



New South Wales

Gaming Machines Amendment (Shutdown Periods) Bill 2003

Explanatory note

This explanatory note relates to this Bill as introduced into Parliament.

Overview of Bill

Division 2 of Part 4 of the *Gaming Machines Act 2001* imposes requirements on hoteliers and registered clubs to shut down their gaming machines for a certain time on each day of operation. Section 39 of the Act provides that a general 6-hour shutdown period (4 am to 10 am) operates on and from 1 May 2003. However, the operation of the general 6-hour shutdown period is subject to section 40 of the Act, which enables the Liquor Administration Board to approve of a hotel or club having a 3-hour shutdown period (6 am to 9 am) on weekends and public holidays. In the case of hotels and clubs that are “early openers”, section 41 of the Act provides that different times can be approved by the Board so long as the relevant shutdown period (ie the general 6-hour period or the approved 3-hour period on weekends and public holidays) is not reduced.

The object of this Bill is to amend the *Gaming Machines Act 2001* to enable the Board to approve of a hotel or club having a 3-hour shutdown period of between 6 am and 9 am on any day of the week so long as the hotel or club can establish that the financial viability of the hotel or club will be seriously threatened by the

operation of the general 6-hour shutdown period. The Board will be required to take into consideration the guidelines approved by the Minister before it gives such an approval.

At present under the Act, section 40 (3) (a) provides that the Board's approval of a hotel or club having the 3-hour shutdown period on weekends and public holidays may be given only if the Board is satisfied that the relevant local council has agreed to the hotel or club operating gaming machines between certain times on those days when the 3-hour shutdown period is to operate. Instead of this provision, the Bill provides that the Board's approval under section 40 may be given only if the Board has taken into consideration the guidelines approved by the Minister.

Outline of provisions

Clause 1 sets out the name (also called the short title) of the proposed Act.

Clause 2 provides that the proposed Act commences on a day or days to be appointed by proclamation.

Clause 3 is a formal provision that gives effect to the amendments to the *Gaming Machines Act 2001* set out in Schedule 1.

Schedule 1 amends the *Gaming Machines Act 2001* in the manner described in the Overview above.



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New South Wales

Gaming Machines Amendment (Shutdown Periods) Bill 2003

No. , 2003

A Bill for

An Act to amend the *Gaming Machines Act 2001* to make further provision with respect to the requirement to shut down gaming machines in hotels and registered clubs for certain periods.

The Legislature of New South Wales enacts:

1 Name of Act

This Act is the *Gaming Machines Amendment (Shutdown Periods) Act 2003*.

2 Commencement

This Act commences on a day or days to be appointed by proclamation.

3 Amendment of Gaming Machines Act 2001 No 127

The *Gaming Machines Act 2001* is amended as set out in Schedule 1.

Schedule 1 Amendments

(Section 3)

[1] Section 39 General 6-hour shutdown period after 1 May 2003

Insert “, 40A” after “40” in section 39 (2).

[2] Section 40 Approval of 3-hour shutdown period on weekends and public holidays

Omit “a shutdown period of between 6 am and 9 am on each day occurring on or after 1 May 2003” from section 40 (1).

Insert instead “, with effect on and from 1 May 2003 or from any time after that date, a shutdown period of between 6 am and 9 am on each day”.

[3] Section 40 (3)

Omit “the Board is satisfied”.

[4] Section 40 (3) (a)

Omit the paragraph. Insert instead:

- (a) the Board has taken into consideration such guidelines as may be approved by the Minister for the purposes of this section, and

[5] Section 40 (3) (b)

Insert “the Board is satisfied” before “that”.

[6] Section 40 (4)

Omit the subsection.

[7] Section 40A

Insert after section 40:

40A Approval of limited shutdown period on hardship grounds

- (1) The Board may, on application by a hotelier or registered club, approve of the hotel or club having a shutdown period of between 6 am and 9 am on each day of the week (*the limited shutdown period*).

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- (2) If the limited shutdown period is approved for the time being in respect of a hotel or registered club, the hotelier or club must ensure that each approved gaming machine that is kept in the hotel or club is not operated for the purposes of gambling during the limited shutdown period. 1
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Maximum penalty: 100 penalty units. 6
- (3) The Board's approval of a hotel or registered club having the limited shutdown period may be given only if: 7
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- (a) the hotelier or registered club has established, to the satisfaction of the Board, that the financial viability of the hotel or club will be seriously threatened if the Board's approval is not given, and 9
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- (b) the Board has taken into consideration such guidelines as may be approved by the Minister for the purposes of this section. 13
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- [8] Section 41 Approval of different shutdown periods for "early openers"** 16
17
- Omit section 41 (2) (b). Insert instead: 18
- (b) with effect on and from 1 May 2003 or from any time after that date: 19
20
- (i) a different 6-hour shutdown period to the general 6-hour shutdown period referred to in section 39, or 21
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23
- (ii) a different 3-hour shutdown period on Saturdays, Sundays and public holidays to the 3-hour shutdown period referred to in section 40, or 24
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26
- (iii) a different 3-hour shutdown period to the limited shutdown period referred to in section 40A. 27
28
- [9] Section 41 (6)** 29
- Omit the subsection. 30
- [10] Section 42 General provisions** 31
- Insert after section 42 (2): 32
- (3) An approval by the Board under this Division: 33
- (a) is to be in writing, and 34

	(b) is subject to such conditions as the Board thinks fit to impose, and	1 2
	(c) may be revoked at any time by the Board for such reasons as the Board thinks fit.	3 4
[11]	Schedule 1 Savings, transitional and other provisions	5
	Insert at the end of clause 1 (1):	6
	<i>Gaming Machines Amendment (Shutdown Periods) Act 2003</i>	7
[12]	Schedule 1, Part 5	8
	Insert after Part 4:	9
Part 5	Provisions consequent on enactment of Gaming Machines Amendment (Shutdown Periods) Act 2003	10 11 12
20	Existing approvals in relation to shutdown periods	13
	(1) The amendments made by the <i>Gaming Machines Amendment (Shutdown Periods) Act 2003</i> to sections 40 and 41 do not affect the operation of any approval given by the Board under those sections before the commencement of those amendments.	14 15 16 17 18
	(2) Section 42 (3) (as inserted by the <i>Gaming Machines Amendment (Shutdown Periods) Act 2003</i>) extends to an approval given by the Board under section 40 or 41 before the commencement of that subsection.	19 20 21 22