

19 November 2010

Dear Sir/Madam

Consultation on Gambling (Class 4 Net Proceeds) Regulations 2004 – multi-year grants

Please find attached a consultation document.

The Secretary for Internal Affairs (the Secretary) is consulting on a proposal to change the Gambling (Class 4 Net Proceeds) Regulations 2004 (the Regulations). Class 4 gaming relates to the operation of gaming machines in pubs and clubs.

Regulation 16(g) of the Regulations effectively prohibits multi-year grants because it requires gaming machine societies that distribute their proceeds through grants to do so from available proceeds. Some societies and potential grant recipients think this impedes their ability to plan long-term (e.g. grant funding for a sports organisation preparing for an Olympic Games in 4 years' time).

The consultation document invites submissions on a proposal to repeal regulation 16(g). This would enable a society to commit in principle to making grants for authorised purposes over more than one funding year. Therefore, it would give a society a little more flexibility to fund long-term, strategic projects.

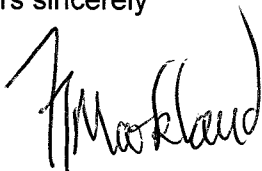
The consultation document also proposes some additional regulations, largely as safeguards so that societies do not inadvertently breach other statutory provisions when they commit to making multi-year grants.

The Secretary would appreciate any submissions you may have on the proposals. Please send your submissions **by 17 December 2010** in writing, *either* by e-mail to alister.chang@dia.govt.nz or alan.collins@dia.govt.nz, or by post to:

Department of Internal Affairs
P O Box 805
WELLINGTON 6140
(Attn: Gambling Policy)

If you have any questions, please feel free to contact Alister Chang or Alan Collins on 0800 257 887 (and press 6), or by e-mail.

Yours sincerely



John Markland
Manager, Gambling Policy