

Storage of gaming machines

What has changed?

Licensees can now store gaming machines for a wider range of purposes than previously accepted. This gives licensees the flexibility to manage their operational and business needs in a more responsive manner.

There are three different types of storage permits:

- General purpose – for any reason, for a stated period of not longer than 12 months;
- Interim purpose – for machines that are to be disposed of, for a period of not longer than three months;
- Quarantine permit – see *Fact Sheet 014 – Phase 1 - Quarantine of gaming machines*.

Class B licensees can only store gaming machines for an interim purpose or for a good reason (see *Fact Sheet 007 – Class B licences*), such as the venue where the machines are operated is being renovated or is damaged.

What does it mean for me?

Under a storage permit for a general purpose, a licensee can now store a number of gaming machines for any reason for up to 12 months. A licensee can also take individual machines out of storage during the period of a storage permit to be put back into operation at the venue for which they are authorised by notifying the Commission of the need to amend the permit.

A licensee cannot operate a gaming machine while it is in storage in accordance with a storage permit. A stored machine cannot be swapped with a machine on the gaming floor without an amendment to the permit. The licensee must notify the Commission of a permit amendment to remove a machine from storage.

Authorisations for stored gaming machines must also be 'stored', that is, they cannot be used to operate another gaming machine. Stored authorisations can be traded with another licensee, with or without the gaming machine.

A licensee can also apply to extend the term of a general storage permit if necessary. The Commission can grant an extension for up to 12 months at a time, to a total of not more than three years.

An interim storage permit is used when a gaming machine is to be disposed of, for example if the authorisation attached to the machine is traded. Interim storage permits are for a maximum of three months, during which time the gaming machine must be disposed of.

The Commission can determine rules about the storage of gaming machines and authorisations, which all permit holders must follow. The rules can be about the type of premises in which machines can be stored, the minimum standards for security, who may have access to the machines while they

are in storage, and what records must be kept for stored machines and authorisations. The Commission can also inspect premises and gaming machines that are subject to a storage permit.

How do I store a gaming machine?

You must apply to the Commission for a storage permit for one or more gaming machines and authorisations. The application must be made on the approved form, and include information about the place and type of premises the machines are to be stored, and whether the premises will be used to store machines for two or more licensees. The Commission will grant the permit if the gaming machine and its authorisation (if any) are from the same authorised premises, and if the type of storage premises is suitable. For a Class B licensee, the storage permit must be needed for a good reason.

If the storage premises are to be used by two or more licensees, they must be suitable for that number of machines, and each licensee must have applied for a permit.

Once the permit is granted, the licensee must take meter readings from each machine and send them to the Commission, and render the machine inoperable.

How to I trade a stored authorisation or gaming machine?

A licensee can trade a stored gaming machine and authorisation under the trading scheme (see *Fact Sheet 003 - The Trading Scheme*). The licensee will need to notify the Commission about the proposed disposal so that the storage permit can be amended. The disposal can take place 10 business days after the Commission receives the notification.

If a licensee trades a stored authorisation without the gaming machine, they must give the Commission the details of the buyer (the *acquiring licensee*) and ask the Commission to amend the storage permit. The Commission will then give the selling licensee an interim storage permit for the gaming machine. The machine must then be disposed of within the three-month term of the interim storage permit.

Frequently asked questions

What are the storage rules?

The storage rules will be similar to the requirements already in place around security, access and inoperability.

Will the Commission be checking on stored gaming machines?

Yes. The Commission has the power to inspect and audit stored gaming machines and authorisations to ensure compliance with the legislation.

References

Storage of authorisations and gaming machines - Division 6.11