



New South Wales

Gaming Machines Amendment (Centralised Monitoring System) Bill 2015

Explanatory note

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

Overview of Bill

The object of this Bill is to amend the *Gaming Machines Act 2001* (the *principal Act*) to provide a more comprehensive system for the licensing of the operation and management of the centralised monitoring system (*CMS*) under that Act.

Outline of provisions

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

Clause 2 provides for the commencement of the proposed Act on a day or days to be appointed by proclamation.

Schedule 1 Amendment of Gaming Machines Act 2001 No 127

Schedule 1 [1] defines certain terms to be used in the principal Act.

Schedule 1 [2] removes a requirement that the Minister consult with the Independent Pricing and Regulatory Tribunal before determining the monitoring fee payable by a hotelier or club in respect of each approved gaming machine that is connected to the CMS. The Minister will however be required to consult with the Treasurer when determining such fees.

Schedule 1 [3] replaces the existing provision relating to the grant of a licence to manage and operate the CMS with proposed sections 136–136F.

Proposed section 136 provides for the grant of a CMS licence (a licence for the operation and management of a CMS) by the Minister. A CMS licence may be granted on the basis that no other CMS licence will be granted and may be granted to 1 person or to 2 or more persons jointly. **Schedule 1 [4] and [6]** make consequential amendments.

Proposed section 136A sets out the criteria for eligibility for the grant of a CMS licence.

Proposed section 136B sets out the general conditions to which a CMS licence is subject, including a condition that the CMS licensee must manage and operate the CMS for which the licence is granted and must not use CMS infrastructure or CMS information otherwise than in accordance with the principal Act, the regulations or the CMS licence.

Proposed section 136C authorises the Minister to direct a CMS licensee to provide additional services in relation to the management and operation of the CMS or the use of CMS infrastructure or CMS information (***mandatory ancillary CMS services***). It is a condition of a CMS licence that the licensee provide any mandatory ancillary CMS services.

Proposed section 136D authorises the Minister to approve a CMS licensee to provide additional services in relation to the management and operation of the CMS or the use of CMS infrastructure or CMS information (***approved ancillary CMS services***). A CMS licensee is required to comply with any conditions to which an approval is subject.

Proposed section 136E allows a CMS licensee, or applicant for a CMS licence, to claim that certain information provided in connection with a CMS licence is confidential and prevents the disclosure of that confidential information.

Proposed section 136F authorises the Minister to review a CMS licensee's suitability to be concerned in or associated with the management and operation of a CMS. **Schedule 1 [8]** makes a consequential amendment.

Schedule 1 [5] replaces section 139 of the principal Act. Proposed section 139 makes it clear that information acquired in the course of providing CMS services (other than approved ancillary CMS services) is vested in the Crown and prohibits a person from divulging that information otherwise than in accordance with the principal Act, the regulations or a CMS licence.

Schedule 1 [7] provides that disciplinary action against a CMS licensee may, in the case of a continuing contravention, include a monetary penalty in respect of each day that the contravention continues.

Schedule 1 [10] authorises the Minister to serve a letter of reprimand on a CMS licensee in response to a contravention by the licensee without requiring the Minister to give the licensee an opportunity to show cause why the reprimand should not be given. **Schedule 1 [8]** makes a consequential amendment.

Schedule 1 [13] allows the Minister, in relation to any matter that constitutes the basis for taking disciplinary action against a CMS licensee, to both take disciplinary action and direct a licensee to rectify the matter. **Schedule 1 [11], [12] and [14]** make consequential amendments.

Schedule 1 [15] authorises the Minister to immediately cancel or suspend a CMS licence in extraordinary circumstances. **Schedule 1 [9]** makes a consequential amendment.

Schedule 1 [16] extends, from 90 days to 1 year (with the option for an extension of an additional 2 years), the term for which a temporary CMS licence may be issued if a CMS licence is suspended, cancelled or surrendered.

Schedule 1 [17] makes provision for matters of a savings or transitional nature.