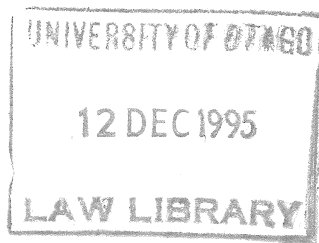


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No. 142

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HOUSE OF REPRESENTATIVES

Supplementary Order Paper

Wednesday, 6 December 1995

RACING AMENDMENT BILL

Proposed Amendments

Hon. JOHN FALLOON, in Committee, to move the following amendments:

Clause 1 (2): To omit the expression "Section 28" (page 3, line 11), and substitute the expression "Sections 13A, 14D, 19A, 20A, and 28".

Clause 2 (1): to add the following new definition:

"'Bet' includes a selection or selections made by or with the assistance of the Board's computer equipment:".

Clause 2 (2): To omit the definition of the term "Harness Racing New Zealand" (page 3, lines 30 and 31), and substitute the following definition:

"'Harness Racing New Zealand' means the Conference of Harness Racing New Zealand:".

Clause 2 (6): To omit this subclause (page 4, lines 29 to 31 and page 5, lines 10 to 14).

Clause 2A: New section 4: To insert, after subsection (3), the following subsections:

"(3A) Notwithstanding subsections (1) and (2) of this section, not less than 6 members of the Industry Board shall have knowledge of or expertise in the racing industry, and, in making appointments to the Industry Board, the Minister shall have regard to the various racing interests.

"(3B) Before appointing any member pursuant to paragraph (a) or paragraph (b) or paragraph (c) of subsection (1) of this section, the Minister shall consult the President and Vice-President of the Industry Board about the proposed appointment.

To add to subsection (4) the words "unless he or she resigns from the Executive or Executive Committee, as the case may be, before taking up the appointment".

Clause 4: Proposed new section 21 (3): To omit the expression "90" (page 11, line 33), and substitute the expression "120".

New clause 5A: To insert, after clause 5, the following clause:

5A. Statement of intent—The principal Act is hereby amended by inserting, after section 22, the following section:

“22A. (1) The Industry Board shall deliver to the Minister, on or before the date of commencement of each financial year, a statement of intent relating to that financial year and each of the 2 following financial years.

“(2) The statement of intent shall specify, in respect of each financial year to which it relates,—

“(a) The objectives of the Industry Board:

“(b) The nature and scope of the activities to be undertaken:

“(c) The performance targets and other measures by which its performance may be judged in relation to its objectives:

“(d) A statement of accounting policies.

“(3) The Minister shall lay the statement of intent before the House of Representatives not later than 6 sitting days after it has been received by the Minister.”

Clause 6: To omit the proposed new subsection (2A) and *subclause (3)* (page 13, lines 20 to 28), and substitute the following new subsection and subclause:

“(2A) The Industry Board shall ensure that the Authority receives such sums of money as are required for the effective carrying out and exercise of the functions, powers, and duties of the Authority, Appeals Tribunals, and Judicial Committees; and, if necessary, shall from time to time make payments from the Distribution Account for that purpose.”

(3) Section 26 (4) of the principal Act is hereby amended by inserting, after the word “distribution”, the words “after making any payments under **subsection (2A)** of this section”.

Clause 6B: To omit this clause (page 14, lines 24 to 31), and substitute the following clause:

6B. Powers, etc., of Conferences—(1) Section 28 (1) (b) of the principal Act is hereby repealed.

(2) Section 28 of the principal Act is hereby amended by repealing subsection (2), and substituting the following subsections:

“(2) Harness Racing New Zealand is the organisation known as the New Zealand Trotting Conference immediately before the commencement of this Act.

“(3) The Racing Conference, Harness Racing New Zealand, and the Greyhound Racing Association shall have such powers, functions, and duties as are from time to time provided for in the rules of racing, the rules of harness racing, or the rules of greyhound racing, or any regulations in force under those rules, as the case may be.”

Clause 15c: To omit from the proposed new section 63 (1) the words “6 nor more than 7 members, at least one of whom is a member” (page 27, lines 2 and 3), and substitute the words “7 nor more than 8 members, 2 of whom shall be members”.

To omit from the proposed new section 63 (1) (a) the words “one of whom shall be appointed by the Minister as the President and the other as the Vice-President,” (page 27, lines 5 to 7).

To insert, after paragraph (a) of the proposed new section 63 (1), the following paragraph:

“(aa) One member of the Industry Board, acceptable to the Minister, to be appointed by the Minister on the nomination of the Industry Board:

To add the following subclauses:

(2) Section 63 (4) of the principal Act (as so substituted) is hereby amended—

(a) By inserting, after the words “section 4 (5) of this Act”, the words “and subsection (1) of this section”:

(b) By omitting the words “appointed as a member of the Agency Board”, and substituting the words “appointed as a member of the Board unless he or she resigns from the Industry Board or the Executive Committee, as the case may be, before taking up the appointment”.

(3) Section 63 of the principal Act (as so substituted) is hereby amended by adding the following subsection:

“(5) The Minister shall from time to time appoint one of the members of the Board as President and another as Vice-President.”

New clause 19A: To insert, after *clause 19*, the following clause:

19A. Refunds—Section 87 (b) of the principal Act is hereby amended by omitting the words “judicial committee of the club conducting the race”, and substituting the words “Judicial Committee”.

New clause 20A: To insert, after *clause 20*, the following clause:

20A. Refund of bets—Section 96 (b) of the principal Act (as substituted by section 18 (1) of the Racing Amendment Act 1986) is hereby amended by omitting the words “judicial committee of the club conducting the race”, and substituting the words “Judicial Committee”.

Clause 22: New section 99B (3) (b): To omit the words “but the Board shall not lay off any such bet through its own totalisator system later than 4 hours before the first race to which the bet through the totalisator relates” (page 41, lines 29 to 32).

Clause 22: New section 99D (2): To omit lines 13 to 17 on page 42, and substitute the words “be special investments within the meaning of that Act”.

Clause 22: New section 99GA (1): To omit the expression “(1)” (page 43, line 22).

Clause 26: Proposed new section 99GB: To insert in the proposed new Part VB, before the new section 99H, the following section:

“99GB. **Definition of ‘sport’**—In this Part of this Act, ‘sport’ means any lawful organised game, competition, or event involving human competitors conducted pursuant to rules which are under the control of a national or international sports organisation; and ‘sporting’ has a corresponding meaning.

Clause 26: New section 99I (2) (b): To omit the word ‘start’ (page 45, line 38), and substitute the word “completion”.

Clause 26: New section 99K (2): To omit lines 33 to 37 on page 46, and substitute the words “of this Act on any sporting event shall be deemed to be special investments within the meaning of that Act”.

Clause 27: New section 99Q (1): To omit the words “but not in conjunction with the operation of any gaming machine as defined in section 2 (1) of that Act” (page 52, lines 11 and 12).

Clause 28: New section 99zc (b): To insert, after the word “functions” (page 56, line 15), the words “, including the power to impose penalties and award costs,”.

Clause 28: New section 99zf: To insert, after the words “harness racing” (page 57, line 20), the words “, or any regulations in force under those rules,”.

Clause 28: New section 99zg (2): To omit the expression “3 years” (page 57, line 30), and substitute the expression “1 year”.

Clause 28: New section 99zh (2): To omit the expression “3 years” (page 58, line 14), and substitute the expression “1 year”.

Clause 28: New section 99zi (3): To insert, after the words “Chairperson of the Authority” (page 59, line 16), the words “or (if he or she is not available) any other member of the Authority”.

Clause 28: New section 99zi: To add the following subsection:

“(5) There may be paid, out of the funds of the Authority, to the members of Judicial Committees and Appeals Tribunals such remuneration by way of fees and expenses as may from time to time be approved by the Authority.

Clause 31: New section 103c: To insert in subsection (7) (a), after the word “Board” (page 67, line 4), the words “and with authorised representatives of the Racing Conference, Harness Racing New Zealand, and the Greyhound Racing Association”.

To insert in subsection (8), before paragraph (a), the following paragraph:

“(aa) Shall consult with authorised representatives of the Racing Conference, Harness Racing New Zealand, and the Greyhound Racing Association; and

Second Schedule: To omit *clause 2*, and substitute the following clause:

2. There may be paid, out of the funds of the Authority, to the members of the Authority, such remuneration by way of fees, salary, or allowances and travelling allowances and expenses as may from time to time be approved by the Industry Board after consultation with authorised representatives of the Racing Conference and Harness Racing New Zealand.

EXPLANATORY NOTE

Clause 1 (2): The amendment provides for *clauses 13A and 14D* and the proposed new *clauses 19A and 20A* to come into force on a date to be fixed by Order in Council. Those clauses make amendments consequential to the amendments made by *clause 28* (Racing Judicial System) and should come into force on the same date as *clause 28*.

Clause 2 (1): The amendment inserts a new definition of the term “bet” to make it clear that it includes a selection or selections made by or with the assistance of the Totalisator Agency Board’s computer equipment.

Clause 2 (2): The amendment corrects the definition of “Harness Racing New Zealand”.

Clause 2 (6): The proposed amendment omits the definition of the term “sport”. It is proposed that that definition be inserted in the new Part Vb relating to sports betting.

Clause 2A: The amendments—

- (a) Require not less than 6 members of the Industry Board to have knowledge of or expertise in the racing industry:
- (b) Require the Minister to have regard to the various racing interests when making appointments to the Industry Board:
- (c) Require the Minister to consult with the President and Vice-President of the Industry Board before appointing any member pursuant to paragraph (a) or paragraph (b) or paragraph (c) of subsection (1):
- (d) Allow any member of the Executive Committees of the Racing Conference, Harness Racing New Zealand, and the Greyhound Racing Association to be appointed to the Industry Board if he or she resigns from the Executive Committee before taking up the appointment.

Clause 4: Proposed new section 21 (3): The amendment requires the Racing Industry Board to forward its annual financial statements for audit not later than 120 days (instead of 90 days) after the end of each financial year.

New clause 5A: The new clause inserts a new section 22A in the principal Act. The new section requires the Industry Board to submit an annual statement of intent to the Minister and is based on the new section 78A proposed to be inserted by *clause 15F* of the Bill.

Clause 6: The amendments provide for the Industry Board to provide funds for the Judicial Control Authority, Appeals Tribunals, and Judicial Committees only if necessary.

Clause 6B: The amendments formally declare that Harness Racing New Zealand is the organisation known as the New Zealand Trotting Conference immediately before the commencement of the principal Act.

The new subsection (3) of section 28 is similar to the provision currently in the Bill, but includes a reference to regulations in force under the rules of racing, harness racing, and greyhound racing.

Clause 15c: The amendments—

- (a) Increase the proposed membership of the Totalisator Agency Board from not less than 6 nor more than 7 members to not less than 7 nor more than 8 members:
- (b) Require 2 members (instead of one member) of the Industry Board to be members of the Totalisator Agency Board, with one of those members to be nominated by the Industry Board:
- (c) Allow any member of the Industry Board (in excess of the required 2) and of the Executive Committees of the Racing Conference, Harness Racing New Zealand, and the Greyhound Racing Association to be appointed to the Board if he or she resigns from the Industry Board or the Executive Committee before taking up the appointment:
- (d) Empower the Minister to appoint any members of the Board as President and Vice-President.

New clauses 19A and 20A: The new clauses amend sections 87 and 96 of the principal Act to change references to a club judicial committee to a Judicial Committee appointed under the new section 99Zi (see *clause 28*).

Clause 22: New section 99B (3) (b): The amendment removes the time restriction on the Board laying off bets on its own totalisator system.

Clause 22: New section 99D (2): The amendment removes the reference (for gaming duty purposes) to “gross investments” as the Totalisator Agency Board (not racing clubs) will be liable to pay all the duty payable.

Clause 22: New section 99GA (1): The amendment corrects a cross-reference.

Clause 26: Proposed new section 99GB: The new section, in effect, shifts the definition of “sport” from *clause 2* of the Bill and places it in the new Part Vb (Sports Betting).

Clause 26: New section 99I (2) (b): The amendment permits fixed-odds sports betting to allow for the placing and acceptance of bets at any time before the completion (rather than start) of a specified event.

Clause 26: New section 99K (2): The amendment removes the reference (for gaming duty purposes) to “gross investments” as the Totalisator Agency Board will be liable to pay all the duty payable.

Clause 27: New section 99Q (1): The amendment removes the reference to gaming machines. The provision is superfluous as the Totalisator Agency Board may not operate gaming machines in any case.

Clause 28: New section 99ZC (b): The amendment makes it clear that Judicial Committees have the power to impose penalties and award costs.

Clause 28: New section 99ZF: The amendment allows the Judicial Control Authority to recommend changes to judicial racing regulations as well as rules.

Clause 28: New section 99ZG (2): The amendment reduces the term of office of panels of persons from which members of Judicial Committees may be appointed from 3 years to 1 year.

Clause 28: New section 99ZH (2): The amendment reduces the term of office of panels of persons from which members of Appeals Tribunals may be appointed from 3 years to 1 year.

Clause 28: New section 99ZI (3): The amendment allows any member of the Judicial Control Authority to appoint or replace any member of a Judicial Committee or Appeals Tribunal if the Chairperson of the Authority is not available.

Clause 28: New section 99ZI: The amendment provides for the payment of fees and expenses to members of Judicial Committees and Appeals Tribunals.

Clause 31: The amendments require the Industry Board and the Totalisator Agency Board to consult with authorised representatives of the Racing Conference, Harness Racing New Zealand, and the Greyhound Racing Association before specifying the terms of reference for a performance and efficiency audit.

Second Schedule: The amendment requires the remuneration and expenses payable to members of the Judicial Control Authority to be approved by the Industry Board after consultation with authorised representatives of the Racing Conference and Harness Racing New Zealand, instead of being approved by the Authority itself.