the *Gaming Machine Act 1991*.

Clause 29 moves the section 2—Definitions to a schedule to the Act and omits the term “parent entity” and inserts “associates (contractors) audit program”, “associates (repairers) audit program”, “contractors audit program”, “holder” and “repairers audit program”, while making some minor changes to other definitions.

Clause 30 amends section 5(a) and 5(b) in line with changes to the *Corporations Act*. It also lowers the threshold of a controlling interest to the level of 5% in line with the practice for the other gaming Acts.

Clause 31 omits section 28(1) and makes minor technical amendments to section 28 as a result of the amendments in clause 35.

Clause 32 amends section 29(2)(d) to increase the appeal lodgement period from 14 days to 28 days and omits section 29(5) as a result of the amendments in clause 33. In addition, section 29(9)(b) is replaced to specify when an appeal may be made to the Minister from a decision of the Queensland Gaming Commission in relation to the number of gaming machines sought in the relevant application for the premises. The amendments also omit sections relating to decisions subject to appeal and transfer them to section 32 enabling these matters to be determined by the Commission.

Clause 33 inserts a new section 29A which provides that the Minister may give a direction staying the operation of a decision or determination of the Queensland Gaming Commission or chief executive, which is the subject of an appeal to the Minister, with one exception (a decision of the chief executive under section 99). This new section provides that the Minister, before granting a stay under this section, must have regard to whether the integrity of gaming and the conduct of gaming will be jeopardised, or the public interest will be adversely affected, if the stay is granted.

Clause 34 makes a minor amendment to section 30(1) and omits sections 30(2) to (5) as a consequence of other amendments in clause 35 which insert new sections 30A and 30B.

Clause 35 inserts new section 30A that provides an overarching requirement that the Minister, before making a decision under this section, must have regard to whether the integrity of gaming and the conduct of

gaming will be jeopardised, or the public interest will be adversely affected, by the decision. The section then specifies the three classes of powers that the Minister may exercise when determining an appeal from a decision of the Commission or chief executive. First, section 30A clarifies that the Minister may confirm the decision of the original decision-maker and the appeal is then finished. In this regard, the Minister may confirm the decision for the same reasons as the original decision-maker, or for different reasons, and/or for only some of the original reasons. The Minister may also confirm the decision thereby finalising the appeal if the material supplied on appeal has so substantially changed the application that it would be better treated as a new application. Second, the Minister may set aside the decision and substitute the Minister's own decision and that decision is final. However, any ancillary decisions yet to be made by the Commission such as the approved number of gaming machines, the hours of gaming or the conditions of the licence, may subsequently be appealed against to the Minister. Third, the Minister may set aside a decision and return the decision to the original decision-maker. In returning the decision, the Minister may give the original decision-maker information that the Minister considers relevant to the decision, such as material provided by the applicant or other parties, as part of the appeal. New section 30B which is inserted by this clause, specifies the Minister must state the decision and the reasons for the decision. Lastly, new section 30C(1) provides that the Minister's decision about the appeal takes effect when it is given or the later date stated in the decision. Additionally, section 30C(2) provides that a decision of the Minister under section 30A(2)(b) is taken to be a decision of the Commission or chief executive. However, it also states that such a decision is not a decision that is subject to a further appeal to the Minister. New section 30C also provides that where the Commission or chief executive reconsiders afresh an application returned to the Commission or chief executive by the Minister for further consideration under 30A(2)(c), the decision of the Commission or chief executive after further consideration is not a decision which is subject to a further appeal to the Minister.

Clause 36 inserts a new section 1A to provide that a person aggrieved by one of the listed decisions of the chief executive may appeal against the decision to the Queensland Gaming Commission, rather than the Minister as is currently provided.

Clause 37 omits section 50(2)(c).

Clause 38 omits reference to sections 219(16) & (17) and 220 (provisions which deal with the cancellation and suspension of repairer, service contractor, gaming nominee and employee licences) in section

51(2) (Delegation by commission). These section references are omitted as the decision-making powers in sections 219(16) & (17) and 220 will be transferred from the Queensland Gaming Commission to the chief executive.

Clause 39 amends section 54(8) to correct a minor technical error.

Clause 40 inserts a new section 57(10A) to provide that the chief executive may make a recommendation to grant a gaming machine licence under certain reasonable conditions. Reasonable conditions include the nature or character of the premises, or the general use of the premises or the enjoyment of persons using the premises, or the public interest.

Clause 41 inserts a new section 58(9A) to provide that if the Queensland Gaming Commission imposes a condition on a licence the chief executive must immediately give an information notice of the decision to the applicant of the gaming machine licence.

Clause 42 inserts section 59(2A) and (3A) to provide that, where a gaming machine application is made as a result of the transfer of a liquor licence, the Queensland Gaming Commission must not approve more gaming machines than the number for which the site was approved at the time of the application. This clarifies the current situation where, in the absence of an application for an increase in machine numbers, an application for a gaming machine licence arising from a transfer of liquor licensees does not change the approved number of machines existing at the time of transfer. Additionally, the Queensland Gaming Commission must provide a written notice to the applicant if the number of gaming machines fixed for an application is less than the number sought, but not less than the number approved for the premises at the time the application was made.

Clause 43 inserts section 62(9A) to provide that the chief executive may make a recommendation to approve additional premises subject to certain reasonable conditions. Reasonable conditions include the nature or character of the premises, or the general use of the premises or the enjoyment of persons using the premises, or the public interest.

Clause 44 amends section 74(2) to provide that the chief executive must also give an information notice to a licensee who is affected by a decision of the Queensland Gaming Commission to impose or vary conditions.

Clause 45 clarifies that the notice required under section 76(6) is an information notice.

Clause 46 inserts a new section 80A to provide that new licensees must install their approved numbers of gaming machines within 1 year after the

day the gaming machine licence was granted. If the licensee has not started to conduct gaming on the licensed premises within 1 year (or a further extended period granted by the Commission), the licence automatically lapses. Furthermore, if the licensee has started to conduct gaming on the licensed premises, but has not installed the approved number of gaming machines by the required date the number of gaming machines approved for the premises automatically becomes the number installed as at that date. Section 2 of the Act defines the term “approved number”. In addition, this amendment provides that the Commission may, if the licensee applies in writing within the 1 year period and the Commission is satisfied there is good reason, grant a deferment for a additional period of up to 1 year for the installation of the machines. Once the relevant date has passed, the licensee is not prevented from making an application for an increase or decrease in gaming machines under sections 81 and 86 respectively.

Clause 47 inserts a new section 82(2A) to provide that the chief executive may make a recommendation to approve an increase in the approved number of gaming machines subject to certain reasonable conditions. Reasonable conditions include the nature or character of the premises, the general use of the premises or the enjoyment of persons using the premises, or the public interest.

Clause 48 inserts a new section 85AA to provide that a licensee, to whom an approval for an increase in the number of gaming machines has been given, must install the additional machines within 6 months after the day the approval was given, otherwise the approval automatically lapses. If the licensee has not installed all the additional machines on the licensed premises within 6 months (or a further extended period granted by the Commission), the number of additional gaming machines approved under the approval is taken to be the number installed on that date. In addition, this amendment provides that the Commission may, if the licensee applies in writing within the 6 month period and the Commission is satisfied there is good reason, grant a deferment for a additional period of up to 6 months for the installation of the machines.

Clause 49 replaces section 86(4) with a new 86(4) and 86(4A) to separate the administrative requirements for proposals to decrease the approved number of gaming machines arising from a request by the licensee from those associated with requests or reports under subsections (2) or (3).

Clause 50 amends section 91(2) to provide that applications for the relocation of gaming machine areas must additionally be in the approved form and submitted to the chief executive.

Clause 51 inserts a new divisional heading “Division 11A—Ceasing gaming at particular licensed premises”. The new sections 91A—91C outline the requirements for licensees and the chief executive in relation to category 2 licensees who have been approved to have additional premises but who subsequently cease gaming on any of their licensed premises. Measures include surrendering the licence to the chief executive and providing a written notice stating the day the conduct of gaming ceased and details of the licensed premises. A maximum penalty of 40 penalty units applies to breaches of this provision. A licensee given approval to cease operations must dispose of the gaming machines as directed by the chief executive or within 1 month of receiving the notice. Breaches of this provision attract a maximum penalty of 200 penalty units. As soon as possible after receiving notification of the licensee ceasing to conduct gaming on any licensed premises under the licence, the chief executive must give a written notice to each licensed monitoring operator the chief executive believes is supplying basic monitoring services to the licensee confirming the cessation of gaming.

Clause 52 simplifies section 95(7) by providing that approval to dispose of gaming machines may be by sale or destruction of the machines.

Clause 53 clarifies that the notice required under section 97(19) is an information notice.

Clause 54 clarifies that the notice required under section 98(2)(a) is an information notice.

Clause 55 amends the heading of section 99 to include “levy” and remove “fees”. It also inserts a new provision 99(4A) so that the chief executive must give the licensee an information notice relating to the decision to suspend the gaming machine licence.

Clause 56 amends the heading of section 104 to reflect that the Government is no longer involved in the ownership of gaming machines. It also simplifies section 104(4) by providing that approval to dispose of the gaming machines may be by sale or destruction of the machines.

Clause 57 creates a new section 121(4A) to provide that when the chief executive is making a recommendation to grant an application for a supplier’s licence to the Queensland Gaming Commission the application may be subject to the reasonable conditions the chief executive decides to impose.

Clause 58 creates a new section 123(3) requiring licensed suppliers not to contravene conditions attached to their licences without reasonable

excuse. Breaching the conditions attached to a supplier's licence will attract a maximum penalty of up to 200 penalty units.

Clause 59 clarifies that the notice required under section 131(3) is an information notice.

Clause 60 inserts a new section 136(4)(d) to enable the chief executive to investigate an associate of a licensee who was an associate, but who was not investigated, at the time of the application by the licensee.

Clause 61 replaces sections 163—167 to expand the scope of the sections to all licensed suppliers, not just a “licensed monitoring operator”. The amendments will require an approved control system for major and secondary dealers (as well as Licensed Monitoring Operators), subject to the new section 405. The amendments are fully aligned with existing provisions relating to approval and submission processes associated with control systems for supply operations.

Clause 62 provides for minor technical amendments to section 173 by expanding the application of the section to any ‘supplier’.

Clause 63 amends section 180(1)(d) in line with the *Corporations Act*.

Clause 64 amends section 191 to transfer the authority for determining the necessity to apply for a gaming employee's licence to the chief executive. It also transfers the authority to determine the criteria for making such determinations from the Minister to a prescribed regulation.

Clause 65 amends section 192 to transfer decision-making authority from the Queensland Gaming Commission to the chief executive in relation to certain persons applying for key monitoring employee's licences.

Clause 66 amends section 200 to provide for minor administrative and technical amendments relating to the transfer of decision-making authority from the Queensland Gaming Commission to the chief executive in the consideration of licence applications relating to repairers, service contractors, gaming nominees and employees.

Clause 67 replaces sections 201 and 202 to transfer decision-making authority from the Queensland Gaming Commission to the chief executive. Section 201 creates a duty for the chief executive to either grant or refuse an application after considering it. It permits the chief executive to grant an application only if satisfied that the applicant is a suitable person to hold the licence having regard to a variety of probity considerations. Section 202 specifies that the licence must in the approved form.

Clause 68 amends section 205 to transfer the power to attach conditions on licences from the Queensland Gaming Commission to the chief executive. It also creates a new penalty of 200 penalty units if a licensee breaches a condition of the licence.

Clause 69 replaces the heading of section 206 to read “Changing conditions of licence” and transfers authority for the changing of conditions of a licence from the Queensland Gaming Commission to the chief executive. The existing provisions in section 206 are replicated and simplified in a new section 206. A further new section, 206A, details the procedures for changing conditions of a licence and the recording of changes to these conditions.

Clause 70 clarifies that the notice required under section 207(6) is an information notice.

Clause 71 amends the heading of section 211 and expands the power of the Minister to approve audit programs to investigate not only nominees but also licensed repairers and licensed service contractors.

Clause 72 amends section 212 so that when the chief executive is conducting investigations of licensed persons and associates, the chief executive can also investigate licensed repairers, licensed service contractors and their associates. The chief executive may also investigate associates of licensed persons if the associates were not investigated at the time the person’s licence was issued.

Clause 73 amends section 219 dealing with the cancellation or suspension of licences for repairers, service contractors, gaming nominees and employees. Specifically, it amends sections 219(1)(b)(vi), 219(1)(b)(vii), 219(1)(c)(ii) to ensure authority is vested solely with the chief executive and not concurrently with the Queensland Gaming Commission. Similarly, the amendments to sections 219(12)(c)(ii), 219(13), 219(15) to (22) simplify the provisions and bring the wording into line with the new arrangements for the decision-making authority to vest with the chief executive.

Clause 74 replaces section 220 to read “Immediate suspension” and transfers authority to effect an immediate suspension of a licence from the Queensland Gaming Commission to the chief executive. The existing provisions of section 220 are then replicated and simplified to add clarity.

Clause 75 restructures section 222 to improve clarity and modernise the language of the section.

Clause 76 amends section 224 to omit reference to the Queensland Gaming Commission and vest power with the chief executive for granting provisional licences.

Clause 77 inserts sections 265(3) and (4) to enable a person to apply for approval from the chief executive to buy or otherwise acquire, or sell or otherwise dispose of a gaming machine and to specify that the application must be in the approved form and be accompanied by the prescribed fee.

Clause 78 inserts sections 277(2) and (3) to enable a licensed monitoring operator, approved financier, licensee or gaming trainer to apply for approval from the chief executive for the destruction of gaming machines and specifies that the application must be in the approved form and accompanied by the prescribed fee.

Clause 79 amends section 338(5A) to make a minor technical amendment to expand the means through which winnings may be attributable.

Clause 80 inserts a new divisional heading “Division 7—Transitional provisions for Gambling Legislation Amendment Act 2002” and a new section 404 which defines the term “commencement” for the Division. This clause also inserts a new section 405 that applies to a licensed supplier who is a licensed major dealer or licensed secondary dealer immediately before the day on which this section commences. It requires such licensed suppliers to provide their first control system submission to the chief executive within 6 months of the date of the commencement of the section. Additionally, new section 406 provides that applications for licences made under Part 5, which have not been decided before the commencement of the provision must be decided under the amended Act. Lastly, this clause inserts a new section 407 to provide for the way in which appeals to the Minister, which have not been decided before the commencement of the provision, may be continued and decided.

PART 5—AMENDMENT OF INTERACTIVE GAMBLING (PLAYER PROTECTION) ACT 1998

Clause 81 provides that Part 5 amends the *Interactive Gambling (Player Protection) Act 1998*.

Clause 82 inserts a new section 56(4)(d) to enable the chief executive to investigate a business or executive associate of a licensee who was an associate, but who was not investigated, at the time of the application by the licensee.

Clause 83 clarifies that the notice required under section 69(2)(b) is a written notice.

Clause 84 inserts a new section 82(6) to require a key person licensee to return their licence where the licence has been cancelled. A breach of the provision attracts a maximum penalty of 40 penalty units.

Clause 85 recasts section 127 as an offence with a new maximum penalty of 200 penalty units and modernises the language of the section.

Clause 86 amends section 254(2) to require the lodgement of a fee with an appeal.

Clause 87 omits section 261(3).

PART 6—AMENDMENT OF KENO ACT 1996

Clause 88 provides that Part 6 amends the *Keno Act 1996*.

Clause 89 inserts a new section 36(4)(d) to enable the chief executive to investigate a business or executive associate of a licensee who was an associate, but who was not investigated, at the time of the application by the licensee.

Clause 90 amends section 53 to require the provision of a written notice to the keno licensee for decisions under 53(2)(b). It also inserts a definition of a relevant keno licensee.

Clause 91 inserts a new section 66(6) to require a licensed keno employee to return their licence where the licence has been cancelled. A breach of the provision attracts a maximum penalty of 40 penalty units.

Clause 92 recasts section 117 as an offence with a maximum penalty of 200 penalty units and modernises the language.

Clause 93 amends section 235(2) to require the lodgement of a fee with an appeal.

PART 7—AMENDMENT OF LOTTERIES ACT 1997

Clause 94 provides that Part 7 amends the *Lotteries Act 1997*.

Clause 95 amends section 36(4) to enable the chief executive to investigate a business or executive associate of a licensee who was an associate, but who was not investigated, at the time of the application by the licensee.

Clause 96 clarifies that the notice required under section 51(2)(b) is a written notice.

Clause 97 inserts a new section 64(6) to require a key person licensee to return their licence where the licence has been cancelled. A breach of the provision attracts a maximum penalty of 40 penalty units.

Clause 98 amends section 79(5) to expand the definition of “small business” to enable for a situation where more than 50 persons are employed at the agency, provided that no more than 2,000 hours are worked in a week.

Clause 99 recasts section 100 as an offence with a maximum penalty of 200 penalty units for a breach of the section and modernises the language.

Clause 100 inserts a new section 181A to provide that an inspector who is supervising a lottery may direct the lottery licensee to take reasonable action to ensure that the lottery is carried out in a way that does not jeopardise the integrity of the conduct of the approved lottery. This will ensure that an inspector who is supervising an approved lottery, such as Wednesday Gold Lotto, has the power to act or correct some matter, in order to ensure the integrity of the game. Failure to comply with the direction attracts a maximum penalty of 40 penalty units.

Clause 101 amends section 220(2) to require the lodgement of a fee with an appeal.

Clause 102 omits sections 226(3) and (4).

PART 8—AMENDMENT OF WAGERING ACT 1998

Clause 103 provides that Part 8 amends the *Wagering Act 1998*.

Clause 104 amends section 38(2) to enable the chief executive to investigate a business or executive associate of a licensee who was an associate, but who was not investigated, at the time of the application by the licensee.

Clause 105 clarifies that the notice required under section 108(2)(b) is a written notice.

Clause 106 inserts a new section 128(8) to require a key person licensee to comply with a direction under this section.

Clause 107 inserts a new section 165(2) to provide that a permit holder is not required to pay wagering tax, if the total amount invested in the holder's totalisators for the month is less than the amount prescribed under a regulation. This recognises that the majority of wagering permit holders are small race clubs which conduct very few meetings per year. Those meetings that are held do not generate significant revenue and consequently result in insignificant amount of tax per month.

Clause 108 recasts section 173 as an offence with a maximum penalty of 200 penalty units for a breach of the provision and modernises the language. It also provides that a permit holder is not required to have an approved control system if the total amount invested in the holder's totalisators in a 12 month period is less than a prescribed amount. This amendment will work with the amendment to section 165 to reduce unnecessary paperwork for small race clubs.

Clause 109 amends section 297(2) to require the lodgement of a fee with an appeal.

Clause 110 omits sections 309(3) and (4).

PART 9—OTHER AMENDMENTS

Clause 111 amends and inserts penalties listed in Schedule 1.

Clause 112 makes minor and consequential amendments listed in Schedule 2.

SCHEDULE 1**AMENDMENT OF PENALTIES**

Schedule 1 provides for minor amendments to penalty provisions under the *Casino Control Act 1982*, *Gaming Machine Act 1991*, *Keno Act 1996* and *Wagering Act 1998*.

SCHEDULE 2**MINOR AND CONSEQUENTIAL AMENDMENTS**

Schedule 2 provides for minor and dictionary amendments to the *Casino Control Act 1982*, *Gaming Machine Act 1991*, *Interactive Gambling (Player Protection) Act 1998*, *Judicial Review Act 1991*, *Keno Act 1996*, *Lotteries Act 1997*, *Tobacco and Other Smoking Products Act 1998* and *Wagering Act 1998*.