

Racing Industry Bill

Government Bill

As reported from the Transport and Infrastructure Committee

Commentary

Recommendation

The Transport and Infrastructure Committee has examined the Racing Industry Bill and recommends that it be passed with the amendments shown.

Introduction

The Racing Industry Bill was introduced as the second part of the Government's response to the findings in John Messara's Review of the New Zealand Racing Industry (the Messara Report). The first part of the response, the Racing Reform Act 2019, put in place a transition period and various measures to increase the financial stability of the racing industry.

The Racing Industry Bill's aims are to finalise the post-transition governance structure of the racing industry, create a legislative framework that enables property to better benefit the racing industry, and allow new ways of seeking approval for betting products.

The bill would create a new Racing Industry Act to replace the existing Racing Act 2003 and amalgamate its provisions, with the intention of recognising the industry's pivot to a more commercial orientation.

Proposed amendments

This commentary covers the main amendments we recommend to the bill as introduced. We do not discuss minor or technical amendments.

Establishing Racing New Zealand

We recommend inserting clauses 7A to 7E to provide for the establishment of Racing New Zealand as a consultative forum for the three racing codes (Thoroughbred Racing New Zealand Incorporated, Harness Racing New Zealand Incorporated, and New

Zealand Greyhound Racing Association Incorporated). The Messara Report recommended that Racing New Zealand be established to facilitate discussion between the three racing codes on issues that relate to the wider industry, and to encourage the adoption of common positions on these issues. The bill as introduced would have allowed for Racing New Zealand to be established by regulation if required. However, we consider it should be prescribed in the bill.

Racing New Zealand would act with the agreement of the three codes. It would represent the racing codes in negotiations and interactions with other industry bodies, and carry out other functions agreed between the three codes. As an example of specific functions that Racing New Zealand could perform, the Messara Report listed negotiating commercial agreements with TAB NZ, developing the racing calendar with TAB NZ, and approving budgets and plans for the industry's research and integrity bodies.

The new clauses we recommend would establish Racing New Zealand, prescribe its functions (and give the codes the ability to agree on new functions), provide terms for its administration and funding, and set out the terms of board membership.

Provisions relating to racing codes

Recommended changes to the functions of racing codes

Clause 8 of the bill as introduced would prescribe some of the functions of racing codes. Clause 8(1) provides for some of the ways in which the codes would govern, one of which would require the constitutions of racing clubs, and any amendments to the constitutions, to be approved by the codes. We recommend amending clause 8(1)(a)(ii) to provide that racing codes must approve a club's constitution and any amendments to it before the constitution or amendment may take effect.

We recommend adding clause 8(1)(a)(iv) to provide that codes must take measures to ensure adequate representation and involvement of small racing clubs in the codes' decisions. We consider that this would help to ensure that small clubs are not overlooked in the decision-making processes of the racing codes.

In clause 8, we also recommend adding additional functions of the racing codes. We propose that they include:

- using their resources to benefit the racing conducted by the code
- managing assets or surplus venues transferred to the code
- undertaking research, development, and education for the benefit of New Zealand racing
- developing and implementing policies that are conducive to the economic development of racing and the economic wellbeing of people whose livelihoods depend on the industry.

Reporting requirements of the codes

Clauses 9 and 10 of the bill outline the business plans and statements of intent that codes would be required to prepare before the start of each racing year. Under the bill as introduced, the Minister would be required to present these to the House of Representatives. We recognise that there is an important balance to strike between not overburdening the codes with accountability requirements (as they are independent entities), and ensuring they meet their responsibility to their members toward delivering the new functions that the bill would prescribe. We recommend amending clauses 9 and 10 to provide that codes must publish their business plans and statements of intent on their websites, rather than having to present them to the House.

We also recommend adding clause 9(3) to provide that each racing code must consult the racing clubs registered with the code when it prepares its statement of intent.

To ensure the transparency and accountability of the codes, however, we consider that they should prepare their annual reports, and these be presented to the House of Representatives by the Minister after the end of a racing year. To this end, we recommend inserting clause 10A, outlining the requirements for annual reports. Annual reports would include the financial statements of the codes (as well as the audit report on the statements), and a report showing how small clubs have been involved and represented in the codes' decision making. If a code has a property investment strategy, clause 10A would require details on its implementation as well.

Removing the ability to appoint a Commissioner to resolve disagreements between codes

We recognise that one of the aims of the bill's reforms is to give more independence to the racing industry. Clauses 13 and 14 relate to the Minister's ability to appoint a Commissioner to resolve significant disagreements between the codes. We believe that placing responsibility on the codes to resolve disagreements, including through commercial dispute resolution mechanisms and the courts, would help to foster the transition to a more independent commercial industry. Therefore, we recommend removing clauses 13 and 14.

Transfer of assets and surplus venues

The bill as introduced would allow a racing code to negotiate the transfer of surplus venues to the code by agreement with the club, determine that a club is "no longer racing", dissolve it, and transfer its assets to the code, including any surplus venues. Clause 25 would provide for the transfer of surplus venues by Order in Council in the event that a club would not enter negotiations, or no agreement to transfer could be reached. We recommend the following changes to Subpart 2 (clauses 21 to 27D), which contains the provisions by which this transfer of assets could take place.

Provisions relating to a Minister's decision whether to recommend transfer by Order in Council

We consider that the option for the Minister to either recommend the transfer of a surplus venue or allow parties to resume negotiations is too limited. It could unjustly result in a club surrendering its venue to the code. We propose various ways to mitigate this.

We recommend including another set of grounds for a Minister not recommending an Order in Council, where it may not be appropriate to recommend a transfer order, and may not be appropriate for parties to resume negotiations. This option, in our new clause 26(3), would require the Minister to consider whether there are special circumstances regarding the use of the surplus venue by the community in which the venue is located. These considerations, listed in clause 26(3)(a) to (l), would include:

- the distance of the venue from the nearest major centre
- the impact on the purposes set out in section 3(a)(ii) and (iv) of the bill if the venue is not transferred to the code
- the relative contributions made to the surplus venue by the local community and the code
- how the racing code intends to use the surplus venue if it were transferred to the code
- the not-for-profit purposes that the racing club and community intend to use the venue for
- any legal or beneficial interests of iwi and other members of the wider community
- whether the surplus venue is, or has been, used as a training facility
- the ownership and value of buildings or facilities located at the venue, and the likely cost of their removal
- any proposals put forward by the wider community for the future use of the venue
- the appropriateness of a payment by the code to the community or a person in recognition of a community interest.

We recommend inserting clauses 26A and 26B. Clause 26A would provide that the Minister must not recommend an Order in Council to transfer the venue if, having considered these issues, the Minister considers special circumstances exist. Clause 26B would apply if the Minister decided there was no justification to exempt the venue from transfer under clause 26. In this instance, the Minister would decide whether and how the surplus venue should be transferred to the code, taking into account the factors in clause 26B(a) to (k).

Our new clause 26C would require the Minister to appoint a reviewer before recommending an Order in Council. This requirement was in the bill as introduced under clause 26. We recommend providing in clause 26(1)(c) that the Minister must seek to

obtain the agreement of the racing club and the racing code regarding the person to be appointed as reviewer. We also recommend specifying that the Minister must have regard to the reviewer's expertise and experience in New Zealand racing, community engagement, and preparing analysis and advice.

Clause 26C(4) would require the reviewer to visit the venue, and to seek submissions from the relevant code, clubs, community groups, and territorial authorities in the areas in which the venue is located.

Racing club may appeal to the High Court

The bill as introduced does not provide for an appeal process for a club, in the event that a code determined under clause 27B that the club was no longer racing. We recommend inserting new clause 27C to allow a club to appeal the decision of a code under clause 27B(3).

Provisions relating to the Racing Integrity Board

We recommend inserting new clause 28(2A) and (2B) to require the Racing Integrity Board (RIB) to approve any rules made by a racing code that relate to or affect the functions of the RIB.

We note that, in the bill as introduced, the RIB's objectives and requisite expertise do not include the welfare of animals. We recommend inserting clause 28(3)(ab) to provide that the racing rules may provide for matters relating to the breeding, care, and welfare of horses and greyhounds. We also recommend amending clause 34 to add promoting and ensuring high standards of animal welfare to the RIB's objectives. Further, we propose adding "animal welfare practices" to the list of factors in clause 36(2) that the RIB's board must have collective experience or knowledge of.

Provisions relating to TAB NZ

The bill as introduced provides for TAB NZ's governing body to consist of up to 7 members appointed by the Minister, after considering nominations from the racing codes and Sport and Recreation New Zealand. To provide for greater fairness and representation in the appointment process, we recommend amending clause 46(1) and inserting clause 46A.

New clause 46A would provide for the establishment of a selection panel to make recommendations to the Minister on candidates for the membership of TAB NZ's governing body. The selection panel would consider and recommend candidates who possess the desired skills and qualifications laid out by the Minister (under clause 46(4)), and seek nominations from the racing codes, recognised industry organisations, and Sport and Recreation New Zealand.

Clause 46(1) would provide for the Minister to appoint three members to the governing body who have been nominated by the three racing codes, or by Racing New Zealand on behalf of the codes. These nominees would still be recommended under the process in clause 46A. The other four members would be appointed by the Minister following the recommendation of the selection panel, also using the process in clause

46A. New clause 46(1A) would provide the Minister with the ability to veto a nomination. In this case, the codes may make further nominations, until the Minister and codes agree on a nominee.

We recommend adding “broadcasting” and “technology related to betting or gambling” to the list in clause 46(4) of knowledge or experience that the TAB’s governing body must have access to within its membership.

Reporting requirements of TAB NZ

Clauses 52 and 53 as introduced outline TAB NZ’s requirements to prepare a statement of intent and a business plan before the start of a racing year. These clauses state that TAB NZ must consult each racing code in respect of its statement of intent and business plan.

We would like to specify the nature of the consultation that is required between TAB NZ and the racing codes with relation to these documents. We recommend inserting clauses 52(3B) and 53(2B) to provide that TAB NZ must give each code a copy of the proposed documents, provide them with no less than 15 working days to comment, and meet with each code to discuss any matters of disagreement. The need to consult each code would only apply if there was not already a provision in a commercial agreement with the code on the development of the statement of intent or the business plan.

Similarly, we recommend inserting clause 56(1AA) to provide that TAB NZ’s requirement to determine the racing calendar for each code would only apply if there was not already a provision in any commercial agreement between TAB NZ and the code (or codes) for the arrangements that the calendar requires in clause 56(2).

Assignment of intellectual property

The bill as introduced provides that TAB NZ would have exclusive rights within New Zealand and Australia to all intellectual property associated with racing betting information, racing betting systems, and any audio or visual content derived from a New Zealand race. A number of submitters noted that this was at odds with the recommendations in the Messara Report, which recommended that the transfer of intellectual property be confirmed from the clubs to the codes. We consider that this is a commercial matter that should be determined by agreements between TAB NZ and the codes, and that legislation as a first step is not necessary. We therefore recommend removing clause 81.

Provisions relating to offshore betting charges

Part 5 of the bill provides a framework under which offshore betting operators—people who take bets on racing and sporting events held in New Zealand, as well as those whom people resident in New Zealand place bets with—must pay charges in New Zealand relating to their betting operations.

The bill as introduced reflects the system for offshore betting charges from the withdrawn Racing Amendment Bill 2017, as recommended in the Messara Report. These

were introduced as part of the Racing Reform Act 2019. A number of submitters proposed instead that the betting information use charge would be best negotiated as commercial agreements, with recourse to regulation as a backstop. We consider that giving primacy to commercial arrangements is consistent with the overall approach taken throughout the bill and recommend that this be reflected in the following clauses.

Clause 96(2)(a)(i) and (ii) as introduced would provide that offshore betting operators must seek permission from and enter into an agreement with the designated authority in New Zealand (currently the Department of Internal Affairs) before they can use New Zealand racing and sports information in their betting operations. To align this provision with the bill's intention to promote commercial arrangements for the industry, we recommend amending this clause to provide that permission and an agreement must be sought with the relevant racing code, the relevant New Zealand national sporting organisations, or Sport and Recreation New Zealand (or a nominee of any of these organisations).

Role of the designated authority

The Department would still be the designated authority for both schemes. We recommend inserting new clause 99A to describe the functions and powers of the designated authority to collect the consumption charges, issue penalty notices for failing to comply with the requirements of the schemes, and apply the money received from the charges and enforcement of penalties.

Clause 100 sets out the designated authority's ability to delegate its functions and powers to other entities. We recommend amending clause 100(2)(b) to state that the chief executive of the designated authority must take into account whether any conflict of interest, or potential conflict of interest, would be created by the delegation. We have recommended additional provisions in clause 100 to ensure safeguards in the delegation of the role.

We have recommended substantial amendments to clauses 101 through new clause 107B to provide that betting information use charges are set by commercial agreements between offshore operators and the New Zealand owners of that intellectual property.

Green Party minority view

The Green Party acknowledges the almost one-quarter of submitters who raised important concerns about Subpart 2 of the bill, allowing the Minister to approve the transfer of assets and "surplus" venues from a local club to the racing industry. The committee heard very strong opposition from many country clubs, in particular, who are largely sustained by their local communities and who fiercely dispute the view that they are a drain on the industry as a whole.

We heard different visions for the future of racing in Aotearoa New Zealand: one that embraces a diversity of racecourses and supports trainers and community participation around the country, and another more heavily invested in a smaller number of

“strategic” venues providing all-weather tracks and high-stake races. A majority of submitters, who are less likely to be negatively affected by any transfer of assets, supported the second view. There is a very clear disagreement within the industry that needs to be resolved, and is not, in our view, convincingly resolved by the evidence. The Green Party believes industry leaders need to better engage with and understand the role and value of smaller clubs within the industry as a whole as well as their communities.

The Green Party cautiously supports the amendments to improve recognition of the crucial role many clubs have played and continue to play in their communities and the racing industry as a whole; and the new clauses that enable the Minister to exempt clubs from the transfer of assets. We hope that these provisions, which are only to be used when a club and code cannot agree on the transfer of assets, will never need to be used. We remain alert to the need to ensure clubs’ valuable social and physical infrastructure are not lost or sold off and transferred to elite venues for the benefit of a few. This will require active oversight.

The Green Party also believes New Zealand’s racing industry should strive for the highest standards of animal welfare and note concerns raised by many clubs that fewer, all-weather, tracks will be physically harder on the horses. We request racing codes to consider this issue. While not considered in this bill, the Green Party supports a ban on the slaughter of race horses and encourages re-homing and retirement plans for all horses at the end of their racing career. To ensure proper transparency, a national traceability scheme for all racehorses administered by government should also be established.

Appendix

Committee process

The Racing Industry Bill was referred to the committee on 10 December 2019. The closing date for submissions was 11 February 2020. We received and considered 922 submissions from interested groups and individuals. We heard oral evidence from submitters at hearings in Auckland and Wellington.

We received advice from the Department of Internal Affairs. We received a letter from the Regulations Review Committee on the powers contained in clauses 13 and 14, and clauses 28 and 30.

Committee membership

Darroch Ball (Chairperson)

Chris Bishop

Paul Eagle

Raymond Huo

Matt King

Jan Logie

Jami-Lee Ross

Jamie Strange

Tim van de Molen

Andrew Bayly and Ian McKelvie replaced Chris Bishop and Matt King for this item of business.

Key to symbols used in reprinted bill

As reported from a select committee

text inserted unanimously

~~text deleted unanimously~~

Rt Hon Winston Peters

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The Parliament of New Zealand enacts as follows:

1 Title

This Act is the Racing Industry Act **2019**.

2 Commencement

- (1) **Sections 17 and 18** and **clause 5 of Schedule 1** come into force on the day after the date on which this Act receives the Royal assent. 5
- (2) **Sections 33 to 41** come into force on a date to be appointed by the Governor-General by Order in Council.
- (3) To the extent that they have not earlier been brought into force under **subsection (2)**, **sections 33 to 41** come into force on **1 January 2022**. 10
- (4) The rest of this Act comes into force on **1 July 2020**.

Part 1 Preliminary provisions

3 Purposes

The purposes of this Act are to— 15

- (a) reform the law relating to New Zealand racing in order to—
 - (i) provide effective governance arrangements for the racing industry; and
 - (ii) promote the long-term viability of New Zealand racing; and
 - (iii) facilitate betting on galloping, harness, and greyhound races, and other sporting events; and 20
 - (iv) ensure that the value of racing property is retained in the industry and is used for maximum industry benefit; and
- (b) prevent and minimise harm from gambling conducted under this Act, including harm associated with problem gambling. 25

4 Outline

- (1) **Part 1** states the purposes of the Act, defines certain terms used in the Act, and contains other preliminary provisions.
- (2) **Part 2** relates to the governance, administration, and conduct of New Zealand racing and contains provisions that— 30
 - (a) state the functions of the 3 racing codes in relation to racing clubs, racing venues, and participants; and

- (b) set out accountability requirements that apply to the racing codes; and
- (c) support the transfer of surplus venues of racing clubs to the racing codes with which they are registered by agreement and enable the vesting of surplus venues in the codes by Order in Council if agreement cannot be reached; and 5
- (d) provide for the dissolution of racing clubs that are no longer racing; and
- (e) require each racing code to have racing rules regulating the conduct of racing by the code and require racing clubs and participants registered with the codes to comply with those rules; and
- (f) establish the Racing Integrity Board to oversee the racing integrity system in respect of the conduct of racing; and 10
- (g) provide for the appointment of inspectors to inspect racecourses and premises of TAB NZ.
- (3) **Part 3** establishes TAB NZ and contains related provisions.
- (4) **Part 4** deals with betting conducted by TAB NZ and racing clubs under this Act and gambling conducted by TAB NZ at its venues. 15
- (5) **Part 5** provides for the collection of charges from offshore betting operators and other matters, including the repeal of the Racing Act 2003, consequential amendments to other enactments, and miscellaneous matters.
- 5 Interpretation** 20
- (1) In this Act, unless the context otherwise requires,—
 - approved evidence of age document** has the same meaning as in section 5(1) of the Sale and Supply of Alcohol Act 2012
 - assets**—
 - (a) means any real or personal property of any kind, whether or not subject to rights; and 25
 - (b) includes (without limitation)—
 - (i) any estate or interest in any land, including all rights of occupation of land or buildings:
 - (ii) all buildings, vehicles, plant, equipment, and machinery, and any rights relating to those things: 30
 - (iii) all financial products within the meaning of the Financial Markets Conduct Act 2013:
 - (iv) all rights of any kind, including rights under an Act or agreement, and all applications for and objections against applications for such rights: 35
 - (v) goodwill, and any business undertaking:

- (vi) all patents, designs, copyright, know-how, trade secrets, trade marks, service marks, and other intellectual or industrial property rights of any kind, and any rights in relating to those things, whether enforceable by Act or rule of law

~~bet means a bet made with TAB NZ (whether directly or through a racing club or other agent) or a racing club conducting equalisator betting~~ 5

bet—

(a) means a bet made with TAB NZ (whether directly or through a racing club or other agent) or a racing club conducting equalisator betting; but

(b) in **subpart 1 of Part 5**, has the meaning given in **section 98** 10

betting—

(a) means racing betting, sports betting, or other racing or sports betting conducted by TAB NZ under this Act; and

(b) includes (without limitation) selections made by, with the assistance of, or by means of, computer equipment, a telephone betting account, or any other financial facility, or a combination of those things 15

betting licence means a licence issued by TAB NZ to a racing club that authorises the club to hold betting races on a specified date

betting race means a race in respect of which racing betting may occur

betting rules means racing betting rules, sports betting rules, or other racing or sports betting rules made by TAB NZ under **subpart 1 of Part 4** 20

chairperson, in relation to a racing code, includes a president of the code and any other person acting in a similar capacity

chief executive, except in **clauses 26 and 27** of **Schedule 3**, means the chief executive of the department for the time being responsible for the administration of this Act 25

constitution, in relation to a racing code or racing club, means the rules or other constitutional document of the code or club

dates committee means the committee established by TAB NZ under **section 56** 30

Department means the department of State that, with the authority of the Prime Minister, is for the time being responsible for the administration of this Act

equalisator betting means a form of betting in which a number of persons bet on the outcome of a race (or races) and in which the sum of the contributors' bets, except for the deductions that are required to, or may, be made under this Act, is paid to the persons who, as a result of a ballot held after the close of betting and before the start of each race, draw the horses or greyhounds that subsequently fill dividend-bearing places in that race 35

exchange betting means peer-to-peer betting through a facility or a platform under which offers to bet on a particular selection are matched with offers to lay against the same selection, with the result that bets are made between those offering to bet on the selection and those offering to lay against the same selection

5

expenses includes costs and charges

galloping race—

(a) means a horse race in which each competing horse normally moves at a gait commonly known as galloping; and

(b) includes a race in which each competing horse has to jump a series of hurdles or fences or other obstacles

10

Gambling Commission means the Commission established by section 220 of the Gambling Act 2003

governing body, in relation to TAB NZ, means the governing body appointed under **section 46**

15

greyhound race means a competitive pursuit of a lure by 2 or more greyhounds

harm has the same meaning as in section 4(1) of the Gambling Act 2003

harness race means a horse race in which each competing horse normally moves at a gait commonly known as pacing or trotting

20

hunt club means a club, association, or other body of persons (whether incorporated or not) that—

(a) is established for the purpose of promoting and conducting the sport of hunting, but that also conducts hunt race meetings; and

(b) is registered with a racing code in accordance with the constitution of that code

25

liabilities includes—

(a) liabilities and obligations under any Act or agreement; and

(b) deposits and other debt securities within the meaning of the Financial Markets Conduct Act 2013; and

30

(c) contingent liabilities

Minister means the Minister of the Crown who, under the authority of any warrant or with the authority of the Prime Minister, is for the time being responsible for the administration of this Act

New Zealand national sporting organisation means an organisation that meets the criteria laid down by Sport and Recreation New Zealand for receiving financial support from that agency, whether or not the organisation actually receives the support

35

~~New Zealand sporting event~~ means a sporting event—

- (a) ~~held in New Zealand; and~~
- (b) ~~declared by rules made under **section 70(2)(c)** to be a New Zealand sporting event for the purposes of this subpart; and~~
- (c) ~~to which one of the following applies:~~ 5
 - (i) ~~the event is held under the auspices or control of a New Zealand national sporting organisation;~~
 - (ii) ~~there is a sports betting agreement entered into under **section 72** between TAB NZ and Sport and Recreation New Zealand in respect of the sport concerned~~ 10

~~other racing or sports betting~~ means any type of racing betting or sports betting that was not conducted by TAB NZ before the commencement of **Part 4**

other racing or sports betting—

- (a) means any type of betting on races or sporting events that is not racing betting or sports betting; and 15
- (b) includes exchange betting and spread betting

participant—

- (a) means a person registered with a racing code; and
- (b) includes (without limitation)— 20
 - (i) a trainer, jockey, driver, stablehand, or a person working at a greyhounds' kennel:
 - (ii) a breeder of thoroughbreds, standardbred horses, or greyhounds:
 - (iii) an owner (or part-owner), leasor (or part-leasor) of a thoroughbred, standardbred horse, or greyhound owned or leased with the intention of entering a race: 25
 - (iv) a person who otherwise deals with animals used for thoroughbred racing, harness racing, or greyhound racing:
 - (v) a member of a racing club

partnering arrangement means an arrangement entered into by TAB NZ and another person that provides for a substantial proportion of any 1 or more of TAB NZ's functions relating to conducting betting, broadcasting, or gaming functions set out in **section 48(1)(c)** to be carried out by that person 30

problem gambler has the same meaning as in section 4(1) of the Gambling Act 2003

race means a galloping race, harness race, or greyhound race 35

race meeting means a meeting held on a day for the purpose of conducting races and for which a betting licence has been granted

racecourse means land and premises used for race meetings

~~raci**ng** betti**ng**~~ means the types of betting (including totalisator racing betting, equalisator betting, and fixed-odds betting) conducted by, or on behalf of, TAB NZ on any race (or races) run at 1 or more racecourses within or outside New Zealand, or both, or on any contingency arising from a sequence of races, and whether the betting takes place on or off a racecourse and within or outside New Zealand 5

racing** betti**ng****—

(a) means the types of betting (including totalisator racing betting, equalisator betting, and fixed-odds betting) conducted by, or on behalf of, TAB NZ on any race (or races) run at 1 or more racecourses within or outside New Zealand, or both, or on any contingency arising from a sequence of races, and whether the betting takes place on or off a racecourse and within or outside New Zealand; but 10

(b) does not include exchange betting or spread betting

racing** betti**ng** i**n**fo**r**ma**t**i**o**n** means information relating to any race held in New Zealand 15

racing** betti**ng** ru**l**es** means rules relating to racing betting made under **section 68**

racing** ca**l**enda**r**** means the racing calendar determined for a racing year under **section 56(2)(a)** 20

racing** cl**u**b or cl**u**b**—

(a) means any club, association, or other body of persons (whether incorporated or not) that is established for the purpose of promoting, conducting, and controlling races and that is or was registered with a racing code in accordance with the constitution of that code; and 25

(b) includes a hunt club

racing** co**d**e or co**d**e** means each of the following:

(a) New Zealand Thoroughbred Racing Incorporated:

(b) Harness Racing New Zealand Incorporated:

(c) New Zealand Greyhound Racing Association Incorporated 30

racing** ru**l**es**, in relation to a racing code, means rules made by the code for the purposes of **section 28** together with any amendments made under **section 29**

racing** ve**n**ue**—

(a) means any land or buildings owned by a racing club and used (or previously used) by the club for promoting, conducting, or controlling race meetings; and 35

(b) includes a racecourse and any associated land or buildings (for example, race stands, club rooms, or car parks)

racing year means a period of 12 months ending on 31 July

recognised industry organisation means,—

- (a) in relation to galloping races,—
 - (i) New Zealand Thoroughbred Racing Incorporated; and
 - (ii) New Zealand Racehorse Owners Federation Incorporated; and 5
 - (iii) New Zealand Thoroughbred Breeders Association Incorporated; and
 - (iv) New Zealand Trainers Association; and
 - (v) New Zealand Jockeys' Association; and
 - (vi) every racing club registered with New Zealand Thoroughbred Racing Incorporated: 10
- (b) in relation to harness races,—
 - (i) Harness Racing New Zealand Incorporated; and
 - (ii) ~~New Zealand N.Z.~~ Standardbred ~~Breeders~~ Breeders' Association Incorporated; and 15
 - (iii) New Zealand Trotting Owners Association Incorporated; and
 - (iv) New Zealand Harness Racing Trainers and Drivers Association Incorporated; and
 - (v) every racing club registered with Harness Racing New Zealand Incorporated: 20
- (c) in relation to greyhound races,—
 - (i) the New Zealand Greyhound Racing Association Incorporated; and
 - (ii) every racing club registered with the New Zealand Greyhound Racing Association Incorporated 25

Registrar means the Registrar of Incorporated Societies appointed under section 32 of the Incorporated Societies Act 1908

Registrar-General means the Registrar-General of Land appointed under section 231 of the Land Transfer Act 2017

rights includes (without limitation) powers, privileges, interests, licences, approvals, consents, benefits, and equities of any kind, whether actual, contingent, or prospective 30

selection panel means the panel established under **section 46A**

small racing club means a racing club that holds 3 or fewer betting licences in a racing year 35

sporting event means any lawful organised game, competition, or other event involving human competitors, held in or outside New Zealand, to which one of the following applies:

- (a) a New Zealand national sporting organisation administers the sport concerned in New Zealand: 5
- (b) there is a New Zealand national sporting organisation under whose auspices or control the event is conducted (or, in the case of an event held outside New Zealand, under whose auspices or control the event would be conducted if it were held in New Zealand):
- (c) there is an agreement in accordance with **section 72(2) and (3)** between TAB NZ and Sport and Recreation New Zealand that relates to the sport concerned 10

~~**sports betting** means the types of betting (including totalisator betting and fixed-odds betting) conducted by, or on behalf of, TAB NZ on any sporting event (or events) held within or outside New Zealand, or on any contingency arising from a sequence of sporting events, whether held within or outside New Zealand, or both, and whether the betting takes place at the event or not and within or outside New Zealand~~ 15

sports betting—

- (a) means the types of betting (including totalisator betting and fixed-odds betting) conducted by, or on behalf of, TAB NZ on any sporting event (or events) held within or outside New Zealand, or on any contingency arising from a sequence of sporting events, whether held within or outside New Zealand, or both, and whether the betting takes place at the event or not and within or outside New Zealand; but 20 25
- (b) does not include exchange betting or spread betting

spread betting means a form of betting in which a person's winnings or losses are unfixed and are determined by the outcome of a race or sporting event, a contingency arising from a race or sporting event, or a sequence of races or sporting events 30

TAB New Zealand or **TAB NZ** means the body established by **section 45** to conduct ~~racing betting and sports betting~~ racing betting, sports betting, or other racing or sports betting under this Act

TAB NZ member means a member of the governing body of TAB NZ

TAB operator means a person supervising a TAB venue 35

TAB venue means premises owned or leased by TAB NZ and where the main business carried on at the premises is providing ~~racing betting or sports betting~~ racing betting, sports betting, or other racing or sports betting services under this Act

territorial authority—

- (a) has the same meaning as in section 5(1) of the Local Government Act 2002; but
- (b) does not include the Minister of the Crown who is, for the time being, responsible for that Act

5

territorial authority consent means consent granted by a territorial authority under **section 88**

territorial authority district means a district in respect of which a territorial authority is constituted

totalisator racing betting means a form of betting in which—

10

- (a) bets are made by means of a totalisator on horses or greyhounds competing in 1 or more races; and
- (b) the dividends payable are determined in the manner prescribed by the relevant racing betting rules.

- (2) A reference in this Act to a named body is a reference to the body in existence with that name immediately before the commencement of **section 2(1)**, whether or not the body subsequently changes its name, and nothing in this Act prevents the body from changing its name.

15

- (3) The Governor-General may, by Order in Council made on the recommendation of the Minister, amend the definition of recognised industry organisation in **subsection (1)** by—

20

- (a) adding the name of an organisation to it; or
- (b) omitting the name of an organisation from it; or
- (c) replacing the name of an organisation with any different name.

Compare: 2003 No 3 s 5

25

5A Application of Act to hunt clubs

Nothing in **sections 17 and 18** or **subpart 2 or 2A of Part 2** applies to a hunt club.

6 Transitional, savings, and related provisions

The transitional, savings, and related provisions set out in **Schedule 1** have effect according to their terms.

30

7 Act binds the Crown

This Act binds the Crown.

Compare: 2003 No 3 s 6

Part 2 Racing

Subpart 1—Racing codes and clubs Racing New Zealand, racing codes, and racing clubs

Racing New Zealand 5

7A Racing New Zealand established

This section establishes Racing New Zealand—

- (a) as a consultative forum for the racing codes; and
- (b) to perform the functions and exercise the powers described in **section 7B.** 10

7B Functions of Racing New Zealand

The functions of Racing New Zealand are—

- (a) to act as a consultative forum for the racing codes to facilitate the discussion of issues affecting all racing codes and the adoption of common positions on those issues: 15
- (b) to represent the racing codes in relation to negotiations, interactions with other bodies under this Act, and other matters, with the agreement of the racing codes:
- (c) to perform or exercise any of the functions and powers that can be performed or exercised collectively under this Act and are delegated to the consultative forum by the racing codes under **section 7D.** 20

7C Servicing and funding Racing New Zealand

- (1) Administrative services for Racing New Zealand must be provided by the racing codes.
- (2) The services must be provided— 25
 - (a) by each racing code for a fixed period on rotation between each code; or
 - (b) by any other manner agreed by the racing codes.
- (3) The operations of Racing New Zealand must be funded by the racing codes, in a manner determined by agreement between the codes.

7D Delegation of powers and functions by racing codes 30

- (1) The racing codes (acting jointly) may delegate in writing any of their functions or powers that can be performed or exercised collectively under this Act to Racing New Zealand.
- (2) A delegation under this section—
 - (a) may be subject to any conditions imposed by the racing codes; and 35

- (b) is revocable at any time, by notice in writing.
- (3) Racing New Zealand must not delegate any power or function delegated to it by the racing codes to any other person or organisation.
- 7E Membership of Racing New Zealand**
- (1) The board of Racing New Zealand comprises— 5
- (a) 1 member appointed by New Zealand Thoroughbred Racing Incorporated:
- (b) 1 member appointed by Harness Racing New Zealand Incorporated:
- (c) 1 member appointed by New Zealand Greyhound Racing Association Incorporated: 10
- (d) 2 members who are independent of the racing codes and who are appointed—
- (i) by the racing codes acting jointly; or
- (ii) if the racing codes are unable to agree on who to appoint, by the Minister. 15
- (2) A member holds office for a term not exceeding 3 years specified in their notice of appointment and may be reappointed for a further term not exceeding 3 years.
- (3) A member continues in office despite the expiry of their term until—
- (a) the member is reappointed; or 20
- (b) the member's successor is appointed.
- (4) A member may at any time—
- (a) resign by notice in writing to the board; or
- (b) be removed from office by the racing codes (acting jointly) for misconduct or inability or failure to perform the duties of office. 25
- (5) Except as provided in this section, the board may regulate its own procedures.

Racing codes

7F Objectives of racing codes

The objectives of each racing code are to develop and promote racing conducted by the code. 30

8 Functions of racing codes

- (1) The functions of each racing code are—
- (a) to govern racing clubs, racing venues, and participants, including by—
- (i) monitoring the performance and finances of those racing clubs and racing venues and their approach to managing risks to health and safety under the Health and Safety at Work Act 2015: 35

-
- (ii) approving the constitution of a racing club and any amendments to it before the constitution or amendments take effect:
 - (iii) registering (and deregistering) ~~racing clubs and participants~~ racing clubs, participants, horses, and greyhounds (as appropriate) with the code: 5
 - (iv) taking measures to ensure adequate representation and involvement of small racing clubs in the code's decision making:
 - (b) to develop racing rules (and any amendments to those rules) in respect of racing conducted by the code ~~in consultation with TAB NZ and the Racing Integrity Board:~~ 10
 - (ba) to develop and implement policies that are conducive to the overall economic development of racing conducted by the code and the economic wellbeing of people who, and organisations which, derive their livelihoods from that racing:
 - (bb) to use its resources, including (without limitation) its financial, technical, physical, and human resources for purposes that, in the code's opinion, will directly or indirectly benefit racing conducted by the code: 15
 - (c) to develop and implement animal welfare policies in respect of racing conducted by the code:
 - (d) to distribute revenue ~~from racing conducted by the code~~ received by the code to racing clubs registered with the code: 20
 - (da) to manage any assets or surplus venues transferred to the code under **subpart 2 of Part 2**, including (without limitation) by selling or retaining any asset or surplus venue:
 - (db) to undertake, or arrange for the undertaking of, research, development, and education for the benefit of New Zealand racing: 25
 - (e) to collaborate with the other racing codes to achieve the objectives of the racing industry as a whole:;
 - (f) to carry out any other functions that are necessary or desirable to assist the code in achieving its objectives. 30
- (1A) Each racing code has and may exercise all the powers that may be reasonably necessary for carrying out its functions.
- (2) In carrying out its functions, each racing code must—
- (a) comply with the rules of natural justice; and
 - (b) exhibit a sense of social responsibility by having regard to the interests 35 of the community in which it operates.

Compare: 2003 No 3 s 9(2)

9 Racing codes must prepare statement of intent

- (1) Before the start of a racing year, each racing code must prepare and provide to the Minister a statement of intent relating to that year and to each of the 2 subsequent racing years.
- (2) The proposed statement of intent must set out, for each racing year to which it relates,—
 - (a) the code's rules, as required by section 6 of the Incorporated Societies Act 1908; and
 - (b) the objectives of the code; and
 - (c) the nature and scope of the activities to be undertaken by the code; and
 - (d) a statement of the code's policy for distributing funds received from TAB NZ to racing clubs registered with the code in accordance with **section 11**; and
 - (e) the performance targets and other measures by which its performance may be judged in relation to its activities; and
 - (f) a statement of accounting policies.
- ~~(3) The Minister must present the statement of intent to the House of Representatives as soon as practicable after receiving the statement.~~
- (3) In preparing its statement of intent, each racing code must consult racing clubs registered with the code.
- (4) Each racing code must publish a copy of its statement of intent on an Internet site maintained by or on behalf of the code.

Compare: 2003 No 3 s 23

10 Racing codes must prepare business plan

- ~~(1) Before the start of a racing year, each racing code must prepare and provide to the Minister a business plan relating to that racing year.~~
- ~~(2) The Minister must present the business plan to the House of Representatives as soon as practicable after receiving the plan.~~
- (2) Each racing code must publish a copy of its business plan on an Internet site maintained by or on behalf of the code.

10A Annual report

- (1) Each racing code must, as soon as practicable after the end of each racing year, provide the Minister with an annual report on its operations and performance during that year.
- (2) The annual report must include—
 - (a) the financial statements of the code and the audit report on those statements; and

- (b) a report on the measures taken by the code to ensure adequate involvement and representation of small racing clubs in the code's decision making; and
- (c) a report on the implementation of the code's property investment strategy prepared under **section 27A** in that racing year (if applicable). 5
- (3) The Minister must present a copy of the annual report and financial statements to the House of Representatives as soon as practicable after receiving the report and statements.
- 11 Racing codes must distribute funds received from TAB NZ to racing clubs**
- (1) Each racing code is responsible for distributing among the racing clubs registered with the code the amounts received by it from TAB NZ under **section 62**. 10
- (2) Each racing code must decide how much of any amount referred to in **subsection (1)** must be distributed among the racing clubs registered with it and the apportionment of that amount among those clubs. 15
- (3) ~~TAB NZ may, under an agreement with a racing code, pay to a racing club the whole or part of an amount payable by it to the code under **section 62**.~~
- (4) ~~Any amount paid under **subsection (3)** must be treated as having been paid by TAB NZ to the code under **section 62** and by the code to the club in accordance with **subsections (1) and (2)**.~~ 20
- Compare: 2003 No 3 s 25
- 12 Ministerial powers in relation to racing codes**
- (1) ~~The Minister may, on joint written request of the racing codes, appoint a body by notice in the *Gazette* to perform any or all of the collective functions of the codes under **section 8(1)** in place of the codes for a specified period or indefinitely.~~ 25
- (2) ~~The Minister may, by written notice, set the appointment process for the directors of a racing code if the Minister is satisfied on reasonable grounds that it is necessary to do so.~~
- (3) **Subsection (2)** applies despite anything in the racing code's constitution. 30
- 13 Minister may appoint Commissioner to resolve significant disagreement between racing codes**
- (1) ~~The Minister may, by written notice, appoint a Commissioner to resolve a significant disagreement between any 2 or more racing codes.~~
- (2) A notice under **subsection (1)** must state— 35
- (a) the date on which the appointment takes effect; and
- (b) the name of the person appointed as Commissioner.

- (3) ~~The Minister must not exercise the power to appoint a Commissioner unless the Minister has—~~
- (a) ~~consulted the racing codes and, as appropriate, TAB NZ over the possible need to appoint a Commissioner; and~~
 - (b) ~~after that consultation, given the racing codes written notice of the Minister's preliminary decision that a Commissioner should be appointed to resolve the disagreement; and~~ 5
 - (c) ~~given the racing codes at least working 20 days in which to respond to the preliminary decision; and~~
 - (d) ~~considered any submissions made by the racing codes in relation to the proposed appointment of a Commissioner.~~ 10
- (4) ~~A decision made by a Commissioner appointed under **subsection (1)** is binding on the racing codes.~~

14 Levy relating to appointment of Commissioner

- (1) ~~The Governor-General may, by Order in Council made on the recommendation of the Minister, make regulations imposing a levy on any 1 or more racing codes relating to the appointment of a Commissioner under **section 13(1)**.~~ 15
- (2) ~~Without limiting **subsection (1)**, the regulations may—~~
- (a) ~~prescribe the amount or a method of calculating the amount of levy payable by the racing code or codes, and may prescribe different amounts, or different methods of calculating the amounts payable; and~~ 20
 - (b) ~~prescribe when the levy is payable; and~~
 - (c) ~~designate the agency that will administer the levy and, if that agency is the Department, the regulations may authorise the Department to delegate all or specified aspects of the levy's collection and use to another body; and~~ 25
 - (d) ~~require a racing code to supply, on request by the agency responsible for administering the levy, information on any matter that is necessary to determine or verify the amount of levy payable by the racing code.~~
- (3) ~~Before making a recommendation under **subsection (1)**, the Minister must consult the relevant racing code or codes.~~ 30

Racing clubs

15 Racing clubs must comply with racing rules

~~A racing club must, when holding a race or a race meeting, comply with the relevant racing rules.~~ 35

~~Compare: 2003 No 3 s 33~~

16 No pecuniary interest in club property

A member of a racing club must not have any pecuniary interest, in their capacity as a member, in the property of the club.

Compare: 1971 No 155 s 34(1); 2003 No 3 s 26

17 Restriction on dealing with racing venue

5

- (1) Despite any provision to the contrary in a racing club's constitution, the racing club must obtain the written approval of the racing code with which it is registered before—

- (a) transferring or vesting the fee simple estate in the land comprising a racing venue owned by the club:
- (b) leasing, mortgaging, giving a security interest in, or otherwise dealing with the land that comprises a racing venue owned by the club:
- (c) extending any encumbrances in respect of the land that comprises a racing venue owned by the club.

10

- (2) A racing code may grant approval under **subsection (1)** generally or specifically and subject to any conditions that the code thinks fit.

15

- (3) The Governor-General may, by Order in Council made on the recommendation of the Minister, specify the date on which the restriction set out in **subsection (1)** ceases to apply to racing clubs registered with the relevant racing code.

18 Restriction on dealing must be recorded on record of title

20

- (1) This section applies in respect of any land comprising a racing venue to which **section 17** applies.

- (2) The Registrar-General must, as soon as practicable after receiving notification from the relevant racing code, record on or remove from the record of title for the land that it is subject to **section 17(1)**.

25

19 ~~Racing code may determine that racing club is no longer racing~~

- (1) ~~A racing code may make a determination that a racing club registered or previously registered with the code is no longer racing for the purposes of this Act if—~~

- ~~(a) the racing club has not promoted, conducted, or controlled any race meetings in the previous racing year; or~~
- ~~(b) for a racing club that has promoted, conducted, or controlled any race meetings in the previous racing year, the club—~~
 - ~~(i) has notified the code in writing that it does not intend to conduct racing in the future; or~~
 - ~~(ii) is no longer registered with the racing code or is failing or has failed to meet the criteria set by the code for continued registration with the code; or~~

30

35

- (e) ~~the racing code considers that the club is no longer racing for any other reason.~~
 - (2) ~~Before making a determination under **subsection (1)**, the racing code must—~~
 - (a) ~~give the racing club written notice of its preliminary determination that the club is no longer racing, including the reasons for the determination; and~~ 5
 - (b) ~~give the racing club at least 40 working days in which to respond to the preliminary determination; and~~
 - (c) ~~consider any submissions made by the racing club in relation to the preliminary determination.~~ 10
 - (3) ~~After complying with **subsection (2)**, the racing code must—~~
 - (a) ~~make a final determination about whether the racing club is no longer racing for the purposes of this Act; and~~
 - (b) ~~give written notice to the racing club of its final determination, including the reasons for the determination.~~ 15
- 20 Racing club no longer racing may be dissolved**
- (1) ~~This section applies if a racing code makes a final determination under **section 19(3)** that a racing club is no longer racing.~~
 - (2) ~~The racing code may notify the Registrar that the club is no longer carrying out its operations and request that the Registrar exercise the Registrar's powers to dissolve the racing club under section 28(1)(a) of the Incorporated Societies Act 1908 or section 26(1)(a) of the Charitable Trusts Act 1957 (as the case may be).~~ 20
 - (3) ~~If the Registrar receives a notification under **subsection (2)**, the Registrar must make a declaration of dissolution in respect of the club.~~ 25

Subpart 2—Transfer of assets and surplus venues

21 Interpretation

In this subpart, unless the context otherwise requires,—

surplus racing venue or surplus venue—

- (a) means a racing venue owned in fee simple by a racing club determined by the racing code with which the club is registered to be a surplus venue; but 30
- (b) does not include any land that is a reserve under the Reserves Act 1977 or any buildings on reserve land under that Act

transfer includes— 35

- (a) to assign and convey; and
- (b) to confer estates in fee simple of land held by a racing club; and

- (c) to grant rights in respect of any assets or liabilities; and
- (d) to vest by Order in Council under **section 25**.

Transfer of assets

22 Transfer of assets on dissolution of club

- (1) This section applies if a racing club is dissolved by any means (including under **section 20(3)** **section 27D(3)**). 5
- (2) Subject to **section 23**, the assets of the racing club remaining after all creditors' claims on the club have been satisfied vest in the racing code with which the club was registered.
- (3) The code must consider whether any action (for example, a payment) is warranted to recognise the community interest (if any) in ~~the~~ any racing venue or venues of the racing club that are vested in the code. 10

23 Transfer of assets if racing clubs combine

- (1) This section applies if 2 or more racing clubs propose to combine to form 1 club. 15
- (2) The assets of any club that proposes to dissolve as a result of that combination may, with the approval of the racing code with which it is registered, be transferred to the club with which it proposes to combine.

Compare: 1971 No 155 s 34(3); 2003 No 3 s 27(5)

Transfer of surplus venues 20

24 Transfer of surplus venue by agreement

- (1) A racing club may, by written agreement with the racing code with which it is registered, transfer a surplus venue owned by the racing club to that code.
- (2) To the extent that an agreement entered into under **subsection (1)** is inconsistent with the provisions or requirements (if any) of the racing club's constitution, the agreement prevails. 25
- (3) When conducting negotiations for the transfer of a surplus venue, the racing code and racing club must comply with the prescribed process or criteria (if any) in relation to the transfer of surplus venues under this subpart.

25 Transfer of surplus venues by Order in Council 30

- (1) This section applies if a racing code has made a reasonable attempt to negotiate the transfer of a surplus venue owned by a racing club (or clubs) to the code by agreement but—
 - (a) the club (or clubs) has refused to enter into negotiations for the transfer; or 35
 - (b) no agreement on the transfer has been reached.

- (2) The Governor-General may, by Order in Council made on the recommendation of the Minister,—
 - (a) approve a proposal prepared by the racing code relating to the transfer of the surplus venue to the code (a **transfer proposal**), with or without modification; and 5
 - (b) state the date on which the transfer takes effect (the **transfer date**).
- (3) A transfer proposal referred to in **subsection (2)** may be prepared by the code on its own initiative or at the request of the Minister.
- (4) The transfer proposal must—
 - (a) state the names of the relevant racing code and racing club (or clubs); and 10
 - (b) contain a description of the 1 or more surplus venues or identify a means by which, or a document in which, the surplus venues are described; and
 - (ba) in relation to each surplus venue,—
 - (i) give details of all legal interests in the venue; and 15
 - (ii) to the extent possible, give details of any beneficial interests in the venue and any restriction, charge, or other encumbrance relating to the venue; and
 - (c) state whether either or both of the following payments are warranted and should be made by the code following the transfer: 20
 - (i) a payment to the relevant club (or clubs) to enable it to race at another venue:
 - (ii) a payment to any person in recognition of a community interest in the surplus venue.
- (5) If the transfer proposal is approved under **subsection (2)**,— 25
 - (a) the surplus venue vests in the racing code on the transfer date, subject to any interests or encumbrances in existence on that date; and
 - (b) the code must make any payment referred to in **subsection (4)(c)(i) or (ii)** ~~that is warranted to be made;~~ and
 - (c) the racing code must, subject to the restriction in **subsection (5A)**, state how it intends to apply the proceeds from any subsequent sale of the surplus venue in its property investment strategy prepared under **section 27A**. 30
- (5A) The proceeds of the sale of a surplus venue vested in a racing code under **subsection (5)** must only be used to upgrade or construct another racing venue located in the same region as the venue vested in the racing code unless the code is satisfied that no further racing venues need to be constructed in that region or any existing racing venues in that region do not need repair or upgrading in the foreseeable future. 35

- (6) The Governor-General may, by Order in Council made on the recommendation of the Minister, approve an amendment to a transfer proposal approved under **subsection (2)** and, if approved, the amendment takes effect on a date specified in the order (which may be the transfer date or any later date).
- (7) An Order in Council made under this section must identify the transfer proposal or amendment approved, but need not incorporate it in the order. 5
- 26 Minister must have regard to certain matters and appoint reviewer before recommending order**
- (1) ~~In determining whether to recommend the making of an order under **section 25**, the Minister must have regard to the following matters:~~ 10
- (a) ~~the purpose of this Act set out in **section 3(a)(iv)**:~~
 - (b) ~~whether the surplus venue is used for conducting race meetings by racing clubs from more than 1 code (and, if so, the relative interests of the clubs):~~
 - (c) ~~whether the surplus venue is used by members of the local community for not-for-profit purposes (for example, sporting or other community purposes):~~ 15
 - (d) ~~whether the surplus venue is used by clubs that do not have a proprietary interest in the venue:~~
 - (e) ~~the ownership and value of any buildings or facilities situated on or at the surplus venue and the likely cost of their removal (if applicable):~~ 20
 - (f) ~~any other matters that the Minister considers relevant to achieving the purposes of this Act.~~
- (2) ~~In addition, before determining whether to recommend the making of an order, the Minister must—~~ 25
- (a) ~~appoint a person with relevant knowledge and experience (a **reviewer**) to review the transfer proposal; and~~
 - (b) ~~have regard to any recommendations made by the reviewer about whether the transfer proposal should be approved or approved with modifications.~~ 30
- (3) ~~In reviewing the transfer proposal, the reviewer must invite submissions regarding the transfer proposal from the relevant racing code and racing club (or clubs) or any other person that the reviewer thinks fit.~~
- (4) ~~If the reviewer recommends that the transfer proposal be approved (either with or without modification), the reviewer must advise the Minister about whether any payment referred to in **section 25(4)(c)(i) or (ii)** should be made by the code on the transfer.~~ 35
- (5) ~~The costs of a review carried out under **subsection (2)**—~~

- (a) ~~must be paid by the racing code, the racing club, and, as appropriate, any other person involved in the review in the amount or proportion (if any) determined by the Minister on the advice of the reviewer; and~~
 - (b) ~~are recoverable as a debt due to the Crown in any court of competent jurisdiction.~~ 5
- (6) ~~The Minister may refuse to make a recommendation for an order under **section 25(2)** if the Minister considers that it is appropriate in the circumstances for the parties to undertake or resume negotiations for the transfer of the surplus venue by agreement.~~
- 26 Minister must have regard to certain matters before recommending order under section 25** 10
- (1) In determining whether to recommend the making of an order under **section 25**, the Minister must—
 - (a) have regard to the matters specified in **subsection (2)**, and as applicable, the matters specified in **subsection (3)**; and 15
 - (b) comply with **sections 26A to 26C**.
- (2) The matters are—
 - (a) the purposes of this Act as set out in **section 3(a)(ii) and (iv)**; and
 - (b) whether it is appropriate in the circumstances for the parties to resume negotiations for the transfer of the surplus venue by agreement. 20
- (3) If it is not appropriate for negotiations to be resumed for the transfer of the surplus venue by agreement, the Minister must then decide whether there are special circumstances regarding the use, or potential use, of the surplus venue by the community in which the surplus venue is located that justify exempting the surplus venue from the application of **section 25** and for the purpose of making that decision the Minister must take into account the following: 25
 - (a) the distance of the surplus venue from the nearest major centre; and
 - (b) the impact (if any) on the purposes of this Act as set out in **section 3(a)(ii) and (iv)** if the surplus venue is not transferred to the code; and
 - (c) the relative contributions made to the surplus venue by the community in the area in which the venue is located and the racing code; and 30
 - (d) how the racing code intends to use the surplus venue if it were transferred to the code, including—
 - (i) the retained venue or venues that the code intends to refurbish with the proceeds from the sale of the surplus venue and whether those venues are in the same region of New Zealand as the surplus venue; and 35
 - (ii) any other purpose to which the surplus venue is proposed to be used; and

- (e) the not-for-profit purposes (for example, sporting, equestrian, or other community purposes) that the racing club and community in the area in which the venue is located intends to use (or continue to use) the surplus venue for if it is not transferred to the racing code, having regard to the other needs of that community; and 5
- (f) the legal or beneficial interests of iwi or other members of the wider community (if any) in the surplus venue; and
- (g) whether the surplus venue is, or has been, used as a training facility; and
- (h) the ownership and value of any buildings or facilities situated on or at the surplus venue and the likely cost of their removal (if applicable); and 10
- (i) whether the surplus venue is used by clubs that do not have a proprietary interest in the surplus venue; and
- (j) any proposals put forward by the wider community for the future use of the surplus venue; and
- (k) the appropriateness of a payment under **section 25(4)(c)(i) or (ii)** if the surplus venue is transferred to the racing code under that section; and 15
- (l) any other matters that the Minister considers relevant in the particular circumstances of the case.

26A Minister must not recommend order under section 25 if special circumstances exist 20

If, having considered the matters in **section 26(3)**, the Minister considers that special circumstances exist regarding the use or potential use of the surplus venue by the community in which the surplus venue is located, the Minister must not recommend the making of an order under **section 25**.

26B What happens if exemption from transfer to code unjustified under section 26(3) 25

If the Minister considers there is inadequate justification under **section 26(3)** to exempt the surplus venue from the application of **section 25**, the Minister must then decide whether, and if so how, the surplus venue should be transferred to the code, and for the purpose of making that decision the Minister must have regard to the following: 30

- (a) the purposes of this Act as set out in **section 3(a)(ii) and (iv)**; and
- (b) whether the surplus venue is used by members of the community in the area in which the venue is located for not-for-profit purposes (for example, sporting, equestrian, or other community purposes); and 35
- (c) the relative contributions made to the surplus venue by the community in the area in which the venue is located and the racing code; and
- (d) how the racing code intends to use the surplus venue if it were transferred to the code, including—

- (i) the retained venue or venues that the code intends to refurbish with the proceeds from the sale of the surplus venue and whether those venues are in the same region of New Zealand as the surplus venue; and
 - (ii) any other purpose to which the surplus venue is proposed to be used; and 5
 - (e) the legal or beneficial interests of iwi or other members of the wider community (if any) in the surplus venue; and
 - (f) whether the surplus venue is or had been used as a training facility; and
 - (g) the ownership and value of any buildings or facilities situated on or at the surplus venue and the likely cost of their removal (if applicable); and 10
 - (h) whether the surplus venue is used by clubs that do not have a proprietary interest in the surplus venue; and
 - (i) any proposals put forward by the local community for the future use of the surplus venue; and 15
 - (j) the appropriateness of a payment under **section 25(4)(c)(i) or (ii)** if the surplus venue is transferred to the racing code under that section; and
 - (k) any other matters that the Minister considers relevant to achieving the purposes of this Act.
- 26C Minister must appoint reviewer before recommending order** 20
- (1) In addition, before considering the matters in **section 26** or determining whether to recommend the making of an order under **section 25(2)**, the Minister must—
- (a) appoint a person with relevant knowledge and experience (a **reviewer**) to review whether the surplus venue should be transferred under **section 25** or exempted from the application of that section; and 25
 - (b) have regard to any recommendations made by the reviewer about whether the transfer proposal should be approved or approved with modifications; and
 - (c) seek to obtain the agreement of the racing club and the racing code regarding the person to be appointed as reviewer. 30
- (2) In making an appointment under **subsection (1)**, the Minister must have regard to the need for the reviewer to have the appropriate knowledge, skills, and experience to conduct the review, including (without limitation) in relation to— 35
- (a) New Zealand racing;
 - (b) community engagement;
 - (c) preparing analysis and advice.

- (3) If the reviewer has a conflict of interest or potential conflict of interest (whether direct or indirect) that affects, or may affect, the proper and impartial discharge of the reviewer's functions under this section, the reviewer—
- (a) must disclose the matter to the Minister; and
 - (b) must not accept the appointment. 5
- (4) In carrying out a review, the reviewer must—
- (a) invite submissions regarding the surplus venue from the relevant racing code, racing club (or clubs), community groups, and territorial authorities in the area in which the surplus venue is located, or any other person that the reviewer thinks fit; and 10
 - (b) visit the surplus venue.
- (5) If the reviewer recommends that any transfer proposal be approved (either with or without modification), the reviewer must advise the Minister about whether any payment referred to in **section 25(4)(c)(i) or (ii)** should be made by the code on the transfer and for that purpose must consider— 15
- (a) the transfer proposal prepared by the code under **section 25(2)**; and
 - (b) whether the surplus venue is used by racing clubs from more than 1 code (and if so the relative interests of the clubs); and
 - (c) the ownership and value of any buildings or facilities situated at or on the surplus venue and the likely cost of their removal (if applicable). 20
- (6) The costs of a review carried out under this section—
- (a) must be paid by the racing code unless the Minister considers, on the advice of the reviewer, that it is appropriate for the racing club or any other person involved in the review to meet a portion of the costs; and
 - (b) are recoverable as a debt due to the Crown in a court of competent jurisdiction. 25

27 Effect of transfer of surplus venue

- (1) This section applies to a transfer proposal approved by Order in Council made under **section 25** and the transfer of a surplus venue under that proposal.
- Transfer not affected by requirements for additional consents* 30
- (2) The transfer is not affected by, and may proceed regardless of, any requirements for additional consents under any enactment or agreement.
- Transfer without consideration*
- (3) The transfer proposal may provide that the racing club is to transfer the surplus venue to the racing code without receiving in return any, or an equivalent, asset. 35
- Trusts*
- (4) Any trusts applying to the surplus venue are extinguished on the transfer date.

Restrictions on use of proceeds from sale of venue

- (5) The transfer proposal may impose restrictions on, or requirements relating to, the use of the surplus venue or on the use of proceeds from any sale of the surplus venue (for example, requiring the proceeds to be used for the purposes of developing or maintaining other racing venues). 5

Registration of ownership and record of title

- (6) **Subsection (7)** applies to a surplus venue vested under this subpart, but only to the extent that the surplus venue is all of the land contained in a record of title for a fee simple estate.
- (7) The Registrar-General must, on written application by a person authorised by the Minister,— 10
- (a) register the racing code as the owner of the fee simple estate in the surplus venue in substitution of the racing club; and
- (b) record any entry on the record of title and do anything else that may be necessary to give effect to this subpart. 15
- (8) **Subsection (9)** applies to a surplus venue vested under this subpart, but only to the extent that **subsection (6)** does not apply to the venue.
- (9) The Registrar-General must, in accordance with a written application by a person authorised by the Minister and on payment of the prescribed fee (if any)— 20
- (a) create a record of title for the fee simple estate in a surplus venue in the name of the racing code; and
- (b) record on the record of title any interests that are registered, noted, or to be noted and that are described in the application.
- (10) **Subsection (9)** is subject to the completion of any survey necessary to create a record of title. 25
- (11) A record of title must be created under **subsection (9)** as soon as is reasonably practicable after the transfer date.

Application of Resource Management Act 1991

- (12) Section 11 and Part 10 of the Resource Management Act 1991 do not apply to— 30
- (a) the vesting of a surplus venue under this subpart; or
- (b) any matter incidental to, or required for the purpose of, the vesting.

General

- (13) Without limiting any other provision of this subpart, the transfer of the surplus venue must not be regarded as placing the racing club or the racing code, or any of its officers, employees, or agents, in breach of any Act, rule of law, or agreement that would otherwise apply. 35
- (14) Nothing effected or authorised by **section 25**—

- (a) ~~must be regarded as placing places~~ the racing club or any other person in breach of contract or confidence or otherwise ~~making makes~~ any of them liable ~~of for~~ a civil wrong; or
- (b) ~~must be regarded as giving gives~~ rise to a right for any person to terminate, cancel, or modify a contract, or to accelerate the performance of an obligation; or 5
- (c) ~~must be regarded as placing places~~ the racing club or any other person in breach of an enactment, rule of law, or contractual provision prohibiting, restricting, or regulating the assignment or transfer of property or the disclosure of information; or 10
- (d) releases a surety wholly or in part from any obligation; or
- (e) invalidates or discharges any contract.

27A Racing codes must prepare property investment strategy in respect of transferred assets and venues

- (1) This section applies while a racing code holds any assets or surplus venues that have been transferred to the code in accordance with this subpart. 15
- (2) The racing code must prepare and maintain a property investment strategy that states how the code proposes to manage those assets or surplus venues, including (without limitation) the code's priorities regarding the refurbishment of retained venues owned by racing clubs registered with the code. 20
- (3) The racing code must publish a copy of the strategy on an Internet site maintained by or on behalf of the code.

Subpart 2A—Dissolution of racing clubs no longer racing

27B Racing code may determine that racing club is no longer racing

- (1) Subject to **subsection (4)**, a racing code may make a determination that a racing club registered or previously registered with the code is no longer racing for the purposes of this Act if— 25
 - (a) the racing club has not promoted, conducted, or controlled any race meetings at its own or another racing venue in the previous 2 racing years; or 30
 - (b) for a racing club that has promoted, conducted, or controlled any race meetings in the previous 2 racing years, the club—
 - (i) has notified the code in writing that it does not intend to conduct racing at its own or another racing venue in the future; or
 - (ii) is no longer registered with the racing code. 35
- (2) Before making a determination under **subsection (1)**, the racing code must—

- (a) give the racing club written notice of its preliminary determination that the club is no longer racing, including the reasons for the determination; and
 - (b) give the racing club at least 40 working days in which to respond to the preliminary determination; and 5
 - (c) consider any submissions made by the racing club in relation to the preliminary determination.
- (3) After complying with **subsection (2)**, the racing code must—
 - (a) make a final determination about whether the racing club is no longer racing for the purposes of this Act; and 10
 - (b) give written notice to the racing club of its final determination, including the reasons for the determination.
- (4) A racing code may not make a determination under this section in respect of a racing club whose racing venue is the subject of—
 - (a) negotiations under **section 24** that have not been concluded; or 15
 - (b) a transfer proposal under **section 25** that has not been determined.

27C Appeal to High Court

- (1) A racing club may appeal to the High Court no later than 20 working days, or any further period that the court may allow, after receiving written notice of a determination under **section 27B(3)** that the club is no longer racing. 20
- (2) The determination against which an appeal is lodged remains valid pending the determination of the appeal unless the court orders otherwise.
- (3) On appeal, the court may—
 - (a) confirm, cancel, or vary the decision; or
 - (b) refer the decision back to the racing code with a direction to reconsider the determination. 25

27D Racing club no longer racing may be dissolved

- (1) This section applies if a racing code makes a final determination under **section 27B(3)** that a racing club is no longer racing.
- (2) The racing code may notify the Registrar that the club is no longer carrying out its operations and request that the Registrar exercise the Registrar's powers to dissolve the racing club under section 28(1)(a) of the Incorporated Societies Act 1908 or section 26(1)(a) of the Charitable Trusts Act 1957 (as the case may be). 30
- (3) If the Registrar receives a notification under **subsection (2)**, the Registrar must make a declaration of dissolution in respect of the club. 35

Subpart 3—Racing integrity system

*Racing rules***28 Racing rules**

- (1) Each racing code must make, and maintain in force, rules regulating the conduct of racing by the code. 5
- (2) In making rules under **subsection (1)**, each racing code must consult TAB NZ and the Racing Integrity Board.
- (2A) In addition, the Racing Integrity Board must approve any rules made by a racing code under **subsection (1)** that relate to, or impact on, the functions of the Board. 10
- (2B) However, if there is a commercial agreement between each racing code or all racing codes and TAB NZ that provides for the involvement of TAB NZ in making racing rules,—
- (a) each racing code and TAB NZ must comply with the provisions of that agreement instead of **subsection (2)**; but 15
- (b) each racing code must also consult the Racing Integrity Board about the making or changing of those rules, and **subsection (2A)** continues to apply.
- (3) Without limiting **subsection (1)**, the racing rules may provide for—
- (a) the functions, duties, and powers of stipendiary stewards and ~~racecourse inspectors~~ racing investigators; and 20
- (ab) matters relating to the breeding, care, and welfare of horses and greyhounds; and
- (b) the licensing of trainers, jockeys, drivers, and apprentices, and related matters; and 25
- (c) the registration of horses, greyhounds, owners, partnerships, syndicates, and colours; and
- (d) the conduct and control of race meetings, including managing risks to health and safety; and
- (e) prize money and other stakes, programmes, entries, withdrawals, weights, penalties, handicapping, allowances, weighing, starting, and running; and 30
- (f) punishments for breaches of the rules; and
- (g) determinations and appeals; and
- (h) disqualifications and suspensions; and 35
- (i) any other matters relating to the conduct of races and racing that the racing code thinks fit.

- (4) Each racing club and participant registered with the racing code must comply with racing rules made by the code.

Compare: 2003 No 3 ~~s 29~~ ss 29, 33

29 Amendment of racing rules

- (1) A racing code must, before amending its racing rules, consult TAB NZ and the Racing Integrity Board regarding the proposed amendments. 5
- (2) As soon as practicable after amending its racing rules, a racing code must send a copy of the amended rules to TAB NZ and the Racing Integrity Board.

Compare: 2003 No 3 s 30(1), (3)

30 Review, status, and availability of racing rules 10

- (1) As soon as practicable after making or amending any racing rules, each racing code must send a copy of the rules or the amended rules to the Minister.
- (2) Rules made under **section 28** must be published on an Internet site maintained by or on behalf of the relevant racing code.
- (3) Racing rules made under **section 28**— 15
- (a) are contractual in nature;
- (b) are neither a legislative instrument nor a disallowable instrument for the purposes of the Legislation Act 2012 (and do not have to be presented to the House of Representatives in accordance with section 41 of that Act).

Compare: 2003 No 3 s 32

20

31 Rules controlling or prohibiting admission to racecourses

- (1) This section applies to any racecourse on a day during which racing is being held on that racecourse, whether or not it is, or forms part of, a reserve or other place for which there exists a right of public use or entry.
- (2) Subject to any enactment and the general law of New Zealand, racing rules may include separate rules controlling or prohibiting the admission of persons to any racecourse used by racing clubs registered with the racing code that made the rules. 25
- (3) The rules may exclude any specified class or classes of person from entering a racecourse, either absolutely or subject to any special conditions that may be set out in the rules. 30
- (4) However, **subsection (3)** applies only to the extent that it is reasonably necessary for the purpose of maintaining public confidence in—
- (a) the conduct of horse racing; and
- (b) the integrity of racing betting. 35
- (5) Rules made under this section do not come into force until they have been approved by the Minister and published on an Internet site maintained by or on behalf of the relevant racing code.

- (6) A person who breaches any rule made under this section may be removed from the racecourse by ~~any member, officer, agent, or employee of the racing club or of the racing code with which the racing club is registered, or by any constable:~~ any of the following persons:

- (a) a stipendiary steward or a racing investigator: 5
- (b) a member, officer, agent, or employee of the racing club or of the racing code with which the racing club is registered:
- (c) a constable.

Compare: 2003 No 3 ss 34, 35(1)

32 Rules must not conflict with any Act or general law 10

- (1) A provision of any racing rules that conflicts with any provision of this Act, any other Act, or the general law of New Zealand is invalid.
- (2) However, racing rules may provide for the appointment of inspectors, in addition to those appointed under **section 42**.

Compare: 2003 No 3 s 31

15

Racing Integrity Board

33 Racing Integrity Board established

This section establishes the Racing Integrity Board (the **Board**).

34 Objectives of Board

The objectives of the Board are to promote, and ensure compliance with, high standards of ~~integrity animal welfare, integrity,~~ and professionalism by participants in the racing industry for the benefit of the public, participants, and the racing industry as a whole. 20

35 Functions and powers of Board

- (1) The functions of the Board are— 25

Compliance

- (a) ~~to employ and train stewards and investigators to preside over races and investigate breaches of racing rules:~~
- (b) ~~to recommend any amendments to racing rules that the Board considers necessary or desirable for the purpose of supporting the racing integrity system:~~ 30
- (c) ~~to recommend to TAB NZ any amendments to betting rules that the Board considers necessary or desirable for the purpose of supporting the racing integrity system:~~
- (d) ~~to provide, or arrange for the provision of, veterinary and drug testing services in relation to the conduct of racing by each racing code:~~ 35

- (e) ~~to monitor the operation and effectiveness of each racing code's animal welfare policies and initiatives:~~
- (f) ~~to initiate, develop, and recommend to the recognised industry organisations those measures that will, in its opinion, be conducive to the efficient and effective judicial control of racing in New Zealand:~~ 5
- (g) ~~to monitor the operation and effectiveness of the racing integrity system on an ongoing basis and to report to the Minister as required on the outcome of that monitoring:~~
- Adjudication*
- (h) ~~to appoint judicial committees to hear and adjudicate on any matters (whether arising on a particular day of racing or otherwise) in accordance with the racing rules of a code and to impose penalties and award costs in accordance with those rules:~~ 10
- (i) ~~to appoint appeals tribunals to hear and adjudicate on appeals against decisions of judicial committees (including penalties imposed or costs awarded by a judicial committee):~~ 15
- (j) ~~to recommend any changes to racing rules that the Board considers desirable in relation to matters of a judicial nature:~~
- Other*
- (k) ~~to carry out any other functions necessary or desirable to assist the Board in achieving its objectives:~~ 20
- (2) ~~The Board must ensure that its compliance functions and adjudication functions are performed independently of each other.~~

35 Functions and powers of Board

- (1) The functions of the Board are— 25
 - Compliance*
 - (a) to employ and train stipendiary stewards and racing investigators to perform and exercise the functions, duties, and powers in each code's racing rules:
 - (b) to provide, or arrange for the provision of, veterinary services in relation to racing conducted by each racing code as required by the code's racing rules: 30
 - (c) to provide, or arrange for the provision of, alcohol, drug, and prohibited substances testing in relation to racing conducted by each racing code as required by the code's racing rules: 35
 - (d) to monitor the operation and effectiveness of each racing code's animal welfare policies and initiatives:

Adjudication

(e) to appoint adjudicative committees to hear and adjudicate on any matters (whether arising on a particular day of racing or otherwise) in accordance with racing rules and to impose penalties and award costs in accordance with those rules:

5

(f) to appoint appeals tribunals to hear and adjudicate on appeals (including penalties imposed or costs awarded):

Other

(g) to recommend to the racing codes any amendments to racing rules that the Board considers necessary or desirable for the purpose of supporting the racing integrity system:

10

(h) to recommend to TAB NZ any amendments to betting rules that the Board considers necessary or desirable for the purpose of supporting the racing integrity system:

(i) to initiate, develop, and recommend to the recognised industry organisations those measures that will, in the Board's opinion, be conducive to the efficient and effective judicial control of New Zealand racing:

15

(j) to monitor the operation and effectiveness of the racing integrity system on an ongoing basis and to report to the Minister as required on the outcome of that monitoring:

20

(k) to provide any other services to a racing code agreed between the Board and the code or required by the code's racing rules:

(l) to carry out any other functions necessary or desirable to assist the Board in achieving its objectives.

(2) The Board must ensure that its compliance functions and adjudication functions are performed independently of each other.

25

(3) The Board, and any persons employed or appointed by the Board to carry out its functions, have and may exercise all the powers that may be reasonably necessary for the purposes of carrying out those functions.

36 Board members

30

(1) The Board consists of up to 7-5 members appointed by the Minister after considering nominations from each of the racing codes and TAB NZ.

(1A) An appointment must be made by written notice to the person concerned.

(1B) The Minister must appoint a chairperson from among the members.

(2) In appointing members, the Minister must have regard to the need for the Board to have available to it, collectively, from its members, knowledge of, or experience in,—

35

(a) the racing industry:

(b) governance:

- (ba) animal welfare practices:
 - (c) investigation practices:
 - (d) disciplinary practices:
 - (e) adjudication:
 - (f) industry monitoring: 5
 - (g) performance measurement.
 - (3) In performing the functions and duties and exercising the powers of the Board, each board member must act in the best interests of the ~~Board~~ racing industry.
- 37 Funding of Board**
- (1) TAB NZ must, in each racing year, provide an amount of funding ~~agreed between TAB NZ and the Board~~ approved by the Minister to enable the Board to perform its functions under this Act efficiently and effectively. 10
 - (2) For the purposes of **subsection (1)**, the Board must prepare a budget in accordance with its business plan for approval by the Minister.
 - (3) ~~Before providing the budget to the Minister, the Board must consult TAB NZ and each of the racing codes on its proposed budget.~~ 15
 - (3) Before providing the budget to the Minister, the Board must—
 - (a) consult TAB NZ and each racing code on its proposed budget; and
 - (b) obtain the approval of TAB NZ to the proposed budget.
- 38 ~~Regulations relating to funding~~** 20
- (1) ~~This section applies if TAB NZ and the Board are unable to agree under **section 37** on the amount of funding required by the Board in a racing year to perform its functions under this Act efficiently and effectively.~~
 - (2) ~~The Governor-General may, by Order in Council made on the recommendation of the Minister, make regulations prescribing the amount or the method to be used for determining the amount of funding that must be provided by TAB NZ to the Board for that racing year for the purpose of performing its functions under this Act.~~ 25
- 39 Board must prepare statement of intent**
- (1) Before the start of a racing year, the Board must prepare and provide the Minister with a statement of intent relating to that year and to each of the 2 subsequent racing years. 30
 - (2) The statement of intent must set out, for each racing year to which it relates,—
 - (a) the objectives of the board:
 - (b) the nature and scope of the activities to be undertaken: 35
 - (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) Before providing a statement of intent to the Minister, the Board must consult each of the racing codes and TAB NZ.
- (4) The Minister must present a copy of the statement of intent to the House of Representatives as soon as practicable after receiving the statement. 5
- 40 Board must prepare business plan**
- (1) Before the start of a racing year, the Board must prepare ~~and provide the Minister with~~ a business plan relating to that racing year.
- (2) The Board must consult each racing code and TAB NZ in respect of its business plan. 10
- ~~(3) The Minister must present a copy of the business plan to the House of Representatives as soon as practicable after receiving the plan.~~
- (3) The Board must publish a copy of its business plan on an Internet site maintained by or on behalf of the Board.
- 40A Annual report** 15
- (1) The Board must, as soon as practicable after the end of each racing year, provide the Minister with an annual report on its proceedings and operations during that year.
- (2) The annual report must include—
- (a) the financial statements of the Board and the audit report on those statements; and 20
- (b) a report on how the independence of the Board's compliance functions and adjudicative functions has been maintained.
- (3) The Minister must present a copy of the annual report and financial statements to the House of Representatives as soon as practicable after receiving the report and statements. 25
- 41 Further provisions relating to ~~judicial~~ adjudicative committees and appeals tribunals**
- Schedule 2** contains further provisions relating to ~~judicial~~ adjudicative committees and appeals tribunals appointed by the Board. 30

Inspectors

- 42 Chief executive may appoint inspectors**
- (1) The chief executive may appoint, on the terms and conditions that the chief executive thinks fit, persons (**inspectors**) to inspect racecourses and premises of TAB NZ for the purpose of ascertaining whether betting licences and betting rules are being complied with. 35

- (2) The production by an inspector of a written authority purporting to have been issued under this section is, in the absence of proof to the contrary, sufficient evidence that it has been issued by the chief executive.

Compare: 1971 No 155 ss 58, 59; 2003 No 3-s 48 s 47

43 Powers of inspector 5

- (1) An inspector has the right to enter, at all reasonable times and without charge, any racecourse or premises of TAB NZ.
- (2) An inspector—
- (a) may demand from any officer or employee of a racing club or TAB NZ any information that the inspector considers necessary for the purposes of an inspection: 10
 - (b) may, at any reasonable time, examine any books, accounts, records, or other documents, or any machine or equipment, used for the purposes of racing betting or sports betting.
- (3) An officer or employee of a racing club or TAB NZ who is required under **sub-section (2)(a)** to provide information must provide that information within 28 days. 15
- (4) An inspector exercising any power under this section must produce evidence of the inspector's authority to act as an inspector immediately on request by any person to do so. 20
- ~~(5) Nothing in this section limits or affects the privilege against self-incrimination.~~
- (5) Every person has the same privileges and immunities as witnesses have in a court of law in relation to—
- (a) the giving of information to an inspector; and
 - (b) the giving of evidence to, or the answering of questions put by, an inspector; and 25
 - (c) the production of any document, information, or thing to an inspector.

Compare: 1971 No 155 s 60; 2003 No 3 s 48

44 Obstructing inspector 30

- (1) A person commits an offence if the person—
- (a) wilfully hinders or attempts to hinder an inspector entering, in the execution of the inspector's duty, any racecourse or premises of TAB NZ; or
 - (b) wilfully refuses, except on the grounds of self-incrimination, to comply with the requirement to provide information that an inspector has lawfully demanded from the person under **section 43(2)(a)**; or 35
 - (c) otherwise wilfully hinders or attempts to hinder an inspector in the execution of any power or duty.

- (2) A person who commits an offence against **subsection (1)** is liable on conviction to a fine not exceeding \$1,000.

Compare: 1971 No 155 s 61; 2003 No 3 s 49

Part 3

TAB New Zealand

5

45 TAB New Zealand established

- (1) This section establishes TAB New Zealand (**TAB NZ**).
- (2) TAB NZ—
- (a) is a body corporate; and
 - (b) is a legal entity separate from its members, office holders, and employees, and the Crown. 10
- (3) TAB NZ has, both within and outside New Zealand,—
- (a) full capacity to carry on or undertake any business or activity, do any act, or enter into any transaction; and
 - (b) subject to **subsections (4) and (5)**, full rights, powers, and privileges. 15
- (4) TAB NZ must not enter into a partnering arrangement without written approval of the Minister.
- (4A) In deciding whether to grant approval under **subsection (4)**, the Minister must take into account—
- (a) the purposes of this Act; and 20
 - (b) the objectives and functions of TAB NZ.
- (5) **Subsection (3)** applies subject to this Act, any other enactment, and the general law of New Zealand.

46 Governing body of TAB NZ

- (1) ~~The governing body of TAB NZ consists of up to 7 members appointed by the Minister after considering nominations from each of the racing codes and Sport and Recreation New Zealand.~~ 25
- (1) The governing body of TAB NZ consists of up to 7 members appointed by the Minister, as follows:
- (a) 3 persons appointed by the Minister on the recommendation of the selection panel following: 30
 - (i) the nomination of New Zealand Thoroughbred Racing Incorporated, Harness Racing New Zealand Incorporated, and New Zealand Greyhound Racing Association Incorporated (or by Racing New Zealand acting on behalf of the racing codes); and 35
 - (ii) the process described in **section 46A**; and

- (b) the rest of the members appointed by the Minister on the recommendation of the selection panel following the nomination and consultation process described in **section 46A**.
- (1A) The Minister may veto a nomination made by the racing codes under **subsection (1)** but, if the Minister does so, the codes may make 1 or more further nominations until the Minister and the codes agree on the nominee. 5
- (2) An appointment must be made by written notice to the person concerned.
- (3) The Minister must appoint a chairperson from among the members.
- (4) In appointing members, the Minister must have regard to the need for the governing body to have available to it, collectively, from its members, knowledge of, or experience in,— 10
- (a) ~~racing and sport~~ administration at a national level:
- (ab) sport administration at a national level:
- (b) the betting industry and market:
- (ba) broadcasting: 15
- (bb) technology related to betting or gambling:
- (c) preventing and minimising harm associated with gambling:
- (d) business, marketing, or economics.
- (5) The Minister must notify an appointment in the *Gazette* as soon as practicable after making the appointment. 20
- (6) ~~A member holds office for a period not exceeding 3 years specified in their notice of appointment, but—~~
- (a) ~~continues to hold office until the member is reappointed or their successor is appointed; and~~
- (b) ~~if a vacancy occurs during the period, an appointment may be made by the Minister to fill that vacancy for the remainder of the period.~~ 25
- (6) A member holds office for a term not exceeding 3 years as specified in their notice of appointment and may be reappointed.
- (6A) A member continues in office despite the expiry of their term until—
- (a) the member is reappointed; or 30
- (b) the member's successor is appointed.
- (7) All decisions relating to the business or affairs of TAB NZ must be made by or under the authority of its governing body in accordance with the most recent statement of intent of TAB NZ presented to the House of Representatives under **section 52**. 35
- (8) The governing body has all the powers necessary for managing, and for directing or supervising the management of, the business and affairs of TAB NZ.

- (9) **Schedule 3** applies to TAB NZ and its governing body.

Compare: 2003 No 3 ss 10, 11, 22(1)

46A Selection panel

- (1) The Minister must establish a selection panel for the purpose of making recommendations to the Minister relating to— 5
- (a) the initial appointment of members of the governing body under **section 46(1)**; and
 - (b) any vacancy in the membership of the governing body that relates to a person appointed on the nomination of the racing codes.
- (2) The selection panel must not recommend the appointment of any person unless— 10
- (a) the Minister has identified the desired skills and qualifications of nominees (which must relate to the matters set out in **section 46(4)**) and sought the nominations of persons for appointment to the governing body; and 15
 - (b) each of the following have been given a reasonable period, of not less than 4 weeks, during which to make nominations:
 - (i) each racing code;
 - (ii) each recognised industry organisation;
 - (iii) Sport and Recreation New Zealand; and 20
 - (c) the selection panel has considered the nominations.
- (3) Before recommending a person for appointment as a member of the governing body, the selection panel must conduct a probity check of the person.
- (4) The Minister must appoint a probity adviser to assist the selection panel to conduct probity checks under **subsection (3)**. 25

47 Objectives of TAB NZ

The objectives of TAB NZ are—

- (a) to facilitate and promote betting; and
- (b) subject to ensuring that risks of problem gambling and underage gambling are minimised, to maximise— 30
 - (i) its profits for the long-term benefit of New Zealand racing; and
 - (ii) its returns to New Zealand sports in accordance with agreements entered into under **sections 71 and 72**.

Compare: 2003 No 3 s 8

48 Functions of TAB NZ 35

- (1) The functions of TAB NZ are—

- (a) to determine, in conjunction with each racing code, the racing calendar for each racing year ~~and issue betting licences~~;
- (ab) to issue betting licences;
- (b) to distribute funds obtained from betting to the racing codes in accordance with ~~regulations made under~~ **section 61**: 5
- (c) to conduct betting, broadcasting, and gaming, and to make rules under **Part 4** relating to betting:
- (d) to develop or implement, or arrange for the development or implementation of, programmes for the purposes of reducing problem gambling and minimising the effects of that gambling: 10
- (da) to enter into commercial agreements with each or all of the racing codes or Racing New Zealand (acting on behalf of the racing codes);
- (e) any other functions conferred on it by or under this Act or any other Act.
- (2) In carrying out its functions, TAB NZ must—
 - (a) comply with the principles of natural justice; and 15
 - (b) exhibit a sense of social responsibility by having regard to the interests of the ~~community~~ communities in which it operates.

Compare: 2003 No 3 s 9

49 Accounts and audit

- (1) TAB NZ must, as soon as practicable after the end of a racing year,— 20
 - (a) prepare financial statements for that year; and
 - (b) have those financial statements audited by a qualified auditor (within the meaning of section 35 of the Financial Reporting Act 2013).
- (2) The financial statements of TAB NZ for each racing year must be prepared in accordance with generally accepted accounting practice and must include— 25
 - (a) a statement of financial position at the balance date; and
 - (b) a statement of financial performance for the year; and
 - (c) a statement of cash flows for the year; and
 - (d) a statement setting out the financial performance to be achieved during the year as established at the beginning of the year; and 30
 - (e) a statement of commitments as at the balance date; and
 - (f) a statement of contingent liabilities as at the balance date; and
 - (g) any other statements that are necessary to fairly reflect the financial operations of TAB NZ for the year and its financial position at the end of the year; and 35
 - (h) a statement of accounting policies; and

- (i) comparative actual figures for the previous racing year in relation to any of the matters set out in **paragraphs (a) to (g)** that are appropriate; and
- (j) budgeted figures for the year in relation to any of the matters set out in **paragraphs (a) to (g)** that are appropriate.
- Compare: 1971 No 155 s 21; 2003 No 3 s 13 5
- 50 Performance and efficiency audit**
- (1) TAB NZ must, at least once every 5 years, arrange for an audit to be conducted in relation to its performance and efficiency.
- (2) **Schedule 4** applies to an audit conducted under **subsection (1)**.
- Compare: 1971 No 155 s 103C; 2003 No 3 s 14 10
- 51 TAB NZ must operate in financially responsible manner**
- TAB NZ must operate in a financially responsible manner and, for that purpose, must—
- (a) endeavour to maintain its long-term financial viability; and
- (b) endeavour to cover all its annual costs (including the cost of capital) from its net annual income; and 15
- (c) endeavour to act as a successful going concern; and
- (d) prudently manage its assets and liabilities.
- Compare: 2003 No 3 s 18
- 52 TAB NZ must prepare statement of intent** 20
- (1) Before the start of a racing year, TAB NZ must prepare and provide the Minister with a statement of intent relating to that year and to each of the 2 subsequent racing years.
- (2) The statement of intent must set out, for each racing year to which it relates,—
- (a) the objectives of TAB NZ: 25
- (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) In preparing the statement of intent, TAB NZ must consult each of the racing codes on the proposed statement. 30
- (3A) However, **subsection (3)** applies in respect of a racing code only if there is no provision in any commercial agreement between TAB NZ and that racing code or all racing codes providing for consultation by TAB NZ with that racing code or all racing codes on the development of the statement of intent. 35
- (3B) In carrying out consultation required under **subsection (2)** or by the commercial agreement referred to in **subsection (3A)**, TAB NZ must—

- (a) give each racing code a copy of the proposed statement of intent; and
 - (b) provide each code with a reasonable period (not less than 15 working days) in which to provide comments to TAB NZ); and
 - (c) meet with each code (or all the codes) to discuss any matters of disagreement. 5
- (4) The Minister must present a copy of the statement of intent to the House of Representatives as soon as practicable after receiving the statement.

Compare: 2003 No 3 s 19

53 TAB NZ must prepare business plan

- (1) Before the start of a racing year, TAB NZ must prepare ~~and provide the Minister with~~ a business plan relating to that racing year. 10
- (2) TAB NZ must consult each racing code in respect of its business plan.
- (2A) However, **subsection (2)** applies in respect of a racing code only if there is no provision in any commercial agreement between TAB NZ and that racing code or all racing codes providing for consultation by TAB NZ with that racing code or all racing codes on the development of the business plan. 15
- (2B) In carrying out consultation required under **subsection (2)** or by the commercial agreement referred to in **subsection (2A)**, TAB NZ must—
 - (a) give each racing code a copy of the proposed business plan; and
 - (b) provide each code with a reasonable period (not less than 15 working days) in which to provide comments to TAB NZ; and 20
 - (c) meet with each code (or all the codes) to discuss any matters of disagreement.
- ~~(3) The Minister must present a copy of the business plan to the House of Representatives as soon as practicable after receiving the plan.~~ 25
- (3) TAB NZ must publish a copy of its business plan on an Internet site maintained by or on behalf of TAB NZ.

Compare: 2003 No 3 s 20

54 Annual report

- (1) TAB NZ must, as soon as practicable after the end of each racing year, provide the Minister and each racing code with an annual report on its proceedings and operations during that year. 30
- (2) The annual report must include—
 - (a) the financial statements of TAB NZ and the audit report on those statements; and 35
 - (b) information on the development and implementation of programmes relating to problem gambling.

- (3) The Minister must present a copy of the annual report and financial statements to the House of Representatives as soon as practicable after receiving the report and statements.

Compare: 2003 No 3 s 21

55 TAB NZ may maintain reserves

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- (1) TAB NZ may maintain 1 or more reserves with the name or names, and containing an amount or amounts, that TAB NZ considers appropriate.
- (2) TAB NZ may credit to a reserve any amount that it considers appropriate from any surpluses retained by it under **sections 69(2) and 74(2)**, or any other source, whether capital or income.

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Compare: 2003 No 3 s 15

Racing calendar

56 Determination of racing calendar and allocation of racing dates

(1AA) This section applies only if there is no provision in any commercial agreement between TAB NZ and each or all of the racing codes providing for—

15

- (a) the determination before the end of one racing year of a racing calendar that comprises all of the dates in the subsequent racing year on which betting races will occur; and
- (b) the allocation of those dates among racing clubs; and
- (c) any conditions of those allocations.

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- (1) TAB NZ must establish and maintain a committee (the **dates committee**) to carry out the functions specified in **subsection (2)** ~~(the dates committee)~~.

(1A) The dates committee must include at least 1 person appointed by the racing codes (acting jointly) to represent the collective interests of the codes.

- (2) The dates committee must, before the end of each racing year, determine—

25

- (a) the racing calendar that comprises all of the dates in the subsequent racing year on which betting races will occur; and
- (b) the allocation of those dates among racing clubs; and
- (c) subject to **subsection (4)**, any conditions of allocation.

- (3) Before carrying out its functions under **subsection (2)**, the dates committee must consult each of the racing codes on the proposed dates, allocation, and conditions.

30

(4) The conditions of allocation must include—

- (a) the name of the racecourse at which the betting races will occur; and
- (b) that the racecourse must be approved for racing by the relevant racing code.

35

Compare: 2003 No 3 s 42

57 Change of racing dates, allocations, or conditions

(1AA) This section applies only if there is no provision in any commercial agreement between TAB NZ and each or all of the racing codes providing for changes of racing dates, changes of allocation of dates to racing clubs, and changes of conditions of those allocations.

5

(1) The dates committee may, at any time before or during a racing year, add to, ~~alter~~ amend, or revoke a date, an allocation, or a condition determined under **section 56**.

(2) Before making a change under **subsection (1)**, the dates committee must consult each of the racing codes affected by the change.

10

Compare: 2003 No 3 s 43

Betting licences

58 Issue of betting licences

(1) As soon as practicable after the dates committee has determined the dates, allocation, and conditions for a racing year under **section 56**, TAB NZ must issue betting licences to the racing clubs to whom dates have been allocated.

15

(2) Each betting licence must state—

- (a) the name of the racing club; and
- (b) the name of the racecourse at which the betting races are to take place; and
- (c) the date on which the betting races may be held; and
- (d) any other terms and conditions that ~~TAB NZ~~ the dates committee considers appropriate.

20

(3) Two or more betting licences to be issued to the same racing club may be combined in 1 document.

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Compare: 2003 No 3 s 45

59 Amendment or revocation of betting licence

(1) If the dates committee adds to, ~~alters~~ amends, or revokes a date, an allocation, or a condition under **section 57**, TAB NZ must correspondingly amend or revoke any betting licence that has been issued for that date, allocation, or condition.

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(2) TAB NZ must give written notice of an addition, an ~~alteration~~ amendment, or a revocation of a betting licence under this section to each racing code and racing club affected by the change.

Compare: 2003 No 3 s 46

35

60 ~~No racing on~~ Betting licence must not be issued for certain days

A betting licence must not be issued for races on Easter Sunday, Christmas Day, Good Friday, or before 1 pm on Anzac Day.

Compare: 2003 No 3 s 44

Distribution of TAB NZ surpluses and betting profits

5

61 ~~Regulations for amounts of distribution to codes~~

(1) ~~The Governor-General may, by Order in Council made on the recommendation of the Minister, make regulations prescribing the method to be used for determining the amounts that may be distributed by TAB NZ to the racing codes from any surpluses referred to in **section 69(2) or 74(2)** or any other source, whether capital or income.~~

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(2) ~~For the purposes of **subsection (1)**, the amount must not be less than the total of the surpluses referred to in **section 69(2) or 74(2)** for that racing year less the total amount credited to reserves for that year from those surpluses.~~

Compare: 2003 No 3 s 16

15

61 Amounts of distributions to codes

(1) This section applies only if there is no provision in any commercial agreement between TAB NZ and each or all of the racing codes providing for the payment of each racing code or all racing codes of the amount to be distributed after each racing year.

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(2) As soon as practicable after the end of a racing year,—

(a) TAB NZ must give written notice to each racing code of the amount available for distribution among the 3 codes for that racing year, which must not be less than the total of the surpluses referred to in **section 69(2) or 74(2)** in that year, less the total amount credited to reserves for that year from those surpluses; and

25

(b) the racing codes must agree on the amount to be distributed by TAB NZ to each code from those surpluses or any other source, whether capital or income.

62 Distribution to codes

30

TAB NZ ~~may~~ must, during or as soon as practicable after the end of a racing year, pay to the racing codes the amount ~~determined in accordance with regulations made under section 61 to be distributed among the codes for that year agreed under **section 61(1) or (2)(b)**.~~

Compare: 2003 No 3 s 17

35

63 Regulations relating to distribution from betting profits

- (1) The Governor-General may, by Order in Council made on the recommendation of the Minister, make regulations prescribing the method to be used for determining the amounts that may be—
 - (a) distributed by TAB NZ from its betting profits to—
 - (i) each of the racing codes; and
 - (ii) Sport and Recreation New Zealand; and
 - (b) retained by TAB NZ from its betting profits for the purpose of carrying out its duties in relation to harm prevention and minimisation in respect of betting conducted under this Act.
- (2) However, regulations made under **subsection (1)(a)** must not result in an amount to be distributed that exceeds,—
 - (a) for the period beginning on 1 July 2020 and ending on 30 June 2021, 2.67% of TAB NZ’s betting profits:
 - (b) for any period on or after 1 July 2021, 4% of TAB NZ’s betting profits.
- (3) In this section, **betting profits** means profits for totalisator racing betting, sports betting, and fixed-odds racing betting or other betting (if any) conducted by TAB NZ calculated in accordance with the following formula:
$$p = a - b - c$$
where—
 - p is betting profits
 - a is the total of all amounts received by TAB NZ or its agents (including the net return from bets laid off) for—
 - (i) totalisator racing betting (other than equalisator betting conducted under **section 67**):
 - (ii) sports betting:
 - (iii) fixed-odds racing betting
 - b is the amount of refunds paid
 - c is the amount of all winning dividends paid out in respect of amounts described above.
- (4) Before making a recommendation under **subsection (1)**, the Minister must consult the Minister for Sport and Recreation.

Compare: 2003 No 3 s 17A

Miscellaneous

64 TAB NZ rules

- (1) ~~TAB NZ may, by resolution, make, alter, and revoke rules not inconsistent with this Act for regulating its proceedings and providing for any matters that may~~

be reasonably necessary or expedient for carrying out its functions, duties, and powers.

- (2) As soon as practicable after making or amending any rules under **subsection (1)**, TAB NZ must send a copy of the rules or amended rules to the Minister.
- (3) Rules made under **subsection (1)** must be notified in the *Gazette*, and come into force on the date specified for the purpose in the rules (which must not be earlier than the date of their notification) or, if no date is specified, on the date of notification. 5
- (4) Rules made under **subsection (1)** are a disallowable instrument, but not a legislative instrument, for the purposes of the Legislation Act 2012 and must be presented to the House of Representatives under section 41 of that Act. 10
- (5) TAB NZ must publish a copy of any rules (or amended rules) made under this section on an Internet site maintained by or on behalf of TAB NZ.

Compare: 2003 No 3 s 22(2)-(4)

65 TAB NZ may conduct race meetings 15

- (1) TAB NZ may, with the approval of the Minister, promote, conduct, or control a race meeting.
- (2) For the purposes of **subsection (1)**, TAB NZ may be issued with a betting licence under **section 58**.
- (3) All or any of the functions under **subsection (1)** may be carried out by a person acting under a delegation under **clause 24(1) of Schedule 3**. 20

Compare: 2003 No 3 s 66

Part 4 Betting and TAB venues

Subpart 1—Betting 25

66 TAB NZ may conduct betting

TAB NZ may conduct, either by itself or by means of racing clubs or other agents appointed by TAB NZ for the purpose,—

- (a) racing betting in accordance with rules made under **section 68**; and
- (b) sports betting in accordance with rules made under **section 70**; and 30
- (c) other racing or sports betting in accordance with rules made under **section 75**; and
- (d) combinations of the betting referred to in **paragraphs (a) to (c)**.

Compare: 2003 No 3 s 50

67 Racing clubs may conduct equalisator betting

- (1) A racing club that has a betting licence may conduct equalisator betting on races held by it on the date to which the licence relates and on the terms and conditions set out in the licence.
- (2) A racing club may deduct from the bets made by way of equalisator betting, after first making any refunds of bets, an amount not exceeding 15% as commission for the club. 5
- (3) Except as provided in rules made under **section 68** stating the denomination to which dividends are to be rounded and paid out, a racing club must declare and pay out as dividends all money received by way of equalisator betting, after deducting all refunds of bets and the commission authorised by **subsection (2)**. 10
- (4) A racing club, or member, officer, agent, or employee of a racing club commits an offence if the person knowingly makes, authorises, or permits any payment from money received by way of equalisator betting except in accordance with **subsection (2) or (3)**. 15
- (5) A person who commits an offence against **subsection (4)** is liable on conviction,—
 - (a) in the case of a racing club, to a fine not exceeding \$3,000;
 - (b) in the case of a member, officer, agent, or employee of a racing club, to a fine not exceeding \$1,500. 20

Compare: 1971 No 155 ss 48, 52, 53; 2003 No 3 s 51

Racing betting

68 Racing betting rules

- (1) TAB NZ may, by notice in the *Gazette*, make, ~~alter~~ amend, and revoke rules providing for the establishment of a system (or systems) of racing betting, and providing for any matter relating to the conduct and operation of racing betting by TAB NZ. 25
- (1A) TAB NZ must consult each racing code and the Racing Integrity Board before making, amending, or revoking rules under **subsection (1)**. 30
- (1B) However, **subsection (1A)** requires consultation between TAB NZ and a racing code about the making of rules under **subsection (1)** only if there is no provision in any commercial agreement between TAB NZ and that racing code, or all racing codes, providing for consultation by TAB NZ with that racing code, or all racing codes, about the making, amending, and revocation of rules under **subsection (1)**. 35
- (2) Without limiting **subsection (1)**, the rules—
 - (a) may state the kinds of betting that may be undertaken; and
 - (b) may state the circumstances in which—

- (i) a bet may be refunded, and when it may be retained by TAB NZ; or
 - (ii) any fixed-odds bets may be laid off on other betting systems by TAB NZ for the purpose of limiting TAB NZ's exposure on any particular race or races; or 5
 - (iii) TAB NZ may cancel any bet; and
 - (c) must state the amounts described in **section 76(1)**.
 - (3) Rules made by TAB NZ under this section ~~must~~ may provide that, if there is racing betting on a race, ~~the betting must close before bets may be placed up to 20 seconds after~~ the race starts. 10
- Compare: 2003 No 3 s 52

69 Application of revenue from racing betting

- (1) TAB NZ must apply the amounts received by it for racing betting, including the net return from bets laid off under any rule in force under **section 68(2)(b)(ii)**, for a racing year in payment of (or in respect of)— 15
 - (a) refunds of bets and winning dividends for that year, including payments to dividend prize pools that will be carried forward and paid out as winning dividends at a future date; and
 - (b) goods and services tax; and
 - (c) totalisator duty as prescribed by the Gaming Duties Act 1971; and 20
 - (d) the distribution of betting profits (if any) in accordance with **section 63**; and
 - (e) all costs, charges, and expenses incurred by TAB NZ in the performance and exercise of its functions, duties, and powers under this Act for that year (less any costs, charges, and expenses incurred by it under **section 74**). 25
- (2) The surplus, if any, of the amounts received by it for racing betting that remains after making the payments referred to in **subsection (1)** must be applied by TAB NZ in accordance with ~~sections 51, 55, 62, and 63~~ **sections 55, 61, and 62**. 30

Compare: 2003 No 3 s 53

Sports betting

70 Sports betting rules

- (1) TAB NZ may, by notice in the *Gazette*, make, ~~after~~ amend, and revoke rules providing for the establishment of a system (or systems) of sports betting, and providing for any matter relating to the conduct and operation of sports betting by TAB NZ. 35
- (2) Without limiting **subsection (1)**, the rules—

- (a) may state the kinds of betting that may be undertaken; and
 - (b) may state the circumstances in which—
 - (i) a bet may be refunded, and when it may be retained by TAB NZ; or
 - (ii) any fixed-odds bets may be laid off on other betting systems by TAB NZ for the purpose of limiting TAB NZ's exposure on any particular event or events; or
 - (iii) TAB NZ may cancel any bet; and
 - (c) ~~may declare sporting events to be, or not to be, New Zealand sporting events for the purposes of **subpart 1 of Part 5**; and~~
 - (d) must state the amounts described in **section 76(2)**.
 - (3) TAB NZ must consult Sport and Recreation New Zealand before ~~exercising its power under this section to make rules declaring sporting events to be, or not to be, New Zealand sporting events for the purposes of **subpart 1 of Part 5**, or to make rules amending or revoking those rules making, amending, or revoking any rules under **subsection (1)**.~~
 - (4) ~~TAB NZ must publish a notice making, altering, or revoking the rules referred to in **subsection (3)** on an Internet site maintained by or on behalf of TAB NZ.~~
- Compare: 2003 No 3 s 54

71 Agreements with New Zealand national sporting organisations

- (1) TAB NZ may not conduct sports betting on any sporting event or events without the written agreement of the appropriate New Zealand national sporting organisation.
 - (2) An agreement entered into under **subsection (1)** must be on the terms and conditions that are agreed between TAB NZ and the New Zealand national sporting organisation concerned, including payment to the sporting organisation, under **section 74(1)(e)**, of revenue derived from sports betting on the event or events to which the agreement relates.
- Compare: 2003 No 3 s 55

72 Agreements with Sport and Recreation New Zealand

- (1) This section applies if, in relation to a sport involving human competitors participating in lawful organised games, competitions, or other events held in or outside New Zealand, there is no appropriate New Zealand national sporting organisation—
 - (a) that administers the sport in New Zealand; or
 - (b) under whose auspices or control the events held in New Zealand are conducted (or, in the case of events held outside New Zealand, would be conducted if they were held in New Zealand).

- (2) Despite **section 71(1)**, TAB NZ may conduct sports betting on any event held in relation to the sport concerned if it has entered into a sports betting agreement with Sport and Recreation New Zealand that complies with **subsection (3)**.
- (3) A sports betting agreement must be on the terms and conditions agreed between the parties, including (without limitation) as to payment to Sport and Recreation New Zealand, under **section 74(1)(e)**, of revenue from sports betting on the event or events to which the agreement relates. 5
Compare: 2003 No 3 s 55A
- 73 Use of facilities** 10
- (1) For the purposes of operating a sports betting system, TAB NZ may—
- (a) use any offices or agencies established, or equipment used, for the operation of racing betting; and
 - (b) establish any new offices or agencies or outlets that it thinks fit.
- (2) **Subsection (1)** does not limit **section 45(2)**. 15
Compare: 2003 No 3 s 56
- 74 Application of revenue from sports betting**
- (1) TAB must apply the amounts received by it for sports betting, including the net return from bets laid off under **section 70(2)(b)(ii)**, for a racing year in payment of (or in respect of)— 20
- (a) refunds of bets and winning dividends for that year, including payments to dividend prize pools that will be carried forward and paid out as winning dividends at a future date; and
 - (b) goods and services tax; and
 - (c) totalisator duty as prescribed by the Gaming Duties Act 1971; and 25
 - (d) the distribution of betting profits (if any) in accordance with **section 63**; and
 - (e) the amounts (not less than the minimum amounts prescribed by, or calculated in accordance with, the method prescribed in regulations under **section 123**) payable to New Zealand national sporting organisations and Sport and Recreation New Zealand under agreements entered into under **sections 71 and 72**; and 30
 - (f) all costs, charges, and expenses incurred by TAB NZ in the exercise and performance of its functions, duties, and powers during that year in relation to sports betting. 35
- (2) The surplus, if any, of the amounts received by it for sports betting that remains after making the payments referred to in **subsection (1)** must be applied by

TAB NZ in accordance with ~~sections 51, 55, 62, and 63~~ **sections 55, 61, and 62**.

Compare: 2003 No 3 s 57

Other racing or sports betting

- 75 Rules relating to other racing or sports betting conducted by TAB NZ** 5
- (1) TAB NZ may make rules not inconsistent with this Act for, or with respect to, the conduct and operation of other racing or sports betting it conducts.
 - (2) The rules must be approved by the ~~prescribed independent body~~ Gambling Commission.
 - (3) Any rules made under this section take effect on and ~~from~~ after the date of their notification in the *Gazette*, or any later date that is specified in the rules. 10
 - (4) Before making any rules under this section, TAB NZ must consult—
 - (a) those stakeholders in the New Zealand betting industry that it considers ought to be consulted; and
 - (b) the department responsible for the integrated problem gambling strategy under section 317 of the Gambling Act 2003. 15
 - (5) Before approving any rules made under this section, the ~~independent body~~ Gambling Commission must have regard to—
 - (a) the likely revenue from the betting and the beneficiaries of the revenue; and 20
 - (b) a plan provided by TAB NZ relating to how the integrity of the product will be maintained; and
 - (c) the mechanisms proposed by TAB NZ to safeguard online products; and
 - (d) the views of any stakeholders who have been consulted by TAB NZ; and
 - (e) the desirability of minimising the risk of persons becoming problem gamblers; and 25
 - (f) the desirability of minimising the risk of underage gambling.
 - (6) A rule approved under this section must be treated as if it were a racing betting rule made under **section 68** or a sports betting rule made under **section 70** (as the case may be) and the provisions of this Act that apply to those rules apply to it accordingly. 30

General provisions

- 76 Deductions for totalisator betting**
- (1) For the purposes of determining winning dividends for totalisator racing betting, racing betting rules made under **section 68** must state, by way of a percentage of the amount bet, the total of the amounts referred to in **section 69** for each form of betting. 35

- (2) For the purposes of determining winning dividends for totalisator sports betting, sports betting rules made under **section 70** must state, by way of a percentage of the amount bet, the total of the amounts referred to in **section 72 74** for each form of betting.
- (3) Before TAB NZ determines for the first time or increases any of the percentages required to be stated in the rules by **subsection (1)**, TAB NZ must give reasonable notice of the proposed percentages to every recognised industry organisation. 5
- (4) Before TAB NZ determines for the first time or increases any of the percentages required to be stated in the rules by **subsection (2)**, TAB NZ must give reasonable notice of the proposed percentages to every recognised industry organisation and the relevant New Zealand national sporting organisations. 10
- (5) If TAB NZ decides to decrease any of the percentages required to be stated in the rules by **subsections (1) and (2)**, it is not necessary for TAB NZ to amend any rule to reflect the decrease if the decrease is— 15
 - (a) only temporary; and
 - (b) for the purpose of a particular promotion.

Compare: 2003 No 3 s 58

77 Review, status, and availability of betting rules

- (1) As soon as practicable after making or ~~altering~~ amending any betting rules under this subpart, TAB NZ must send a copy of the rules or amended rules to the Minister. 20
- (2) Rules made under **section 68 or 70** are a disallowable instrument, but not a legislative instrument, for the purposes of the Legislation Act 2012 and must be presented to the House of Representatives under section 41 of that Act. 25
- (3) Rules made under **section 68 or 70** must be notified in the *Gazette*, and come into force on the date specified for the purpose in the rules (which must not be earlier than the date of their notification) or, if no date is specified, on the date of notification.
- (4) TAB NZ must publish a copy of any betting rules (or amended rules) made under this subpart on an Internet site maintained by or on behalf of TAB NZ. 30

Compare: 2003 No 3 s 59

78 Amounts of dividends

- (1) Except in any circumstances that TAB NZ may specify by notice in the *Gazette*, TAB NZ must not pay out by way of dividend an amount less than the amount invested for any bet on which a dividend is payable. 35
- (2) Rules made under **section 68 or 70** must state the denomination to which dividends will be rounded and paid out by TAB NZ or, in the case of equalisator betting, a racing club.

- (3) All amounts not payable as part of a dividend because of rounding in accordance with rules made under **section 68 or 70** may be retained by TAB NZ, or the racing club conducting equalisator betting, and must be regarded for all purposes as part of TAB NZ's or the racing club's funds.
Compare: 2003 No 3 s 60 5
- 79 Use of betting systems for gaming purposes**
- (1) TAB NZ may operate a totalisator, or any other betting system for the time being authorised under this Act, for the purpose of, or in conjunction with, class 3 gambling conducted by a society that holds a licence under section 37 of the Gambling Act 2003. 10
- (2) The operation of a totalisator or other betting system under **subsection (1)** is subject to the provisions of the Gambling Act 2003, and to all the game rules and conditions of the licence that apply to the class 3 gambling for which the operation is being carried out.
- (3) Despite the Gambling Act 2003, TAB NZ may pay its employees for operating, or assisting in the operation of, a totalisator or other betting system, but the payment (or any part of it) may not be charged to, or be recoverable from, the society on whose behalf the operation is carried out. 15
Compare: 2003 No 3 s 61
- 80 Amalgamation with overseas betting systems** 20
- TAB NZ is authorised to amalgamate the amount available for an event or events for which racing betting or sports betting is authorised under this Act with amounts available from overseas betting systems to form a combined dividend pool.
Compare: 2003 No 3 s 62 25
- 81 ~~Protection of intellectual property rights~~**
- (1) ~~TAB NZ has exclusive rights within New Zealand and Australia to all intellectual property associated with all racing betting information, racing betting system (or systems), and any audio or visual content derived from a New Zealand race.~~ 30
- (2) ~~In **subsection (1)**, **intellectual property** means all patents, designs, copyright, know-how, trade secrets, trade marks, service marks, and other intellectual or industrial property rights of any kind, and any rights in relation to them whether enforceable by Act or rule of law.~~
- 82 Offences relating to underage betting** 35
- (1) A person commits an offence if the person,—
- (a) being under 18 years, makes a bet, whether on the person's own behalf or on behalf of another person; or
- (b) makes a bet on behalf of any person under 18 years.

- (2) A member, officer, agent or employee of a racing club, or of TAB NZ, or of an agent of TAB NZ, commits an offence if the person—
- (a) receives, registers, or takes into account a bet by a person under 18 years, whether the bet is made by that person on their own behalf or on behalf of any other person; or 5
 - (b) permits to be received, registered, or taken into account a bet by a person under 18 years, whether the bet is made by that person on their own behalf or on behalf of any other person; or
 - (c) offers or provides credit to any person if they know, or ought to know, that the credit is intended to be used to make a bet. 10
- (3) It is a defence to a charge under **subsection (2)(a) or (b)** if the defendant proves that the defendant had reasonable grounds to believe the person to whom the charge relates was 18 years or over.
- (4) Without limiting **subsection (3)**, **reasonable grounds** exist if the defendant proves that the defendant had sighted an evidence of age document of the person to whom the charge relates, indicating that the person was 18 years or over. 15
- (5) A person who commits an offence against this section is liable on conviction to,—
- (a) for an offence against **subsection (1)(a)**, a fine not exceeding \$500;
 - (b) for an offence against **subsection (1)(b)**, a fine not exceeding \$1,000: 20
 - (c) for an offence against **subsection (2)(a) or (b)**, a fine not exceeding \$5,000;
 - (d) for an offence against **subsection (2)(c)**, a fine not exceeding \$10,000.

Compare: 2003 No 3 s 63

83 Power to require particulars 25

- (1) If any constable, or any member, officer, agent, or employee of a racing club, or of TAB NZ, or of an agent of TAB NZ (as the case may be) has reasonable grounds to believe that a person has committed, is committing, or is attempting to commit an offence under **section 82(1)(a)**, they may demand from that person an evidence of age document verifying the person's age. 30
- (2) A person commits an offence and is liable on conviction to a fine not exceeding \$500 if the person, being required under **subsection (1)** to give information regarding their age, fails to give that information, or supplies any false information relating to their age.

Compare: 2003 No 3 s 63A

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84 Betting contracts enforceable

Betting contracts authorised by or under this Act are enforceable at law.

Compare: 2003 No 3 s 64

85 Bets may be refused

TAB NZ or any racing club may refuse to accept all or any part of a bet without giving any reason for doing so.

Compare: 2003 No 3 s 65

Subpart 2—TAB venues

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86 When territorial authority consent is required

A territorial authority consent is required if TAB NZ proposes to establish a TAB venue.

Compare: 2003 No 3 s 65A

87 Application for territorial authority consent

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- (1) An application for a territorial authority consent must be made to the territorial authority for the district in which the TAB venue will be located.
- (2) The application must be accompanied by the information required by the territorial authority to enable it to consider the application properly.

Compare: 2003 No 3 s 65B

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88 Considering and determining application for territorial authority consent

- (1) A territorial authority must—
 - (a) consider an application for a territorial authority consent in accordance with its TAB venue policy; and
 - (b) either grant or refuse a consent.
- (2) The territorial authority must notify TAB NZ and the chief executive of its determination within 30 working days after the later of—
 - (a) the date of receipt of the application; and
 - (b) the date that it adopts a TAB venue policy.
- (3) A territorial authority must not consider an application for territorial authority consent before it has a TAB venue policy.

Compare: 2003 No 3 s 65C

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89 Territorial authority must adopt TAB venue policy

- (1) A territorial authority must adopt a policy on TAB venues.
- (2) In adopting a policy, the territorial authority must have regard to the social impact of gambling within the territorial authority district.
- (3) The policy must specify whether or not new TAB venues may be established in the territorial authority district and, if so, where they may be located.
- (4) In determining its policy on whether TAB venues may be established in the territorial district and where any TAB venues may be located, the territorial authority may have regard to any relevant matters, including—

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- (a) the characteristics of the district and parts of the district:
- (b) the location of kindergartens, early childhood centres, schools, places of worship, and other community facilities:
- (c) the cumulative effects of additional opportunities for gambling in the district.

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Compare: 2003 No 3 s 65D

90 Adoption and review of TAB venue policy

- (1) ~~A policy on TAB venues under **section 89** must be adopted in accordance with the special consultative procedure in section 83 of the Local Government Act 2002 and, for the purpose of section 83(1)(e) of that Act, the territorial authority must give notice of the proposed policy, in a manner that the territorial authority considers appropriate, to—~~ 10

- ~~(a) TAB NZ; and~~
- ~~(b) organisations representing Māori in the territorial authority district.~~

- (1) A policy on TAB venues under **section 89** must be adopted in accordance with the special consultative procedure set out in section 83 of the Local Government Act 2002. 15

- (2) A policy may be amended or replaced only in accordance with the special consultative procedure, and this section applies to that amendment or replacement.

- (3) ~~**Subsection (1)(b)** does not affect the ability of a territorial authority to take similar action in respect of any other population group.~~ 20

- (4) A territorial authority must, as soon as practicable after adopting, amending, or replacing a policy on TAB venues, provide a copy of the policy to TAB NZ and the chief executive.

- (5) A territorial authority must complete a review of a policy within 3 years after the policy is adopted and then within 3 years after that review and each subsequent review is completed. 25

- (6) A policy does not cease to have effect because it is due for review or is being reviewed.

Compare: 2003 No 3 s 65E

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Regulations relating to TAB NZ operations

91 Regulations relating to harm prevention and minimisation

The Governor-General may, by Order in Council, make regulations for all or any of the following purposes:

- (a) prescribing requirements for the design, layout, and furnishing of a TAB venue: 35
- (b) prescribing the information or messages that TAB NZ must provide to persons about racing betting and sports betting at the venue:

- (c) prescribing codes requiring the advertising of racing betting, sports betting, racecourses, and TAB venues to be responsible:
- (d) requiring TAB NZ to provide problem gambling awareness training for employees involved in supervising racing betting and sports betting at TAB venues: 5
- (e) prescribing systems or processes ancillary to racing betting and sports betting, including the availability of automatic teller machines at a TAB venue:
- (f) prescribing any other requirements relating to harm prevention or minimisation. 10

Compare: 2003 No 3 s 65F

92 Regulations relating to admission to and exclusion from TAB venues

- (1) The Governor-General may, by Order in Council, make regulations controlling or prohibiting admission to TAB venues.
- (2) The regulations may exclude from a TAB venue any specified class or classes of person, either absolutely or subject to any special conditions that may be specified in the regulations. 15
- (3) A person who enters, or remains in, a TAB venue in breach of a regulation made under this section must be treated as having committed an offence under section 4 of the Trespass Act 1980 and is liable accordingly. 20

Compare: 2003 No 3 s 65G

93 Regulations relating to exclusion of problem gamblers from TAB venues and racecourses

- (1) The Governor-General may, by Order in Council, make regulations for all or any of the following purposes:— 25
 - (a) prescribing 1 or more procedures to enable a TAB operator or a racing club to identify problem gamblers:
 - (b) prescribing procedures for prohibiting identified problem gamblers from entering a TAB venue or a racecourse:
 - (c) prescribing procedures for removing a person who a TAB operator or a racing club has reasonable grounds to believe is a problem gambler: 30
 - (d) ensuring that access to TAB venues and racecourses by identified problem gamblers is restricted:
 - (e) prescribing 1 or more procedures that must be completed by a problem gambler as a condition of re-entry to a TAB venue or a racecourse. 35
- (2) Regulations made under **subsection (1)** must—
 - (a) specify the grounds on which a person may be identified as a problem gambler:
 - (b) set out the steps to be taken to identify a person as a problem gambler:

- (c) prescribe the persons (including the qualifications of those persons) who are authorised to perform specific functions in relation to identifying and excluding problem gamblers:
- (d) set out the rights, including the rights of appeal against specified decisions, of a person who is subject to the procedure.

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Compare: 2003 No 3 s 65H

Problem gambling levy

94 TAB NZ must pay problem gambling levy

TAB NZ must pay a problem gambling levy in accordance with sections 317 to 324 of the Gambling Act 2003 and regulations made under that Act.

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Compare: 2003 No 3 s 65I

95 TAB NZ must provide information to chief executive

- (1) The chief executive may require information from TAB NZ for research, and policy analysis and development, associated with the purposes of the Gambling Act 2003.
- (2) The chief executive may require from TAB NZ any information necessary to calculate, administer, and collect the problem gambling levy payable under **section 94**.
- (3) If required by the chief executive to provide information under **subsection (1) or (2)**, TAB NZ must provide that information within 10 working days or any longer time that the chief executive may allow.

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Compare: 2003 No 3 s 65J

Part 5

Offshore betting charges and other matters

Subpart 1—Offshore betting charges

25

Preliminary

96 Purpose and overview

- (1) The purpose of this subpart is to provide a framework under which offshore betting operators must pay charges in New Zealand in respect of their betting operations involving this country. These charges are to recognise the financial returns that offshore betting operators enjoy from bets that they take on racing and sporting events held in New Zealand and from bets that they take from people ~~located~~ resident in New Zealand.
- (2) To that end, this subpart—
 - (a) establishes a scheme for betting information use charges that requires offshore betting operators to—

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- (i) obtain permission from the designated authority in New Zealand relevant racing code, the relevant New Zealand national sporting organisation, or Sport and Recreation New Zealand (or their nominee) before using New Zealand racing and sporting information for taking bets on racing events and sporting events taking place in New Zealand; and 5
 - (ii) enter into an agreement with that authority setting that sets out the terms and conditions on which the authority's that permission is granted, including the offshore betting operator's agreement to pay charges for using that the information in the operator's betting operations: 10
- (b) establishes a scheme for consumption charges that requires offshore betting operators to pay charges to the designated authority in respect of bets that they take on racing events and sporting events from persons located resident in New Zealand, whether those events are held in or outside New Zealand: 15
- (e) provides for the designated authority (or its delegate) to implement each scheme, including collecting the charges and applying the money received from the charges to purposes relating to racing and sport in New Zealand. 20
- (c) provides for the designated authority (or its delegate) to—
 - (i) enforce the scheme for betting information use charges; and
 - (ii) administer the scheme for consumption charges, including by collecting the charges; and
 - (iii) apply the money received by the designated authority to purposes relating to racing and sports in New Zealand. 25
- (3) **Subsection (2)** is only a guide to the general scheme and effect of this subpart.
Compare: 2003 No 3 s 65AA(1), (2)

97 Territorial scope 30

This subpart and any regulations made under it apply to an offshore betting operator regardless of where the offshore betting operator is resident or incorporated.

Compare: 2003 No 3 s 65AB

98 Interpretation 35

In this subpart, unless the context otherwise requires,—

bet means a bet taken by an offshore betting operator

betting information use agreement means an agreement referred to in **section 102(1)(b) section 101(1)(b)**

betting information use charges means ~~the charges payable by an offshore betting operator under a betting information use agreement as required by **section 102(1)(a)**~~

betting operations means racing betting or sports betting conducted by an offshore betting operator

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consumption charges means ~~the charges payable by an offshore betting operator under **section 105**~~

designated authority means the Department or, if the Department has delegated its functions or powers to another entity under **section 100**, then, in relation to those functions or powers, that delegate

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New Zealand racing and sporting information means information relating to any New Zealand racing event or New Zealand sporting event on which betting may occur

New Zealand racing event means a betting race held in New Zealand

New Zealand sporting event means a sporting event—

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- (a) ~~held in New Zealand; and~~
- (b) ~~declared by sports betting rules made under **section 70(2)(c)** to be a New Zealand sporting event for the purposes of this Part; and~~
- (c) ~~to which one of the following applies:~~
 - (i) ~~the event is held under the auspices or control of a New Zealand national sporting organisation;~~
 - (ii) ~~there is a sports betting agreement entered into under **section 72** between TAB NZ and Sport and Recreation New Zealand in respect of the sport concerned~~

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New Zealand sporting event means an event declared to be a New Zealand sporting event under **section 98A**

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offshore betting charges or **charges** means betting information use charges or consumption charges

offshore betting operator means ~~an organisation~~ a person that is located outside New Zealand and that—

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- (a) takes bets on New Zealand racing events or New Zealand sporting events (whether from persons located in or outside New Zealand); or
- (b) takes bets on racing and sporting events from persons located in New Zealand (whether the events are held in or outside New Zealand)

racing event means a betting race held inside or outside New Zealand

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scheme for betting information use charges means the scheme described in **section 96(2)(a)**

scheme for consumption charges means the scheme referred to described in **section 96(2)(b)**.

Compare: 2003 No 3 s 65AC

98A Declaration of New Zealand sporting events

- (1) Sport and Recreation New Zealand may, by written notice, declare the following to be a New Zealand sporting event for the purposes of this subpart: 5
 - (a) a sporting event held in New Zealand under the auspices or control of a New Zealand national sporting organisation:
 - (b) a sporting event held in New Zealand that relates to a sport to which a sports betting agreement under **section 72** applies. 10
- (2) If the sporting event is held under the auspices or control of a New Zealand national sporting organisation, Sport and Recreation New Zealand must obtain the approval of the relevant organisation before making the declaration.
- (3) A declaration made under **subsection (1)** must be published on an Internet site maintained by or on behalf of Sport and Recreation New Zealand. 15

Designated authority

99 Designated authority for each scheme

- (1) ~~The Department is the designated authority for the scheme for betting information use charges and the scheme for consumption charges.~~
- (2) ~~The function of the designated authority for each scheme is to implement the scheme, including enforcing payment of the offshore betting charges and distributing the money collected from the charges, in accordance with this subpart.~~ 20
- (3) ~~The designated authority has the powers specified in, or prescribed under, this subpart.~~

Compare: 2003 No 3 s 65AD

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99 Designated authority

The Department is the designated authority for the scheme for betting information use charges and the scheme for consumption charges.

Compare: 2003 No 3 s 65AD(1)

99A Functions and powers of designated authority

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- (1) The function of the designated authority in relation to the scheme for betting information use charges is to enforce the scheme, including by—
 - (a) issuing penalty notices in respect of a failure to comply with the requirements of the scheme; and
 - (b) applying the money received from those penalties in accordance with this subpart. 35

(2) The function of the designated authority in relation to the scheme for consumption charges is to implement the scheme, including by—

- (a) collecting the charges; and
- (b) issuing penalty notices in respect of a failure to pay the charges or to comply with the other requirements of the scheme; and
- (c) applying the money received from those charges and penalties in accordance with this subpart.

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(3) The designated authority has the powers specified in, or prescribed under, this subpart.

Compare: 2003 No 3 s 65AD(2), (3)

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100 Delegation

(1) ~~The Department may delegate in writing any of its functions or powers as the designated authority to another entity.~~

(2) ~~The Department's power to delegate under this section may be exercised in respect of the scheme for betting information use charges or the scheme for consumption charges, or both or any part of those schemes.~~

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(3) ~~The entities to which the Department may delegate its functions and powers include (without limitation) TAB NZ, 1 or more racing codes, a Crown entity as defined in section 7 of the Crown Entities Act 2004, or another department.~~

(4) ~~The Department must, when deciding whether to exercise its power of delegation under this section in favour of another entity, take into account whether the entity has the knowledge of offshore betting operators, and existing relationships with those operators, that is necessary to perform the functions and exercise the powers that the Department proposes to delegate.~~

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(5) ~~A delegation under this section must not include—~~

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- (a) ~~the power to delegate under this section;~~
- (b) ~~the power to review a decision to issue a penalty notice under **section 114(4)(b)**.~~

Compare: 2003 No 3 s 65AE

100 Delegation

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(1) The chief executive of the Department may delegate in writing any 1 or more of the Department's functions or powers as the designated authority under this subpart to—

- (a) TAB NZ;
- (b) a racing code;
- (c) a Crown entity (as defined in section 7 of the Crown Entities Act 2004);
- (d) another department;
- (e) any other person that the chief executive thinks fit.

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- (2) In deciding whether to delegate any functions or powers under this section, the chief executive must take into account whether—
- (a) the person or entity has the knowledge of, or existing relationships with, offshore betting operators that is necessary to perform the functions or exercise the powers that the Department proposes to delegate; and 5
 - (b) any conflict of interest or potential conflict of interest would be created by the proposed delegation.
- (3) A delegation must not include—
- (a) the power to delegate under this section:
 - (b) the power to review a decision to issue a penalty notice under **section 103(4)(b) or 107A(4)(b).** 10
- (4) A person or entity to whom any functions or powers have been delegated may perform or exercise them in the same manner and with the same effect as if they had been conferred on the person or entity directly by this Act and not by delegation. 15
- (5) A person or entity purporting to act under a delegation is, in the absence of evidence to the contrary, presumed to be acting in accordance with the terms of the delegation.
- (6) A delegation under this section—
- (a) may be subject to any conditions that the chief executive thinks fit: 20
 - (b) is revocable at any time, by notice in writing:
 - (c) does not prevent the Department from performing the function or exercising the power.

Compare: 2003 No 3 s 65AE

Betting information use charges 25

101 Requirements on offshore betting operators before using New Zealand racing and sporting information

- (1) An offshore betting operator must, before using New Zealand racing and sporting information in the conduct of the operator's betting operations,—
- (a) obtain permission from the ~~designated authority~~ relevant racing code, relevant New Zealand national sporting organisation, or Sport and Recreation New Zealand (or their nominee); and 30
 - (b) enter into a betting information use agreement that complies with **section 102.**
- (2) The ~~designated authority~~ relevant racing code, relevant New Zealand national sporting organisation, or Sport and Recreation New Zealand (or their nominee) 35
must not unreasonably withhold permission under **subsection (1)** for an off-shore betting operator to use New Zealand racing and sporting information.

- (3) **Subsection (1)** ~~does not apply to an offshore betting operator if, and to the extent that, it is exempted from complying with those requirements under **section 112**.~~

Compare: 2003 No 3 s 65AF

102 Terms and conditions of betting information use agreement 5

The terms and conditions of a betting information use agreement must—

- (a) require the offshore betting operator to pay betting information use charges to the ~~designated authority~~ relevant racing code, relevant New Zealand national sporting organisation, or Sport and Recreation New Zealand (or that person's nominee) for the operator's use of New Zealand racing and sporting information; and 10
 - (b) require the offshore betting operator to provide prescribed information, in the prescribed manner, to the designated authority for the purpose of enabling the authority to monitor the ~~amounts due as betting information use charges~~ effectiveness of the betting information use scheme; and 15
 - (e) ~~provide that the betting information use charges payable under the agreement are recoverable as a debt due to the designated authority under the agreement; and~~
 - (c) require the offshore betting operator to provide prescribed information, in the prescribed manner, to the Racing Integrity Board for the purpose of ensuring integrity in the New Zealand betting market; and 20
 - (d) provide that the law applicable to the agreement is New Zealand law; and
 - (e) provide for a dispute resolution process that the parties agree to submit to if they have a dispute relating to the agreement; and 25
 - (f) provide that the courts of New Zealand are the courts with jurisdiction to hear and determine any proceedings relating to the agreement if the parties are unable to resolve a dispute through the dispute resolution process; and
 - (g) provide that the offshore betting operator submits to the jurisdiction of the courts of New Zealand for the purposes of any proceedings referred to in **paragraph (f)**; and 30
 - (h) provide for any additional matters that may be prescribed.
- (2) ~~In addition, the terms and conditions of a betting information use agreement may—~~ 35
- (a) ~~require the offshore betting operator to comply with any applicable integrity policy developed by the designated authority; and~~
 - (b) ~~require the offshore betting operator to enter into an information sharing protocol with the designated authority.~~

Compare: 2003 No 3 s 65AG

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103 Minister must set rates of betting information use charges

- (1) The Minister must set the rates of the betting information use charges that offshore betting operators must pay—
- (a) in accordance with **section 108**; and
 - (b) in the prescribed manner.

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- (2) The Minister may set the rates by way of specified figures or methods of calculation.

Compare: 2003 No 3 s 65AH

103 Penalty for using New Zealand racing and sporting information in contravention of section 101

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- (1) The designated authority may issue a penalty notice to an offshore betting operator if it is satisfied the operator has used New Zealand racing and sporting information in the conduct of its betting operations in contravention of **section 101**.

- (2) The penalty notice may require the offshore betting operator to—

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- (a) pay to the designated authority, as a penalty, an amount that is 3 times the average amount paid by offshore betting operators to the relevant racing code, relevant New Zealand national sporting organisations, or Sport and Recreation New Zealand (as the case may be) for a similar racing or sporting event; and
- (b) pay the penalty amount by the date specified in the notice.

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- (3) For the purposes of **subsection (2)**, the designated authority must—

- (a) issue a certificate that sets out the average amount paid by offshore betting operators to the relevant racing code, relevant New Zealand national sporting organisation, or Sport and Recreation New Zealand (as the case may be) for the similar racing or sporting event in the previous 12 months before the date on which the notice is issued; and
- (b) publish a copy of the certificate on an Internet site maintained by or on behalf of the designated authority.

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- (4) An offshore betting operator who is issued with a penalty notice under this section—

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- (a) must pay the penalty;
- (b) may request the designated authority to review the decision to issue the notice.

- (5) A penalty notice under this section must be in the prescribed form (if any) and be issued in the prescribed manner.

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- (6) If, after being issued with a penalty notice under this section, an offshore betting operator continues to use New Zealand racing and sporting information in contravention of **section 101**, the designated authority may issue a further

- penalty notice to the operator that requires it pay a penalty that is 2 times the amount specified in the original notice.
- (7) The multiplier figure specified in **subsection (2)(a) and (6)** may be adjusted (upwards or downward) in accordance with regulations made under **section 119**. 5
- (8) As soon as practicable after issuing a penalty notice, the designated authority must publish a copy of the notice on an Internet site maintained by or on behalf of the designated authority.
- 104 Power to enforce betting information use agreement** 10
- The designated authority may issue and conduct proceedings for—
- (a) ~~determining any dispute relating to a betting information use agreement in accordance with the terms and conditions of the betting information use agreement referred to in **section 102(1)(f)**;~~
- (b) ~~enforcing any provisions of a betting information use agreement that do not fall within the power of the designated authority to issue proceedings under **section 116** (which provides powers for the designated authority to recover outstanding charges and penalties).~~ 15

Compare: 2003 No 3 s 65AI

Consumption charges

- 105 Requirement to pay consumption charges** 20
- (1) An offshore betting operator must pay consumption charges to the designated authority in respect of bets that it takes on racing and sporting events, held in or outside New Zealand, from persons ~~with a registered address resident~~ in New Zealand.
- (2) Section 8B of the Goods and Services Tax Act 1985 applies for the purpose of determining whether a person referred to in **subsection (1)** is resident in New Zealand as if the offshore betting operator were a supplier of remote services under that Act. 25
- (3) The designated authority must—
- (a) maintain a list of sports held inside or outside New Zealand in respect of which consumption charges are payable under this subpart; and 30
- (b) publish the list on an Internet site maintained by or on behalf of the designated authority.
- Compare: 2003 No 3 s 65AJ
- 106 Minister must set rates of consumption charges** 35
- (1) The Minister must set the rates of the consumption charges that offshore betting operators must pay—
- (a) ~~in accordance with **section 108**; and~~

- (a) based on the prescribed percentage of the operator's gross betting revenue; and
 - (b) in the prescribed manner.
- (2) The Minister may set the rates by way of specified figures or methods of calculation. 5
- (3) The Minister—
 - (a) must, at least once every 5 years, review the rates of consumption charges set under **subsection (1)**; and
 - (b) may, if necessary, adjust those rates.
- (4) Before setting or adjusting rates under this section, the Minister must consult the following: 10
 - (a) offshore betting operators liable to pay the charges:
 - (b) TAB NZ:
 - (c) each racing code:
 - (d) Sport and Recreation New Zealand: 15
 - (e) New Zealand national sporting organisations (as applicable).

Compare: 2003 No 3 s 65AK, ss 65AK, 65AN

107 Information to be provided relating to consumption charges

- (1) An offshore betting operator who is required to pay consumption charges must provide the prescribed information to the designated authority for the purpose of enabling the authority to monitor the amounts due as consumption charges. 20
- (2) The information must be provided in the prescribed manner.

Compare: 2003 No 3 s 65AL

107A Penalties relating to consumption charges

- (1) The designated authority may issue a penalty notice to an offshore betting operator if it is satisfied that the operator has— 25
 - (a) failed to pay an amount of consumption charge on or before the date on which the charge was due and payable in accordance with regulations made under **section 119**; or
 - (b) failed to provide any prescribed information required under **section 107**; or 30
 - (c) provided false or misleading information to the designated authority for the purpose of calculating the amount of a consumption charge that the operator is required to pay.
- (2) The penalty notice may require the offshore betting operator to— 35

- (a) pay to the designated authority as a penalty, and in addition to the amount of outstanding consumption charges, the amount referred to in **subsection (3)**; and
- (b) pay the amount by the date specified in the notice.
- (3) The amount stated in the notice must be the amount specified in, or calculated in accordance with, regulations made under **section 119**. 5
- (4) An offshore betting operator who is issued with a penalty notice under this section—
 - (a) must pay the penalty:
 - (b) may request the designated authority to review the decision to issue the notice. 10
- (5) A penalty notice under this section must be in the prescribed form (if any) and be issued in the prescribed manner.
- (6) As soon as practicable after issuing a penalty notice under this section, the designated authority must publish a copy of the notice on an Internet site maintained by or on behalf of the designated authority. 15

Compare: 2003 No 3 s 65AS

107B Certain offshore betting operators not liable for consumption charges

An offshore betting operator is not liable to pay consumption charges in respect of a financial year if the operator's revenue from taking bets on racing and sporting events from persons located in New Zealand (whether the events are held in or outside New Zealand) is less than the amount specified in section 51(1)(a) of the Goods and Services Tax Act 1985 for the operator to become a registered person under that Act. 20

Compare: 2003 No 3 s 65AO

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General provisions

108 Further provisions relating to setting rates of charges

- (1) ~~Before setting rates of betting information use charges under **section 103** or rates of consumption charges under **section 106**, the Minister must take into account—~~ 30
 - (a) ~~the proposed rates of charges jointly prepared by TAB NZ and the racing codes after consulting Sport and Recreation New Zealand and relevant New Zealand national sporting organisations; and~~
 - (b) ~~TAB NZ's revenue from racing betting and sports betting in the previous racing year; and~~ 35
 - (c) ~~the total amount of distributions made by TAB NZ to the racing codes under **section 62** and sports betting revenue paid by TAB NZ to New Zealand national sporting organisations under **section 74** in that period; and~~

- (d) ~~the amount of taxation or duties paid by TAB NZ and offshore betting operators in New Zealand in that period.~~
- (2) ~~After setting rates of betting information use charges or consumption charges, the Minister must publish a statement of reasons on an Internet site maintained by or on behalf of the designated authority that explains how the rates were set and why the rates are considered to be fair and reasonable.~~ 5

Compare: 2003 No 3 s 65AM

109 **Review of rates**

- (1) The Minister—
 - (a) ~~must, at least once every 5 years, review the rates of betting information use charges set under **section 103** and consumption charges set under **section 106**; and~~ 10
 - (b) ~~may, if necessary, adjust those rates.~~
- (2) ~~Any adjustment must be made in the prescribed manner.~~
- (3) ~~Before adjusting any rate, the Minister must consult TAB NZ, offshore betting operators, the racing codes, and appropriate New Zealand national sporting organisations.~~ 15

Compare: 2003 No 3 s 65AN

110 **Certain offshore betting operators not liable for charges**

- (1) ~~An offshore betting operator is not liable to pay offshore betting charges in respect of a financial year if the operator's revenue from an activity specified in **subsection (2)** is less than the amount specified in section 51(1)(a) of the Goods and Services Tax Act 1985 for the operator to become a registered person under that Act.~~ 20
- (2) ~~The activities are—~~ 25
 - (a) ~~taking bets on New Zealand racing and New Zealand sporting events (whether from persons who have a registered address in New Zealand or are outside New Zealand); and~~
 - (b) ~~taking bets on racing and sporting events from persons located in New Zealand (whether the events are held in or outside New Zealand).~~ 30

Compare: 2003 No 3 s 65AO

111 **Application of money received from offshore betting charges consumption charges and penalties**

- (1) ~~The designated authority must apply the money received from offshore betting charges for the following purposes:~~ 35
 - (a) ~~identifying and addressing risks to the integrity of racing betting and sport betting:~~

- (b) ~~paying the cost of administering the enforcement and collection of the betting information use charges, consumption charges, and penalties:~~
 - (e) ~~promoting the long-term viability of New Zealand racing and sport:~~
 - (d) ~~funding measures to prevent and minimise harm from gambling.~~
 - (1) The designated authority must apply the money received from— 5
 - (a) consumption charges under **section 105** towards the following purposes:
 - (i) paying the cost of administering the scheme for consumption charges:
 - (ii) funding measures to prevent and minimise harm from gambling: 10
 - (iii) identifying and addressing risks to the integrity of racing betting and sports betting:
 - (iv) promoting the long-term viability of New Zealand racing and sport:
 - (b) penalties under **section 103 or 107A** towards the paying the costs of administering the schemes for betting information use charges and consumption charges. 15
 - (2) The designated authority must apply the money received from offshore betting consumption charges to any 1 or more of the persons specified in, and in the amount specified in, determined in accordance with, regulations made under **section 119.** 20
 - (3) To avoid doubt, the designated authority may make a single payment to a person that relates to any 2 or more of the purposes specified in **subsection (1)(a)(ii) to (iv).** 25

Compare: 2003 No 3 s 65AP
- 112 Minister may grant exemptions**
- (1) ~~The Minister may, by notice in writing, exempt an offshore betting operator or a class of offshore betting operators from the need to comply with any 1 or more of the following:~~
 - (a) ~~the requirement under **section 101(1)(a)** to obtain permission from the designated authority before using New Zealand racing and sporting information:~~ 30
 - (b) ~~the requirement under **section 101(1)(b)** to enter into a betting information use agreement before using New Zealand racing and sporting information:~~ 35
 - (e) ~~the requirement under a betting information use agreement to pay betting information use charges:~~
 - (d) ~~the requirement under **section 105** to pay consumption charges:~~
 - (2) ~~In deciding whether to grant an exemption, the Minister must—~~

- (a) have regard to the purposes of this Act set out in **section 3** and the purpose of this Part set out in **section 96**; and
- (b) for an exemption under **subsection (1)(b)**, be satisfied that—
 - (i) the designated authority (or, as applicable, TAB NZ, a racing code, appropriate New Zealand national sporting organisation, or Sport and Recreation New Zealand) and the offshore betting operator are parties to an agreement negotiated outside the framework provided for in this Part; and
 - (ii) under the terms of that agreement, the designated authority (or any other applicable body referred to in **subparagraph (i)**) receives from the offshore betting operator not less than the amount of income that the designated authority would receive from that offshore betting operator under this Part were the exemption not granted; and
- (c) be satisfied that the exemption will not unduly negatively affect, or be detrimental to, the long-term viability of New Zealand racing and sport.
- (3) Before granting an exemption under this section, the Minister must—
 - (a) consult TAB NZ and take its advice into account; and
 - (b) consult any of the following affected by the exemption:
 - (i) the relevant racing code or codes;
 - (ii) Sport and Recreation New Zealand;
 - (iii) the appropriate New Zealand national sporting organisation or organisations.
- (4) The Minister may—
 - (a) grant the exemption on any terms and conditions the Minister thinks fit;
 - (b) amend or revoke the exemption;
 - (c) replace an exemption either before or when it expires.
- (5) An exemption granted under this section—
 - (a) takes effect on and from the date on which it is notified in the *Gazette*; and
 - (b) expires on the date specified in the notice.

Compare: 2003 No 3 s 65AQ

113 Status and publication of exemption notices

- (1) For the purposes of the Legislation Act 2012, an exemption granted under **section 112**—
 - (a) is not a legislative instrument; but
 - (b) is a disallowable instrument and must be presented to the House of Representatives under section 41 of that Act.

- (2) As soon as practicable after it is granted, an exemption must be—
- (a) ~~published on an Internet site maintained by or on behalf of the Department; and~~
 - (b) ~~notified in the *Gazette*.~~
- (3) The Minister's reasons for granting the exemption (including why the exemption is appropriate) must be published in accordance with **subsection (2)(a)** along with the exemption. 5
- (4) However, the Minister may, if satisfied that an exemption contains or refers to information that may reasonably be regarded as confidential or commercially sensitive, authorise the designated authority to redact that information from the text of the exemption published in accordance with **subsection (2)(a)**. 10

Compare: 2003 No 3 s 65AR

114 Penalties

- (1) The designated authority may issue a penalty notice to an offshore betting operator if it is satisfied that the operator has— 15
- (a) ~~failed to pay an amount of a betting information use charge or a consumption charge on or before the date on which the charge was due and payable under the regulations; or~~
 - (b) ~~provided false or misleading information to the designated authority for the purpose of calculating the amount of a charge that the operator is required to pay.~~ 20
- (2) The penalty notice may require the offshore betting operator to—
- (a) ~~pay to the designated authority as a penalty, and in addition to the amount of outstanding charges, the amount referred to in **subsection (3)**; and~~ 25
 - (b) ~~pay the penalty amount by the date specified in the notice.~~
- (3) The penalty amount stated in the notice must be the amount specified in, or the amount calculated in accordance with, regulations made under **section 119**.
- (4) An offshore betting operator who is issued with a penalty notice under this section— 30
- (a) ~~must pay the penalty;~~
 - (b) ~~may request the designated authority to review the decision to issue the notice.~~
- (5) A penalty notice under this section must be in the prescribed form (if any) and issued in the prescribed manner. 35

Compare: 2003 No 3 s 65AS

115 Maximum amount of penalties

The amount payable as a penalty under ~~regulations made under section 119, whether the regulations specify a fixed amount or a method of calculating the amount, either of~~ **section 103 or section 107A** must not exceed—

- (a) NZ\$20,000, for an offshore betting operator who is an individual: 5
- (b) NZ\$50,000, for an offshore betting operator that is a body corporate.

Compare: 2003 No 3 s 65AT

116 Recovery of outstanding charges and penalties

- (1) ~~Outstanding offshore betting consumption~~ charges and penalties payable by an offshore betting operator under **section 103 or 107A** constitute a debt due to the designated authority, and the designated authority may issue legal proceedings for recovery of the debt from the offshore betting operator. 10
- (2) The applicable law in respect of recovery of the debt is New Zealand law.
- (3) The courts of New Zealand are the courts with jurisdiction to hear and determine proceedings for recovery of the debt. 15

Compare: 2003 No 3 s 65AU

117 Obligation to pay penalty not suspended by review or legal proceedings

- (1) An offshore betting operator's obligation to pay, and the designated authority's right to receive and recover, a penalty imposed is not suspended by—
 - (a) a request for review under ~~**section 114(4)(b)**~~ **section 103(4)(b) or 107A(4)(b)**; or 20
 - (b) any legal proceedings relating to the penalty.
- (2) **Subsection (3)** applies if an offshore betting operator pays a penalty amount, and, on review or in legal proceedings, it is found that the betting operator was not liable for the penalty or any part of the penalty. 25
- (3) The designated authority must, as soon as practicable, refund to the offshore betting operator the amount of the penalty or part of the penalty for which the offshore betting operator was not liable.

Compare: 2003 No 3 s 65AV

118 Appeal to District Court 30

- (1) An offshore betting operator may appeal to the District Court against a decision of the designated authority to issue a penalty notice under ~~**section 114**~~ **section 103 or 107A**. 30
- (2) If an appeal is made, the District Court must determine whether the decision to issue the notice is appropriate. 35

Compare: 2003 No 3 s 65AW

*Regulations***119 Regulations for offshore betting**

- (1) ~~The Governor-General may, by Order in Council made on the recommendation of the Minister, make regulations for all or any of the following purposes:~~
- (a) ~~prescribing the financial or other relevant information that an offshore betting operator must provide to the designated authority, the manner in which that information is to be provided (including how the information must be presented, calculated, or prepared), and when the information must be provided for the purposes of **section 102(1)(b)**:~~ 5
 - (b) ~~providing for matters relating to integrity policy requirements that offshore betting operators must comply with under **section 102(2)(a)**:~~ 10
 - (c) ~~providing for matters relating to an information sharing protocol that may be entered into between the designated authority and offshore betting operators under **section 102(2)(b)**:~~
 - (d) ~~prescribing the financial or other relevant information that an offshore betting operator must provide to the designated authority, the manner in which that information is to be provided (including how the information must be presented, calculated, or prepared), and when the information must be provided for the purposes of **section 107**:~~ 15
 - (e) ~~prescribing the manner in which rates and adjustments to rates must be set for the purposes of **section 103 or 106**:~~ 20
 - (f) ~~specifying the persons to whom money received from offshore betting charges may be distributed under **section 111** and prescribing the method to be used for determining the amount of distribution of the charge or charges:~~ 25
 - (g) ~~specifying penalty amounts or the method by which penalty amounts must be calculated for the purposes of **section 114(3)**:~~
 - (h) ~~prescribing the form of penalty notices for the purposes of **section 114(5)** and the manner in which penalty notices must be issued:~~
 - (i) ~~prescribing the manner in which any other thing must be done for the purposes of this subpart:~~ 30
 - (j) ~~prescribing fees or other charges payable in respect of any matter under this subpart or the manner in which fees and charges may be calculated:~~
 - (k) ~~providing for any other matters contemplated by this subpart, necessary for its administration, or necessary for giving it full effect.~~ 35
- (1) The Governor-General may, by Order in Council made on the recommendation of the Minister, make regulations for all or any of the following purposes:

Betting information use charges

(a) prescribing information that an offshore betting operator must provide to the designated authority under **section 102(1)(b)**, the manner in which that information is to be provided (including how the information must be presented, calculated, or prepared), and when the information must be provided: 5

(b) prescribing the information that an offshore betting operator must provide to the Racing Integrity Board under **section 102(1)(c)**, the manner in which the information is to be provided, and when the information must be provided: 10

Consumption charges

(c) prescribing, for the purposes of **section 106(1)(a)**, the percentage of an offshore betting operator's gross betting revenue to be used as the basis on which consumption charges may be set:

(d) prescribing the financial or other relevant information that an offshore betting operator must provide to the designated authority under **section 107**, the manner in which that information is to be provided (including how the information must be presented, calculated, or prepared), and when the information must be provided: 15

Penalties

(e) adjusting either or both of the multiplier figures set out in **section 103(2)(a) and (6)**: 20

(f) specifying penalty amounts or the method by which penalty amounts must be calculated for the purposes of **section 107A(3)**:

Penalty notices

(g) prescribing the form of penalty notices for the purposes of **section 103(5) and 107A(5)** and the manner in which penalty notices must be issued: 25

Application of money from offshore betting charges

(h) specifying, for the purposes of **section 111**, the persons to whom money received by the designated authority under this subpart may be distributed and prescribing the method to be used for determining the amount of distribution: 30

Other

(i) prescribing the manner in which any other thing must be done for the purposes of this subpart: 35

(j) prescribing fees or other charges payable in respect of any matter under this subpart or the manner in which fees and charges may be calculated:

(k) providing for any other matters contemplated by this subpart, necessary for its administration, or necessary for giving it full effect. 40

- (2) Regulations made under this section may provide differently for different classes of offshore betting operator.
- (3) Regulations made under this section are not invalid merely because they confer any discretion on, or allow any matter to be determined or approved by, any person.
- (4) Before making a recommendation, the Minister must consult (as appropriate) TAB NZ, each of the racing codes, and the Minister for Sport and Recreation.

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Compare: 2003 No 3 s 65AX

Subpart 2—Other matters

120AA Resolution of disputes

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- (1) This section applies if a dispute arises in relation to a matter specified in **sub-section (2)** and the parties are unable, after a reasonable attempt, to resolve the matter by agreement.
- (2) The matters are—
 - (a) the proposed budget of the Racing Integrity Board that must be approved by TAB NZ under **section 37(3)(b)**:
 - (b) whether there has been adequate and appropriate consultation by TAB NZ with the racing codes on TAB NZ's proposed statement of intent (*see clause 52*) or proposed business plan (*see clause 53*):
 - (c) the amounts to be distributed by TAB NZ among the racing codes under **section 61(2)(b)**:
 - (d) the terms and conditions of any critical matter in a commercial agreement to be entered into by TAB NZ and a racing code that the parties are unable to agree on.
- (3) Either or both of the parties may refer the dispute for determination by an independent expert appointed by agreement between the parties, or, failing agreement by the President of the Arbitrators' and Mediators' Institute of New Zealand Incorporated (or the President's delegate) on application of either party.
- (4) In making a determination, the independent expert must investigate the matter and have regard to submissions from each party but is not required to conduct a hearing.
- (5) The parties must provide the independent expert with any assistance the independent expert may reasonably request.
- (6) After due consideration, the independent expert must provide a written determination of the matter to the parties.
- (7) The independent expert's fees must be borne equally by the parties unless the independent expert determines that one party should bear a greater proportion or all of the fees on the ground that the party's position has not been reasonable.

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- (8) The independent expert’s determination is final and binding on the parties and there is no right of appeal against the determination.

120 Restriction on use of certain names

- (1) No person or association of persons, whether a body corporate or not, may have or use any name calculated to suggest connection with, or endorsement by, TAB NZ or a racing code, or any name containing the words— 5
- (a) “TAB NZ”; or
 - (b) “Totalisator Agency Board” or “TAB”; or
 - (ba) “New Zealand Racing Board” or “NZRB”; or
 - (bb) “Racing Industry Transition Agency” or “RITA”; or 10
 - (c) “Racing Conference” or “New Zealand Thoroughbred Racing”; or
 - (d) “Trotting Conference” or “Harness Racing New Zealand”; or
 - (e) “New Zealand Greyhound Racing Association”.
- (2) If an Act provides for the registration of any association of persons, the registering authority may refuse registration if, in its opinion, the use of the name by which the association wishes to be registered is prohibited by **subsection (1)**. 15
- (3) This section applies, with any necessary modifications, to a person carrying on business under any name or style except the person’s own.
- (4) **Subsection (1)(a) and (b)** does not apply to TAB NZ.
- (5) **Subsection (1)(c)** does not apply to New Zealand Thoroughbred Racing Incorporated. 20
- (6) **Subsection (1)(d)** does not apply to Harness Racing New Zealand Incorporated.
- (7) **Subsection (1)(e)** does not apply to the New Zealand Greyhound Racing Association Incorporated. 25
- (8) This section does not prevent a racing club from having or using a name containing the word or words “racing”, “thoroughbred racing”, “harness racing”, “trotting”, or “greyhound racing” in any form except those specified in **subsection (1)**.

Compare: 1971 No 155 s 29; 2003 No 3 s 24

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121 Application of Official Information Act 1982

TAB NZ is an organisation within the meaning of that term in section 2(1) of the Official Information Act 1982, and that Act applies to it accordingly.

Compare: 2003 No 3 s 67

122 Crown not liable for debts

- (1) The Crown is not liable to contribute towards the payment of any debts or liabilities of TAB NZ, the Racing Integrity Board, or any ~~judicial adjudicative~~ committee or appeals tribunal established by the Racing Integrity Board.
- (2) **Subsection (1)** does not apply to— 5
- (a) any sum the Crown is liable to contribute under any Act; or
 - (b) any sum the Crown is liable to contribute under any guarantee or indemnity given under section 65ZD of the Public Finance Act 1989; or
 - (c) any sum the Crown is liable to pay to a creditor of TAB NZ by virtue of a good cause of action against the Crown; or 10
 - (d) any sum the Crown is liable to pay to a creditor of the Racing Integrity Board or any ~~judicial adjudicative~~ committee or appeals tribunal established by the Racing Integrity Board by virtue of a good cause of action against the Crown; or
 - (e) any sum the Crown is liable to pay to any creditor of the Reserve Bank of New Zealand. 15

Compare: 1971 No 155 s 102B; 2003 No 3 s 68

123 Other regulations

- (1) The Governor-General may, by Order in Council made on the recommendation of the Minister, make regulations for all or any of the following purposes: 20
- (a) ~~setting the terms and conditions of any commercial agreement to be entered into by TAB NZ and a racing code:~~
 - (b) prescribing the process, criteria, or both for the purposes of **section 24(3)**:
 - (c) providing for further matters relating to the conduct and administration of the racing integrity system for the purposes of **subpart 3 of Part 2**, including— 25
 - (i) the administration of the Racing Integrity Board (for example, specifying further provisions applying to Board members and employees of the Board, and specifying requirements in respect of its financial matters and accountability): 30
 - (ii) prescribing criteria relating to the selection and appointment of members to ~~judicial adjudicative~~ committees and appeals tribunals established by the Board:
 - (iii) providing for any additional matters relating to the conduct of hearings before ~~judicial adjudicative~~ committees and appeals tribunals: 35

- (iv) providing for any other matters that are necessary or desirable for the Racing Integrity Board to perform its functions or exercise its powers under this Act:
 - (d) prescribing the minimum amounts, or the method to be used for calculating minimum amounts, payable to New Zealand national sporting organisations or Sport and Recreation New Zealand for the purposes of **section 74(1)(e)**: 5
 - (e) ~~prescribing the independent body that may approve other racing or sports betting rules for the purposes of **section 75**:~~
 - (f) providing for any other matters contemplated by this Act, necessary for its administration, or necessary for giving it full effect. 10
 - (2) Before making a recommendation for regulations under **subsection (1)(d) or (e)**, the Minister must consult the Minister for Sport and Recreation
- Compare: 2003 No 3 s 68A, Schedule 3

Consequential amendments, repeal, and revocation 15

124 Consequential amendments

Amend the enactments specified in **Schedule 5** as set out in that schedule.

125 Repeal and revocation

- (1) The Racing Act 2003 (2003 No 3) is repealed.
- (2) The Racing (New Zealand Greyhound Racing Association Incorporated) Order 2009 (SR 2009/180) is revoked. 20

Schedule 1

Transitional, savings, and related provisions

s 6

Part 1

Provisions relating to this Act as enacted

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1 Interpretation

In this Part, unless the context otherwise requires,—

Agency means the Racing Industry Transition Agency continued under section 7 of the former Act

Agency member means a person appointed under section 11 of the former Act 10

former Act means the Racing Act 2003

Judicial Control Authority means the Judicial Control Authority established by section 37 of the former Act

~~**New Zealand Racing Laboratory Services Limited**~~ means the company of that name incorporated on 26 June 2000 under company number 1044645 15

Racing Integrity Board means the Racing Integrity Board established by **section 33**

Racing Integrity Unit Limited means the company of that name incorporated on 5 November 2010 under company number 3178165 to oversee integrity in the New Zealand racing industry under the former Act. 20

Legislative instrument and rules under former Act

2 Racing (Harm Prevention and Minimisation) Regulations 2004

The Racing (Harm Prevention and Minimisation) Regulations 2004 (SR 2004/291) made under the former Act must be treated, on and after the commencement of this clause, as if they were made under **section 91** and may be amended, ~~or revoked,~~ or replaced accordingly. 25

3 Rules made under former Act

- (1) This clause applies to rules made under sections 29, 34, 52, or 54 of the former Act and in force immediately before the commencement of this clause.
- (2) The rules continue in force on and after the commencement of this clause, with any necessary modifications, as if they were made under **section 28, 31, 68, or 70** (as the case may be). 30

*Betting licences***3A Betting licences issued under former Act**

- (1) This clause applies to a betting licence issued by the Agency under section 45 of the former Act and in force immediately before the commencement of this clause. 5
- (2) The betting licence continues in force on and after the commencement of this clause and must be treated as if it were issued by TAB NZ under **section 58** of this Act.

*Transition to racing integrity system***4 Racing judicial system continues until Racing Integrity Board established** 10
Despite **section 125(1)**,—

- (a) sections 36 to 41, section 68(1) and (2)(c), and Schedule 3 of the former Act (which relate to the Judicial Control Authority, judicial committees, and appeals tribunals), as they read immediately before commencement of this clause, continue to have effect until the close of day before the date on which **sections 33 to 41** come into force as if those provisions of the former Act had not been repealed; and 15
- (b) all references to the Racing Integrity Board in ~~sections 8(b), 28(2) and 29(2)~~ **sections 8(b), 28(2) and (2A), 29(1) and (2), 68(1A), and 102(1)(c)** of this Act must be read as references to the Judicial Control Authority until the date on which **sections 33 to 41** come into force. 20

5 Minister may appoint establishment board for racing integrity system

- (1) As soon as practicable after commencement of this clause, the Minister may appoint an establishment board for the purposes of managing the orderly transition from the racing integrity system under the former Act to the racing integrity system under this Act. 25
- (2) The establishment board may consist of up to 5 members appointed by the Minister after considering nominations from each racing code and TAB NZ.
- (3) The functions of the establishment board are to— 30
- (a) finalise any matters relating to the establishment of the Racing Integrity Board; and
- (b) manage the transfer of functions, duties, powers, and any assets (as appropriate) of the Judicial Control Authority; and the Racing Integrity Unit Limited, ~~and New Zealand Racing Laboratory Services Limited~~ to the Racing Integrity Board. 35
- (4) The establishment board is dissolved on the close of the day before the date on which **sections 33 to 41** come into force.

6 Transfer of employees of Judicial Control Authority and Racing Integrity Unit Limited

- (1) On and after the date on which **sections 33 to 41** come into force, every employee of the Judicial Control Authority and Racing Integrity Unit Limited becomes an employee (a **transferred employee**) of the Racing Integrity Board on the same terms and conditions that applied to the person immediately before they became an employee of the Racing Integrity Board. 5
- (2) For the purposes of every enactment, law, determination, contract, and agreement relating to the employment of the transferred employee,—
 - (a) the employment agreement of that employee is to be treated as unbroken; and 10
 - (b) the employee's period of service with the Judicial Control Authority or Racing Integrity Unit Limited, and every other period of service of that employee that is recognised by that employer as continuous service, is to be treated as a period of service with the Racing Integrity Board. 15
- (3) To avoid doubt, the employment of a transferred employee by the Racing Integrity Board does not constitute new employment for the purposes of any service-related benefits, whether legislative or otherwise.
- (4) A transferred employee is not entitled to receive any payment or benefit from the Judicial Control Authority or Racing Integrity Unit Limited (as the case may be) or the Racing Integrity Board on the ground that the person's position in the Judicial Control Authority or Racing Integrity Unit Limited has ceased to exist or the person has ceased to be an employee of the Judicial Control Authority or Racing Integrity Unit Limited as a result of their transfer to the Racing Integrity Board. 20
25
- (5) This clause overrides—
 - (a) Part 6A of the Employment Relations Act 2000; and
 - (b) any employment protection provision in any relevant employment agreement.

6A Transfer of rights, assets, or liabilities of TAB NZ to Racing Integrity Board 30

- (1) This clause applies if, on and after the date on which **sections 33 to 41** come into force, TAB NZ transfers any of its rights, assets, or liabilities to the Racing Integrity Board.
- (2) If this clause applies,— 35
 - (a) those rights, assets, or liabilities of TAB NZ vest in the Board; and
 - (b) every reference to TAB NZ in any enactment (other than this Act) or in any instrument, agreement, lease, application, notice, or other document must, unless the context otherwise requires, be read as a reference to the Board. 40

- (3) **Subclause (2)** has effect whether or not any Act, deed, or agreement relating to any right, asset, or liability permits the vesting or requires any consent to the vesting.

GST

- (4) The vesting of TAB NZ's rights, assets, or liabilities in the Racing Integrity Board does not constitute a supply of goods and services for the purposes of the Goods and Services Tax Act 1985. 5

6B Inspectors under former Act

- (1) This clause applies to a person who, immediately before the commencement of this clause, held office as an inspector under section 47 of the former Act. 10
- (2) The person continues in office on and after the commencement of this clause as if the person were appointed under **section 42** of this Act.

Agency abolished

6C Agency abolished

The Agency is abolished on the commencement of this clause. 15

6D No compensation for loss of office

- (1) Every Agency member holding office immediately before the commencement of this clause ceases to hold office on that commencement.
- (2) A person to whom **subclause (1)** applies is not entitled to any compensation or other payment or benefit for the loss of office. 20

6E Transfer of rights, assets, and liabilities of Agency to TAB NZ

- (1) This clause applies to all rights, assets, and liabilities that the Agency had immediately before the commencement of this clause.
- (2) On and after commencement of this clause,—
- (a) all rights, assets, and liabilities of the Agency vest in TAB NZ; and 25
 - (b) every reference to the Agency in any enactment (other than this Act) or in any instrument, agreement, lease, application, notice, or other document must, unless the context otherwise requires, be read as a reference to TAB NZ.
- (3) **Subclause (2)** has effect whether or not any Act, deed, or agreement relating to any right, asset, or liability permits the vesting or requires any consent to the vesting. 30
- GST*
- (4) The vesting of all rights, assets, and liabilities of the Agency in TAB NZ does not constitute a supply of goods and services for the purposes of the Goods and Services Tax Act 1985. 35

6F Other consequences of abolition

Nothing effected or authorised by **clause 6E**,—

- (a) places the Agency (or an Agency member) or any other person in breach of contract or confidence or otherwise makes them liable for a civil wrong; or 5
- (b) gives rise to a cause of action against the Agency (or an Agency member); or
- (c) gives rise to a right for any person to—
 - (i) terminate or cancel or modify a contract or an agreement; or
 - (ii) enforce or accelerate the performance of an obligation; or 10
 - (iii) require the performance of an obligation not otherwise arising for performance; or
- (d) places the Agency (or an Agency member) or any other person in breach of an enactment, rule of law, or contractual provision prohibiting, restricting, or regulating the assignment or transfer of property or the disclosure of information; or 15
- (e) releases a surety wholly or in part from any obligation; or
- (f) invalidates or discharges any contract.

6G Final report and accounts

TAB NZ must perform the duties of the Agency under sections 17 and 21 of the former Act for the racing year (or part of the racing year) ending on the day before the commencement of this clause. 20

Transfer of Agency employees and venues

7 Transfer of Agency employees

- (1) On and after the commencement of this clause, every Agency employee becomes an employee (a **transferred employee**) of TAB NZ on the same terms and conditions that applied to the person immediately before they became an employee of TAB NZ. 25
- (2) For the purposes of every enactment, law, determination, contract, and agreement relating to the employment of the transferred employee,— 30
 - (a) the employment agreement of that employee is to be treated as unbroken; and
 - (b) the employee's period of service with the Agency, and every other period of service of that employee that is recognised by the Agency as continuous service, is to be treated as a period of service with TAB NZ. 35
- (3) To avoid doubt, the employment of a transferred employee by TAB NZ does not constitute new employment for the purposes of any service-related benefits, whether legislative or otherwise.

- (4) A transferred employee is not entitled to receive any payment or benefit from the Agency or TAB NZ on the grounds that the person's position in the Agency has ceased to exist or the person has ceased to be an employee of the Agency as a result of their transfer to TAB NZ.
- (5) This clause overrides— 5
 - (a) Part 6A of the Employment Relations Act 2000; and
 - (b) any employment protection provision in any relevant employment agreement.
- 8 Agency venues**
 - (1) This clause applies to every Agency venue established by the Agency under the former Act and in existence immediately before commencement of this clause. 10
 - (2) On and after commencement of this clause, the Agency venue must be treated as if it were a TAB venue for the purposes of this Act and the provisions of this Act relating to TAB venues apply to it accordingly.
- 9 Territorial authority consent granted under former Act** 15
 - (1) This clause applies to a territorial authority consent granted by a territorial authority in respect of an Agency venue under section 65C of the former Act and in force immediately before commencement of this clause.
 - (2) The territorial authority consent continues in force on and after commencement of this clause and must be treated as if it were granted in respect of the corresponding TAB venue under **section 88**. 20
- 10 Agency venue policies under former Act**
 - (1) This clause applies to an Agency venue policy adopted in respect of an Agency venue under section 65E of the former Act and in force immediately before commencement of this clause. 25
 - (2) The policy continues in force on and after commencement of this clause and must be treated as if it were a TAB venue policy adopted in respect of the corresponding TAB venue under **section 90**.
- Transfer of Agency agreements*
- 11 Agreements with national sporting organisation and Sport and Recreation New Zealand** 30
 - (1) This clause applies to an agreement entered by the Agency with a New Zealand national sporting organisation under section 55 of the former Act or with Sport and Recreation New Zealand under section 55A of that Act and in force immediately before commencement of this clause. 35
 - (2) The agreement continues in force on and after commencement of this clause and must be treated as if it were entered into by TAB NZ.

12 Existing betting information use agreements

- (1) In this clause, **existing betting information use agreement** means an agreement between the Agency and any offshore betting operator that—
- (a) is in force immediately before the commencement of this clause; and
 - (b) confers rights on that betting operator or a sub-licensee of that operator to use New Zealand racing and sporting information in the conduct of its betting operations in respect of any race or sporting events held in New Zealand. 5
- (2) **Subpart 1 of Part 5** does not affect any existing betting information use agreement and the agreement continues in force, on and after commencement of this clause, according to its ~~tenor~~ terms as if it were entered into by TAB NZ and the offshore betting operator. 10

13 Betting information use agreements entered into by TAB NZ before regulations under section 119 come into force

- (1) This clause applies to a betting information use agreement— 15
- (a) that was being negotiated by the Agency and an offshore betting operator before the commencement of this clause; and
 - (b) that is entered into by TAB NZ and the offshore betting operator after the commencement of this clause but before regulations made under **section 119** come into force; and 20
 - (c) that confers rights on that offshore betting operator or a sub-licensee of that operator to use New Zealand racing and sporting information in the conduct of its betting operations in respect of racing and sporting events held in New Zealand.
- (2) **Subpart 1 of Part 5** does not affect the betting information use agreement, and the agreement continues in force according to its ~~tenor~~ terms. 25

14 Other agreements authorising use of New Zealand racing and sporting information

- (1) This clause applies to an existing agreement between the Agency and an entity other than an offshore betting operator— 30
- (a) that is in force immediately before the commencement of this clause; and
 - (b) that confers rights on that entity (or a sub-licensee of that entity) to use New Zealand racing and sporting information.
- (2) **Subpart 1 of Part 5** does not affect the existing agreement and the agreement continues in force, on and after commencement of this clause, according to its ~~tenor~~ terms as if it were entered into by TAB NZ and the entity. 35

Rights, assets, and liabilities of Agency

15 Transfer of rights, assets, and liabilities of Agency

(1) This clause applies to all rights, assets, and liabilities that the Agency had immediately before the commencement of this clause.

(2) On and after commencement of this clause, — 5

(a) all rights, assets, and liabilities of the Agency vest in TAB NZ; and

(b) every reference to the Agency in any enactment (other than this Act) or in any instrument, agreement, lease, application, notice, or other document must, unless the context otherwise requires, be read as a reference to TAB NZ. 10

(3) **Subclause (2)** has effect whether or not any Act, deed, or agreement relating to any asset or liability permits the vesting or requires any consent to the vesting.

Distribution to racing codes

16 Amounts of distributions to racing codes 15

Section 16 of the former Act, as it read immediately before the commencement of this clause, continues to apply until the date on which regulations made under **section 64** an agreement between the racing codes referred in section 61(1) or (2) (as the case may be) comes into force.

16A Distribution from TAB NZ's betting profits for period ending on 30 June 2020 20

(1) For the purposes of making a distribution of the Agency's betting profits to each of the racing codes and Sport and Recreation New Zealand for the period beginning on 1 July 2019 and ending on 30 June 2020, **section 63(1)** applies as if the following paragraph were inserted above paragraph (a): 25

“(aa) for the period beginning on 1 July 2019 and ending on 30 June 2020, 1.33% of the Agency's betting profits.”

(2) To avoid doubt, a distribution made in accordance with **subclause (1)** may have retrospective effect.

Application of revenue from sports betting 30

17 Application of revenue from sports betting

Section 57(1)(d) of the former Act, as it read immediately before commencement of this clause, continues to apply until the date on which regulations made under **section 123(1)(d)** come into force.

Schedule 2

Provisions relating to ~~judicial~~ adjudicative committees and appeals tribunals

s 41

- 1 Representation at hearings held on race day** 5
- (1) No person may be represented by counsel at any hearing ~~held by a judicial committee for~~ or adjudicative process in respect of any matter that arises on any race day and that is held on that day.
- (2) **Subclause (1)** does not apply to a hearing of ~~a judicial~~ an adjudicative committee that is not held on the race day on which the subject matter of the hearing arose, or to a hearing held by an appeals tribunal. 10
- Compare: 2003 No 3 Schedule 3 cl 17
- 1A Right of appeal**
- (1) Any person properly entitled, by or under the relevant racing rules, to appeal to an appeals tribunal may do so. 15
- (2) An appeal properly brought under the relevant racing rules must be heard and determined by an appeals tribunal in accordance with those rules.
- Compare: 2003 No 3 Schedule 3 cl 20
- 2 Appeals against placings and stakes**
- (1) No person is entitled to appeal to any appeals tribunal against any decision ~~made by a judicial committee~~ on the day of a race in respect of placings in that race or stakes payable for those placings. 20
- (2) Nothing in **subclause (1)** prevents ~~a judicial~~ an adjudicative committee, at any time after the day of any race, from disqualifying a horse for a race, and making any order the committee considers appropriate as to the alteration of the placings in the race and the stakes payable for those placings,— 25
- (a) on a ground relating to a drug, stimulant, or depressant having been administered to the horse; or
- (b) on the ground that the horse was ineligible to start in the race; or
- (c) on any other ground on which, under the relevant racing rules, a horse 30
may be disqualified for a race after it has started in the race.
- (3) If ~~a judicial~~ an adjudicative committee decides, after the day of a race, that a horse should be disqualified for the race on any ground referred to in **sub-clause (2)**, the owner of the horse may appeal against the decision to an appeals tribunal. 35
- Compare: 2003 No 3 Schedule 3 cl 21

3 Privileges and immunities

- (1) Witnesses and counsel appearing before a ~~judicial~~ an adjudicative committee or an appeals tribunal have the same privileges and immunities that they would have in proceedings in the District Court.
- (2) No member of Racing Integrity Board or person who is a member of ~~any~~ judicial an adjudicative committee or an appeals tribunal is personally liable—
 - (a) for any liability of the Racing Integrity Board, ~~judicial~~ adjudicative committee, or appeals tribunal; or
 - (b) for any act done or omitted to be done by the Racing Integrity Board, ~~judicial~~ adjudicative committee, or appeals tribunal in good faith in the performance or intended performance of the functions, duties, or powers of the Board, ~~judicial~~ adjudicative committee, or appeals tribunal.

Compare: 2003 No 3 Schedule 3 cl 25

Schedule 3

Provisions relating to TAB NZ

s 46(9)

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*TAB NZ members***1 Duties of TAB NZ members**

A TAB NZ member, when exercising powers or performing duties as a member, must act—

- (a) in good faith; and 5
- (b) with reasonable care, diligence, and skill; and
- (c) with honesty and integrity.

Compare: 2003 No 3 Schedule 1 cl 1

2 Appointment of deputy chairperson

- (1) The Minister may appoint a TAB NZ member as the deputy chairperson. 10
- (2) A person appointed as deputy chairperson holds that office until the person—
 - (a) dies, or resigns from that office; or
 - (b) is removed from office by the Minister; or
 - (c) ceases to be a member.

Compare: 2003 No 3 Schedule 1 cl 2 15

3 Resignation and removal from office

- (1) A TAB NZ member may resign from office by giving written notice to the Minister.
- (2) The Minister may, by giving written notice to the member, remove the member from office at any time, without compensation, for inability to perform the duties of office, bankruptcy, neglect of duty, or misconduct, proved to the satisfaction of the Minister. 20
- (3) The Minister may only remove a person under **subclause (2)** after the Minister has given the person an opportunity to be heard.

Compare: 2003 No 3 Schedule 1 cl 3 25

4 Effect of vacancy in membership

The functions and powers of TAB NZ or the governing body are not affected by any vacancy in the membership of the governing body.

Compare: 2003 No 3 Schedule 1 cl 4

5 Remuneration

TAB NZ members must be paid, out of the funds of TAB NZ, remuneration by way of fees, allowances, or expenses that is determined by the Minister.

Compare: 2003 No 3 Schedule 1 cl 5

6 Liability of members and committee members 5

- (1) A TAB NZ member or person who is a member of any committee of the governing body is not personally liable—
 - (a) for any liability of TAB NZ or the governing body; or
 - (b) for any act done or omitted to be done by TAB NZ or the governing body in good faith in the performance or intended performance of the functions or powers of TAB NZ or the governing body. 10
- (2) Every TAB NZ member and every member of any committee of the governing body is indemnified by TAB NZ—
 - (a) for costs and damages for any civil liability arising from any action brought by a third party, provided the member was acting in good faith and in performance or intended performance of the functions or powers of TAB NZ; and 15
 - (b) for costs arising from any successfully defended criminal action.

Compare: 2003 No 3 Schedule 1 cl 6

7 Acts may not be called into question 20

No person may question the following in any proceedings on the grounds that the occasion for the appointment of the person had not arisen or had ceased:

- (a) an appointment of a chairperson:
- (b) an act done by a TAB NZ member while acting as a member:
- (c) an act done by the governing body while any TAB NZ member is acting as a member. 25

Compare: 2003 No 3 Schedule 1 cl 7

*Disclosure of interest***8 Obligation to disclose interest**

- (1) A TAB NZ member who (except as a member) has a direct or indirect interest in any of the matters listed in **subclause (2)** (except a betting transaction) must, as soon as practicable after the TAB NZ member knows about the relevant facts, disclose the nature of the interest in accordance with **clause 10**. 30
- (2) The matters are—
 - (a) TAB NZ's performance of its functions or exercise of its powers: 35

- (b) an arrangement, agreement, or contract made or entered into, or proposed to be made or entered into, by TAB NZ.

Compare: 2003 No 3 Schedule 1 cl 8

9 Meaning of interested

A TAB NZ member is **interested** in a transaction to which the governing body is a party only if, and only if, the member—

- (a) is a party to, or will or may derive a material financial benefit from, the transaction; or
- (b) has a material financial interest in another party to the transaction; or
- (c) is a director, officer, or trustee of another party to, or person who will or may derive a material financial benefit from, the transaction; or
- (d) is the parent, child, spouse, civil union partner, or de facto partner of another party to, or person who will or may derive a material financial benefit from, the transaction; or
- (e) is otherwise directly or indirectly materially interested in the transaction.

Compare: 2003 No 3 Schedule 1 cl 9

10 Disclosure of interest

- (1) A TAB NZ member must, immediately after becoming aware of the fact that the member is interested in a transaction or proposed transaction with TAB NZ, cause to be entered in the interests register, and disclosed to the governing body,—
 - (a) the nature and monetary value of the TAB NZ member's interest if the monetary value is able to be quantified; or
 - (b) the nature and extent of the TAB NZ member's interest if the monetary value cannot be quantified.
- (2) A general notice entered in the interests register or disclosed to TAB NZ to the effect that a TAB NZ member is a shareholder, director, officer, member, or trustee of another named company or other person and is to be regarded as interested in any transaction that may, after the date of the entry or disclosure, be entered into with that company or person is a sufficient disclosure of interest in relation to that transaction.

Compare: 2003 No 3 Schedule 1 cl 10

11 Consequences of disclosure

A TAB NZ member who discloses their interest under **clause 10**—

- (a) must not vote or take part in any deliberation or decision of the governing body relating to the matter; and

- (b) must be disregarded for the purpose of forming a quorum for that part of a meeting of the governing body during which a deliberation or decision relating to the matter occurs or is made.

Compare: 2003 No 3 Schedule 1 cl 11

12 Effect of non-compliance 5

If a TAB NZ member fails to comply with the disclosure requirements in **clauses 8 to 10**, the validity of a transaction entered into by TAB NZ is not affected by that fact.

Compare: 2003 No 3 sch 1 cl 12

Confidentiality of information 10

13 Confidentiality of information

- (1) A TAB NZ member must not disclose to any person, or make use of or act on, any information that is available to the member only in that capacity.
- (2) **Subclause (1)** does not apply if a TAB NZ member—
 - (a) is required or authorised by this Act or any other Act to disclose, use, or act on the information; or 15
 - (b) discloses, uses, or acts on the information for the purposes of TAB NZ or the requirements of the law.

Compare: 2003 No 3 Schedule 1 cl 13

14 When member may rely on certain information and advice 20

- (1) A TAB NZ member, when exercising powers or performing duties as a TAB NZ member, may rely on reports, statements, financial data, and other information prepared or supplied, and on professional or expert advice given, by any of the following persons:
 - (a) a person who that member believes on reasonable grounds to be reliable and competent in relation to the matters concerned: 25
 - (b) any other TAB NZ member or committee on which that member did not serve in relation to matters within that member's or committee's designated authority.
- (2) **Subclause (1)** applies to a TAB NZ member only if the member— 30
 - (a) acts in good faith; and
 - (b) makes proper inquiry if the need for inquiry is indicated by the circumstances; and
 - (c) has no knowledge that the reliance is unwarranted.

Compare: 2003 No 3 Schedule 1 cl 14

35

Procedure of governing body

15 Procedure generally

Except as otherwise provided in this Act, the governing body may regulate its own procedure.

Compare: 2003 No 3 Schedule 1 cl 15

5

16 Dates, times, and places of meetings

(1) The governing body or the chairperson must appoint the dates, times, and places for meetings of the governing body and give notice of those meetings to each TAB NZ member who is not present when the appointment is made.

(2) The chairperson, or any 2 TAB NZ members, may at any time call a special meeting of the governing body by giving at least 7 days' notice (or lesser notice if all TAB NZ members agree) of the special meeting, and of the business to be transacted at the meeting, to each TAB NZ member for the time being in New Zealand. 10

(3) Notice of a meeting— 15
 (a) must be written, and state the date, time, and place of the meeting; and
 (b) may be given by post or electronically; and
 (c) must be sent to the TAB NZ member's last known address in New Zealand.

(4) No business other than that stated in a notice of special meeting may be transacted at that meeting. 20

Compare: 2003 No 3 Schedule 1 cl 16

17 Methods of holding meetings

A meeting of the governing body may be held either—

(a) by a number of the TAB NZ members who constitute a quorum being assembled together at the place, date, and time appointed for the meeting; or 25

(b) by means of audio, or audio and visual, or electronic communication by which all TAB NZ members participating and constituting a quorum may simultaneously communicate with each other throughout the meeting. 30

Compare: 2003 No 3 Schedule 1 cl 17

18 Quorum

(1) A quorum for a meeting of the governing body is a majority of the TAB NZ members holding office at the time the meeting is held. 35

- (2) No business may be transacted at a meeting of the governing body if a quorum is not present.

Compare: 2003 No 3 Schedule 1 cl 18

19 Who presides at meetings

- (1) The chairperson must preside at all meetings of the governing body at which the chairperson is present. 5
- (2) If the chairperson is not present, or if there is no chairperson, the deputy chairperson, if present, must preside.
- (3) The TAB NZ members present must appoint one of their number to be the chairperson for the meeting if— 10
- (a) the chairperson or the deputy chairperson is not present; or
 - (b) there is no chairperson and no deputy chairperson.
- (4) A person appointed under **subclause (3)** has and may exercise all the powers, duties, and functions of the chairperson for the purposes of the meeting.

Compare: 2003 No 3 Schedule 1 cl 19

15

20 Voting at meetings

All resolutions of the governing body must be decided by a majority of the votes cast.

Compare: 2003 No 3 Schedule 1 cl 20

21 Resolutions

20

- (1) A resolution in writing signed or assented to by letter, fax, or email by all TAB NZ members is as valid and effectual as if it had been passed at a meeting of the governing body duly called and constituted.
- (2) The resolution may consist of several documents in like form, each signed or appearing to have been sent by 1 or more TAB NZ members. 25

Compare: 2003 No 3 Schedule 1 cl 21

Method of contracting

22 Method of contracting

- (1) A contract or other enforceable obligation may be entered into by TAB NZ as stated in **subclauses (2) to (5)**. 30
- (2) An obligation that, if entered into by an individual, would be required to be by deed may be entered into on behalf of TAB NZ in writing, signed under the name of TAB NZ by—
- (a) 2 or more TAB NZ members; or
 - (b) 1 or more attorneys appointed by TAB NZ in accordance with **clause 23**. 35

- (3) An obligation that, if entered into by an individual, is required to be in writing may be entered into on behalf of TAB NZ in writing by a person acting under TAB NZ's express or implied authority.
- (4) An obligation that, if entered into by an individual, is not required to be in writing may be entered into on behalf of TAB NZ in writing or orally by a person acting under TAB NZ's express or implied authority. 5
- (5) This clause applies to a contract or other obligation—
 - (a) whether or not that contract or obligation was entered into in New Zealand; and
 - (b) whether or not the law governing the contract or obligation is the law of New Zealand. 10

Compare: 2003 No 3 Schedule 1 cl 22

23 Attorneys

- (1) TAB NZ may, by an instrument in writing executed in accordance with **clause 24(1)**, appoint a person as its attorney either generally or in relation to a specific matter. 15
- (2) An act of the attorney in accordance with the instrument binds TAB NZ.

Compare: 2003 No 3 Schedule 1 cl 23

Delegations

24 Delegation by governing body 20

- (1) Subject to **subclause (2)**, the governing body may, by writing either generally or specifically, delegate any of the functions or powers of TAB NZ to a committee of the governing body or to any person.
- (2) The governing body must not delegate any of the following powers:
 - (a) the power of delegation in **subclause (1)**: 25
 - (b) the power to grant a power of attorney.

Effect of delegation

- (3) A person to whom any functions or powers are delegated may carry out those functions or exercise those powers in the same manner and with the same effect as if they had been conferred on the person directly and not by delegation (subject to any direction given, or condition imposed, by the governing body). 30
- (4) A person purporting to act under a delegation is, in the absence of proof to the contrary, presumed to be acting in accordance with the terms of the delegation.

Other matters relating to delegation

- (5) A delegation under **subclause (1)**— 35
 - (a) is revocable at will, but the revocation does not take effect until it is communicated to the delegate:

- (b) does not prevent the governing body from performing the functions or exercising the powers.

Compare: 2003 No 3 Schedule 1 cl 24

Committees

- 25 TAB NZ committees** 5
- (1) The governing body may, by writing, appoint a committee to—
- (a) advise the governing body on any matters relating to TAB NZ's functions or powers that are referred to the committee by the governing body; or
- (b) perform or exercise any of TAB NZ's functions or powers that are delegated to the committee under **clause 24(1)**. 10
- (2) The governing body may, by resolution, alter, discharge, continue, or reconstitute a committee appointed under **subclause (1)**.
- (3) Committee members may be TAB NZ members or other persons.
- (4) A committee may regulate its own procedure, subject to any direction from the governing body. 15
- (5) **Clauses 7 to 22** apply to the committee.
- Compare: 2003 No 3 Schedule 1 cl 28

Employees

- 26 Appointment of chief executive** 20
- (1) The governing body may appoint a chief executive.
- (2) The chief executive must be appointed on the terms and conditions that are determined by the governing body.
- Compare: 2003 No 3 Schedule 1 cl 29
- 27 Appointment of other employees** 25
- (1) The chief executive may appoint the employees, including employees on secondment from other organisations, that the chief executive thinks necessary for the efficient performance of TAB NZ's functions, and may negotiate the terms and conditions of employment of those employees.
- (2) Subject to the terms and conditions of employment, the chief executive may at any time terminate or suspend the employment of any of TAB NZ's employees. 30
- Compare: 2003 No 3 Schedule 1 cl 30
- 28 Superannuation or retiring allowances**
- For the purpose of providing a superannuation fund or retiring allowances for its employees, the governing body may pay sums by way of a subsidy or a con- 35

tribution into any retirement scheme (within the meaning of section 6(1) of the Financial Markets Conduct Act 2013).

Compare: 2003 No 3 Schedule 1 cl 31

Schedule 4

Provisions relating to performance and efficiency audit of TAB NZ

s 50(2)

1 Performance and efficiency audit

- (1) A performance and efficiency audit must be conducted, at least once every 5 years, in relation to how effectively and efficiently TAB NZ is performing its functions under **section 48**. 5
- (2) While the audit must relate to TAB NZ's performance on the particular day on which the audit is conducted and its prospective future performance, the person conducting the audit may have regard to TAB NZ's performance during the 5 years before that day. 10

Compare: 1971 No 155 s 103C(2), (3); 2003 No 3 Schedule 2 cl 1

2 ~~Terms of reference~~

- (1) ~~At least 4 months before the day on which an audit is to be conducted, TAB NZ must consult the Minister regarding the terms of reference for the audit.~~ 15
- (2) ~~The Minister must provide written notice of the Minister's views on the proposed terms of reference within 1 month after having been consulted by TAB NZ.~~
- (3) ~~TAB NZ must determine the terms of reference but, before doing so, TAB NZ must—~~ 20
 - (a) ~~consult each of the racing codes and make any amendments to the terms that it considers appropriate as a result of the consultation; and~~
 - (b) ~~obtain approval of the terms from the Minister.~~
- (4) ~~If the Minister is not satisfied with any proposed terms of reference, the Minister may determine those terms by giving written notice to TAB NZ.~~ 25

Compare: 1971 No 155 s 103C(4)–(9); 2003 No 3 Schedule 2 cl 2

2 Terms of reference

- (1) At least 4 months before the day on which an audit is to be conducted, TAB NZ must consult the Minister and each recognised industry organisation regarding the terms of reference for the audit. 30
- (2) For the purposes of **subclause (1)**,—
 - (a) the Minister must provide written notice of the Minister's views on the proposed terms of reference within 1 month after having been consulted by TAB NZ;
 - (b) a recognised industry organisation must provide written notice of its views on the proposed terms of reference within 1 month after having been consulted by TAB NZ, if the organisation wishes to do so. 35

- (3) TAB NZ must determine the terms of reference but, before doing so, TAB NZ must obtain approval of the terms from the Minister and each racing code.
- (4) However, **subclauses (1), (2), and (3)** require TAB NZ to consult and seek approval from a racing code only if there is no provision in any commercial agreement between TAB NZ and that racing code or all racing codes providing for consultation by TAB NZ with that racing code or all racing codes and setting out a process for the approval of terms of reference for the audit. 5
- (5) If the Minister is not satisfied with any proposed terms of reference, the Minister may determine those terms by giving written notice to TAB NZ.
- Compare: 1971 No 155 s 103C(4)–(9); 2003 No 3 Schedule 2 cl 2 10

3 Appointment of auditor

- (1) A performance audit must be conducted by a person (not being a member, former member, or employee of TAB NZ) appointed at least 1 month before the date on which the audit is to be conducted.
- (2) Before appointing a person under **subclause (1)**, TAB NZ must consult, and obtain the approval of, the Minister in relation to the proposed appointment. 15
- (3) If the Minister is not satisfied with the proposed appointment, the Minister may appoint a person to conduct the audit.
- Compare: 1971 No 155 s 103C(10)–(12); 2003 No 3 Schedule 2 cl 3

4 Conduct of audit 20

In determining TAB NZ's performance and efficiency, the person appointed to conduct the audit must take into account—

- (a) the extent to which TAB NZ has established objectives for the performance of its functions; and
- (b) the nature of those objectives; and 25
- (c) the progress TAB NZ is making towards the achievement of those objectives; and
- (d) the extent to which TAB NZ has put in place policies and strategies to use its resources effectively and efficiently for the purpose of achieving those objectives; and 30
- (e) the nature of those policies and strategies, and the manner in which they were put in place.

Compare: 1971 No 155 s 103C(13); 2003 No 3 Schedule 2 cl 4

5 Report of audit

- A person who conducts an audit must, after conducting it,— 35
- (a) prepare a written report on the conclusions reached as a result of the audit; and

- (b) provide copies of the report to the Minister, TAB NZ, and the recognised industry organisations.

Compare: 1971 No 155 s 103C(14); 2003 No 3 Schedule 2 cl 5

6 TAB must pay reasonable costs of audit

- (1) TAB NZ must pay the reasonable costs of an audit to the person who conducted it. 5
- (2) The reasonable costs of an audit are,—
 - (a) if TAB NZ appointed the person, the remuneration by way of fees and expenses agreed between TAB NZ and the person:
 - (b) if the Minister appointed the person, the remuneration by way of fees and expenses agreed between the Minister and the person (after the Minister has consulted TAB NZ). 10

Compare: 1971 No 155 s 103C(15), (16); 2003 No 3 Schedule 2 cl 6

Schedule 5

Consequential amendments to other enactments

s 124

Part 1

Amendments to other Acts

5

Anti-Money Laundering and Countering Financing of Terrorism Act 2009 (2009 No 35)

In section 5(1), definition of **reporting entity**, paragraph (a)(v), replace “the Racing Industry Transition Agency” with “TAB NZ”.

In section 5(1), definition of **transaction**, paragraph (c)(i) and (ii), replace “Racing Act 2003” with “**Racing Industry Act 2019**”. 10

In section 6(3)(d) and (4)(b), replace “the Racing Industry Transition Agency” with “TAB NZ”.

In section 6(4)(b)(i), replace “section 50 of the Racing Act 2003” with “**section 66 of the Racing Industry Act 2019**”. 15

In section 130(1)(d), replace “the Racing Industry Transition Agency” with “TAB NZ”.

In section 137(6) and (7), replace “Racing Act 2003” with “**Racing Industry Act 2019**”. 20

In section 140(2)(r), replace “Racing Act 2003” with “**Racing Industry Act 2019**”. 20

Flags, Emblems, and Names Protection Act 1981 (1981 No 47)

In Schedule 3, replace the item relating to the Racing Act 2003 with:

Racing Industry Act 2019: section 120

TAB NZ, Totalisator Agency Board, TAB, New Zealand Racing Board, NZRB, Racing Industry Transition Agency, RITA, Racing Conference, New Zealand Thoroughbred Racing, Trotting Conference, Harness Racing New Zealand, and New Zealand Greyhound Racing Association

Gambling Act 2003 (2003 No 51)

Repeal section 2(1)(n).

In section 4(1), definition of **authorised purpose**, paragraph (a)(iii), replace “Racing Act 2003” with “**Racing Industry Act 2019**”. 25

In section 4(1), definition of **bookmaking**, paragraph (b)(i), replace “the Racing Industry Transition Agency or a racing club under the Racing Act 2003” with “TAB NZ or a racing club under the **Racing Industry Act 2019**”.

In section 4(1), definition of **racing club**, replace “Racing Act 2003” with “**Racing Industry Act 2019**”. 30

Gambling Act 2003 (2003 No 51)—continued

In section 4(1), definition of **racing code**, replace “Racing Act 2003” with “**Racing Industry Act 2019**”.

In section 4(1), definition of **relevant offence**, paragraphs (c) and (d), replace “the Racing Act 2003, or the Racing Act 1971” with “the **Racing Industry Act 2019** or the previous racing Acts”.

In section 4(1), definition of **remote interactive gambling**, paragraph (b)(ii), replace “Racing Act 2003” with “**Racing Industry Act 2019**”.

In section 4(1), insert in its appropriate alphabetical order:

previous racing Acts means the Racing Act 2003 and the Racing Act 1971

In section 9(1)(b), replace “Racing Act 2003” with “**Racing Industry Act 2019**”.

In section 12(3)(b), replace “the Racing Industry Transition Agency” with “TAB NZ”.

In section 20(2)(c), replace “Racing Act 2003” with “**Racing Industry Act 2019**”.

In the heading to section 33, replace “**Racing Industry Transition Agency**” with “**TAB NZ**”.

In section 33(1), replace “The Racing Industry Transition Agency and societies that are racing clubs under the Racing Act 2003” with “TAB NZ and societies that are racing clubs under the **Racing Industry Act 2019**”.

In section 33(1A), (2), and (3), replace “the Racing Transition Agency” with “TAB NZ” in each place.

In section 34(b), replace “the Racing Industry Transition Agency” with “TAB NZ”.

In section 36(3)(a) and (b), replace “Racing Act 2003 or the Racing Act 1971” with the “**Racing Industry Act 2019** or the previous racing Acts”.

In section 51(3)(a) and (b), replace “Racing Act 2003 or the Racing Act 1971” with the “**Racing Industry Act 2019** or the previous racing Acts”.

In section 52(4)(c)(ii), replace “Racing Act 2003 or the Racing Act 1971 (and any rules of racing made under either of those Acts)” with “**Racing Industry Act 2019** or the previous racing Acts (and any rules of racing made under any of those Acts)”.

In section 54(1)(c), replace “Racing Act 2003” with “**Racing Industry Act 2019**”.

In section 65(4), replace “the Racing Industry Transition Agency” with “TAB NZ”.

In section 66(4)(a) and (b), replace “Racing Act 2003 or the Racing Act 1971” with the “**Racing Industry Act 2019** or the previous racing Acts”.

In section 67(1)(n), replace “the Racing Industry Transition Agency” with “TAB NZ” in each place.

In section 68(1)(c)(ii), replace “Racing Act 2003 or the Racing Act 1971 (and any rules of racing made under either of those Acts)” with “**Racing Industry Act 2019** or the previous racing Acts (and any rules of racing made under any of those Acts)”.

Gambling Act 2003 (2003 No 51)—continued

In section 69A(f), replace “the Racing Industry Transition Agency” with “TAB NZ”.

In section 71(1)(c), replace “section 29 of the Racing Act 2003” with “**section 28 of the Racing Industry Act 2019**”.

In section 120(1), replace “the Racing Industry Transition Agency and that is authorised by, and complies with, the Racing Act 2003” with “TAB NZ and that is authorised by, and complies with, the **Racing Industry Act 2019**”. 5

In section 120(2), replace “the Racing Industry Transition Agency” with “TAB NZ” in each place.

In section 201(2)(b)(ii), replace “Racing Act 2003 or the Racing Act 1971 (and any rules of racing made under either of those Acts)” with “**Racing Industry Act 2019** 10 or the previous racing Acts (and any rules of racing made under any of those Acts)”.

In section 318(1)(h)(iv), replace “the Racing Industry Transition Agency” with “TAB NZ”.

In section 320(3)(a)(i), replace “the Racing Industry Transition Agency, has the same meaning as betting profits in section 17A(3) of the Racing Act 2003” with “TAB NZ, 15 has the same meaning as betting profits in **section 63(3) of the Racing Industry Act 2019**”.

In section 320(3)(a)(ii), replace “the Racing Industry Transition Agency” with “TAB NZ”.

In section 320(3)(b)(i) and (d)(i), replace “the Racing Industry Transition Agency (or 20 its successor organisation),” with “TAB NZ”.

In section 365(1)(b) and (2)(b), replace “Racing Act 2003” with “**Racing Industry Act 2019**”.

Repeal Schedule 8.

Gaming Duties Act 1971 (1971 No 34) 25

In section 3, repeal the definition of **Agency**.

In section 3, definition of **fixed-odds betting**, replace “the Board or its agents under section 50 of the Racing Act 2003” with “TAB NZ or its agents under **section 66 of the Racing Industry Act 2019**”.

In section 3, definition of **sports betting**, replace “section 5 of the Racing Act 2003” 30 with “**section 5(1) of the Racing Industry Act 2019**”.

In section 3, definition of **totalisator racing betting**, replace “section 5 of the Racing Act 2003; but does not include equalisator betting within the meaning of section 51” with “**section 5(1) of the Racing Industry Act 2019**; but does not include equal- 35 isator betting within the meaning of **section 67**”.

In section 3(1), insert in its appropriate alphabetical order:

TAB NZ has same meaning as in **section 5(1) of the Racing Industry Act 2019**

Gaming Duties Act 1971 (1971 No 34)—continued

In section 4(2), formula, replace “the Agency” with “TAB NZ”.

In the heading to section 5, replace “**Board**” with “**TAB NZ**”.

In section 5(1), replace “The Board” with “TAB NZ”.

In section 5(1)(a) and (3), replace “the Board” with “TAB NZ” in each place.

Goods and Services Tax Act 1985 (1985 No 141)

5

Replace section 5(8) with:

- (8) Despite any other provision of this Act, for the purposes of this Act, if any racing betting or sports betting (within the meaning of **section 5(1)** of the **Racing Industry Act 2019**) is conducted by TAB NZ (as defined in **section 5(1)** of that Act), the betting must be regarded as a supply of services by TAB NZ.

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In section 5(11CC), replace “Racing Act 2003” with “**Racing Industry Act 2019**”.

In section 10(12)(a), replace “the Racing Industry Transition Agency or its agents, plus the net return of bets laid off by the Board” with “TAB NZ or its agents, plus the net return of bets laid off by TAB NZ”.

15

In section 10(13), replace “**Racing Industry Transition Agency, racing club, racing betting, and sports betting** have the meanings set out in section 5 of the Racing Act 2003” with “**TAB NZ, racing club, racing betting, and sports betting** have the meanings set out in **section 5(1) of the Racing Industry Act 2019**”.

Income Tax Act 2007 (2007 No 97)

20

In the heading to CW 47, replace “**TAB**” with “**TAB NZ**”.

In section CW 47(1)(a), replace “the Racing Industry Transition Agency” with “TAB NZ”.

In section CW 47(2), replace “section 5 of the Racing Act 2003” with “**section 5(1) of the Racing Industry Act 2019**”.

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In section CW 60, replace “Racing Act 2003” with “**Racing Industry Act 2019**”.

In section EW 5(3)(a), replace “section 5 of the Racing Act 2003” with “**section 5(1) of the Racing Industry Act 2019**”.

In section EW 5(3)(b), replace “Part 6 of the Racing Act 2003” with “**Part 4 of the Racing Industry Act 2019**”.

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In section EZ 48, definition of **excepted financial arrangement**, paragraph (i)(i), replace “section 5 of the Racing Act 2003” with “**section 5(1) of the Racing Industry Act 2019**”.

In section EZ 48, definition of **excepted financial arrangement**, paragraph (i)(ii), replace “Part 6 of the Racing Act 2003” with “**Part 4 of the Racing Industry Act 2019**”.

35

Official Information Act 1982 (1982 No 156)

In Schedule 1, repeal the item relating to the Racing Industry Transition Agency.

In Schedule 1, insert in its appropriate alphabetical order:

TAB NZ

Tax Administration Act 1994 (1994 No 166)

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In Schedule 7, part C, subpart 1, after clause 34, insert:

34A Department of Internal Affairs: offshore betting charges

Section 18 does not prevent the Commissioner communicating information to a person who is an employee of the Department of Internal Affairs that—

- (a) the person is authorised by the department to receive; and
- (b) the Commissioner considers is not undesirable to disclose and is essential to enable the person to carry out any duty lawfully conferred on the person relating to offshore betting charges payable under **subpart 1 of Part 5 of the Racing Industry Act 2019** and liable for GST.

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Part 2

15

Amendments to legislative instruments

Anti-Money Laundering and Countering Financing of Terrorism (Definitions) Regulations 2011 (SR 2011/222)

In regulation 15(1)(a)(iii), replace “the Racing Industry Transition Agency” with “TAB NZ”.

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In regulation 15(4), definition of **voucher**, replace “the Racing Industry Transition Agency” with “TAB NZ”.

Anti-Money Laundering and Countering Financing of Terrorism (Exemptions) Regulations 2011 (SR 2011/223)

In heading to regulation 6AB, replace “**Racing Industry Transition Agency**” with “**TAB NZ**”.

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In regulation 6AB, replace “the Racing Industry Transition Agency (the **Agency**)” with “**TAB NZ**”.

In the heading to regulation 5, replace “**Racing Industry Transition Agency**” with “**TAB NZ**”.

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In heading to regulation 7A, replace “**Racing Industry Transition Agency**” with “**TAB NZ**”.

In regulation 7A(1), replace “the Racing Industry Transition Agency (the **Agency**)” with “TAB NZ”.

In regulation 15(1)(a)(iii), replace “the Racing Industry Transition Agency (the **Agency**)” with “TAB NZ”.

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Anti-Money Laundering and Countering Financing of Terrorism (Exemptions) Regulations 2011 (SR 2011/223)—*continued*

In regulation 15(3), definition of **voucher**, replace “the Agency” with “TAB NZ”.

In regulation 24A(3), replace “the New Zealand Racing Board ” with “TAB NZ”.

Electronic Identity Verification Regulations 2013 (SR 2013/9)

In Schedule 1, repeal the item relating to the Racing Industry Transition Agency.

In Schedule 1, insert in its appropriate alphabetical order:

5

TAB NZ

Financial Markets Conduct (Equine Bloodstock) Exemption Notice 2016 (LI 2016/289)

In clause 4(1), definition of code of practice, paragraph (a), replace “section 29 of the Racing Act 2003” with “**section 28 of the Racing Industry Act 2019**”.

10

Gambling (Fees) Regulations 2015 (LI 2015/313)

In regulation 3(1), definition of **category A application**, paragraph (b), replace “the Racing Industry Transition Agency” with “TAB NZ”.

Gambling (Problem Gambling Levy) Regulations 2019 (LI 2019/134)

In regulation 6, replace “the Racing Industry Transition Agency” with “TAB NZ”.

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In the heading to regulation 11, replace “**Racing Industry Transition Agency**” with “**TAB NZ**”.

In regulation 11, replace “The Racing Industry Transition Agency” with “TAB NZ”.

In regulation 11(a), replace “the Racing Industry Transition Agency” with “TAB NZ”.

In Schedule 2, replace “Racing Industry Transition Agency” with “TAB NZ”.

20

Racing (Harm Prevention and Minimisation) Regulations 2004 (SR 2004/291)

In section 3(1), replace “Racing Act 2003” with “**Racing Industry Act 2019**”.

In regulation 4, replace “The Agency” with “TAB NZ”.

In regulation 4, replace “an Agency venue” with “a TAB venue”.

In regulation 5, replace “The Agency must, at each Agency venue,” with “TAB NZ must, at each TAB venue,”.

25

In regulation 6(1), replace “The Agency” with “TAB NZ”.

In regulation 6(1), replace “an Agency venue” with “a TAB venue”.

In regulation 6(2)(e), replace “the Agency may refuse to accept a bet under section 65” with “TAB NZ may refuse to accept a bet under **section 85**”.

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Racing Industry Bill

Legislative history

5 December 2019
10 December 2019

Introduction (Bill 198–1)
First reading and referral to Transport and Infrastructure
Committee