

## FACT SHEET

### GAMING CONTROL AMENDMENT BILL 2009

- The Gaming Control Act Amendment Bill amends the *Gaming Control Act 1993*, to enable the regulation of TOTE Tasmania's gaming and wagering activities. The Bill also repeals the *Racing (Totalizator Betting) Act 1952* and the *TOTE Tasmania (Racing Regulation) Act 2004*.
- It also abolishes the current funding arrangements between the TOTE and the Tasmanian racing industry. The new Tasmanian Racing Board will be funded directly by the State Government through a separate Funding Deed.
- The amendments provide for the regulation and financial arrangements of the TOTE or its purchaser. Specifically, amendments to the Gaming Control Act:
  - establishes a new endorsement under a Tasmanian Gaming Licence (TGL) for totalisator betting with an annual fee of 350 000 fee units (\$448 000), waived for the TOTE or its purchaser;
  - establishes an agent endorsement to allow TGL holders to participate in an agent arrangement with an external (third party) gaming or wagering provider for which it receives a commission. An annual licence fee of 5 000 fee units (\$6 400), will apply to an agent endorsement, waived for the TOTE or its purchaser;
  - provides that the holder of a totalisator endorsement must pay a fixed wagering levy of 4.7 million fee units (\$6 million per annum);
  - deems TOTE to hold a Tasmanian gaming licence with totalisator, race wagering (fixed odds), sports betting, and an agent endorsements;
  - deems TOTE's existing agent arrangements to be allowable under the endorsement. New arrangements will be subject to disallowance by the Tasmanian Gaming Commission;
  - deems TOTE's equipment (software and hardware) to be compliant for 24 months and control systems (manuals) for 6 months;
  - deems TOTE's special employees to be licensed for 12 months;

- enables a second exclusive totalisator licence, subject to the Treasurer's written approval, to be granted by the Tasmanian Gaming Commission if the TOTE is sold;
- establishes a period of exclusivity of 15 years after the new operator's totalisator endorsement commences;
- sets the term of the Tasmanian gaming licence for the new operator to be 50 years then renewable for 49 years while the operator holds a totalisator endorsement;
- deems the new operator's equipment (software and hardware) to be compliant for 12 months and control systems (manuals) for 6 months;
- deems the new operator's special employees to be licensed for 12 months;
- provides that the TOTE or new operator can establish wagering rules under the licence that are allowed unless disallowed by the Tasmanian Gaming Commission;
- provides that commission can be deducted, dividends are rounded and the fractions retained by the TOTE or the new operator;
- authorises commission rates (take out rates) set out in operators rules are subject to maximum rates as determined by the Tasmanian Gaming Commission.
- waives the race wagering, sports betting and agent endorsement fees for the TOTE or its purchaser while a totalisator endorsement is held;
- limits the maximum fee payable for multiple endorsements held by any other operators (ie without a totalisator endorsement) at 450 000 fee units per annum (\$576 000);
- abolishes the current tax on sports betting from of 0.25 per cent of turnover and race wagering (fixed odds wagering) of 1.0 per cent of turnover;
- limits the fees for the holder of both sports betting and race wagering endorsements to 200 000 fee units (\$256 000);
- provides that a totalisator, or any other Tasmanian gaming licence holder, may operate as an agent for a third party gaming or

wagering operator external to Tasmania, for which the Tasmanian based operator receives a commission;

- provides that unclaimed monetary prizes or dividends be paid to the Treasurer after six months;
- provides that a totalisator operator may use retail outlets as an agent to accept wagers on its behalf;
- provides that the actions of an outlet agent are taken to be the actions of a licence holder;
- introduces penalties for serious offences by the outlet agents, such as allowing a minor to gamble, the outlet agent will also be held responsible;
- contains transitional and savings provisions in respect of the operations of the TOTE and the TOTE's agents, employees and technicians as they come under the control of the Act;
- allows employees to wager on their employer's wagering activity only when off duty; and
- provides for an adjustment of the product levy payable to Tasmania by Betfair where it is also required to pay race-fields publishing fees, product fees, or levies to racing authorities for the same event.