



# Racing Industry Act 2020

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Commencement see section 2

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**The Parliament of New Zealand enacts as follows:**

**1 Title**

This Act is the Racing Industry Act 2020.

**2 Commencement**

- (1) Sections 21 and 22 and clause 6 of Schedule 1 come into force on the day after the date on which this Act receives the Royal assent.
- (2) Sections 42 to 50 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 42 to 50 come into force on 1 January 2022.
- (4) The rest of this Act comes into force on 1 August 2020.

**Part 1**

**Preliminary provisions**

**3 Purposes**

The purposes of this Act are to—

- (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
  - (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.

#### **4 Outline**

- (1) This Act replaces the Racing Act 2003.
- (2) Part 1 states the purposes of the Act, defines certain terms used in the Act, and contains other preliminary provisions.
- (3) Part 2 relates to the governance, administration, and conduct of New Zealand racing and contains provisions that—
  - (a) establish Racing New Zealand as a consultative forum for the 3 racing codes; and
  - (b) state the functions of the 3 racing codes in relation to racing clubs, racing venues, and participants; and
  - (c) set out accountability requirements that apply to the racing codes; and
  - (d) 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
  - (e) provide for the dissolution of racing clubs that are no longer racing; and
  - (f) 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
  - (g) establish the Racing Integrity Board to oversee the racing integrity system in respect of the conduct of racing; and
  - (h) provide for the appointment of inspectors to inspect racecourses and premises of TAB NZ.
- (4) Part 3 establishes TAB NZ and contains related provisions.
- (5) Part 4 deals with betting conducted by TAB NZ and racing clubs under this Act and gambling conducted by TAB NZ at its venues.
- (6) Part 5 provides for the payment of offshore betting charges by offshore betting operators and other matters, including the repeal of the Racing Act 2003, consequential amendments to other enactments, and miscellaneous matters.

#### **5 Interpretation**

- (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
- (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:
  - (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:
  - (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 relating to those things, whether enforceable by Act or rule of law

**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 105

**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

**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

**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

**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 66(2)

**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

**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

**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

**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 55

**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

**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

**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
- (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

**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
- (b) includes exchange betting and spread betting

**participant**—

- (a) means a person registered with a racing code; and
- (b) includes (without limitation)—
- (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:
  - (iv) a person who otherwise deals with animals used for thoroughbred racing, harness racing, or greyhound racing:
  - (v) a member of a racing club:
  - (vi) any other person to whom relevant racing rules apply

**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 to be carried out by that person

**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

**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

**racing betting**—

- (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
- (b) does not include exchange betting or spread betting

**racing betting rules** means rules relating to racing betting made under section 76

**racing calendar** means the racing calendar determined for a racing year under section 66(4)(a)

**racing club or club**—

- (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
- (b) includes a hunt club

**racing code or code** means each of the following:

- (a) New Zealand Thoroughbred Racing Incorporated:
- (b) Harness Racing New Zealand Incorporated:
- (c) New Zealand Greyhound Racing Association Incorporated

**racing rules**, in relation to a racing code, means rules made by the code for the purposes of section 37 together with any amendments made under section 38

**racing venue**—

- (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
- (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

- (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:
- (b) in relation to harness races,—
- (i) Harness Racing New Zealand Incorporated; and
  - (ii) N.Z. Standardbred Breeders' Association Incorporated; and
  - (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:
- (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

**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

**selection panel** means the panel established under section 56

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

**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:
- (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 80(2) and (3) between TAB NZ and Sport and Recreation New Zealand that relates to the sport concerned

**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
- (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

**TAB New Zealand** or **TAB NZ** means the body established by section 54 to conduct 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

**TAB venue** means premises owned or leased by TAB NZ and where the main business carried on at the premises is providing 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

**territorial authority consent** means consent granted by a territorial authority under section 95

**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—

- (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.

- (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—
- (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

## **6 Application of Act to hunt clubs**

Nothing in sections 21 and 22 or subpart 2 or 3 of Part 2 applies to a hunt club.

## **7 Transitional, savings, and related provisions**

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

## **8 Act binds the Crown**

This Act binds the Crown.

Compare: 2003 No 3 s 6

# **Part 2 Racing**

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

### *Racing New Zealand*

## **9 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 10.

## **10 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:
- (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 12.

### **11 Servicing and funding of Racing New Zealand**

- (1) Administrative services for Racing New Zealand must be provided by the racing codes.
- (2) The services must be provided—
  - (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.

### **12 Delegation of functions and powers by racing codes**

- (1) A racing code may delegate in writing any of its functions or powers under this Act to Racing New Zealand.
- (2) A delegation under this section—
  - (a) may be subject to any conditions imposed by the racing code; and
  - (b) is revocable at any time, by notice in writing.
- (3) Racing New Zealand must not delegate any function or power delegated to it under this section to any other person or organisation.

### **13 Membership of Racing New Zealand**

- (1) The board of Racing New Zealand comprises—
  - (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:
  - (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.
- (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

- (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.
- (5) Except as provided in this section, the board may regulate its own procedures.

### *Racing codes*

#### **14 Objectives of racing codes**

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

#### **15 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;
    - (ii) making racing rules (and any amendments to those rules) in relation to racing conducted by the code;
    - (iii) approving the constitution of a racing club and any amendments to it before the constitution or amendments take effect;
    - (iv) registering or licensing racing clubs, participants, horses, and greyhounds (as appropriate) in accordance with racing rules made by the code;
    - (v) taking measures to ensure adequate representation and involvement of small racing clubs in the code's decision making;
  - (b) 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;
  - (c) 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;
  - (d) to develop and implement animal welfare policies in respect of racing conducted by the code;
  - (e) to distribute revenue received by the code to racing clubs registered with the code;



- (f) 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:
  - (g) to undertake, or arrange for the undertaking of, research, development, and education for the benefit of New Zealand racing:
  - (h) to enter into commercial agreements with TAB NZ:
  - (i) to collaborate with the other racing codes to achieve the objectives of the racing industry as a whole:
  - (j) to carry out any other functions that are necessary or desirable to assist the code in achieving its objectives.
- (2) Each racing code has and may exercise all the powers that may be reasonably necessary for carrying out its functions.
- (3) 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 of the communities in which it operates.

Compare: 2003 No 3 s 9(2)

## **16 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 19; 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) 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

**17 Racing codes must prepare business plan**

- (1) Before the start of a racing year, each racing code must prepare a business plan relating to that racing year.
- (2) Each racing code must publish a copy of its business plan on an Internet site maintained by or on behalf of the code.

**18 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 33 in that racing year (as applicable).
- (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.

**19 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 72.
- (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.

Compare: 2003 No 3 s 25

*Racing clubs***20 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

**21 Restriction on dealing with racing venue**

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

## **22 Restriction on dealing must be recorded on record of title**

- (1) This section applies in respect of any land comprising a racing venue to which section 21 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 21(1).

### Subpart 2—Transfer of assets and surplus venues

## **23 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
- (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—

- (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 27.

### *Transfer of assets*

## **24 Transfer of assets on dissolution of club**

- (1) This section applies if a racing club is dissolved by any means (including under section 36(3)).

- (2) Subject to section 25, 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 any racing venue or venues of the racing club that are vested in the code.

## **25 Transfer of assets if racing clubs combine**

- (1) This section applies if 2 or more racing clubs propose to combine to form 1 club.
- (2) The assets of a 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*

## **26 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.
- (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.

## **27 Transfer of surplus venues by Order in Council**

- (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
  - (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
  - (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
  - (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
  - (c) in relation to each surplus venue,—
    - (i) give details of all legal interests in the venue; and
    - (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
  - (d) state whether either or both of the following payments are warranted and should be made by the code following the transfer:
    - (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),—
  - (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 a payment or payments (if any) referred to in subsection (4)(d)(i) and (ii); and
  - (c) the racing code must, subject to the restriction in subsection (6), state how it intends to apply the proceeds from any subsequent sale of the surplus venue in its property investment strategy prepared under section 33.
- (6) The proceeds of the sale of a surplus venue vested in a racing code under subsection (5) must only be used to repair, upgrade, or construct another racing venue located in the same region of New Zealand 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.
- (7) 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).
- (8) An Order in Council made under this section must identify the transfer proposal or amendment approved, but need not incorporate it in the order.

**28 Minister must have regard to certain matters before recommending order under section 27**

- (1) In determining whether to recommend the making of an order under section 27, the Minister must—
  - (a) have regard to the matters specified in subsection (2), and as applicable, the matters specified in subsection (3); and
  - (b) comply with sections 29 to 31.
- (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.
- (3) If it is not appropriate for negotiations to be resumed for the transfer of the surplus venue by agreement, the Minister must 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 27 and for the purpose of making that decision the Minister must take into account the following:
  - (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
  - (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
  - (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
  - (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 (as applicable); and
- (i) whether the surplus venue is used by racing 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 27(4)(d)(i) or (ii) if the surplus venue is transferred to the racing code under that section; and
- (l) any other matters that the Minister considers relevant in the particular circumstances of the case.

**29 Minister must not recommend order under section 27 if special circumstances exist**

If, having considered the matters in section 28(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 27.

**30 What happens if exemption from transfer to code unjustified under section 28(3)**

If the Minister considers there is inadequate justification under section 28(3) to exempt the surplus venue from the application of section 27, the Minister must 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:

- (a) the purposes of this Act as set out in section 3(a)(ii) and (iv); and
- (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); and
- (c) 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
- (d) 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
- (e) 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
- (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 (as applicable); and
- (i) whether the surplus venue is used by racing clubs that do not have a proprietary interest in the surplus venue; and
- (j) any proposals put forward by the local community for the future use of the surplus venue; and
- (k) the appropriateness of a payment under section 27(4)(d)(i) or (ii) if the surplus venue is transferred to the racing code under that section; and
- (l) any other matters that the Minister considers relevant to achieving the purposes of this Act.

### **31 Minister must appoint reviewer before recommending order**

- (1) In addition, before considering the matters in section 28 or determining whether to recommend the making of an order under section 27(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 27 or exempted from the application of that section; and
  - (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.
- (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—
  - (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.



- (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
  - (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 27(4)(d)(i) or (ii) should be made by the code on the transfer and for that purpose must consider—
  - (a) the transfer proposal prepared by the code under section 27(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).
- (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.

### **32 Effect of transfer of surplus venue**

- (1) This section applies to a transfer proposal approved by Order in Council made under section 27 and the transfer of a surplus venue in accordance with that section.

#### *Transfer not affected by requirements for additional consents*

- (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.

#### *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).

*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,—
- (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.
- (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)—
- (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.
- (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—
- (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.
- (14) Nothing effected or authorised by section 27—
- (a) places the racing club or any other person in breach of contract or confidence or otherwise makes any of them liable for a civil wrong; or
  - (b) gives rise to a right for any person to terminate, cancel, or modify a contract, or to accelerate the performance of an obligation; or
  - (c) 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

- (d) releases a surety wholly or in part from any obligation; or
- (e) invalidates or discharges any contract.

**33 Racing codes must prepare property investment strategy in respect of transferred assets and venues**

- (1) This section applies while a racing code owns any assets or surplus venues that have been transferred to the code in accordance with this subpart.
- (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.
- (3) The racing code must publish a copy of the strategy on an Internet site maintained by or on behalf of the code.

**Subpart 3—Dissolution of racing clubs no longer racing**

**34 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—
  - (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
  - (b) for a racing club that has promoted, conducted, or controlled 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.
- (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
  - (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
  - (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 26 that have not been concluded; or
  - (b) a transfer proposal under section 27 that has not been determined.

### **35 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 34(3) that the club is no longer racing.
- (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.

### **36 Racing club no longer racing may be dissolved**

- (1) This section applies if a racing code makes a final determination under section 34(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).
- (3) If the Registrar receives a notification under subsection (2), the Registrar must make a declaration of dissolution in respect of the club.

## Subpart 4—Racing integrity system

### *Racing rules*

### **37 Racing rules**

- (1) Each racing code must make, and maintain in force, rules regulating the conduct of racing by the code.
- (2) In making rules under subsection (1), each racing code must consult TAB NZ and the Racing Integrity Board.

- (3) In addition, the Racing Integrity Board must approve any rules made by a racing code under subsection (1) that affect the compliance or adjudication functions of the Board set out in section 44(1)(a) to (f).
- (4) 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
  - (b) each racing code must also consult the Racing Integrity Board about the making or changing of those rules, and subsection (3) continues to apply.
- (5) Without limiting subsection (1), racing rules may provide for—
  - (a) the functions, duties, and powers of stipendiary stewards and racing investigators; and
  - (b) matters relating to the breeding, care, and welfare of horses and greyhounds; and
  - (c) the licensing of trainers, jockeys, drivers, and apprentices, and related matters; and
  - (d) the registration of horses, greyhounds, syndicates, and colours; and
  - (e) the conduct and control of race meetings, including managing risks to health and safety; and
  - (f) prize money and other stakes, programmes, entries, withdrawals, weights, penalties, handicapping, allowances, weighing, starting, and running; and
  - (g) penalties for breaches of the rules; and
  - (h) determinations and appeals; and
  - (i) disqualifications and suspensions; and
  - (j) any other matters relating to the conduct of races and racing that the racing code thinks fit.
- (6) Each racing club and participant must comply with relevant racing rules.

Compare: 2003 No 3 ss 29, 33

### **38 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.
- (2) In addition, the Racing Integrity Board must approve any amendments to racing rules made under subsection (1) that affect the compliance or adjudication functions of the Board set out in section 44(1)(a) to (f).

- (3) 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)

### **39 Availability and status of racing rules**

- (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 37 must be published on an Internet site maintained by or on behalf of the relevant racing code.
- (3) Racing rules made under section 37—
  - (a) are contractual in nature; and
  - (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

### **40 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.
- (3) The rules may exclude any specified class (or classes) of persons from entering a racecourse, either absolutely or subject to any special conditions that may be set out in the rules.
- (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 racing; and
  - (b) the integrity of racing betting.
- (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 of the following persons:
  - (a) a stipendiary steward or a racing investigator;
  - (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)

#### **41 Rules must not conflict with any Act or general law**

- (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 51.

Compare: 2003 No 3 s 31

### *Racing Integrity Board*

#### **42 Racing Integrity Board established**

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

#### **43 Objectives of Board**

The objectives of the Board are to promote, and ensure compliance with, high standards of 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.

#### **44 Functions and powers of Board**

- (1) The functions of the Board are—

##### *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:
- (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:
- (d) to support and 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:
- (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:
  - (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:
  - (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:
  - (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, as appropriate, that its compliance functions and adjudication functions are performed independently of each other.
  - (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.

**45 Board members**

- (1) The Board consists of up to 5 members appointed by the Minister after considering nominations from each of the racing codes and TAB NZ.
- (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 Board to have available to it, collectively, from its members, knowledge of, or experience in,—
  - (a) the racing industry:
  - (b) governance:
  - (c) animal welfare practices:
  - (d) investigation practices:
  - (e) disciplinary practices:
  - (f) adjudication:
  - (g) industry monitoring:
  - (h) performance measurement.



- (5) In performing the functions and duties and exercising the powers of the Board, each board member must act in the best interests of the racing industry.

#### **46 Funding of Board**

- (1) TAB NZ must, in each racing year, provide an amount of funding approved by the Minister to enable the Board to perform its functions under this Act efficiently and effectively.
- (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—
- (a) consult TAB NZ and each racing code on its proposed budget; and
  - (b) obtain the approval of TAB NZ to the proposed budget.

#### **47 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.
- (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;
  - (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.

#### **48 Board must prepare business plan**

- (1) Before the start of a racing year, the Board must prepare 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.
- (3) The Board must publish a copy of its business plan on an Internet site maintained by or on behalf of the Board.

#### **49 Annual report**

- (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
  - (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.

## **50 Further provisions relating to adjudicative committees and appeals tribunals**

Schedule 2 contains further provisions relating to adjudicative committees and appeals tribunals appointed by the Board.

### *Inspectors*

## **51 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.
- (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 47

## **52 Powers of inspector**

- (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:
  - (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 subsection (2)(a) to provide information must provide that information within 28 days.
- (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.

- (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
  - (c) the production of any document, information, or thing to an inspector.
- Compare: 1971 No 155 s 60; 2003 No 3 s 48

### **53 Obstructing inspector**

- (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 52(2)(a); or
  - (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**

### **54 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.
- (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 this section, full rights, powers, and privileges.
- (4) TAB NZ must not enter into a partnering arrangement without written approval of the Minister.
- (5) In deciding whether to grant approval under subsection (4), the Minister must take into account—
- (a) the purposes of this Act; and

- (b) the objectives and functions of TAB NZ.
- (6) Subsection (3) applies subject to this Act, any other enactment, and the general law of New Zealand.

### **55 Governing body of TAB NZ**

- (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:
    - (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
    - (ii) the process described in section 56; 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 56.
- (2) 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.
- (3) An appointment must be made by written notice to the person concerned.
- (4) The Minister must appoint a chairperson from among the members.
- (5) 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,—
  - (a) racing administration at a national level:
  - (b) sport administration at a national level:
  - (c) the betting industry and market:
  - (d) broadcasting:
  - (e) technology related to betting or gambling:
  - (f) preventing and minimising harm associated with gambling:
  - (g) business, marketing, or economics.
- (6) The Minister must notify an appointment in the *Gazette* as soon as practicable after making the appointment.
- (7) A member holds office for a term not exceeding 3 years as specified in their notice of appointment and may be reappointed.
- (8) A member continues in office despite the expiry of their term until—
  - (a) the member is reappointed; or

- (b) the member's successor is appointed.
- (9) 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 62.
- (10) 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.
- (11) Schedule 3 applies to TAB NZ and its governing body.

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

## **56 Selection panel**

- (1) The Minister must establish a selection panel for the purpose of making recommendations to the Minister relating to—
  - (a) the initial appointment of members of the governing body under section 55(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—
  - (a) the Minister has identified the desired skills and qualifications of nominees (which must relate to the matters set out in section 55(5)) and sought the nominations of persons for appointment to the governing body; and
  - (b) each of the following has 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
  - (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).

## **57 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—

- (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 79 and 80.

Compare: 2003 No 3 s 8

## **58 Functions of TAB NZ**

- (1) The functions of TAB NZ are—
  - (a) to set, in conjunction with each racing code, the racing calendar for each racing year:
  - (b) to issue betting licences:
  - (c) to distribute funds obtained from betting to the racing codes in accordance with section 71:
  - (d) to conduct betting, broadcasting, and gaming, and to make rules under Part 4 relating to betting:
  - (e) 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:
  - (f) to enter into commercial agreements with each or all of the racing codes or Racing New Zealand (acting on behalf of the racing codes):
  - (g) to carry out 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
  - (b) exhibit a sense of social responsibility by having regard to the interests of the communities in which it operates.

Compare: 2003 No 3 s 9

## **59 Accounts and audit**

- (1) TAB NZ must, as soon as practicable after the end of a racing year,—
  - (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—
  - (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

- (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
- (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

#### **60 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

#### **61 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
- (c) endeavour to act as a successful going concern; and
- (d) prudently manage its assets and liabilities.

Compare: 2003 No 3 s 18

#### **62 TAB NZ must prepare statement of intent**

- (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;
  - (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.

- (4) 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.
- (5) In carrying out consultation required under subsection (3) or by the commercial agreement referred to in subsection (4), 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.
- (6) 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

### **63 TAB NZ must prepare business plan**

- (1) Before the start of a racing year, TAB NZ must prepare a business plan relating to that racing year.
- (2) TAB NZ must consult each racing code in respect of its business plan.
- (3) 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.
- (4) In carrying out consultation required under subsection (2) or by the commercial agreement referred to in subsection (3), 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
  - (c) meet with each code (or all the codes) to discuss any matters of disagreement.
- (5) 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

### **64 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.
- (2) The annual report must include—



- (a) the financial statements of TAB NZ and the audit report on those statements; and
  - (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

#### **65 TAB NZ may maintain reserves**

- (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 77(2) and 82(2), or any other source, whether capital or income.

Compare: 2003 No 3 s 15

### *Racing calendar*

#### **66 Setting of racing calendar and allocation of racing dates**

- (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—
  - (a) the setting 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.
- (2) TAB NZ must establish and maintain a committee (the **dates committee**) to carry out the functions specified in subsection (4).
- (3) The dates committee must include at least 1 person appointed by the racing codes (acting jointly) to represent the collective interests of the codes.
- (4) The dates committee must, before the end of each racing year, set—
  - (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 (6), any conditions of allocation.
- (5) Before carrying out its functions under subsection (4), the dates committee must consult each of the racing codes on the proposed dates, allocation, and conditions.
- (6) 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.

Compare: 2003 No 3 s 42

### **67 Change of racing dates, allocations, or conditions**

- (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 changes of racing dates, changes of allocation of dates to racing clubs, and changes of conditions of those allocations.
- (2) The dates committee may, at any time before or during a racing year, add to, amend, or revoke a date, an allocation, or a condition determined under section 66.
- (3) Before making a change under subsection (2), the dates committee must consult each of the racing codes affected by the change.

Compare: 2003 No 3 s 43

### *Betting licences*

### **68 Issue of betting licences**

- (1) As soon as practicable after racing dates, allocations, and conditions have been set under a commercial agreement referred to in section 66(1) or under section 66(4), TAB NZ must issue betting licences to the racing clubs to whom dates have been allocated.
- (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 the dates committee considers appropriate.
- (3) Two or more betting licences to be issued to the same racing club may be combined in 1 document.

Compare: 2003 No 3 s 45

### **69 Amendment or revocation of betting licence**

- (1) If the dates committee adds to, amends, or revokes a date, an allocation, or a condition under section 67(2), TAB NZ must correspondingly amend or revoke any betting licence that has been issued for that date, allocation, or condition.

- (2) TAB NZ must give written notice of an addition, an 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

#### **70 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*

#### **71 Amounts of distribution 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 to each racing code or all racing codes of the amount to be distributed after each racing year.
- (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 77(2) or 82(2) in that year, less the total amount credited to reserves for that year from those surpluses; and
  - (b) the racing codes must agree on the amount to be distributed by TAB NZ to each code from the amount available for distribution as determined under paragraph (a).

#### **72 Distribution to codes**

TAB NZ must, during or as soon as practicable after the end of a racing year, pay to the racing codes the amount agreed under section 71(1) or (2)(b).

Compare: 2003 No 3 s 17

#### **73 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 75):
  - (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

## Part 4 Betting and TAB venues

### Subpart 1—Betting

#### 74 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 76; and
- (b) sports betting in accordance with rules made under section 78; and
- (c) other racing or sports betting in accordance with rules made under section 83; and
- (d) combinations of the betting referred to in paragraphs (a) to (c).

Compare: 2003 No 3 s 50

**75 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.
- (3) Except as provided in rules made under section 76 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).
- (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).
- (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.

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

*Racing betting***76 Racing betting rules**

- (1) TAB NZ may, by notice in the *Gazette*, make, 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.
- (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
    - (iii) TAB NZ may cancel any bet; and
  - (c) must state the amounts described in section 84(1).

- (3) Rules made by TAB NZ under this section may provide that, if there is racing betting on a race, bets may be placed up to 20 seconds after the race starts.
- (4) TAB NZ must consult each racing code and the Racing Integrity Board before making, amending, or revoking rules under this section.
- (5) However, subsection (4) does not apply if TAB NZ and a racing code or the Racing Integrity Board (as the case may be) agree otherwise in any particular case.

Compare: 2003 No 3 s 52

### **77 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 76(2)(b)(ii), for a racing year in payment of (or in respect of)—
  - (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
  - (d) the distribution of betting profits (if any) in accordance with section 73; 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 82).
- (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 65, 71, and 72.

Compare: 2003 No 3 s 53

### *Sports betting*

### **78 Sports betting rules**

- (1) TAB NZ may, by notice in the *Gazette*, make, 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.
- (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) must state the amounts described in section 84(2).
- (3) TAB NZ must consult Sport and Recreation New Zealand before making, amending, or revoking any rules under subsection (1).
- (4) However, subsection (3) does not apply if TAB NZ and Sport and Recreation New Zealand agree otherwise in any particular case.

Compare: 2003 No 3 s 54

### **79 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 82(1)(e), of revenue derived from sports betting on the event or events to which the agreement relates.

Compare: 2003 No 3 s 55

### **80 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 79(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 82(1)(e), of revenue from sports betting on the event or events to which the agreement relates.

Compare: 2003 No 3 s 55A

**81 Use of facilities**

- (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 54(2).

Compare: 2003 No 3 s 56

**82 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 78(2)(b)(ii), for a racing year in payment of (or in respect of)—
  - (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
  - (d) the distribution of betting profits (if any) in accordance with section 73; and
  - (e) the amounts (not less than the minimum amounts prescribed by, or calculated in accordance with, the method prescribed in regulations under section 128) payable to New Zealand national sporting organisations and Sport and Recreation New Zealand under agreements entered into under sections 79 and 80; and
  - (f) all costs, charges, and expenses incurred by TAB NZ in the performance and exercise of its functions, duties, and powers during that year in relation to sports betting.
- (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 65, 71, and 72.

Compare: 2003 No 3 s 57

*Other racing or sports betting***83 Rules relating to other racing or sports betting conducted by TAB NZ**

- (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 Gambling Commission.
- (3) Any rules made under this section take effect on and after the date of their notification in the *Gazette*, or any later date that is specified in the rules.



- (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.
- (5) Before approving any rules made under this section, the Gambling Commission must have regard to—
  - (a) the likely revenue from the betting and the beneficiaries of the revenue; and
  - (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
  - (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 76 or a sports betting rule made under section 78 (as the case may be) and the provisions of this Act that apply to those rules apply to it accordingly.

### *General provisions*

#### **84 Deductions for totalisator betting**

- (1) For the purposes of determining winning dividends for totalisator racing betting, racing betting rules made under section 76 must state, by way of a percentage of the amount bet, the total of the amounts referred to in section 77 for each form of betting.
- (2) For the purposes of determining winning dividends for totalisator sports betting, sports betting rules made under section 78 must state, by way of a percentage of the amount bet, the total of the amounts referred to in section 82 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.
- (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.

- (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—
- (a) only temporary; and
  - (b) for the purpose of a particular promotion.

Compare: 2003 No 3 s 58

### **85 Availability and status of betting rules**

- (1) As soon as practicable after making or amending any betting rules under this subpart, TAB NZ must send a copy of the rules or amended rules to the Minister.
- (2) Rules made under section 76 or 78 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.
- (3) Rules made under section 76 or 78 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.

Compare: 2003 No 3 s 59

### **86 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.
- (2) Rules made under section 76 or 78 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 76 or 78 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

### **87 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.
- (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.

Compare: 2003 No 3 s 61

### **88 Amalgamation with overseas betting systems**

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

### **89 Offences relating to underage betting**

- (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
  - (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.
- (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.
- (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;

(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

#### **90 Power to require particulars**

(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 89(1)(a), they may demand from that person an evidence of age document verifying the person's age.

(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

#### **91 Betting contracts enforceable**

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

Compare: 2003 No 3 s 64

#### **92 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

#### **93 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

#### **94 Application for territorial authority consent**

(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

#### **95 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

#### **96 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—
  - (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.

Compare: 2003 No 3 s 65D

#### **97 Adoption and review of TAB venue policy**

- (1) A policy on TAB venues under section 96 must be adopted in accordance with the special consultative procedure set out in section 83 of the Local Government Act 2002.
- (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) 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.
- (4) 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.

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

Compare: 2003 No 3 s 65E

*Regulations relating to TAB NZ operations*

**98 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:
- (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:
- (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.

Compare: 2003 No 3 s 65F

**99 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.
- (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.

Compare: 2003 No 3 s 65G

**100 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:
  - (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:
  - (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.
- (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.

Compare: 2003 No 3 s 65H

### *Problem gambling levy*

#### **101 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.

Compare: 2003 No 3 s 65I

#### **102 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 101.
- (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.

Compare: 2003 No 3 s 65J

## Part 5

### Offshore betting charges and other matters

#### Subpart 1—Offshore betting charges

##### *Preliminary*

### 103 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 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—
    - (i) obtain permission from the relevant racing code, the relevant New Zealand national sporting organisation, or Sport and Recreation New Zealand (or a relevant nominee) before using New Zealand racing and sporting information for taking bets on racing events and sporting events taking place in New Zealand; and
    - (ii) enter into an agreement that sets out the terms and conditions on which that permission is granted, including the offshore betting operator's agreement to pay charges for using the information in the operator's betting operations:
  - (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 resident in New Zealand, whether those events are held in or outside New Zealand:
  - (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.
- (3) Subsection (2) is only a guide to the general scheme and effect of this subpart.

Compare: 2003 No 3 s 65AA(1), (2)



#### 104 Territorial scope

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

#### 105 Interpretation

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 110(1)(b)

**betting information use charges** means charges payable by an offshore betting operator under a betting information use agreement as required by section 111(a)

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

**consumption charges** means charges payable by an offshore betting operator under section 113

**designated authority** means the Department or, if the Department has delegated its functions or powers to another entity under section 109, then, in relation to those functions or powers, that delegate

**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 an event declared to be a New Zealand sporting event under section 106

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

**offshore betting operator** means a person that is located outside New Zealand and that—

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

**racing event** means a betting race held in or outside New Zealand

**relevant nominee** means a person nominated by the relevant racing code, relevant New Zealand national sporting organisation, or Sport and Recreation New Zealand (as the case may be) for the purposes of a betting information use agreement

**scheme for betting information use charges** means the scheme described in section 103(2)(a)

**scheme for consumption charges** means the scheme described in section 103(2)(b).

Compare: 2003 No 3 s 65AC

#### **106 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:
  - (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 80 applies.
- (2) Before making a declaration under subsection (1), Sport and Recreation New Zealand—
  - (a) must consult TAB NZ; and
  - (b) must, if the sporting event is held under the auspices or control of a New Zealand national sporting organisation, obtain the approval of that organisation.
- (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.

#### *Designated authority*

#### **107 Designated authority for each scheme**

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)

#### **108 Functions and powers of designated authority**

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

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

### **109 Delegation**

- (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.
- (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
  - (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 112(4)(b) or 116(4)(b).
- (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.
- (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:
  - (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***110 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 relevant racing code, relevant New Zealand national sporting organisation, or Sport and Recreation New Zealand (or a relevant nominee); and
  - (b) enter into a betting information use agreement that complies with section 111.
- (2) The relevant racing code, relevant New Zealand national sporting organisation, or Sport and Recreation New Zealand (or a relevant nominee) must not unreasonably withhold permission under subsection (1) for an offshore betting operator to use New Zealand racing and sporting information.

Compare: 2003 No 3 s 65AF

**111 Terms and conditions of betting information use agreement**

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 relevant racing code, relevant New Zealand national sporting organisation, or Sport and Recreation New Zealand (or a relevant nominee) for the operator's use of New Zealand racing and sporting information; and
- (b) require the offshore betting operator to provide the designated authority with any prescribed information or other information that is reasonably required by the authority for the purpose of enabling the authority to monitor the effectiveness of the betting information use scheme; and
- (c) require the offshore betting operator to enter into an integrity and information sharing agreement with the Racing Integrity Board and to provide the Board with any prescribed information or other information that is reasonably required by the Board for the purpose of ensuring integrity in the racing betting market; and
- (d) in the case of a racing betting information use agreement, require the offshore betting operator to provide the relevant racing code with any prescribed information or other information that is reasonably required by the code for the purpose of monitoring compliance with the agreement; and
- (e) in the case of a sports betting information use agreement, require the offshore betting operator to provide the relevant New Zealand national sporting organisation, Sport and Recreation New Zealand, or a relevant nominee (as the case may be) with any prescribed information or other

information that is reasonably required by the person for the purposes of—

- (i) ensuring integrity in the sports betting market; and
  - (ii) monitoring the operator's compliance with the agreement; and
- (f) provide that the law applicable to the agreement is New Zealand law; and
- (g) provide for a dispute resolution process that the parties agree to submit to if they have a dispute relating to the agreement; and
- (h) 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
- (i) 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 (h); and
- (j) provide for any additional matters that may be prescribed.

Compare: 2003 No 3 s 65AG

**112 Penalty for using New Zealand racing and sporting information in contravention of section 110**

- (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 110.
- (2) The penalty notice may require the offshore betting operator to—
- (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.
- (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.

- (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.
- (5) A penalty notice under this section must be in the prescribed form (if any) and be issued in the prescribed manner.
- (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 110, 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 123.
- (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.

### *Consumption charges*

#### **113 Requirement to pay consumption charges**

- (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 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.
- (3) The designated authority must—
  - (a) maintain a list of sports held in or outside New Zealand in respect of which consumption charges are payable under this subpart; and
  - (b) publish the list on an Internet site maintained by or on behalf of the designated authority.

Compare: 2003 No 3 s 65AJ

#### **114 Minister must set rates of consumption charges**

- (1) The Minister must set the rates of the consumption charges that offshore betting operators must pay—
  - (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.
- (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:
  - (a) offshore betting operators liable to pay the charges:
  - (b) TAB NZ:
  - (c) each racing code:
  - (d) Sport and Recreation New Zealand:
  - (e) relevant New Zealand national sporting organisations (as applicable).

Compare: 2003 No 3 ss 65AK, 65AN

#### **115 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.
- (2) The information must be provided in the prescribed manner.

Compare: 2003 No 3 s 65AL

#### **116 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—
  - (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 123; or
  - (b) failed to provide any prescribed information required under section 115; or
  - (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—
  - (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 123.
- (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.
- (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.

Compare: 2003 No 3 s 65AS

#### **117 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.

Compare: 2003 No 3 s 65AO

### *General provisions*

#### **118 Application of money received from consumption charges and penalties**

- (1) The designated authority must apply the money received from—
  - (a) consumption charges under section 113 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:
    - (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 112 or 116 towards paying the costs of administering the schemes for betting information use charges and consumption charges.
- (2) The designated authority must distribute the money received from consumption charges to any 1 or more of the persons specified in, and in the amount determined in accordance with, regulations made under section 123.



- (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).

Compare: 2003 No 3 s 65AP

### **119 Maximum amount of penalties**

The amount payable as a penalty under either of section 112 or section 116 must not exceed—

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

Compare: 2003 No 3 s 65AT

### **120 Recovery of outstanding charges and penalties**

- (1) Outstanding consumption charges and penalties payable by an offshore betting operator under section 112 or 116 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.
- (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.

Compare: 2003 No 3 s 65AU

### **121 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 112(4)(b) or 116(4)(b); or  
(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.
- (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

### **122 Appeal to District Court**

- (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 112 or 116.
- (2) If an appeal is made, the District Court must determine whether the decision to issue the notice is appropriate.

Compare: 2003 No 3 s 65AW

*Regulations***123 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:

*Betting information use charges*

- (a) prescribing information that an offshore betting operator must provide under section 111(b), (c), (d), or (e), 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:

*Consumption charges*

- (b) prescribing, for the purposes of section 114(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:
- (c) prescribing the financial or other relevant information that an offshore betting operator must provide to the designated authority under section 115, 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:

*Penalties*

- (d) adjusting either or both of the multiplier figures set out in section 112(2)(a) and (6):
- (e) specifying penalty amounts or the method by which penalty amounts must be calculated for the purposes of section 116(3):

*Penalty notices*

- (f) prescribing the form of penalty notices for the purposes of section 112(5) and 116(5) and the manner in which penalty notices must be issued:

*Application of money from offshore betting charges*

- (g) specifying, for the purposes of section 118, 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:

*Other*

- (h) prescribing the manner in which any other thing must be done for the purposes of this subpart:
- (i) 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:
- (j) providing for any other matters contemplated by this subpart, necessary for its administration, or necessary for giving it full effect.

- (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 racing code, and the Minister for Sport and Recreation.

Compare: 2003 No 3 s 65AX

### Subpart 2—Other matters

#### 124 Resolution of disputes

- (1) This section applies if a dispute arises in relation to a matter specified in subsection (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 46(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* section 62) or proposed business plan (*see* section 63):
  - (c) the amounts to be distributed by TAB NZ among the racing codes under section 71(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.

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

### **125 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—
- (a) “TAB NZ”; or
  - (b) “Totalisator Agency Board” or “TAB”; or
  - (c) “New Zealand Racing Board” or “NZRB”; or
  - (d) “Racing Industry Transition Agency”; or
  - (e) “Racing Integrity Board”; or
  - (f) “Racing New Zealand”; or
  - (g) “Racing Conference” or “New Zealand Thoroughbred Racing”; or
  - (h) “Trotting Conference” or “Harness Racing New Zealand”; or
  - (i) “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).
- (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) to (d) does not apply to TAB NZ.
- (5) Subsection (1)(e) does not apply to the Racing Integrity Board.
- (6) Subsection (1)(f) does not apply to Racing New Zealand.
- (7) Subsection (1)(g) does not apply to New Zealand Thoroughbred Racing Incorporated.
- (8) Subsection (1)(h) does not apply to Harness Racing New Zealand Incorporated.
- (9) Subsection (1)(i) does not apply to the New Zealand Greyhound Racing Association Incorporated.
- (10) 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

### **126 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

**127 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 adjudicative committee or appeals tribunal established by the Racing Integrity Board.
- (2) Subsection (1) does not apply to—
  - (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
  - (d) any sum the Crown is liable to pay to a creditor of the Racing Integrity Board or any 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.

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

**128 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:
  - (a) prescribing the process, criteria, or both for the purposes of section 26(3):
  - (b) providing for further matters relating to the conduct and administration of the racing integrity system for the purposes of subpart 4 of Part 2, including—
    - (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):
    - (ii) prescribing criteria relating to the selection and appointment of members to adjudicative committees and appeals tribunals established by the Board:
    - (iii) providing for any additional matters relating to the conduct of hearings before adjudicative committees and appeals tribunals:
    - (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:
  - (c) prescribing the minimum amounts, or the method to be used for calculating minimum amounts, payable to New Zealand national sporting organ-

isations and Sport and Recreation New Zealand for the purposes of section 82(1)(e):

- (d) providing for any other matters contemplated by this Act, necessary for its administration, or necessary for giving it full effect.
- (2) Before making a recommendation for regulations under subsection (1)(c), the Minister must consult the Minister for Sport and Recreation.

Compare: 2003 No 3 s 68A, Schedule 3

*Consequential amendments, repeal, and revocation*

**129 Consequential amendments**

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

**130 Repeal and revocations**

- (1) The Racing Act 2003 (2003 No 3) is repealed.
- (2) The following legislative instruments are revoked:
  - (a) Racing (New Zealand Greyhound Racing Association Incorporated) Order 2009 (SR 2009/180):
  - (b) Racing (Extension of Transition Period) Order 2020 (LI 2020/104).

## Schedule 1

### Transitional, savings, and related provisions

s 7

#### Part 1

#### Provisions relating to this Act as enacted

##### 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

**former Act** means the Racing Act 2003

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

**Racing Integrity Board** means the Racing Integrity Board established by section 42 of this Act

**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.

*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 98 and may be amended, revoked, or replaced accordingly.

##### 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 37, 40, 76, or 78 (as the case may be).

*Betting licences***4 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.
- (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 68 of this Act.

*Transition to racing integrity system***5 Racing judicial system continues until Racing Integrity Board established**

Despite section 130(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 42 to 50 come into force as if those provisions had not been repealed; and
- (b) all references to the Racing Integrity Board in sections 37, 38, and 76 of this Act must be read (unless the context otherwise requires) as references to the Judicial Control Authority until the date on which sections 42 to 50 come into force.

**6 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.
- (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—
  - (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 to the Racing Integrity Board.
- (4) The establishment board is dissolved on the close of the day before the date on which sections 42 to 50 come into force.



## **7 Transfer of employees of Judicial Control Authority and Racing Integrity Unit Limited**

- (1) On and after the date on which sections 42 to 50 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.
- (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
  - (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.
- (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.
- (5) This clause overrides—
  - (a) Part 6A of the Employment Relations Act 2000; and
  - (b) any employment protection provision in any relevant employment agreement.

## **8 Transfer of rights, assets, or liabilities of TAB NZ to Racing Integrity Board**

- (1) This clause applies if, on and after the date on which sections 42 to 50 come into force, TAB NZ transfers any of its rights, assets, or liabilities to the Racing Integrity Board.
- (2) If this clause applies,—
  - (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.

- (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.
- (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.

## **9 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.
- (2) The person continues in office on and after the commencement of this clause as if the person were appointed under section 51 of this Act.

## **10 Racing integrity and information sharing agreements**

On and after the commencement of this clause, a reference to the Racing Integrity Board in section 111 must be read as a reference to the Racing Integrity Unit Limited until the date on which sections 42 to 50 come into force.

### *Agency abolished*

## **11 Agency abolished**

The Agency is abolished on the commencement of this clause.

## **12 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
  - (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.
- (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.

## **13 Other consequences of abolition**

Nothing effected or authorised by clause 12,—

- (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
- (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
  - (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
- (e) releases a surety wholly or in part from any obligation; or
- (f) invalidates or discharges any contract.

#### **14 Final accounts and report**

TAB NZ must perform the duties of the Agency under sections 13 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.

#### *Transfer of Agency employees and venues*

#### **15 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.
- (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
  - (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.
- (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—
- (a) Part 6A of the Employment Relations Act 2000; and
  - (b) any employment protection provision in any relevant employment agreement.

#### **16 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.
- (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.

#### **17 Territorial authority consent granted under former Act**

- (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 95.

#### **18 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.
- (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 97.

#### *Transfer of Agency agreements*

#### **19 Agreements with national sporting organisation and Sport and Recreation New Zealand**

- (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.
- (2) The agreement continues in force, on and after commencement of this clause, according to its terms as if it were entered into by TAB NZ.

**20 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 information in the conduct of its betting operations in respect of any race held in New Zealand.
- (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 terms as if it were entered into by TAB NZ (as if it were the nominee of the relevant racing code or codes) and the offshore betting operator.

**21 Racing betting information use agreements negotiated by Agency**

- (1) This clause applies to a racing betting information use agreement—
  - (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; and
  - (c) that confers rights on that offshore betting operator (or a sub-licensee of that operator) to use New Zealand racing information in the conduct of its betting operations in respect of racing held in New Zealand.
- (2) Subpart 1 of Part 5 does not affect the racing betting information use agreement, and the agreement continues in force according to its terms.

**22 Other agreements authorising use of New Zealand racing information**

- (1) This clause applies to the following:
  - (a) an agreement between the Agency and an entity (other than an offshore betting operator) that is in force immediately before the commencement of this clause and that confers rights on that entity (or a sub-licensee of that entity) to use New Zealand racing information;
  - (b) an agreement that—
    - (i) was being negotiated by the Agency and an entity (other than an offshore betting operator) before the commencement of this clause that confers rights on that entity (or a sub-licensee of that entity) to use New Zealand racing information; and
    - (ii) is entered into by TAB NZ and that entity after the commencement of this clause.
- (2) Subpart 1 of Part 5 does not affect the agreement, and the agreement continues in force according to its terms.

*Penalties payable for contravening betting information use agreement*

**23 Calculation of penalty payable for contravening betting information use agreement during first 12 months**

- (1) This clause applies during the period beginning on the commencement of this clause and ending on the close of 31 July 2021.
- (2) Despite section 112(2), the designated authority may issue a penalty notice to an offshore betting operator that is contravening, or has contravened, section 110 that requires the operator to pay 3 times the average amount specified in the relevant betting information use agreement between the Agency and the operator that was in force immediately before the commencement of this clause.
- (3) This clause is repealed on the close of 31 July 2021.

*Temporary provisions relating to TAB NZ*

**24 Agency members deemed to be interim members of governing body of TAB NZ**

- (1) Despite clause 11, all Agency members holding office immediately before the commencement of this clause—
  - (a) remain in office (as interim members of the governing body of TAB NZ) until all of the members of the governing body of TAB NZ have been appointed under section 55, and then go out of office; and
  - (b) must, while paragraph (a) applies, be treated as if they were appointed under section 55.
- (2) An Agency member is not entitled to any compensation or other payment or benefit for the loss of office.

**25 Minister may exercise temporary powers in relation to TAB NZ**

- (1) During the period beginning on the commencement of this clause and ending on the close of 31 July 2021, the Minister may—
  - (a) provide a letter of expectations to TAB NZ that sets out the Minister's expectations regarding TAB NZ's strategic direction; and
  - (b) give written directions to TAB NZ—
    - (i) to use, or improve, its resources (whether physical, financial, or human) in a manner that will benefit New Zealand racing;
    - (ii) to secure economies or efficiencies;
    - (iii) to develop expertise and capability;
    - (iv) to ensure business change or continuity;
    - (v) to manage risks to its financial position; and

- (c) require TAB NZ to report to the Minister, at the intervals and in the manner required by the Minister, in relation to the performance of its functions under this Act.
- (2) To avoid doubt, nothing in this clause limits the Minister's other powers under this Act or any other Act.
- (3) This clause is repealed on the close of 31 July 2021.

*Distribution to racing codes*

**26 Amounts of distribution to codes until agreement under section 71 comes into force**

- (1) Until the date on which an agreement referred to in section 71(1) or (2)(b) comes into force, the amount to be distributed by TAB NZ among the 3 racing codes for a racing year beginning on or after the commencement of this clause must be made in accordance with subclauses (2) to (5).
- (2) TAB NZ, as soon as practicable after the end of a racing year, must determine the amount to be distributed among the racing codes for that year from any surpluses referred to in sections 77(2) and 82(2), or any other source whether capital or income.
- (3) Unless a majority of the racing codes otherwise agrees in writing, the amount referred to in subclause (2) must be not less than the total of the surpluses referred to in sections 77(2) and 82(2) for that racing year less the total amount credited to reserves for that year from those surpluses.
- (4) Unless a majority of the racing codes otherwise agrees in writing, the amount referred to in subclause (2) must be distributed among the racing codes in the same proportions that TAB NZ considers are the proportions to which the codes contributed to the New Zealand turnover of TAB NZ for that racing year.
- (5) In subclause (4), **New Zealand turnover of TAB NZ** means the total gross amount received by TAB NZ from racing betting placed in New Zealand on races run in New Zealand.

**27 Distribution from TAB NZ's betting profits for period ending on 30 June 2020**

- (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 73(1) applies as if the following paragraph were inserted above paragraph (a):

“(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***28 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 128(1)(c) come into force.



## Schedule 2

### Provisions relating to adjudicative committees and appeals tribunals

s 50

#### 1 Representation at hearings held on race day

- (1) No person may be represented by counsel at any hearing 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 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.

Compare: 2003 No 3 Schedule 3 cl 17

#### 2 Right of appeal

- (1) Any person properly entitled, by or under relevant racing rules, to appeal to an appeals tribunal may do so.
- (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

#### 3 Appeals against placings and stakes

- (1) No person is entitled to appeal to any appeals tribunal against any decision made on the day of a race in respect of placings in that race or stakes payable for those placings.
- (2) Nothing in subclause (1) prevents 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,—
  - (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 may be disqualified for a race after it has started in the race.
- (3) If 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 subclause (2), the owner of the horse may appeal against the decision to an appeals tribunal.

Compare: 2003 No 3 Schedule 3 cl 21

#### 4 Privileges and immunities

- (1) Witnesses and counsel appearing before 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 the Racing Integrity Board or person who is a member of an adjudicative committee or an appeals tribunal is personally liable—
- (a) for any liability of the Racing Integrity Board, adjudicative committee, or appeals tribunal; or
  - (b) for any act done or omitted to be done by the Racing Integrity Board, adjudicative committee, or appeals tribunal in good faith in the performance or intended performance of the functions, duties, or powers of the Board, adjudicative committee, or appeals tribunal.

Compare: 2003 No 3 Schedule 3 cl 25

### Schedule 3

## Provisions relating to TAB NZ

s 55(11)

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*Employees*

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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
- (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.
- (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

**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.
- (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

**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**

(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.

(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
- (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**

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.

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.

(2) The matters are—

- (a) TAB NZ's performance of its functions or exercise of its powers:

- (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 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**

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 Schedule 1 cl 12

### *Confidentiality of information*

## **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
  - (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**

- (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;
  - (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—
  - (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

*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

**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.
- (3) Notice of a meeting—
  - (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.

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
- (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.

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.



- (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.
- (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—
- (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

### **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**

- (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.

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).
- (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.

- (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) 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.

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.
- (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**

- (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):
  - (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).
- (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)—
  - (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**

- (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).
- (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.
- (5) Clauses 7 to 22 apply to the committee.

Compare: 2003 No 3 Schedule 1 cl 28

### *Employees*

#### **26 Appointment of chief executive**

- (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**

- (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.

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-

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 60(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 58.
- (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.

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 and each recognised industry organisation regarding the terms of reference for the audit.
- (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.
- (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) 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

#### 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.
- (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**

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
- (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
- (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,—

- (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 NZ must pay reasonable costs of audit**

- (1) TAB NZ must pay the reasonable costs of an audit to the person who conducted it.
- (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).

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

## Schedule 5

### Consequential amendments to other enactments

s 129

#### Part 1

#### Amendments to other Acts

##### **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 2020”.

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 74 of the Racing Industry Act 2020”.

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 2020”.

In section 140(2)(r), replace “Racing Act 2003” with “Racing Industry Act 2020”.

##### **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 2020: section 125

TAB NZ, Totalisator Agency Board, TAB, New Zealand Racing Board, NZRB, Racing Industry Transition Agency, Racing Integrity Board, Racing New Zealand, 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 2020”.

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 2020”.

In section 4(1), definition of **racing club**, replace “Racing Act 2003” with “Racing Industry Act 2020”.

**Gambling Act 2003 (2003 No 51)—continued**

In section 4(1), definition of **racing code**, replace “Racing Act 2003” with “Racing Industry Act 2020”.

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 2020 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 2020”.

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 2020”.

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 2020”.

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 2020”.

In section 33(1A), (2), and (3), replace “the Racing Industry 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 “Racing Industry Act 2020 or the previous racing Acts”.

In section 51(3)(a) and (b), replace “Racing Act 2003 or the Racing Act 1971” with “Racing Industry Act 2020 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 2020 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 2020”.

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 “Racing Industry Act 2020 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 2020 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 37 of the Racing Industry Act 2020”.

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 2020”.

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 2020 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, has the same meaning as betting profits in section 73(3) of the Racing Industry Act 2020”.

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 its successor organisation),” with “TAB NZ”.

In section 365(1)(b) and (2)(b), replace “Racing Act 2003” with “Racing Industry Act 2020”.

Repeal Schedule 8.

**Gaming Duties Act 1971 (1971 No 34)**

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 74 of the Racing Industry Act 2020”.

In section 3, definition of **sports betting**, replace “section 5 of the Racing Act 2003” with “section 5(1) of the Racing Industry Act 2020”.

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 2020; but does not include equalisator betting within the meaning of section 75”.

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

**TAB NZ** has the same meaning as in section 5(1) of the Racing Industry Act 2020

**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)**

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 2020) 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.

In section 5(11CC), replace “Racing Act 2003” with “Racing Industry Act 2020”.

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”.

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 2020”.

**Income Tax Act 2007 (2007 No 97)**

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 2020”.

In section CW 60(a), replace “Racing Act 2003” with “Racing Industry Act 2020”.

In section EW 5(3)(a), replace “section 5 of the Racing Act 2003” with “section 5(1) of the Racing Industry Act 2020”.

In section EW 5(3)(b), replace “Part 6 of the Racing Act 2003” with “Part 4 of the Racing Industry Act 2020”.

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 2020”.

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 2020”.

**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)**

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 2020 and liable for GST.

**Part 2****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”.

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)**

Replace regulation 6AB with:

**6AB Exemption of TAB NZ from some duties under section 31 of Act**

TAB NZ, in carrying out its duties under section 31 of the Act, is not required to link a cash transaction between a person and TAB NZ involving less than \$10,000.

In the 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”.

**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, revoke the item relating to the Racing Industry Transition Agency.

In Schedule 1, insert in its appropriate alphabetical order:

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 37 of the Racing Industry Act 2020”.

**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”.

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”.

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

In section 3(1), replace “Racing Act 2003” with “Racing Industry Act 2020”.

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,”.

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 92”.

### **Legislative history**

5 December 2019	Introduction (Bill 198–1)
10 December 2019	First reading and referral to Transport and Infrastructure Committee
8 June 2020	Reported from Transport and Infrastructure Committee (Bill 198–2)
23 June 2020	Second reading
24 June 2020	Committee of the whole House, third reading
30 June 2020	Royal assent

This Act is administered by the Department of Internal Affairs.