



Ministry of Economic Development and Tourism

Senate Brief

**SUBJECT: Casino Gaming Amendment Bill
2017**

14th December 2017

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PART I THE LEGISLATION

CASINO GAMING AMENDMENT BILL 2017

PART II THE MINISTERIAL BRIEF

A. Introduction and Purpose

Madame President, the purpose of the Bill today is to make amendments to the Casino Gaming Act 2014.

These proposed amendments are intended to give the Minister responsible for the Bermuda Casino Gaming Commission (The Commission) the ability to provide from time to time and in consultation with the Commission, written general direction to the Commission that is deemed to be in the public interest.

This change to the existing legislation brings the Casino Gaming Act in line with the legislation that the Bill was modeled after; The Singapore Casino Control Act, by

permitting the Minister to provide direction the their regulatory body.

As an added layer of security, the amendment mirrors the Bermuda Monetary Authority Act, requiring the Minister to provide written direction.

The purpose of the direction being provided in writing is to provide openness and full transparency to any legitimate direction provided by the Minister in consultation with the Commission Board that is deemed to be in the public interest

The Casino Gaming Amendment 2017 will also permit the Minister responsible for the Commission to revoke the appointment of a Commission member who is unable or unwilling to perform his/her duties, for misconduct, a breach of best regulatory practices, or likely to bring the Commission or the Government into disrepute.

Madame President, members should be aware that the original Bill tabled in Parliament was amended from its original form.

These changes were a direct result of consultation with the newly appointed Chair of the Commission, former magistrate Cheryl Mapp – along with the remaining members of the Commission.

To be clear, the Bill we are debating today is significantly different from the original Bill as it creates greater specificity on the conditions surrounding the revocation of board appointments and requiring directions to be provided only in writing.

To be clear, these amendments will **NOT** permit the Minister to direct the Commission as it relates to the awarding of Casino gaming licenses, nor will it permit this Minister or any future Minister, to intervene or interfere with any investigations relating to gaming.

Madame President, the recent media disinformation campaign against the government perhaps has obscured some of the serious issues surrounding the work of the Commission. As many are aware, in 2018 Bermuda will face a mutual evaluation

of the Anti-Money Laundering Combating Financing of Terrorism or AML/CTF Regime to ensure that we are compliant with FATF's technical requirements and that our regime is effective.

This assessment is critical to the protection of our economy and maintaining a foundation for growth. Every arm of the government and every entity under our remit must understand this and based on relationships of mutual trust and respect, must be prepared to execute wherever they can and whenever they can to assist with this assessment.

Attempts to receive cooperation from the previous incarnation of the Bermuda Casino Gaming Commission on this critical assessment were not forthcoming.

Specifically this involved non-participation in the National Anti-Money Laundering Committee's National Risk Analysis, failure to provide the requested presentation for the related workshops – and whilst Commission staff were represented in many meetings and discussions at the working group level, the

Commission Board did not support the provision of critical analysis and conclusions required by NAMLC.

Furthermore, a request to move responsibility for Betting shops from the Ministry of Finance to The Commission was declined. These actions potentially jeopardized our ability to meet our obligations and were not acceptable to this government – which I am certain are acceptable to the people of Bermuda.

These proposed amendments, in our view, preserves the intent of an independent Commission and prevents the arbitrary, unjustified removal of members of the Commission, while allowing the Minister to provide written direction after consultation with the Commission.

I now invite other members to participate in debate on the Casino Gaming Amendment Act 2017.

Thank you **Madame President**.

PART III

A. Clause by Clause Explanation of the Bill

This Bill seeks to amend the Casino Gaming Act 2014.

Clause 1 provides the citation for the Bill.

Clause 2 amends section 8 by enabling the Minister, after consultation with the Commission, to issue to the Commission written general directions as appear to the Minister to be necessary in the public interest and requires the Commission to comply with such general directions.

Clause 3 inserts in Schedule 1 new paragraph 2A, which enables the Minister, at any time, to revoke the appointment of a member who is unable or unwilling to perform his duties as a member or in such other circumstances where the member's conduct may amount to misconduct or breach of best regulatory practice, or is likely to bring the Commission or the Government into disrepute.