



## MINISTERIAL STATEMENT

By

**The Honourable E. David Burt, JP, MP**

Premier

### UPDATE ON GAMING

Friday, 19<sup>th</sup> March 2021

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**Mr. Speaker**, the path to realising a properly regulated gaming industry for Bermuda has been a challenging one. Since the Green Paper on Gaming for Bermuda too little discernible progress has been made to actually introduce gaming on a scale that supports tourism and adds to the product offerings for travellers to Bermuda.

However, **Mr. Speaker**, I am pleased to advise this Honourable House of a further step in the process today. As is reflected on the Order Paper, I will introduce into the Legislature the **Gaming (Transfer of Functions) Bill 2021**, the **Betting Bill 2021**, and the **Betting Fees Regulations 2021**.

**Mr. Speaker**, Honourable Members will recall the intent for the Bermuda Casino Gaming Commission (“the Commission”) to assume responsibility for all forms of gaming in Bermuda, namely, casino gaming, betting, cruise ship casinos, lotteries and raffles, and finally, crown and anchor. This will also occasion a change in the name of the

Commission which will thereafter be known as the Bermuda Gaming Commission. The primary purpose of these proposals was to facilitate greater efficiency and certainty in how gaming is regulated in Bermuda.

Additionally, **Mr. Speaker**, Honourable Members will recall the initiative for the modernization of the regulatory framework for Bermuda's betting sector. The Bills to be tabled today accomplish those objectives and mark a significant step in providing the necessary framework for the regulation of gaming in Bermuda.

### ***Gaming (Transfer of Functions) Bill 2021***

**Mr. Speaker**, the Gaming (Transfer of Functions) Bill is largely one of consequential amendments; meaning that it proposes changes to a raft of statutes primarily for the purpose of expanding the regulatory remit for the Commission. As stated, the Commission will be responsible for the regulation of casino gaming, betting, cruise ship casinos, lotteries and raffles, and finally, crown and anchor. The Commission will also be permitted to collect all associated fees, levies and taxes resulting from these additional economic sectors, save for the betting duty. Both the amount of the duty and the procedures for submission to and collection by the Tax Commissioner will remain as they currently are.

### ***The Betting Bill 2021***

**Mr. Speaker**, the Betting Bill 2021 provides for a completely separate regulatory regime for the betting sector. The regulatory framework of the betting sector in Bermuda has not been refreshed since the enactment of the Betting Act 1975 and is now somewhat outdated. National and global circumstances and considerations have significantly changed since that time. Concepts such as due diligence and anti-money laundering standards were not fully developed in 1975. Given that Bermuda is a leading global financial centre, we must ensure that the regulation of our industries are commensurate with international best practices and standards and appropriate for our industry. The Betting Bill 2021 will repeal and replace the Betting Act 1975.

**Mr. Speaker**, the improvements to the betting regime are beneficial for Bermuda as they demonstrate our commitment to a modernized approach to regulation. The proposed statutory provisions contain key elements of a modern regulatory framework.

**Mr. Speaker**, extensive work was performed on the development of appropriate underlying policy. There was wide-ranging consultation; with local stakeholders, including:

- the current licensees - the betting operators
- the Betting Licence Authority
- the National Anti-Money Laundering Committee
- the Financial Intelligence Agency
- the Director of Public Prosecutions

**Mr. Speaker,** we wish to extend our sincere thanks for the continued engagement of our stakeholders with the Commission in regard to betting sector related initiatives.

**Mr. Speaker,** there was also consultation with international regulatory agencies, international consultants, and jurisdictional comparisons of statutory betting frameworks were conducted and considered. In particular, the provisions of the Bahamas, Jamaica and Cyprus, jurisdictions thought to have some similarities to Bermuda.

**Mr. Speaker,** in addition to the Bills being tabled today, I am pleased to provide an update on the developments in the casino gaming sector and the work of the Commission.

**Mr. Speaker,** I can confirm to Honourable Members that the post of Chief Executive at the Commission was filled late in 2020 by Mr. Jean Major

who comes to the Commission with a wealth of experience as a regulator and has added a valued dimension of expertise to the operations of the Commission.

**Mr. Speaker,** earlier this year, Hotelco Bermuda Holding Limited, known locally as “St. Regis”, entered the final stages of making an operational casino in Bermuda a reality. They are the holder of a provisional casino licence and have submitted a formal application for a casino licence. The statutorily required suitability review of the applicant is well underway by the Commission.

**Mr. Speaker,** the suitability review entails extensive due diligence in respect of every substantive aspect of the applicant’s honesty and integrity, associates, ownership interests, governance, operational and financial controls. This is to ensure that only “good characters” are permitted to enter the Bermuda market and to establish a healthy compliance culture. The results of the review will be submitted to the Board of the Commission for a final decision on the issuance of a casino licence later this summer.

**Mr. Speaker,** in furtherance of establishing an operational casino in Bermuda, the Commission have initiated a number of necessary

processes, the first being the approval process for gaming vendors who supply goods and services to the casino operator such as gaming machines and other gaming equipment. As of today, three gaming vendors have been approved by the Commission.

Additionally, **Mr. Speaker**, the Commission have recently concluded a consultation process for the approval of gaming equipment technical specifications and standards of performance. These standards are compliant with Bermuda's statutory framework and reflect current international standards. The standards are expected to be formally approved and made publicly available by the Commission before the end of this month.

Finally, **Mr. Speaker**, the Problem Gaming Council ("the Council") in close collaboration with the Commission team will continue to ensure that social responsibility remains a key pillar of casino gaming in Bermuda.

**Mr. Speaker**, in the midst of all that we as a Government and a community have to deal with owing to this pandemic, the introduction of these Bills today and the update on the considerable work of the Commission demonstrate this Government's commitment to continuing the work of opening and diversifying both our economy and our tourism.

Thank you, **Mr. Speaker.**