



New South Wales

# Totalizator Legislation Amendment (Inter-jurisdictional Processing of Bets) Bill 2006

## Explanatory note

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

## Overview of Bill

The object of this Bill is to permit bets placed with licensees under the *Totalizator Act 1997* to be processed in other jurisdictions, and to permit bets placed with certain persons in other jurisdictions to be processed in New South Wales by those licensees (or by means of their technology).

## 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 the date of assent.

**Clause 3** is a formal provision that gives effect to the amendments to the *Totalizator Act 1997* set out in Schedule 1.

**Clause 4** is a formal provision that gives effect to the amendments to the *Unlawful Gambling Act 1998* set out in Schedule 2.

**Clause 5** provides for the repeal of the proposed Act after all the amendments made by the proposed Act have commenced. Once the amendments have commenced the

proposed Act will be spent and section 30 of the *Interpretation Act 1987* provides that the repeal of an amending Act does not affect the amendments made by that Act.

## **Schedule 1      Amendment of Totalizator Act 1997**

**Schedule 1 [1]** inserts a definition of *process* (in relation to a bet) in section 5 (Definitions) of the *Totalizator Act 1997* (*the Principal Act*) for the purposes of that Act.

**Schedule 1 [2]** inserts proposed sections 9A and 9B in the Principal Act.

Proposed section 9A provides for the processing in New South Wales of certain bets placed with certain persons in other jurisdictions. Those persons must be authorised under the law of the other jurisdiction concerned to conduct a betting activity in that jurisdiction and must be approved by the Minister administering the Principal Act (as must the method of conducting the betting activity).

Proposed section 9B provides for the processing in other jurisdictions of bets placed with New South Wales licensees under the Principal Act. The bets may be processed by the licensee using equipment of certain persons in the other jurisdiction, or may be processed by those certain persons. Those persons must be authorised under the law of the other jurisdiction concerned to conduct a betting activity in that jurisdiction and must be nominated by the Minister administering the Principal Act.

**Schedule 1 [3]** amends section 17A (Trade Practices exemption) of the Principal Act so as to authorise, for the purposes of the *Trade Practices Act 1974* of the Commonwealth and the *Competition Code of New South Wales*, action taken under proposed section 9A or 9B.

**Schedule 1 [4]** amends clause 1 (1) of Schedule 2 (Savings, transitional and other provisions) to the Principal Act so as to enable the making of savings and transitional regulations in consequence of the enactment of the proposed Act.

## **Schedule 2      Amendment of Unlawful Gambling Act 1998**

**Schedule 2 [1]** amends section 7 (Lawful forms of gambling) of the *Unlawful Gambling Act 1998* (*the Gambling Act*) so as to make it clear that the processing of bets in accordance with proposed section 9A or 9B of the Principal Act does not constitute unlawful gambling.

**Schedule 2 [2]** amends clause 1 (1) of Schedule 1 (Savings and transitional provisions) to the Gambling Act so as to enable the making of savings and transitional regulations in consequence of the enactment of the proposed Act.

First print



New South Wales

# Totalizator Legislation Amendment (Inter-jurisdictional Processing of Bets) Bill 2006

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New South Wales

# **Totalizator Legislation Amendment (Inter-jurisdictional Processing of Bets) Bill 2006**

No. , 2006

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## **A Bill for**

An Act to amend the *Totalizator Act 1997* so as to permit the inter-jurisdictional processing of bets; and for other purposes.

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|--|----------|
| <b>The Legislature of New South Wales enacts:</b>  | 1        |
| <b>1 Name of Act</b>   | 2        |
| This Act is the <i>Totalizator Legislation Amendment (Inter-jurisdictional Processing of Bets) Act 2006</i> .  | 3<br>4   |
| <b>2 Commencement</b>  | 5        |
| This Act commences on the date of assent.  | 6        |
| <b>3 Amendment of Totalizator Act 1997 No 45</b>   | 7        |
| The <i>Totalizator Act 1997</i> is amended as set out in Schedule 1.   | 8        |
| <b>4 Amendment of Unlawful Gambling Act 1998 No 113</b>  | 9        |
| The <i>Unlawful Gambling Act 1998</i> is amended as set out in Schedule 2.   | 10       |
| <b>5 Repeal of Act</b>   | 11       |
| (1) This Act is repealed on the day following the day on which all of the provisions of this Act have commenced.   | 12<br>13 |
| (2) The repeal of this Act does not, because of the operation of section 30 of the <i>Interpretation Act 1987</i> , affect any amendment made by this Act. | 14<br>15 |

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|-------------------|---|----|
| <b>Schedule 1</b> | <b>Amendment of Totalizator Act 1997</b>  | 1  |
|                   | (Section 3)   | 2  |
| <b>[1]</b>        | <b>Section 5 Definitions</b>  | 3  |
|                   | Insert in alphabetical order in section 5 (1):  | 4  |
|                   | <i>process</i> , in relation to a bet, means any one or more of the following:  | 5  |
|                   | (a) register the bet,   | 6  |
|                   | (b) calculate the dividend or other return (if any) payable on the bet,   | 7  |
|                   | (c) carry out an activity for the purpose of calculating the dividend or other return (if any) payable on the bet,  | 8  |
|                   | (d) if the bet is a winning bet—pay out on the bet,   | 9  |
|                   | (e) generate and maintain records in relation to the bet,   | 10 |
|                   | (f) otherwise deal with the bet.  | 11 |
| <b>[2]</b>        | <b>Sections 9A and 9B</b>   | 12 |
|                   | Insert after section 9:   | 13 |
|                   | <b>9A Processing in New South Wales of bets with conductors of betting activities in other jurisdictions</b>  | 14 |
|                   | (1) The Minister may, by notice published in the Gazette, approve, for the purposes of this section, any person who is authorised under the law of another State or a Territory or another country to conduct a betting activity in that State, Territory or country ( <i>an approved person</i> ).   | 15 |
|                   | (2) An approved person may, while the approval is in force:   | 16 |
|                   | (a) with the written consent of a licensee, use the systems or technology of the licensee (including any totalizator of the licensee), or   | 17 |
|                   | (b) arrange for the licensee, on behalf of the approved person, to process in New South Wales bets placed (or to be placed) with the approved person in the conduct, by a method specified in the notice of approval, of a betting activity that the approved person is authorised to conduct in the State, Territory or country concerned. | 18 |
|                   | (3) For the purposes of this Act, the processing of bets by an approved person or a licensee in accordance with subsection (2)  | 19 |

|           |   |                                  |
|-----------|---|----------------------------------|
|           | is taken not to constitute, or involve, the conduct of a totalizator or other betting activity in New South Wales.  | 1<br>2                           |
| (4)       | An approval under this section may be revoked at any time by further notice published in the Gazette.   | 3<br>4                           |
| (5)       | The revocation of an approval does not affect any bet in the course of being processed at the time of the revocation.   | 5<br>6                           |
| (6)       | In this section, <i>bet</i> includes a bet placed (or to be placed) with an approved person otherwise than by way of a totalizator.   | 7<br>8                           |
| <b>9B</b> | <b>Processing in other jurisdictions of bets with New South Wales licensees</b>   | 9<br>10                          |
| (1)       | The Minister may, by notice published in the Gazette, nominate, for the purposes of this section, any person who is authorised under the law of another State or a Territory or another country to conduct a betting activity (whether by means of a totalizator or otherwise) in that State, Territory or country ( <i>a nominated person</i> ). | 11<br>12<br>13<br>14<br>15<br>16 |
| (2)       | A licensee may, while a nomination is in force:   | 17                               |
|           | (a) arrange with the nominated person for the licensee to use systems or technology (including a totalizator) of the nominated person, or   | 18<br>19<br>20                   |
|           | (b) arrange for the nominated person, on behalf of the licensee,  | 21<br>22                         |
|           | to process, in the nominated person's jurisdiction, bets placed (or to be placed) with the licensee in the conduct of a betting activity that the licensee is authorised to conduct.  | 23<br>24<br>25                   |
| (3)       | In taking action under subsection (2), a licensee is, for the purposes of this Act:   | 26<br>27                         |
|           | (a) taken to be conducting a betting activity in New South Wales, and   | 28<br>29                         |
|           | (b) taken to be conducting a totalizator in New South Wales in respect of such of the bets processed under that subsection as were (or are to be) placed with the licensee by way of a totalizator.   | 30<br>31<br>32<br>33             |
| (4)       | A nomination under this section may be revoked at any time by further notice published in the Gazette.  | 34<br>35                         |
| (5)       | The revocation of a nomination does not affect any bet in the course of being processed at the time of the revocation.  | 36<br>37                         |
| (6)       | In this section, <i>bet</i> includes a bet placed (or to be placed) with a licensee otherwise than by way of a totalizator.   | 38<br>39                         |



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|---|---|
| <b>[3] Section 17A Trade Practices exemption</b>  | 1 |
| Insert after section 17A (1) (b):   | 2 |
| (b1) conduct authorised by section 9A or 9B,  | 3 |
| <b>[4] Schedule 2 Savings, transitional and other provisions</b>  | 4 |
| Insert at the end of clause 1 (1):  | 5 |
| <i>Totalizator Legislation Amendment (Inter-jurisdictional<br/>        Processing of Bets) Act 2006</i> | 6 |
|   | 7 |

|                   |   |    |
|-------------------|---|----|
| <b>Schedule 2</b> | <b>Amendment of Unlawful Gambling Act</b>                       | 1  |
|                   | <b>1998</b>   | 2  |
|                   | (Section 4)   | 3  |
| <b>[1]</b>        | <b>Section 7 Lawful forms of gambling</b>                       | 4  |
|                   | Insert after section 7 (a):                                     | 5  |
|                   | (a1) processing bets in accordance with section 9A or 9B of the | 6  |
|                   | <i>Totalizator Act 1997,</i>                                    | 7  |
| <b>[2]</b>        | <b>Schedule 1 Savings and transitional provisions</b>           | 8  |
|                   | Insert at the end of clause 1 (1):                              | 9  |
|                   | <i>Totalizator Legislation Amendment (Inter-jurisdictional</i>  | 10 |
|                   | <i>Processing of Bets) Act 2006</i>                             | 11 |