



New South Wales

Public Lotteries Amendment (Keno Licensing) Bill 2016

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 *Public Lotteries Act 1996 (the Act)*:

- (a) to establish new arrangements for the licensing of keno under which the existing exclusive keno licence will be cancelled and new exclusive keno licences with a term expiring in 2050 will be granted to the existing licensees, and
- (b) to provide transitional arrangements to facilitate the transfer of keno operations from the existing keno licence to the new licences, and
- (c) to insert a definition of *keno*.

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.

Schedule 1 Amendment of Public Lotteries Act 1996 No 86

Schedule 1 [1] and [2] insert a definition of *keno* into the Act.

Schedule 1 [3] inserts provisions for the new arrangements for the licensing of keno, as follows:

- (a) Proposed section 21L provides definitions of *existing keno licence* and *new keno licence*.
- (b) Proposed section 21M authorises the Minister to accept the offer made in the deed poll tabled with this Bill to enter into the Implementation Deed that is annexed to the tabled deed

and that provides for the new keno licensing arrangements. The proposed section also makes it clear that the Minister and the Treasurer are and always were authorised to conduct negotiations and exercise functions for and in connection with the Implementation Deed.

- (c) Proposed section 21N requires the Minister to grant new keno licences as provided by the Implementation Deed. The grant of the new licences is mandated by the proposed section and does not require the approval of the Treasurer. Existing provision for the Minister to require the payment of consideration in connection with the grant of a licence will apply to the new licences.
- (d) Proposed section 21O provides for the revocation of the existing keno licence with effect immediately before the commencement of operations under the new keno licences. The proposed section also continues the operation of existing keno agency agreements.
- (e) Proposed section 21P provides for transitional arrangements, including the continuance of the existing rules for the conduct of games of keno, and the transfer of the existing keno prize fund.



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New South Wales

Public Lotteries Amendment (Keno Licensing) Bill 2016

No. , 2016

A Bill for

An Act to amend the *Public Lotteries Act 1996* to make further provision for the licensing of games of keno.

The Legislature of New South Wales enacts:

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1 Name of Act

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This Act is the *Public Lotteries Amendment (Keno Licensing) Act 2016*.

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2 Commencement

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This Act commences on the date of assent to this Act.

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Schedule 1	Amendment of Public Lotteries Act 1996 No 86	1
[1] Section 4 Definitions		2
	Insert in alphabetical order in section 4 (1):	3
	<i>keno</i> has the meaning set out in section 5B.	4
[2] Section 5B		5
	Insert after section 5A:	6
5B Meaning of “keno”		7
(1)	For the purposes of this Act, <i>keno</i> means a game of chance that has the following essential features:	8
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(a)	the selection of 20 winning numbers from the set of numbers 1 to 80,	10
(b)	each individual draw is conducted and completed within a 24 hour period,	11
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(c)	subscriptions are sold only to persons who at the time of sale are on the licensed premises of a club, hotel or casino (regardless of the manner or means of sale).	13
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(2)	The sale of a multi-game entry does not commence the individual draws to which the multi-game entry relates (so the requirement that each individual draw is conducted and completed within a 24 hour period does not require the draws to which a multi-game entry relates to be conducted and completed within 24 hours after the sale of the multi-game entry).	16
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(3)	In this section:	21
	<i>licensed premises of a club, hotel or casino</i> means:	22
(a)	licensed premises to which a club licence under the <i>Liquor Act 2007</i> relates, or	23
		24
(b)	licensed premises to which a hotel licence under the <i>Liquor Act 2007</i> relates, or	25
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(c)	premises that form part of a casino within the meaning of the <i>Casino Control Act 1992</i> .	27
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	<i>multi-game entry</i> means an entry in a number of consecutive games of keno, starting with the game that is open when the entry is sold.	29
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[3] Part 3, Division 4		31
	Insert after Division 3:	32
Division 4	Special provision for keno licensing	33
21L	Definitions	34
	In this Division:	35
	<i>existing keno licence</i> means the licence in force under this Act in respect of games of keno immediately before the commencement of this Division.	36
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	<i>new keno licence</i> means a licence granted by the Minister as provided by section 21N.	38
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21M Authority for Minister to enter into keno licensing arrangements	1
(1) The Minister is authorised, on behalf of the Crown in right of the State:	2
(a) to accept the offer made in the tabled copy of the deed poll to enter into the deed set out in the annexure to that deed poll, which is titled and referred to in this Division as <i>the Implementation Deed</i> , and	3 4 5
(b) to enter into the Implementation Deed.	6
(2) The <i>tabled copy of the deed poll</i> is the copy of the deed poll executed on 22 December 2015 as tabled, by or on behalf of the Minister introducing the Bill for the <i>Public Lotteries Amendment (Keno Licensing) Act 2016</i> , in the Legislative Assembly on the day that the Bill was introduced.	7 8 9 10
(3) For the avoidance of doubt, it is declared that the Minister and the Treasurer are (and are taken always to have been) authorised on behalf of the Crown in right of the State:	11 12 13
(a) to conduct negotiations with the other parties to the Implementation Deed in connection with that deed and the grant of the new keno licences (including in relation to the consideration payable to the Crown for any such grant), and	14 15 16 17
(b) to exercise any function under this Act for or in connection with the entry into and performance of obligations arising under the Implementation Deed.	18 19 20
(4) The tabling of the tabled copy of the deed poll as provided by this section does not abrogate, limit or otherwise affect any right or liability of any person arising under or in relation to the deed poll or the Implementation Deed after it comes into force.	21 22 23 24
21N Grant of new keno licences	25
(1) The Minister is to grant an operator licence and product licence (each a <i>new keno licence</i>) as required to satisfy the conditions precedent of the Implementation Deed.	26 27 28
(2) A new keno licence is deemed to have been granted under section 10 but the grant of a new keno licence does not require the approval of the Treasurer and sections 11 and 12 do not apply to the grant of the licence.	29 30 31
(3) Section 16 (Consideration payment for licence) applies to the grant of a new keno licence.	32 33
(4) A new keno licence is to be granted as required by this section even though the existing keno licence is in force when the new keno licence is granted.	34 35
21O Revocation of existing keno licence	36
(1) The existing keno licence is revoked immediately before the commencement time under the new keno licences. The commencement time under the new keno licences is the time from which the licensee under the new keno licences is authorised to conduct games of keno under those licences.	37 38 39 40
(2) Any agreement (an <i>existing keno agency agreement</i>) that provides for a person to act as the agent of the licensee under the existing keno licence in connection with the conduct of a public lottery and that is in force immediately before the revocation of the existing keno licence continues in force after the existing keno licence is revoked and is not affected by the revocation of that licence (but without affecting any later variation or termination of the agreement).	41 42 43 44 45 46 47

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| (3) | A reference in an existing keno agency agreement to the existing keno licence is, after the revocation of the existing keno licence, to be read as a reference to the new keno licences. | 1
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| (4) | Compensation is not payable by or on behalf of the State because of the revocation of the existing keno licence under this section, or for any consequence of the revocation of that licence under this section. | 4
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| 21P | Savings and transitional arrangements | 7 |
| (1) | The rules for the conduct of games of keno that are in force under the existing keno licence immediately before the revocation of that licence continue in force as the rules made and approved under this Act for the conduct of games of keno under a new keno licence (but without affecting any later amendment of those rules). | 8
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| (2) | The prize fund kept for the purposes of Division 1 of Part 5 by the licensee under the existing keno licence becomes and is taken to be the prize fund kept for that purpose by the licensee under a new keno licence. | 13
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| (3) | Any approval in force under this Act in respect of the existing keno licence immediately before the revocation of that licence is taken to have been given in respect of a new keno licence for which the approval has any relevant operation. | 16
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| (4) | A game of keno being conducted under the existing keno licence immediately before the revocation of that licence is to be continued and completed under a new keno licence. | 20
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