

Passed by both Houses



New South Wales

Racing Administration Amendment (Sports Betting National Operational Model) Bill 2014

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I certify that this public bill, which originated in the Legislative Assembly, has finally passed the Legislative Council and the Legislative Assembly of New South Wales.

*Clerk of the Legislative Assembly,
Legislative Assembly,
Sydney,*

, 2014



New South Wales

Racing Administration Amendment (Sports Betting National Operational Model) Bill 2014

Act No , 2014

An Act to amend the *Racing Administration Act 1998* to regulate betting on sporting events in line with the *National Policy on Match-Fixing in Sport*; and for other purposes.

I have examined this bill and find it to correspond in all respects with the bill as finally passed by both Houses.

Assistant Speaker of the Legislative Assembly.

The Legislature of New South Wales enacts:

1 Name of Act

This Act is the *Racing Administration Amendment (Sports Betting National Operational Model) Act 2014*.

2 Commencement

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

Schedule 1 Amendment of Racing Administration Act 1998 No 114

[1] Section 1 Name of Act

Omit “*Racing Administration*”. Insert instead “*Betting and Racing*”.

[2] Section 4 Definitions

Omit the definitions of *authorised betting event bookmaker*, *betting authority*, *controlling body* and *declared betting event* from section 4 (1).

Insert in alphabetical order:

betting exchange means a facility, electronic or otherwise, that enables persons:

- (a) to place or accept, through the operator of the facility, bets with other persons, or
- (b) to place with the operator of the facility bets that, on acceptance, are matched with opposing bets placed with and accepted by the operator, but does not include a facility, electronic or otherwise, that enables persons to place bets only with a bookmaker or a totalizator.

betting service means:

- (a) accepting or offering to accept a bet, or
- (b) inviting a person to place a bet, or
- (c) facilitating the placing of a bet.

betting service provider means a bookmaker, a person who operates a totalizator or a person who operates a betting exchange.

declared betting event means an event or class of event prescribed under section 18 as a declared betting event.

declared betting event authority means an authority granted under section 19. *event* includes contingency.

licensed betting service provider means a betting service provider that holds a licence or authority (however described) under the legislation of this or any other State or Territory to carry out its betting services (whether in that State or Territory, or elsewhere).

race means a greyhound race, harness race or horse race.

racing controlling body means:

- (a) in relation to horse racing other than harness racing—Racing New South Wales, and
- (b) in relation to harness racing—Harness Racing New South Wales, and
- (c) in relation to greyhound racing—Greyhound Racing New South Wales.

totalizator has the same meaning as in section 6 of the *Totalizator Act 1997*.

[3] Section 4 (1), definition of “betting auditorium”

Omit “horse races, harness races, greyhound races”. Insert instead “races”.

[4] Sections 4 (1), definitions of “licensed bookmaker” and “non-proprietary association”, 5 (2), 13 (1) and (2) (a), 14 (1) (b), 16A (1), 26G (1) and (3), 26GC (2) (b) and (3), 26H, 26I (6) (b) and (7) and 36 (1) (b)

Omit “controlling body” wherever occurring. Insert instead “racing controlling body”.

[5] Section 8 Conditions of racecourse licence

Omit “horse races, harness races, greyhound races” from section 8 (1) (a).

Insert instead “races”.

[6] Part 3 Authorisation of certain betting activities

Omit “**Authorised betting event**” from the heading to Division 2.

Insert instead “**Declared betting events**”.

[7] Sections 17A–20

Omit sections 18–20. Insert instead:

17A Definitions

(1) In this Division:

sporting event includes a class of sporting events but does not include a race or any event related to racing.

sports controlling body for a sport means the person or body prescribed as the sports controlling body for the sport under section 17B.

(2) The regulations may declare that an event or class of event is, or is not, a sporting event and any such declaration is conclusive for the purposes of this Division.

17B Sports controlling body

(1) The Minister may, by order published in the Gazette, prescribe a person or body as the sports controlling body for a sporting event.

Note. Section 43 (2) of the *Interpretation Act 1987* provides that if an Act confers a power to make an order, that power includes a power to amend or repeal the order.

(2) There is to be no more than one sports controlling body for each sporting event.

(3) The regulations may make provision for or with respect to the prescription of a person or body as a sports controlling body including, but not limited to, the making of applications, the provision of information and the prescription of fees.

18 Prescription of events as declared betting events

(1) The Minister may, by order published in the Gazette, prescribe an event or class of events (whether or not a sporting event) as a declared betting event.

(2) An order prescribing a declared betting event must also prescribe the types of bets that are permitted to be made on the declared betting event.

(3) A race cannot be prescribed as a declared betting event.

Note. Events related to racing are not sporting events but can still be prescribed as declared betting events.

(4) The Minister must not make an order that prescribes a declared betting event (or permits a new type of bet to be made on a declared betting event) unless an application to make the order has been made by:

(a) a licensed bookmaker who holds a declared betting event authority under Division 2A, or

(b) a licensee under the *Totalizator Act 1997*.

- (5) The Minister must, unless the Minister considers that it is not in the public interest to do so, give effect to an application to remove a type of bet that is permitted to be made on a declared betting event if:
 - (a) the declared betting event is a sporting event, and
 - (b) the application is made by the sports controlling body for the sporting event.
- (6) An application under this section is to be made in the manner approved by the Minister and is to be accompanied by the fee (if any) prescribed by the regulations.

18A Prescription of sporting events with sports controlling body

- (1) This section applies to an order that prescribes a sporting event as a declared betting event (or that permits a new type of bet on a sporting event that has been prescribed as a declared betting event) but only if there is a sports controlling body for the sporting event.
- (2) The Minister must not make an order to which this section applies unless the Minister is satisfied that:
 - (a) an integrity agreement that meets the requirements of this section is in place between the sports controlling body and the bookmaker or licensee who applied for the order (the *applicant*), and
 - (b) the applicant has consulted the sports controlling body in respect of the making of the application and the sports controlling body does not oppose the making of the order.
- (3) An integrity agreement referred to in this section must:
 - (a) set out the measures that will be used to prevent, investigate and assist in the prosecution of any match fixing or other corrupt behaviour related to betting on the sporting event, and
 - (b) provide for funding to go to the sports controlling body for the purposes of implementing some or all of those measures (unless the sports controlling body does not want any such funding), and
 - (c) provide for the sharing of information between the sports controlling body and the applicant, and
 - (d) provide for a consultation process that ensures that the applicant will, if the sports controlling body is the sports controlling body for a particular sporting event, consult with the sports controlling body before making any application under section 18 (4) in respect of the sporting event.

18B Prescription of sporting events without sports controlling body

- (1) This section applies to an order that prescribes a sporting event as a declared betting event (or that permits a new type of bet on a sporting event that has been prescribed as a declared betting event) but only if there is no sports controlling body for the sporting event.
- (2) The Minister must not make an order to which this section applies in relation to a sporting event taking place in Australia unless the Minister is satisfied that the bookmaker or licensee who applied for the order has taken reasonable steps to consult with the key persons or bodies involved in the administration of the sporting event.

- (3) The Minister, in determining whether to make an order to which this section applies, is to take into consideration:
 - (a) the public interest, and
 - (b) any potential impact on the integrity of the sporting event, and
 - (c) if the order is in relation to a sporting event taking place in Australia, the views (if any) of the key persons or bodies involved in the administration of the sporting event.
- (4) For the purposes of this section, a class of sporting events takes place in Australia if at least one sporting event in that class takes place in Australia.

18C Certain sports betting services prohibited

- (1) A betting service provider must not, in New South Wales or elsewhere, offer a betting service in relation to a sporting event unless:
 - (a) the betting service provider is a licensed betting service provider, and
 - (b) an integrity agreement that meets the requirements of this section is in place between the sports controlling body for the sporting event and the licensed betting service provider.

Maximum penalty:

 - (a) 100 penalty units, in the case of an offence committed by a corporation, or
 - (b) 50 penalty units or imprisonment for 12 months (or both), in the case of an offence committed by an individual.
- (2) An integrity agreement referred to in this section must:
 - (a) set out the measures that will be used to prevent, investigate and assist in the prosecution of any match fixing or other corrupt behaviour related to betting on the sporting event, and
 - (b) provide for funding to go to the sports controlling body for the purposes of implementing some or all of those measures (unless the sports controlling body does not want any such funding), and
 - (c) provide for the sharing of information between the sports controlling body and the licensed betting service provider.
- (3) This section does not apply in relation to a sporting event held wholly outside of New South Wales.
- (4) This section does not require an integrity agreement to be in place at any time:
 - (a) during which there is no sports controlling body for the sporting event in respect of which the betting service is to be offered, or
 - (b) during the 6 months immediately following the prescription of a person or body as the sports controlling body for the sporting event.
- (5) For the purposes of this section, a class of sporting events is held wholly outside of New South Wales only if each sporting event in that class is held wholly outside of New South Wales.

Division 2A Declared betting event authorities

19 Declared betting event authority

- (1) A bookmaker must not accept or make a bet on a declared betting event unless:
 - (a) the bookmaker is the holder of a declared betting event authority, and

- (b) the bet is accepted or made in accordance with the conditions to which the authority is subject.

Maximum penalty:

- (a) 100 penalty units, in the case of an offence committed by a corporation, or
 - (b) 50 penalty units or imprisonment for 12 months (or both), in the case of an offence committed by an individual.
- (2) The Minister may, on the application of a licensed bookmaker, grant a declared betting event authority to the bookmaker.
 - (3) An application under this section is to be made in the manner approved by the Minister and is to be accompanied by the fee (if any) prescribed by the regulations.

20 Conditions of declared betting event authority

- (1) A declared betting event authority is subject to the following conditions:
 - (a) a condition that the licensed bookmaker who holds the authority must not accept or make a bet on a declared betting event unless:
 - (i) the bet is of a type that is permitted under Division 2 to be made on the declared betting event, and
 - (ii) accepting or making the bet is not in breach of any rule made under section 18D,
 - (b) any condition prescribed by the regulations,
 - (c) any condition imposed by the Minister by notice in writing to the licensed bookmaker who holds the authority.
- (2) Without limiting the conditions that may be prescribed or imposed by the Minister, conditions may relate to any of the following:
 - (a) different requirements for different declared betting events,
 - (b) minimum bets,
 - (c) methods of betting, including arrangements for the use of telecommunications equipment,
 - (d) the giving of security by bankers for long-term bets,
 - (e) record keeping,
 - (f) auditing.

[8] Section 21 Conditions relating to records

Omit “betting authority that the authorised betting event bookmaker” from section 21 (1).
Insert instead “declared betting event authority that the licensed bookmaker who holds the authority”.

[9] Section 21 (1) (a)

Omit “taken bets”. Insert instead “accepted or made a bet”.

[10] Section 22 Duration and cancellation of declared betting event authority

Omit “betting authority” wherever occurring.
Insert instead “declared betting event authority”.

- [11] **Section 22 (2) (a)**
Omit “authorised betting event bookmaker”.
Insert instead “licensed bookmaker who holds the authority”.
- [12] **Section 22 (2) (c)**
Omit the paragraph. Insert instead:
(c) that the bookmaker has not complied with rules made under section 18D in relation to a declared betting event, or
- [13] **Section 23 Rules for declared betting events**
Omit “at a licensed racecourse” from section 23 (1).
- [14] **Section 23**
Re-number as section 18D and insert it after section 18C as inserted by item [7].
- [15] **Part 3A, heading**
Omit “Authorisation of bookmakers”. Insert instead “Returns and records”.
- [16] **Section 26GC Bookmakers to keep records**
Omit “horse races, harness races, greyhound races” from section 26GC (2) (a).
Insert instead “races”.
- [17] **Section 26I Inspection of records**
Omit “designated” from paragraph (b) of the definition of *inspector* in section 26I (7).
Insert instead “authorised”.
- [18] **Section 27 Definitions**
Omit the definitions of *betting exchange*, *licensed wagering operator*, *totalizator* and *wagering operator*.
- [19] **Sections 29 (2) (a) and (b), 30 (2) and (3) (a), 33 (1) and (2) and 40 (a)**
Omit “wagering operator” wherever occurring. Insert instead “betting service provider”.
- [20] **Section 30 Advertising betting information and betting services**
Omit “horse race, harness race, greyhound race” from section 30 (1) (c).
Insert instead “race”.
- [21] **Section 33 (1), note**
Omit the note. Insert instead:
Note. *Betting service provider* is defined in section 4 (1) to mean a bookmaker, a person who operates a totalizator or a person who operates a betting exchange. *Bookmaker* is defined in that subsection to include any person who:
(a) carries on the business of, or who acts as, a bookmaker, bookmaker’s clerk or turf commission agent, or
(b) gains, or endeavours to gain, a livelihood wholly or partly by betting or making wagers.

[22] Schedule 1 Savings and transitional provisions

Omit clause 1 (1). Insert instead:

- (1) The regulations may contain provisions of a savings or transitional nature consequent on the enactment of this Act or any Act that amends this Act.

[23] Schedule 1, Part 9

Insert after clause 17:

Part 9 Provisions consequent on enactment of Racing Administration Amendment (Sports Betting National Operational Model) Act 2014

18 Definition

In this Part:

amending Act means the *Racing Administration Amendment (Sports Betting National Operational Model) Act 2014*.

19 Declared betting events

- (1) This clause applies to a declared betting event that is in force under section 18 immediately before the substitution of that section by the amending Act (the *relevant day*).
- (2) A declared betting event to which this clause applies continues in force and is taken to have been prescribed as a declared betting event by an order under section 18 (1) as substituted.
- (3) A type of bet that was approved in relation to a declared betting event to which this clause applies and that was in force under section 20 (1) (b) immediately before the relevant day, is taken to be a type of bet prescribed by order as a bet that is permitted to be made on the declared betting event under section 18 (2) as substituted.
- (4) The Minister may amend or repeal an order that is taken to have been made under this clause in the same way that the Minister can amend or repeal an order under section 18.

20 Rules for declared betting events

A rule in respect of a declared betting event that was in force under section 23 immediately before that section was renumbered by the amending Act continues in force after that renumbering as a rule under section 18D in respect of the declared betting event.

21 Declared betting event authority

An authorisation under section 19 that was held by a bookmaker immediately before the substitution of that section by the amending Act is taken to be a declared betting event authority held by the bookmaker under section 19 as substituted and is subject to any condition or restriction to which it was subject immediately before that substitution to the extent that any such condition does not conflict with the conditions referred to in section 20 (1) as substituted.

Schedule 2 Amendment of other Acts

2.1 Greyhound Racing Act 2009 No 19

[1] Section 19 Registration of bookmakers

Omit section 19 (5) (b). Insert instead:

- (b) carries on, at a racecourse licensed for greyhound racing, the business of a bookmaker in respect of a declared betting event otherwise than on behalf of the company.

[2] Section 19 (9)

Omit the definition of *authorised betting event bookmaker*. Insert in alphabetical order:

declared betting event has the same meaning as it has in the *Betting and Racing Act 1998*.

[3] Schedule 3 Savings, transitional and other provisions

Omit clause 1 (1). Insert instead:

- (1) The regulations may contain provisions of a savings or transitional nature consequent on the enactment of this Act or any Act that amends this Act.

2.2 Harness Racing Act 2009 No 20

[1] Section 19 Registration of bookmakers

Omit section 19 (5) (b). Insert instead:

- (b) carries on, at a racecourse licensed for harness racing, the business of a bookmaker in respect of a declared betting event otherwise than on behalf of the company.

[2] Section 19 (9)

Omit the definition of *authorised betting event bookmaker*. Insert in alphabetical order:

declared betting event has the same meaning as it has in the *Betting and Racing Act 1998*.

[3] Schedule 3 Savings, transitional and other provisions

Omit clause 1 (1). Insert instead:

- (1) The regulations may contain provisions of a savings or transitional nature consequent on the enactment of this Act or any Act that amends this Act.

2.3 Thoroughbred Racing Act 1996 No 37

[1] Section 14A Licensing of bookmakers

Omit section 14A (4) (c) (ii). Insert instead:

- (ii) carries on, at a racecourse licensed for horse racing, the business of a bookmaker in respect of a declared betting event otherwise than on behalf of the company, or

[2] Section 14A (9)

Omit the definition of *authorised betting event bookmaker*. Insert in alphabetical order:

declared betting event has the same meaning as it has in the *Betting and Racing Act 1998*.

[3] Schedule 1 Savings and transitional provisions

Omit clause 3 (1). Insert instead:

- (1) The regulations may contain provisions of a savings or transitional nature consequent on the enactment of this Act or any Act that amends this Act.

2.4 Unlawful Gambling Act 1998 No 113

[1] Section 4 Definitions

Omit the definitions of *licensed bookmaker* and *licensed racecourse*.

Insert in alphabetical order:

licensed bookmaker and *licensed racecourse* have the same meanings as they have in the *Betting and Racing Act 1998*.

[2] Section 8 Offences relating to unlawful betting

Omit “*Racing Administration*” wherever occurring in section 8 (1) (c) and (d).

Insert instead “*Betting and Racing*”.

[3] Section 8 (6) (a)

Omit “controlling body”. Insert instead “racing controlling body”.

[4] Section 8 (6) (c)

Omit the paragraph. Insert instead:

- (c) betting on a declared betting event if the betting takes place at a licensed racecourse and the betting is carried on by a licensed bookmaker in accordance with a declared betting event authority held by the bookmaker,

[5] Section 8 (6) (d)

Omit “*Racing Administration*”. Insert instead “*Betting and Racing*”.

[6] Section 8 (7)

Omit the subsection. Insert instead:

- (7) In this section, *authorised betting auditorium*, *declared betting event*, *declared betting event authority* and *racing controlling body* have the same meanings as they have in the *Betting and Racing Act 1998*.

[7] Schedule 1 Savings and transitional provisions

Omit clause 1 (1). Insert instead:

- (1) The regulations may contain provisions of a savings or transitional nature consequent on the enactment of this Act or any Act that amends this Act.