

2024

THE LEGISLATIVE ASSEMBLY
FOR THE AUSTRALIAN CAPITAL TERRITORY

(As presented)

(Minister for Gaming)

Gaming Machine (Compulsory Surrender) Amendment Bill 2024

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(Minister for Gaming)

Gaming Machine (Compulsory Surrender) Amendment Bill 2024

A Bill for

An Act to amend the *Gaming Machine Act 2004*, and for other purposes

The Legislative Assembly for the Australian Capital Territory enacts as follows:

1 **1 Name of Act**
2 This Act is the *Gaming Machine (Compulsory Surrender)*
3 *Amendment Act 2024.*

4 **2 Commencement**
5 This Act commences on the day after its notification day.
6 *Note* The naming and commencement provisions automatically commence on
7 the notification day (see [Legislation Act](#), s 75 (1)).

8 **3 Legislation amended**
9 This Act amends the *Gaming Machine Act 2004*.
10 *Note* This Act also amends other legislation (see sch 1).

11 **4 Part 2A heading**
12 *substitute*

13 **Part 2A Reducing cap on authorisations**
14 **to 3 500 or fewer**

15 **5 Division 2A.1**
16 *omit*

17 **6 Section 10B (5), definition of *voluntary surrender period***
18 *omit*
19 the census day
20 *substitute*
21 23 August 2018

7 Division 2A.5

substitute

Division 2A.3 Compulsory surrenders**10I Definitions—div 2A.3**

(1) In this division:

assessment, of surrender obligations, means an assessment under section 10J.

cap on authorisations means the number of authorisations for electronic gaming for all authorised premises in the ACT, worked out under the [Control Act](#), section 50.

census day means the day determined by the Minister.

licensee does not include a licensee that held fewer than 20 authorisations for gaming machines on the census day.

surrender obligation, of a licensee, means the total number of authorisations for gaming machines to be surrendered by the licensee in relation to all authorised premises assessed under section 10J.

(2) A determination under subsection (1), definition of *census day* is a notifiable instrument.

10J Assessment of surrender obligations

(1) The Minister must assess the surrender obligation of each licensee.

(2) The surrender obligation for authorised premises of a licensee assessed under subsection (1) must not exceed 20% of the authorisations held by the licensee in relation to authorised premises on the census day.

- 1 (3) In making an assessment, the Minister must, as far as practicable—
- 2 (a) ensure that the cap on authorisations in the ACT will reach the
- 3 target of 3 500 authorisations by 1 July 2025; and
- 4 (b) subject to subsection (4), assess the surrender obligation of a
- 5 licensee in proportion to the number of authorisations held by
- 6 the licensee under the authorisation certificate or certificates for
- 7 authorised premises on the census day; and
- 8 (c) reduce a licensee’s surrender obligation by taking into account
- 9 the number of authorisations surrendered by the licensee in
- 10 relation to authorised premises under section 37F during the
- 11 period beginning on the census day and ending on 1 May 2025;
- 12 and
- 13 (d) if the surrender obligation is for a licensee that is a disposing
- 14 licensee under section 127F (1)—reduce the licensee’s
- 15 surrender obligation by taking into account the number of
- 16 authorisations from the authorised premises that were forfeited
- 17 by the acquiring licensee under section 127F (4) during the
- 18 period beginning on the census day and ending on the day before
- 19 the assessment; and
- 20 (e) apply any guidelines made under section 10L.
- 21 (4) The Minister must—
- 22 (a) round a surrender obligation to the nearest whole number; and
- 23 (b) starting with the most authorisations for authorised premises and
- 24 working down to the fewest authorisations for authorised
- 25 premises, adjust the surrender obligations of the licensees to add
- 26 additional surrenders of authorisations for authorised premises
- 27 that are necessary to ensure the cap on authorisations reaches the
- 28 target of 3 500 authorisations.
- 29 (5) An assessment is a notifiable instrument.
- 30 (6) An assessment must be made before 1 June 2025.

- 1 **10K Assessment not to exceed target of 3 500 authorisations**
- 2 (1) The assessment must not be made if, at the beginning of the day when
- 3 the assessment is to be made, the cap on authorisations in the ACT is
- 4 3 500 or fewer.
- 5 *Note* If an authorisation certificate has been transferred under s 37E after the
- 6 census day, s 10Q applies to the calculation of the surrender obligation
- 7 for the incoming licensee.
- 8 (2) The Minister must amend the assessment if, without the amendment,
- 9 the cap on authorisations in the ACT will be fewer than 3 500.
- 10 *Note* In amending an assessment the Minister must meet the requirements
- 11 under s 10J (see [Legislation Act](#), s 46 (2)).
- 12 (3) Subsection (4) applies if, at any time before 1 July 2025—
- 13 (a) the cap on authorisations in the ACT reaches 3 500; or
- 14 (b) the Minister believes the cap on authorisations in the ACT is
- 15 likely to reach 3 500 or fewer before 1 July 2025.
- 16 (4) The Minister must revoke the assessment.
- 17 **10L Guidelines for assessment etc**
- 18 (1) The Minister may make guidelines for making an assessment of
- 19 surrender obligations under section 10J.
- 20 (2) A guideline is a disallowable instrument.
- 21 **10M Licensee must give notice of gaming machines to be**
- 22 **surrendered**
- 23 (1) A licensee must give the commission a written statement about the
- 24 authorisations to be surrendered by the licensee to meet the licensee's
- 25 surrender obligation.
- 26 (2) The statement must—
- 27 (a) be given before 17 June 2025; and

- 1 (b) include the following information about each authorisation:
- 2 (i) the authorised premises the authorisation is associated
3 with;
- 4 (ii) the authorisation number;
- 5 (iii) the serial number of any gaming machine associated with
6 the authorisation.
- 7 *Note 1* If a licensee needs a storage permit for the gaming machine under an
8 authorisation to be surrendered, the licensee must apply to the
9 commission for a storage permit for an interim purpose (see s 127N (b)).
- 10 *Note 2* A licensee must apply to the commission if a new approval for any
11 single-user linked-jackpot arrangement is required (see s 134) or if an
12 amendment is required of a multi-user permit to operate a linked-jackpot
13 arrangement (see s 139).
- 14 (3) If the number of authorisations identified in the statement is less than
15 the number required to meet the licensee’s surrender obligation, the
16 commission must give the licensee written notice that—
- 17 (a) not later than 3 days after the day the licensee receives the
18 notice, the licensee must give the commission a revised
19 statement that includes details of the number of authorisations
20 required to meet their surrender obligation; and
- 21 (b) failure to comply with the notice may be a ground for
22 disciplinary action under section 57.
- 23 (4) If the licensee has not given the commission a statement under
24 subsection (1) by the day required under subsection (2) (a), the
25 commission must give the licensee written notice that—
- 26 (a) not later than 3 days after the day the licensee receives the
27 notice, the licensee must give the commission the statement; and
- 28 (b) failure to comply with the notice may be a ground for
29 disciplinary action under section 57.

- 1 (5) If the licensee has not given the commission a revised statement under
2 subsection (3), or a statement under subsection (4), by the day
3 required under the notice, the commission—
4 (a) may determine the authorisations that are to be surrendered by
5 the licensee to meet the licensee’s surrender obligation; and
6 (b) if the commission determines the authorisations to be
7 surrendered—must notify the licensee before 1 July 2025.

8 **10N Surrender of authorisations for gaming machines**

- 9 (1) The authorisations identified under section 10M to meet a licensee’s
10 surrender obligation are surrendered on 30 June 2025.
11 (2) If a licensee has a gaming machine associated with an authorisation
12 surrendered under this section, the licensee must—
13 (a) take meter readings from the machine; and
14 (b) render the machine inoperable.

15 *Note* If a licensee changes the size, shape or location of a gaming area as a
16 consequence of the surrender of gaming machine authorisations, the
17 licensee may need to apply for a gaming area amendment of the
18 authorisation certificate (see s 33 (1) (a)).

- 19 (3) On 2 July 2025, the commission must amend the authorisation
20 certificate for each authorised premises to reduce the maximum
21 number of authorisations a licensee may have under the authorisation
22 certificate by the number surrendered for the premises—
23 (a) on 1 July 2025; and
24 (b) under section 37F, during the period beginning on 1 April 2025
25 and ending on 30 June 2025.

1 (4) If a licensee surrenders an authorisation under this section, the
2 commission must give the licensee a storage permit for an interim
3 purpose under section 127N (b) for the gaming machine under the
4 authorisation.

5 *Note* A storage permit for an interim purpose is issued for up to 3 months and
6 may be extended (see s 100).

7 (5) Section 37F does not apply to a licensee for the surrender of an
8 authorisation under this section.

9 **100 Extension of term for storage permit for interim purpose**

10 (1) A licensee who holds a storage permit for an interim purpose given
11 under section 10N (4) may apply to the commission to extend the
12 term of the permit.

13 (2) If the licensee applies to extend the term of a storage permit, the
14 permit remains in force until the application is decided.

15 (3) The commission must—

16 (a) extend the term of the storage permit for up to 3 months; or

17 (b) refuse to extend the term of the permit.

18 (4) The commission must refuse to extend the term of the storage permit
19 if the term of the permit has previously been extended under this
20 section.

21 (5) If the commission refuses to extend the term of the storage permit,
22 the commission must tell the licensee, in writing, the reasons for the
23 decision.

24 (6) For part 13 (Notification and review of decisions)—

25 (a) a decision to refuse to extend the term of a storage permit for a
26 licensee under this section is a reviewable decision; and

27 (b) the licensee is an entity for section 173A.

- 1 **10P** **Offence—failure to dispose of gaming machines where**
2 **authorisation surrendered under s 10N**
- 3 A person commits an offence if—
- 4 (a) an authorisation held by the person is surrendered under
5 section 10N; and
- 6 (b) the commission gives the person a storage permit for a gaming
7 machine associated with the authorisation; and
- 8 (c) the person fails to dispose of the gaming machine mentioned in
9 the permit—
- 10 (i) in the way the commission directs; or
- 11 (ii) within the period stated in the permit.
- 12 Maximum penalty: 50 penalty units.
- 13 **10Q** **Application to transfers of authorisation certificates**
14 **under s 37E**
- 15 (1) This section applies to an incoming licensee if an authorisation
16 certificate is transferred to the licensee for an authorised premises by
17 an outgoing licensee under section 37E during the period beginning
18 on the census day and ending on 1 July 2025.
- 19 (2) The surrender obligation for the incoming licensee for the authorised
20 premises is to be worked out in relation to the authorised premises as
21 if—
- 22 (a) the incoming licensee were the outgoing licensee; and
- 23 (b) the outgoing licensee continued to hold an authorisation
24 certificate for the authorised premises.
- 25 (3) In this section:
- 26 *incoming licensee*—see section 37E (1).
- 27 *outgoing licensee*—see section 37E (1).

1 **10R Certain actions prohibited etc**

2 (1) A licensee must not transfer or acquire an authorisation certificate
3 under section 37E during the period beginning on 2 May 2025 and
4 ending on 2 July 2025.

5 (2) Trading of authorisations and gaming machines under division 6A.6
6 is suspended during the period beginning on 2 May 2025 and ending
7 on 2 July 2025.

8 **10S Disposal of gaming machine to be surrendered—**
9 **notifiable action for s 113A**

10 The surrender of an authorisation for a gaming machine under this
11 division is a reason for disposing of the gaming machine for
12 section 113A (1).

13 **Division 2A.4 Expiry—pt 2A**

14 **10T Expiry—pt 2A**

15 (1) This part (other than section 10G and division 2A.3) expires on
16 1 April 2028.

17 (2) Section 10G expires on 1 April 2024.

18 (3) Division 2A.3 expires on 31 December 2025.

19 **8 Dictionary, new definitions**

20 *insert*

21 **assessment**, of surrender obligations, for division 2A.3 (Compulsory
22 surrender)—see section 10I (1).

23 **cap on authorisations**, for division 2A.3 (Compulsory surrender)—
24 see section 10I (1).

- 1 **9 Dictionary, definition of *census day***
- 2 *substitute*
- 3 *census day*, for division 2A.3 (Compulsory surrender)—see
4 section 10I (1).
- 5 **10 Dictionary definitions of *compulsory surrender day* and**
6 ***first compulsory surrender day***
- 7 *omit*
- 8 **11 Dictionary, new definition of *licensee***
- 9 *insert*
- 10 *licensee*, for division 2A.3 (Compulsory surrender)—see
11 section 10I (1).
- 12 **12 Dictionary, definitions of *second compulsory surrender***
13 ***day* and *surrendered authorisation***
- 14 *omit*
- 15 **13 Dictionary, new definition of *surrender obligation***
- 16 *insert*
- 17 *surrender obligation*, for division 2A.3 (Compulsory surrender)—
18 see section 10I (1).
- 19 **14 Dictionary, definitions of *voluntary surrender agreement*,**
20 ***voluntary surrender day* and *voluntary surrender notice***
- 21 *omit*

1 **Schedule 1 Technical amendments**

2 (see s 3)

3 **Part 1.1 Gambling and Racing Control**
4 **Act 1999**

5 **[1.1] Section 37 (d) (iii)**

6 *omit*

7 part 2A (Reducing cap on authorisations in ACT to 4 000 or fewer)

8 *substitute*

9 part 2A (Reducing cap on authorisations to 3 500 or fewer)

10 **Explanatory note**

11 This amendment updates a cross reference consequential on another amendment.

12 **Part 1.2 Gaming Machine (Offset**
13 **Amounts) Regulation 2018**

14 **[1.2] New section 5**

15 *insert*

16 **5 Expiry—regulation**

17 This regulation expires on the day the [Act](#), section 10H expires.

18 **Explanatory note**

19 This amendment provides for the repeal of the [Gaming Machine \(Offset Amounts\)](#)
20 [Regulation 2018](#) consequential on the expiry of the Act provision for which the regulation is
21 made.

Endnotes

1 Presentation speech

Presentation speech made in the Legislative Assembly on 21 March 2024.

2 Notification

Notified under the [Legislation Act](#) on 2024.

3 Republications of amended laws

For the latest republication of amended laws, see www.legislation.act.gov.au.

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