

## Implications of Bill on legality of Irish Casinos



It has been reported that the Department of Justice is soon to publish the Criminal Justice (Money Laundering) Bill which was announced last year. The main purpose of the Bill is to implement the Third Anti-Money Laundering Directive (Directive 2005/60/EC) whose transposition is now more than a year overdue. Beyond this core purpose, the Bill may also have implications regarding the status of gambling establishments in Ireland.

The General Scheme of the Bill, published last year, makes reference to “casinos or any other place in which casino-like activities are provided” and we understand that one of the aims of the Bill will be to bring private members’ clubs at which gambling activities are provided within the remit of anti-money laundering legislation. Existing anti-money laundering provisions already apply to “casinos”, but the new provision would extend this to private member gambling establishments at which “casino-like activities” are provided.

More than 25 private member casinos are reported to be currently operating in Ireland, despite a large question mark over their legality. The Gaming and Lotteries Act 1956 prohibits what it terms “unlawful gaming”, which includes many of the games that would be associated with casino gaming. The Act further provides, at Section 5:

“No person shall open, keep or use any building, room or place, enclosed or unenclosed, or permit it to be opened, kept or used for unlawful gaming ...”

Despite this prohibition, private members’ clubs offering casino-like activities have hitherto been mostly tolerated by the authorities.

The status of gambling and gambling establishments in Ireland has come under review on a number of occasions over the last fifteen years, starting with the 1996 Report of the Casino Task Force and followed in 2000 by the Report of an Interdepartmental Group. Then, in 2006, following a proposal by the Minister for Justice, Equality and Law Reform, a new Casino Committee was set up to further look into the possibilities associated with legalising casinos. The Casino Committee published its Report in July 2008. One of its recommendations was that the provisions of gaming services be made “unlawful except pursuant to a licence issued by the gaming regulatory authority”.

We understand that the imminent Criminal Justice (Money Laundering) Bill will not seek to change the status of casinos or private members’ clubs directly, and that full-blown reform of the law would be preceded by a detailed public consultation. Nevertheless, in specifically bringing establishments which provide casino-like activities within its scope, the Bill can be seen as a first step in bringing existing private members’ clubs under closer regulatory scrutiny. Pending publication of the full text of the Bill, the precise extent of its scope remains unclear.

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