

## The New Licensing Framework

### What has changed?

Changes to the *Gaming Machine Act 2004* introduce a new framework for licensing electronic gaming machines in the ACT.

The new licensing framework separates a person or organisation's eligibility to operate a class of gaming machine in the ACT (a licence) from their authority to hold a maximum number of authorisations for gaming machines at a particular venue. A single licensee can hold a number of authorisation certificates, with each certificate specific to a single premises or venue.

#### Licence

- Ensures the person granted the licence meets all the conditions to operate gaming machines such as eligibility, financial arrangements, background checks, etc.
- Allows a licensee to operate a class of gaming machine (Class B or Class C).

#### Authorisation Certificate

- Provides the maximum number of authorisations for gaming machines for a specific venue.
- Each venue under a licence must have an Authorisation Certificate to operate gaming machines at that venue.

#### Authorisation Schedule

- Issued with the Authorisation Certificate.
- A summary of all authorisations and gaming machines at a specific venue and their status at the time of issue.

#### Authorisation

- When a 'trade' is made the licensee is trading the authorisation to operate a gaming machine, not necessarily the physical gaming machine itself.
- Does not need to be associated with a physical gaming machine.

#### Gaming Machine

- The physical gaming machine.
- Must be attached to an authorisation, unless an interim storage permit applies.

A licensee can hold a number of authorisation certificates, and a number of authorisations under each certificate. An authorisation can be held without a gaming machine attached, but a gaming machine cannot be operated without an attached authorisation. In some circumstances a gaming machine may be in storage without an authorisation attached.

## What does it mean for me?

Existing licensees will automatically transfer to the new licensing framework and will be issued with a new licence, an authorisation certificate and authorisation schedule for each venue under their licence. An approved floor plan including the gaming area will also be included.

The maximum number of authorisations stated on the first issued authorisation certificate will be the number of gaming machines currently held at each authorised venue. A licensee can increase their maximum number by notifying the Commission of a *One-off Increase* during the first phase of the implementation of the new legislation. This will facilitate trading under the new trading scheme. For more information on one-off increases see *Fact Sheet 005 – One-off increase to maximum number*.

A licensee can operate fewer than the maximum number of gaming machines stated on their authorisation certificate, but cannot operate more than the maximum number.

An existing hotel or tavern with a Class B licence will be issued with a new licence and an authorisation certificate, including a schedule, to operate any Class B gaming machines they currently hold. No new licences or authorisation certificates can be granted to operate Class B gaming machines. If an existing hotel or tavern that operates Class B gaming machines proposes to sell their business, a purchaser can apply for a restricted Class B licence and Class B authorisation certificate to continue operating the machines. For more information on Class B Licences see *Fact Sheet 007 - Class B Licences*.

## How do I apply for a licence or authorisation certificate?

When the new legislation takes effect, existing licensees will be issued with a new licence and authorisation certificates for each venue they operate.

New licences and authorisations certificates will be subject to an approval process. Once the licence and authorisation certificate is issued, the new operator will need to source authorisations from the market.

## Frequently asked questions

*What's the difference between an authorisation certificate and an authorisation?*

The authorisation certificate relates to the venue as a whole. It states the maximum number of authorisations and therefore gaming machines a licensee can have at that venue.

An authorisation relates to the authority to operate a single gaming machine. Each authorisation certificate has a number of authorisations under it, which may or may not relate to a physical gaming machine.

### *What does the authorisation certificate say?*

The certificate contains information about the licensee and the premises, including details about the gaming area and the maximum number of authorisations and gaming machines allowed under the certificate. It also includes the floor plan of the venue and the approved gaming area.

### *What is the authorisation schedule?*

The schedule is attached to the authorisation certificate and lists the details of all the authorisations and machines for which the venue is authorised. This includes each authorisation number, the gaming machine's serial number and the status of each gaming machine, such as:

- the exact number of physical gaming machines operating at the venue at any given time;
- the details of gaming machines in general storage;
- the details of gaming machines in quarantine; and
- the number of authorisations without a gaming machine attached.

### *How will the maximum number be determined?*

When the new legislation takes effect the maximum number for each authorisation certificate will be determined by the number of gaming machines the venue currently holds. Licensees can then increase their maximum number during Phase 1 by notifying the Commission of a one-off increase.

Except for the one-off increase, a licensee must apply to the Commission to increase the number of authorisations allowed under the certificate. These applications will be subject to social impact assessment requirements (see *Fact Sheet 010 - Phase 2 – Increase Maximum Number*).

## **References**

Licence for class C gaming machines – application – s15

Authorisation certificate for class C gaming machines – application – s21

Authorisation certificate for class C gaming machines – form – s27

Authorisation certificate amendment – increase maximum amendment – s37

Authorisation certificate amendment—increase maximum to not more than relevant number – s37A