



The Best Place on Earth

December 15, 2010

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Log #454104

To: All Gaming Services Providers

Re: Registration Fee Increases and Cost Recovery Measures

This letter is intended to advise all gaming service providers of certain increases to the gaming registration fee structure and to the implementation of additional cost recovery measures related to the conduct of background investigations to determine suitability for registration.

The Province believes there should be at least partial cost recovery from certain commercial activities that require government regulatory oversight, if that oversight serves to protect the public interest. The current fee and cost recovery structure does not reflect this objective. The following changes, which are all effective January 1, 2011, will bring cost recovery more in line with other Canadian jurisdictions:

Registration Fees:

The Province has increased the application and annual registration fees for the following classes of registration related to Casino and Community Gaming Centre facilities:

- Increased the minimum number of slots for a *Class A casino* to 800 or more and increased the annual fee to \$100,000 per gaming facility, replacing the existing fee of \$35,000;
- Increased the number of slots for a *Class B casino* to between 500 to 799 and increased the annual fee to \$50,000 per gaming facility, replacing the existing fee of \$35,000;
- Established a new registration class for a *Class C casino* with fewer than 500 slot machines, formerly the criteria for a *Class B Casino*, and increased the annual fee to \$25,000 per gaming facility, replacing the existing fee of \$15,000; and
- Increased the annual fee to \$10,000 for *Community Gaming Centres*, replacing the existing fee of \$5,000.

The Province has removed a provision in the Gaming Control Regulation that previously exempted Lottery Retailer businesses from the requirement to register as gaming services providers. As a result of this change, the province has approved registration fees for the following new classes of gaming services providers:

- *Lottery Retailers*, that contract with BCLC to sell lottery products at sites to which access by minors is not restricted, \$45 for each additional site beyond one; and
- *Class A Hospitality Retailers*, that contract with BCLC to sell lottery products in a site to which access by minors is restricted in respect of a valid and subsisting liquor primary licence under the *Liquor Control and Licensing Act*. \$45 for each additional site beyond one.

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**Ministry of
Public Safety and
Solicitor General**

Gaming Policy and
Enforcement Branch
Registration and
Certification Division

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An additional class of registration for *Class B Hospitality Retailers*, that contract with BCLC to sell lottery products, to provide other types of provincial gaming, or to do both, in a site to which access by minors is restricted in respect of a valid and subsisting liquor primary licence under the *Liquor Control and Licensing Act* is planned for implementation at a later date.

The Province has decreased the application and annual registration fee for Teletheatre Operators that contract with the provincial teletheatre operator (*TBC-The Betting Company*) to provide teletheatre services by establishing the following new fee and class of registration for this service:

- \$250 for *Contracted Teletheatre Operators*, replacing the existing application fee of \$1,000.

Costs related to Background Investigations:

GPEB has implemented a new cost recovery measure, pursuant to section 63 of the *Gaming Control Act*, to offset the costs of background investigations for Gaming Services Provider registration. Effective January 1, 2011, applicants for registration and registrants, will be assessed a charge \$150 per hour of investigator time. These measures will apply to all Gaming Services Providers except Lottery Retailers, Hospitality Retailers, Contracted Teletheatre Operators, Seasonal Horse Racing Operators and providers of ancillary services in gaming facilities.

Other cost recovery measures currently in place will remain unchanged and include:

- All fees and costs paid to engage specialized financial, management, or investigative advisory services, as and when required, and
- The full cost of investigator travel outside British Columbia.

Consistent with current practices, applicants and registrants will be provided an estimate of costs in advance, and are required to place funds on deposit with the Registration and Certification Division prior to the commencement of the background investigation. Such funds must also be placed on deposit when background investigations and inquiries are necessary to confirm on-going suitability for registration.

Additional information with respect to registration fees and costs will be available on GPEB's website: www.pssg.gov.bc.ca/gaming , by contacting the Registration and Certification directly at 250-356-0663, or by email at: registration@gaming.gov.bc.ca .

Sincerely,



Rick Saville
Executive Director and Registrar

Cc: Derek Sturko
Michael Graydon