

**Karaoke Establishments (Licensing) Regulation and  
Karaoke Establishments (Fees) Regulation**

**Administration's response to issues raised at the Subcommittee  
held on 2 December 2002**

- (a) *To amend section 5 of the Karaoke Establishments (Licensing) Regulation (the Licensing Regulation) to the effect that all seating, fittings and apparatus in the premises should be maintained in good fire and building safety conditions.*

\_\_\_\_\_ We have no objection to amending section 5 to better reflect that the maintenance requirement is safety-related. Please see paragraph (b) of the draft Legislative Council resolution at Annex I.

- (b) *To amend the proposed amendment to section 2(12) of Schedule 1 to the Licensing Regulation to the effect that in case of a fire alarm, the emergency alert system in the premises could produce visible and audible warning signals immediately after the karaoke music and visual images were interrupted.*

- \_\_\_\_\_ 2. We have no objection to the proposal. Please see paragraph (d) of Annex I.

- (c) *To lower the penalty levels for contravening sections 6 and 8 of the Licensing Regulation. In determining the penalty level for section 6, reference should be made to the penalty level for contravening provisions on the prevention of communicable diseases.*

3. Section 19 of the Food Business Regulation requires in food businesses proper sterilisation and storage of utensils used for preparation and consumption of food after each time they are used. Section 34B requires the exhibition of a food business licence near the entrance of the premises. Contravention of such requirements is an offence subject to a level 3 fine and 3 month's imprisonment. Having made reference to these provisions and considered

members' views further, we have no objection to lowering the penalty level for contravention of sections 6 and 8. Please see the proposed amendment in paragraph (c) of Annex I.

**(d) *To provide the costing for items 7(a)-(e) of the Karaoke Establishments (Fees) Regulation.***

4. The relevant cost computation is at Annex II.
5. We take the opportunity to confirm that all the fees in the Karaoke Establishments (Fees) Regulation are set on a full-cost recovery basis in accordance with Government policy. We also confirm that in calculating the costs of the licenses, only costs incurred for processing such licences have been taken into account, and that there is no cross-subsidy between the karaoke establishment licence fees and karaoke establishment permit fees.

Security Bureau  
December 2002

**DRAFT**

INTERPRETATION AND GENERAL CLAUSES ORDINANCE

**RESOLUTION OF THE LEGISLATIVE COUNCIL**

KARAOKE ESTABLISHMENTS (LICENSING) REGULATION

Resolution made and passed by the Legislative Council under section 34(2) of the Interpretation and General Clauses Ordinance (Cap. 1) on 2002.

RESOLVED that the Karaoke Establishments (Licensing)

Regulation, published in the Gazette as Legal Notice No. 153 of 2002 and laid on the table of the Legislative Council on 30 October 2002, be amended -

- (a) in section 2(a)(iii), by adding "that are of a substantial and permanent nature" after "karaoke";
- (b) in section 5, by deleting everything after "shall be" and substituting "properly maintained such that the safety of persons using the premises will not be adversely affected.";
- (c) in section 9 -
  - (i) in subsection (1), by repealing everything before "the grantee or licensee commits an offence" and substituting -
    - "(1) If -
      - (a) section 5 or 7 is contravened; or
      - (b) section 6 or 8 is contravened,";

(ii) by renumbering subsection (2) as  
subsection (3);

(iii) by adding -

"(2) Where a person charged  
with an offence under subsection (1)  
is -

(a) a representative of a  
body corporate or a  
partnership whose  
name appears on the  
permit or the licence  
concerned; or

(b) a grantee or a  
licensee who is an  
individual,

it shall be a defence for the person  
to prove that -

(c) he did not know and  
had no reason to  
suspect the existence  
of the circumstances  
giving rise to the  
contravention; and

(d) he could not, by the  
exercise of  
reasonable  
supervision and  
reasonable diligence,  
have prevented those

circumstances

arising.";

(iv) in subsection (3), by repealing  
"subsection (1)" and substituting  
"subsection (1)(a)";

(v) by adding -

" (4) A person who commits an offence  
under subsection (1)(b) is  
liable -

(a) on first conviction,  
to a fine at level 3  
and imprisonment for  
3 months; and

(b) on a second or  
subsequent  
conviction, to a fine  
at level 5 and  
imprisonment for 6  
months,

and in the case of a continuing  
offence, to a further daily fine of  
\$300 for each day during which the  
offence continues.";

(d) by repealing section 2(12) of Schedule 1 and  
substituting -

"(12) An emergency alert system which can  
interrupt the music or other sound and visual  
images produced by the karaoke equipment and  
at the same time produce visible and audible

warning signals in case of a fire alarm shall  
be provided.".

Clerk to the Legislative Council

2002

**COST COMPUTATION  
HOME AFFAIRS DEPARTMENT**

**Karaoke Establishment (KE) Licence  
(Cost at 2002-03 Prices)**

**One Full Licence**

		New issue				
Area of KE (sq. m.)		<=100	>100 ~ <=200	>200 ~ <=300	>300 ~ <=400	>400
		\$	\$	\$	\$	\$
Staff Costs		8,145	11,140	14,542	17,939	23,332
Departmental Expenses		244	333	435	536	698
Accommodation Costs		524	716	935	1,153	1,500
Cost of Services Provided by Other Departments		1,247	1,247	1,247	1,247	1,247
Central Administrative Overhead		350	478	624	770	1,002
<b>Total Unit Cost at 2002-03 prices (\$)</b>		<u>10,510</u>	<u>13,914</u>	<u>17,783</u>	<u>21,645</u>	<u>27,779</u>
<b>Proposed Fee (after rounding) (\$)</b>		<b>10,500</b>	<b>13,900</b>	<b>17,800</b>	<b>21,650</b>	<b>27,800</b>