

[First Reprint]

SENATE, No. 12

STATE OF NEW JERSEY
214th LEGISLATURE

INTRODUCED NOVEMBER 15, 2010

Sponsored by:

Senator JIM WHELAN

District 2 (Atlantic)

Senator RAYMOND J. LESNIAK

District 20 (Union)

SYNOPSIS

Revises various aspects of casino industry regulation.

CURRENT VERSION OF TEXT

As amended by the Senate on November 22, 2010.



1 AN ACT concerning the licensing and regulation of casinos, and amending
2 various parts of the statutory law, supplementing P.L.1977, c.110
3 (C.5:12-1 et seq.), and repealing various parts of the statutory law.

4
5 **BE IT ENACTED** by the Senate and General Assembly of the State of New
6 Jersey:

7
8 1. Section 1 of P.L.1977, c.110 (C.5:12-1) is amended to read as
9 follows:

10 1. Short title; Declaration of Policy and Legislative Findings.

11 a. This act shall be known and may be cited as the "Casino Control
12 Act."

13 b. The Legislature hereby finds and declares to be the public policy of
14 this State, the following:

15 (1) The tourist, resort and convention industry of this State constitutes a
16 critical component of its economic structure and, if properly developed,
17 controlled and fostered, is capable of providing a substantial contribution to
18 the general welfare, health and prosperity of the State and its inhabitants.

19 (2) By reason of its location, natural resources and worldwide
20 prominence and reputation, the city of Atlantic City and its resort, tourist
21 and convention industry represent a critically important and valuable asset
22 in the continued viability and economic strength of the tourist, convention
23 and resort industry of the State of New Jersey.

24 (3) The rehabilitation and redevelopment of existing tourist and
25 convention facilities in Atlantic City, and the fostering and encouragement
26 of new construction and the replacement of lost convention, tourist,
27 entertainment and cultural centers in Atlantic City will offer a unique
28 opportunity for the inhabitants of the entire State to make maximum use of
29 the natural resources available in Atlantic City for the expansion and
30 encouragement of New Jersey's hospitality industry, and to that end, the
31 restoration of Atlantic City as the Playground of the World and the major
32 hospitality center of the Eastern United States is found to be a program of
33 critical concern and importance to the inhabitants of the State of New
34 Jersey.

35 (4) Legalized casino gaming has been approved by the citizens of New
36 Jersey as a unique tool of urban redevelopment for Atlantic City. In this
37 regard, the introduction of a limited number of casino rooms in major hotel
38 convention complexes, permitted as an additional element in the hospitality
39 industry of Atlantic City, will facilitate the redevelopment of existing
40 blighted areas and the refurbishing and expansion of existing hotel,
41 convention, tourist, and entertainment facilities; encourage the replacement
42 of lost hospitality-oriented facilities; provide for judicious use of open
43 space for leisure time and recreational activities; and attract new investment
44 capital to New Jersey in general and to Atlantic City in particular.

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate floor amendments adopted November 22, 2010.

1 (5) Restricting the issuance of casino licenses to major hotel and
2 convention facilities is designed to assure that the existing nature and tone
3 of the hospitality industry in New Jersey and in Atlantic City is preserved,
4 and that the casino rooms licensed pursuant to the provisions of this act are
5 always offered and maintained as an integral element of such hospitality
6 facilities, rather than as the industry unto themselves that they have become
7 in other jurisdictions.

8 (6) An integral and essential element of the regulation and control of
9 such casino facilities by the State rests in the public confidence and trust in
10 the credibility and integrity of the regulatory process and of casino
11 operations. To further such public confidence and trust, the regulatory
12 provisions of this act are designed to extend strict State regulation to all
13 persons, locations, practices and associations related to the operation of
14 licensed casino enterprises and all related service industries as herein
15 provided. In addition, licensure of a limited number of casino
16 establishments, with the comprehensive law enforcement supervision
17 attendant thereto, is further designed to contribute to the public confidence
18 and trust in the efficacy and integrity of the regulatory process.

19 (7) Legalized casino gaming in New Jersey can attain, maintain and
20 retain integrity, public confidence and trust, and remain compatible with
21 the general public interest only under such a system of control and
22 regulation as insures, so far as practicable, the exclusion from participation
23 therein of persons with known criminal records, habits or associations, and
24 the exclusion or removal from any positions of authority or responsibility
25 within casino gaming operations and establishments of any persons known
26 to be so deficient in business probity, either generally or with specific
27 reference to gaming, as to create or enhance the dangers of unsound, unfair
28 or illegal practices, methods and activities in the conduct of gaming or the
29 carrying on of the business and financial arrangements incident thereto.

30 (8) Since the public has a vital interest in casino operations in Atlantic
31 City and has established an exception to the general policy of the State
32 concerning gaming for private gain, participation in casino operations as a
33 licensee or registrant under this act shall be deemed a revocable privilege
34 conditioned upon the proper and continued qualification of the individual
35 licensee or registrant and upon the discharge of the affirmative
36 responsibility of each such licensee or registrant to provide to the
37 regulatory and investigatory authorities established by this act any
38 assistance and information necessary to assure that the policies declared by
39 this act are achieved. Consistent with this policy, it is the intent of this act
40 to preclude the creation of any property right in any license, registration,
41 certificate or reservation permitted by this act, the accrual of any value to
42 the privilege of participation in gaming operations, or the transfer of any
43 license, registration, certificate, or reservation, and to require that
44 participation in gaming be solely conditioned upon the individual
45 qualifications of the person seeking such privilege.

46 (9) Since casino operations are especially sensitive and in need of
47 public control and supervision, and since it is vital to the interests of the
48 State to prevent entry, directly or indirectly, into such operations or the

1 ancillary industries regulated by this act of persons who have pursued
2 economic gains in an occupational manner or context which are in violation
3 of the criminal or civil public policies of this State, the regulatory and
4 investigatory powers and duties shall be exercised to the fullest extent
5 consistent with law to avoid entry of such persons into the casino
6 operations or the ancillary industries regulated by this act.

7 (10) (Deleted by amendment, P.L.1995, c.18.)

8 (11) The facilities in which licensed casinos are to be located are of vital
9 law enforcement interest to the State, and it is in the public interest that the
10 regulatory and investigatory powers and duties conferred by this act include
11 the power and duty to review architectural and site plans to assure that the
12 proposal is suitable by law enforcement standards.

13 (12) Since the economic stability of casino operations is in the public
14 interest and competition in the casino operations in Atlantic City is
15 desirable and necessary to assure the residents of Atlantic City and of this
16 State and other visitors to Atlantic City varied attractions and exceptional
17 facilities, the regulatory and investigatory powers and duties conferred by
18 this act shall include the power and duty to regulate, control and prevent
19 economic concentration in the casino operations and the ancillary industries
20 regulated by this act, and to encourage and preserve competition.

21 (13) It is in the public interest that the institution of licensed casino
22 establishments in New Jersey be strictly regulated and controlled pursuant
23 to the above findings and pursuant to the provisions of this act, which
24 provisions are designed to engender and maintain public confidence and
25 trust in the regulation of the licensed enterprises, to provide an effective
26 method of rebuilding and redeveloping existing facilities and of
27 encouraging new capital investment in Atlantic City, and to provide a
28 meaningful and permanent contribution to the economic viability of the
29 resort, convention, and tourist industry of New Jersey.

30 (14) Confidence in casino gaming operations is eroded to the extent the
31 State of New Jersey does not provide a regulatory framework for casino
32 gaming that permits and promotes stability and continuity in casino gaming
33 operations.

34 (15) Continuity and stability in casino gaming operations cannot be
35 achieved at the risk of permitting persons with unacceptable backgrounds
36 and records of behavior to control casino gaming operations contrary to the
37 vital law enforcement interest of the State.

38 (16) The aims of continuity and stability and of law enforcement will
39 best be served by a system in which continuous casino operation can be
40 assured under certain circumstances wherein there has been a transfer of
41 property or another interest relating to an operating casino and the
42 transferee has not been fully licensed or qualified, as long as control of the
43 operation under such circumstances may be placed in the possession of a
44 person or persons in whom the public may feel a confidence and a trust.

45 (17) A system whereby the suspension or revocation of casino operations
46 under certain appropriate circumstances causes the imposition of a
47 conservatorship upon the suspended or revoked casino operation serves

1 both the economic and law enforcement interests involved in casino gaming
2 operations.

3 (18) As recognized in the July 2010 Report of the Governor's Advisory
4 Commission on New Jersey Gaming, Sports, and Entertainment, and as
5 confirmed in subsequent legislative hearings held throughout the State,
6 legalized casino gaming in New Jersey presently stands at a crossroads,
7 facing critical challenges that jeopardize its important role in the State
8 economy, and it is in the public interest to modernize and streamline the
9 current outdated casino regulatory structure in order to achieve efficiencies
10 and cost savings that are more appropriately directed to marketing and
11 infrastructure improvement efforts while, at the same time, maintaining
12 strict integrity in the regulation of casino operations.

13 (19) The ability of the legalized casino gaming industry in New Jersey to
14 compete in an ever-expanding national gaming market requires a regulatory
15 system that is sufficiently flexible to encourage persons and entities holding
16 casino gaming licenses outside of New Jersey to participate in casino
17 gaming in Atlantic City, to allow licensees to take full and timely
18 advantage of advancements in technology, particularly in information
19 technology, and business management, and to encourage the efficient
20 utilization of resources between and among affiliated New Jersey licensees
21 operating casinos located in Atlantic City and between and among a New
22 Jersey affiliate and its licensed affiliates in other jurisdictions.

23 (cf: P.L.1995, c.18, s.1)

24

25 2. Section 2 of P.L.1977, c.110 (C.5:12-2) is amended to read as
26 follows:

27 2. As used in this act, the words and terms have the meanings ascribed
28 to them in **【sections 3 through 48 of this act】** P.L.1977, c.110 (C.5:12-1 et
29 seq.), unless a different meaning clearly appears in the context.

30 (cf: P.L.1977, c.110, s.2)

31

32 3. Section 3 of P.L.1995, c.18 (C.5:12-2.2) is amended to read as
33 follows:

34 3. "Annuity jackpot guarantee" -- A financial arrangement established
35 in accordance with the rules of the **【commission】** division to assure that all
36 payments that are due to the winner of an annuity jackpot are actually paid
37 when due regardless of the future financial stability of the slot system
38 operator that is responsible for making such payments.

39 (cf: P.L.2005, c.46, s.2)

40

41 4. Section 5 of P.L.1977, c.110 (C.5:12-5) is amended to read as
42 follows:

43 5. "Authorized Game" or "Authorized Gambling Game"-- Roulette,
44 baccarat, blackjack, craps, big six wheel, slot machines, minibaccarat, red
45 dog, pai gow, and sic bo; any variations or composites of such games,
46 provided that such variations or composites are found by the **【commission】**
47 division suitable for use after an appropriate test or experimental period
48 under such terms and conditions as the **【commission】** division may deem

1 appropriate; and any other game which is determined by the **【commission】**
2 division to be compatible with the public interest and to be suitable for
3 casino use after such appropriate test or experimental period as the
4 **【commission】** division may deem appropriate. "Authorized game" or
5 "authorized gambling game" includes gaming tournaments in which players
6 compete against one another in one or more of the games authorized herein
7 or by the **【commission】** division or in approved variations or composites
8 thereof if the tournaments are authorized by the **【commission】** division.
9 (cf: P.L.1993, c.292, s.1)

10
11 5. Section 2 of P.L.2002, c.65 (C.5:12-5.2) is amended to read as
12 follows:

13 2. "Cash equivalent value" The monetary value that a casino licensee
14 shall assign to a jackpot or payout that consists of merchandise or any thing
15 of value other than cash, tokens, chips or plaques. The **【commission】**
16 division shall promulgate rules defining "cash equivalent value" in order to
17 assure fairness, uniformity and comparability of valuation of jackpots and
18 payoffs that include merchandise or any thing of value.
19 (cf: P.L.2002, c.65, s.2)

20
21 6. Section 6 of P.L.1977, c.110 (C.5:12-6) is amended to read as
22 follows:

23 6. "Casino" or "casino room" or "licensed casino" -- One or more
24 locations or rooms in a casino hotel facility that have been approved by the
25 **【commission】** division for the conduct of casino gaming in accordance
26 with the provisions of this act. "Casino " or "casino room" or "licensed
27 casino" shall not include any casino simulcasting facility authorized
28 pursuant to the "Casino Simulcasting Act," P.L.1992, c.19 (C.5:12-191 et
29 seq.).
30 (cf: P.L.1996, c.84, s.1)

31
32 7. (New section) "Casino bankroll" – Cash maintained in the casino,
33 excluding any funds necessary for the normal operation of the casino, such
34 as change banks, slot hopper fills, slot booths, cashier imprest funds and
35 redemption area funds.

36
37 8. Section 7 of P.L.1977, c.110 (C.5:12-7) is amended to read as
38 follows:

39 7. "Casino Employee"--Any natural person, not otherwise included in
40 the definition of casino key employee, who is employed by a casino
41 licensee, or a holding or intermediary company of a casino licensee, and is
42 involved in the operation of a licensed casino or a simulcasting facility or
43 performs services or duties in a casino, simulcasting facility or a restricted
44 casino area, including, without limitation, boxmen; dealers or croupiers;
45 floormen; machine mechanics; casino security employees; count room
46 personnel; cage personnel; slot machine and slot booth personnel;
47 collection personnel; casino surveillance personnel; simulcasting facility

1 personnel involved in wagering-related activities in a simulcasting facility;
2 **【and】** data processing personnel; and information technology employees;
3 or any other natural person whose employment duties predominantly
4 involve the maintenance or operation of gaming activity or equipment and
5 assets associated therewith or who, in the judgment of the commission, is
6 so regularly required to work in a restricted casino area that **【licensure】**
7 registration as a casino employee is appropriate.

8 (cf: P.L.1992, c.19, s.23)

9

10 9. Section 9 of P.L.1977, c.110 (C.5:12-9) is amended to read as
11 follows:

12 9. "Casino Key Employee"--Any natural person employed **【in the**
13 **operation of】** by a casino licensee or holding or intermediary company of a
14 casino licensee, and involved in the operation of a licensed casino or a
15 simulcasting facility in a supervisory capacity or empowered to make
16 discretionary decisions which regulate casino or simulcasting facility
17 operations, including, without limitation, pit bosses; shift bosses; credit
18 executives; casino cashier supervisors; casino or simulcasting facility
19 managers and **【assistant managers】** managers and supervisors of
20 information technology employees; junket supervisors; marketing directors;
21 and managers or supervisors of casino security employees; or any other
22 natural person empowered to make discretionary decisions which regulate
23 the management of an approved hotel, including, without limitation, hotel
24 managers; entertainment directors; and food and beverage directors; or any
25 other employee so designated by the Casino Control Commission for
26 reasons consistent with the policies of this act.

27 (cf: P.L.1992, c.19, s.24)

28

29 10. Section 12 of P.L.1977, c.110 (C.5:12-12) is amended to read as
30 follows:

31 12. "Casino Service Industry Enterprise" -- Any vendor **【which】**
32 offering goods or services which directly relate to casino or gaming
33 activity, including gaming equipment and simulcast wagering equipment
34 manufacturers, suppliers, repairers and independent testing laboratories,
35 junket enterprises and junket representatives, that provides casino
36 applicants or licensees with goods or services **【regarding the realty,**
37 construction, maintenance, or business of a proposed or existing casino
38 hotel or related facility or which purchases goods or services from, or
39 which does any other business with, casino applicants or licensees on a
40 regular or continuing basis, including, without limitation, junket
41 enterprises, security businesses, gaming schools, manufacturers,
42 distributors and servicers of gaming and casino simulcasting devices or
43 equipment, in-State and out-of-State sending tracks as defined in section 2
44 of the "Casino Simulcasting Act," P.L.1992, c.19 (C.5:12-192), garbage
45 haulers, maintenance companies, food purveyors, and construction
46 companies**】**. Notwithstanding the foregoing, any form of enterprise
47 engaged in the manufacture, sale, distribution, testing or repair of slot

1 machines within New Jersey, other than antique slot machines as defined in
2 N.J.S.2C:37-7, shall be considered a casino service industry enterprise for
3 the purposes of this act regardless of the nature of its business relationship,
4 if any, with casino applicants and licensees in this State.

5 For the purposes of this section, "casino applicant" includes any person
6 required to hold a casino license pursuant to section 82 of P.L.1977, c.110
7 (C.5:12-82) who has applied to the **[commission]** division for a casino
8 license or any approval required under P.L.1977, c.110 (C.5:12-1 et seq.).
9 (cf: P.L.2009, c.36, s.1)

10

11 11. (New section) "Corporate Officer" – The chief executive officer,
12 chief financial officer, chief operating officer, chief information officer and
13 chief legal officer of a corporation, or their equivalents in any
14 unincorporated entity.

15

16 12. Section 2 of P.L.1983, c.41 (C.5:12-14a) is amended to read as
17 follows:

18 2. "Complimentary service or item" - A service or item provided at no
19 cost or at a reduced price. The furnishing of a complimentary service or
20 item by a casino licensee shall be deemed to constitute the indirect
21 payment for the service or item by the casino licensee, and shall be valued
22 in an amount based upon the retail price normally charged by the casino
23 licensee for the service or item. The value of a complimentary service or
24 item not normally offered for sale by a casino licensee or provided by a
25 third party on behalf of a casino licensee shall be the cost to the casino
26 licensee of providing the service or item, as determined in accordance with
27 the rules of the **[commission]** division.
28 (cf: P.L.1983, c.41, s.2)

29

30 13. Section 20 of P.L.1977, c.110 (C.5:12-20) is amended to read as
31 follows:

32 20. "Family" - Spouse, domestic partner, partner in a civil union,
33 parents, grandparents, children, grandchildren, siblings, uncles, aunts,
34 nephews, nieces, fathers-in-law, mothers-in-law, daughters-in-law, sons-in-
35 law, brothers-in-law and sisters-in-law, whether by the whole or half blood,
36 by marriage, adoption or natural relationship.
37 (cf: P.L.1977, c.110, s.20)

38

39 14. Section 24 of P.L.1977, c.110 (C.5:12-24) is amended to read as
40 follows:

41 24. "Gross Revenue" - The total of all sums actually received by a
42 casino licensee from gaming operations, less only the total of all sums
43 actually paid out as winnings to patrons; provided, however, that the cash
44 equivalent value of any merchandise or thing of value included in a jackpot
45 or payout shall not be included in the total of all sums paid out as winnings
46 to patrons for purposes of determining gross revenue. Non-cashable credits
47 in any form, including coupons, electronic credits and vouchers, shall not
48 be considered sums actually received by a casino licensee from gaming

1 operations for purposes of determining gross revenue ¹, except that
2 promotional gaming credits shall be considered sums actually received by a
3 casino licensee from gaming operations for purposes of determining gross
4 revenue unless excluded pursuant to section 2 of P.L.2008, c.12 (C.5:12-
5 144.2)¹. "Gross Revenue" shall not include any amount received by a
6 casino from casino simulcasting pursuant to the "Casino Simulcasting Act,"
7 P.L.1992, c.19 (C.5:12-191 et al.).
8 (cf: P.L.2009, c.36, s.2)

9
10 15. Section 25 of P.L.1977, c.110 (C.5:12-25) is amended to read as
11 follows:

12 25. "Hearing examiner" - **[A]** The director, a commissioner or other
13 person authorized by the director or the commission to conduct hearings.
14 (cf: P.L.1977, c.110, s.25)

15
16 16. Section 11 of P.L.1991, c.182 (C.5:12-27.1) is amended to read as
17 follows:

18 11. "Institutional investor" - Any retirement fund administered by a
19 public agency for the exclusive benefit of federal, State, or local public
20 employees; investment company registered under the Investment Company
21 Act of 1940 (15 U.S.C. s.80a-1 et seq.); collective investment trust
22 organized by banks under Part Nine of the Rules of the Comptroller of the
23 Currency; closed end investment trust; chartered or licensed life insurance
24 company or property and casualty insurance company; banking and other
25 chartered or licensed lending institution; investment advisor registered
26 under The Investment Advisors Act of 1940 (15 U.S.C. s.80b-1 et seq.);
27 and such other persons as the **[commission]** division may determine for
28 reasons consistent with the policies of the "Casino Control Act," P.L.1977,
29 c.110 (C.5:12-1 et seq.).
30 (cf: P.L.1991, c.182, s.11)

31
32 17. (New section) "Multi-casino employee" – Any registered casino
33 employee or licensed casino key employee who, upon the petition of two or
34 more affiliated casino licensees, is endorsed by the commission or division,
35 as applicable, to perform any compatible functions for any of the
36 petitioning casino licensees.

37
38 18. Section 35 of P.L.1977, c.110 (C.5:12-35) is amended to read as
39 follows:

40 35. "Operation certificate" - A certificate issued by the **[commission]**
41 division which certifies that operation of a casino and, if applicable, a
42 simulcasting facility conforms to the requirements of this act and applicable
43 regulations and that its personnel and procedures are efficient and prepared
44 to entertain the public.
45 (cf: P.L.1993, c.292, s.4)

1 19. Section 36 of P.L.1977, c.110 (C.5:12-36) is amended to read as
2 follows:

3 36. "Party" --The **【commission, the】** division, or any licensee,
4 registrant, or applicant, or any person appearing of record for any licensee,
5 registrant, or applicant in any proceeding before the division or the
6 commission or in any proceeding for judicial review of any action, decision
7 or order of the division or commission.

8 (cf: P.L.2002, c.65, s.7)

9

10 20. Section 1 of P.L.2008, c.12 (C.5:12-38a) is amended to read as
11 follows:

12 1. "Promotional gaming credit" - A slot machine credit or other item
13 approved by the **【commission】** division that is issued by a licensee to a
14 patron for the purpose of enabling the placement of a wager at a slot
15 machine in the licensee's casino. No such credit shall be reported as a
16 promotional gaming credit unless the casino licensee can establish that the
17 credit was issued by the casino licensee and received from a patron as a
18 wager at a slot machine in the licensee's casino.

19 (cf: P.L.2008, c.12, s.1)

20

21 21. Section 39 of P.L.1977, c.110 (C.5:12-39) is amended to read as
22 follows:

23 39. "Publicly traded corporation" --Any corporation or other legal
24 entity, except a natural person, which:

25 a. Has one or more classes of security registered pursuant to section 12
26 of the Securities Exchange Act of 1934, as amended (15 U.S.C. s. 78l.), or

27 b. Is an issuer subject to section 15(d) of the Securities Exchange Act
28 of 1934, as amended (15 U.S.C. s. 78o.), or

29 c. Has one or more classes of securities traded in any open market in
30 any foreign jurisdiction or regulated pursuant to a statute of any foreign
31 jurisdiction which the **【commission】** division determines to be substantially
32 similar to either or both of the aforementioned statutes.

33 (cf: P.L.1992, c.9, s.7)

34

35 22. Section 3 of P.L.1987, c.353 (C.5:12-43.1) is amended to read as
36 follows:

37 3. "Restricted Casino Areas"--The cashier's cage, the soft count room,
38 the hard count room, the slot cage booths and runway areas, the interior of
39 table game pits, the surveillance room and catwalk areas, the slot machine
40 repair room and any other area specifically designated by the
41 **【commission】** division as restricted in a licensee's operation certificate.

42 (cf: P.L.1987, c.353, s.3)

43

44 23. Section 4 of P.L.2004, c.184 (C.5:12-45.1) is amended to read as
45 follows:

46 4. "Slot system agreement" - A written agreement governing the
47 operation and administration of a multi-casino progressive slot machine

1 system that is approved by the **【commission】** division and executed by the
2 participating casino licensees and any slot system operator.

3 (cf: P.L.2004, c.184, s.4)

4

5 24. (New section) "State of emergency" – Any emergency situation,
6 including the failure to enact a general appropriation law by the deadline
7 prescribed by Article VIII, Section II, paragraph 2 of the New Jersey
8 Constitution, a state of emergency declared by the President of the United
9 States or the Governor of the State of New Jersey and a State ordered State
10 employee furlough, during which division and commission employees are
11 unable to perform the duties and responsibilities required of them under this
12 act.

13

14 25. Section 46 of P.L.1977, c.110 (C.5:12-46) is amended to read as
15 follows:

16 46. "Statement of compliance" --A statement by the commission, upon
17 the input of the division, which may be issued to an applicant for a casino
18 license or any person who must be qualified pursuant to this act in order to
19 hold the securities of a casino licensee or any holding or intermediary
20 company of a casino licensee, indicating satisfactory completion of a
21 particular stage or stages of the license consideration process, and which
22 states that unless there is a change of any material circumstance pertaining
23 to such particular stage or stages of license consideration involved in the
24 statement, such applicant has complied with requirements mandated by this
25 act **【and by the commission】** and is therefore approved for license
26 qualification to the stage or stages for which the statement has been issued.
27 (cf: P.L.1977, c.110, s.46)

28

29 26. Section 69 of P.L.1977, c.110 (C.5:12-69) is amended to read as
30 follows:

31 69. Regulations. a. The **【commission】** division shall be authorized to
32 adopt, amend, or repeal such regulations, consistent with the policy and
33 objectives of this act, as amended and supplemented, as it may deem
34 necessary to protect the public interest in carrying out the provisions of this
35 act. The commission shall be authorized to adopt, amend or repeal such
36 regulations as may be necessary for the conduct of hearings before the
37 commission under subsections a. and b. of section 63 of P.L.1977, c.110
38 (C.5:12-63) and for the matters within all other responsibilities and duties
39 of the commission imposed by P.L.1977, c.110 (C.5:12-1 et seq.).

40

41 b. Such regulations of the division and the commission authorized by
42 this section shall be adopted, amended, and repealed in accordance with the
43 provisions of the "Administrative Procedure Act," P.L.1968, c.410
44 (C.52:14B-1 et seq.), unless otherwise specified by this act.

44

45 c. Any interested person may, in accordance with the provisions of the
46 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), file
47 a petition with the division or commission, as appropriate, requesting the
adoption, amendment or repeal of a regulation.

1 d. The division or commission may, in emergency circumstances,
2 summarily adopt, amend or repeal any regulation pursuant to the
3 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.).

4 e. Notwithstanding any other provision of this act or the
5 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) to
6 the contrary, the **【commission】** division may, after notice provided in
7 accordance with this subsection, authorize the temporary adoption,
8 amendment or repeal of any rule concerning the conduct of gaming or
9 simulcast wagering, or the use or design of gaming or simulcast wagering
10 equipment, or the internal procedures and administrative and accounting
11 controls required by section 99 of P.L.1977, c.110 (C.5:12-99) for a period
12 not to exceed 270 days for the purpose of determining whether such rules
13 should be adopted on a permanent basis in accordance with the
14 requirements of this section. Any temporary rulemaking authorized by this
15 subsection shall be subject to such terms and conditions as the
16 **【commission】** division may deem appropriate. Notice of any temporary
17 rulemaking action taken by the **【commission】** division pursuant to this
18 subsection shall be published in the New Jersey Register, and provided to
19 the newspapers designated by the **【commission】** division pursuant to
20 subsection d. of section 3 of P.L.1975, c.231 (C.10:4-8), at least seven days
21 prior to the implementation of the temporary rules. Nothing herein shall be
22 deemed to require the publication of the text of any temporary rule adopted
23 by the **【commission】** division or notice of any modification of any
24 temporary rulemaking initiated in accordance with this subsection. The text
25 of any temporary rule adopted by the **【commission】** division shall be
26 available in each casino or simulcasting facility participating in the
27 temporary rulemaking and shall be available upon request from the
28 **【commission】** division.

29 f. Orders, rules and regulations concerning implementation of
30 P.L.1977, c.110 (C.5:12-1 et seq.) issued or promulgated by the
31 commission prior to the effective date of P.L. , c. (C.)(pending
32 before the Legislature as this bill), shall continue with full force and effect
33 until amended or repealed by the division or commission pursuant to law;
34 provided, however, that any references to the commission in such orders,
35 rules and regulations shall be deemed to refer to the division unless the
36 context indicates otherwise.

37 g. Notwithstanding any other provision of this act or the
38 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) to
39 the contrary, during the 90-day period following the effective date of
40 P.L. , c. (C.)(pending before the Legislature as this bill) the division
41 may, after notice provided in accordance with this subsection, summarily
42 adopt, amend or repeal any order, rule or regulation issued or promulgated
43 by the commission prior to the effective date of P.L. , c. (C.)
44 (pending before the Legislature as this bill), for a period not to exceed 270
45 days for the purpose of determining whether such rules should be adopted
46 on a permanent basis in accordance with the requirements of this section.
47 Any summary rulemaking authorized by this subsection shall be subject to

1 such terms and conditions as the division may deem appropriate. Notice of
2 any temporary rulemaking action taken by the division pursuant to this
3 subsection shall be published in the New Jersey Register, and provided to
4 the newspapers designated by the division pursuant to subsection d. of
5 section 3 of P.L.1975, c.231 (C.10:4-8), at least seven days prior to the
6 implementation of the temporary rules. Nothing herein shall be deemed to
7 require the publication of the text of any temporary rule adopted by the
8 division or notice of any modification of any temporary rulemaking
9 initiated in accordance with this subsection. The text of any temporary rule
10 adopted by the division shall be available in each casino or simulcasting
11 facility participating in the temporary rulemaking and shall be available
12 upon request from the division.

13 ¹h. Notwithstanding any other provision of this act or the
14 “Administrative Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et seq.) to
15 the contrary, the commission and the division may, after notice provided in
16 accordance with this subsection, summarily adopt, amend, or repeal any
17 order, rule, or regulation issued or promulgated by the commission or
18 division, for a period not to exceed 270 days for the purpose of initiating
19 the implementation of Internet wagering at casinos. The summary
20 rulemaking authorized by this subsection shall be subject to such terms and
21 conditions as the commission or division may deem appropriate. Notice of
22 any temporary rulemaking action taken by the commission or division
23 pursuant to this subsection shall be published in the New Jersey Register,
24 and provided to the newspapers designated by the commission or division
25 pursuant to subsection d. of section 3 of P.L.1975, c.231 (C.10:4-8), at least
26 seven days prior to the implementation of the temporary rules. Nothing
27 herein shall be deemed to require the publication of the text of any
28 temporary rule adopted by the commission or division or notice of any
29 modification of any temporary rulemaking initiated in accordance with this
30 subsection. The text of any temporary rule adopted by the commission or
31 division shall be available in each casino participating in the temporary
32 rulemaking and shall be available upon request from the commission or
33 division.¹

34 (cf: P.L.2002, c.65, s.10)

35

36 27. Section 70 of P.L.1977, c.110 (C.5:12-70) is amended to read as
37 follows:

38 70. Required Regulations. a. The **【commission】** division shall, without
39 limitation **【on the powers conferred in the preceding section,】** include
40 **【within its regulations】** the following specific provisions in its regulations
41 in accordance with the provisions of this act:

42 **【a.】** (1) Prescribing the methods and forms of application and
43 registration which any applicant or registrant shall follow and complete
44 **【prior to consideration of his application by the commission】**;

45 **【b.】** (2) Prescribing the methods, procedures and form for delivery of
46 information concerning any person's family, habits, character, associates,
47 criminal record, business activities and financial affairs;

- 1 **【c.】** (3) Prescribing such procedures for the fingerprinting of an
2 applicant, employee of a licensee, or registrant, **【or other】** and methods of
3 identification which may be necessary **【in the judgment of the commission】**
4 to accomplish effective enforcement of restrictions on access to the casino
5 floor, the simulcasting facility, and other restricted areas of the casino hotel
6 complex;
- 7 (4) Prescribing the method of notice to an applicant, registrant or
8 licensee concerning the release of any information or data provided to the
9 commission or division by such applicant, registrant or licensee;
- 10 **【d.】** (5) Prescribing the manner and procedure of all hearings conducted
11 by the **【commission】** division or any hearing examiner, including special
12 rules of evidence applicable thereto and notices thereof;
- 13 **【e.】** (6) Prescribing the manner and method of collection of payments of
14 taxes, fees, and penalties;
- 15 **【f.】** (7) Defining and limiting the areas of operation, the rules of
16 authorized games, odds, and devices permitted, and the method of operation
17 of such games and devices;
- 18 **【g.】** (8) Regulating the practice and procedures for negotiable
19 transactions involving patrons, including limitations on the circumstances
20 and amounts of such transactions, and the establishment of forms and
21 procedures for negotiable instrument transactions, redemptions, and
22 consolidations;
- 23 **【h.】** (9) Prescribing grounds and procedures for the revocation or
24 suspension of operating certificates, **【and】** licenses and registrations;
- 25 **【i.】** (10) Governing the manufacture, distribution, sale, deployment, and
26 servicing of gaming devices and equipment;
- 27 **【j.】** (11) Prescribing for gaming operations the procedures, forms and
28 methods of management controls, including employee and supervisory
29 tables of organization and responsibility, and minimum security and
30 surveillance standards, including security personnel structure, alarm and
31 other electrical or visual security measures; provided, however, that the
32 **【commission】** division shall grant an applicant for a casino license or a
33 casino licensee broad discretion concerning the organization and
34 responsibilities of management personnel who are not directly involved in
35 the supervision of gaming or simulcast wagering operations;
- 36 **【k.】** (12) Prescribing the qualifications of, and the conditions pursuant
37 to which, engineers, accountants, and others shall be permitted to practice
38 before the **【commission】** division or to submit materials on behalf of any
39 applicant or licensee; provided, however, that no member of the
40 Legislature, nor any firm with which said member is associated, shall be
41 permitted to appear or practice or act in any capacity whatsoever before the
42 commission or division regarding any matter whatsoever, nor shall any
43 member of the family of the Governor or of a member of the Legislature be
44 permitted to so practice or appear in any capacity whatsoever before the
45 commission or division regarding any matter whatsoever;

1 **【l.】** (13) Prescribing minimum procedures for the exercise of effective
2 control over the internal fiscal affairs of a licensee, including provisions for
3 the safeguarding of assets and revenues, the recording of cash and evidence
4 of indebtedness, and the maintenance of reliable records, accounts, and
5 reports of transactions, operations and events, including reports to the
6 **【commission】** division;

7 **【m.】** (14) Providing for a minimum uniform standard of accountancy
8 methods, procedures and forms; a uniform code of accounts and accounting
9 classifications; and such other standard operating procedures, including
10 those controls listed in **【section 99a. hereof】** subsection a. of section 99 of
11 P.L.1977, c.110 (C.5:12-99), as may be necessary to assure consistency,
12 comparability, and effective disclosure of all financial information,
13 including calculations of percentages of profit by games, tables, gaming
14 devices and slot machines;

15 **【n.】** (15) Requiring quarterly financial reports and the form thereof,
16 and an annual audit prepared by a certified public accountant licensed to do
17 business in this State, attesting to the financial condition of a licensee and
18 disclosing whether the accounts, records and control procedures examined
19 are maintained by the licensee as required by this act and the regulations
20 promulgated hereunder;

21 **【o.】** (16) Governing the gaming-related advertising of casino
22 licensees, their employees and agents, with the view toward assuring that
23 such advertisements are in no way deceptive; provided, however, that such
24 regulations shall require the words "Bet with your head, not over it," or
25 some comparable language approved by the **【commission】** division, to
26 appear on all billboards, signs, and other on-site advertising of a casino
27 operation and shall require the words "If you or someone you know has a
28 gambling problem and wants help, call 1-800 GAMBLER," or some
29 comparable language approved by the **【commission】** division, which
30 language shall include the words "gambling problem" and "call 1-800
31 GAMBLER," to appear legibly on all print, billboard, and sign advertising
32 of a casino operation; and

33 **【p.】** (17) (Deleted by amendment, P.L.1991, c.182).

34 **【q.】** (18) Concerning the distribution and consumption of alcoholic
35 beverages on the premises of the licensee, which regulations shall be
36 insofar as possible consistent with Title 33 of the Revised Statutes, and
37 shall deviate only insofar as necessary because of the unique character of
38 the hotel casino premises and operations;

39 **【r.】** (19) (Deleted by amendment, P.L.1991, c.182).

40 **【b.】** The commission shall, in its regulations, prescribe the manner and
41 procedure of all hearings conducted by the commission, including special
42 rules of evidence applicable thereto and notices thereof.

43 (cf: P.L.2002, c.65, s.11)

44

45 28. Section 52 of P.L.1977, c.110 (C.5:12-52) is amended to read as
46 follows:

- 1 52. a. **【Initial appointments to the commission made pursuant to this**
2 **amendatory and supplementary act shall be for terms as follows:**
- 3 (1) One member for 2 years;
4 (2) One member for 3 years;
5 (3) One member for 4 years; and
6 (4) One member for 5 years.】 (Deleted by amendment, P.L. , c.)
7 (pending before the Legislature as this bill)
- 8 b. **【The term of each of the members first appointed pursuant to this**
9 **amendatory and supplementary act shall be designated by the Governor.】**
10 (Deleted by amendment, P.L. , c.)(pending before the Legislature as this
11 bill)
- 12 c. **【After the initial appointments, all】** The commission shall consist of
13 five members who shall be appointed for terms of 5 years; provided,
14 however, that no member shall serve more than two terms of 5 years each.
- 15 d. Appointments to the commission **【and designation of the chairman】**
16 shall be made by the Governor with the advice and consent of the Senate.
17 Prior to nomination, the Governor shall cause an inquiry to be conducted by
18 the Attorney General into the nominee's background, with particular regard
19 to the nominee's financial stability, integrity, and responsibility and his
20 reputation for good character, honesty, and integrity.
- 21 e. Appointments to fill vacancies on the commission shall be for the
22 unexpired term of the member to be replaced.
- 23 f. **【The member designated by the Governor to serve as chairman】**
24 Commencing after the expiration of the term of the chair who is serving on
25 the effective date of P.L. , c. (pending before the Legislature as this bill),
26 the members of the commission shall elect a chairman from among the
27 members, who shall serve in such capacity throughout such member's entire
28 term and until his successor shall have been duly 【appointed】 elected and
29 qualified. The member who is serving as the chair of the commission on
30 the effective date of P.L. , c. (pending before the Legislature as this bill)
31 shall continue to serve in such capacity throughout such member's entire
32 term and until the successor is duly elected and qualified. No such
33 member, however, shall serve in such capacity for more than 10 years. The
34 chairman shall be the chief executive officer of the commission. All
35 members shall devote full time to their duties of office and shall not pursue
36 or engage in any other business, occupation or other gainful employment.
- 37 g. A commissioner may be removed from office for misconduct in
38 office, willful neglect of duty, or other conduct evidencing unfitness for his
39 office, or for incompetence. A proceeding for removal may be instituted by
40 the Attorney General in the Superior Court. Notwithstanding any provision
41 of this or any other act, any commissioner or employee of the commission
42 shall automatically forfeit his office or position upon conviction of any
43 crime. Any commissioner or employee of the commission shall be subject
44 to the duty to appear and testify and to removal from his office, position or
45 employment in accordance with the provisions of P.L.1970, c.72 (C.2A:81-
46 17.2a et seq.).

1 h. Each member of the commission shall serve for the duration of his
2 term and until his successor shall be duly appointed and qualified, **【subject**
3 **to】** notwithstanding the limitations in subsections c. and f. of this section**【;**
4 provided, however, that in the event that a successor is not duly appointed
5 and qualified within 120 days after the expiration of the member's term, a
6 vacancy shall be deemed to exist**】**.

7 (cf: P.L.1980, c.138, s.1)

8

9 29. Section 54 of P.L.1977, c.110 (C.5:12-54) is amended to read as
10 follows:

11 54. Organization and Employees. a. The commission may establish, and
12 from time to time alter, such plan of organization as it may deem expedient,
13 and may incur expenses within the limits of funds available to it.

14 b. The commission shall elect annually by a majority of the full
15 commission one of its members, other than the chairman, to serve as vice-
16 chairman for the ensuing year. The vice-chairman shall be empowered to
17 carry out all of the responsibilities of the chairman as prescribed in this act
18 during his absence, disqualification, or inability to serve.

19 c. The commission shall appoint an executive secretary who shall
20 serve at its pleasure and shall be responsible for the conduct of its
21 administrative affairs. No person shall be eligible for such appointment
22 unless he shall have at least 5 years of responsible experience in public or
23 business administration or possesses broad management skills. The
24 position of executive secretary shall be in the unclassified service of the
25 civil service.

26 d. The commission may employ such other personnel as it deems
27 necessary. All employees of the commission, except for secretarial and
28 clerical personnel, shall be in the unclassified service of the Civil Service.
29 All employees of the commission shall be deemed confidential employees
30 for the purposes of the "New Jersey Employer-Employee Relations Act"
31 (P.L.1941, c.100; C.34:13A-1 et seq.), as amended. **【Notwithstanding the**
32 **provisions of any other law to the contrary, the commission may employ**
33 **legal counsel who shall represent the commission in any proceeding to**
34 **which it is a party, and who shall render legal advice to the commission**
35 **upon its request.】** The commission may contract for the services of **【other】**
36 **professional, technical and operational personnel and consultants, and of**
37 **legal counsel,** as may be necessary to the performance of its responsibilities
38 under this act.

39 e. Members and employees of the commission shall be enrolled in the
40 Public Employees' Retirement System of New Jersey (P.L.1954, c.84;
41 C.43:15A-1 et seq.).

42 (cf: P.L.1987, c.354, s.1)

43

44 30. Section 58 of P.L.1977, c.110 (C.5:12-58) is amended to read as
45 follows:

46 58. Restrictions on Pre-Employment by Commissioners, Commission
47 Employees and Division Employees and Agents.

- 1 a. Deleted by amendment.
- 2 b. No person shall be appointed to or employed by the commission or
3 division if, during the period commencing three years prior to appointment
4 or employment, said person held any direct or indirect interest in, or any
5 employment by, any person which is licensed as a casino licensee pursuant
6 to section 87 of P.L.1977, c.110 (C.5:12-87) or as a casino service industry
7 enterprise pursuant to subsection a. of section 92 of P.L.1977, c.110
8 (C.5:12-92) or has an application **【for such a license】** pending **【before the**
9 **commission】**; provided, however, that notwithstanding any other provision
10 of this act to the contrary, any such person may be appointed to or
11 employed by the commission or division if his interest in any such casino
12 licensee or casino service industry enterprise which is publicly traded
13 would not, in the opinion of the employing agency, interfere with the
14 objective discharge of such person's employment obligations, but in no
15 instance shall any person be appointed to or employed by the commission
16 or division if his interest in such a casino licensee or casino service industry
17 enterprise which is publicly traded constituted a controlling interest in that
18 casino licensee or casino service industry enterprise; and provided further,
19 however, that notwithstanding any other provision of this act to the
20 contrary, any such person may be employed by the commission or division
21 in a secretarial or clerical position if, in the opinion of the employing
22 agency, his previous employment by, or interest in, any such casino
23 licensee or casino service industry enterprise would not interfere with the
24 objective discharge of such person's employment obligations.
- 25 c. Prior to appointment or employment, each member of the
26 commission, each employee of the commission, the director of the Division
27 of Gaming Enforcement and each employee and agent of the division shall
28 swear or affirm that he possesses no interest in any business or organization
29 licensed by or registered with the commission.
- 30 d. Each member of the commission and the director of the division
31 shall file with the State Ethics Commission a financial disclosure statement
32 listing all assets and liabilities, property and business interests, and sources
33 of income of said member or director and said member's or director's
34 spouse, domestic partner or partner in a civil union, as the case may be, and
35 shall provide to the State Ethics Commission a financial disclosure
36 statement listing all assets and liabilities, property and business interests,
37 and sources of income of the parents, brothers, sisters, and children of said
38 member or director. Such statement shall be under oath and shall be filed
39 at the time of appointment and annually thereafter.
- 40 e. Each employee of the commission, except for secretarial and clerical
41 personnel, and each employee and agent of the division, except for
42 secretarial and clerical personnel, shall file with the State Ethics
43 Commission a financial disclosure statement listing all assets and liabilities,
44 property and business interests, and sources of income of said employee or
45 agent and said employee's or agent's spouse, domestic partner or partner in
46 a civil union, as the case may be. Such statement shall be under oath and
47 shall be filed at the time of employment and annually thereafter.
48 Notwithstanding the provisions of subsection (n) of section 10 of P.L.1971,

1 c.182 (C.52:13D-21), only financial disclosure statements filed by a
2 commission or division employee or agent who is in a policy-making
3 management position shall be posted on the Internet site of the State Ethics
4 Commission.

5 (cf: P.L.2009, c.36, s.4)

6

7 31. Section 59 of P.L.1977, c.110 (C.5:12-59) is amended to read as
8 follows:

9 59. Employment Restrictions on Commissioners, Commission
10 Employees and Division Employees.

11 a. The "New Jersey Conflicts of Interest Law," P.L.1971, c.182
12 (C.52:13D-12 et seq.) shall apply to members of the commission, **[and]** to
13 all employees of the commission, to the director and to all employees of the
14 division, except as herein specifically provided.

15 b. The commission shall **[**, no later than January 1, 1981,**]** promulgate
16 and maintain a Code of Ethics that is modeled upon the Code of Judicial
17 Conduct of the American Bar Association, as amended and adopted by the
18 Supreme Court of New Jersey. **[**This Code of Ethics shall include, but not
19 be limited to, provisions that address the propriety of relationships and
20 dealings between the commission and its staff, and licensees and applicants
21 for licensure under this act.**]**

22 c. The division shall promulgate and maintain a Code of Ethics
23 governing its specific needs.

24 d. The Codes of Ethics promulgated and maintained by the commission
25 and the division shall not be in conflict with the laws of this State, except,
26 however, that said Codes of Ethics may be more restrictive than any law of
27 this State.

28 e. The Codes of Ethics promulgated and maintained by the commission
29 and the division, and any amendments or restatements thereof, shall be
30 submitted to the State Ethics Commission for approval. The Codes of
31 Ethics shall include, but not be limited to provisions that:

32 (1) No commission member or employee or division director, employee
33 or agent shall be permitted to gamble in any establishment licensed by the
34 commission except in the course of his duties.

35 (2) No commission member or employee or division director, employee
36 or agent shall solicit or accept employment from any person licensed by or
37 registered with the commission or from any applicant for a period of four
38 years after termination of service with the commission or division, except
39 as otherwise provided in section 60 of this act.

40 (3) No commission member or employee or **[any]** division director,
41 employee or agent shall act in his official capacity in any matter wherein he
42 or his spouse, domestic partner or partner in a civil union, child, parent or
43 sibling has a direct or indirect personal financial interest that might
44 reasonably be expected to impair his objectivity or independence of
45 judgment.

46 (4) No commission member or employee or **[any]** division director,
47 employee or agent shall act in his official capacity in a matter concerning

1 an applicant for licensure or a licensee who is the employer of a spouse,
2 domestic partner or partner in a civil union, child, parent or sibling of said
3 commission or division employee or agent when the fact of the employment
4 of such spouse, domestic partner or partner in a civil union, child, parent or
5 sibling might reasonably be expected to impair the objectivity and
6 independence of judgment of said commission employee or division
7 employee or agent.

8 (5) No spouse, domestic partner or partner in a civil union, child, parent
9 or sibling of a commission member or the division director shall be
10 employed in any capacity by an applicant for a casino license or a casino
11 licensee nor by any holding, intermediary or subsidiary company thereof.

12 (6) No commission member shall meet with any person, except for any
13 other member of the commission or employee of the commission, or
14 discuss any issues involving any pending or proposed application or any
15 matter whatsoever which may reasonably be expected to come before the
16 commission, or any member thereof, for determination unless the meeting
17 or discussion takes place on the business premises of the commission,
18 provided, however, that commission members may meet to consider matters
19 requiring the physical inspection of equipment or premises at the location
20 of the equipment or premises. All meetings or discussions subject to this
21 paragraph shall be noted in a log maintained for this purpose and available
22 for inspection pursuant to the provisions of P.L.1963, c.73 (C.47:1A-1 et
23 seq.).

24 f. No commission member or employee or division director, employee
25 or agent shall have any interest, direct or indirect, in any applicant or in any
26 person licensed by or registered with the commission during his term of
27 office or employment.

28 g. Each commission member and employee of the commission,
29 **[including legal counsel,]** the division director and each employee and
30 agent of the division shall devote his entire time and attention to his duties
31 and shall not pursue any other business or occupation or other gainful
32 employment; provided, however, that secretarial and clerical personnel may
33 engage in such other gainful employment as shall not interfere with their
34 duties to the commission or division, unless otherwise directed; and
35 provided further, however, that other employees of the commission and
36 division and agents of the division may engage in such other gainful
37 employment as shall not interfere or be in conflict with their duties to the
38 commission or division, upon approval by the commission or the director of
39 the division, as the case may be.

40 h. No member of the commission, employee of the commission, or
41 director, employee or agent of the division shall:

42 (1) Use his official authority or influence for the purpose of interfering
43 with or affecting the result of an election or a nomination for office;

44 (2) Directly or indirectly coerce, attempt to coerce, command or advise
45 any person to pay, lend or contribute anything of value to a party,
46 committee, organization, agency or person for political purposes; or

47 (3) Take any active part in political campaigns or the management
48 thereof; provided, however, that nothing herein shall prohibit a person from

1 voting as he chooses or from expressing his personal opinions on political
2 subjects and candidates.

3 i. For the purpose of applying the provisions of the "New Jersey
4 Conflicts of Interest Law," any consultant or other person under contract
5 for services to the commission and the division shall be deemed to be a
6 special State employee, except that the restrictions of section 4 of P.L.1981,
7 c.142 (C.52:13D-17.2) shall not apply to such person. Such person and any
8 corporation, firm or partnership in which he has an interest or by which he
9 is employed shall not represent any person or party other than the
10 commission or the division before the commission.

11 (cf: P.L.2005, c.382, s.6)

12

13 32. Section 60 of P.L.1977, c.110 (C.5:12-60) is amended to read as
14 follows:

15 60. Post-employment restrictions.

16 a. No member of the commission nor the division director shall hold
17 any direct or indirect interest in, or be employed by, any applicant or by
18 any person licensed by or registered **【with the commission】** under this act
19 for a period of 4 years commencing on the date his membership on the
20 commission or directorship, as the case may be, terminates.

21 b. (1) No employee of the commission or employee or agent of the
22 division may acquire any direct or indirect interest in, or accept
23 employment with, any applicant or any person licensed by or registered
24 with the commission, for a period of two years commencing at the
25 termination of employment with the commission or division, except that a
26 secretarial or clerical employee of the commission or the division may
27 accept such employment at any time after the termination of employment
28 with the commission or division. At the end of two years and for a period
29 of two years thereafter, a former employee or agent who held a policy-
30 making management position at any time during the five years prior to
31 termination of employment may acquire an interest in, or accept
32 employment with, any applicant or person licensed by or registered with the
33 commission or division upon application to and the approval of the
34 commission or the director, as the case may be, upon a finding that the
35 interest to be acquired or the employment will not create the appearance of
36 a conflict of interest and does not evidence a conflict of interest in fact.

37 (2) Notwithstanding the provisions of this subsection, if the
38 employment of a commission employee or a division employee or agent,
39 other than an employee or agent who held a policy-making management
40 position at any time during the five years prior to termination of
41 employment, is terminated as a result of a reduction in the workforce at the
42 commission or division, the employee or agent may, at any time prior to the
43 end of the two-year period, accept employment with any applicant or
44 person licensed by or registered **【with the commission】** under this act upon
45 **【application to and the approval of】** notification to the division or the
46 commission 【upon】, as the case may be, unless there is a finding that the
47 employment will **【not】** create the appearance of a conflict of interest and

1 does **[not]** evidence a conflict of interest in fact. **[The decision of the**
2 **commission shall be final, and the employee or agent shall not be subject to**
3 **a determination by the State Ethics Commission under section 4 of**
4 **P.L.1981, c.142 (C.52:13D-17.2).]**

5 c. No commission member, division director, or person employed by
6 the commission or division shall represent any person or party other than
7 the State before or against the commission or division for a period of two
8 years from the termination of his office or employment with the
9 commission or division.

10 d. No partnership, firm or corporation in which a former commission
11 member or employee or former division director, employee or agent has an
12 interest, nor any partner, officer or employee of any such partnership, firm
13 or corporation shall make any appearance or representation which is
14 prohibited to said former member, employee, or agent; provided, however,
15 that nothing herein shall prohibit such partnership, firm or corporation from
16 making such appearance or representation on behalf of a casino service
17 industry enterprise licensed under subsection c. of section 92 of P.L.1977,
18 c.110 (C.5:12-92).

19 e. Notwithstanding any post-employment restriction imposed by this
20 section, nothing herein shall prohibit a former commission member or
21 employee or former division director, employee or agent, at any time after
22 termination of such membership or employment, from acquiring an interest
23 in, or soliciting or obtaining employment with, any person **[licensed]**
24 registered as a casino service industry enterprise under subsection c. of
25 section 92 of **[this act or any applicant for such licensure]** P.L.1977, c.110
26 (C.5:12-92).

27 (cf: P.L.2009, c.36, s.5)

28

29 33. Section 61 of P.L.1977, c.110 (C.5:12-61) is amended to read as
30 follows:

31 61. a. No applicant or person or organization licensed by or registered
32 **[with the commission]** under this act shall employ or offer to employ, or
33 provide, transfer or sell, or offer to provide, transfer or sell any interest,
34 direct or indirect, in any person licensed by or registered **[with the**
35 **commission]** under this act to any person restricted from such transactions
36 by the provisions of sections 58, 59, and 60 of **[this act]** P.L.1977, c.110
37 (C.5:12-58, 5:12-59 and 5:12-60).

38 b. The **[commission]** division shall impose such sanctions upon an
39 applicant or a licensed or registered person for violations of this section as
40 authorized by Article 9 of this act.

41 (cf: P.L.1977, c.110, s.61)

42

43 34. Section 63 of P.L.1977, c.110 (C.5:12-63) is amended to read as
44 follows:

45 63. Duties of the Commission. (1) The Casino Control Commission
46 shall have **[general responsibility for the implementation of this act, as**

- 1 hereinafter provided, including, without limitation, the responsibility] the
2 following responsibilities under this act:
- 3 a. To hear and decide promptly and in reasonable order (1) all
4 applications for a casino license, [registration, certificate, and permit
5 applications and causes affecting the granting, suspension, revocation, or
6 renewal thereof] including applications filed by all persons required
7 individually to qualify in connection therewith; (2) all applications for
8 interim casino authorization, including but not limited to applications filed
9 by persons required individually to qualify in connection therewith; (3)
10 statements of compliance issued pursuant to section 81 of P.L.1977, c.110
11 (C.5:12-81); and (4) all applications for a casino key employee license;
- 12 b. To [conduct all hearings pertaining to civil violations of this act or
13 regulations promulgated hereunder] review and decide any appeal from: (1)
14 a notice of violation and penalty assessment issued by the director upon any
15 applicant, qualifier, licensee or registrant under this act; (2) any
16 determination made by the director regarding: (i) any ruling on an
17 application for a casino service industry enterprise license; (ii) any ruling
18 on an application for any other license or qualification under this act; (iii) a
19 revocation of a license or registration; (iv) any ruling on a request for
20 statement of compliance; or (v) placement on an exclusion list;
- 21 c. To promulgate such regulations as [in its judgment] may be
22 necessary to [fulfill the policies of this act] conduct hearings under
23 subsections a. and b. of this section;
- 24 d. [To collect all license and registration fees and taxes imposed by
25 this act and the regulations issued pursuant hereto;] (Deleted by
26 amendment, P.L. , c.)(pending before the Legislature as this bill)
- 27 e. [To levy and collect penalties for the violation of provisions of this
28 act and the regulations promulgated hereunder;] (Deleted by amendment,
29 P.L. , c.)(pending before the Legislature as this bill)
- 30 f. [To be present through its inspectors and agents at all times, except
31 as provided by section 4 of P.L.2008, c.23 (C.5:12-211), during the
32 operation of any casino or simulcasting facility for the purpose of certifying
33 the revenue thereof, receiving complaints from the public relating to the
34 conduct of gaming and simulcast wagering operations, examining records
35 of revenues and procedures, and conducting periodic reviews of operations
36 and facilities for the purpose of evaluating current or suggested provisions
37 of P.L.1977, c.110 (C.5:12-1 et seq.) and the regulations promulgated
38 thereunder;] (Deleted by amendment, P.L. , c.)(pending before the
39 Legislature as this bill)
- 40 g. To refer to the division for investigation and prosecution any
41 evidence of a violation of P.L.1977, c.110 (C.5:12-1 et seq.) or the
42 regulations promulgated thereunder;
- 43 h. To review and rule upon any complaint by a casino licensee
44 regarding any investigative procedures of the division which are
45 unnecessarily disruptive of casino or simulcasting facility operations. The
46 need to inspect and investigate shall be presumed at all times. The
47 disruption of a licensee's operations shall be proved by clear and

1 convincing evidence, which evidence shall establish that: (1) the procedures
2 had no reasonable law enforcement purpose, and (2) the procedures were so
3 disruptive as to inhibit unreasonably casino or simulcasting facility
4 operations; and

5 i. **【To ensure that there is no duplication of duties and responsibilities**
6 **between it and the division】** (Deleted by amendment, P.L. , c.)(pending
7 before the Legislature as this bill)

8 j. To refer to the division for investigative hearing matters concerning
9 the conduct of gaming and gaming operations as well as the enforcement of
10 the provisions of P.L.1977, c.110 (C.5:12-1 et seq.).

11 (2) The Casino Control Commission shall proceed promptly, along with
12 the division, to take all actions as may be deemed necessary and
13 appropriate, including the promulgation of regulations, for the expeditious
14 implementation of Internet wagering when such wagering is permitted by
15 State and federal law.

16 (cf: P.L.2008, c.23, s.1)

17

18 35. Section 66 of P.L.1977, c.110 (C.5:12-66) is amended to read as
19 follows:

20 66. Investigative hearings. The **【commission】** division shall have the
21 authority to conduct investigative hearings concerning the conduct of
22 gaming and gaming operations as well as the enforcement of the provisions
23 of P.L.1977, c.110 (C.5:12-1 et seq.), as amended and supplemented, in
24 accordance with the procedures set forth in the act and any applicable
25 implementing regulations.

26 (cf: P.L.1995, c.18, s.15)

27

28 36. Section 68 of P.L.1977, c.110 (C.5:12-68) is amended to read as
29 follows:

30 68. Collection of Fees, Penalties or Tax. At any time within five years
31 after any amount of fees, interest, penalties or tax required to be collected
32 pursuant to the provisions of this act shall become due and payable, the
33 **【commission】** division may bring a civil action in the courts of this State or
34 any other state or of the United States, in the name of the State of New
35 Jersey, to collect the amount delinquent, together with penalties and
36 interest. An action may be brought whether or not the person owing the
37 amount is at such time an applicant, licensee or registrant pursuant to the
38 provisions of this act. If such action is brought in this State, a writ of
39 attachment may be issued and no bond or affidavit prior to the issuance
40 thereof shall be required. In all actions in this State, the records of the
41 commission and the division shall be prima facie evidence of the
42 determination of the fee or tax or the amount of the delinquency.

43 Each debt that is due and payable as a result of fees, interest, penalties,
44 or taxes required to be collected pursuant to the provisions of P.L.1977,
45 c.110 (C.5:12-1 et seq.) or the regulations promulgated thereunder,
46 including any compensation authorized pursuant to section 33 of P.L.1978,
47 c.7 (C.5:12-130.3), and each regulatory obligation imposed as a condition
48 upon the issuance or renewal of a casino license which requires the licensee

1 to maintain, as a fiduciary, a fund for a specific regulatory purpose, shall
2 constitute a lien on the real property in this State owned or hereafter
3 acquired by the applicant, licensee, or registrant owing such a debt or on
4 whom such an obligation has been imposed. Except as otherwise provided
5 in R.S.54:5-9, such a lien shall be a first lien paramount to all prior or
6 subsequent liens, claims, or encumbrances on that property.
7 (cf: P.L.1991, c.182, s.14)

8
9 37. Section 71 of P.L.1977, c.110 (C.5:12-71) is amended to read as
10 follows:

11 71. Regulation Requiring Exclusion of Certain Persons. a. The
12 **【commission】** division shall, by regulation, provide for the establishment
13 of a list of persons who are to be excluded or ejected from any licensed
14 casino establishment. Such provisions shall define the standards for
15 exclusion, and shall include standards relating to persons:

16 (1) Who are career or professional offenders as defined by regulations
17 **【of the commission】** promulgated hereunder;

18 (2) Who have been convicted of a criminal offense under the laws of
19 any state or of the United States, which is punishable by more than six
20 months in prison, or any crime or offense involving moral turpitude; or

21 (3) Whose presence in a licensed casino hotel would, in the opinion of
22 the **【commission】** director, be inimical to the interest of the State of New
23 Jersey or of licensed gaming therein, or both.

24 The **【commission】** division shall promulgate definitions establishing
25 those categories of persons who shall be excluded pursuant to this section,
26 including cheats and persons whose privileges for licensure or registration
27 have been revoked.

28 b. Race, color, creed, national origin or ancestry, or sex shall not be a
29 reason for placing the name of any person upon such list.

30 c. The **【commission】** division may impose sanctions upon a licensed
31 casino or individual licensee or registrant in accordance with the provisions
32 of this act if such casino or individual licensee or registrant knowingly fails
33 to exclude or eject from the premises of any licensed casino any person
34 placed by the **【commission】** division on the list of persons to be excluded
35 or ejected.

36 d. Any list compiled by the **【commission】** division of persons to be
37 excluded or ejected shall not be deemed an all-inclusive list, and licensed
38 casino establishments shall have a duty to keep from their premises persons
39 known to them to be within the classifications declared in paragraphs (1)
40 and (2) of subsection a. of this section and the regulations promulgated
41 thereunder, or known to them to be persons whose presence in a licensed
42 casino hotel would be inimical to the interest of the State of New Jersey or
43 of licensed gaming therein, or both, as defined in standards established by
44 the **【commission】** division.

45 e. **【Whenever the division petitions the commission to place】** Prior to
46 placing the name of any person on a list pursuant to this section, the
47 **【commission】** division shall serve notice of such fact to such person by

1 personal service, by certified mail at the last known address of such person,
2 or by publication daily for one week in a newspaper of general circulation
3 in Atlantic City.

4 f. Within 30 days after service of the petition in accordance with
5 subsection e. of this section, the person named for exclusion or ejection
6 may demand a hearing before the **【commission】** director or the director's
7 designee, at which hearing the **【division】** director or the director's designee
8 shall have the affirmative obligation to demonstrate by a preponderance of
9 the evidence that the person named for exclusion or ejection satisfies the
10 criteria for exclusion established by this section and the **【commission's】**
11 applicable regulations. Failure to demand such a hearing within 30 days
12 after service shall be deemed an admission of all matters and facts alleged
13 in the **【division's】** director's petition and shall preclude a person from
14 having an administrative hearing, but shall in no way affect his or her right
15 to judicial review as provided herein.

16 g. The division may **【file an application with the commission**
17 **requesting】** make a preliminary placement on the list of a person named in
18 a petition for exclusion or ejection pending completion of a hearing on the
19 petition. The hearing on the application for preliminary placement shall be
20 a limited proceeding at which the division shall have the affirmative
21 obligation to demonstrate that there is a reasonable possibility that the
22 person satisfies the criteria for exclusion established by this section and the
23 **【commission's】** applicable regulations. If a person has been placed on the
24 list as a result of an application for preliminary placement, unless otherwise
25 agreed by the **【commission】** director and the named person, a hearing on
26 the petition for exclusion or ejection shall be initiated within 30 days after
27 the receipt of a demand for such hearing or the date of preliminary
28 placement on the list, whichever is later.

29 h. If, upon completion of the hearing on the petition for exclusion or
30 ejection, the **【commission】** director determines that the person named
31 therein does not satisfy the criteria for exclusion established by this section
32 and the **【commission's】** applicable regulations, the **【commission】** director
33 shall issue an order denying the petition. If the person named in the
34 petition for exclusion or ejection had been placed on the list as a result of
35 an application for preliminary placement, the **【commission】** director shall
36 notify all casino licensees of **【his or her】** the person's removal from the
37 list.

38 i. If, upon completion of a hearing on the petition for exclusion or
39 ejection, the **【commission】** director determines that placement of the name
40 of the person on the exclusion list is appropriate, the **【commission】** director
41 shall make and enter an order to that effect, which order shall be served on
42 all casino licensees. Such order shall be subject to review by the
43 commission in accordance with regulations promulgated thereunder, which
44 final decision shall be subject to review by the Superior Court in
45 accordance with the rules of court.

46 (cf: P.L.1993, c.292, s.9)

1 38. Section 1 of P.L.2001, c.39 (C.5:12-71.2) is amended to read as
2 follows:

3 1. a. The **【commission】** division shall provide by regulation for the
4 establishment of a list of persons self-excluded from gaming activities at all
5 licensed casinos and simulcasting facilities. Any person may request
6 placement on the list of self-excluded persons by acknowledging in a
7 manner to be established by the **【commission】** division that the person is a
8 problem gambler and by agreeing that, during any period of voluntary
9 exclusion, the person may not collect any winnings or recover any losses
10 resulting from any gaming activity at such casinos and facilities.

11 b. The regulations of the **【commission】** division shall establish
12 procedures for placements on, and removals from, the list of self-excluded
13 persons. Such regulations shall establish procedures for the transmittal to
14 licensed casinos and simulcasting facilities of identifying information
15 concerning self-excluded persons, and shall require licensed casinos and
16 simulcasting facilities to establish procedures designed, at a minimum, to
17 remove self-excluded persons from targeted mailings or other forms of
18 advertising or promotions and deny self-excluded persons access to credit,
19 **【complimentaries】** complimentaries, check cashing privileges club
20 programs, and other similar benefits.

21 c. A licensed casino or simulcasting facility or employee thereof shall
22 not be liable to any self-excluded person or to any other party in any
23 judicial proceeding for any harm, monetary or otherwise, which may arise
24 as a result of:

25 (1) the failure of a licensed casino or simulcasting facility to withhold
26 gaming privileges from, or restore gaming privileges to, a self-excluded
27 person; or

28 (2) otherwise permitting a self-excluded person to engage in gaming
29 activity in such licensed casino or simulcasting facility while on the list of
30 self-excluded persons.

31 d. Notwithstanding the provisions of P.L.1977, c.110 (C.5:12-1 et seq.)
32 or any other law to the contrary, the **【commission's】** division's list of self-
33 excluded persons shall not be open to public inspection. Nothing herein,
34 however, shall be construed to prohibit a casino licensee from disclosing
35 the identity of persons self-excluded pursuant to this section to affiliated
36 gaming entities in this State or other jurisdictions for the limited purpose of
37 assisting in the proper administration of responsible gaming programs
38 operated by such gaming affiliated entities.

39 e. A licensed casino or simulcasting facility or employee thereof shall
40 not be liable to any self-excluded person or to any other party in any
41 judicial proceeding for any harm, monetary or otherwise, which may arise
42 as a result of disclosure or publication in any manner, other than a willfully
43 unlawful disclosure or publication, of the identity of any self-excluded
44 person.

45 (cf: P.L.2002, c.65, s.12)

1 39. Section 2 of P.L.2001, c.39 (C.5:12-71.3) is amended to read as
2 follows:

3 2. a. A person who is prohibited from gaming in a licensed casino or
4 simulcasting facility by any provision of P.L.1977, c.110 (C.5:12-1 et seq.)
5 or any order of the director, commission, or court of competent jurisdiction,
6 including any person on the self-exclusion list pursuant to section 1 of
7 P.L.2001, c.39 (C.5:12-71.2), shall not collect, in any manner or
8 proceeding, any winnings or recover any losses arising as a result of any
9 prohibited gaming activity.

10 b. For the purposes of P.L.1977, c.110 (C.5:12-1 et seq.), any gaming
11 activity in a licensed casino or simulcasting facility which results in a
12 prohibited person obtaining any money or thing of value from, or being
13 owed any money or thing of value by, the casino or simulcasting facility
14 shall be considered, solely for purposes of this section, to be a fully
15 executed gambling transaction.

16 c. In addition to any other penalty provided by law, any money or
17 thing or value which has been obtained by, or is owed to, any prohibited
18 person by a licensed casino or simulcasting facility as a result of wagers
19 made by a prohibited person shall be subject to forfeiture **【**by order of the
20 commission, on complaint of the division,**】** following notice to the
21 prohibited person and opportunity to be heard. A licensed casino or
22 simulcasting facility shall inform a prohibited person of the availability of
23 such notice on the division's Internet website when ejecting the prohibited
24 person and seizing any chips, vouchers or other representative of money
25 owed by a casino to the prohibited person as authorized by this subsection.

26 Of any forfeited amount under \$100,000, one-half shall be deposited into
27 the State General Fund for appropriation by the Legislature to the
28 Department of Health and Senior Services to provide funds for compulsive
29 gambling treatment and prevention programs in the State and the remaining
30 one-half shall be deposited into the Casino Revenue Fund. Of any forfeited
31 amount of \$100,000 or more, \$50,000 shall be deposited into the State
32 General Fund for appropriation by the Legislature to the Department of
33 Health and Senior Services to provide funds for compulsive gambling
34 treatment and prevention programs and the remainder shall be deposited
35 into the Casino Revenue Fund.

36 d. In any proceeding brought by the division against a licensee or
37 registrant pursuant to section 108 of P.L.1977, c.110 (C.5:12-108) for a
38 willful violation of the commission's self-exclusion regulations, the
39 **【**commission**】** division may order, in addition to any other sanction
40 authorized by section 129 of P.L.1977, c.110 (C.5:12-129), the forfeiture of
41 any money or thing of value obtained by the licensee or registrant from any
42 self-excluded person. Any money or thing of value so forfeited shall be
43 disposed of in the same manner as any money or thing of value forfeited
44 pursuant to subsection c. of this section.

45 (cf: P.L.2001, c.39, s.2)

46

47 40. Section 72 of P.L.1977, c.110 (C.5:12-72) is amended to read as
48 follows:

1 72. Commission reports and recommendations. The commission, in
2 consultation with the division, shall carry on a continuous study of the
3 operation and administration of casino control laws which may be in effect
4 in other jurisdictions, literature on this subject which may from time to time
5 become available, federal laws which may affect the operation of casino
6 gaming in this State, and the reaction of New Jersey citizens to existing and
7 potential features of casino gaming under this act. It shall be responsible for
8 ascertaining any defects in this act or in the rules and regulations issued
9 thereunder, formulating recommendations for changes in this act to prevent
10 abuses thereof, guarding against the use of this act as a cloak for the
11 carrying on of illegal gambling or other criminal activities, and insuring
12 that this act and the rules and regulations shall be in such form and be so
13 administered as to serve the true purposes of this act. The commission, after
14 consultation with the division, shall make to the Governor and the
15 Legislature an annual report of all revenues, expenses and disbursements,
16 and shall include therein such recommendations for changes in this act as
17 the commission or division deems necessary or desirable. The commission,
18 after consultation with the division, shall also report recommendations that
19 promote more efficient operations of the division and the commission. The
20 commission, after consultation with the division, shall report immediately
21 to the Governor and the Legislature any matters which in its judgment
22 require immediate changes in the laws of this State in order to prevent
23 abuses and evasions of this act or of rules and regulations promulgated
24 hereunder, or to rectify undesirable conditions in connection with the
25 operation and regulation of casino gaming.

26 (cf: P.L.1995, c.18, s.19)

27
28 41. Section 74 of P.L.1977, c.110 (C.5:12-74) is amended to read as
29 follows:

30 74. Minutes and Records. a. The Executive Secretary of the
31 commission shall cause to be made and kept a record and verbatim
32 transcripts of all proceedings held at public meetings of the commission.
33 **【A verbatim transcript of those proceedings shall be prepared by the**
34 **commission upon the request of any commissioner or upon the request of**
35 **any other person and the payment by that person of the costs of**
36 **preparation.】** A copy of **【a】** any such verbatim transcript shall be made
37 available to any person upon request and payment of the costs of preparing
38 the copy.

39 A true copy of the minutes of every meeting of the commission and of
40 any regulations finally adopted by the commission shall be forthwith
41 delivered, by and under the certification of the executive secretary, to the
42 Governor, the Secretary of the Senate, and the Clerk of the General
43 Assembly.

44 b. The division or the commission, as appropriate, shall keep and
45 maintain a list of all applicants for licenses and registrations under this act
46 together with a record of all actions taken with respect to such applicants,
47 which file and record shall be open to public inspection; provided,
48 however, that the foregoing information regarding any applicant whose

- 1 license or registration has been denied~~[,] or revoked[, or not renewed]~~
2 shall be removed from such list after five years from the date of such
3 action.
- 4 c. The Executive Secretary of the commission shall maintain such
5 other files and records as may be deemed desirable.
- 6 d. ~~【Except as provided in subsection h. of this section, all information
7 and data required by the commission to be furnished hereunder, or which
8 may otherwise be obtained, relative to the internal controls specified in
9 section 99a. of this act or to the earnings or revenue of any applicant,
10 registrant, or licensee shall be considered to be confidential and shall not be
11 revealed in whole or in part except in the course of the necessary
12 administration of this act, or upon the lawful order of a court of competent
13 jurisdiction, or, with the approval of the Attorney General, to a duly
14 authorized law enforcement agency.】~~ ~~(Deleted by amendment, P.L. , c.)~~
15 ~~(pending before the Legislature as this bill)~~
- 16 e. ~~【All information and data pertaining to an applicant's criminal
17 record, family, and background furnished to or obtained by the commission
18 from any source shall be considered confidential and shall be withheld in
19 whole or in part, except that any information shall be released upon the
20 lawful order of a court of competent jurisdiction or, with the approval of
21 the Attorney General, to a duly authorized law enforcement agency.】~~
22 ~~(Deleted by amendment, P.L. , c.)(pending before the Legislature as
23 this bill)~~
- 24 f. ~~【Notice of the contents of any information or data released, except
25 to a duly authorized law enforcement agency pursuant to subsection d. or e.
26 of this section, shall be given to any applicant, registrant, or licensee in a
27 manner prescribed by the rules and regulations adopted by the
28 commission.】~~ ~~(Deleted by amendment, P.L. , c.)(pending before the
29 Legislature as this bill)~~
- 30 g. Files, records, reports and other information in the possession of the
31 New Jersey Division of Taxation pertaining to licensees shall be made
32 available to the commission and the division as may be necessary to the
33 effective administration of this act.
- 34 h. ~~【The following information to be reported periodically to the
35 commission by a casino licensee shall not be considered confidential and
36 shall be made available for public inspection:~~
- 37 (1) A licensee's gross revenue from all authorized games as herein
38 defined, and its gross revenue from simulcast wagering;
- 39 (2) (a) The dollar amount of patron checks initially accepted by a
40 licensee, (b) the dollar amount of patron checks deposited to the licensee's
41 bank account, (c) the dollar amount of such checks initially dishonored by
42 the bank and returned to the licensee as "uncollected," and (d) the dollar
43 amount ultimately uncollected after all reasonable efforts;
- 44 (3) The amount of gross revenue tax or investment alternative tax
45 actually paid and the amount of investment, if any, required and allowed,
46 pursuant to section 144 of P.L.1977, c.110 (C.5:12-144) and section 3 of
47 P.L.1984, c.218 (C.5:12-144.1);

1 (4) A list of the premises and the nature of improvements, costs thereof
2 and the payees for all such improvements, which were the subject of an
3 investment required and allowed pursuant to section 144 of P.L.1977, c.110
4 (C.5:12-144) and section 3 of P.L.1984, c.218 (C.5:12-144.1);

5 (5) The amount, if any, of tax in lieu of full local real property tax paid
6 pursuant to section 146, and the amount of profits, if any, recaptured
7 pursuant to section 147;

8 (6) A list of the premises, nature of improvements and costs thereof
9 which constitute the cumulative investments by which a licensee has
10 recaptured profits pursuant to section 147; and

11 (7) All quarterly and annual financial statements presenting historical
12 data which are submitted to the commission, including all annual financial
13 statements which have been audited by an independent certified public
14 accountant licensed to practice in the State of New Jersey.

15 Nothing in this subsection shall be construed to limit access by the
16 public to those forms and documents required to be filed pursuant to Article
17 11 of this act.】 (Deleted by amendment, P.L. , c.)(pending before the
18 Legislature as this bill)

19 i. The division shall keep and maintain records in accordance with the
20 division's regulations promulgated hereunder.

21 (cf: P.L.1993, c.292, s.10)

22
23 42. Section 75 of P.L.1977, c.110 (C.5:12-75) is amended to read as
24 follows:

25 75. The commission and the division may exercise any proper power or
26 authority necessary to perform the duties assigned to **【it】** each entity by
27 law, and no specific enumeration of powers in this act shall be read to limit
28 the authority of the **【commission】** division to administer this act.

29 (cf: P.L.1977, c.110, s.75)

30
31 43. Section 76 of P.L.1977, c.110 (C.5:12-76) is amended to read as
32 follows:

33 76. General Duties and Powers.

34 **【a.】** The Division of Gaming Enforcement shall have the general
35 responsibility for the implementation of P.L.1977, c.110, (C.5:12-1 et seq.),
36 and to issue any approvals necessary as hereinafter provided, including
37 without limitation, the responsibility to:

38 a. Enforce the provisions of this act and any regulations promulgated
39 hereunder;

40 b. **【(1) promptly】** Promptly and in reasonable order investigate all
41 applications【, enforce the provisions of this act and any regulations
42 promulgated hereunder, and prosecute before the commission all
43 proceedings for violations of this act or any regulations promulgated
44 hereunder】 for licensure and all registrations under this act;

45 c. Issue reports and recommendations to the commission with respect
46 to all entities and natural persons required to qualify for a casino license, an

- 1 application for interim casino authorization or a petition for a statement of
2 compliance;
- 3 d. Promptly and in reasonable order review and approve or deny all
4 casino service industry enterprise license applications;
- 5 e. Accept and maintain registrations for all casino employee and
6 vendor registrants;
- 7 f. Revoke any registration or casino service industry enterprise license
8 upon findings pursuant to the disqualification criteria in section 86 of
9 P.L.1977, c.110 (C.5:12-86);
- 10 g. Promulgate such regulations as may be necessary to fulfill the
11 policies of this act;
- 12 h. Initiate and decide any actions against licensees or registrants for
13 violation of this act or regulations promulgated hereunder, and impose
14 sanctions and levy and collect penalties upon finding violations;
- 15 **[(2) provide]** i. Provide the commission with all information that the
16 director deems necessary for [all] any action to be taken by the
17 commission under Article 6 of [this act] P.L.1977, c.110 (C.5:12-80
18 through 95); [and for all proceedings involving enforcement of the
19 provisions of this act or any regulations promulgated hereunder; and
20 (3) ensure that there is no duplication of duties and responsibilities
21 between it and the commission.
- 22 b. The division shall:
- 23 (1) Investigate the qualifications of each applicant before any license,
24 certificate, or permit is issued pursuant to the provisions of this act;
- 25 (2) Investigate the circumstances surrounding any act or transaction for
26 which commission approval is required;
- 27 (3) Investigate violations of this act and regulations promulgated
28 hereunder;
- 29 (4) **]** j. Initiate, prosecute and defend [such proceedings before the
30 commission, or] appeals [therefrom], as the [division] director may deem
31 appropriate;
- 32 **[(5) Provide assistance upon request by the commission in the**
33 **consideration and promulgation of rules and regulations;**
- 34 (6) **]** k. Conduct continuing reviews of casino operations through on-site
35 observation and other reasonable means to assure compliance with this act
36 and regulations promulgated hereunder, subject to subsection h. of section
37 63 of [this act] P.L.1977, c.110 (C.5:12-63);
- 38 **[(7)]** l. Receive and take appropriate action on any referral from the
39 commission relating to any evidence of a violation of P.L.1977, c.110
40 (C.5:12-1 et seq.) or the regulations promulgated thereunder;
- 41 **[(8)]** m. Exchange fingerprint data with, and receive criminal history
42 record information from, the Federal Bureau of Investigation for use in
43 considering applicants for any license or registration issued pursuant to the
44 provisions of P.L.1977, c.110 (C.5:12-1 et seq.);
- 45 **[(9)]** n. Conduct audits of casino operations at such times, under such
46 circumstances, and to such extent as the director shall determine, including
47 reviews of accounting, administrative and financial records, and

1 management control systems, procedures and records utilized by a casino
2 licensee;

3 **[(10) Be entitled to request]** o. Request and receive information,
4 materials and any other data from any licensee or registrant, or applicant for
5 a license or registration under this act; and

6 **[(11)]** p. Report to the Attorney General recommendations that promote
7 more efficient operations of the division.

8 q. Receive complaints from the public relating to the conduct of
9 gaming and simulcasting operations, examine records and procedures, and
10 conduct periodic reviews of operations and facilities for the purpose of
11 evaluating current or suggested provisions of P.L.1977, c.110 (C.5:12-1 et.
12 seq.) and the regulations promulgated thereunder, as the director deems
13 appropriate;

14 r. Certify the revenue of any casino or simulcasting facility in such
15 manner as the director deems appropriate;

16 s. Create and maintain a list of all excluded patrons;

17 t. Initiate and decide all actions for involuntary exclusion of patrons
18 pursuant to section 71 of P.L.1977, c.110 (C.5:12-71);

19 u. Issue an operation certificate upon the commission's grant of an
20 application for a casino license;

21 v. Recommend that the commission issue or revoke statements of
22 compliance pursuant to section 81 of P.L.1977, c.110 (C.5:12-81) and the
23 regulations promulgated thereunder;

24 w. Accept impact statements submitted by an applicant for a casino
25 license pursuant to section 84 of P.L.1977, c.110 (C.5:12-84); and

26 x. Utilize, in its discretion, the services of a private entity for the
27 purpose of expediting criminal history record background checks required
28 to be performed by the division pursuant to the provisions of P.L.1977,
29 c.110 (C.5:12-1 et seq.), provided that the private entity has been awarded a
30 contract in accordance with the public contracting laws of this State.

31 (cf: P.L.1995, c.18, s.20)

32

33 44. (New section) a. Except as otherwise provided in this act, all
34 information and data required by the division or commission to be
35 furnished pursuant to the act or the regulations promulgated hereunder, or
36 which may otherwise be obtained, relative to the internal controls specified
37 in subsection a. of section 99 of P.L.1977, c.110 (C.5:12-99) or to the
38 earnings or revenue of any applicant, registrant, or licensee shall be
39 considered to be confidential and shall not be revealed in whole or in part
40 except in the course of the necessary administration of this act, or upon the
41 lawful order of a court of competent jurisdiction, or, with the approval of
42 the Attorney General, to a duly authorized law enforcement agency.

43 b. All information and data pertaining to an applicant's criminal
44 record, family, and background furnished to or obtained by the division or
45 the commission from any source shall be considered confidential and shall
46 be withheld in whole or in part, except that any information shall be
47 released upon the lawful order of a court of competent jurisdiction or, with
48 the approval of the Attorney General, to a duly authorized law enforcement

1 agency.

2 c. Notice of the contents of any information or data released, except to
3 a duly authorized law enforcement agency pursuant to subsection a. or b. of
4 this section, shall be given to any applicant, registrant, or licensee in a
5 manner prescribed by the rules and regulations adopted by the division.

6 d. The following information to be reported periodically to the division
7 by a casino licensee shall not be considered confidential and shall be made
8 available for public inspection:

9 (1) A licensee's gross revenue from all authorized games as defined
10 herein, and the licensee's gross revenue from simulcast wagering;

11 (2) (i) The dollar amount of patron checks initially accepted by a
12 licensee, (ii) the dollar amount of patron checks deposited to the licensee's
13 bank account, (iii) the dollar amount of such checks initially dishonored by
14 the bank and returned to the licensee as uncollected, and (iv) the dollar
15 amount ultimately uncollected after all reasonable efforts;

16 (3) The amount of gross revenue tax or investment alternative tax
17 actually paid and the amount of investment, if any, required and allowed,
18 pursuant to section 144 of P.L.1977, c.110 (C.5:12-144) and section 3 of
19 P.L.1984, c.218 (C.5:12-144.1);

20 (4) A list of the premises and the nature of improvements, costs thereof
21 and the payees for all such improvements, which were the subject of an
22 investment required and allowed pursuant to section 144 of P.L.1977, c.110
23 (C.5:12-144) and section 3 of P.L.1984, c.218 (C.5:12-144.1);

24 (5) The amount, if any, of tax in lieu of full local real property tax paid
25 pursuant to section 146 of P.L.1977, c.110 (C.5:12-146), and the amount of
26 profits, if any, recaptured pursuant to section 147 of P.L.1977, c.110
27 (C.5:12-147);

28 (6) A list of the premises, nature of improvements and costs thereof
29 which constitute the cumulative investments by which a licensee has
30 recaptured profits pursuant to section 147 of P.L.1977, c.110 (C.5:12-147);
31 and

32 (7) All quarterly and annual financial statements presenting historical
33 data which are submitted to the division, including all annual financial
34 statements which have been audited by an independent certified public
35 accountant licensed to practice in the State of New Jersey.

36 Nothing in this subsection shall be construed to limit access by the
37 public to those forms and documents required to be filed pursuant to Article
38 11 of this act.

39

40 45. Section 80 of P.L.1977, c.110 (C.5:12-80) is amended to read as
41 follows:

42 80. General Provisions. a. It shall be the affirmative responsibility of
43 each applicant and licensee to establish by clear and convincing evidence
44 his individual qualifications, and for a casino license the qualifications of
45 each person who is required to be qualified under this act as well as the
46 qualifications of the facility in which the casino is to be located.

47 b. Any applicant, licensee, registrant, or any other person who must be
48 qualified pursuant to this act shall provide all information required by this

1 act and satisfy all requests for information pertaining to qualification and in
2 the form specified by **the commission** regulation. All applicants,
3 registrants, and licensees shall waive liability as to the State of New Jersey,
4 and its instrumentalities and agents, for any damages resulting from any
5 disclosure or publication in any manner, other than a willfully unlawful
6 disclosure or publication, of any material or information acquired during
7 inquiries, investigations or hearings.

8 c. All applicants, licensees, registrants, intermediary companies, and
9 holding companies shall consent to inspections, searches and seizures and
10 the supplying of handwriting exemplars as authorized by this act and
11 regulations promulgated hereunder.

12 d. All applicants, licensees, registrants, and any other person who shall
13 be qualified pursuant to this act shall have the continuing duty to provide
14 any assistance or information required by the **commission or** division,
15 and to cooperate in any inquiry **or** , investigation or hearing conducted by
16 the division and any **inquiry, investigation, or** hearing conducted by the
17 commission. If, upon issuance of a formal request to answer or produce
18 information, evidence or testimony, any applicant, licensee, registrant, or
19 any other person who shall be qualified pursuant to this act refuses to
20 comply, the application, license, registration or qualification of such person
21 may be denied or revoked **by the commission**.

22 e. No applicant or licensee shall give or provide, offer to give or
23 provide, directly or indirectly, any compensation or reward or any
24 percentage or share of the money or property played or received through
25 gaming or simulcast wagering activities, except as authorized by this act, in
26 consideration for obtaining any license, authorization, permission or
27 privilege to participate in any way in gaming or simulcast wagering
28 operations.

29 f. Each applicant or person who must be qualified under this act shall
30 be photographed and fingerprinted for identification and investigation
31 purposes in accordance with procedures **established by the commission**
32 set forth by regulation.

33 g. All licensees, all registrants, and all other persons required to be
34 qualified under this act**,** and all persons employed by a casino service
35 industry enterprise licensed pursuant to this act,**]** shall have a duty to
36 inform the **commission or** division of any action which they believe
37 would constitute a violation of this act. No person who so informs the
38 **commission or the** division shall be discriminated against by an
39 applicant, licensee or registrant because of the supplying of such
40 information.

41 h. (Deleted by amendment, P.L.1995, c.18.)
42 (cf: P.L.2009, c.36, s.6)

43

44 46. Section 81 to P.L.1977, c.110 (C.5:12-81) is amended to read as
45 follows:

46 81. Statement of compliance.

1 a. (1) **【The】** Upon consideration of a report and recommendation of
2 the division, the commission may, in its discretion, issue a statement of
3 compliance to an applicant for **【any】** a casino license or **【for qualification**
4 status under this act at any time the commission is satisfied that**】** to any
5 person required to qualify in conjunction with a casino license or casino
6 license applicant if the applicant or person, as the case may be, has
7 established by clear and convincing evidence that one or more particular
8 eligibility criteria have been satisfied **【by an applicant】**. A request for the
9 issuance of a statement of compliance pursuant to this paragraph shall be
10 initiated by the applicant filing a petition with the **【commission】** division.
11 Before the **【commission refers any such petition to the】** division **【for】**
12 initiates any investigation on such a petition, the **【commission】** director
13 may require the applicant to establish to the satisfaction of the
14 **【commission】** director that the applicant actually intends, if found
15 qualified, to engage in the business or activity that would require the
16 issuance of the license or the determination of qualification status.

17 (2) Any person who must be qualified pursuant to the "Casino Control
18 Act," P.L.1977, c.110 (C.5:12-1 et seq.) in order to hold the securities of a
19 casino licensee or any holding or intermediary company of a casino
20 licensee may, prior to the acquisition of any such securities, request the
21 issuance of a statement of compliance by the commission that the person is
22 qualified to hold such securities. Any request for the issuance of a
23 statement of compliance pursuant to this paragraph shall be initiated by the
24 person filing a petition with the **【commission】** division in which the person
25 shall be required to establish that there is a reasonable likelihood that, if
26 qualified, the person will obtain and hold the securities of a casino licensee
27 or any holding or intermediary company thereof to such extent as to require
28 the qualification of the person. If **【the commission finds that this**
29 **reasonable likelihood exists, and if the commission is satisfied】**, after an
30 investigation by the division, the director finds that this reasonable
31 likelihood exists and that the qualifications of the person have been
32 established by clear and convincing evidence, the **【commission】** director
33 may, in **【its】** the director's discretion, recommend to the commission that it
34 issue a statement of compliance that the person is qualified to hold such
35 securities. Any person who requests a statement of compliance pursuant to
36 this paragraph shall be subject to the provisions of section 80 of P.L.1977,
37 c.110 (C.5:12-80) and shall pay for the costs of all investigations and
38 proceedings in relation to the request unless the person provides **【to the**
39 **commission】** an agreement with one or more casino licensees which states
40 that the licensee or licensees will pay those costs.

41 (3) A statement of compliance shall not be issued indicating that an
42 applicant or any other person required to qualify in conjunction with a
43 casino license or casino license applicant that is a corporation or other form
44 of business organization has established by clear and convincing evidence
45 its good character, honesty and integrity unless the **【Chief Executive**
46 **Officer, Chief Operating Officer and Chief Financial Officer, or the**

1 functional equivalent thereof] corporate officers; each director; each person
2 who directly or indirectly holds any beneficial [interest] or ownership
3 interest in the applicant of 5% or greater, to the extent such person would
4 be required to qualify under section 85 of P.L.1977, c.110 (C.5:12-85) [if
5 the applicant were a holding company or intermediary company of a casino
6 licensee]; and any other person whom the commission may consider
7 appropriate for approval or qualification, would, but for residence,
8 individually be qualified for approval as a casino key employee pursuant to
9 the provisions of section 89 of P.L.1977, c.110 (C.5:12-89).

10 b. Any statement of compliance issued under P.L.1977, c.110 (C.5:12-
11 1 et seq.) shall specify:

12 (1) the particular eligibility criterion satisfied by the applicant or
13 person;

14 (2) the date as of which such satisfaction was determined by the
15 commission;

16 (3) the continuing obligation of the applicant or person to file any
17 information required by the [commission or] division as part of any
18 application for a license or qualification status, including information
19 related to the eligibility criterion for which the statement of compliance was
20 issued; and

21 (4) the obligation of the applicant or person to reestablish its
22 satisfaction of the eligibility criterion should there be a change in any
23 material fact or circumstance that is relevant to the eligibility criterion for
24 which the statement of compliance was issued.

25 c. [A statement of compliance certifying satisfaction of all of the
26 requirements of subsection e. of section 84 of this act with respect to a
27 specific casino hotel proposal submitted by an eligible applicant may be
28 accompanied by a written commitment from the commission that a casino
29 license shall be reserved for a period not to exceed 30 months or within
30 such additional time period as the commission may, upon a showing of
31 good cause therefor, establish and shall be issued to such eligible applicant
32 with respect to such proposal provided that such applicant (1) complies in
33 all respects with the provisions of this act, (2) qualifies for a casino license
34 within a period not to exceed 30 months of the date of such commitment or
35 within such additional time period as the commission may, upon a showing
36 of good cause therefor, establish, and (3) complies with such other
37 conditions as the commission shall impose. The commission may revoke
38 such reservation at any time it finds that the applicant is disqualified from
39 receiving or holding a casino license or has failed to comply with any
40 conditions imposed by the commission. Such reservation shall be
41 automatically revoked if the applicant does not qualify for a casino license
42 within the period of such commitment. No license other than a casino
43 license shall be reserved by the commission.] (Deleted by amendment,
44 P.L. , c.)(pending before the Legislature as this bill)

45 d. Any statement of compliance issued pursuant to this section shall be
46 withdrawn by the commission if:

- 1 (1) the applicant or person otherwise fails to satisfy the standards for
2 licensure or qualification;
- 3 (2) the applicant or person fails to comply with any condition imposed
4 **【by the commission】**; or
- 5 (3) the commission finds, on recommendation of the division, cause to
6 revoke the statement of compliance for any other reason.
- 7 e. Notwithstanding any other provision of this section, unless
8 otherwise extended by the commission upon application by the recipient
9 and for good cause shown, any statement of compliance issued by the
10 commission pursuant to this section shall expire 48 months after its date of
11 issuance**【**, unless the recipient also has received a commitment for the
12 reservation of a casino license, in which case the statement of compliance
13 shall expire on the same date as the commitment**】**.
- 14 f. **【**Any statement of compliance issued by the commission prior to the
15 effective date of this amendatory and supplementary act, P.L.2002, c.65,
16 shall expire in accordance with the provisions of subsection e. of this
17 section as if the statement had been issued on such effective date, unless the
18 statement is otherwise extended, withdrawn or revoked prior to such date in
19 accordance with the provisions of this section.**】** (Deleted by amendment,
20 P.L. , c.) (pending before the Legislature as this bill)
21 (cf: P.L.2002, c.65, s.13)
22
- 23 47. Section 82 of P.L.1977, c.110 (C.5:12-82) is amended to read as
24 follows:
- 25 82. a. No casino shall operate unless all necessary licenses and
26 approvals therefor have been obtained in accordance with law.
- 27 b. Only the following persons shall be eligible to hold a casino license;
28 and, unless otherwise determined by the commission with the concurrence
29 of the Attorney General which may not be unreasonably withheld in
30 accordance with subsection c. of this section, each of the following persons
31 shall be required to hold a casino license prior to the operation of a casino
32 in the casino hotel with respect to which the casino license has been applied
33 for:
- 34 (1) Any person who either owns an approved casino hotel or owns or
35 has a contract to purchase or construct a casino hotel which in the judgment
36 of the commission can become an approved casino hotel within 30 months
37 or within such additional time period as the commission may, upon a
38 showing of good cause therefor, establish;
- 39 (2) Any person who, whether as lessor or lessee, either leases an
40 approved casino hotel or leases or has an agreement to lease a casino hotel
41 which in the judgment of the commission can become an approved casino
42 hotel within 30 months or within such additional time period as the
43 commission may, upon a showing of good cause therefor, establish;
- 44 (3) Any person who has a written agreement with a casino licensee or
45 with an eligible applicant for a casino license for the complete management
46 of a casino and, if applicable, any authorized games in a casino
47 simulcasting facility; and

- 1 (4) Any other person who has control over either an approved casino
2 hotel or the land thereunder or the operation of a casino.
- 3 c. Prior to the operation of a casino and, if applicable, a casino
4 simulcasting facility, every agreement to lease an approved casino hotel or
5 the land thereunder and every agreement for the management of the casino
6 and, if applicable, any authorized games in a casino simulcasting facility,
7 shall be in writing and filed with the commission and the division. No such
8 agreement shall be effective unless expressly approved by the commission.
9 The commission may require that any such agreement include within its
10 terms any provision reasonably necessary to best accomplish the policies of
11 this act. Consistent with the policies of this act:
- 12 (1) The commission, with the concurrence of the Attorney General
13 which may not be unreasonably withheld, may determine that any person
14 who does not have the ability to exercise any significant control over either
15 the approved casino hotel or the operation of the casino contained therein
16 shall not be eligible to hold or required to hold a casino license;
- 17 (2) The commission, with the concurrence of the Attorney General
18 which may not be unreasonably withheld, may determine that any owner,
19 lessor or lessee of an approved casino hotel or the land thereunder who
20 does not own or lease **【the entire】** a significant portion of an approved
21 casino hotel shall not be eligible to hold or required to hold a casino
22 license;
- 23 (3) The commission shall require that any person or persons eligible to
24 apply for a casino license organize itself or themselves into such form or
25 forms of business association as the commission shall deem necessary or
26 desirable in the circumstances to carry out the policies of this act;
- 27 (4) The commission may issue separate casino licenses to any persons
28 eligible to apply therefor;
- 29 (5) As to agreements to lease an approved casino hotel or the land
30 thereunder, unless it expressly and by formal vote for good cause
31 determines otherwise, the commission shall require that each party thereto
32 hold either a casino license or casino service industry enterprise license and
33 that such an agreement **【be for a durational term exceeding 30 years,**
34 **concern 100% of the entire approved casino hotel or of the land upon which**
35 **same is located, and】** shall include within its terms a buy-out provision
36 conferring upon the casino licensee-lessee who controls the operation of the
37 approved casino hotel the absolute right to purchase for an expressly set
38 forth fixed sum the entire interest of the lessor or any person associated
39 with the lessor in the approved casino hotel or the land thereunder in the
40 event that said lessor or said person associated with the lessor is found by
41 the commission or director, as the case may be, to be unsuitable to be
42 associated with a casino enterprise;
- 43 (6) The commission shall not permit an agreement for the leasing of an
44 approved casino hotel or the land thereunder to provide for the payment of
45 an interest, percentage or share of money gambled at the casino or derived
46 from casino gaming activity or of revenues or profits of the casino unless
47 the party receiving payment of such interest, percentage or share is a party
48 to the approved lease agreement; unless each party to the lease agreement

1 holds either a casino license or casino service industry enterprise license
2 **【and unless the agreement is for a durational term exceeding 30 years,**
3 **concerns a significant portion of the entire approved casino hotel or of the**
4 **land upon which same is located】**, and includes within its terms a buy-out
5 provision conforming to that described in paragraph (5) above;

6 (7) As to agreements for the management of a casino and, if applicable,
7 the authorized games in a casino simulcasting facility, the commission shall
8 require that each party thereto hold a casino license or a casino service
9 industry enterprise license pursuant to subsection a. of section 92 of
10 P.L.1977, c.110 (C.5:12-92), that the party thereto who is to manage the
11 casino gaming operations own at least 10% of all outstanding equity
12 securities of any casino licensee or of any eligible applicant for a casino
13 license if the said licensee or applicant is a corporation and the ownership
14 of an equivalent interest in any casino licensee or in any eligible applicant
15 for a casino license if same is not a corporation, and that such an agreement
16 be for the complete management of all casino space in the casino hotel and,
17 if applicable, all authorized games in a casino simulcasting facility, provide
18 for the sole and unrestricted power to direct the casino gaming operations
19 of the casino hotel which is the subject of the agreement, and be for such a
20 durational term as to assure reasonable continuity, stability and
21 independence in the management of the casino gaming operations, provided
22 that the provisions of this paragraph shall not apply to a slot system
23 agreement between a group of casino licensees and a casino service
24 industry enterprise licensed pursuant to subsection a. of section 92 of
25 P.L.1977, c.110 (C.5:12-92), or an eligible applicant for such license, and
26 that, with regard to such agreements, the casino service industry enterprise
27 licensee or applicant may operate and administer the multi-casino
28 progressive slot machine system, including, but not limited to, the operation
29 of a monitor room or the payment of progressive **【jackpots】**, including
30 annuity jackpots, or both, and further provided that the obligation to pay a
31 progressive jackpot or establish an annuity jackpot guarantee shall be the
32 sole responsibility of the casino licensee or casino service industry
33 enterprise licensee or applicant designated in the slot system agreement and
34 that no other party shall be jointly or severally liable for the payment or
35 funding of such jackpots or guarantees unless such liability is specifically
36 established in the slot system agreement;

37 (8) The commission may permit an agreement for the management of a
38 casino and, if applicable, the authorized games in a casino simulcasting
39 facility to provide for the payment to the managing party of an interest,
40 percentage or share of money gambled at all authorized games or derived
41 from casino gaming activity or of revenues or profits of casino gaming
42 operations;

43 (9) Notwithstanding any other provision of P.L.1977, c.110 (C.5:12-1 et
44 seq.) to the contrary, the commission may permit an agreement between a
45 casino licensee and a casino service industry enterprise licensed pursuant to
46 the provisions of subsection a. of section 92 of P.L.1977, c.110 (C.5:12-92)
47 for the conduct of casino simulcasting in a simulcasting facility or for the
48 operation of a multi-casino progressive slot machine system, to provide for

1 the payment to the casino service industry enterprise of an interest,
2 percentage or share of the money derived from the casino licensee's share
3 of proceeds from simulcast wagering activity or the operation of a multi-
4 casino progressive slot machine system; and

5 (10) As to agreements to lease an approved casino hotel or the land
6 thereunder, agreements to jointly own an approved casino hotel or the land
7 thereunder and agreements for the management of casino gaming
8 operations or for the conduct of casino simulcasting in a simulcasting
9 facility, the commission shall require that each party thereto, except for a
10 banking or other chartered or licensed lending institution or any subsidiary
11 thereof, or any chartered or licensed life insurance company or property and
12 casualty insurance company, or the State of New Jersey or any political
13 subdivision thereof or any agency or instrumentality of the State or any
14 political subdivision thereof, shall be jointly and severally liable for all
15 acts, omissions and violations of this act by any party thereto regardless of
16 actual knowledge of such act, omission or violation and notwithstanding
17 any provision in such agreement to the contrary. Notwithstanding the
18 foregoing, nothing in this paragraph shall require a casino licensee to be
19 jointly and severally liable for any acts, omissions or violations of this act,
20 P.L.1977, c.110 (C.5:12-1 et seq.), committed by any casino service
21 industry enterprise licensee or applicant performing as a slot system
22 operator pursuant to a slot system agreement.

23 d. No corporation shall be eligible to apply for a casino license unless:

24 (1) The corporation shall be incorporated in the State of New Jersey,
25 although such corporation may be a wholly or partially owned subsidiary of
26 a corporation which is organized pursuant to the laws of another state of the
27 United States or of a foreign country;

28 (2) The corporation shall maintain an office of the corporation in the
29 casino hotel licensed or to be licensed;

30 (3) The corporation shall comply with all the requirements of the laws
31 of the State of New Jersey pertaining to corporations;

32 (4) The corporation shall maintain a ledger in the principal office of the
33 corporation in New Jersey which shall at all times reflect the current
34 ownership of every class of security issued by the corporation and shall be
35 available for inspection by the commission or the division and authorized
36 agents of the commission and the division at all reasonable times without
37 notice;

38 (5) The corporation shall maintain all operating accounts required by
39 the commission in a bank in New Jersey, except that a casino licensee may
40 establish deposit-only accounts in any jurisdiction in order to obtain
41 payment of any check described in section 101 of P.L.1977, c.110 (C.5:12-
42 101);

43 (6) The corporation shall include among the purposes stated in its
44 certificate of incorporation the conduct of casino gaming and provide that
45 the certificate of incorporation includes all provisions required by this act;

46 (7) The corporation, if it is not a publicly traded corporation, shall file
47 with the **【commission】** division such adopted corporate charter provisions
48 as may be necessary to establish the right of prior approval by the

1 commission with regard to transfers of securities, shares, and other interests
2 in the applicant corporation; and, if it is a publicly traded corporation,
3 provide in its corporate charter that any securities of such corporation are
4 held subject to the condition that if a holder thereof is found to be
5 disqualified **【by the commission】** pursuant to the provisions of this act,
6 such holder shall dispose of his interest in the corporation; provided,
7 however, that, notwithstanding the provisions of N.J.S.14A:7-12 and
8 N.J.S.12A:8-101 et seq., nothing herein shall be deemed to require that any
9 security of such corporation bear any legend to this effect;

10 (8) The corporation, if it is not a publicly traded corporation, shall
11 establish to the satisfaction of the **【commission】** division that appropriate
12 charter provisions create the absolute right of such non-publicly traded
13 corporations and companies to repurchase at the market price or the
14 purchase price, whichever is the lesser, any security, share or other interest
15 in the corporation in the event that the commission disapproves a transfer in
16 accordance with the provisions of this act;

17 (9) Any publicly traded holding, intermediary, or subsidiary company
18 of the corporation, whether the corporation is publicly traded or not, shall
19 contain in its corporate charter the same provisions required under
20 paragraph (7) for a publicly traded corporation to be eligible to apply for a
21 casino license; and

22 (10) Any non-publicly traded holding, intermediary or subsidiary
23 company of the corporation, whether the corporation is publicly traded or
24 not, shall establish to the satisfaction of the commission that its charter
25 provisions are the same as those required under paragraphs (7) and (8) for a
26 non-publicly traded corporation to be eligible to apply for a casino license.

27 **【Notwithstanding the foregoing, any corporation or company which had**
28 **bylaw provisions approved by the commission prior to the effective date of**
29 **this 1987 amendatory act shall have one year from the effective date of this**
30 **1987 amendatory act to adopt appropriate charter provisions in accordance**
31 **with the requirements of this subsection.】**

32 The provisions of this subsection shall apply with the same force and
33 effect with regard to casino license applicants and casino licensees which
34 have a legal existence that is other than corporate to the extent which is
35 appropriate.

36 e. No person shall be issued or be the holder of a casino license if the
37 issuance or the holding results in undue economic concentration in Atlantic
38 City casino operations by that person. The commission shall, after
39 conducting public hearings thereon, promulgate rules and regulations in
40 accordance with the "Administrative Procedure Act," P.L.1968, c.410
41 (C.52:14B-1 et seq.) defining the criteria the commission will use in
42 determining what constitutes undue economic concentration.

43 For the purpose of this subsection a person shall be considered the
44 holder of a casino license if such license is issued to such person or if such
45 license is held by any holding, intermediary or subsidiary company thereof,
46 or by any **【officer, director, casino key employee or principal employee of**
47 **such person, or of any holding, intermediary or subsidiary company**

1 thereof] person required to be qualified in conjunction with such casino
2 license.

3 (cf: P.L.2009, c.36, s.7)

4

5 48. Section 83 of P.L.1977, c.110 (C.5:12-83) is amended to read as
6 follows:

7 83. a. An approved hotel for purposes of this act shall be a hotel
8 providing facilities in accordance with this section. Nothing in this section
9 shall be construed to limit the authority of the commission to determine the
10 suitability of facilities as provided in this act, and nothing in this section
11 shall be construed to require a casino to be smaller than the maximum size
12 herein provided.

13 Nothing in this section shall be construed as authorizing the commission,
14 based on the provisions of this section, to determine the suitability of
15 facilities, or to deny a license, for a small-scale casino facility or a staged
16 casino facility that is permitted by law supplementing P.L.1977, c.110
17 (C.5:12-1 et seq.).

18 b. (Deleted by amendment, P.L.2002, c.65).

19 c. A casino hotel shall include an approved hotel containing at least
20 500 qualifying sleeping units, as defined in section 27 of the "Casino
21 Control Act," P.L.1977, c.110 (C.5:12-27), and a casino, the total square
22 footage of which shall not exceed 60,000 square feet, except that for each
23 additional 100 qualifying sleeping units above 500, the maximum amount
24 of the casino space may be increased by 10,000 square feet, up to a
25 maximum of 200,000 square feet of casino space. For the purpose of
26 increasing casino space, an agreement approved by the commission for the
27 addition of qualifying sleeping units within two years after the
28 commencement of gaming operations in the additional casino space shall be
29 deemed an addition of those sleeping units, but if the agreement is not
30 fulfilled due to conditions within the control of the casino licensee, the
31 casino licensee shall close the additional casino space or any portion
32 thereof as directed by the commission.

33 d. Once a hotel is initially approved, the commission and the division
34 shall thereafter rely on the certification of the casino licensee with regard to
35 the number of qualifying sleeping units and shall permit replacement,
36 rehabilitation, renovation and alteration of any part of the approved hotel
37 even if the replacement, rehabilitation, renovation, or alteration will mean
38 that the casino licensee does not temporarily meet the requirements of
39 subsection c. so long as the licensee certifies that the replacement,
40 rehabilitation, renovation, or alteration shall be completed within one year
41 or such other reasonable period of time as the commission may approve.

42 e. (Deleted by amendment, P.L.1987, c.352).

43 f. (Deleted by amendment, P.L.1991, c.182).

44 g. (Deleted by amendment, P.L.1991, c.182).

45 h. (Deleted by amendment, P.L.1991, c.182).

46 I. The **commission** division shall not impose any criteria or
47 requirements regarding the contents of the approved hotel in addition to the
48 criteria and requirements expressly specified in the "Casino Control Act,"

1 P.L.1977, c.110 (C.5:12-1 et seq.) and the regulations promulgated
2 thereunder; provided, however, that the **commission** division shall **be**
3 **authorized to** require each casino licensee to establish and maintain an
4 approved hotel which is in all respects a superior, first-class facility of
5 exceptional quality which will help restore Atlantic City as a resort, tourist
6 and convention destination.

7 (cf: P.L.2002, c.65, s.14)

8

9 49. Section 84 of P.L.1977, c.110 (C.5:12-84) is amended to read as
10 follows:

11 84. Casino License--Applicant Requirements. Any applicant for a
12 casino license must produce information, documentation and assurances
13 concerning the following qualification criteria:

14 a. Each applicant shall produce such information, documentation and
15 assurances concerning financial background and resources as may be
16 required to establish by clear and convincing evidence the financial
17 stability, integrity and responsibility of the applicant, including but not
18 limited to bank references, business and personal income and disbursement
19 schedules, tax returns and other reports filed with governmental agencies,
20 and business and personal accounting and check records and ledgers. In
21 addition, each applicant shall, in writing, authorize the examination of all
22 bank accounts and records as may be deemed necessary by the commission
23 or the division. The commission or the division may consider any relevant
24 evidence of financial stability; provided, however, it is presumed that a
25 casino licensee or applicant is financially stable if it establishes by clear
26 and convincing evidence that it meets each of the following standards:

27 (1) The ability to assure the financial integrity of casino operations by
28 the maintenance of a casino bankroll or equivalent provisions adequate to
29 pay winning wagers to casino patrons when due. A casino licensee or
30 applicant shall be presumed to have met this standard if it maintains, on a
31 daily basis, a casino bankroll, or a casino bankroll and equivalent
32 provisions, in an amount which is at least equal to the average daily
33 minimum casino bankroll or equivalent provisions, calculated on a monthly
34 basis, for the corresponding month in the previous year. For any casino
35 licensee or applicant which has been in operation for less than a year, such
36 amount shall be determined by the division based upon levels maintained
37 by a comparable casino licensee;

38 (2) The ability to meet ongoing operating expenses which are essential
39 to the maintenance of continuous and stable casino operations. A casino
40 licensee or applicant shall be presumed to have met this standard if it
41 demonstrates the ability to achieve positive gross operating profit,
42 measured on an annual basis;

43 (3) The ability to pay, as and when due, all local, state and federal
44 taxes, including the tax on gross revenues imposed by subsection a. of
45 section 144 of P.L.1977, c.110 (C.5:12-144), the investment alternative tax
46 obligations imposed by subsection b. of section 144 of P.L.1977, c.110
47 (C.5:12-144) and section 3 of P.L.1984, c.218 (C.5:12-144.1), and any fees
48 imposed by the act or the regulations promulgated pursuant thereto;

1 (4) The ability to make necessary capital and maintenance expenditures
2 in a timely manner which are adequate to ensure maintenance of a superior,
3 first-class facility of exceptional quality pursuant to subsection i. of section
4 83 of P.L.1977, c.110 (C.5:12-83). A casino licensee or applicant shall be
5 presumed to have met this standard if it demonstrates that its capital and
6 maintenance expenditures, over the five-year period which includes the
7 three most recent calendar years and the upcoming two calendar years,
8 average at least five percent of net revenue per annum, except that any
9 casino licensee or applicant which has been in operation for less than three
10 years shall be required to otherwise establish compliance with this
11 standard; and

12 (5) The ability to pay, exchange, refinance or extend debts, including
13 long-term and short-term principal and interest and capital lease
14 obligations, which will mature or otherwise come due and payable during
15 the license term, or to otherwise manage such debts and any default with
16 respect to such debts. The division also may require that a casino licensee
17 or applicant advise as to its plans to meet this standard with respect to any
18 material debts coming due and payable within 12 months after the end of
19 the license term.

20 b. **【**Each applicant shall produce such information, documentation and
21 assurances as may be necessary to establish by clear and convincing
22 evidence the integrity of all financial backers, investors, mortgagees,
23 bondholders, and holders of indentures, notes or other evidences of
24 indebtedness, either in effect or proposed, which bears any relation to the
25 casino proposal submitted by the applicant or applicants; provided,
26 however, that this section shall not apply to banking or other licensed
27 lending institutions exempted from the qualification requirements of
28 subsections c. and d. of section 85 of P.L.1977, c.110 (C.5:12-85) and
29 institutional investors waived from the qualification requirements of those
30 subsections pursuant to the provisions of subsection f. of section 85 of
31 P.L.1977, c.110 (C.5:12-85). Any such banking or licensed lending
32 institution or institutional investor shall, however, produce for the
33 commission or the division upon request any document or information
34 which bears any relation to the casino proposal submitted by the applicant
35 or applicants. The integrity of financial sources shall be judged upon the
36 same standards as the applicant. In addition, the applicant shall produce
37 whatever information, documentation or assurances as may be required to
38 establish by clear and convincing evidence the adequacy of financial
39 resources both as to the completion of the casino proposal and the operation
40 of the casino. **】** (Deleted by amendment, P.L. , c.)(pending before the
41 Legislature as this bill)

42 c. Each applicant shall produce such information, documentation and
43 assurances as may be required to establish by clear and convincing
44 evidence the applicant's good character, honesty and integrity. Such
45 information shall include, without limitation, information pertaining to
46 family, habits, character, reputation, criminal and arrest record, business
47 activities, financial affairs, and business, professional and personal
48 associates, covering at least the 10-year period immediately preceding the

1 filing of the application. Each applicant shall notify the commission and
2 division of any civil judgments obtained against any such applicant
3 pertaining to antitrust or security regulation laws of the federal government,
4 of this State or of any other state, jurisdiction, province or country. In
5 addition, each applicant shall produce letters of reference from law
6 enforcement agencies having jurisdiction in the applicant's place of
7 residence and principal place of business, which letters of reference shall
8 indicate that such law enforcement agencies do not have any pertinent
9 information concerning the applicant, or if such law enforcement agency
10 does have information pertaining to the applicant, shall specify what the
11 information is. If the applicant has conducted gaming operations in a
12 jurisdiction which permits such activity, the applicant shall produce letters
13 of reference from the gaming or casino enforcement or control agency
14 which shall specify the experiences of such agency with the applicant, his
15 associates, and his gaming operation; provided, however, that if no such
16 letters are received within 60 days of request therefor, the applicant may
17 submit a statement under oath that he is or was during the period such
18 activities were conducted in good standing with such gaming or casino
19 enforcement or control agency.

20 d. Each applicant shall produce such information, documentation and
21 assurances as may be required to establish by clear and convincing
22 evidence that the applicant has sufficient business ability and casino
23 experience as to establish the likelihood of creation and maintenance of a
24 successful, efficient casino operation. The applicant shall produce the
25 names of all proposed casino key employees as they become known and a
26 description of their respective or proposed responsibilities[, and a full
27 description of security systems and management controls proposed for the
28 casino and related facilities].

29 e. Each applicant shall produce such information, documentation and
30 assurances to establish [to the satisfaction of the commission] the
31 suitability of the casino and related facilities subject to subsection i. of
32 section 83 of P.L.1977, c.110 (C.5:12-83) and that its proposed location
33 will not adversely affect casino operations. Each applicant shall submit to
34 the division an impact statement which shall include, without limitation,
35 architectural and site plans which establish that the proposed facilities
36 comply in all respects with the requirements of this act and the
37 requirements of the master plan and zoning and planning ordinances of
38 Atlantic City, without any use variance from the provisions thereof; a
39 market impact study which analyzes the adequacy of the patron market and
40 the effect of the proposal on such market and on the existing casino
41 facilities licensed under this act; and an analysis of the effect of the
42 proposal on the overall economic and competitive conditions of Atlantic
43 City and the State of New Jersey.

44 f. For the purposes of this section, each applicant shall [submit] be
45 responsible for the submission to the division of the [applicant's] name,
46 address, fingerprints and written consent for a criminal history record
47 background check to be performed for each person who must individually

1 qualify in conjunction with the casino license application. The division is
2 hereby authorized to exchange fingerprint data with and receive criminal
3 history record information from the State Bureau of Identification in the
4 Division of State Police and the Federal Bureau of Investigation consistent
5 with applicable State and federal laws, rules and regulations. The applicant
6 shall bear the cost for the criminal history record background check,
7 including all costs of administering and processing the check. The Division
8 of State Police shall promptly notify the division in the event a current or
9 prospective licensee, who was the subject of a criminal history record
10 background check pursuant to this section, is arrested for a crime or offense
11 in this State after the date the background check was performed.

12 (cf: P.L.2009, c.36, s.8)

13

14 50. Section 85 of P.L.1997, c.110 (C.5:12-85) is amended to read as
15 follows:

16 85. Additional Requirements.

17 a. In addition to other information required by this act, a corporation or
18 other form of business organization applying for a casino license shall
19 provide the following information, in such form as may be established by
20 regulation:

21 (1) The organization, financial structure and nature of all businesses
22 operated by the **【corporation】** applicant; the names and personal
23 employment and criminal histories of all officers, directors and **【principal】**
24 such other employees of the **【corporation】** applicant as the division may
25 require; the names of all holding, intermediary and subsidiary companies of
26 the **【corporation】** applicant; and the organization, financial structure and
27 nature of all businesses operated by such of its holding, intermediary and
28 subsidiary companies as the **【commission】** division may require, including
29 the names and personal employment and criminal histories of such
30 corporate officers, directors and **【principal】** other employees of such
31 holding, intermediary and subsidiary **【corporations and】** companies as the
32 **【commission】** division may require;

33 (2) The rights and privileges acquired by the holders of different classes
34 of authorized securities of **【such corporations】** the applicant and such
35 companies as the **【commission】** division may require, including the names,
36 addresses and amounts held by all holders of such securities;

37 (3) The terms upon which securities have been or are to be offered;

38 (4) The terms and conditions of all outstanding loans, mortgages, trust
39 deeds, pledges or any other indebtedness or security devices utilized by the
40 **【corporation】** applicant;

41 (5) The extent of the equity security holding in the **【corporation】**
42 applicant of all officers, directors and underwriters, and their remuneration
43 in the form of salary, wages, fees or otherwise;

44 (6) Names of persons other than directors and officers who occupy
45 positions specified by the **【commission】** division or whose compensation
46 exceeds an amount determined by the **【commission】** division, and the
47 amount of their compensation;

- 1 (7) A description of all bonus and profit-sharing arrangements;
- 2 (8) Copies of all management and service contracts; **[and]**
- 3 (9) A listing of stock options existing or to be created; and
- 4 (10) Documentation establishing that it is qualified to do business in the
- 5 State of New Jersey.
- 6 b. **[If a corporation or other form of business organization applying for a**
- 7 **casino license is, or if a corporation or other form of business**
- 8 **organization holding a casino license is to become, a subsidiary, each**
- 9 **holding company, intermediary company, and other entity required to be**
- 10 **qualified with respect thereto must, as a condition of the said subsidiary**
- 11 **acquiring or retaining such license, as the case may be:**
- 12 (1) Establish by clear and convincing evidence that it meets the
- 13 standards set forth in subsections a., c., and d. of section 84 of P.L.1977,
- 14 c.110 (C.5:12-84) as if it were itself applying for a casino license, and the
- 15 standards, but for residence, required for approval as a casino key employee
- 16 pursuant to the provisions of this act in accordance with subsections c., d.
- 17 and e. of this section, as applicable; and
- 18 (2) **Qualify** Each holding, intermediary and subsidiary company of an
- 19 applicant for or holder of a casino license shall be required to qualify to do
- 20 business in the State of New Jersey; and
- 21 **[(3)]** (1) If it is a corporation, register with the **[commission]** division
- 22 and furnish the **[commission]** division with all the information required of
- 23 a corporate licensee as specified in subsection a. (1), (2) and (3) of this
- 24 section and such other information as the **[commission]** division may
- 25 require; or
- 26 **[(4)]** (2) If it is not a corporation, register with the **[commission]**
- 27 division and furnish the **[commission]** division with such information as
- 28 the **[commission]** division may prescribe.
- 29 c. **[No corporation shall be eligible to hold a casino license unless**
- 30 **each officer; each director; each person who directly or indirectly holds any**
- 31 **beneficial interest or ownership of the securities issued by the corporation;**
- 32 **any person who in the opinion of the commission has the ability to control**
- 33 **the corporation or elect a majority of the board of directors of that**
- 34 **corporation, other than a banking or other licensed lending institution**
- 35 **which makes a loan or holds a mortgage or other lien acquired in the**
- 36 **ordinary course of business; each principal employee; and any lender,**
- 37 **underwriter, agent, employee of the corporation, or other person whom the**
- 38 **commission may consider appropriate for approval or qualification would,**
- 39 **but for residence, individually be qualified for approval as a casino key**
- 40 **employee pursuant to the provisions of this act.]** (Deleted by amendment,
- 41 P.L. , c.)(pending before the Legislature as this bill)
- 42 d. **[No corporation or other form of business organization which is a**
- 43 **subsidiary shall be eligible to receive or hold a casino license unless each**
- 44 **holding and intermediary company with respect thereto:**
- 45 (1) If it is a corporation, shall comply with the provisions of subsection
- 46 c. of this section as if said holding or intermediary company were itself
- 47 applying for a casino license; provided, however, that the commission with

1 the concurrence of the director may waive compliance with the provisions
2 of subsection c. hereof on the part of a holding company as to any officer,
3 director, lender, underwriter, agent or employee thereof, or person directly
4 or indirectly holding a beneficial interest or ownership of the securities of
5 such corporation, where the commission and the director are satisfied that
6 such officer, director, lender, underwriter, agent or employee is not
7 significantly involved in the activities of the corporate licensee, and in the
8 case of security holders, does not have the ability to control the holding
9 company or elect one or more directors thereof; or

10 (2) If it is not a corporation, shall comply with the provisions of
11 subsection e. of this section as if said company were itself applying for a
12 casino license; provided, however, that the commission with the
13 concurrence of the director may waive compliance with the provisions of
14 subsection e. of this section on the part of a noncorporate business
15 organization which is a holding company as to any person who directly or
16 indirectly holds any beneficial interest or ownership in such company,
17 when the commission and the director are satisfied that such person does
18 not have the ability to control the company.】 (Deleted by amendment,
19 P.L. , c.) (pending before the Legislature as this bill)

20 e. 【Any noncorporate applicant for a casino license shall provide the
21 information required in subsection a. of this section in such form as may be
22 required by the commission. No such applicant shall be eligible to hold a
23 casino license unless each person who directly or indirectly holds any
24 beneficial interest or ownership in the applicant, or who in the opinion of
25 the commission has the ability to control the applicant, or whom the
26 commission may consider appropriate for approval or qualification, would,
27 but for residence, individually be qualified for approval as a casino key
28 employee pursuant to the provisions of this act.】 (Deleted by amendment,
29 P.L. , c.) (pending before the Legislature as this bill)

30 f. 【Notwithstanding the provisions of subsections c. and d. of this
31 section, and in the absence of a prima facie showing by the director that
32 there is any cause to believe that the institutional investor may be found
33 unqualified, an institutional investor holding either (1) under 10% of the
34 equity securities of a casino licensee's holding or intermediary companies,
35 or (2) debt securities of a casino licensee's holding or intermediary
36 companies, or another subsidiary company of a casino licensee's holding or
37 intermediary companies which is related in any way to the financing of the
38 casino licensee, where the securities represent a percentage of the
39 outstanding debt of the company not exceeding 20%, or a percentage of any
40 issue of the outstanding debt of the company not exceeding 50%, shall be
41 granted a waiver of qualification if such securities are those of a publicly
42 traded corporation and its holdings of such securities were purchased for
43 investment purposes only and upon request by the commission it files with
44 the commission a certified statement to the effect that it has no intention of
45 influencing or affecting the affairs of the issuer, the casino licensee or its
46 holding or intermediary companies; provided, however, that it shall be
47 permitted to vote on matters put to the vote of the outstanding security
48 holders. The commission may grant a waiver of qualification to an

1 institutional investor holding a higher percentage of such securities upon a
2 showing of good cause and if the conditions specified above are met. Any
3 institutional investor granted a waiver under this subsection which
4 subsequently determines to influence or affect the affairs of the issuer shall
5 provide not less than 30 days' notice of such intent and shall file with the
6 commission an application for qualification before taking any action that
7 may influence or affect the affairs of the issuer; provided, however, that it
8 shall be permitted to vote on matters put to the vote of the outstanding
9 security holders. If an institutional investor changes its investment intent,
10 or if the commission finds reasonable cause to believe that the institutional
11 investor may be found unqualified, no action other than divestiture shall be
12 taken by such investor with respect to its security holdings until there has
13 been compliance with the provisions of P.L.1987, c.409 (C.5:12-95.12 et
14 al.), including the execution of a trust agreement. The casino licensee and
15 its relevant holding, intermediary or subsidiary company shall immediately
16 notify the commission and the division of any information about, or actions
17 of, an institutional investor holding its equity or debt securities where such
18 information or action may impact upon the eligibility of such institutional
19 investor for a waiver pursuant to this subsection.】 (Deleted by amendment,
20 P.L. , c.)(pending before the Legislature as this bill)

21 g. 【If at any time the commission finds that an institutional investor
22 holding any security of a holding or intermediary company of a casino
23 licensee, or, where relevant, of another subsidiary company of a holding or
24 intermediary company of a casino licensee which is related in any way to
25 the financing of the casino licensee, fails to comply with the terms of
26 subsection f. of this section, or if at any time the commission finds that, by
27 reason of the extent or nature of its holdings, an institutional investor is in a
28 position to exercise such a substantial impact upon the controlling interests
29 of a licensee that qualification of the institutional investor is necessary to
30 protect the public interest, the commission may, in accordance with the
31 provisions of subsections a. through e. of this section or subsections d. and
32 e. of section 105 of P.L.1977, c.110 (C.5:12-105), take any necessary action
33 to protect the public interest, including requiring such an institutional
34 investor to be qualified pursuant to the provisions of the "Casino Control
35 Act," P.L.1977, c.110 (C.5:12-1 et seq.).】 (Deleted by amendment, P.L. ,
36 c.)(pending before the Legislature as this bill)
37 (cf: P.L.2009, c.36, s.9)

38
39 51 (New section) a. No casino license shall be issued to any applicant
40 or retained by any holder unless the commission determines that all persons
41 designated by the division as persons who must qualify in conjunction with
42 such license meet all applicable qualification criteria and are not
43 unqualified by reason of any disqualification criteria set forth in section 86
44 of P.L.1977, c.110 (C.5:12-86).

45 b. Corporate applicants for and holders of casino licenses shall be
46 required to establish and maintain the qualifications of the following: (1)
47 each officer of the corporation; (2) each director of the corporation; (3)

1 each person who directly or indirectly holds any beneficial interest or
2 ownership of the securities issued by such applicant or holder; (4) any
3 holder who in the opinion of the director has the ability to control the
4 applicant for or holder of a casino license or to elect a majority of the board
5 of directors of such applicant or holder; and (5) each holding, intermediary
6 or subsidiary company of an applicant for or holder of a casino license.

7 c. As to each holding, intermediary and subsidiary company of an
8 applicant for or holder of a casino license, such applicants and holders shall
9 be required to establish and maintain the qualifications of the following:
10 (1) each Corporate Officer; (2) each director of the corporation; (3) each
11 person who directly or indirectly holds a beneficial interest or ownership
12 interest of 5% or more in such holding, intermediary or subsidiary
13 company; (4) any person who in the opinion of the director has the ability
14 to control or elect a majority of the board of directors of such holding,
15 intermediary or subsidiary company; and (5) any other person who the
16 director may consider appropriate for qualification.

17 d. The director shall have the authority to waive any or all of the
18 qualification requirements for any person listed in paragraph (1), (2) or (3)
19 of subsection c. of this section.

20 e. Applicants for and holders of casino licenses shall be required to
21 establish and maintain the qualifications of any financial backer, investor,
22 mortgagee, bondholder, or holders of indentures, notes or other evidences
23 of indebtedness, either in effect or proposed which bears relation to the
24 casino operation or casino hotel premises who holds 25% or more of such
25 financial instruments or evidences of indebtedness; provided however in
26 circumstances of default, any person holding 10% of such financial
27 instruments or evidences of indebtedness shall be required to establish and
28 maintain his qualifications as required pursuant to subsection c. of this
29 section. The director may, in his discretion, require that any other financial
30 backer, investor, mortgagee, bondholder, or holder of indentures, notes or
31 other evidences of indebtedness who does not meet the threshold set forth
32 herein to establish and maintain his qualifications as required pursuant to
33 subsection c. of this section.

34 f. Banks and licensed lending institutions shall be exempt from any
35 qualification requirements under this act if such bank or licensed lending
36 institution is acting in the ordinary course of business.

37 g. An institutional investor holding either (1) under 25% of the equity
38 securities of a casino licensee's holding or intermediary companies, or (2)
39 debt securities of a casino licensee's holding or intermediary companies, or
40 another subsidiary company of a casino licensee's holding or intermediary
41 companies which is related in any way to the financing of the casino
42 licensee, where the securities represent a percentage of the outstanding debt
43 of the company not exceeding 25%, or a percentage of any issue of the
44 outstanding debt of the company not exceeding 50%, shall be granted a
45 waiver of qualification if such securities are those of a publicly traded
46 corporation and its holdings of such securities were purchased for
47 investment purposes only and it files a certified statement to the effect that
48 it has no intention of influencing or affecting the affairs of the issuer, the

1 casino licensee or its holding or intermediary companies; provided,
2 however, that it shall be permitted to vote on matters put to the vote of the
3 outstanding security holders. The director may grant a waiver of
4 qualification to an institutional investor holding a higher percentage of such
5 securities upon a showing of good cause and if the conditions specified
6 above are met. Any institutional investor granted a waiver under this
7 subsection which subsequently determines to influence or affect the affairs
8 of the issuer shall provide not less than 30 days' notice of such intent and
9 shall file with the division an application for qualification before taking any
10 action that may influence or affect the affairs of the issuer; provided,
11 however, that it shall be permitted to vote on matters put to the vote of the
12 outstanding security holders. If an institutional investor changes its
13 investment intent, or if the director finds reasonable cause to believe that
14 the institutional investor may be found unqualified, no action other than
15 divestiture shall be taken by such investor with respect to its security
16 holdings until there has been compliance with the provisions of P.L.1987,
17 c.409 (C.5:12-95.12 et seq.), including the execution of a trust agreement.
18 The casino licensee and its relevant holding, intermediary or subsidiary
19 company shall immediately notify the division of any information about, or
20 actions of, an institutional investor holding its equity or debt securities
21 where such information or action may impact upon the eligibility of such
22 institutional investor for a waiver pursuant to this subsection.

23 h. If at any time the director finds that an institutional investor holding
24 any security of a holding or intermediary company of a casino licensee, or,
25 where relevant, of another subsidiary company of a holding or intermediary
26 company of a casino licensee which is related in any way to the financing
27 of the casino licensee, fails to comply with the terms of subsection f. of this
28 section, or if at any time the director finds that, by reason of the extent or
29 nature of its holdings, an institutional investor is in a position to exercise
30 such a substantial impact upon the controlling interests of a licensee that
31 qualification of the institutional investor is necessary to protect the public
32 interest, the director may, in accordance with the provisions of subsections
33 a. through e. of this section or subsections d. and e. of section 105 of
34 P.L.1977, c.110 (C.5:12-105), take any necessary action to protect the
35 public interest, including requiring such an institutional investor to be
36 qualified pursuant to the provisions of the "Casino Control Act," P.L.1977,
37 c.110 (C.5:12-1 et seq.).

38 i. Any company required to qualify pursuant to subsection b. of this
39 section shall establish by clear and convincing evidence that it meets that
40 standards set forth in section 84 of P.L.1977, c.110 (C.5:12-84).

41 j. As to each company required to qualify pursuant to subsection c. of
42 this section, the applicant for or holder of the casino license shall establish
43 by clear and convincing evidence that each such company meets the
44 standards set forth in subsections a., c., and d. of section 84 of P.L.1977,
45 c.110 (C.5:12-84).

46 k. Any natural person required to qualify pursuant to subsections b.
47 and c. of this section shall be required to establish his qualifications in
48 accordance with the standards applicable to casino key employees in

1 section 89 of this act; provided, however that persons required to qualify
2 pursuant to subsection c. of this section shall not be required to establish
3 residency.

4

5 52. (New section) The provisions of this act shall apply to the extent
6 appropriate with the same force and effect with regard to casino license
7 applicants and casino licensees that have a legal existence that is other than
8 corporate.

9

10 53. Section 86 of P.L.1977, c.110 (C.5:12-86) is amended to read as
11 follows:

12 86. Casino License--Disqualification Criteria. The commission shall
13 deny a casino license to any applicant who is disqualified on the basis of
14 any of the following criteria:

15 a. Failure of the applicant to prove by clear and convincing evidence
16 that the applicant is qualified in accordance with the provisions of this act;

17 b. Failure of the applicant to provide information, documentation and
18 assurances required by the act or requested by the commission or the
19 division, or failure of the applicant to reveal any fact material to
20 qualification, or the supplying of information which is untrue or misleading
21 as to a material fact pertaining to the qualification criteria;

22 c. The conviction of the applicant, or of any person required to be
23 qualified under this act as a condition of a casino license, of any offense in
24 any jurisdiction which would be:

25 (1) Any of the following offenses under the "New Jersey Code of
26 Criminal Justice," P.L.1978, c.95 (Title 2C of the New Jersey Statutes) as
27 amended and supplemented:

28 all crimes of the first degree;

29 N.J.S.2C:5-1 (attempt to commit an offense which is listed in this
30 subsection);

31 N.J.S.2C:5-2 (conspiracy to commit an offense which is listed in this
32 subsection);

33 Subsection b. of N.J.S.2C:11-4 (manslaughter);

34 N.J.S.2C:11-5 (vehicular homicide which constitutes a crime of the
35 second degree);

36 Subsection b. of N.J.S.2C:12-1 (aggravated assault which constitutes a
37 crime of the second or third degree);

38 N.J.S.2C:13-1 (kidnapping);

39 N.J.S.2C:14-1 et seq. (sexual offenses which constitute crimes of the
40 second or third degree);

41 N.J.S.2C:15-1 (robberies);

42 Subsections a. and b. of N.J.S.2C:17-1 (crimes involving arson and
43 related offenses);

44 Subsections a. and b. of N.J.S.2C:17-2 (causing or risking widespread
45 injury or damage);

46 N.J.S.2C:18-2 (burglary which constitutes a crime of the second or third
47 degree);

1 N.J.S.2C:20-1 et seq. (theft and related offenses which constitute crimes
2 of the second or third degree);
3 N.J.S.2C:21-1 et seq. (forgery and fraudulent practices which constitute
4 crimes of the second or third degree);
5 N.J.S. 2C:24-4 (endangering the welfare of a child);
6 N.J.S.2C:27-1 et seq. (bribery and corrupt influence);
7 N.J.S.2C:28-1 et seq. (perjury and other falsification in official matters
8 which constitute crimes of the second, third or fourth degree);
9 N.J.S.2C:30-2 and N.J.S.2C:30-3 (misconduct in office and abuse in
10 office which constitutes a crime of the second degree);
11 N.J.S.2C:35-5 (manufacturing, distributing or dispensing a controlled
12 dangerous substance or a controlled dangerous substance analog which
13 constitutes a crime of the second or third degree);
14 N.J.S.2C:35-6 (employing a juvenile in a drug distribution scheme);
15 N.J.S.2C:35-7 (distributing, dispensing or possessing a controlled
16 dangerous substance or a controlled substance analog on or within 1,000
17 feet of school property or bus);
18 N.J.S.2C:35-7.1 (distributing, dispensing or possessing a controlled
19 dangerous substance or a controlled substance analog in proximity to public
20 housing facilities, parks or buildings);
21 N.J.S.2C:35-11 (distribution, possession or manufacture of imitation
22 controlled dangerous substances);
23 N.J.S.2C:35-13 (acquisition of controlled dangerous substances by
24 fraud);
25 N.J.S.2C:37-1 et seq. (gambling offenses which constitute crimes of the
26 third or fourth degree);
27 N.J.S.2C:37-7 (possession of a gambling device);
28 Any second degree racketeering crime under Chapter 41 of Title 2C of
29 the New Jersey Statutes; or
30 (2) Any of the following offenses under the “Casino Control Act,”
31 P.L.1977, c.110 (C.5:12-1 et seq.):
32 P.L.1977, c.110, s.113 (C.5:12-113) (swindling and cheating);
33 P.L.1991, c.182, s.46 (C.5:12-113.1) (use of device to gain advantage at
34 casino game);
35 P.L.1977, c.110, s.114 (C.5:12-114) (unlawful use of bogus chips or
36 gaming billets, marked cards, dice, cheating devices, unlawful coins);
37 P.L.1977, c.110, s.115 (C.5:12-115) (cheating games and devices in a
38 licensed casino); or
39 P.L.1977, c.110, s.116 (C.5:12-116) (unlawful possession of device,
40 equipment or other material illegally manufactured, distributed, sold or
41 delivered; or
42 **[(2)] (3)** Any other offense under present New Jersey or federal law
43 which indicates that licensure of the applicant would be inimical to the
44 policy of this act and to casino operations; provided, however, that the
45 automatic disqualification provisions of this subsection shall not apply with
46 regard to any conviction which did not occur within the 10-year period
47 immediately preceding application for licensure and which the applicant
48 demonstrates by clear and convincing evidence does not justify automatic

1 disqualification pursuant to this subsection and any conviction which has
2 been the subject of a judicial order of expungement or sealing;

3 d. Current prosecution or pending charges in any jurisdiction of the
4 applicant or of any person who is required to be qualified under this act as a
5 condition of a casino license, for any of the offenses enumerated in
6 subsection c. of this section; provided, however, that at the request of the
7 applicant or the person charged, the commission shall defer decision upon
8 such application during the pendency of such charge;

9 e. The pursuit by the applicant or any person who is required to be
10 qualified under this act as a condition of a casino license of economic gain
11 in an occupational manner or context which is in violation of the criminal
12 or civil public policies of this State, if such pursuit creates a reasonable
13 belief that the participation of such person in casino operations would be
14 inimical to the policies of this act or to legalized gaming in this State. For
15 purposes of this section, occupational manner or context shall be defined as
16 the systematic planning, administration, management, or execution of an
17 activity for financial gain;

18 f. The identification of the applicant or any person who is required to
19 be qualified under this act as a condition of a casino license as a career
20 offender or a member of a career offender cartel or an associate of a career
21 offender or career offender cartel in such a manner which creates a
22 reasonable belief that the association is of such a nature as to be inimical to
23 the policy of this act and to gaming operations. For purposes of this
24 section, career offender shall be defined as any person whose behavior is
25 pursued in an occupational manner or context for the purpose of economic
26 gain, utilizing such methods as are deemed criminal violations of the public
27 policy of this State. A career offender cartel shall be defined as any group
28 of persons who operate together as career offenders;

29 g. The commission by the applicant or any person who is required to
30 be qualified under this act as a condition of a casino license of any act or
31 acts which would constitute any offense under subsection c. of this section,
32 even if such conduct has not been or may not be prosecuted under the
33 criminal laws of this State or any other jurisdiction or has been prosecuted
34 under the criminal laws of this State or any other jurisdiction and such
35 prosecution has been terminated in a manner other than with a conviction;

36 **[and]**

37 h. Contumacious defiance by the applicant or any person who is
38 required to be qualified under this act of any legislative investigatory body
39 or other official investigatory body of any state or of the United States
40 when such body is engaged in the investigation of crimes relating to
41 gaming, official corruption, or organized crime activity; and

42 i. Failure by the applicant or any person required to be qualified under
43 this act as a condition of a casino license to (i) make required payments in
44 accordance with a child support order; (ii) repay an overpayment for food
45 stamp benefits or low income home energy assistance benefits incurred as a
46 former recipient of Capital Aid to Families with Dependent Children or
47 Work First New Jersey; or (iii) repay any other debt owed to the State;
48 unless such applicant provides proof to the director's satisfaction of

1 payment of or arrangement to pay any such debts prior to licensure.
2 (cf: P.L.1991, c.182, s.27)

3

4 54. Section 87 of P.L.1977, c.110 (C.5:12-87) is amended to read as
5 follows:

6 87. a. Upon the filing of an application for a casino license and such
7 supplemental information as the commission or division may require, **【**the
8 commission shall request**】** and upon the filing of such information as may
9 be required by section 88 of P.L.1977, c.110 (C.5:12-88), the division **【to】**
10 shall conduct **【such】** an investigation into the qualification of the applicant,
11 and **【**the commission shall conduct a hearing thereon concerning the
12 qualification of the applicant in accordance with its regulations**】** submit a
13 report and recommendation to the commission.

14 b. Upon the submission of a report and recommendation by the
15 division, the commission shall conduct a hearing thereon concerning the
16 qualification of the applicant. After such **【**investigation and**】** hearing, the
17 commission may either deny the application or grant a casino license to an
18 applicant whom it determines to be qualified to hold such license, which
19 final action shall be taken within 90 days after completion of the hearing.

20 c. The commission shall have the authority to deny any application
21 pursuant to the provisions of this act. When an application is denied, the
22 commission shall prepare and file an order **【**denying such application with**】**
23 stating the general reasons therefor, and if requested by the applicant, shall
24 further prepare and file a statement of the reasons for the denial, including
25 the specific findings of facts.

26 d. **【**After an application is submitted to the commission, final action of
27 the commission shall be taken within 90 days after completion of all
28 hearings and investigations and the receipt of all information required by
29 the commission.**】** (Deleted by amendment, P.L. , c.)(pending before
30 the Legislature as this bill)

31 e. **【**If satisfied that an applicant is qualified to receive a casino
32 license**】** When an application is granted, and upon tender of all required
33 license fees and taxes **【**as required by law and regulations of the
34 commission**】**, and such bonds as the commission may require for the
35 faithful performance of all requirements imposed by law or regulations, the
36 commission shall issue a casino license **【**for the term of 1 year**】**.

37 f. The commission shall fix the amount of the bond or bonds to be
38 required under this section in such amounts as it may deem appropriate, by
39 rules of uniform application. The bonds so furnished may be applied by
40 the commission to the payment of any unpaid liability of the licensee under
41 this act. The bond shall be furnished in cash or negotiable securities, by a
42 surety bond guaranteed by a satisfactory guarantor, or by an irrevocable
43 letter of credit issued by a banking institution of this State acceptable to
44 the commission. If furnished in cash or negotiable securities, the principal
45 shall be placed without restriction at the disposal of the commission, but

1 any income shall inure to the benefit of the licensee.
2 (cf: P.L.1979, c.282, s.23)

3
4 55. (New section) No later than five years after the date of the issuance
5 of a license pursuant to section 87 of P.L.1977, c.110 (C.5:12-87) and every
6 five years thereafter or within such lesser periods as the division may
7 direct, a casino licensee and the qualifying entities and individuals thereof
8 shall submit to the division such documentation or information as the
9 division may by regulation require, to demonstrate to the satisfaction of the
10 director that they continue to meet the requirements of sections 84 and 85
11 of P.L.1977, c.110 (C.5:12-84 and C.5:12-85), and section 51 of P.L. ,
12 c. (C.) (pending before the Legislature as this bill). If, upon review,
13 the director determines that no information sufficient to warrant revocation,
14 suspension, limitation, or conditioning of such license exists, the director
15 shall issue a summary report so advising the commission, and the license
16 shall remain in full force and effect. If the director determines that a
17 hearing on any issue is required, the division shall issue a report and
18 recommendation to the commission in accordance with section 87 of
19 P.L.1977, c.110 (C.5:12-87), which shall initiate a hearing pursuant to
20 subsection b. of that section. In addition, the director may reopen licensing
21 hearings at any time.

22
23 56. Section 89 of P.L.1977, c.110 (C.5:12-89) is amended to read as
24 follows:

25 89. Licensing of Casino Key Employees. a. No casino licensee or a
26 holding or intermediary company of a casino licensee may employ any
27 person [may be employed] as a casino key employee unless **[he]** the
28 person is the holder of a valid casino key employee license issued by the
29 commission.

30 b. Each applicant for a casino key employee license must, prior to the
31 issuance of any casino key employee license, produce information,
32 documentation and assurances concerning the following qualification
33 criteria:

34 (1) Each applicant for a casino key employee license shall produce such
35 information, documentation and assurances as may be required to establish
36 by clear and convincing evidence the financial stability, integrity and
37 responsibility of the applicant, including but not limited to bank references,
38 business and personal income and disbursements schedules, tax returns and
39 other reports filed with governmental agencies, and business and personal
40 accounting and check records and ledgers. In addition, each applicant shall,
41 in writing, authorize the examination of all bank accounts and records as
42 may be deemed necessary by the commission or the division.

43 (2) Each applicant for a casino key employee license shall produce such
44 information, documentation and assurances as may be required to establish
45 by clear and convincing evidence the applicant's good character, honesty
46 and integrity. Such information shall include, without limitation, data
47 pertaining to family, habits, character, reputation, criminal and arrest
48 record, business activities, financial affairs, and business, professional and

1 personal associates, covering at least the 10-year period immediately
2 preceding the filing of the application. Each applicant shall notify the
3 commission and the division of any civil judgments obtained against such
4 applicant pertaining to antitrust or security regulation laws of the federal
5 government, of this State or of any other state, jurisdiction, province or
6 country. In addition, each applicant shall, upon request of the commission
7 or the division, produce letters of reference from law enforcement agencies
8 having jurisdiction in the applicant's place of residence and principal place
9 of business, which letters of reference shall indicate that such law
10 enforcement agencies do not have any pertinent information concerning the
11 applicant, or if such law enforcement agency does have information
12 pertaining to the applicant, shall specify what that information is. If the
13 applicant has been associated with gaming or casino operations in any
14 capacity, position or employment in a jurisdiction which permits such
15 activity, the applicant shall, upon request of the commission or division,
16 produce letters of reference from the gaming or casino enforcement or
17 control agency, which shall specify the experience of such agency with the
18 applicant, his associates and his participation in the gaming operations of
19 that jurisdiction; provided, however, that if no such letters are received
20 from the appropriate law enforcement agencies within 60 days of the
21 applicant's request therefor, the applicant may submit a statement under
22 oath that he is or was during the period such activities were conducted in
23 good standing with such gaming or casino enforcement or control agency.

24 (3) (Deleted by amendment, P.L.1995, c.18.)

25 (4) Each applicant employed by a casino licensee shall be a resident of
26 the State of New Jersey prior to the issuance of a casino key employee
27 license; provided, however, that upon petition by the holder of a casino
28 license, the commission may waive this residency requirement for any
29 applicant whose particular position will require him to be employed outside
30 the State; and provided further that no applicant employed by a holding or
31 intermediary company of a casino licensee shall be required to establish
32 residency in this State.

33 **【The commission may also, by regulation, require that all applicants for**
34 **casino key employee licenses be residents of this State for a period not to**
35 **exceed six months immediately prior to the issuance of such license, but**
36 **application may be made prior to the expiration of the required period of**
37 **residency. The commission shall, by resolution, waive the required**
38 **residency period for an applicant upon a showing that the residency period**
39 **would cause undue hardship upon the casino licensee which intends to**
40 **employ said applicant, or upon a showing of other good cause.】**

41 (5) For the purposes of this section, each applicant shall submit to the
42 division the applicant's name, address, fingerprints and written consent for
43 a criminal history record background check to be performed. The division
44 is hereby authorized to exchange fingerprint data with and receive criminal
45 history record information from the State Bureau of Identification in the
46 Division of State Police and the Federal Bureau of Investigation consistent
47 with applicable State and federal laws, rules and regulations. The applicant
48 shall bear the cost for the criminal history record background check,

1 including all costs of administering and processing the check. The Division
2 of State Police shall promptly notify the division in the event a current or
3 prospective licensee, who was the subject of a criminal history record
4 background check pursuant to this section, is arrested for a crime or offense
5 in this State after the date the background check was performed.

6 c. (Deleted by amendment, P.L.1995, c.18.)

7 d. The commission shall deny a casino key employee license to any
8 applicant who is disqualified on the basis of the criteria contained in section
9 86 of this act.

10 e. Upon petition by the holder of a casino license, the commission may
11 issue a temporary license to an applicant for a casino key employee license,
12 provided that:

13 (1) The applicant for the casino key employee license has filed a
14 **【complete】** completed application as required by the commission;

15 (2) The division either certifies to the commission that the completed
16 casino key employee license application as specified in paragraph (1) of
17 this subsection has been in the possession of the division for at least 15
18 days or agrees to allow the commission to consider the application in some
19 lesser time;

20 (3) (Deleted by amendment, P.L.1995, c.18.)

21 (4) The petition for a temporary casino key employee license certifies,
22 and the commission finds, that an existing casino key employee position of
23 the petitioner is vacant or will become vacant within 60 days of the date of
24 the petition and that the issuance of a temporary key employee license is
25 necessary to fill the said vacancy on an emergency basis to continue the
26 efficient operation of the casino, and that such circumstances are
27 extraordinary and not designed to circumvent the normal licensing
28 procedures of this act;

29 (5) The division does not object to the issuance of the temporary casino
30 key employee license.

31 **【In the event that an applicant for a casino key employee license is the**
32 **holder of a valid casino employee license issued pursuant to section 90 of**
33 **this act, and if the provisions of paragraphs (1), (2), and (5) of this**
34 **subsection are satisfied, the commission may issue a temporary casino key**
35 **employee license upon petition by the holder of a casino license, if the**
36 **commission finds the issuance of a casino key employee license will be**
37 **delayed by necessary investigations and the said temporary casino key**
38 **employee license is necessary for the operation of the casino】.**

39 Unless otherwise terminated pursuant to this act, any temporary casino
40 key employee license issued pursuant to this subsection shall expire nine
41 months from the date of its issuance.

42 (cf: P.L.2009, c.36, s.10)

43
44 57. Section 91 of P.L.1977, c.110 (C.5:12-91) is amended to read as
45 follows:

46 91. Registration of Casino **【Service】** Employees. a. No person may
47 commence employment as a casino **【service】** employee unless **【the person**

1 has been registered with the commission, which registration shall be in
2 accordance with subsection f. of this section] such person has a valid
3 registration on file with the division, which registration shall be prepared
4 and filed in accordance with the regulations promulgated hereunder.

5 b. **Any applicant for casino service** A casino employee
6 **registration** registrant shall produce such information as the
7 **commission** division by regulation may require. Subsequent to the
8 registration of a casino **service** employee, the **commission** director
9 may revoke, suspend, limit, or otherwise restrict the registration upon a
10 finding that the registrant is disqualified on the basis of the criteria
11 contained in section 86 of P.L.1977, c.110 (C.5:12-86). If a casino
12 **service** employee registrant has not been employed in any position within
13 a casino hotel facility for a period of three years, the registration of that
14 casino **service** employee shall lapse.

15 c. **The commission may, by regulation, require that all applicants for**
16 **casino service employee registration be residents of this State for a period**
17 **not to exceed three months immediately prior to such registration, but**
18 **application may be made prior to the expiration of the required period of**
19 **residency. The commission shall waive the required residency period for**
20 **an applicant upon a showing that the residency period would cause undue**
21 **hardship upon the casino licensee which intends to employ said applicant,**
22 **or upon a showing of other good cause.]** (Deleted by amendment, P.L. ,
23 c.)(pending before the Legislature as this bill)

24 d. Notwithstanding the provisions of subsection b. of this section, no
25 casino **service** employee registration shall be revoked on the basis of a
26 conviction of any of the offenses enumerated in this act as disqualification
27 criteria or the commission of any act or acts which would constitute any
28 offense under subsection c. of section 86 of P.L.1977, c.110 (C.5:12-86), as
29 specified in subsection g. of that section, provided that the registrant has
30 affirmatively demonstrated the registrant's rehabilitation. In determining
31 whether the registrant has affirmatively demonstrated the registrant's
32 rehabilitation the **commission** director shall consider the following
33 factors:

- 34 (1) The nature and duties of the registrant's position;
- 35 (2) The nature and seriousness of the offense or conduct;
- 36 (3) The circumstances under which the offense or conduct occurred;
- 37 (4) The date of the offense or conduct;
- 38 (5) The age of the registrant when the offense or conduct was
39 committed;
- 40 (6) Whether the offense or conduct was an isolated or repeated incident;
- 41 (7) Any social conditions which may have contributed to the offense or
42 conduct;
- 43 (8) Any evidence of rehabilitation, including good conduct in prison or
44 in the community, counseling or psychiatric treatment received, acquisition
45 of additional academic or vocational schooling, successful participation in
46 correctional work-release programs, or the recommendation of persons who
47 have or have had the registrant under their supervision.

1 e. **【**The commission may waive any disqualification criterion for a
2 casino service employee consistent with the public policy of this act and
3 upon a finding that the interests of justice so require.**】** (Deleted by
4 amendment, P.L. , c.) (pending before the Legislature as this bill)

5 f. **【**Upon petition by the holder of a casino license, casino service
6 employee registration shall be granted to each applicant for such
7 registration named therein, provided that the petition certifies that each
8 such applicant has filed a completed application for casino service
9 employee registration as required by the commission.

10 All casino hotel employee registrations shall expire 120 days after the
11 effective date of this amendatory and supplementary act, P.L.2002, c.65.
12 Any holder of a casino hotel employee registration may until that date
13 convert that registration to a casino service employee registration without
14 fee.**】** (Deleted by amendment, P.L. , c.)(pending before the Legislature
15 as this bill)

16 g. For the purposes of this section, each **【applicant】** registrant shall
17 submit to the division the **【applicant's】** registrant's name, address,
18 fingerprints and written consent for a criminal history record background
19 check to be performed. The division is hereby authorized to exchange
20 fingerprint data with and receive criminal history record information from
21 the State Bureau of Identification in the Division of State Police and the
22 Federal Bureau of Investigation consistent with applicable State and federal
23 laws, rules and regulations. The **【applicant】** registrant shall bear the cost
24 for the criminal history record background check, including all costs of
25 administering and processing the check. The Division of State Police shall
26 promptly notify the division in the event a current or prospective licensee,
27 who was the subject of a criminal history record background check
28 pursuant to this section, is arrested for a crime or offense in this State after
29 the date the background check was performed.

30 (cf: P.L.2009, c.36, s.12)

31
32 58. (New section) Upon the joint petition of two or more affiliated
33 casino licensees, a registered casino employee or licensed casino key
34 employee who is employed by any affiliated casino licensee may be
35 endorsed by the commission or division, as applicable, as a multi-casino
36 employee of each of the petitioners; provided, however, that no such multi-
37 casino employee shall be permitted to engage in any incompatible
38 functions, as determined by the division.

39
40 59. Section 92 of P.L.1977, c.110 (C.5:12-92) is amended to read as
41 follows:

42 92. Licensing of casino service industry enterprises. a. (1) Any business
43 to be conducted with a casino applicant or licensee by a vendor offering
44 goods or services which directly relate to casino or gaming activity,
45 including gaming equipment and simulcast wagering equipment
46 manufacturers, suppliers, repairers **【and】** independent testing laboratories,
47 **【shall be considered regular or continuing and】** junket enterprises and

1 junket representatives, and any person employed by a junket enterprise or
2 junket representative in a managerial or supervisory position, shall require
3 **【that the vendor be licensed】** licensure as a casino service industry
4 enterprise in accordance with the provisions of this act prior to conducting
5 any business whatsoever with a casino applicant or licensee, its employees
6 or agents; provided, however, that upon a showing of good cause by a
7 casino applicant or licensee for each business transaction, the
8 **【commission】** director may permit an applicant for a casino service
9 industry enterprise license to conduct business transactions with such
10 casino applicant or licensee prior to the licensure of that casino service
11 industry enterprise applicant under this subsection.

12 (2) In addition to the requirements of paragraph (1) of this subsection,
13 any casino service industry enterprise intending to manufacture, sell,
14 distribute, test or repair slot machines within New Jersey, other than
15 antique slot machines as defined in N.J.S.2C:37-7, shall be licensed in
16 accordance with the provisions of this act prior to engaging in any such
17 activities; provided, however, that upon a showing of good cause by a
18 casino applicant or licensee for each business transaction, the
19 **【commission】** director may permit an applicant for a casino service
20 industry enterprise license to conduct business transactions with the casino
21 applicant or licensee prior to the licensure of that casino service industry
22 enterprise applicant under this subsection; and provided further, however,
23 that upon a showing of good cause by an applicant required to be licensed
24 as a casino service industry enterprise pursuant to this paragraph, the
25 **【commission】** director may permit the casino service industry enterprise
26 applicant to initiate the manufacture of slot machines or engage in the sale,
27 distribution, testing or repair of slot machines with any person other than a
28 casino applicant or licensee, its employees or agents, prior to the licensure
29 of that casino service industry enterprise applicant under this subsection.

30 b. Each casino service industry enterprise **【included in subsection a. of**
31 **this section】**, as well as its owners; management and supervisory personnel;
32 and **【principal】** employees if such **【principal】** employees have
33 responsibility for services to a casino applicant or licensee, must qualify
34 under the standards, except residency, established for qualification of a
35 casino key employee under this act.

36 c. (1) Any vendor that offers goods or services to a casino applicant or
37 licensee that **【are】** is not included in subsection a. of this section including,
38 **【without limitation, construction companies, vending machine providers,**
39 **linen suppliers, junket enterprises, garbage handlers, maintenance**
40 **companies, limousine services, food purveyors and suppliers of alcoholic**
41 **beverages】** but not limited to casino site contractors and subcontractors,
42 shopkeepers located within the approved hotels, and gaming schools that
43 possess slot machines for the purpose of instruction, and any non-
44 supervisory employee of a junket enterprise licensed under subsection a. of
45 this section, shall be required to **【apply for a casino service industry**
46 **enterprise license when, based upon the dollar amount of business being**
47 **conducted with casino applicants or licensees or other factors established**

1 by the rules of the commission, licensure is deemed necessary to protect the
2 public interest and the policies of **】** register with the division in accordance
3 with the regulations promulgated under this act, P.L.1977, c.110 (C.5:12-1
4 et seq.).

5 **【**The rules of the commission shall require that each casino service
6 industry enterprise required to be licensed pursuant to this subsection, as
7 well as such of its owners, management, supervisory personnel, and
8 principal employees with responsibility for services to a casino applicant or
9 licensee as the commission may direct, shall establish by clear and
10 convincing evidence their good character, honesty and integrity.**】**

11 (2) Notwithstanding the provisions of paragraph (1) of this subsection,
12 the **【**commission**】** director may, consistent with the public interest and the
13 policies of this act, direct **【**by regulation**】** that vendors engaging in certain
14 types of business with a casino applicant or licensee not included in
15 subsection a. of this section be required to apply for a casino service
16 industry enterprise license pursuant to this subsection **【**regardless of the
17 dollar amount of that business**】**, including, without limitation, non-casino
18 applicants or licensees required to hold a Casino Hotel Alcoholic Beverage
19 license pursuant to section 103 of P.L.1977, c.110 (C.5:12-103); in-State
20 and out-of-State sending tracks as defined in section 2 of the "Casino
21 Simulcasting Act," P.L.1992, c.19 (C.5:12-192); shopkeepers located
22 within the approved hotels; and gaming schools that possess slot machines
23 for the purpose of instruction.

24 (3) **【**The commission may exempt any person or field of commerce
25 from the licensing requirements of this subsection if the person or field of
26 commerce demonstrates (i) that it is regulated by a public agency that
27 determines whether a person subject to its jurisdiction possesses good
28 character, honesty and integrity; or (ii) that it is a publicly traded
29 corporation or a wholly owned subsidiary, either directly or indirectly, of a
30 publicly traded corporation, and that the amount of revenue received by the
31 person from all casino applicants and licensees within the 12-month period
32 in which the greatest amount of casino business was conducted by the
33 person seeking exemption is less than one-tenth of one percent of all
34 revenues received by the person and its holding and intermediary
35 companies during the same 12-month period, and that licensing is not
36 deemed necessary in order to protect the public interest or to accomplish
37 the policies established by this act. The commission shall periodically
38 review this threshold to determine whether it should be adjusted for
39 inflation or any other relevant factor consistent with the policies of
40 P.L.1977, c.110 (C.5:12-1 et seq.).

41 Upon granting an exemption or at any time thereafter, the commission
42 may limit or place such restrictions thereupon as it may deem necessary in
43 the public interest, and shall require the exempted person to cooperate with
44 the commission and the division and, upon request, to provide information
45 in the same manner as required of a casino service industry enterprise
46 licensed pursuant to this subsection; provided, however, that no exemption
47 be granted unless the casino service industry enterprise complies with the

- 1 requirements of sections 134 and 135 of this act.】 (Deleted by amendment,
2 P.L. , c.)(pending before the Legislature as this bill)
- 3 d. **【**Licensure pursuant to subsection c. of this section of any casino
4 service industry enterprise may be denied to any applicant or qualifier
5 thereof**】** Any applicant, licensee or qualifier of a casino service industry
6 enterprise license under subsection a. or b. of this section, and any vendor
7 registrant under subsection c. of this section shall be disqualified in
8 accordance with the criteria contained in section 86 of this act, except that
9 **【**licensure or qualification shall not be denied if such disqualified applicant
10 or qualifier**】** no such vendor registration under subsection c. of this section
11 shall be denied or revoked if such vendor registrant can affirmatively
12 demonstrate rehabilitation as provided in subsection **【h】** d. of section **【90】**
13 91 of P.L.1977, c.110 **【(C.5:12-90)】 (C.5:12-91).**
- 14 e. No casino service industry enterprise license shall be issued
15 pursuant to subsection a. **【**or subsection c.**】** of this section to any person
16 unless that person shall provide proof of valid business registration with the
17 Division of Revenue in the Department of the Treasury.
- 18 f. **【**A casino service industry enterprise licensed pursuant to subsection
19 a. or subsection c. of this section shall require proof, from a subcontractor
20 to a casino service industry enterprise contract with a casino applicant or
21 casino licensee, of valid business registration with the Division of Revenue;
22 verification information shall be forwarded by the casino service industry
23 enterprise to the Division of Taxation in the Department of the Treasury.
24 No subcontract to a casino service industry enterprise contract with a casino
25 applicant or casino licensee shall be entered into by any casino service
26 industry enterprise contractor unless the subcontractor first provides proof
27 of valid business registration.】 (Deleted by amendment, P.L. , c.)
28 (pending before the Legislature as this bill)
- 29 g. For the purposes of this section, each applicant shall submit to the
30 division the name, address, fingerprints and a written consent for a criminal
31 history record background check to be performed, for each person required
32 to qualify as part of the application. The division is hereby authorized to
33 exchange fingerprint data with and receive criminal history record
34 information from the State Bureau of Identification in the Division of State
35 Police and the Federal Bureau of Investigation consistent with applicable
36 State and federal laws, rules and regulations. The applicant shall bear the
37 cost for the criminal history record background check, including all costs of
38 administering and processing the check. The Division of State Police shall
39 promptly notify the division in the event a current or prospective qualifier,
40 who was the subject of a criminal history record background check
41 pursuant to this section, is arrested for a crime or offense in this State after
42 the date the background check was performed.
43 (cf: P.L.2009, c.36, s.13)
44
- 45 60. Section 93 of P.L.1977, c.110 (C.5:12-93) is amended to read as
46 follows:

1 93. Registration of Labor Organizations. a. Each labor organization,
2 union or affiliate seeking to represent employees who are employed in a
3 casino hotel, casino or casino simulcasting facility by a casino licensee
4 shall register with the **【commission】** division biennially, and shall disclose
5 such information to the **【commission】** division as the **【commission】**
6 division may require, including the names of all affiliated organizations,
7 pension and welfare systems and all officers and agents of such
8 organizations and systems; provided, however, that no labor organization,
9 union, or affiliate shall be required to furnish such information to the extent
10 such information is included in a report filed by any labor organization,
11 union, or affiliate with the Secretary of Labor pursuant to 29 U.S.C.s.431 et
12 seq. or s. 1001 et seq. if a copy of such report, or of the portion thereof
13 containing such information, is furnished to the **【commission】** division
14 pursuant to the aforesaid federal provisions. The **【commission】** division
15 may in its discretion exempt any labor organization, union, or affiliate from
16 the registration requirements of this subsection where the **【commission】**
17 division finds that such organization, union or affiliate is not the certified
18 bargaining representative of any employee who is employed in a casino
19 hotel, casino or casino simulcasting facility by a casino licensee, is not
20 involved actively, directly or substantially in the control or direction of the
21 representation of any such employee, and is not seeking to do so.

22 b. No person may act as an officer, agent or principal employee of a
23 labor organization, union or affiliate registered or required to be registered
24 pursuant to this section if the person has been found disqualified by the
25 **【commission】** division in accordance with the criteria contained in section
26 86 of that act. The **【commission】** division may, for purposes of this
27 subsection, waive any disqualification criterion consistent with the public
28 policy of this act and upon a finding that the interests of justice so require.

29 c. Neither a labor organization, union or affiliate nor its officers and
30 agents not otherwise individually licensed or registered under this act and
31 employed by a casino licensee may hold any financial interest whatsoever
32 in the casino hotel, casino, casino simulcasting facility or casino licensee
33 whose employees they represent.

34 d. Any person, including any labor organization, union or affiliate,
35 who shall violate, aid and abet the violation, or conspire or attempt to
36 violate this section is guilty of a crime of the fourth degree.

37 e. The **【commission or the】** division may maintain a civil action and
38 proceed in a summary manner, without posting bond, against any person,
39 including any labor organization, union or affiliate, to compel compliance
40 with this section, or to prevent any violations, the aiding and abetting
41 thereof, or any attempt or conspiracy to violate this section.

42 f. In addition to any other remedies provided in this section, a labor
43 organization, union or affiliate registered or required to be registered
44 pursuant to this section may be prohibited by the **【commission】** division
45 from receiving any dues from any employee licensed or registered under
46 that act and employed by a casino licensee or its agent, if any officer, agent
47 or principal employee of the labor organization, union or affiliate has been

1 found disqualified and if such disqualification has not been waived by the
2 **【commission】** division in accordance with subsection b. of this section.
3 The **【commission or the 】** division may proceed in the manner provided by
4 subsection e. of this section to enforce an order of the **【commission】**
5 director prohibiting the receipt of dues.

6 g. Nothing contained in this section shall limit the power of the
7 **【commission】** division to proceed in accordance with subsection c. of
8 section 107 of P.L.1977, c.110 (C.5:12-107).

9 (cf: P.L.2002, c.65, s.18)

10

11 61. Section 94 of P.L.1977, c.110 (C.5:12-94) is amended to read as
12 follows:

13 94. a. Upon the filing of an application for **【any】** a casino key employee
14 license **【or registration】** required by this act, other than a casino license,
15 and after submission of such supplemental information as the commission
16 may require, the commission shall request the division to conduct such
17 investigation into the qualification of the applicant, and the commission
18 shall conduct such hearings concerning the qualification of the applicant, in
19 accordance with its regulations, as may be necessary to determine
20 qualification for such license**【or registration】**.

21 b. After such investigation, the commission may either deny the
22 application or grant a license to **【or accept the registration of 】** an applicant
23 whom it determines to be qualified to hold such license**【 or registration】**.

24 c. The commission shall have the authority to deny any application
25 pursuant to the provisions of this act. When an application for a casino key
26 employee license is denied, the commission shall prepare and file its order
27 denying such application with the general reasons therefor, and if requested
28 by the applicant, shall further prepare and file a statement of the reasons for
29 the denial, including the specific findings of fact.

30 d. When the commission grants an application, the commission may
31 limit or place such restrictions thereupon as it may deem necessary in the
32 public interest.

33 e. Casino **【service】** employee registration and vendor registration shall
34 **【,】** be effective upon issuance, and shall remain in effect unless revoked,
35 suspended, limited, or otherwise restricted by the **【commission】** division.
36 Notwithstanding the foregoing, if a casino **【service】** employee registrant
37 has not been employed in any position within a casino hotel facility or a
38 vendor registrant has not conducted business with a casino hotel facility for
39 a period of three years, the registration of that casino **【service】** employee
40 or vendor registrant shall lapse. **【Licenses may be granted and renewed as**
41 **follows:**

42 (1) All casino employee licenses, casino service industry enterprise
43 licenses issued pursuant to subsection c. of section 92 of P.L.1977, c.110
44 (C.5:12-92), and junket representative and junket enterprise licenses issued
45 pursuant to section 102 of P.L.1977, c.110 (C.5:12-102) shall be issued for

1 an initial term of four years, and may be renewed for subsequent terms of
2 five years each; and

3 (2) All casino key employee licenses and casino service industry
4 enterprise licenses required pursuant to subsection a. of section 92 of
5 P.L.1977, c.110 (C.5:12-92) shall be issued for an initial term of three
6 years, and may be renewed for subsequent terms of five years each.】

7 f. Notwithstanding the foregoing, the commission shall reconsider the
8 granting of any casino key employee license 【or the approval of any
9 registration】 at any time at the request of the division. Notwithstanding the
10 foregoing, the division may reconsider the granting of any license or may
11 revoke any registration at any time.

12 **【e.】** g. After an application for a casino key employee license is
13 submitted to the commission, final action of the commission shall be taken
14 within 90 days after completion of all hearings and investigations and the
15 receipt of all information required by the commission.

16 **【f.** A complete application for the renewal of a casino employee or
17 casino key employee license shall be filed with the commission no later
18 than the last day of the fifth month prior to the month in which the current
19 license term expires.】

20 h. (1) Not later than five years after obtaining a casino key employee
21 license pursuant to section 89 of P.L.1977, c.110 (C.5:12-89) or a casino
22 service industry enterprise license issued pursuant to subsection a. of
23 section 92 of P.L.1977, c.110 (C.5:12-92), and every five years thereafter,
24 the licensee shall submit such information and documentation as the
25 commission or division, as applicable, may by regulation require, to
26 demonstrate to the satisfaction of the commission or director, as applicable,
27 that it continues to meet the requirements, respectively, of section 89 or
28 subsection a. of section 92 of P.L.1977, c.110 (C.5:12-89 and C.5:12-92).
29 Upon receipt of such information, the commission or division, as
30 applicable, may take such action on the license, including suspension or
31 revocation, as it deems appropriate.

32 (2) Registrations for casino employees issued pursuant to section 91 of
33 P.L.1977, c.110 (C.5:12-91), and vendor registration issued pursuant to
34 subsection c. of section 92 of P.L.1977, c.110 (C.5:12-92), shall remain
35 valid unless suspended or revoked or unless such registration expires or is
36 voided pursuant to law.

37 i. (1) The division shall establish by regulation appropriate fees to be
38 paid upon the filing of the informational filings required by paragraph (1)
39 of subsection h. of this section. Such fees shall be deposited into the
40 Casino Control Fund established by section 143 of P.L.1977, c.110 (C.5:12-
41 143).

42 (2) The division shall establish by regulation appropriate fees to be
43 imposed on each casino licensee and the method for the collection of such
44 fees for each casino registrant employed by an operating casino and for
45 each vendor registrant which provides goods or services to a casino,
46 regardless of the nature of any contractual relationship between the vendor

1 registrant and casino, if any. Such fees shall be deposited into the Casino
2 Control Fund established by section 143 of P.L.1977, c.110 (C.5:12-143).
3 (cf: P.L.2009, c.36, s.14.)
4

5 62. Section 96 of P.L.1977, c.110 (C.5:12-96) is amended to read ¹as
6 follows¹:

7 96. Operation Certificate. a. Notwithstanding the issuance of a license
8 therefor, no casino or simulcasting facility may be opened or remain open
9 to the public, and no gaming or simulcast wagering activity, except for test
10 purposes, may be conducted therein, unless and until a valid operation
11 certificate has been issued to the casino licensee by the **【commission】**
12 division. Such certificate shall be issued by the **【commission】** director
13 upon a **【finding】** determination that a casino and, if applicable, a
14 simulcasting facility each complies in all respects with the requirements of
15 this act and regulations promulgated hereunder, **【that the casino licensee**
16 **has implemented necessary management controls and security precautions**
17 **for the efficient operation of the casino and, if applicable, the simulcasting**
18 **facility, that casino and simulcasting facility personnel are licensed for the**
19 **performance of their respective responsibilities,】** and that the casino and
20 any applicable simulcasting facility are prepared in all respects to receive
21 and entertain the public¹**【. The director shall consult with the commission**
22 **as to form and content before the director makes a determination】**¹.

23 b. **【The operation certificate shall include an itemized list by category**
24 **and number of the authorized games permitted in the particular casino**
25 **establishment and any applicable simulcasting facility.】** (Deleted by
26 amendment, P.L. , c.)(pending before the Legislature as this bill)

27 c. **【A casino licensee shall, in accordance with regulations**
28 **promulgated by the commission, file any changes in the number of**
29 **authorized games to be played in its casino or simulcasting facility, and any**
30 **changes in the configuration of the casino or simulcasting facility, with the**
31 **commission and the division, which shall review the changes for**
32 **compliance with the "Casino Control Act," P.L.1977, c.110 (C.5:12-1 et**
33 **seq.) or regulations promulgated thereunder.】** (Deleted by amendment,
34 P.L. , c.)(pending before the Legislature as this bill)

35 d. An operation certificate shall remain in force and effect unless
36 **【altered in accordance with subsection c. of this section, or】** revoked,
37 suspended, limited, or otherwise altered by the **【commission】** division in
38 accordance with this act.

39 e. It shall be an express condition of continued operation under this act
40 that a casino licensee shall maintain either electronically or in hard copy at
41 the discretion of the casino licensee, copies of all books, records, and
42 documents pertaining to the licensee's operations, including casino
43 simulcasting, and approved hotel in a manner and location **【within this**
44 **State】** approved by the **【commission】** division, provided, however, that the
45 originals of such books, records and documents, whether in electronic or
46 hard copy form, may be maintained at the offices or electronic system of an

1 affiliate of the casino licensee, at the discretion of the casino licensee. All
2 such books, records and documents shall be immediately available for
3 inspection during all hours of operation in accordance with the rules of the
4 **【commission】** division and shall be maintained for such period of time as
5 the **【commission】** division shall require.

6 (cf: P.L.1995, c.18, s.34)

7

8 63. Section 97 of P.L.1977, c.110 (C.5:12-97) is amended to read as
9 follows:

10 97. Hours of Operation. a. Each casino licensed pursuant to this act
11 shall be permitted to operate 24 hours a day unless otherwise directed by
12 the **【commission】** division in accordance with its authority under P.L.1977,
13 c.110 (C.5:12-1 et seq.).

14 b. A casino licensee shall file with the **【commission】** division a
15 schedule of hours prior to the issuance of an initial operation certificate. If
16 the casino licensee proposes any change in scheduled hours, such change
17 may not be effected until such licensee files a notice of the new schedule of
18 hours with the **【commission】** division. Such filing must be made 30 days
19 prior to the effective date of the proposed change in hours.

20 c. Nothing herein shall be construed to limit a casino licensee in
21 opening its casino later than, or closing its casino earlier than, the times
22 stated in its schedule of operating hours; provided, however, that any such
23 alterations in its hours shall comply with the provisions of subsection a. of
24 this section and with regulations of the **【commission】** division pertaining to
25 such alterations.

26 ¹【d. For purposes of this section, the division shall consult with the
27 commission.】¹

28 (cf: P.L.2002, c.65, s.20)

29

30 64. Section 98 of P.L.1977, c.110 (C.5:12-98) is amended to read as
31 follows.

32 98. a. Each casino licensee shall arrange the facilities of its casino and,
33 if appropriate, its simulcasting facility in such a manner as to promote
34 optimum security for the casino and simulcasting facility operations, and
35 shall comply in all respects with regulations of the **【commission】** division
36 pertaining thereto.

37 b. Each casino hotel shall include:

38 (1) A closed circuit television system according to specifications
39 approved by the **【commission】** division, with access on the licensed
40 premises to the system or its signal provided to the **【commission or】** the
41 division, in accordance with regulations pertaining thereto;

42 (2) One or more rooms or locations approved by the **【commission】**
43 division as casino space; and

44 (3) Design specifications that insure that visibility in a casino or in the
45 simulcasting facility is not obstructed in any way that might interfere with
46 the ability of the **【commission or】** the division to supervise casino or

1 simulcasting facility operations.

2 (cf: P.L.1996, c.84, s.5)

3

4 65. Section 99 of P.L.1977, c.110 (C.5:12-99) is amended to read as
5 follows:

6 99. Internal Controls. a Each applicant for a casino license shall
7 **【submit to the commission】** create, maintain, and file with the division a
8 description of its **【initial system of】** internal procedures and administrative
9 and accounting controls for gaming and simulcast wagering operations
10 **【accompanied by a certification by its Chief Legal Officer or equivalent**
11 **that the submitted procedures】** that conform to the requirements of
12 P.L.1977, c.110 (C.5:12-1 et seq.), and the regulations promulgated
13 thereunder, and **【a certification by its Chief Financial Officer or equivalent**
14 **that the submitted procedures】** provide adequate and effective controls,
15 establish a consistent overall system of internal procedures and
16 administrative and accounting controls and conform to generally accepted
17 accounting principles, **【except an additional standard may be required by**
18 **the commission for gross revenue tax purposes. Each applicant shall make**
19 **its initial submission at least 30 business days before such operations are to**
20 **commence unless otherwise directed by the commission. Except as**
21 **otherwise provided in subsection b. of this section, a casino licensee, upon**
22 **submission to the commission of a narrative description of a change in its**
23 **system of internal procedures and controls and the two certifications**
24 **described above, may, following the 15th business day after submission,**
25 **implement the change】** and ensure that casino procedures are carried out
26 and supervised by personnel who do not have incompatible functions.
27 **【Each initial internal control submission】** A casino licensee's internal
28 controls shall contain a narrative description of the internal control system
29 to be utilized by the casino, including, but not limited to:

30 (1) Accounting controls, including the standardization of forms and
31 definition of terms to be utilized in the gaming and simulcast wagering
32 operations;

33 (2) Procedures, forms, and, where appropriate, formulas covering the
34 calculation of hold percentages; revenue drop; expense and overhead
35 schedules; complimentary services, except as provided in paragraph (3) of
36 subsection m. of section 102 of P.L.1977, c.110 (C.5:12-102); junkets; and
37 cash equivalent transactions;

38 (3) **【Job descriptions and the system of personnel and chain-of-**
39 **command, establishing a diversity of responsibility among employees**
40 **engaged in casino or simulcasting facility operations and identifying**
41 **primary and secondary supervisory positions for areas of responsibility,**
42 **which areas shall not be so extensive as to be impractical for an individual**
43 **to monitor; salary structure; and personnel practices;】** (Deleted by
44 amendment, P.L. , c.) (pending before the Legislature as this bill)

45 (4) Procedures within the cashier's cage and simulcast facility for the
46 receipt, storage and disbursal of chips, cash, and other cash equivalents
47 used in gaming and simulcast wagering; the cashing of checks; the

- 1 redemption of chips and other cash equivalents used in gaming and
2 simulcast wagering; the pay-off of jackpots and simulcast wagers; and the
3 recording of transactions pertaining to gaming and simulcast wagering
4 operations;
- 5 (5) Procedures for the collection and security of moneys at the gaming
6 tables and in the simulcasting facility;
- 7 (6) Procedures for the transfer and recordation of chips between the
8 gaming tables and the cashier's cage and the transfer and recordation of
9 moneys within the simulcasting facility;
- 10 (7) Procedures for the transfer of moneys from the gaming tables to the
11 counting process and the transfer of moneys within the simulcasting facility
12 for the counting process;
- 13 (8) Procedures and security for the counting and recordation of revenue;
- 14 (9) Procedures for the security, storage and recordation of cash, chips
15 and other cash equivalents utilized in the gaming and simulcast wagering
16 operations;
- 17 (10) Procedures for the transfer of moneys or chips from and to the slot
18 machines;
- 19 (11) Procedures and standards for the opening and security of slot
20 machines;
- 21 (12) Procedures for the payment and recordation of slot machine
22 jackpots;
- 23 (13) Procedures for the cashing and recordation of checks exchanged by
24 casino and simulcasting facility patrons;
- 25 (14) Procedures governing the utilization of the private security force
26 within the casino and simulcasting facility;
- 27 (15) Procedures and security standards for the handling and storage of
28 gaming apparatus including cards, dice, machines, wheels and all other
29 gaming equipment;
- 30 (16) Procedures and rules governing the conduct of particular games and
31 simulcast wagering and the responsibility of casino personnel in respect
32 thereto;
- 33 (17) Procedures for separately recording all transactions pursuant to
34 section 101 of this act involving the Governor, any State officer or
35 employee, or any special State officer or employee, any member of the
36 Judiciary, any member of the Legislature, any officer of a municipality or
37 county in which casino gaming is authorized, or any gaming related casino
38 employee, and for the quarterly filing with the Attorney General of a list
39 reporting all such transactions; and
- 40 (18) Procedures for the orderly shutdown of casino operations in the
41 event that a state of emergency **【that】** is declared **【due to the failure to**
42 **enact a general appropriation law by the deadline prescribed by Article**
43 **VIII, Section II, paragraph 2 of the New Jersey Constitution extends for**
44 **more than seven days, as provided in section 4 of P.L.2008, c.23 (C.5:12-**
45 **211), or the casino licensee is not eligible to】** and the casino licensee is
46 unable or ineligible to continue to conduct casino operations during such a
47 state of emergency in accordance with section 5 of P.L.2008, c.23 (C.5:12-

1 212), which procedures shall include, without limitation, the securing of all
2 keys and gaming assets.

3 b. **【**The commission shall review a submission made pursuant to
4 subsection a. to determine whether it conforms to the requirements of this
5 act and to the regulations promulgated thereunder and provides adequate
6 and effective controls for the operations of the particular casino hotel
7 submitting it. If during its review, the commission preliminarily
8 determines that a procedure in the submission contains a substantial and
9 material insufficiency likely to have a direct and materially adverse impact
10 on the integrity of gaming or simulcast wagering operations or the control
11 of gross revenue, the chairman, by written notice to the casino licensee,
12 shall: (1) specify the precise nature of the insufficiency and, when possible,
13 an acceptable alternative procedure, (2) schedule a hearing before the full
14 commission no later than 15 business days after the date of such written
15 notice to plenary and finally determine whether the procedure in question
16 contains the described insufficiency, and (3) direct that the internal controls
17 in issue not yet implemented not be implemented until approved by the
18 commission. Upon receipt of the notice, the casino licensee shall proceed
19 to the scheduled hearing before the full commission and may submit a
20 revised procedure addressing the concerns specified in the notice. **】** (Deleted
21 by amendment, P.L. , c.)(pending before the Legislature as this bill)

22 c. **【**Notwithstanding the provisions of subsections a. and b. hereof, the
23 commission shall, by regulation, permit changes to those internal controls
24 required by subsection a. hereof that cannot have a material impact upon
25 the integrity of gaming or simulcast wagering operations or the control and
26 reporting of gross revenue, including those internal controls described in
27 paragraph (3) of subsection a. hereof, to be implemented by a casino
28 licensee immediately upon the preparation and internal filing of such
29 internal controls. **】** No minimum staffing requirements shall be included in
30 the internal controls created in accordance with subsection a. of this
31 section.

32 d. **【**Each casino licensee and applicant shall submit a narrative
33 description of its system of internal procedures and administrative and
34 accounting controls for the recording and reporting of all business
35 transactions and agreements governed by sections 92 and 104 of P.L.1977,
36 c.110 (C.5:12-92 and 5:12-104, as amended) no later than five business
37 days after those operations commence or after any change in those
38 procedures or controls takes effect. **】** (Deleted by amendment, P.L. , c.)
39 (pending before the Legislature as this bill)
40 (cf: P.L.2009, c.36, s.15)

41
42 66. Section 100 of P.L.1977, c.110 (C.5:12-100) is amended to read as
43 follows:

44 100. a. This act shall not be construed to permit any gaming except the
45 conduct of authorized games in a casino room in accordance with this act
46 and the regulations promulgated hereunder and in a simulcasting facility to
47 the extent provided by the "Casino Simulcasting Act," P.L.1992, c.19

1 (C.5:12-191 et al.). Notwithstanding the foregoing, if the **【commission】**
2 division approves the game of keno as an authorized game pursuant to
3 section 5 of P.L.1977, c.110 (C.5:12-5), as amended, keno tickets may be
4 sold or redeemed in accordance with **【commission】** division regulations
5 **【at any location in a casino hotel approved by the commission for such**
6 **activity】**.

7 b. Gaming equipment shall not be possessed, maintained or exhibited
8 by any person on the premises of a casino hotel except in a casino room, in
9 the simulcasting facility, or in restricted casino areas used for the
10 inspection, repair or storage of such equipment and specifically designated
11 for that purpose by the casino licensee with the approval of the
12 **【commission】** division. Gaming equipment which supports the conduct of
13 gaming in a casino or simulcasting facility but does not permit or require
14 patron access, such as computers, may be possessed and maintained by a
15 casino licensee or a qualified holding or intermediary company of a casino
16 licensee in restricted 【casino】 areas specifically 【designated for that
17 purpose by the casino licensee with the approval of】 approved by the
18 **【commission】** division. No gaming equipment shall be possessed,
19 maintained, exhibited, brought into or removed from a casino room or
20 simulcasting facility by any person unless such equipment is necessary to
21 the conduct of an authorized game, has permanently affixed, imprinted,
22 impressed or engraved thereon an identification number or symbol
23 authorized by the **【commission】** division, is under the exclusive control of
24 a casino licensee or **【his】** casino licensee's employees, or of any
25 individually qualified employee of a holding company or casino licensee
26 and is brought into or removed from the casino room or simulcasting
27 facility following 24-hour prior notice given to an authorized agent of the
28 **【commission】** division.

29 Notwithstanding any other provision of this section, computer equipment
30 used by the slot system operator of a multi-casino progressive slot system
31 to link and communicate with the slot machines of two or more casino
32 licensees for the purpose of calculating and displaying the amount of a
33 progressive jackpot, monitoring the operation of the system, and any other
34 purpose that the **【commission】** division deems necessary and appropriate
35 to the operation or maintenance of the multi-casino progressive slot
36 machine system may, with the prior approval of the **【commission】**
37 division, be possessed, maintained and operated by the slot system operator
38 either in a restricted area on the premises of a casino hotel or in a secure
39 facility inaccessible to the public and specifically designed for that purpose
40 off the premises of a casino hotel but within the territorial limits of Atlantic
41 County, New Jersey.

42 Notwithstanding the foregoing, a person may, with the prior approval of
43 the **【commission】** division and under such terms and conditions as may be
44 required by the **【commission】** division, possess, maintain or exhibit
45 gaming equipment in any other area of the casino hotel, provided that such
46 equipment is used for nongaming purposes.

1 c. Each casino hotel shall contain a count room and such other secure
2 facilities as may be required by the **【commission】** division for the counting
3 and storage of cash, coins, tokens, checks, plaques, gaming vouchers,
4 coupons, and other devices or items of value used in wagering and
5 approved by the **【commission】** division that are received in the conduct of
6 gaming and for the inspection, counting and storage of dice, cards, chips
7 and other representatives of value. All drop boxes and other devices in
8 which the foregoing items are deposited at the gaming tables or in slot
9 machines, and all areas wherein such boxes and devices are kept while in
10 use, shall be equipped with two locking devices, one key to which shall be
11 under the exclusive control of the **【commission】** division and the other
12 under the exclusive control of the casino licensee, and said drop boxes and
13 other devices shall not be brought into or removed from a casino room or
14 simulcasting facility, or locked or unlocked, except at such times, in such
15 places, and according to such procedures as the **【commission】** division
16 may require. In the event that a state of emergency is declared due to the
17 failure to enact a general appropriation law by the deadline prescribed by
18 Article VIII, Section II, paragraph 2 of the New Jersey Constitution, the
19 **【commission】** division, in accordance with section 4 of P.L.2008, c.23
20 (C.5:12-211), may, at its discretion, and as may be necessary to ensure the
21 continuity of casino operations and the collection and counting of gross
22 revenue, give temporary custody of its key to a certified public accountant
23 approved by the **【commission】** division, who shall act in the capacity of
24 the **【commission】** division with respect to the use, control and security of
25 the key in accordance with the licensee's internal controls **【approved by the**
26 **commission】** in accordance with section 5 of P.L.2008, c.23 (C.5:12-212).

27 d. All chips used in gaming shall be of such size and uniform color by
28 denomination as the **【commission】** division shall require by regulation.

29 e. All gaming shall be conducted according to rules promulgated by
30 the **【commission】** division. All wagers and pay-offs of winning wagers
31 shall be made according to rules promulgated by the **【commission】**
32 division, which shall establish such limitations as may be necessary to
33 assure the vitality of casino operations and fair odds to patrons. Each slot
34 machine shall have a minimum payout of 83%.

35 f. Each casino licensee shall make available in printed form to any
36 patron upon request the complete text of the rules of the **【commission】**
37 division regarding games and the conduct of gaming, pay-offs of winning
38 wagers, an approximation of the odds of winning for each wager, and such
39 other advice to the player as the commission shall require. Each casino
40 licensee shall prominently post within a casino room and simulcasting
41 facility, as appropriate, according to regulations of the **【commission】**
42 division such information about gaming rules, pay-offs of winning wagers,
43 the odds of winning for each wager, and such other advice to the player as
44 the **【commission】** division shall require.

45 g. Each gaming table shall be equipped with a sign indicating the
46 permissible minimum and maximum wagers pertaining thereto. It shall be

1 unlawful for a casino licensee to require any wager to be greater than the
2 stated minimum or less than the stated maximum; provided, however, that
3 any wager actually made by a patron and not rejected by a casino licensee
4 prior to the commencement of play shall be treated as a valid wager.

5 h. (1) Except as herein provided, no slot machine shall be used to
6 conduct gaming unless it is identical in all electrical, mechanical and other
7 aspects to a model thereof which has been specifically tested and licensed
8 for use by the division ~~and licensed for use by the commission~~. At the
9 request of the commission, ~~the~~. The division shall also test any other
10 gaming device, gaming equipment, gaming-related device or gross-revenue
11 related device, such as a slot management system, electronic transfer credit
12 system or gaming voucher system as it deems appropriate. In its discretion
13 and for the purpose of expediting the approval process, the division may
14 utilize the services of a private testing laboratory that has obtained a
15 plenary license as a casino service industry enterprise pursuant to
16 subsection a. of section 92 of P.L.1977, c.110 (C.5:12-92) to perform the
17 testing, and may also utilize applicable data from any such private testing
18 laboratory or from a governmental agency of a state other than New Jersey
19 authorized to regulate slot machines and other gaming devices, gaming
20 equipment, gaming-related devices and gross-revenue related devices used
21 in casino gaming, if the private testing laboratory or governmental agency
22 uses a testing methodology substantially similar to the methodology
23 utilized by the division. ~~Notwithstanding the provisions of this paragraph,~~
24 ~~the~~ The division ~~shall in all instances use~~, in its discretion, may rely
25 upon the data provided by the private testing laboratory or governmental
26 agency ~~to conduct its own independent evaluation, and shall form its own~~
27 ~~independent conclusions~~ and adopt the conclusions of such private testing
28 laboratory or governmental agency regarding any submitted device.

29 (2) ~~The~~ Except as otherwise provided in paragraph (5) of subsection
30 h. of this section, the division shall, within 60 days of its receipt of a
31 complete application for the testing of a slot machine or other gaming
32 equipment model, ~~recommend the approval~~ approve or ~~rejection of~~
33 reject the slot machine or other gaming equipment model ~~to the~~
34 ~~commission~~. In ~~its report to the commission regarding its~~
35 ~~recommendation~~ so doing, the division shall specify whether and to what
36 extent any data from a private testing laboratory or governmental agency of
37 a state other than New Jersey was used in reaching its conclusions and
38 recommendation. If the division is unable to complete the testing of a slot
39 machine or other gaming equipment model within this 60-day period, the
40 division may ~~recommend that the commission~~ conditionally approve the
41 slot machine or other gaming equipment model for test use by a casino
42 licensee provided that the division represents that the use of the slot
43 machine or other gaming equipment model will not have a direct and
44 materially adverse impact on the integrity of gaming or the control of gross
45 revenue. The division shall give priority to the testing of slot machines or
46 other gaming equipment which a casino licensee has certified it will use in
47 its casino in this State.

1 (3) The **【commission】** division shall, by regulation, establish such
2 technical standards for licensure of slot machines, including mechanical
3 and electrical reliability, security against tampering, the comprehensibility
4 of wagering, and noise and light levels, as it may deem necessary to protect
5 the player from fraud or deception and to insure the integrity of gaming.
6 The denominations of such machines shall be set by the licensee; the
7 licensee shall simultaneously notify the **【commission】** division of the
8 settings.

9 (4) The **【commission】** division shall, by regulation, determine the
10 permissible number and density of slot machines in a licensed casino so as
11 to:

- 12 (a) promote optimum security for casino operations;
- 13 (b) avoid deception or frequent distraction to players at gaming tables;
- 14 (c) promote the comfort of patrons;
- 15 (d) create and maintain a gracious playing environment in the casino;
- 16 and

17 (e) encourage and preserve competition in casino operations by assuring
18 that a variety of gaming opportunities is offered to the public.

19 Any such regulation promulgated by the **【commission】** division which
20 determines the permissible number and density of slot machines in a
21 licensed casino shall provide that all casino floor space and all space within
22 a casino licensee's casino simulcasting facility shall be included in any
23 calculation of the permissible number and density of slot machines in a
24 licensed casino.

25 (5) Any new gaming equipment or simulcast wagering equipment that is
26 submitted for testing to the division or to an independent testing laboratory
27 licensed pursuant to subsection a. of section 92 of P.L.1977, c.110 (C.5:12-
28 92) prior to or simultaneously with submission of such new equipment for
29 testing in a jurisdiction other than New Jersey, may, consistent with
30 regulations promulgated by the division, be deployed by a casino licensee
31 on the casino floor 14 days after submission of such equipment for testing.
32 If the casino or casino service industry enterprise licensee has not received
33 approval for the equipment 14 days after submission for testing, any
34 interested casino licensee may, consistent with division regulations, deploy
35 the equipment on a field test basis, unless otherwise directed by the
36 director.

37 i. (Deleted by amendment, P.L.1991, c.182).

38 j. (Deleted by amendment, P.L.1991, c.182).

39 k. It shall be unlawful for any person to exchange or redeem chips for
40 anything whatsoever, except for currency, negotiable personal checks,
41 negotiable counter checks, other chips, coupons, slot vouchers or
42 complimentary vouchers distributed by the casino licensee, or, if authorized
43 by regulation of the **【commission】** division, a valid charge to a credit or
44 debit card account. A casino licensee shall, upon the request of any person,
45 redeem that licensee's gaming chips surrendered by that person in any
46 amount over \$100 with a check drawn upon the licensee's account at any
47 banking institution in this State and made payable to that person.

1 l. It shall be unlawful for any casino licensee or its agents or
2 employees to employ, contract with, or use any shill or barker to induce any
3 person to enter a casino or simulcasting facility or play at any game or for
4 any purpose whatsoever.

5 m. It shall be unlawful for a dealer in any authorized game in which
6 cards are dealt to deal cards by hand or other than from a device
7 specifically designed for that purpose, unless otherwise permitted by the
8 rules of the **【commission】** division.

9 n. (1) It shall be unlawful for any casino key employee, licensee or any
10 person who is required to hold a casino key employee license as a condition
11 of employment or qualification to wager in any casino or simulcasting
12 facility in this State, or any casino.

13 (2) It shall be unlawful for any other employee**【**, other than a junket
14 representative, bartender, waiter, waitress, or other casino employee**】** of a
15 casino licensee who, in the judgment of the **【commission】** division, is
16 **【not】** directly involved with the conduct of gaming operations, including
17 but not limited to dealers, floor persons, box persons, security and
18 surveillance employees, to wager in **【a】** any casino or simulcasting facility
19 in the casino hotel in which the employee is employed or in any other
20 casino or simulcasting facility in this State which is owned or operated by
21 the **【same casino】** an affiliated licensee. **【Any casino employee, other than**
22 **a junket representative, bartender, waiter, waitress, or other casino**
23 **employee who, in the judgment of the commission, is not directly involved**
24 **with the conduct of gaming operations, must wait at least 30 days**
25 **following】**

26 (3) The prohibition against wagering set forth in paragraphs (1) and (2)
27 of this subsection shall continue for a period of 30 days commencing upon
28 the date that the employee either leaves employment with a casino licensee
29 or is terminated from employment with a casino licensee **【before the**
30 **employee may gamble in a casino or simulcasting facility in the casino**
31 **hotel in which the employee was formerly employed or in any other casino**
32 **or simulcasting facility in this State which is owned or operated by the**
33 **same casino licensee】**.

34 o. (1) It shall be unlawful for any casino key employee or boxman,
35 floorman, or any other casino employee who shall serve in a supervisory
36 position to solicit or accept, and for any other casino employee to solicit,
37 any tip or gratuity from any player or patron at the casino hotel or
38 simulcasting facility where he is employed.

39 (2) A dealer may accept tips or gratuities from a patron at the table at
40 which such dealer is conducting play, subject to the provisions of this
41 subsection. All such tips or gratuities shall be immediately deposited in a
42 lockbox reserved for that purpose, unless the tip or gratuity is authorized by
43 a patron utilizing an automated wagering system approved by the
44 **【commission】** division. All tips or gratuities shall be accounted for, and
45 placed in a pool for distribution pro rata among the dealers, with the
46 distribution based upon the number of hours each dealer has worked, except
47 that the **【commission】** division may, by regulation, permit a separate pool

1 to be established for dealers in the game of poker, or may permit tips or
2 gratuities to be retained by individual dealers in the game of poker.

3 (3) Notwithstanding the provisions of paragraph (1) of this subsection, a
4 casino licensee may require that a percentage of the prize pool offered to
5 participants pursuant to an authorized poker tournament be withheld for
6 distribution to the tournament dealers as tips or gratuities **in accordance**
7 **with procedures approved by** as the **commission** division by regulation
8 may approve.

9 p. Any slot system operator that offers an annuity jackpot shall secure
10 the payment of such jackpot by establishing an annuity jackpot guarantee in
11 accordance with the requirements of P.L.1977, c.110 (C.5:12-1 et seq.), and
12 the rules of the **commission** division.

13 (cf: P.L.2009, c.36, s.16)

14

15 67. Section 4 of P.L.2005, c.46 (C.5:12-100.1) is amended to read as
16 follows:

17 4. a. The right of any annuity jackpot winner to receive annuity jackpot
18 payments from a slot system operator shall not be assignable, except as
19 permitted by this section. The provisions of this section shall prevail over
20 the provisions of the "Uniform Commercial Code Secured Transactions,"
21 N.J.S.12A:9-101 et seq., including N.J.S.12A:9-406, or any other law to the
22 contrary.

23 b. Notwithstanding any other provision of this section, annuity jackpot
24 payments may be paid to the estate of a deceased jackpot winner, in the
25 same manner as they were paid to the winner, upon receipt by the slot
26 system operator of a certified copy of an order appointing an executor or an
27 administrator.

28 c. A person may be assigned and paid the annuity jackpot payments to
29 which an annuity jackpot winner is entitled pursuant to a judicial order of
30 the New Jersey Superior Court or any other court having jurisdiction over
31 property located in this State provided that the order pertains to claims of
32 ownership in the annuity jackpot payments, division of marital property in
33 divorce actions, bankruptcy, child support, appointment of a guardian or
34 conservator, or distribution of an estate.

35 d. A person may be assigned and paid the annuity jackpot payments to
36 which an annuity jackpot winner is entitled pursuant to a judicial order of
37 the New Jersey Superior Court or any other court having jurisdiction over
38 property located in this State. The annuity jackpot winner and the proposed
39 assignee shall prepare a proposed form of order and submit such proposed
40 order to the court for its consideration. The proposed form of order shall
41 contain the following information:

42 (1) the full legal name, address, social security number or taxpayer
43 identification number and, if applicable, resident alien number of the
44 winner;

45 (2) the full legal name, address, social security number or taxpayer
46 identification number and, if applicable, resident alien number of the
47 assignee;

- 1 (3) the date on which and the casino where the annuity jackpot was
2 won;
 - 3 (4) the slot machine game on which the annuity jackpot was won;
 - 4 (5) the slot system operator primarily responsible for making the
5 annuity jackpot payments;
 - 6 (6) the gross amount of the annuity jackpot won before application of
7 withholding taxes;
 - 8 (7) the gross amount of each payment to be made to the winner by the
9 slot system operator before application of withholding taxes;
 - 10 (8) the dates of the payments to be assigned and the amount of the
11 specific payments to be assigned on each date;
 - 12 (9) the identity of the winner's spouse, domestic partner or partner in a
13 civil union, if any, and the interest of **【the spouse】** that person, if any, in
14 the annuity jackpot payments;
 - 15 (10) the identity of any other co-owner, claimant or lienholder and the
16 amount of the interests, liens, security interests, prior assignments or offsets
17 asserted by each such party;
 - 18 (11) that the interest rate or discount rate, as applicable, and all fees and
19 costs and other material terms relating to the assignment are expressly and
20 clearly included in all material documents and in all documents that include
21 any obligations of the annuity jackpot winner;
 - 22 (12) that the interest rate or discount rate, as applicable, and any other
23 fees or charges associated with the assignment do not indicate overreaching
24 or exploitation, do not exceed current usury rates, and does not violate any
25 laws of usury of this State;
 - 26 (13) that the winner has reviewed and understands the terms of the
27 assignment;
 - 28 (14) that the winner understands that the winner will not receive the
29 annuity jackpot payments, or portions thereof, for the years assigned;
 - 30 (15) that the winner has agreed to the assignment of the winner's own
31 free will without undue influence or duress;
 - 32 (16) that the winner has retained and consulted with independent legal
33 counsel who has advised the winner of the winner's legal rights and
34 obligations;
 - 35 (17) that the winner has retained and consulted with an independent tax
36 advisor concerning the tax consequences of the assignment;
 - 37 (18) that the winner has disclosed all existing debts, liens and child
38 support obligations and does not seek assignment for purposes of evading
39 creditors, judgments or obligations for child support; and
 - 40 (19) that the winner has certified that: the winner is not obligated to
41 repay any public assistance benefits; and the winner does not have a child
42 support obligation, or if the winner does have a child support obligation,
43 that no arrearage is due.
- 44 The annuity jackpot winner and the proposed assignee shall provide a
45 copy of the proposed form of order to the slot system operator at least 10
46 days before the court is scheduled to act on the proposed order to allow the
47 slot system operator the opportunity to ensure that the proposed order is
48 complete and correct in all respects prior to the court's approval.

1 e. Before a winner is legally bound, by agreement, contract or
2 otherwise, and prior to the issuance of an order pursuant to subsection d. of
3 this section, the assignee shall provide the winner with all material
4 documents which shall be binding on the assignor, including documents
5 evidencing obligations of the winner, and a written notice recommending
6 that the winner obtain independent counsel before signing any document
7 which shall be binding on the assignor. All documents shall include a
8 notice of the assignor's right to cancel the agreement which shall be located
9 in immediate proximity to all spaces reserved for the signature of the
10 winner in bold-faced type of at least 10 points and which shall provide as
11 follows:

12 "You have the right to cancel this assignment without any cost to you
13 until midnight three business days after the day on which you have signed
14 an agreement to assign all or a portion of your annuity jackpot.

15 Cancellation occurs when you give notice by regular first class mail,
16 postage prepaid, to the assignee at the address listed at the top of the first
17 page of this document that you wish to cancel the assignment. Notice is
18 deemed given when deposited in a mailbox."

19 f. The slot system operator shall, not later than 10 days after receiving
20 a true and correct copy of the filed judicial order, send the winner and the
21 assignee written confirmation of receipt of the court-ordered assignment
22 and of the slot system operator's intent to rely thereon in making future
23 payments to the assignee named in the order. The slot system operator
24 shall, thereafter, make all payments in accordance with the judicial order.
25 No change in the terms of any assignment shall be effective unless made
26 pursuant to a subsequent judicial order pursuant to this section.

27 g. The slot system operator may impose a reasonable fee on an
28 assignor to defray any direct or indirect administrative expenses associated
29 with an assignment.

30 h. The division, the commission and the State are not parties to
31 assignment proceedings, except that the State may intervene as necessary to
32 protect the State's interest in monies owed to the State.

33 i. The slot system operator and the State shall comply with, and rely
34 upon, a judicial order in distributing payments subject to that order.

35 j. A winner may pledge or grant a security interest in all or part of an
36 annuity jackpot as collateral for repayment of a loan pursuant to a judicial
37 order containing the information required by subsection d. of this section
38 which the court deems relevant to the pledge or grant.

39 k. Except where inconsistent with the provisions of this section, the
40 New Jersey consumer fraud act, P.L.1960, c.39 (C.56:8-1 et seq.), shall
41 apply to all transactions under this section.

42 l. The provisions of subsections d., e. and j. of this section shall be
43 invalid if:

44 (1) the United States Internal Revenue Service issues a technical rule
45 letter, revenue ruling, or other public ruling in which it is determined that
46 because of the right of assignment provided by subsection d. of this section,
47 annuity jackpot winners who do not exercise the right to assign annuity
48 jackpot payments would be subject to an immediate income tax liability for

1 the value of the entire annuity jackpot rather than annual income tax
2 liability for each installment when received; or

3 (2) a court of competent jurisdiction issues a published decision holding
4 that because of the right of assignment provided by subsection d. of this
5 section, annuity jackpot winners who do not exercise the right to assign
6 annuity jackpot payments would be subject to an immediate income tax
7 liability for the value of the entire annuity jackpot rather than annual
8 income tax liability for each installment when received.

9 m. Upon receipt, the **【commission】** division shall immediately file a
10 copy of a letter or ruling of the United States Internal Revenue Service or a
11 published decision of a court of competent jurisdiction, described in
12 subsection l. of this section, with the Secretary of State. No assignment
13 shall be approved pursuant to subsection d. of this section after the date of
14 such filing.

15 n. A voluntary assignment shall not include or cover payments, or
16 portions of payments, that are subject to the offset pursuant to section 5 of
17 this amendatory and supplementary act, P.L.2005, c.46 (C.5:12-100.2), or
18 any other law, unless appropriate provisions are made to satisfy the
19 obligations giving rise to the offset.

20 o. No assignee shall directly or indirectly recommend or facilitate the
21 hiring of any lawyer or accountant to assist the assignor in determining the
22 appropriateness of the proposed assignment. Further, the assignee shall not
23 offer, prior to the closing, tax or investment advice.

24 (cf: P.L.2005, c.46, s.4)

25

26 68. Section 5 of P.L.2005, c.46 (C.5:12-100.2) is amended to read as
27 follows:

28 5. a. Each slot system operator that awards an annuity jackpot shall
29 provide prompt notice to the **【commission】** division of the name, address
30 and social security number of each annuity jackpot winner and the amount
31 of the pending payments. The **【commission】** division shall forward such
32 information to the Office of Information Technology in but not of the
33 Department of the Treasury.

34 b. The Office of Information Technology shall cross check the annuity
35 jackpot winner list with the data supplied by the Commissioner of Human
36 Services pursuant to section 2 of P.L.1991, c.384 (C.5:9-13.2) for a social
37 security number match. If a match is made, the Office of Information
38 Technology shall notify the Commissioner of Human Services.

39 c. If an annuity jackpot winner is in arrears of a child support order, or
40 is a former recipient of Aid to Families with Dependent Children or Work
41 First New Jersey, food stamp benefits or low-income home energy
42 assistance benefits who has incurred an overpayment which has not been
43 repaid, the Probation Division of the Superior Court or the Department of
44 Human Services, as appropriate, shall promptly notify the slot system
45 operator of the name, address, social security number and amount due on an
46 arrears child support order or the amount due on an overpayment. The slot
47 system operator shall withhold this amount from the pending annuity
48 jackpot payment and transmit same to the Probation Division of the

1 Superior Court or the Department of Human Services, as appropriate, in
2 accordance with regulations promulgated by the State Treasurer.

3 d. The Probation Division of the Superior Court, acting as agent for the
4 child support payee or the county welfare agency that provided the public
5 assistance benefits, as appropriate, shall have a lien on the proceeds of the
6 annuity jackpot payment in an amount equal to the amount of child support
7 arrearage or the amount of overpayment incurred, as appropriate. The lien
8 imposed by this section shall be enforceable in the Superior Court. Any of
9 the annuity jackpot winner's funds remaining after withholding pursuant to
10 the lien established pursuant to this section shall be paid to the winner in
11 accordance with the rules of the **【commission】** division.

12 e. The Commissioner of Human Services shall promulgate such
13 regulations as may be necessary to effectuate the purposes of this section
14 including, but not limited to, regulations providing for prompt notice to any
15 annuity jackpot winner, from whose payments the Probation Division of the
16 Superior Court or the Department of Human Services seeks to withhold
17 funds, of the amount to be withheld and the reason therefor and providing
18 the annuity jackpot winner with the opportunity for a hearing upon request
19 prior to the disposition of any funds.

20 f. The State Treasurer shall also provide, by regulation, safeguards
21 against the disclosure or inappropriate use of any personally identifiable
22 information regarding any person obtained pursuant to this section.

23 g. For the purposes of this section, "prompt notice" shall mean notice
24 within 14 days or less.

25 (cf: P.L.2007, c.56, s.17)

26

27 69. Section 101 of P.L.1977, c.110 (C.5:12-101) is amended as follows:

28 101. a. Except as otherwise provided in this section, no casino licensee
29 or any person licensed under this act, and no person acting on behalf of or
30 under any arrangement with a casino licensee or other person licensed
31 under this act, shall:

32 (1) Cash any check, make any loan, or otherwise provide or allow to
33 any person any credit or advance of anything of value or which represents
34 value to enable any person to take part in gaming or simulcast wagering
35 activity as a player; or

36 (2) Release or discharge any debt, either in whole or in part, or make
37 any loan which represents any losses incurred by any player in gaming or
38 simulcast wagering activity, without maintaining a written record thereof in
39 accordance with the rules of the **【commission】** division.

40 b. No casino licensee or any person licensed under this act, and no
41 person acting on behalf of or under any arrangement with a casino licensee
42 or other person licensed under this act, may accept a check, other than a
43 recognized traveler's check or other cash equivalent from any person to
44 enable such person to take part in gaming or simulcast wagering activity as
45 a player, or may give cash or cash equivalents in exchange for such check
46 unless:

47 (1) The check is made payable to the casino licensee;

48 (2) The check is dated, but not postdated;

1 (3) The check is presented to the cashier or the cashier's representative
2 at a location in the casino approved by the **【commission】** division and is
3 exchanged for cash or slot tokens which total an amount equal to the
4 amount for which the check is drawn, or the check is presented to the
5 cashier's representative at a gaming table in exchange for chips which total
6 an amount equal to the amount for which the check is drawn; and

7 (4) The regulations concerning check cashing procedures are observed
8 by the casino licensee and its employees and agents.

9 Nothing in this subsection shall be deemed to preclude the establishment
10 of an account by any person with a casino licensee by a deposit of cash,
11 recognized traveler's check or other cash equivalent, or a check which
12 meets the requirements of subsection g. of this section, or to preclude the
13 withdrawal, either in whole or in part, of any amount contained in such
14 account.

15 c. When a casino licensee or other person licensed under this act, or
16 any person acting on behalf of or under any arrangement with a casino
17 licensee or other person licensed under this act, cashes a check in
18 conformity with the requirements of subsection b. of this section, the casino
19 licensee shall cause the deposit of such check in a bank for collection or
20 payment, or shall require an attorney or casino key employee with no
21 incompatible functions to present such check to the drawer's bank for
22 payment, within (1) seven calendar days of the date of the transaction for a
23 check in an amount of \$1,000.00 or less; (2) 14 calendar days of the date of
24 the transaction for a check in an amount greater than \$1,000.00 but less
25 than or equal to \$5,000.00; or (3) 45 calendar days of the date of the
26 transaction for a check in an amount greater than \$5,000.00.
27 Notwithstanding the foregoing, the drawer of the check may redeem the
28 check by exchanging cash, cash equivalents, chips, or a check which meets
29 the requirements of subsection g. of this section in an amount equal to the
30 amount for which the check is drawn; or he may redeem the check in part
31 by exchanging cash, cash equivalents, chips, or a check which meets the
32 requirements of subsection g. of this section and another check which meets
33 the requirements of subsection b. of this section for the difference between
34 the original check and the cash, cash equivalents, chips, or check tendered;
35 or he may issue one check which meets the requirements of subsection b. of
36 this section in an amount sufficient to redeem two or more checks drawn to
37 the order of the casino licensee. If there has been a partial redemption or a
38 consolidation in conformity with the provisions of this subsection, the
39 newly issued check shall be delivered to a bank for collection or payment
40 or presented to the drawer's bank for payment by an attorney or casino key
41 employee with no incompatible functions within the period herein
42 specified. No casino licensee or any person licensed or registered under this
43 act, and no person acting on behalf of or under any arrangement with a
44 casino licensee or other person licensed under this act, shall accept any
45 check or series of checks in redemption or consolidation of another check
46 or checks in accordance with this subsection for the purpose of avoiding or
47 delaying the deposit of a check in a bank for collection or payment or the

1 presentment of the check to the drawer's bank within the time period
2 prescribed by this subsection.

3 In computing a time period prescribed by this subsection, the last day of
4 the period shall be included unless it is a Saturday, Sunday, or a State or
5 federal holiday, in which event the time period shall run until the next
6 business day.

7 d. No casino licensee or any other person licensed or registered under
8 this act, or any other person acting on behalf of or under any arrangement
9 with a casino licensee or other person licensed or registered under this act,
10 shall transfer, convey, or give, with or without consideration, a check
11 cashed in conformity with the requirements of this section to any person
12 other than:

13 (1) The drawer of the check upon redemption or consolidation in
14 accordance with subsection c. of this section;

15 (2) A bank for collection or payment of the check;

16 (3) A purchaser of the casino license as approved by the commission; or

17 (4) An attorney or casino key employee with no incompatible functions
18 for presentment to the drawer's bank.

19 The limitation on transferability of checks imposed herein shall apply to
20 checks returned by any bank to the casino licensee without full and final
21 payment.

22 e. No person other than **[one]** a casino key employee licensed **[as a**
23 **casino key employee or as a casino employee]** under this act or a casino
24 employee registered under this act may engage in efforts to collect upon
25 checks that have been returned by banks without full and final payment,
26 except that an attorney-at-law representing a casino licensee may bring
27 action for such collection.

28 f. Notwithstanding the provisions of any law to the contrary, checks
29 cashed in conformity with the requirements of this act shall be valid
30 instruments, enforceable at law in the courts of this State. Any check
31 cashed, transferred, conveyed or given in violation of this act shall be
32 invalid and unenforceable for the purposes of collection but shall be
33 included in the calculation of gross revenue pursuant to section 24 of
34 P.L.1977, c.110 (C.5:12-24).

35 g. Notwithstanding the provisions of subsection b. of this section to the
36 contrary, a casino licensee may accept a check from a person to enable the
37 person to take part in gaming or simulcast wagering activity as a player,
38 may give cash or cash equivalents in exchange for such a check, or may
39 accept a check in redemption or partial redemption of a check issued in
40 accordance with subsection b., provided that:

41 (1) (a) The check is issued by a casino licensee, is made payable to the
42 person presenting the check, and is issued for a purpose other than
43 employment compensation or as payment for goods or services rendered;

44 (b) The check is issued by a banking institution which is chartered in a
45 country other than the United States on its account at a federally chartered
46 or state-chartered bank and is made payable to "cash," "bearer," a casino
47 licensee, or the person presenting the check;

- 1 (c) The check is issued by a banking institution which is chartered in
2 the United States on its account at another federally chartered or state-
3 chartered bank and is made payable to "cash," "bearer," a casino licensee,
4 or the person presenting the check;
- 5 (d) The check is issued by a slot system operator or pursuant to an
6 annuity jackpot guarantee as payment for winnings from a multi-casino
7 progressive slot machine system jackpot; or
- 8 (e) The check is issued by an affiliate of a casino licensee that holds a
9 gaming license in any jurisdiction, is made payable to the person presenting
10 the check, and is issued for a purpose other than employment compensation
11 or as payment for goods or services rendered;
- 12 (2) The check is identifiable in a manner approved by the **【commission】**
13 division as a check authorized for acceptance pursuant to paragraph (1) of
14 this subsection;
- 15 (3) The check is dated, but not postdated;
- 16 (4) The check is presented to the cashier or the cashier's representative
17 by the original payee and its validity is verified by the drawer in the case of
18 a check drawn pursuant to subparagraph (a) of paragraph (1) of this
19 subsection, or the check is verified in accordance with regulations
20 promulgated **【by the commission】** under this act in the case of a check
21 issued pursuant to subparagraph (b), (c), (d) or (e) of paragraph (1) of this
22 subsection; and
- 23 (5) The regulations concerning check cashing procedures are observed
24 by the casino licensee and its employees and agents.
- 25 No casino licensee shall issue a check for the purpose of making a loan
26 or otherwise providing or allowing any advance or credit to a person to
27 enable the person to take part in gaming or simulcast wagering activity as a
28 player.
- 29 h. Notwithstanding the provisions of subsection b. and subsection c. of
30 this section to the contrary, a casino licensee may, at a location outside the
31 casino, accept a personal check or checks from a person for up to \$5,000 in
32 exchange for cash or cash equivalents, and may, at such locations within
33 the casino or casino simulcasting facility as may be permitted by the
34 **【commission】** division, accept a personal check or checks for up to \$5,000
35 in exchange for cash, cash equivalents, tokens, chips, or plaques to enable
36 the person to take part in gaming or simulcast wagering activity as a player,
37 provided that:
- 38 (a) The check is drawn on the patron's bank or brokerage cash
39 management account;
- 40 (b) The check is for a specific amount;
- 41 (c) The check is made payable to the casino licensee;
- 42 (d) The check is dated but not post-dated;
- 43 (e) The patron's identity is established by examination of one of the
44 following: valid credit card, driver's license, passport, or other form of
45 identification credential which contains, at a minimum, the patron's
46 signature;

1 (f) The check is restrictively endorsed "For Deposit Only" to the casino
2 licensee's bank account and deposited on the next banking day following
3 the date of the transaction;

4 (g) The total amount of personal checks accepted by any one licensee
5 pursuant to this subsection that are outstanding at any time, including the
6 current check being submitted, does not exceed \$5,000;

7 (h) The casino licensee has **【an approved】** a system of internal controls
8 in place that will enable it to determine the amount of outstanding personal
9 checks received from any patron pursuant to this subsection at any given
10 point in time; and

11 (i) The casino licensee maintains a record of each such transaction in
12 accordance with regulations established by the **【commission】** division.

13 i. (Deleted by amendment, P.L.2004, c.128).

14 j. A person may request the **【commission】** division to put that person's
15 name on a list of persons to whom the extension of credit by a casino as
16 provided in this section would be prohibited by submitting to the
17 **【commission】** division the person's name, address, and date of birth. The
18 person does not need to provide a reason for this request. The
19 **【commission】** division shall provide this list to the credit department of
20 each casino; neither the **【commission】** division nor the credit department of
21 a casino shall divulge the names on this list to any person or entity other
22 than those provided for in this subsection. If such a person wishes to have
23 that person's name removed from the list, the person shall submit this
24 request to the **【commission】** division, which shall so inform the credit
25 departments of casinos no later than three days after the submission of the
26 request.

27 k. (Deleted by amendment, P.L.2004, c.128).

28 (cf: P.L.2009, c.36, s.17)

29

30 70. Section 2 of P.L.1987, c.419 (C.5:12-101.2) is amended to read as
31 follows:

32 2. No casino licensee or any person licensed or registered under
33 P.L.1977, c.110 (C.5:12-1 et seq.), and no person acting on behalf of or
34 under any arrangement with a casino licensee or other person licensed or
35 registered under P.L.1977, c.110, shall, in a single transaction during a
36 gaming day, redeem for cash or credit any chips or markers in an amount of
37 \$10,000.00 or more or exchange chips for cash in an amount of \$10,000.00
38 or more, from any one person, unless the person seeking to redeem the
39 chips or markers presents proof of his identity and passport identification
40 number if he is not a United States citizen.

41 Multiple currency transactions shall be treated as a single transaction if
42 the casino licensee, person licensed or registered under P.L.1977, c.110 or
43 person acting on behalf of or under any arrangement with a casino licensee
44 or other person licensed or registered under P.L.1977, c.110 has knowledge
45 that the transactions are by or on behalf of one person and result in either
46 cash in or cash out **【totalling】** totaling more than \$10,000.00 during a

1 gaming day.
2 (cf: P.L.1987, c.419, s.2)

3
4 71. Section 3 of P.L.1987, c.419 (C.5:12-101.3) is amended to read as
5 follows:

6 3. Casino licensees, persons licensed or registered under P.L.1977,
7 c.110 (C.5:12-1 et seq.) and persons acting on behalf of or under any
8 arrangement with casino licensees or other persons licensed or registered
9 under P.L.1977, c.110, who accept cash or redeem chips or markers
10 **【totalling】** totaling \$10,000.00 or more in a gaming day for which
11 identification is required pursuant to sections 1 and 2 of this 1987
12 supplementary act, shall at least once every 30 days report the identities and
13 passport numbers of the persons offering the cash, chips or markers, to the
14 Division of Gaming Enforcement.

15 (cf: P.L.1987, c.419, s.3)

16

17 72. Section 102 of P.L.1977, c.110 (C.5:12-102) is amended to read as
18 follows:

19 102. Junkets and Complimentary Services.

20 a. No junkets may be organized or permitted except in accordance with
21 the provisions of this act. No person may act as a junket representative or
22 junket enterprise except in accordance with this section.

23 b. A junket enterprise or a junket representative employed by a casino
24 licensee, an applicant for a casino license or an affiliate of a casino licensee
25 shall be licensed as a casino key employee in accordance with the
26 provisions of P.L.1977, c.110 (C.5:12-1 et seq.); provided, however, that
27 said licensee need not be a resident of this State. **【Any person who holds a**
28 **current and valid casino employee license may act as a junket**
29 **representative while employed by a casino licensee or an affiliate.】** No
30 casino licensee or applicant for a casino license may employ or otherwise
31 engage a junket representative who is not so licensed.

32 c. Junket enterprises **【which】** that, and junket representatives not
33 employed by a casino licensee or an applicant for a casino license or by a
34 junket enterprise who, **【are engaged】** engage in activities governed by this
35 section shall be **【subject to the provisions of subsection c. of section 92 and**
36 **subsection b. of section 104 of P.L.1977, c.110 (C.5:12-92 and 5:12-104)**
37 **with regard to those activities, unless otherwise directed by the commission**
38 **pursuant to subsection k. of this section. Such of the owners, management**
39 **and supervisory personnel, and other principal employees of a junket**
40 **enterprise as the commission may consider appropriate for qualification**
41 **shall qualify under the standards, except for residency, established for**
42 **qualification of a casino key employee under P.L.1977, c.110 (C.5:12-1 et**
43 **seq.)】** licensed as a casino service industry enterprise in accordance with
44 subsection a. of section 92 of P.L.1977, c.110 (C.5:12-92), unless otherwise
45 directed by the division. Any non-supervisory employee of a junket
46 enterprise or junket representative licensed under this subsection shall be

1 registered in accordance with subsection c. of section 92 of P.L.1977, c.110
2 (C.5:12-92).

3 d. Prior to the issuance of any license required by this section, an
4 applicant for licensure shall submit to the jurisdiction of the State of New
5 Jersey and shall demonstrate **【to the satisfaction of the commission】** that he
6 is amenable to service of process within this State. Failure to establish or
7 maintain compliance with the requirements of this subsection shall
8 constitute sufficient cause for the denial, suspension or revocation of any
9 license issued pursuant to this section.

10 e. Upon petition by the holder of a casino license, an applicant for
11 junket representative or junket enterprise applying for licensure may be
12 issued a temporary license by the **【commission】** division in accordance
13 with regulations promulgated by the division, provided that:

14 (1) the applicant for licensure is employed by a casino licensee;

15 (2) the applicant for licensure has filed a completed application as
16 required by the commission;

17 (3) the division either certifies to the commission that the completed
18 application for licensure as specified in paragraph (2) of this subsection has
19 been in the possession of the division for at least 60 days or agrees to allow
20 the commission to consider the application in some lesser time; and

21 (4) the division does not object to the temporary licensure of the
22 applicant; provided, however, that failure of the division to object prior to
23 the temporary licensure of the applicant shall not be construed to reflect in
24 any manner upon the qualifications of the applicant for licensure.

25 In addition to any other authority granted by P.L.1977, c.110 (C.5:12-1
26 et seq.), the commission shall have the authority, upon receipt of a
27 representation by the division that it possesses information which raises a
28 reasonable possibility that a junket representative does not qualify for
29 licensure, to immediately suspend, limit or condition any temporary license
30 issued pursuant to this subsection, pending a hearing on the qualifications
31 of the junket representative, in accordance with the provisions of P.L.1977,
32 c.110 (C.5:12-1 et seq.).

33 Unless otherwise terminated pursuant to P.L.1977, c.110 (C.5:12-1 et
34 seq.), any temporary license issued pursuant to this subsection shall expire
35 12 months from the date of its issuance, and shall be renewable by the
36 commission, in the absence of an objection by the division, as specified in
37 paragraph (4) of this subsection, for one additional six-month period.

38 f. Every agreement concerning junkets entered into by a casino
39 licensee and a junket representative or junket enterprise shall be deemed to
40 include a provision for its termination without liability on the part of the
41 casino licensee, if the **【commission】** division orders the termination upon
42 the suspension, limitation, conditioning, denial or revocation of the
43 licensure of the junket representative or junket enterprise, in accordance
44 with the provisions of P.L.1977, c.110 (C.5:12-1 et seq.). Failure to
45 expressly include such a condition in the agreement shall not constitute a
46 defense in any action brought to terminate the agreement.

47 g. A casino licensee shall be responsible for the conduct of any junket
48 representative or junket enterprise associated with it and for the terms and

1 conditions of any junket engaged in on its premises, regardless of the fact
2 that the junket may involve persons not employed by such a casino
3 licensee.

4 h. A casino licensee shall be responsible for any violation or deviation
5 from the terms of a junket. Notwithstanding any other provisions of this
6 act, the **【commission】** division may**【**, after hearings in accordance with this
7 act,**】** order restitution to junket participants, assess penalties for such
8 violations or deviations, prohibit future junkets by the casino licensee,
9 junket enterprise or junket representative, and order such further relief as it
10 deems appropriate.

11 i. The **【commission】** division shall, by regulation, prescribe methods,
12 procedures and forms for the delivery and retention of information
13 concerning the conduct of junkets by casino licensees. Without limitation
14 of the foregoing, each casino licensee, in accordance with the rules of the
15 **【commission】** division, shall:

16 (1) Maintain on file a report describing the operation of any junket
17 engaged in on its premises;

18 (2) (Deleted by amendment, P.L.1995, c.18.).

19 (3) Submit to the **【commission and】** division a list of all its employees
20 who are acting as junket representatives.

21 j. Each casino licensee, junket representative or junket enterprise
22 shall, in accordance with the rules of the **【commission】** division, file a
23 report with the division with respect to each list of junket patrons or
24 potential junket patrons purchased directly or indirectly by the casino
25 licensee, junket representative or enterprise.

26 k. The **【commission】** division shall have the authority to determine,
27 either by regulation, or upon petition by the holder of a casino license, that
28 a type of arrangement otherwise included within the definition of "junket"
29 established by section 29 of P.L.1977, c.110 (C.5:12-29) shall not require
30 compliance with any or all of the requirements of this section. **【The**
31 **commission shall seek the opinion of the division prior to granting any**
32 **exemption.】** In granting exemptions, the **【commission】** division shall
33 consider such factors as the nature, volume and significance of the
34 particular type of arrangement, and whether the exemption would be
35 consistent with the public policies established by this act. In applying the
36 provisions of this subsection, the **【commission】** division may condition,
37 limit, or restrict any exemption as the commission may deem appropriate.

38 l. No junket enterprise or junket representative or person acting as a
39 junket representative may:

40 (1) Engage in efforts to collect upon checks that have been returned by
41 banks without full and final payment;

42 (2) Exercise approval authority with regard to the authorization or
43 issuance of credit pursuant to section 101 of P.L.1977, c.110 (C.5:12-101);

44 (3) Act on behalf of or under any arrangement with a casino licensee or
45 a gaming patron with regard to the redemption, consolidation, or
46 substitution of the gaming patron's checks awaiting deposit pursuant to
47 subsection c. of section 101 of P.L.1977, c.110 (C.5:12-101);

1 (4) Individually receive or retain any fee from a patron for the privilege
2 of participating in a junket;

3 (5) Pay for any services, including transportation, or other items of
4 value provided to, or for the benefit of, any patron participating in a junket.

5 m. No casino licensee shall offer or provide any complimentary
6 services, gifts, cash or other items of value to any person unless:

7 (1) The complimentary consists of room, food, beverage, transportation,
8 or entertainment expenses provided directly to the patron and his guests by
9 the licensee or indirectly to the patron and his guests on behalf of a licensee
10 by a third party; or

11 (2) (Deleted by amendment, P.L.2009, c.36); or

12 (3) The complimentary consists of coins, tokens, cash or other
13 complimentary items or services provided through a bus coupon or other
14 complimentary distribution program which, notwithstanding the
15 requirements of section 99 of P.L.1977, c.110 (C.5:12-99), shall be **【**filed
16 with the commission upon the implementation of the program or
17 maintained pursuant to commission regulation**】** maintained pursuant to
18 regulation and made available for inspection by the division.

19 Notwithstanding the foregoing, a casino licensee may offer and provide
20 complimentary cash or noncash gifts which are not otherwise included in
21 paragraphs (1) and (3) of this subsection to any person, provided that any
22 such gifts in excess of \$2,000.00, or such greater amount as the
23 **【**commission**】** division may establish by regulation, are supported by
24 documentation regarding the reason the gift was provided to the patron and
25 his guests, including where applicable, a patron's player rating, which
26 documentation shall be maintained by the casino licensee.

27 Each casino licensee shall maintain a regulated complimentary service
28 account, for those complementaries which are permitted pursuant to this
29 section, and shall submit a quarterly report to the **【**commission**】** division
30 based upon such account and covering all complimentary services offered
31 or engaged in by the licensee during the immediately preceding quarter.
32 Such reports shall include identification of the regulated complimentary
33 services and their respective costs, the number of persons by category of
34 service who received the same, and such other information as the
35 **【**commission**】** division may require.

36 n. As used in this subsection, "person" means any State officer or
37 employee subject to financial disclosure by law or executive order and any
38 other State officer or employee with responsibility for matters affecting
39 casino activity; any special State officer or employee with responsibility for
40 matters affecting casino activity; the Governor; any member of the
41 Legislature or full-time member of the Judiciary; any full-time professional
42 employee of the Office of the Governor, or the Legislature; members of the
43 Casino Reinvestment Development Authority; the head of a principal
44 department; the assistant or deputy heads of a principal department,
45 including all assistant and deputy commissioners; the head of any division
46 of a principal department; any member of the governing body, or the
47 municipal judge or the municipal attorney of a municipality wherein a

1 casino is located; any member of or attorney for the planning board or
2 zoning board of adjustment of a municipality wherein a casino is located, or
3 any professional planner or consultant regularly employed or retained by
4 such planning board or zoning board of adjustment.

5 No casino applicant or licensee shall provide directly or indirectly to any
6 person any complimentary service or discount which is other than such
7 service or discount that is offered to members of the general public in like
8 circumstance.

9 o. **【**Any person who, on the effective date of this 1992 amendatory act,
10 P.L.1992, c.9, holds a current and valid plenary junket representative
11 license, a junket representative license with a sole owner-operator
12 endorsement, or a junket enterprise license authorizing the conduct of
13 junket activities, shall be considered licensed in accordance with the
14 provisions of this section and subsection c. of section 92 of P.L.1977, c.110
15 (C.5:12-92) for the remaining term of his current license.**】** (Deleted by
16 amendment, P.L. , c.) (pending before the Legislature as this bill)
17 (cf: PL.2009, c.36, s.18)
18

19 73. Section 103 of P.L.1977, c.110 (C.5:12-103) is amended as follows:

20 103. Alcoholic Beverages in Casino Hotel Facilities. a.

21 Notwithstanding any law to the contrary, the authority to grant any
22 license for, or to permit or prohibit the presence of, alcoholic beverages in,
23 on, or about any premises licensed as part of a casino hotel shall
24 exclusively be vested in the **【commission】** division.

25 b. Unless otherwise stated, and except where inconsistent with the
26 purpose or intent of this act or the common understanding of usage thereof,
27 definitions contained in Title 33 of the Revised Statutes shall apply to this
28 section. Any definition contained therein shall apply to the same word in
29 any form.

30 c. Notwithstanding any provision of Title 33 of the Revised Statutes,
31 the rules, regulations and bulletins promulgated by the director of the
32 Division of Alcoholic Beverage Control, or any provision promulgated by
33 any local authority, the authority to issue, renew, transfer, revoke or
34 suspend a Casino Hotel Alcoholic Beverage License or any portion,
35 location, privilege or condition thereof; to fine or penalize a Casino Hotel
36 Alcoholic Beverage Licensee; to enforce all statutes, laws, rulings, or
37 regulations relating to such license; and to collect license fees and establish
38 application standards therefor, shall be, consistent with this act, exclusively
39 vested in the **【commission or the】** division.

40 d. Except as otherwise provided in this section, the provisions of Title
41 33 of the Revised Statutes and the rules, regulations and bulletins
42 promulgated by the Director of the Division of Alcoholic Beverage Control
43 shall apply to a Casino Hotel and Casino Hotel Alcoholic Beverage
44 Licensee licensed under this act.

45 e. Notwithstanding any provision to the contrary, the **【commission】**
46 division may promulgate any regulations and special rulings and findings as
47 may be necessary for the proper enforcement, regulation, and control of

1 alcoholic beverages in casino hotels when the **【commission】** division finds
2 that the uniqueness of casino operations and the public interest require that
3 such regulations, rulings, and findings are appropriate. Regulations of the
4 **【commission】** division may include but are not limited to: designation and
5 duties of enforcement personnel; all forms necessary or convenient in the
6 administration of this section; inspections, investigations, searches,
7 seizures; licensing and disciplinary standards; requirements and standards
8 for any hearings or disciplinary or other proceedings that may be required
9 from time to time; the assessment of fines or penalties for violations; hours
10 of sale; sales in original containers; sales on credit; out-of-door sales;
11 limitations on sales; gifts and promotional materials; locations or places for
12 sale; control of signs and other displays; identification of licensees and
13 their employees; employment of aliens and minors; storage, transportation
14 and sanitary requirements; records to be kept by the Casino Hotel Alcoholic
15 Beverage Licensees and availability thereof; practices unduly designed to
16 increase consumption of alcoholic beverages; and such other matters
17 whatsoever as are or may become necessary and consistent with the
18 administration of this act.

19 f. (1) It shall be unlawful for any person, including any casino licensee
20 or any of its lessees, agents or employees, to expose for sale, solicit or
21 promote the sale of, possess with intent to sell, sell, give, dispense, or
22 otherwise transfer or dispose of alcoholic beverages in, on or about any
23 portion of the premises of a casino hotel, unless said person possesses a
24 Casino Hotel Alcoholic Beverage License. Nothing herein or in any other
25 law to the contrary, however, shall prohibit a casino beverage server in the
26 course of his or her employment from inquiring of a casino patron whether
27 such patron desires a beverage, whether or not such inquiry is phrased in
28 terms of any word which may connote that the beverage is an alcoholic
29 beverage.

30 (2) It shall be unlawful for any person issued a Casino Hotel Alcoholic
31 Beverage License to expose, possess, sell, give, dispense, transfer, or
32 otherwise dispose of alcoholic beverages, other than within the terms and
33 conditions of the Casino Hotel Alcoholic Beverage License issued, the
34 provisions of Title 33 of the Revised Statutes, the rules and regulations
35 promulgated by the Director of the Division of Alcoholic Beverage Control,
36 and, when applicable, the regulations promulgated pursuant to this act.

37 (3) Notwithstanding any other law to the contrary, a manufacturer,
38 wholesaler, or other person licensed to sell alcoholic beverages to retailers,
39 or third parties at their discretion, may, in addition to the activities
40 permitted by section 10 of P.L.2005, c.243 (C.33:1-43.2), jointly sponsor
41 with the Casino Hotel Alcoholic Beverage Licensee musical or theatrical
42 performances or concerts, sporting events and such similar events and
43 festivals, with an anticipated overall audience attendance of at least one
44 thousand patrons, as may be approved by the division.

45 g. In issuing a Casino Hotel Alcoholic Beverage License the
46 **【commission】** division shall describe the scope of the particular license and
47 the restrictions and limitations thereon as it deems necessary and
48 reasonable. The **【commission】** division may, in a single Casino Hotel

1 Alcoholic Beverage License, permit the holder of such a license to perform
2 any or all of the following activities, subject to applicable laws, rules and
3 regulations:

4 (1) To sell any alcoholic beverage by the glass or other open receptacle
5 including, but not limited to, an original container, for on-premise
6 consumption within a casino or simulcasting facility; provided, however,
7 that no alcoholic beverage shall be sold or given for consumption; delivered
8 or otherwise brought to a patron; or consumed at a gaming table unless so
9 requested by the patron.

10 (2) To sell any alcoholic beverage by the glass or other open receptacle
11 for on-premise consumption within a casino hotel, but not in a casino or
12 simulcasting facility, or from a fixed location outside a building or structure
13 containing a casino but on a casino hotel premises.

14 (3) To sell any alcoholic beverage in original containers for
15 consumption outside the licensed area from an enclosed package room not
16 in a casino or simulcasting facility.

17 (4) To sell any alcoholic beverage by the glass or other open receptacle
18 or in original containers from a room service location within an enclosed
19 room not in a casino or simulcasting facility; provided, however, that any
20 sale of alcoholic beverages is delivered only to a guest room or to any other
21 room in the casino hotel authorized by the **【commission】** division, other
22 than any room authorized by the **【commission】** division pursuant to
23 paragraph (1), (3), or (5) of this subsection.

24 (5) To possess or to store alcoholic beverages in original containers
25 intended but not actually exposed for sale at a fixed location on a casino
26 hotel premises, not in a casino or simulcasting facility; and to transfer or
27 deliver such alcoholic beverages only to a location approved pursuant to
28 this section; provided, however, that no access to or from a storage location
29 shall be permitted except during the normal course of business by
30 employees or agents of the licensee, or by licensed employees or agents of
31 wholesalers or distributors licensed pursuant to Title 33 of the Revised
32 Statutes and any applicable rules and regulations; and provided further,
33 however, that no provision of this section shall be construed to prohibit a
34 Casino Hotel Alcoholic Beverage Licensee from obtaining an off-site
35 storage license from the Division of Alcoholic Beverage Control.

36 h. **【(1) No Casino Hotel Alcoholic Beverage License which authorizes**
37 **the sale of alcoholic beverages within a casino pursuant to subsection g.(1)**
38 **of this section shall issue to any applicant who does not hold a casino**
39 **license issued pursuant to this act.**

40 (2) **No Casino Hotel Alcoholic Beverage License which authorizes the**
41 **possession, sale or storage of alcoholic beverages pursuant to subsection**
42 **g.(2), (3), (4), or (5) of this section shall issue to any applicant who would**
43 **not qualify under the standards for licensure of a casino service industry**
44 **enterprise pursuant to subsection c. of section 92 of P.L.1977, c.110**
45 **(C.5:12-92).**

46 (3) **No Casino Hotel Alcoholic Beverage License which authorizes the**
47 **possession or storage of alcoholic beverages pursuant to subsection g. of**
48 **this section shall issue to any applicant who does not hold a Casino Hotel**

1 Alcoholic Beverage License, permitting any activity pursuant to subsection
2 g.(1), (2), (3), or (4) of this section.】 Deleted by amendment, P.L. ____,
3 c. (pending before the Legislature as this bill)

4 i. The 【commission】 division may revoke, suspend, refuse to renew or
5 refuse to transfer any Casino Hotel Alcoholic Beverage License, or fine or
6 penalize any Casino Hotel Alcoholic Beverage Licensee for violations of
7 any provision of Title 33 of the Revised Statutes, the rules and regulations
8 promulgated by the Director of the Division of Alcoholic Beverage Control,
9 and the regulations promulgated by the 【commission】 division.

10 j. Jurisdiction over all alcoholic beverage licenses previously issued
11 with respect to the casino hotel facility is hereby vested in the
12 【commission】 division, which in its discretion may by regulation provide
13 for the conversion thereof into a Casino Hotel Alcoholic Beverage License
14 as provided in this section.

15 (cf: P.L.2009, c.36, s.19)

16

17 74. Section 104 of P.L.1977, c.110 (C.5:12-104) is amended to read as
18 follows:

19 104. a. Unless otherwise provided in this subsection, no agreement shall
20 be lawful which provides for the payment, however defined, of any direct
21 or indirect interest, percentage or share of: any money or property gambled
22 at a casino or simulcasting facility; any money or property derived from
23 casino gaming activity or wagering at a simulcasting facility; or any
24 revenues, profits or earnings of a casino or simulcasting facility.
25 Notwithstanding the foregoing:

26 (1) Agreements which provide only for the payment of a fixed sum
27 which is in no way affected by the amount of any such money, property,
28 revenues, profits or earnings shall not be subject to the provisions of this
29 subsection; and receipts, rentals or charges for real property, personal
30 property or services shall not lose their character as payments of a fixed
31 sum because of contract, lease, or license provisions for adjustments in
32 charges, rentals or fees on account of changes in taxes or assessments, cost-
33 of-living index escalations, expansion or improvement of facilities, or
34 changes in services supplied.

35 【(2) Agreements between a casino licensee and a junket enterprise or
36 junket representative licensed, qualified or registered in accordance with
37 the provisions of P.L.1977, c.110 (C.5:12-1 et seq.) and the regulations of
38 the commission which provide for the compensation of the junket
39 enterprise or junket representative by the casino licensee based upon the
40 actual casino gaming or simulcast wagering activities of a patron procured
41 or referred by the junket enterprise or junket representative shall be lawful
42 if filed with the division prior to the conduct of any junket that is governed
43 by the agreement.】 (Deleted by amendment, P.L. ____, c.) (pending before
44 the Legislature as this bill)

45 (3) Agreements between a casino licensee and its employees which
46 provide for casino employee or casino key employee profit sharing shall be
47 lawful if the agreement is in writing and filed with the 【commission】

1 division prior to its effective date. Such agreements may be reviewed by
2 the **【commission】** division under any relevant provision of P.L.1977, c.110
3 (C.5:12-1 et seq.).

4 (4) Agreements to lease an approved casino hotel or the land thereunder
5 and agreements for the complete management of all casino gaming
6 operations in a casino hotel shall not be subject to the provisions of this
7 subsection but shall rather be subject to the provisions of subsections b. and
8 c. of section 82 of this act.

9 (5) Agreements which provide for percentage charges between the
10 casino licensee and a holding company or intermediary company of the
11 casino licensee shall be in writing and filed with the **【commission】** division
12 but shall not be subject to the provisions of this subsection.

13 (6) Agreements relating to simulcast racing and wagering between a
14 casino licensee and an in-State or out-of-State sending track licensed or
15 exempt from licensure in accordance with **【subsection c. of】** section 92 of
16 P.L.1977, c.110 (C.5:12-92) shall be in writing, be filed with the
17 **【commission】** division, and be lawful and effective only if expressly
18 approved as to their terms by the **【commission】** division and the New
19 Jersey Racing Commission, except that any such agreements which provide
20 for a percentage of the parimutuel pool wagered at a simulcasting facility to
21 be paid to the sending track shall not be subject to the provisions of this
22 subsection.

23 (7) Agreements relating to simulcast racing and wagering between a
24 casino licensee and a casino service industry enterprise licensed pursuant to
25 the provisions of subsection a. of section 92 of P.L.1977, c.110 (C.5:12-92)
26 as a hub facility, as defined in joint regulations of the **【Casino Control**
27 **Commission】** Division of Gaming Enforcement and the New Jersey Racing
28 Commission, shall be in writing, be filed with the commission, and be
29 lawful and effective only if expressly approved as to their terms by the
30 commission and the New Jersey Racing Commission, except that any such
31 agreements which provide for a percentage of the casino licensee's share of
32 the parimutuel pool wagered at a simulcasting facility to be paid to the hub
33 facility shall not be subject to the provisions of this subsection.

34 (8) Agreements relating to simulcast racing and wagering between a
35 casino licensee and a casino service industry enterprise licensed pursuant to
36 the provisions of subsection a. of section 92 of P.L.1977, c.110 (C.5:12-92)
37 to conduct casino simulcasting in a simulcasting facility shall be in writing,
38 be filed with the commission, and be lawful and effective only if expressly
39 approved as to their terms by the commission, except that any such
40 agreements which provide for a percentage of the casino licensee's share of
41 the parimutuel pool wagered at a simulcasting facility to be paid to the
42 casino service industry enterprise shall not be subject to the provisions of
43 this subsection.

44 (9) Written agreements relating to the operation of multi-casino
45 progressive slot machine systems between one or more casino licensees and
46 a casino service industry enterprise licensed pursuant to the provisions of
47 subsection a. of section 92 of P.L.1977, c.110 (C.5:12-92), or an eligible

1 applicant for such license, which provide for an interest, percentage or
2 share of the casino licensee's revenues, profits or earnings from the
3 operation of such multi-casino progressive slot machines to be paid to the
4 casino service industry enterprise licensee or applicant shall not be subject
5 to the provisions of this subsection if the agreements are filed with and
6 approved by the **【commission】** division.

7 (10) A written agreement between a casino licensee and a casino service
8 industry enterprise licensed pursuant to subsection a. of section 92 of
9 P.L.1977, c.110 (C.5:12-92), or an eligible applicant for such license,
10 relating to the construction, renovation or operation of qualifying sleeping
11 units, as defined in section 27 of P.L.1977, c.110 (C.5:12-27), or of non-
12 gaming amenities, as defined by the **【commission】** division, within the
13 limits of the city of Atlantic City, regardless of whether such qualifying
14 sleeping units or non-gaming amenities are connected to a casino hotel
15 facility, which provides for an interest, percentage or share of the casino
16 licensee's revenues, profits or earnings, not to exceed 5% of the casino
17 licensee's revenues, to be paid to the casino service industry enterprise
18 licensee or applicant in return for the construction, renovation or operation
19 of such qualifying sleeping units or non-gaming amenities shall not be
20 subject to the provisions of this subsection provided that: (i) the agreement
21 requires a capital investment, at least 10% of which shall be made by the
22 casino service industry enterprise licensee or applicant over the term of the
23 agreement, of not less than \$30 million, which minimum amount shall be
24 adjusted periodically by the **【commission】** division for inflation; (ii) the
25 **【commission】** division finds that the total amount of casino revenues,
26 profits or earnings that can be paid to the casino service industry enterprise
27 licensee or applicant pursuant to this agreement is commercially reasonable
28 under the circumstances; and (iii) the agreement is filed with and approved
29 by the **【commission】** division.

30 b. Each casino applicant or licensee shall maintain, in accordance with
31 the rules of the **【commission】** division, a record of each written or
32 unwritten agreement regarding the realty, construction, maintenance, or
33 business of a proposed or existing casino hotel or related facility. The
34 foregoing obligation shall apply regardless of whether the casino applicant
35 or licensee is a party to the agreement. Any such agreement may be
36 reviewed by the **【commission】** division on the basis of the reasonableness
37 of its terms, including the terms of compensation, and of the qualifications
38 of the owners, officers, employees, and directors of any enterprise involved
39 in the agreement, which qualifications shall be reviewed according to the
40 standards enumerated in section 86 of P.L.1977, c.110 (C.5:12-86). If the
41 **【commission】** division disapproves such an agreement or the owners,
42 officers, employees, or directors of any enterprise involved therein, the
43 **【commission】** division may require its termination.

44 Every agreement required to be maintained, and every related agreement
45 the performance of which is dependent upon the performance of any such
46 agreement, shall be deemed to include a provision to the effect that, if the
47 commission shall require termination of an agreement pursuant to its

1 authority under P.L.1977, c.110 (C.5:12-1 et seq.), such termination shall
2 occur without liability on the part of the casino applicant or licensee or any
3 qualified party to the agreement or any related agreement. Failure expressly
4 to include such a provision in the agreement shall not constitute a defense
5 in any action brought to terminate the agreement. If the agreement is not
6 maintained or presented to the commission in accordance with
7 **[commission]** division regulations, or the disapproved agreement is not
8 terminated, the **[commission]** division may pursue any remedy or
9 combination of remedies provided in this act.

10 For the purposes of this subsection, "casino applicant" includes any
11 person required to hold a casino license pursuant to section 82 of P.L.1977,
12 c.110 (C.5:12-82) who has applied to the **[commission]** division for a
13 casino license or any approval required under P.L.1977, c.110 (C.5:12-1 et
14 seq.).

15 c. Nothing in this act shall be deemed to permit the transfer of any
16 license, or any interest in any license, or any certificate of compliance or
17 any commitment or reservation.

18 (cf: P.L.2009, c.36, s.20)

19
20 75. Section 105 of P.L.1977, c.110 (C.5:12-105) is amended as follows:

21 105. Disposition of Securities by Corporate Licensee. a. The sale,
22 assignment, transfer, pledge or other disposition of any security issued by a
23 corporation which holds a casino license **[is conditional and shall be**
24 **ineffective if disapproved by the commission]** shall be effective five
25 business days after the commission receives notice from the licensee of
26 such sale, assignment, transfer, pledge or other disposition, in the form
27 required by regulation, unless within the five business day period, the
28 commission disapprove of such sale, assignment, transfer, pledge or other
29 disposition.

30 b. Every security issued by a corporation which holds a casino license
31 shall bear, on both sides of the certificate evidencing such security, a
32 statement of the restrictions imposed by this section, except that in the case
33 of a publicly traded corporation incorporated prior to the effective date of
34 this act, a statement of restriction shall be necessary only insofar as
35 certificates are issued by such corporation after the effective date of this
36 act.

37 c. The Secretary of State shall not accept for filing any articles of
38 incorporation of any corporation which includes as a stated purpose the
39 conduct of casino gaming, or any amendment which adds such purpose to
40 articles of incorporation already filed, unless such articles or amendments
41 have been approved by the commission and a copy of such approval is
42 annexed thereto upon presentation for filing with the Secretary of State.

43 d. If at any time the division reports to the commission **[finds]** that an
44 individual owner or holder of any security of a corporate licensee or of a
45 holding or intermediary company with respect thereto is not qualified under
46 this act, and if as a result the corporate licensee is no longer qualified to
47 continue as a casino licensee in this State, the commission shall, pursuant to

1 the provisions of this act, and upon the report and input of the division, take
2 any necessary action to protect the public interest, including the suspension
3 or revocation of the casino license of the corporation; provided, however,
4 that if the holding or intermediary company is a publicly traded corporation
5 and the commission finds disqualified any holder of any security thereof
6 who is required to be qualified under section 85d. of this act, and the
7 commission also finds that: (1) the holding or intermediary company has
8 complied with the provisions of section 82d.(7) of this act; (2) the holding
9 or intermediary company has made a good faith effort, including the
10 prosecution of all legal remedies, to comply with any order of the
11 commission or the division requiring the divestiture of the security interest
12 held by the disqualified holder; and (3) such disqualified holder does not
13 have the ability to control the corporate licensee or any holding or
14 intermediary company with respect thereto, or to elect one or more
15 members of the board of directors of such corporation or company, the
16 commission shall not take action against the casino licensee or the holding
17 or intermediary company with respect to the continued ownership of the
18 security interest by the disqualified holder. For purposes of this act, a
19 security holder shall be presumed to have the ability to control a publicly
20 traded corporation, or to elect one or more members of its board of
21 directors, if such holder owns or beneficially holds 5% or more of the
22 equity securities of such corporation, unless such presumption of control or
23 ability to elect is rebutted by clear and convincing evidence.

24 e. Commencing on the date the commission serves notice upon a
25 corporation of the determination of disqualification under subsection d. of
26 this section, it shall be unlawful for the named individual:

- 27 (1) To receive any dividends or interest upon any such securities;
28 (2) To exercise, directly or through any trustee or nominee, any right
29 conferred by such securities; or
30 (3) To receive any remuneration in any form from the corporate licensee
31 for services rendered or otherwise.

32 f. After a nonpublicly traded corporation has been issued a casino
33 license pursuant to the provisions of this act, but prior to the issuance or
34 transfer of any security to any person required to be but not yet qualified in
35 accordance with the provisions of this act, such corporation shall file a
36 report of its proposed action with the commission and the division, and
37 shall request the approval of the commission for the transaction. If the
38 commission shall deny the request, the corporation shall not issue or
39 transfer such security. After a publicly traded corporation has been issued a
40 casino license, such corporation shall file a report quarterly with the
41 commission and the division, which report shall list all owners and holders
42 of any security issued by such corporate casino licensee.

43 g. Each corporation which has been issued a casino license pursuant to
44 the provisions of this act shall file a report of any change of its corporate
45 officers or members of its board of directors with the commission and the
46 division. No officer or director shall be entitled to exercise any powers of

1 the office to which he was so elected or appointed until qualified by the
2 commission in accordance with the provisions of this act.

3 (cf: P.L.1991, c.182, s.42)

4

5 76. Section 106 of P.L.1977, c.110 (C.5:12-106) is amended to read as
6 follows:

7 106. Casino Employment. a. A casino licensee shall not appoint or
8 employ in a position requiring a casino key employee license~~[,] or~~ a casino
9 employee ~~license, or a casino service employee~~ registration any person
10 not possessing a current and valid license or registration permitting such
11 appointment or employment.

12 b. A casino licensee shall, within 24 hours of receipt of written or
13 electronically transferred notice thereof, terminate the appointment or
14 employment of any person whose license or registration has been revoked
15 or has expired. A casino licensee may, in its discretion, suspend rather than
16 terminate the appointment or employment of any person whose license or
17 registration has expired until such time as the person is again licensed or
18 registered. A casino licensee shall comply in all respects with any order of
19 the ~~commission~~ division imposing limitations or restrictions upon the
20 terms of employment or appointment in the course of any investigation or
21 hearing.

22 c. An applicant for or a holder of a casino key employee license or a
23 holder of a casino employee license registration whose application is
24 denied or whose licensure or registration is revoked, as the case may be,
25 shall not, in addition to any restrictions imposed by the regulations of the
26 commission or division, as applicable, on a reapplication for licensure, be
27 employed by a casino licensee in a position that does not require a license
28 or registration until five years have elapsed from the date of the denial or
29 revocation, except that the commission or division may permit such
30 employment upon good cause shown.

31 d. ~~【A holder of a casino service employee registration whose~~
32 ~~registration is revoked, in addition to any restrictions imposed by the~~
33 ~~regulations of the commission on a reapplication for licensure or~~
34 ~~registration, shall not be employed by a casino licensee in a position that~~
35 ~~does not require a license or registration until five years have elapsed from~~
36 ~~the date of revocation, except that the commission may permit such~~
37 ~~employment upon good cause shown.】 (Deleted by amendment, P.L. ,~~
38 ~~c.) (pending before the Legislature as this bill)~~

39 (cf: P.L.2009, c.36, s.21)

40

41 77. Section 107 of P.L.1977, c.110 (C.5:12-107) is amended as follows:

42 107. Conduct of Hearings; Rules of Evidence; Punishment of Contempts
43 ~~【; Rehearing】.~~ a. ~~【At all hearings of the commission in contested cases, as~~
44 ~~defined in section 2 of P.L.1968, c.410 (C.52:14B-2):】~~ The commission
45 shall promulgate regulations for the conduct of hearings it is authorized to
46 conduct under subsection a. of section 63 of P.L.1977, c.110 (C.5:12-63),
47 which regulations shall include the following:

1 (1) Unless the commission hears the matter directly, the chairman shall
2 refer the matter to the Office of Administrative Law in accordance with
3 P.L.1978, c.67 (C.52:14F-1 et al.); provided, however, that the chairman
4 may, in his discretion, designate a member of the commission, or other
5 qualified person other than an employee of the commission, to serve as
6 hearing examiner in a particular matter;

7 (2) The proceedings at the hearing shall be recorded or transcribed;

8 (3) Oral evidence shall be taken only upon oath or affirmation;

9 (4) Each party to a hearing shall have the right to call and examine
10 witnesses; to introduce exhibits relevant to the issues of the case, including
11 the transcript of testimony at any investigative hearing conducted by or on
12 behalf of the commission; to cross-examine opposing witnesses in any
13 matters relevant to the issue of the case; to impeach any witness, regardless
14 of which party called him to testify; and to offer rebuttal evidence;

15 (5) If an applicant, licensee, registrant or person who shall be qualified
16 pursuant to this act is a party and if such party shall not testify in his own
17 behalf, he may be called and examined as if under cross-examination;

18 (6) The hearing shall not be conducted according to rules relating to the
19 admissibility of evidence in courts of law. Any relevant evidence may be
20 admitted and shall be sufficient in itself to support a finding if it is the sort
21 of evidence upon which responsible persons are accustomed to rely in the
22 conduct of serious affairs, regardless of the existence of any common law
23 or statutory rule which might make improper the admission of such
24 evidence over objection in a civil action; and

25 (7) The parties or their counsel may, by written stipulation, agree that
26 certain specified evidence may be admitted, although such evidence may be
27 otherwise subject to objection.

28 b. The commission may take official notice of any generally accepted
29 information or technical or scientific matter in the field of gaming and of
30 any other fact which may be judicially noticed by the courts of this State.
31 The parties shall be informed of any information, matters or facts so
32 noticed and shall be given a reasonable opportunity, on request, to refute
33 such information, matters or facts by evidence or by written or oral
34 presentation of authorities, the manner of such refutation to be determined
35 by the commission. The commission may, in its discretion, before
36 rendering its decision, permit the filing of amended or supplemental
37 pleadings and shall notify all parties thereof and provide a reasonable
38 opportunity for objections thereto.

39 c. If any person in proceedings before the commission or the division
40 disobeys or resists any lawful order, refuses to respond to a subpoena,
41 refuses to take the oath or affirmation as a witness or thereafter refuses to
42 be examined, or is guilty of misconduct at the hearing or so near the place
43 thereof as to obstruct the proceeding, the person may be punished for
44 contempt in accordance with the Rules of Court if the commission or
45 division certifies the facts underlying the contumacious behavior to the
46 Superior Court. Thereafter, the courts shall have jurisdiction in the matter,
47 and the same proceeding shall be had, the same penalties may be imposed,
48 and the person charged may purge himself of the contempt in the same way

1 as in the case of a person who has committed contempt in the trial of a civil
2 action before the Superior Court.

3 d. [(1) The commission may, upon motion therefor made within 10
4 days after the service of the decision and order, order a rehearing before the
5 commission upon such terms and conditions as it may deem just and proper
6 when the commission finds cause to believe that the decision and order
7 should be reconsidered in view of the legal, policy or factual matters
8 advanced by the moving party or raised by the commission on its own
9 motion.

10 (2) Upon motion made within a reasonable time, but in no event later
11 than one year from the service of the decision and order, the commission
12 may relieve a party from the decision and order upon a showing that there
13 is additional evidence which is material and necessary and which would be
14 reasonably likely to change the decision of the commission, and that
15 sufficient reason existed for failure to present such evidence at the hearing
16 of the commission or on a motion under paragraph (1) of this subsection.
17 The motion shall be supported by an affidavit of the moving party or his
18 counsel showing with particularity the materiality and necessity of the
19 additional evidence and the reason why it was not presented at the hearing
20 or on a motion under paragraph (1) of this subsection. Upon rehearing,
21 rebuttal evidence to the additional evidence shall be admitted. After
22 rehearing, the commission may modify its decision and order as the
23 additional evidence may warrant.

24 (3) A motion for relief from a decision and order which is based on any
25 ground other than the presentation of newly discovered evidence shall be
26 governed as to both timeliness and sufficiency by the regulations of the
27 commission which shall be modeled, to the extent practical, upon the rules
28 then governing similar motions before the courts of this State.] (Deleted by
29 amendment, P.L. , c.) (pending before the Legislature as this bill)

30 e. The division shall promulgate rules governing the conduct of
31 hearings and other procedures as are necessary for it to fulfill its duties and
32 exercise its powers consistent with section 76 of P.L.1977, c.110 (C.5:12-
33 76).

34 f. The commission and division shall have the power and authority to
35 issue subpoenas and to compel the attendance of witnesses at any place
36 within this State, to administer oaths and to require testimony under oath
37 before the commission or division in the course of any investigation or
38 hearing conducted under this act. The commission and division may
39 appoint hearing examiners, to whom may be delegated the power and
40 authority to administer oaths, issue subpoenas, and require testimony under
41 oath.

42 g. The commission and division shall have the authority to order any
43 person to answer a question or questions or produce evidence of any kind
44 and confer immunity as provided in this section. If, in the course of any
45 investigation or hearing conducted under this act, a person refuses to
46 answer a question or produce evidence on the ground that he will be
47 exposed to criminal prosecution thereby, then in addition to any other
48 remedies or sanctions provided for by this act, the division or the

1 commission with the written approval of the Attorney General, may issue
2 an order to answer or to produce evidence with immunity.

3 If, upon issuance of such an order, the person complies therewith, he
4 shall be immune from having such responsive answer given by him or such
5 responsive evidence produced by him, or evidence derived therefrom, used
6 to expose him to criminal prosecution, except that such person may
7 nevertheless be prosecuted for any perjury committed in such answer or in
8 producing such evidence, or for contempt for failing to give an answer or
9 produce evidence in accordance with the order of the commission or the
10 division; provided, however, that no period of incarceration for contempt
11 shall exceed 18 months in duration pursuant to this section. Any such
12 answer given or evidence produced shall be admissible against him upon
13 any criminal investigation, proceeding or trial against him for such perjury;
14 upon any investigation, proceeding or trial against him for such contempt;
15 or in any manner consonant with State and constitutional provisions.

16 h. Any licensee, applicant for a license or a registrant who is aggrieved
17 by a final decision by the division shall have the right of appeal to the
18 commission. Notwithstanding the foregoing, no decision by the division
19 shall constitute a final agency action for purposes of establishing
20 jurisdiction on appeal in the New Jersey Superior Court.

21 i. All appeals from final decisions of the division shall be heard by the
22 commission in accordance with subsection b. of section 63 of P.L.1977,
23 c.110 (C.5:12-63), which procedure may include the opportunity for the
24 matter to be heard as a contested case in accordance with the
25 “Administrative Procedure Act,” P.L.1968, c.410 (C.5:14B-1 et. seq.).
26 Final orders of the commission shall constitute final agency action for
27 purposes of establishing jurisdiction on appeal in the New Jersey Superior
28 Court.

29 (cf: P.L.1993, c.292, s.25)

30

31 78. Section 109 of P.L.1977, c.110 (C.5:12-109) is amended to read as
32 follows:

33 109. Notwithstanding any provisions of this article, the **【commission】**
34 director may issue an emergency order for the suspension, limitation or
35 conditioning of any operation certificate or any license, other than a casino
36 license, or any registration, or may issue an emergency order requiring the
37 licensed casino to keep an individual from the premises of such licensed
38 casino or not to pay such individual any remuneration for services or any
39 profits, income or accruals on his investment in such casino, in the
40 following manner:

41 a. An emergency order shall be issued only when the **【commission】**
42 director finds that:

43 (1) There has been charged a violation of any of the criminal laws of this
44 State by a licensee or registrant, or

45 (2) Such action is necessary to prevent a violation of any such provision,
46 or

1 (3) Such action is necessary immediately for the preservation of the
2 public peace, health, safety, morals, good order and general welfare or to
3 preserve the public policies declared by this act.

4 b. An emergency order shall set forth the grounds upon which it is
5 issued, including the statement of facts constituting the alleged emergency
6 necessitating such action.

7 c. The emergency order shall be effective immediately upon issuance
8 and service upon the licensee, registrant, or resident agent of the licensee.
9 The emergency order may suspend, limit, condition or take other action in
10 relation to the approval of one or more individuals who were required to be
11 approved in any operation, without necessarily affecting any other
12 individuals or the licensed casino establishment. The emergency order
13 shall remain effective until further order of the [commission or final
14 disposition of the case] director.

15 d. Within 5 days after issuance of an emergency order, the
16 [commission] division shall cause a complaint to be filed and served upon
17 the person or entity involved in accordance with the provisions of this act.

18 e. Thereafter, the person or entity against whom the emergency order
19 has been issued and served shall [be entitled to a hearing before the
20 commission in accordance with the provisions of this act] show cause
21 before the director why the emergency order should not remain in effect in
22 accordance with the provisions of this act and the regulations promulgated
23 hereunder.

24 (cf: P.L.1981, c.503, s.18)

25
26 79. Section 110 of P.L.1977, c.110 (C.5:12-110) is amended to read as
27 follows:

28 110. a. The division or any person aggrieved by a final decision or
29 order of the commission made after hearing or rehearing by the
30 commission, whether or not a petition for hearing was filed, may obtain
31 judicial review thereof by appeal to the Superior Court in accordance with
32 the Rules of Court.

33 b. Filing of an appeal shall not stay enforcement of the decision or
34 order of the commission unless the stay is obtained from the court upon
35 application in accordance with the Rules of Court or from the commission
36 upon such terms and conditions as it deems proper.

37 c. The reviewing court may affirm the decision and order of the
38 commission, may remand the case for further proceedings, or may reverse
39 the decision if the substantive rights of the petitioner have been prejudiced
40 because the decision is:

41 (1) In violation of constitutional provisions;

42 (2) In excess of the statutory authority and jurisdiction of the
43 commission; or

44 (3) Arbitrary or capricious or otherwise not in accordance with law.

45 d. In order to protect the public interest and the regulatory authority of
46 the commission, any action by the commission taken pursuant to the
47 provisions of sections 64, 69 d. or 71 of this act shall not be subject to the

1 injunctive authority of the Superior Court prior to the exhaustion of the
2 administrative procedures herein specified, unless it shall appear evident to
3 the court, by clear and convincing evidence, that a manifest denial of
4 justice would be effectuated by the refusal to enjoin the contemplated
5 action **【of the commission】**.

6 (cf: P.L.1977, c.110, s.110)

7

8 80. Section 111 of P.L.1977, c.110 (C.5:12-111) is amended to read as
9 follows:

10 111. Penalties for Willful Evasion of Payment of License Fees, Other
11 Acts and Omissions. Any person who willfully fails to report, pay or
12 truthfully account for and pay over any license fee or tax imposed by the
13 provisions of this act, or willfully attempts in any manner to evade or defeat
14 any such license fee, tax, or payment thereof is guilty of a crime of the
15 fourth degree and subject to the penalties therefor, except that the amount
16 of a fine may be up to **【\$25,000.00】** \$50,000, and in the case of a person
17 other than a natural person, the amount of a fine may be up to
18 **【\$100,000.00】** \$200,000, and shall in addition be liable for a penalty of
19 three times the amount of the license fee evaded and not paid, collected or
20 paid over, which penalty shall be assessed by the **【commission】** division
21 and collected in accordance with the provisions of this act.

22 (cf: P.L.1991, c.182, s.44)

23

24 81. Section 112 of P.L.1977, c.110 (C.5:12-112) is amended to read as
25 follows:

26 112. Unlicensed Casino Gambling Games Unlawful; Penalties.

27 a. Any person who violates the provisions of sections 80 or 82 or of
28 Article 7 of this act, or permits any gambling game, slot machine or device
29 to be conducted, operated, dealt or carried on in any casino or simulcasting
30 facility by a person other than a person licensed for such purposes pursuant
31 to this act is guilty of a crime of the fourth degree and subject to the
32 penalties therefor, except that the amount of a fine may be up to
33 **【\$25,000.00】** \$50,000, and in the case of a person other than a natural
34 person, the amount of a fine may be up to **【\$100,000.00】** \$200,000.

35 b. Any licensee who places games or slot machines into play or
36 displays such games or slot machines in a casino or simulcasting facility
37 without authority of the **【commission】** division to do so is guilty of a crime
38 of the fourth degree and subject to the penalties therefor, except that the
39 amount of a fine may be up to **【\$25,000.00】** \$50,000, and in the case of a
40 person other than a natural person, the amount of a fine may be up to
41 **【\$100,000.00】** \$200,000.

42 c. Any person who operates, carries on or exposes for play any
43 gambling game, gaming device or slot machine after his license has expired
44 and prior to the actual renewal thereof is guilty of a crime of the fourth
45 degree and subject to the penalties therefor, except that the amount of a fine
46 may be up to **【\$25,000.00】** \$50,000, and in the case of a person other than

1 a natural person, the amount of a fine may be up to **[\$100,000.00]**
2 \$200,000.

3 (cf: P.L.1993, c.292, s.26)

4

5 82. Section 46 of P.L.1991, c.182 (C5:12-113.1) is amended to read as
6 follows:

7 46. a. A person commits a third degree offense if, in playing a game in a
8 licensed casino or simulcasting facility, the person uses, or assists another
9 in the use of, a computerized, electronic, electrical or mechanical device
10 which is designed, constructed, or programmed specifically for use in
11 obtaining an advantage at playing any game in a licensed casino or
12 simulcasting facility, unless the advantage obtained can be assessed a
13 monetary value or loss of \$75,000 or greater in which case the offense is a
14 crime of the second degree.

15 b. Any computerized, electronic, electrical or mechanical device used
16 in violation of subsection a. of this section shall be considered prima facie
17 contraband and shall be subject to the provisions of N.J.S. 2C:64-2. A
18 device used by any person in violation of this section shall be subject to
19 forfeiture pursuant to the provisions of N.J.S.2C:64-1 et seq.

20 c. Each casino licensee shall post notice of this prohibition and the
21 penalties of this section in a manner determined by the **[commission]**
22 division.

23 (cf: P.L.2002, c.65, s.28)

24

25 83. Section 114 of P.L.1977, c.110 (C.5:12-114) is amended to read as
26 follows:

27 114. Unlawful Use of Bogus Chips or Gaming Billets, Marked Cards,
28 Dice, Cheating Devices, Unlawful Coins; Penalty. a. It shall be unlawful
29 for any person playing any licensed gambling game:

30 (1) Knowingly to use bogus or counterfeit chips or gaming billets, or
31 knowingly to substitute and use in any such game cards or dice that have
32 been marked, loaded or tampered with; or

33 (2) Knowingly to use or possess any cheating device with intent to cheat
34 or defraud.

35 b. It shall be unlawful for any person, playing or using any slot
36 machine in a licensed casino:

37 (1) Knowingly to use other than a lawful coin or legal tender of the
38 United States of America, or to use coin not of the same denomination as
39 the coin intended to be used in such slot machine, except that in the playing
40 of any slot machine or similar gaming device, it shall be lawful for any
41 person to use gaming billets, tokens or similar objects therein which are
42 approved by the **[commission]** division; or

43 (2) To use any cheating or thieving device, including but not limited to
44 tools, drills, wires, coins or tokens attached to strings or wires, or electronic
45 or magnetic devices, to facilitate the alignment of any winning combination
46 or removing from any slot machine any money or other contents thereof.

47 c. It shall be unlawful for any person knowingly to possess or use
48 while on the premises of a licensed casino, any cheating or thieving device,

1 including but not limited to tools, wires, drills, coins attached to strings or
2 wires or electronic or magnetic devices to facilitate removing from any slot
3 machine any money or contents thereof, except that a duly authorized
4 employee of a licensed casino may possess and use any of the foregoing
5 only in furtherance of his employment in the casino.

6 d. It shall be unlawful for any person knowingly to possess or use
7 while on the premises of any licensed casino or simulcasting facility any
8 key or device designed for the purpose of or suitable for opening or
9 entering any slot machine or similar gaming device or drop box, except that
10 a duly authorized employee of a licensed casino, of a company authorized
11 to conduct casino simulcasting, or of the **commission** division may
12 possess and use any of the foregoing only in furtherance of his
13 employment.

14 e. Any person who violates this section is guilty of a crime of the
15 fourth degree and notwithstanding the provisions of N.J.S.2C:43-3 shall be
16 subject to a fine of not more than **[\$25,000.00]** \$50,000, and in the case of
17 a person other than a natural person, to a fine of not more than
18 **[\$100,000.00]** \$200,000 and any other appropriate disposition authorized
19 by subsection b. of N.J.S.2C:43-2.

20 (cf: P.L.1993, c.292, s.29)

21
22 84. Section 5 of P.L.1980, c.69 (C.5:12-117.1) is amended to read as
23 follows:

24 5. a. No applicant or person or organization licensed by or registered
25 with the commission or division shall employ or offer to employ any person
26 who is prohibited from accepting employment from a licensee or applicant
27 or any holding or intermediary company under section 4 of P.L. 1981, c.
28 142 (C. 52:13D-17.2).

29 b. An applicant or person or organization who violates the provisions of
30 this section is guilty of a crime of the fourth degree.

31 (cf: P.L.1987,c.410, s.11)

32
33 85. Section 118 of P.L.1977, c.110 (C.5:12-118) is amended to read as
34 follows:

35 118. Regulations Requiring Exclusion or Rejection of Certain Persons
36 from Licensed Casinos; Unlawful Entry by Person Whose Name Has Been
37 Placed on List; Penalty. Any person whose name is on the list of persons
38 promulgated by the **commission** division pursuant to the provisions of
39 section 71 of this act, P.L.1977, c.110 (C.5:12-71), who knowingly enters
40 the premises of a licensed casino is guilty of a crime of the fourth degree.

41 (cf: P.L.2002, c.65, s.29)

42
43 86. Section 121 of P.L.1977, c.110 (C.5:12-121) is amended to read as
44 follows:

45 121. Authority of Gaming Licensee and Agents to Detain or Question
46 Persons; Immunity from Liability; Posted Notice Required.

47 a. Any licensee or its officers, employees or agents may question any
48 individual in the casino or simulcasting facility or elsewhere in the

1 establishment who is reasonably suspected of violating any of the
2 provisions of sections 113 through 116 of P.L.1977, c.110 (C.5:12-113
3 through 116), section 46 of P.L.1991, c.182 (C.5:12-113.1), section 118 of
4 P.L.1977, c.110 (C.5:12-118), section 119 of P.L.1977, c.110 (C.5:12-119)
5 or R.S.33:1-81 pursuant to subsection d. of section 103 of P.L.1977, c.110
6 (C.5:12-103). No licensee or its officers, employees or agents shall be
7 criminally or civilly liable by reason of any such questioning.

8 b. Any licensee or its officers, employees or agents who shall have
9 probable cause for believing there has been a violation of sections 113
10 through 116 of P.L.1977, c.110 (C.5:12-113 through 116), section 46 of
11 P.L.1991, c.182 (C.5:12-113.1), section 118 of P.L.1977, c.110 (C.5:12-
12 118), section 119 of P.L.1977, c.110 (C.5:12-119) or R.S.33:1-81 pursuant
13 to subsection d. of section 103 of P.L.1977, c.110 (C.5:12-103) in the
14 casino or simulcasting facility by any person may refuse to permit such
15 person to continue gaming or wagering or may take such person into
16 custody and detain him in the establishment in a reasonable manner for a
17 reasonable length of time, for the purpose of notifying law enforcement **【**or
18 **commission】** authorities. Such refusal or taking into custody and detention
19 shall not render such licensee or its officers, employees or agents criminally
20 or civilly liable for false arrest, false imprisonment, slander or unlawful
21 detention, unless such refusal or such taking into custody or detention is
22 unreasonable under all of the circumstances.

23 c. No licensee or its officers, employees or agents shall be entitled to
24 any immunity from civil or criminal liability provided in this section unless
25 there is displayed in a conspicuous manner in the casino and, if applicable,
26 the simulcasting facility a notice in bold face type clearly legible and in
27 substantially this form:

28 "Any gaming licensee or officer, employee or agent thereof who has
29 probable cause for believing that any person is violating any of the
30 provisions of the Casino Control Act prohibiting cheating or swindling in
31 gaming or simulcast wagering, underage gambling, underage drinking, the
32 unauthorized presence on the casino floor or simulcasting facility by an
33 underage person, or the presence in the casino establishment of a person
34 excluded pursuant to the provisions of section 71 of P.L.1977, c.110
35 (C.5:12-71), may detain such person in the establishment for the purpose of
36 notifying law enforcement **【**or Casino Control Commission**】** authorities."
37 (cf: P.L.2009, c.36, s.22)

38
39 87. Section 129 of P.L.1977, c.110 (C.5:12-129) is amended to read as
40 follows:

41 129. Supplemental Sanctions.

42 a. In addition to any penalty, fine or term of imprisonment authorized
43 by law, the **【**commission**】** division shall, after appropriate hearings and
44 factual determinations, have the authority to impose the following sanctions
45 upon any person licensed or registered pursuant to this act:

46 (1) Revoke the license or registration of any person for the conviction
47 of any criminal offense under this act or for the commission of any other

1 offense or violation of this act which would disqualify such person from
2 holding his license or registration;

3 (2) Revoke the license or registration of any person for willfully and
4 knowingly violating an order of the **【commission】** division directed to such
5 person;

6 (3) Suspend the license or registration of any person pending hearing
7 and determination, in any case in which license or registration revocation
8 could result;

9 (4) Suspend the operation certificate of any casino licensee for violation
10 of any provisions of this act or regulations promulgated hereunder relating
11 to the operation of its casino or, if applicable, its simulcasting facility, or
12 both, including games, internal and accountancy controls and security;

13 (5) Assess such civil penalties as may be necessary to punish
14 misconduct and to deter future violations, which penalties may not exceed
15 **【\$10,000.00】** \$20,000 in the case of any individual licensee or registrant,
16 except that in the case of a casino licensee the penalty may not exceed
17 **【\$50,000.00】** \$100,000;

18 (6) Order restitution of any moneys or property unlawfully obtained or
19 retained by a licensee or registrant;

20 (7) Enter a cease and desist order which specifies the conduct which is
21 to be discontinued, altered or implemented by the licensee or registrant;

22 (8) Issue letters of reprimand or censure, which letters shall be made a
23 permanent part of the file of each licensee or registrant so sanctioned; or

24 (9) Impose any or all of the foregoing sanctions in combination with
25 each other.

26 b. The division's imposition of any fine, penalty, or sanction pursuant
27 to this section shall be appealable to the commission, except that in no case
28 shall the division's decision to enter into a settlement agreement which
29 results in the imposition of a fine, penalty, sanction or any combination
30 thereof be subject to review by the commission.

31 (cf: P.L.1993, c.292, s.32)

32

33 88. Section 130 of P.L.1977, c.110 (C.5:12-130) is amended to read as
34 follows:

35 130. In considering appropriate sanctions in a particular case, the
36 **【commission】** division shall consider:

37 a. The risk to the public and to the integrity of gaming operations
38 created by the conduct of the licensee or registrant;

39 b. The seriousness of the conduct of the licensee or registrant, and
40 whether the conduct was purposeful and with knowledge that it was in
41 contravention of the provisions of this act or regulations promulgated
42 hereunder;

43 c. Any justification or excuse for such conduct by the licensee or
44 registrant;

45 d. The prior history of the particular license or registrant involved with
46 respect to gaming activity;

47 e. The corrective action taken by the licensee or registrant to prevent
48 future misconduct of a like nature from occurring; and

1 f. In the case of a monetary penalty, the amount of the penalty in
2 relation to the severity of the misconduct and the financial means of the
3 licensee or registrant. The **【commission】** division may impose any
4 schedule or terms of payment of such penalty as it may deem appropriate.

5 g. It shall be no defense to disciplinary action before the **【commission】**
6 division that an applicant, licensee, registrant, intermediary company, or
7 holding company inadvertently, unintentionally, or unknowingly violated a
8 provision of this act. Such factors shall only go to the degree of the penalty
9 to be imposed by the **【commission】** division, and not to a finding of a
10 violation itself.

11 (cf: P.L.1981, c.503, s.21)

12
13 89. Section 31 of P.L.1978, c.7 (C.5:12-130.1) is amended to read as
14 follows:

15 31. Institution of Conservatorship and Appointment of Conservators.

16 a. Notwithstanding any other provision of the Casino Control Act, (1)
17 upon the revocation or denial of a casino license, or (2) upon, in the
18 discretion of the commission, the suspension of a casino license or the
19 suspension of an operation certificate for a period of in excess of 120 days,
20 **【or (3) upon the failure or refusal to renew a casino license,】** and
21 notwithstanding the pendency of any appeal therefrom, the commission
22 may appoint and constitute a conservator to, among other things, take over
23 and into his possession and control all the property and business of the
24 licensee relating to the casino and the approved hotel; provided, however,
25 that this subsection shall not apply in any instance in which the casino in
26 the casino hotel facility for which the casino license had been issued has
27 not been, in fact, in operation and open to the public, and provided further
28 that no person shall be appointed as conservator unless the commission is
29 satisfied that he is individually qualified according to the standard
30 applicable to casino key employees, except that casino experience shall not
31 be necessary for qualification.

32 b. (Deleted by amendment, P.L.1987, c.410).

33 c. The commission may proceed in a conservatorship action in a
34 summary manner or otherwise and shall have the power to appoint and
35 remove one or more conservators and to enjoin the former or suspended
36 licensee from exercising any of its privileges and franchises, from
37 collecting or receiving any debts and from paying out, selling, assigning or
38 transferring any of its property to other than a conservator, except as the
39 commission may otherwise order. The commission shall have such further
40 powers as shall be appropriate for the fulfillment of the purposes of this act.

41 d. Every conservator shall, before assuming his duties, execute and file
42 a bond for the faithful performance of his duties payable to the commission
43 in the office of the commission with such surety or sureties and in such
44 form as the commission shall approve and in such amount as the
45 commission shall prescribe.

46 e. When more than one conservator is appointed pursuant to this
47 section, the provisions of this article applicable to one conservator shall be
48 applicable to all; the debts and property of the former or suspended licensee

1 may be collected and received by any of them; and the powers and rights
2 conferred upon them shall be exercised by a majority of them.

3 f. The commission shall require that the former or suspended licensee
4 purchase liability insurance, in an amount determined by the commission,
5 to protect a conservator from liability for any acts or omissions of the
6 conservator occurring during the duration of the conservatorship which are
7 reasonably related to, and within the scope of, the conservator's duties.

8 (cf: P.L.1991, c.182, s.54)

9

10 90. Section 133 of P.L.1977, c.110 (C.5:12-133) is amended to read as
11 follows:

12 133. a. If any clause, sentence, subparagraph, paragraph, subsection,
13 section, article or other portion of this act or the application thereof to any
14 person or circumstances shall be held to be invalid, such holding shall not
15 affect, impair or invalidate the remainder of this act or the application of
16 such portion held invalid to any other person or circumstances, but shall be
17 confined in its operation to the clause, sentence, paragraph, subparagraph,
18 subsection, section, article or other portion thereof directly involved in such
19 holding or to the person or circumstance therein involved.

20 b. If any provision of this act is inconsistent with, in conflict with, or
21 contrary to any other provision of law, such provision of this act shall
22 prevail over such other provision and such other provision shall be deemed
23 to be amended, superseded or repealed to the extent of such inconsistency
24 or conflict. Notwithstanding the provisions of any other law to the
25 contrary, no local government unit of this State may enact or enforce any
26 ordinance or resolution conflicting with any provision of this act or with
27 any policy of this State expressed or implied herein, whether by exclusion
28 or inclusion. The commission shall have exclusive jurisdiction over all
29 matters delegated to it or within the scope of its powers under the
30 provisions of this act, and the division shall have exclusive jurisdiction over
31 all matters delegated to it or within the scope of its powers under the
32 provisions of this act.

33 (cf: P.L.1977, c.110, s.133)

34

35 91. Section 134 of P.L.1977, c.110 (C.5:12-134) is amended to read as
36 follows:

37 134. a. Each applicant at the time of submitting architectural plans or
38 site plans to the **【commission】** division for approval of proposed
39 construction, renovation or reconstruction of any structure or facility to be
40 used as an approved hotel or casino shall accompany same with a written
41 guaranty that all contracts and subcontracts to be awarded in connection
42 therewith shall contain appropriate provisions by which contractors and
43 subcontractors or their assignees agree to afford an equal employment
44 opportunity to all prospective employees and to all actual employees to be
45 employed by the contractor or subcontractor in accordance with an
46 affirmative action program approved by the **【commission】** division and
47 consonant with the provisions of the "Law Against Discrimination,"
48 P.L.1945, c.169 (C.10:5-1 et seq.). On and after the effective date of this

1 amendatory act an applicant shall also be required to demonstrate that equal
2 employment opportunities in accordance with the aforesaid affirmative-
3 action program in compliance with P.L.1945, c.169 have been afforded to
4 all prospective employees and to all actual employees employed by a
5 contractor or subcontractor in connection with the actual construction,
6 renovation or reconstruction of any structure or facility to be used as an
7 approved hotel or casino prior to submission of architectural plans or site
8 plans to the commission.

9 b. No license shall be issued by the commission to any applicant,
10 including a casino service industry enterprise as defined in section 12 of
11 this act, who has not agreed to afford an equal employment opportunity to
12 all prospective employees in accordance with an affirmative-action
13 program approved by the commission and consonant with the provisions of
14 the "Law Against Discrimination," P.L.1945, c.169 (C.10:5-1 et seq.).

15 c. Each applicant shall formulate for **commission** division approval
16 and abide by an affirmative-action program of equal opportunity whereby
17 the applicant guarantees to provide equal employment opportunity to
18 rehabilitated offenders eligible under sections 90 and 91 of this act and
19 members of minority groups qualified for licensure in all employment
20 categories, including a person with a disability, in accordance with the
21 provisions of the "Law Against Discrimination," P.L.1945, c.169 (C.10:5-1
22 et seq.), except in the case of the mentally handicapped, if it can be clearly
23 shown that such disability would prevent such person from performing a
24 particular job.

25 d. Any license issued by the commission in violation of this section
26 shall be null and void.

27 (cf: P.L.2009, c.36, s.23)

28

29 92. Section 135 of P.L.1977, c.110 (C.5:12-135) is amended to read as
30 follows:

31 135. The **commission** division, in addition to and without limitation
32 of other powers which it may have by law, shall have the following powers:

33 a. To investigate and determine the percentage of population of
34 minority groups in the State or in areas thereof from which the work force
35 for the licensee is or may be drawn;

36 b. To establish and promulgate such percentages as guidelines in
37 determining the adequacy of affirmative-action programs submitted for
38 approval pursuant to the provisions of section 134 of this act;

39 c. To impose such sanctions as may be necessary to accomplish the
40 objectives of section 134;

41 d. To refer to the Attorney General or his designee circumstances
42 which may constitute violation of the "Law Against Discrimination,"
43 P.L.1945, c.169 (C.10:5-1 et seq.);

44 e. To enforce in a court of law the provisions of section 134 or to join
45 in or assist any enforcement proceeding initiated by any aggrieved person;
46 and

1 f. To require the designation by a licensee of an equal employment
2 officer to enforce the provisions of section 134 and this section and the
3 regulations promulgated hereunder.

4 (cf: P.L.1977, c.110, s.135)

5
6 93. Section 136 of P.L.1977, c.110 (C.5:12-136) is amended to read as
7 follows:

8 136. All hotels and other facilities of a casino licensee, which are public
9 accommodations and are subject to the regulatory powers of the
10 **【commission】** division under this act, shall be constructed or renovated to
11 conform with the provisions of P.L.1971, c.269, as amended and
12 supplemented (C.52:32-4 et seq.) relating to barrier-free design for
13 providing facilities for the physically handicapped in public buildings, and
14 the rules, regulations and codes thereunder promulgated.

15 (cf: P.L.1977, c.110, s.136)

16
17 94. Section 139 of P.L.1977, c.110 (C.5:12-139) is amended to read as
18 follows:

19 139. Casino License Fees.

20 a. The **【commission】** division shall, by regulation, establish **【annual】**
21 fees for the issuance **【or renewal】** of casino licenses. The issuance fee shall
22 be based upon the cost of investigation and consideration of the license
23 application and shall be not less than \$200,000.00. **【The renewal fee shall**
24 **be based upon the cost of maintaining control and regulatory activities**
25 **contemplated by this act and shall be not less than \$100,000.00 for a one-**
26 **year casino license and \$200,000.00 for a four-year casino license.】**

27 b. The Attorney General shall certify **【to the commission】** actual and
28 prospective costs of the investigative and enforcement functions of the
29 division, which costs shall be the basis, together with the operating
30 expenses of the commission, for the establishment of annual license
31 issuance and renewal fees.

32 c. A nonrefundable deposit of at least \$100,000.00 shall be required to
33 be posted with each application for a casino license and shall be applied to
34 the initial license fee if the application is approved.

35 (cf: P.L.1995, c.18, s.41)

36
37 95. Section 141 of P.L.1977, c.110 (C.5:12-141) is amended to read as
38 follows:

39 141. Fees for Other Than Casino Licenses. The **【commission】** division
40 shall, by regulation, establish fees for the investigation and consideration of
41 applications for the issuance and renewal of registrations and licenses other
42 than casino licenses, which fees shall be payable by the applicant, licensee
43 or registrant.

44 (cf: P.L.1987, c.354, s.20)

45
46 96. Section 31 of P.L.2002, c.65 (C.5:12-141.1) is amended to read as
47 follows:

1 31. Fees to Recoup Costs of the Division or Commission. The
2 **【commission】** division may, by regulation, establish fees to recoup the
3 costs of services, equipment or other expenses that are rendered, utilized or
4 incurred by the division or commission, including any unusual or out of
5 pocket expenses directly related thereto, in response to requests arising
6 under P.L.1977, c.110 (C.5:12-1 et seq.) that are unrelated to the
7 investigation or consideration of the issuance or renewal of a registration or
8 license.

9 (cf: P.L.2002, c.65, s.31)

10

11 97. Section 24 of P.L.2009, c.36 (C.5:12-141.2) is amended as follows:

12 24. Expiration of gaming-related obligations owed to patrons; date of
13 expiration; payment to Casino Revenue Fund.

14 a. Whenever a casino licensee owes a patron a specific amount of
15 money as the result of a gaming transaction which remains unpaid due to
16 the failure of the patron to claim the money or redeem a representation of
17 the debt issued in a form approved by the commission, regardless of
18 whether the identity of the patron is known, the casino licensee shall
19 maintain a record of the obligation in accordance with the rules of the
20 **【commission】** division.

21 b. If the patron does not claim the money or redeem the representation
22 of debt within one year of the date of the transaction, which date shall be
23 established in accordance with the rules of the **【commission】** division, the
24 obligation of the casino licensee to pay the patron shall expire, and 25% of
25 the money or the value of the debt shall be paid to the Casino Revenue
26 Fund by the casino licensee, and the remaining 75% shall be retained by the
27 casino licensee, provided the licensee uses the full amount for marketing
28 purposes. Notwithstanding the foregoing, if the obligation was incurred or
29 the representation of debt was issued prior to the effective date of this act,
30 P.L.2009, c.36, the obligation of the casino licensee to pay the patron shall
31 expire one year after such effective date, at which time 50% of the money
32 or the value of the debt shall be paid to the Casino Revenue Fund, subject
33 to a credit for the payment required to be made to that fund on or before
34 June 30, 2009 by the casino licensee pursuant to subsection c. of this
35 section, and 50% shall be retained by the casino licensee.

36 c. Each casino licensee shall, on or before June 30, 2009, make a
37 payment to the Casino Revenue Fund in an amount equal to 25% of the
38 value of the money or debt owed to its patrons as a result of gaming
39 transactions that occurred more than one year prior to the effective date of
40 this act, P.L.2009, c.36. This payment shall be credited towards the total
41 obligation of the casino licensee to make payments to the Casino Revenue
42 Fund in an amount equal to 50% of the value of expired gaming related
43 obligations pursuant to subsection b. of this section.

44 (cf: P.L.2009, c.36, s.24)

45

46 98. Section 143 of P.L.1977, c.110 (C.5:12-143) is amended to read as
47 follows:

1 143. a. There is hereby created and established in the Department of the
2 Treasury a separate special account to be known as the "Casino Control
3 Fund," into which shall be deposited all license fee revenues imposed by
4 sections 94, 139, 140, 141, and 142 of this act.

5 b. Moneys in the Casino Control Fund shall be appropriated,
6 notwithstanding the provisions of P.L.1976, c.67 (C.52:9H-5 et seq.),
7 exclusively for the operating expenses of the commission and the division.
8 (cf: P.L.1977, c.110, s.143)

9
10 99. Section 144 of P.L.1977, c.110 (C.5:12-144) is amended to read as
11 follows:

12 144. a. There is hereby imposed an annual tax on gross revenues as
13 defined in section 24 of this act in the amount of 8% of such gross
14 revenues.

15 b. Commencing with the first annual tax return of a licensee for any
16 calendar year beginning after December 31, 1978, and ending before
17 January 1, 1984 and based upon a determination that in said return or any
18 annual return for a calendar year during that period the gross revenue of a
19 licensee in the calendar year upon which the tax is based exceeds the
20 cumulative investments in this State of said licensee as of that year, such
21 licensee shall make investments in an amount not less than 2% of the gross
22 revenue for said calendar year within a period of five years from the end of
23 said calendar year. Fifty percent of the investments required by this
24 subsection as a result of any of the three annual tax returns commencing
25 with the first annual tax return for any calendar year beginning after
26 December 31, 1978 shall be made in the municipality in which the licensed
27 premises are located, and 50% of such investments shall be made in any
28 other municipality of this State. Twenty-five percent of the investments
29 required by this subsection as a result of any annual tax return subsequent
30 to the third such return in a series of returns the first of which is for a
31 calendar year beginning after December 31, 1978 shall be made in the
32 municipality in which the licensed premises are located, and 75% shall be
33 made in any other municipality of this State.

34 All investments and cumulative investments made pursuant to this
35 subsection shall be subject to a determination by the **[commission]** division
36 as to the eligibility of such investments. In determining eligibility, the
37 **[commission]** division shall consider the public interest, including the
38 social and economic benefits to be derived from such investments for the
39 people of this State.

40 c. For the purposes of this section, "investments" means equity
41 investments in land and real property on which improvements are made and
42 in real property improvements. For the purposes of this section,
43 "cumulative investments" means investments in and debt financing of the
44 licensed premises, plus other investments in and debt financing of land and
45 real property on which improvements are made and real property
46 improvements; provided, however, that the investments and debt financing
47 not associated with the licensed premises have been subsequent to July 6,
48 1976. Real property and real property improvements sold or otherwise

1 disposed of by the licensee shall not be included for the purposes of
2 determining cumulative investments.

3 d. For the purposes of satisfying the amount of investments in any
4 given year and of determining cumulative investments as of any given year,
5 pursuant to subsection b., contributions of money or realty shall be included
6 if the **【commission】** division determines that such contributions best serve
7 the public interest and either (1) directly relate to the improvement,
8 furtherance, and promotion of the tourist industry in this State through the
9 planning, acquisition, construction, improvement, maintenance and
10 operation of recreational, entertainment, and other facilities for the public,
11 including, without limitation, a performing arts center, the beaches and
12 shorefront of this State, and transportation facilities providing or enhancing
13 service in resort areas of this State, or (2) directly relate to the
14 improvement, furtherance, and promotion of the health and wellbeing of the
15 people of this State through the planning, acquisition, construction,
16 improvement, maintenance, and operation of a facility, project or program
17 approved by the **【commission】** division.

18 e. In the event that the investments required in subsection b. of this
19 section are not made within the time set forth herein, there shall be imposed
20 an investment alternative tax in an amount equivalent to 2% of gross
21 revenue, which tax shall be added to the tax determined under subsection a.
22 of this section and shall be due and payable in accordance with section 148
23 of P.L.1977, c.110 (C.5:12-148). For the purposes of determining whether
24 the investment alternative tax shall be paid, the State Treasurer shall
25 certify, under such rules and regulations as he shall promulgate consistent
26 with the provisions of this article, the amount of cumulative investments
27 made by each licensee. In the event of the sale or other disposition of the
28 licensed premises, any investment obligation imposed by subsection b.
29 which is not satisfied shall be immediately deemed due and payable as
30 investment alternative tax, and said amount shall constitute a lien upon the
31 licensed premises until paid, together with interest at the rate specified in
32 the "State Tax Uniform Procedure Law," Subtitle 9 of Title 54 of the
33 Revised Statutes; provided, however, that the appointment of a conservator
34 under section 31 of P.L.1978, c.7, shall not constitute a sale or other
35 disposition of the licensed premises within the meaning of this subsection,
36 and provided further, that if, in the judgment of the **【commission】** division,
37 a sale or other disposition does not significantly affect the operations of a
38 casino licensee with respect to such premises, the **【commission】** division
39 may permit the investment obligation imposed on such licensee to continue
40 under such conditions as the **【commission】** division may deem appropriate.

41 f. The **【commission】** division shall promulgate rules and regulations
42 consistent with the provisions of this article as to the eligibility of the
43 investments and cumulative investments required by this section.

44 g. The Casino Reinvestment Development Authority shall,
45 simultaneous with the initial exercise of its general powers and
46 responsibilities pursuant to section 39 of P.L.1984, c.218, assume and
47 exercise all powers and responsibilities and make all determinations

1 necessary to the administration of subsections b. through f. of section 144
2 of P.L.1977, c.110 (C.5:12-144) theretofore exercised or made by the
3 **【commission】 division**, including the resolution of all matters then pending
4 before the **【commission】 division**. Subsequent to the initial exercise of its
5 general powers and responsibilities by the Casino Reinvestment
6 Development Authority, the **【commission】 division** shall make no further
7 determinations of eligibility under this section except as may be necessary
8 to enable a licensee to satisfy an investment obligation which is due in
9 calendar year 1984, and shall have no further responsibility for planning or
10 redevelopment activity with regard to the use of reinvestment funds
11 generated by either subsections b. through f. of section 144 of P.L.1977,
12 c.110 (C.5:12-144) or subsection b. of section 3 of P.L.1984, c.218 (C.5:12-
13 144.1). All determinations **【of the commission】** made in accordance with
14 this section shall be final and subject only to alteration by a decision of a
15 court.

16 h. Notwithstanding any other provision of this section to the contrary,
17 any investment required by this section which has not been commenced by
18 a licensee as of the effective date of this 1984 amendatory and
19 supplementary act, other than an investment which is necessary to enable a
20 licensee to satisfy an investment obligation which is due in calendar year
21 1984, may only be satisfied through the purchase of bonds of the Casino
22 Reinvestment Development Authority issued pursuant to sections 14 and 15
23 of P.L.1984, c.218 (C.5:12-162, 5:12-163), except that the date by which
24 the investment shall be made, and the amount of the investment or
25 investment alternative tax obligation, shall be that set forth in subsections
26 b. and e. of this section.

27 Notwithstanding the provisions of subsections b. and c. of this section,
28 any investment obligation which is due in calendar year 1984 which has not
29 been commenced or satisfied by December 31, 1984 may, at the option of
30 the licensee and with the approval of the **【Casino Control Commission】**
31 division, and in lieu of or in addition to making any other investment or
32 contribution authorized by this section, be satisfied subsequent thereto by
33 the purchase, or the agreement to make a purchase, of bonds of the Casino
34 Reinvestment Development Authority. Any licensee desiring to exercise
35 this option, with the approval of the **【Casino Control Commission】**
36 division, shall transfer and entrust the necessary amount to the State
37 Treasurer, who shall maintain the funds until the initial exercise by the
38 Casino Reinvestment Development Authority of its general powers and
39 responsibilities pursuant to section 39 of P.L.1984, c.218. Immediately
40 subsequent to the initial exercise of its general powers and responsibilities
41 by the Casino Reinvestment Development Authority, the State Treasurer
42 shall transfer any such entrusted funds to the Casino Reinvestment
43 Development Authority for the purchase of bonds by the licensee in
44 amounts equivalent to the amount of the funds deposited by the licensee
45 with the State Treasurer. Until he transfers the funds to the Casino
46 Reinvestment Development Authority, the State Treasurer shall be
47 authorized to invest and reinvest such funds through the Director of the

1 Division of Investment, who shall make such investments in accordance
2 with written directions of the State Treasurer, without regard to any other
3 law relating to investments by the Director of the Division of Investment.
4 Any interest earned on the funds while they are entrusted to the State
5 Treasurer shall accrue to the licensee and the Casino Reinvestment
6 Development Authority in the same proportion as if the funds were held
7 and invested by the Casino Reinvestment Development Authority pursuant
8 to subsection m. of section 13 of P.L.1984, c.218 (C.5:12-161).

9 The proceeds of all bond purchases made pursuant to this subsection
10 shall be used exclusively to finance the rehabilitation, development, or
11 construction of housing facilities in the city of Atlantic City for persons or
12 families of low through middle income in accordance with the provisions of
13 subsection f. of section 3 of P.L.1984, c.218 (C.5:12-144.1).

14 i. If a licensee has incurred an investment obligation which requires
15 bonds to be purchased pursuant to the provisions of subsection h. of this
16 section and the licensee purchases bonds of the Casino Reinvestment
17 Development Authority issued pursuant to sections 14 and 15 of P.L.1984,
18 c.218 (C.5:12-162, 5:12-163) in satisfaction of that obligation no later than
19 six months after the adoption by the Casino Reinvestment Development
20 Authority of rules and regulations pursuant to subsection j. of section 3 of
21 P.L.1984, c.218 (C.5:12-144.1), the licensee shall be entitled to a reduction
22 of its investment obligation in an amount determined by the Casino
23 Reinvestment Development Authority, taking into account a current market
24 discount rate from the date of the purchase to the date the purchase would
25 have been required to be made. Any purchase of bonds made pursuant to
26 this subsection shall first be used to satisfy the licensee's most recently
27 incurred investment obligation. That purchase of bonds shall not constitute
28 a credit against the tax provided for in subsection a. of section 3 of this
29 1984 amendatory and supplementary act.

30 (cf: P.L.1984, c.218, s.2)

31

32 100. Section 3 of P.L.1984, c.218 (C.5:12-144.1) is amended to read as
33 follows:

34 3. a. (1) Commencing with the first annual tax return of a licensee for
35 any calendar year beginning after December 31, 1983, there is imposed an
36 investment alternative tax on the gross revenues as defined in section 24 of
37 P.L.1977, c.110 (C.5:12-24) of the licensee in the amount of 2.5% of those
38 gross revenues. The tax imposed with respect to each calendar year shall
39 be due and payable on the last day of April next following the end of the
40 calendar year. The State Treasurer shall have a lien against the property
41 constituting the casino of a licensee for the amount of any tax not paid
42 when due. No tax shall be imposed, however, on the gross revenues
43 received by a licensee during the first 12 months of the operation of any
44 casino that commences operation after January 1, 1984, but prior to the
45 effective date of this act, P.L.1996, c.118 (C.5:12-173.3a et al.).

46 (2) A licensee shall pay to the State Treasurer on or before the 15th day
47 of the first, fourth, seventh, and 10th months of each year as partial
48 payment of the investment alternative tax imposed pursuant to paragraph

1 (1) of this subsection an amount equal to 1.25% of the estimated gross
2 revenues for the three-month period immediately preceding the first day of
3 those months. The moneys received shall be placed in an escrow account
4 and shall be held until the licensee directs that the moneys be transferred to
5 the Casino Reinvestment Development Authority for the purchase of bonds
6 issued by or offered through the Casino Reinvestment Development
7 Authority or pursuant to a contract for such a purchase, be made available
8 to the licensee for a direct investment approved by the authority, or be
9 transferred to the Casino Revenue Fund as partial payment of the
10 investment alternative tax imposed pursuant to paragraph (1) of this
11 subsection. Any interest derived from the moneys in the escrow account
12 shall be paid or made available to the Casino Revenue Fund. If a licensee
13 fails to pay the amount due or underpays by an unjustifiable amount, the
14 **【Casino Control Commission】** division shall impose a fine of 5% of the
15 amount due or of the underpayment, as the case may be, for each month or
16 portion thereof the licensee is in default of payment, up to 25% of the
17 amount in default. Any fine imposed shall be paid to the Casino
18 Reinvestment Development Authority and shall be used for the purposes of
19 this 1984 amendatory and supplementary act.

20 b. Each licensee shall be entitled to an investment tax credit against the
21 tax imposed by subsection a. of this section, provided the licensee shall pay
22 over the moneys required pursuant to section 5 of P.L.1993, c.159 (C.5:12-
23 173.5): (1) for the first 10 years of a licensee's tax obligation, in an amount
24 equal to twice the purchase price of bonds issued by the Casino
25 Reinvestment Development Authority pursuant to sections 14 and 15 of this
26 1984 amendatory and supplementary act, purchased by the licensee, or
27 twice the amount of the investments authorized in lieu thereof, and (2) for
28 the remainder of a licensee's tax obligation, in an amount equal to twice the
29 purchase price of bonds issued by the Casino Reinvestment Development
30 Authority pursuant to sections 14 and 15 of this 1984 amendatory and
31 supplementary act, purchased by the licensee, or twice the amount of the
32 investments authorized in lieu thereof, and twice the amount of investments
33 made by a licensee in other approved eligible investments made pursuant to
34 section 25 of this act. The Casino Reinvestment Development Authority
35 shall have the power to enter into a contract or contracts with a licensee
36 pursuant to which the Casino Reinvestment Development Authority agrees
37 to issue and sell bonds to the licensee, and the licensee agrees to purchase
38 the bonds issued by or offered through the Casino Reinvestment
39 Development Authority, in annual purchase price amounts as will constitute
40 a credit against at least 50% of the tax to become due in any future year or
41 years. The contract may contain those terms and conditions relating to the
42 terms of the bonds and to the issuance and sale of the bonds to the licensee
43 as the Casino Reinvestment Development Authority shall deem necessary
44 or desirable. The contract shall not be deemed to be in violation of section
45 104 of P.L.1977, c.110 (C.5:12-104). After the first 10 years of a licensee's
46 investment alternative tax obligation, a licensee will have the option of
47 entering into a contract with the Casino Reinvestment Development
48 Authority to have its tax credit comprised of direct investments in approved

1 eligible projects. These direct investments shall not comprise more than
2 50% of a licensee's eligible tax credit in any one year.

3 The entering of a contract pursuant to this section shall be sufficient to
4 entitle a licensee to an investment tax credit for the appropriate tax year.

5 c. A contract entered into between a licensee and the Casino
6 Reinvestment Development Authority may provide for a deferral of
7 payment for and delivery of bonds required to be purchased and for a
8 deferral from making approved eligible investments in any year, but no
9 deferral shall occur more than two years consecutively. A deferral of
10 payment for any bonds required to be purchased by a licensee and a deferral
11 from making approved eligible investments may be granted by the Casino
12 Reinvestment Development Authority only upon a determination by the
13 **【Casino Control Commission】** Division of Gaming Enforcement that
14 purchase of these bonds or making approved eligible investments would
15 cause extreme financial hardship to the licensee and a determination by the
16 Casino Reinvestment Development Authority that the deferral of the
17 payment would not violate any covenant or agreement or impair any
18 financial obligation of the Casino Reinvestment Development Authority.
19 The contract may establish a late payment charge to be paid in the event of
20 deferral or other late payment at a rate as shall be agreed to by the Casino
21 Reinvestment Development Authority. If a deferral of purchase or
22 investment is granted, the licensee shall be deemed to have made the
23 purchase or investment at the time required by the contract, except that if
24 the purchase is not made at the time to which the purchase or investment
25 was deferred, then the licensee shall be deemed not to have made the
26 purchase or investment. The **【Casino Control Commission】** Division of
27 Gaming Enforcement shall adopt regulations establishing a uniform
28 definition of extreme financial hardship applicable to all these contracts. If
29 a licensee petitions the Casino Reinvestment Development Authority for a
30 deferral, the Casino Reinvestment Development Authority shall give notice
31 of that petition to the **【Casino Control Commission and to the】** Division of
32 Gaming Enforcement within three days of the filing of the petition. The
33 **【Casino Control Commission】** Division of Gaming Enforcement shall
34 render a decision within 60 days of notice as to whether the licensee has
35 established extreme financial hardship**【**, after consultation with the
36 Division of Gaming Enforcement**】**. The Casino Reinvestment Development
37 Authority shall render a decision as to the availability of the deferral within
38 10 days of the receipt by it of the decision of the **【Casino Control**
39 **Commission】** Division of Gaming Enforcement and shall notify the
40 Division of Gaming Enforcement **【and the Casino Control Commission】** of
41 that decision. If a deferral is granted, the Casino Reinvestment
42 Development Authority may determine whether the purchases or
43 investments shall be made in a lump sum, made over a period of years, or
44 whether the period of obligation shall be extended an additional period of
45 time equivalent to the period of time deferred.

46 d. The license of any licensee which has defaulted in its obligation to
47 make any purchase of bonds or investment in any approved eligible project

1 under a contract entered into pursuant to subsection b. of this section for a
 2 period of 90 days may be suspended by the Casino Control Commission
 3 upon report and recommendation of the division until that purchase is made
 4 or deferred in accordance with subsection b. of this section, or a fine or
 5 other penalty may be imposed upon the licensee by the commission. If the
 6 Casino Control Commission elects not to suspend the license of a licensee
 7 after the licensee has first defaulted in its obligation **【but】** the division may
 8 **【imposes】** impose some lesser penalty **【and】**. In such event, if the
 9 licensee continues to be in default of its obligation after a period of 30
 10 additional days and after any additional 30-day period, the **【commission】**
 11 division may impose another fine or penalty upon the licensee, **【which】**
 12 and may 【include suspension of】 again recommend that the commission
 13 suspend that licensee's license. The fine shall be 5% of the amount of the
 14 obligation owed for each month or portion thereof a licensee is in default,
 15 up to 25% of that obligation; shall be paid to the Casino Reinvestment
 16 Development Authority; and shall be used for the purposes of this 1984
 17 amendatory and supplementary act.

18 e. A contract entered into by a licensee and the Casino Reinvestment
 19 Development Authority pursuant to subsection b. of this section may
 20 provide that after the first 10 years of a licensee's investment alternative tax
 21 obligation imposed by subsection a. of this section, the Casino
 22 Reinvestment Development Authority may repurchase bonds previously
 23 sold to the licensee, which were issued after the 10th year of a licensee's
 24 investment alternative tax obligation, by the Casino Reinvestment
 25 Development Authority, if the Casino Reinvestment Development
 26 Authority determines that the repurchase will not violate any agreement or
 27 covenant or impair any financial obligation of the Casino Reinvestment
 28 Development Authority and that the licensee will reinvest the proceeds of
 29 the resale in an eligible project approved by the Casino Reinvestment
 30 Development Authority.

31 f. (1) During the 50 years a licensee is obligated to pay an investment
 32 alternative tax pursuant to subsection k. of this section, the total of (a) the
 33 proceeds of all bonds purchased by a licensee from or through the Casino
 34 Reinvestment Development Authority and (b) all approved investments in
 35 eligible projects by a licensee shall be devoted to the financing of projects
 36 in the following areas and amounts:

37 Areas	Yrs.	Yrs.	Yrs.	Yrs.	Yrs.	Yrs.	Yrs.	Yrs.	Yrs.
	1-3	4-5	6-10	11-15	16-20	21-25	26-30	31-35	36-50
39 a) Atlantic City	100%	90%	80%	50%	30%	20%			
40 b) South Jersey		8%	12%	28%	43%	45%		25%	50%
41 c) North Jersey		2%	8%	22%	27%	35%	35%	50%	50%
42 d) Atlantic City									
43 through the Atlantic									
44 City Fund							65%	25%	

45 except that, with respect to the obligations for calendar years 1994 through
 46 1998, the amount allocated for the financing of projects in North Jersey
 47 from each casino licensee's obligation shall be the amount allocated for
 48 calendar year 1993, and the difference between that amount and the amount
 49 to be allocated to North Jersey, on the basis of the above schedule, from

1 each casino licensee's obligations for calendar years 1994 through 1998
2 shall be paid into or credited to the Atlantic City Fund established by
3 section 44 of P.L.1995, c.18 (C.5:12-161.1) and be devoted to the financing
4 of projects in Atlantic City through that fund. For the purposes of this
5 paragraph, "South Jersey" means the counties of Atlantic, Burlington,
6 Camden, Cape May, Cumberland, Gloucester, Mercer, Ocean, and Salem,
7 except that "South Jersey" shall not include the City of Atlantic City; and
8 "North Jersey" means the remaining 12 counties of the State. For the
9 purposes of this 1984 amendatory and supplementary act, bond "proceeds"
10 means all funds received from the sale of bonds and any funds generated or
11 derived therefrom.

12 In the financing of projects outside Atlantic City, the Casino
13 Reinvestment Development Authority shall give priority to the
14 revitalization of the urban areas of this State in the ways specified in
15 section 12 of this 1984 amendatory and supplementary act. Those areas
16 shall include, but not be limited to, all municipalities qualifying for aid
17 pursuant to P.L.1978, c.14 (C.52:27D-178 et seq.).

18 Within nine months from the effective date of this 1984 amendatory and
19 supplementary act, the Casino Reinvestment Development Authority shall
20 determine the allocation of projected available moneys to municipalities in
21 South Jersey for the first seven years of their receipt of funds, giving
22 priority to the revitalization of the urban areas of the region. Municipalities
23 receiving such an allocation shall present to the Casino Reinvestment
24 Development Authority for its approval comprehensive plans or projects for
25 which the allocations shall be used. Any such comprehensive plan or
26 project may be submitted to the Casino Reinvestment Development
27 Authority for a determination of eligibility at any time prior to the year for
28 which the funds are allocated, and the Casino Reinvestment Development
29 Authority shall make a determination of eligibility of the plan or project
30 within a reasonable amount of time. If the Casino Reinvestment
31 Development Authority makes a positive determination of eligibility for
32 any comprehensive plan or project, or combination of comprehensive plans
33 or projects, for any municipality whose total cost exceeds the amount
34 allocated to that municipality for the first seven years of the receipt of
35 funds by South Jersey municipalities, the Casino Reinvestment
36 Development Authority shall make available sufficient funds in subsequent
37 years necessary to complete those plans or projects, or to complete that
38 portion of the plan or project originally agreed to be funded through the
39 Casino Reinvestment Development Authority, from funds received by the
40 Casino Reinvestment Development Authority in the years following the
41 seventh year of the receipt of funds by South Jersey municipalities. If the
42 comprehensive plan or project is determined by the Casino Reinvestment
43 Development Authority not to be an eligible plan or project, the
44 municipality may submit any other comprehensive plan or project for a
45 determination of eligibility. If, however, the municipality fails to receive a
46 positive determination of eligibility for any comprehensive plan or project,
47 or combination of comprehensive plans or projects, sufficient to exhaust the
48 total allocation to that municipality for any year prior to April 30 of the

1 following year for which the allocation was made, the allocation to that
2 municipality for that year shall cease, and the Casino Reinvestment
3 Development Authority may apply those excess funds to any other
4 comprehensive plan or project in any other municipality in the region
5 whose comprehensive plan or project has received a positive determination
6 of eligibility by the Casino Reinvestment Development Authority.

7 Within 36 months from the effective date of this 1984 amendatory and
8 supplementary act, the Casino Reinvestment Development Authority shall
9 determine the allocation of projected available moneys to municipalities in
10 North Jersey for the first five years of their receipt of funds, giving priority
11 to the revitalization of the urban areas of the region. Municipalities
12 receiving such an allocation shall present to the Casino Reinvestment
13 Development Authority for its approval comprehensive plans or projects for
14 which the allocations shall be used. Any such comprehensive plan or
15 project may be submitted to the Casino Reinvestment Development
16 Authority for a determination of eligibility at any time prior to the year for
17 which the funds are allocated, and the Casino Reinvestment Development
18 Authority shall make a determination of eligibility of the plan or project
19 within a reasonable amount of time. If the Casino Reinvestment
20 Development Authority makes a positive determination of eligibility for
21 any comprehensive plan or project, or combination of comprehensive plans
22 or projects, for any municipality whose total cost exceeds the amount
23 allocated to that municipality for the first five years of the receipt of funds
24 by North Jersey municipalities, the Casino Reinvestment Development
25 Authority shall make available sufficient funds in subsequent years
26 necessary to complete those plans or projects, or to complete that portion of
27 the plan or project originally agreed to be funded through the Casino
28 Reinvestment Development Authority, from funds received by the Casino
29 Reinvestment Development Authority in the years following the fifth year
30 of the receipt of funds by North Jersey municipalities. If the
31 comprehensive plan or project is determined by the Casino Reinvestment
32 Development Authority not to be an eligible plan or project, the
33 municipality may submit any other comprehensive plan or project for a
34 determination of eligibility. If, however, the municipality fails to receive a
35 positive determination of eligibility for any comprehensive plan or project,
36 or combination of comprehensive plans or projects, sufficient to exhaust the
37 total allocation to that municipality for any year prior to April 30 of the
38 following year for which the allocation was made, the allocation to that
39 municipality for that year shall cease, and the Casino Reinvestment
40 Development Authority may apply those excess funds to any other
41 comprehensive plan or project in any other municipality in the region
42 whose comprehensive plan or project has received a positive determination
43 of eligibility by the Casino Reinvestment Development Authority.

44 (2) Commencing with the first year in which a licensee incurs a tax
45 obligation pursuant to this section, and for the period of two years
46 thereafter, 100% of the proceeds of all bonds purchased by a licensee from
47 the Casino Reinvestment Development Authority which are devoted to the
48 financing of projects in the city of Atlantic City pursuant to paragraph (1)

1 of this subsection shall be used exclusively to finance the rehabilitation,
2 development, or construction of, or to provide mortgage financing of,
3 housing facilities in the city of Atlantic City for persons or families of low
4 through middle income, as defined in this subsection. For the purposes of
5 this subsection, the "rehabilitation, development, or construction of housing
6 facilities" shall include expenses attributable to site preparation,
7 infrastructure needs and housing-related community facilities and services,
8 including supporting commercial development. Commencing with the
9 fourth year in which a licensee incurs a tax obligation pursuant to this
10 subsection, 50% of the proceeds of all bonds purchased by a licensee from
11 the Casino Reinvestment Development Authority which are devoted to the
12 financing of projects in the city of Atlantic City shall be used exclusively to
13 finance the rehabilitation, development, or construction of housing facilities
14 in the city of Atlantic City for persons or families of low through middle
15 income. Commencing with the 11th year in which a licensee incurs a tax
16 obligation pursuant to this section, 50% of the annual aggregate of the
17 proceeds of bonds purchased by a licensee from the Casino Reinvestment
18 Development Authority which are devoted to the financing of projects in
19 the city of Atlantic City and investments in approved eligible projects
20 commenced by a licensee in the city of Atlantic City shall be used
21 exclusively to finance the rehabilitation, development, or construction of,
22 or to provide mortgage financing of, housing facilities in the city of
23 Atlantic City for persons or families of low through middle income.

24 (3) The Legislature finds that it is necessary to provide for a balanced
25 community and develop a comprehensive housing program. The Casino
26 Reinvestment Development Authority shall determine the need for housing
27 in the city of Atlantic City, in consultation with the city of Atlantic City
28 and specifically its zoning and planning boards. This shall include
29 determining the types and classes of housing to be constructed and the
30 number of units of each type and class of housing to be built. The Casino
31 Reinvestment Development Authority shall give priority to the housing
32 needs of the persons and their families residing in the city of Atlantic City
33 in 1983 and continuing such residency through the effective date of this
34 1984 amendatory and supplementary act. The actual percentage of the
35 proceeds of bonds and investments in approved eligible projects
36 commenced by a licensee in the city of Atlantic City, which shall be used
37 exclusively to finance the rehabilitation, development, or construction of,
38 or to provide mortgage financing of, housing facilities in the city of
39 Atlantic City for persons or families of low through middle income, shall
40 be based upon the authority's determination of the need for housing in the
41 city of Atlantic City conducted pursuant to this subsection. Once the
42 housing needs of the persons residing in the city of Atlantic City in 1983
43 and continuing such residency through the effective date of this 1984
44 amendatory and supplementary act have been met, as determined by the
45 Casino Reinvestment Development Authority pursuant to this subsection,
46 any required percentages for such housing in the city of Atlantic City may,
47 in its sole discretion, be waived by the Casino Reinvestment Development
48 Authority. To aid the Casino Reinvestment Development Authority in

1 making these determinations, the Casino Reinvestment Development
2 Authority shall review the proposal for a housing redevelopment program
3 and strategy for the city of Atlantic City approved and adopted by the
4 Casino Control Commission and shall give priority to same and any other
5 plan or project which is consistent with the standards of this subsection and
6 is acceptable to the Casino Reinvestment Development Authority, pursuant
7 to section 25 of this 1984 amendatory and supplementary act. The Casino
8 Reinvestment Development Authority may determine whether the funds
9 used to finance housing facilities in the city of Atlantic City for persons or
10 families of low, moderate, median range, and middle income are derived
11 from the proceeds of bonds purchased by a licensee from the Casino
12 Reinvestment Development Authority to be devoted to the financing of
13 projects in the city of Atlantic City, investments in approved eligible
14 projects commenced by a licensee in the city of Atlantic City, or a
15 combination of both. Any investment made by a licensee in excess of
16 100% of its eligible investment tax credit during the first three years and in
17 excess of 50% thereafter in either the purchase of bonds or direct
18 investments in approved eligible projects for low, moderate, median range,
19 and middle income family housing facilities in the city of Atlantic City may
20 be carried forward and credited against the licensee's obligation to make a
21 100% investment during the first three years and 50% thereafter in low,
22 moderate, median range, and middle income family housing in any future
23 year, with the approval of the Casino Reinvestment Development
24 Authority. For the purposes of this act, "low income families" means
25 families whose income does not exceed 50% of the median income of the
26 area, with adjustments for smaller and larger families. "Moderate income
27 families" means families whose income does not exceed 80% and is not
28 less than 50% of the median income for the area, with adjustments for
29 smaller and larger families. "Median range income families" means
30 families whose income does not exceed 120% and is not less than 80% of
31 the median income for the area, with adjustments for smaller and larger
32 families. "Middle income families" means families whose income does not
33 exceed 150% and not less than 120% of the median income for the area,
34 with adjustments for smaller and larger families. "Median income" means
35 an income defined as median within the Standard Metropolitan Statistical
36 Area for Atlantic City by the United States Department of Housing and
37 Urban Development.

38 In order to achieve a balanced community, the authority shall ensure that
39 the development of housing for families of low and moderate income shall
40 proceed at the same time as housing for families of median range and
41 middle income, until such time as there is no longer a need for such
42 facilities in the city of Atlantic City, as determined by the Casino
43 Reinvestment Development Authority.

44 (4) Notwithstanding any other law or section to the contrary,
45 particularly this subsection regarding the waiver of the required percentages
46 for housing in the city of Atlantic City, subsection I. of section 14, and
47 sections 26, 27, 28, 29, and 31 of this 1984 amendatory and supplementary
48 act, nothing shall be implemented or waived by the Casino Reinvestment

1 Development Authority which would reduce, impair, or prevent the
2 fulfillment of the priorities established and contained in this subsection of
3 this 1984 amendatory and supplementary act.

4 g. If a person is a licensee with regard to more than one approved hotel
5 pursuant to section 82 of P.L.1977, c.110 (C.5:12-82), the person shall
6 separately account for the gross revenues, the investment alternative tax
7 obligations, and the investments for a tax credit against the investment
8 alternative tax for each approved hotel, and the tax obligations of the
9 licensee under this section shall be determined separately for each approved
10 hotel. The licensee may apportion investments between its approved
11 hotels; provided that no amount of investment shall be credited more than
12 once. If a licensee receives the prior approval of the Casino Reinvestment
13 Development Authority, the licensee may make eligible investments in
14 excess of the investments necessary to receive a tax credit against the
15 investment alternative tax for a given calendar year, and the licensee may
16 carry forward this excess investment and have it credited to its next
17 investment alternative tax obligation. If the Casino Reinvestment
18 Development Authority approves of such excess investment and approves
19 the carry forward of this excess investment, and a licensee elects to
20 purchase bonds of the Casino Reinvestment Development Authority or
21 makes direct investments in approved eligible projects in excess of the
22 investments necessary to receive a tax credit against the investment
23 alternative tax for its current obligation, the licensee shall be entitled to a
24 reduction of the amount of investments necessary in future years, which
25 amount shall be determined annually by the Casino Reinvestment
26 Development Authority, taking into account a current market discount rate
27 from the date of the purchase or investment to the date the purchase or
28 investment would have been required to be made.

29 h. Each casino licensee shall prepare and file, in a form prescribed by
30 the Casino Reinvestment Development Authority, an annual return
31 reporting that financial information as shall be deemed necessary by the
32 Casino Reinvestment Development Authority to carry out the provisions of
33 this act. This return shall be filed with the Casino Reinvestment
34 Development Authority and the **【Casino Control Commission】** Division of
35 Gaming Enforcement on or before April 30 following the calendar year on
36 which the return is based. The **【Casino Control Commission】** Division of
37 Gaming Enforcement shall verify to the Casino Reinvestment Development
38 Authority the information contained in the report, to the fullest extent
39 possible. Nothing in this subsection shall be deemed to affect the due dates
40 for making any investment or paying any tax under this section.

41 i. Any purchase by a licensee of bonds issued by or offered through
42 the Casino Reinvestment Development Authority pursuant to sections 14
43 and 15 of this act and subsection b. of this section and all approved eligible
44 investments made by a licensee pursuant to section 25 of this act and
45 subsection b. of this section are to be considered investments and not taxes
46 owed or grants to the State or any political subdivision thereof. As such, a
47 licensee shall have the possibility of the return of principal and a return on
48 the capital invested as with other investments. Investors in the bonds

1 issued by or offered through the Casino Reinvestment Development
2 Authority shall be provided with an opinion from a recognized financial
3 rating agency or a financial advisory firm with national standing that each
4 loan of bond proceeds by the Casino Reinvestment Development Authority
5 has the minimum characteristics of an investment, in that a degree of
6 assurance exists that interest and principal payments can be made and other
7 terms of the proposed investment be maintained over the period of the
8 investment, and that the loan of the bond proceeds would qualify for a bond
9 rating of "C" or better. If an opinion cannot be obtained from a recognized
10 financial rating agency or a financial advisory firm with national standing,
11 an opinion shall be obtained from an expert financial analyst with national
12 standing, selected and hired by the Casino Reinvestment Development
13 Authority. In order to achieve a balanced portfolio, assure the viability of
14 the authority and the projects, facilities and programs undertaken pursuant
15 to this 1984 amendatory and supplementary act, no more than 25% of the
16 total investments made by or through the Casino Reinvestment
17 Development Authority with the proceeds of bonds generated in each year
18 shall be investments which would qualify for a bond rating of "C," unless
19 all holders of obligations in each year agree to waive the 25% limit for
20 that year. Nothing herein shall be interpreted as limiting the Casino
21 Reinvestment Development Authority from taking any steps it deems
22 appropriate to protect the characteristics of its investment in projects or any
23 other investments from not being real investments with a prospect for the
24 return of principal and a return on the capital invested. Anything contained
25 in this section shall not be considered a guarantee by the State or any
26 political subdivision thereof of any return of principal or interest, but any
27 purchase by a licensee of bonds or approved eligible investments made by a
28 licensee pursuant to this act shall be at the risk of the licensee. A licensee
29 or the licensees purchasing an issue of bonds issued by the Casino
30 Reinvestment Development Authority in any given year may arrange, at
31 their option, for those bonds or the investments, made by or through the
32 Casino Reinvestment Development Authority with the proceeds of those
33 bonds, to be insured. The cost of any such insurance purchased by a
34 licensee or licensees shall be paid by the licensee or licensees desiring such
35 insurance.

36 j. The Casino Reinvestment Development Authority shall promulgate
37 rules and regulations deemed necessary to carry out the purposes of this
38 section.

39 k. The obligation of a licensee to pay an investment alternative tax
40 pursuant to subsection a. of this section, including a casino licensee subject
41 to the provisions of section 13 of P.L.2001, c.221 (C.5:12-173.21), shall
42 end for each licensed facility operated by the licensee 50 years after any
43 investment alternative tax obligation is first incurred in connection with
44 each licensed facility operated by the licensee, unless extended in
45 connection with a deferral granted by the Casino Reinvestment
46 Development Authority pursuant to subsection c. of this section.

47 l. Within 90 days of the effective date of this act, P.L.2004, c.129, the
48 State Treasurer shall certify the amounts that were invested pursuant to this

1 section in South Jersey, as defined in subsection f. of this section, for
2 projects located in the City of Atlantic City. Notwithstanding subsection f.
3 of this section, beginning in State fiscal year 2005, the amount of (a)
4 proceeds of all bonds purchased by a licensee from or through the Casino
5 Reinvestment Development Authority and (b) all approved investments in
6 eligible projects by a licensee devoted pursuant to subsection f., shall not
7 exceed the amount devoted for those purposes in State fiscal year 2004.
8 Any amounts in excess of the amounts devoted in State fiscal year 2004,
9 after fulfilling all fund reservations, bonding and contractual obligations,
10 shall be devoted to the financing of projects in South Jersey. For the
11 purpose of this section, "South Jersey" means the counties of Atlantic,
12 Burlington, Camden, Cape May, Cumberland, Gloucester, Mercer, Ocean,
13 and Salem, except that the term shall not include the City of Atlantic City.
14 The provisions of this subsection shall terminate when excess amounts
15 devoted to the financing of projects in South Jersey equal the amount
16 certified by the State Treasurer.

17 (cf: P.L.2004, c.129, s.1)

18

19 101. Section 2 of P.L.2008, c.12 (C.5:12-144.2) is amended to read as
20 follows:

21 2. a. A casino licensee shall receive an annual deduction from the
22 gross revenue taxed pursuant to subsection a. of section 144 of P.L.1977,
23 c.110 (C.5:12-144) in an amount equal to either (1) the promotional gaming
24 credits reported by that licensee in its annual tax return or (2) such other
25 portion of the promotional gaming credits reported by all casino licensees
26 as the **【commission】** division may allocate to a particular licensee to reflect
27 that licensee's pro rata share of the costs of the 2008 agreement executed
28 between the New Jersey Sports and Exposition Authority and the Casino
29 Association of New Jersey for the benefit of the horse racing industry.

30 b. Casino licensees shall be allowed a deduction from gross revenues
31 for a tax year pursuant to subsection a. of this section for the total value of
32 promotional gaming credits redeemed by patrons at all licensed casinos for
33 that tax year in excess of \$90,000,000. For the first tax year in which this
34 act becomes operative pursuant to section 3 of this act, P.L.2008, c.12, the
35 commission shall reduce the \$90,000,000 deduction threshold for that tax
36 year in proportion to the part of the tax year that has elapsed prior to that
37 operative date.

38 c. The **【commission】** division shall establish, by regulation,
39 procedures and standards for allocating the deduction established pursuant
40 to this section to reflect each licensee's pro rata share of the costs of the
41 2008 agreement executed between the New Jersey Sports and Exposition
42 Authority and the Casino Association of New Jersey for the benefit of the
43 horse racing industry and procedures and standards for each licensee to take
44 the deduction established pursuant to this section to reflect those deductions
45 that exceed the costs of the 2008 agreement. Such regulations shall include
46 standards for the allocation of the \$90,000,000 deduction threshold
47 established in subsection b. of this section, the timing of the application of
48 deductions, and all other matters related to the provisions of this section.

1 d. (1) The **【commission】** division shall establish, by regulation,
2 procedures to ensure that the promotional gaming credit deduction
3 established pursuant to this section does not result in a negative fiscal
4 impact to the Casino Revenue Fund. If necessary, the **【commission】**
5 division may reduce the value of the available deduction to eliminate any
6 negative fiscal impact to the Casino Revenue Fund attributable solely to the
7 deduction and not to other economic or other factors that cause a negative
8 fiscal impact to the Casino Revenue Fund.

9 (2) For the purposes of this subsection, "negative fiscal impact to the
10 Casino Revenue Fund" shall mean that the amount generated from taxation
11 of promotional gaming credits falls below the level generated in calendar
12 year 2007.

13 (cf: P.L.2008, c.12, s.2)

14

15 102. Section 145 of P.L.1977, c.110 (C.5:12-145) is amended as
16 follows:

17 145. a. There is hereby created and established in the Department of the
18 Treasury a separate special account to be known as the "Casino Revenue
19 Fund," into which shall be deposited all revenues from the tax imposed by
20 section 144 of this act; the investment alternative tax imposed by section 3
21 of P.L.1984, c.218 (C.5:12-144.1); the taxes and fees imposed by sections
22 3, 4 and 6 of P.L.2003, c.116 (C.5:12-148.1, C.5:12-148.2 and C.5:12-
23 145.8) and any interest and penalties imposed by the **【commission】**
24 division relating to those taxes; the percentage of the value of expired
25 gaming related obligations pursuant to section 24 of P.L.2009, c.36
26 (C.5:12-141.2); and all penalties levied and collected by the **【commission】**
27 division pursuant to P.L.1977, c.110 (C.5:12-1 et seq.) and the regulations
28 promulgated thereunder, except that the first \$600,000 in penalties
29 collected each fiscal year shall be paid into the General Fund for
30 appropriation by the Legislature to the Department of Health and Senior
31 Services, \$500,000 of which is to provide funds to the Council on
32 Compulsive Gambling of New Jersey and \$100,000 of which is to provide
33 funds for compulsive gambling treatment programs in the State. In the
34 event that less than \$600,000 in penalties are collected, the Department of
35 Health and Senior Services shall determine the allocation of funds between
36 the Council and the treatment programs eligible under the criteria
37 developed pursuant to section 2 of P.L.1993, c.229 (C.26:2-169).

38 b. The **【commission】** division shall require at least monthly deposits
39 by the licensee of the tax established pursuant to subsection a. of section
40 144 of P.L.1977, c.110 (C.5:12-144), at such times, under such conditions,
41 and in such depositories as shall be prescribed by the State Treasurer. The
42 deposits shall be deposited to the credit of the Casino Revenue Fund. The
43 **【commission】** division may require a monthly report and reconciliation
44 statement to be filed with it on or before the 10th day of each month, with
45 respect to gross revenues and deposits received and made, respectively,
46 during the preceding month.

1 c. Moneys in the Casino Revenue Fund shall be appropriated
2 exclusively for reductions in property taxes, rentals, telephone, gas,
3 electric, and municipal utilities charges of eligible senior citizens and
4 disabled residents of the State, and for additional or expanded health
5 services or benefits or transportation services or benefits to eligible senior
6 citizens and disabled residents, as shall be provided by law. On or about
7 March 15 and September 15 of each year, the State Treasurer shall publish
8 in at least 10 newspapers circulating generally in the State a report
9 accounting for the total revenues received in the Casino Revenue Fund and
10 the specific amounts of money appropriated therefrom for specific
11 expenditures during the preceding six months ending December 31 and
12 June 30.

13 (cf: P.L.2009, c.36, s.25)

14

15 103. Section 6 of P.L.2003, c.116 (C.5:12-145.8) is amended to read as
16 follows:

17 6. Notwithstanding the provisions of any other law to the contrary and
18 in addition to any other tax or fee imposed by law, there is imposed a fee of
19 \$3.00 per day on each hotel room in a casino hotel facility that is occupied
20 by a guest, for consideration or as a complimentary item. This section shall
21 be administered by the 【commission】 Casino Revenue Fund Advisory
22 Commission and the amounts generated by this section shall be paid to the
23 State Treasurer for deposit in the Casino Revenue Fund established
24 pursuant to section 145 of P.L.1977, c.110 (C.5:12-145) in State fiscal
25 years 2004 through 2006. Beginning in State fiscal year 2007 and
26 thereafter, \$1.00 of the fee shall be deposited by the State Treasurer into a
27 special fund established and held by the State Treasurer and made available
28 for the exclusive use of the Casino Reinvestment Development Authority
29 established pursuant to section 5 of P.L.1984, c.218 (C.5:12-153) for its
30 purposes pursuant to law, as approved by the membership of the authority,
31 subject to the provisions of subsection e. of section 5 of P.L.2004, c.129
32 (C.5:12-173.22a). Beginning in State fiscal year 2007 and thereafter, the
33 portion of the proceeds of \$2.00 of the fee necessary to carry out the
34 purpose of subsections a. through c. of section 5 of P.L.2004, c.129
35 (C.5:12-173.22a) shall be deposited by the State Treasurer into a special
36 fund established and held by the State Treasurer and made available for the
37 exclusive use of the authority to carry out that purpose, and the remaining
38 proceeds of the \$2.00 fee shall be deposited by the State Treasurer into the
39 Casino Revenue Fund.

40 (cf: P.L.2004, c.129, s.2)

41

42 104. Section 146 of P.L.1977, c.110 (C.5:12-146) is amended to read as
43 follows:

44 146. a. Any casino licensee whose licensed premises are located in an
45 area which has been declared, by the Department of Community Affairs
46 and the 【commission】 division, to be a blighted area, or an area endangered
47 by blight, may, for a period of not more than 25 years, enter into a written
48 agreement with the Department of the Treasury, which agreement shall,

1 with respect to real property held for use as a licensed casino hotel,
2 provide for the payment of taxes to the tax collector of the municipality, in
3 lieu of full local real property tax payments, in an amount to be computed
4 by the sum of the following amounts, payable at the time specified by law
5 for the payment of local property taxes;

6 (1) An annual amount equal to 2% of the cost of the real property
7 investment. For the purposes of this section, "cost of the real property
8 investment" means only the actual cost or fair market value of direct labor
9 and all materials used in the construction, expansion, or rehabilitation of all
10 buildings, structures, and facilities at the project site, including the costs, if
11 any, of land acquisition and land preparation, provision of access roads,
12 utilities, drainage facilities, and parking facilities, together with
13 architectural, engineering, legal, surveying, testing, and contractors' fees
14 associated with the project; provided, however, that the applicant shall
15 cause such costs to be certified and verified to the Department of the
16 Treasury by an independent certified public accountant, following the
17 completion of the investment in the project; and provided further, however,
18 that upon execution of an agreement pursuant to this section, only real
19 property improvements made after July 6, 1976 shall be subject to the
20 provisions herein; plus

21 (2) An amount equivalent to the difference between an amount that
22 would have been payable as property taxes under the full local property tax
23 rate and the amount calculated pursuant to subsection a.(1) of this section,
24 which shall be payable from such profits, if any, as hereinafter defined in
25 section 147, as shall remain after deducting therefrom interest and principal
26 paid on mortgage loans applicable to the real property held for use as a
27 licensed casino hotel. The total payments provided by this section shall not
28 exceed the full local property taxes normally payable for the year.

29 b. At the time an applicant applies for a license under this act, he shall
30 determine whether to exercise the option to pay in lieu taxes under this
31 section or whether the property of the applicant shall be subject to the
32 normal real property taxes of the municipality. This determination having
33 been made and approved, the method selected may not be changed or
34 altered during the term of the agreement.

35 c. Upon the filing of a certification by the State Treasurer in any year
36 that an agreement has been entered into pursuant to this section, the in lieu
37 tax provisions of this section shall be applicable with respect to the ensuing
38 tax years.

39 (cf: P.L.1977, c.110, s.146)

40

41 105. Section 147 of P.L.1977, c.110 (C.5:12-147) is amended to read as
42 follows:

43 147. a. For the purposes of the application of the provisions of section
44 146 of this act, "profits" referred to in section 146 a.(2) for any year means
45 total profits from cumulative investments in Atlantic City. In computing
46 profits under this section, a licensee shall deduct from the gross income of
47 cumulative investments in Atlantic City all operating expenses in
48 accordance with generally accepted accounting principles. There shall be

1 included in said operating expenses (1) all annual payments pursuant to
2 section 146 a.(1) of this act; (2) property taxes in said municipality not
3 subject to section 146; and (3) an annual amount sufficient to amortize in
4 equal annual installments the total cost of the investment over the life of the
5 improvements, which in no case shall be less than 25 years in the case of
6 real property. There shall not be included in said operating expenses or in
7 any other account (1) depreciation or obsolescence; (2) interest on debt; (3)
8 taxes on income; (4) losses on bad debt instruments from gaming
9 operations in excess of the lesser of such instruments actually uncollected
10 or 4% of gross revenues; or (5) salaries, bonuses and other compensation
11 paid, directly or indirectly, to directors, partners, officers, stockholders or
12 other persons having any proprietary or ownership interest in the licensee.

13 b. In any year during which gross income exceeds cumulative
14 investments as defined in section 144 d. hereof, 50% of the profits, as
15 herein defined, which exceed the amount equivalent to 20% of the
16 cumulative investments in the municipality of a licensee who shall have
17 entered into an agreement pursuant to the provisions of section 146 hereof
18 for such year shall be retained in a separate interest-bearing account
19 maintained by the Treasurer, which account shall be designated "Special
20 Casino Retention Account." All amounts retained in such account with
21 respect to a licensee for any year may be recaptured by the licensee,
22 provided that (1) the average annual gross income for the tax year and the
23 two immediately preceding years is less than the cumulative investments of
24 the licensee in casino, hotel, or other facilities in the municipality or State;
25 or (2) the licensee, within 5 years of the date its annual tax return under this
26 act is due, shall make cumulative investments in such municipality which
27 shall cause the total of such investments to exceed the average annual gross
28 income for the tax year and the 2 immediately preceding years, and which
29 are equal to or greater than the amount of profits, as herein defined,
30 retained in such account for the tax year.

31 c. In the event such licensee fails to make cumulative investments
32 within the time specified as required for recapture of profits under this
33 section, the profits retained in the Special Casino Retention Account shall
34 be remitted to the Treasurer for deposit to the credit of the Casino Revenue
35 Fund.

36 d. For the purposes of this section, each annual return of such licensee
37 shall reflect the profits, if appropriate, determined on the basis of the
38 immediately preceding calendar year. The **【commission】** division shall
39 make rules and regulations for the determination of profits under the
40 provisions of this section.

41 (cf: P.L.1977, c.110, s.147)

42

43 106. Section 148 of P.L.1977, c.110 (C.5:12-148) is amended to read as
44 follows:

45 148. a. The tax imposed under section 144 hereof shall be due and
46 payable annually on or before the 15th day of March and shall be based
47 upon gross revenues derived during the previous calendar year. A licensee
48 shall file its first return and shall report gross revenues from the time it

1 commenced operations and ending on the last day of said calendar year.
2 Such report shall be filed with the **【commission】** Director of the Division
3 of Taxation in the Department of the Treasury on or before the following
4 March 15.

5 b. Any other law to the contrary notwithstanding, any business
6 conducted by an individual, partnership, or corporation or any other entity,
7 or any combination thereof, holding a license pursuant to this act shall, in
8 addition to all other taxes imposed by this act, file a consolidated
9 corporation business tax return pursuant to P.L.1945, c.162 (C.54:10A-1 et
10 seq.) and pay the taxes indicated thereon. The director of the Division of
11 Taxation shall issue such rules and regulations and design such tax forms as
12 shall be necessary to carry into effect the provisions of this act.
13 (cf: P.L.1977, c.110, s.148)

14

15 107. Section 4 of P.L.2003, c.116 (C.5:12-148.2) is amended to read as
16 follows:

17 4. a. A tax at the rate of 8% is imposed on casino service industry
18 multi-casino progressive slot machine revenue. The tax shall not be
19 considered a tax collectable under the "Sales and Use Tax Act," P.L.1966,
20 c.30 (C.54:32B-1 et seq.).

21 b. As used in this section, "casino service industry multi-casino
22 progressive slot machine revenue" means sums received by a casino service
23 industry enterprise, licensed pursuant to the provisions of subsection a. of
24 section 92 of P.L.1977, c.110 (C.5:12-92), or an eligible applicant for such
25 license, net of any money accrued for return to patrons in the form of
26 jackpots, that are directly or indirectly related to: (1) the conduct of multi-
27 casino progressive slot machine system operations in a casino; or (2) the
28 sale, lease, servicing or management of a multi-casino progressive slot
29 machine system. Notwithstanding the foregoing, "casino service industry
30 multi-casino progressive slot machine revenue" shall not be construed to
31 apply to revenue derived from transactions between a casino licensee and
32 its holding company or intermediary companies or their affiliates.

33 c. The **【commission】** Director of the Division of Taxation in the
34 Department of the Treasury, in consultation with the Division of Gaming
35 Enforcement, shall administer the tax imposed pursuant to this section. The
36 tax imposed by this section, and any interest or penalties imposed by the
37 **【commission】** Director of the Division of Taxation relating to that tax,
38 shall be deposited by the State Treasurer into the Casino Revenue Fund
39 established pursuant to section 145 of P.L.1977, c.110 (C.5:12-145).

40 d. A casino service industry enterprise licensee or applicant required to
41 pay the tax imposed pursuant to this section shall, on or before the 28th day
42 of the month, forward to the State Treasurer the tax owed on casino service
43 industry multi-casino progressive slot machine revenue received by the
44 casino service industry enterprise licensee or applicant in the preceding
45 month and make and file a return for the preceding month with the
46 commission on any form and containing any information as the commission
47 shall prescribe by rule or regulation as necessary to determine liability for

1 the tax in the preceding month during which the person was required to pay
2 the tax.

3 e. The **【commission】** Director of the Division of Taxation may permit
4 or require returns to be made covering other periods and upon any dates as
5 the **【commission】** Director of the Division of Taxation may specify. In
6 addition, the **【commission】** Director of the Division of Taxation may
7 require payments of tax liability to the State Treasurer at any intervals and
8 based upon any classifications as the **【commission】** Director of the
9 Division of Taxation may designate. In prescribing any other periods to be
10 covered by the return or intervals or classifications for payment of tax
11 liability, the **【commission】** Director of the Division of Taxation may take
12 into account the dollar volume of tax involved as well as the need for
13 ensuring the prompt and orderly collection of the tax imposed.

14 f. The **【commission】** Director of the Division of Taxation may require
15 amended returns to be filed within 20 days after notice and to contain the
16 information specified in the notice.

17 g. (Deleted by amendment, P.L.2004, c.128).
18 (cf: P.L.2009, c.36, s.26)

19

20 108. Section 5 of P.L.2003, c.116 (C.5:12-148.3) is amended to read as
21 follows:

22 5. a. In State fiscal years 2004 through 2006, a tax at the rate of 7.5%
23 is imposed on the adjusted net income of a casino licensee in calendar year
24 2002, determined pursuant to information provided by casino licensees to
25 the commission pursuant to regulations promulgated in accordance with
26 subsection n. of section 70 of P.L.1977, c.110 (C.5:12-70) and published on
27 April 2, 2003 in the commission's statement of casino licensee income for
28 the twelve-month period ending on December 31, 2002, without regard to
29 subsequent adjustment to such filing. For a casino licensee that was not in
30 operation in calendar year 2002, the amount of the tax shall be 7.5% of its
31 adjusted net income in State fiscal year 2004, as filed by the licensee with
32 the commission pursuant to regulations promulgated in accordance with
33 subsection n. of section 70 of P.L.1977, c.110 (C.5:12-70). As used in this
34 section, "adjusted net income" means annual net income plus management
35 fees.

36 The aggregate amount of tax imposed by this section shall not exceed
37 \$10 million annually for a holder of more than one casino license, and for
38 each casino licensee the tax imposed by this section shall not be less than
39 \$350,000 annually.

40 b. The **【commission】** Director of the Division of Taxation in the
41 Department of the Treasury shall collect and administer the tax imposed
42 pursuant to this section. In carrying out the provisions of this section, the
43 Director of the Division of Taxation shall have all of the powers granted in
44 P.L.1945, c.162 (C.54:10A-1 et seq.). For a casino licensee that was in
45 operation in calendar year 2002, the tax shall be due and payable to the
46 State Treasurer in four equal payments on September 15, December 15,
47 March 15, and June 15 of each State fiscal year. For a casino licensee that

1 was not in operation in calendar year 2002, the tax in State fiscal year 2004
2 shall be due and payable to the State Treasurer in four quarterly estimated
3 payments on the basis of adjusted net income in the current quarter, and the
4 licensee shall file an annual return for State fiscal year 2004 no later than
5 October 15, 2004. In State fiscal years 2005 and 2006 for such casino
6 licensee, the tax shall be due and payable to the State Treasurer in four
7 equal payments on September 15, December 15, March 15 and June 15.

8 c. The tax imposed by this section, and any interest or penalties
9 **【imposed by the commission】** collected by the Director of the Division of
10 Taxation in the Department of Treasury relating to that tax, shall be
11 deposited by the State Treasurer into the Casino Revenue Fund established
12 pursuant to section 145 of P.L.1977, c.110 (C.5:12-145).

13 d. The **【commission】** Director of the Division of Taxation in the
14 Department of Treasury shall certify annually on September 30**【**, 2003 and
15 annually thereafter】 of each year the amount of tax required to be paid
16 pursuant to this section. The **【commission】** Director of the Division of
17 Taxation may promulgate such rules and regulations as the **【commission】**
18 Director of the Division of Taxation determines are necessary to effectuate
19 the provisions of this section.

20 e. (Deleted by amendment, P.L.2004, c.128).

21 f. The tax imposed under this section shall be governed by the
22 provisions of the “State Uniform Tax Procedure Law,” R.S.54:48-1 et seq.
23 (cf: P.L.2004, c.128, s.6)

24
25 109. Section 149 of P.L.1977, c.110 (C.5:12-149) is amended to read as
26 follows:

27 149. Determination of Tax Liability. The **【commission】** Division of
28 Taxation may perform audits of the books and records of a casino licensee,
29 at such times and intervals as it deems appropriate, for the purpose of
30 determining the sufficiency of tax payments. If a return or deposit required
31 by section 145 with regard to obligations imposed by subsection a. of
32 section 144 of P.L.1977, c.110 (C.5:12-144) is not filed or paid, or if a
33 return or deposit when filed or paid is determined by the **【commission】**
34 Division of Taxation to be incorrect or insufficient with or without an audit,
35 the amount of tax or deposit due shall be determined by the **【commission】**
36 Division of Taxation. Notice of such determination shall be given to the
37 licensee liable for the payment of the tax or deposit. Such determination
38 shall finally and irrevocably fix the tax unless the person against whom it is
39 assessed, within 30 days after receiving notice of such determination, shall
40 apply to the **【commission】** Division of Taxation for a hearing**【**, or unless
41 the commission on its own motion shall redetermine the same. After such
42 hearing the commission shall give notice of its determination to the person
43 against whom the tax is assessed**】** in accordance with the regulations of the
44 Division of Taxation.

45 (cf: P.L.1993, c.292, s.34)

1 110. Section 150 of P.L.1977, c.110 (C.5:12-150) is amended to read as
2 follows:

3 150. Penalties. a. Any licensee who shall fail to file his return when
4 due or to pay any tax or deposit when the same becomes due, as herein
5 provided, shall be subject to such penalties and interest as provided in the
6 "State Tax Uniform Procedure Law," Subtitle 9 of Title 54 of the Revised
7 Statutes. If the **【commission】** Division of Taxation determines that the
8 failure to comply with any provision of this Article was excusable under the
9 circumstances, the **【commission】** Division of Taxation may remit such part
10 or all of the penalty as shall be appropriate under such circumstances.

11 b. Any person failing to file a return, failing to pay the tax or deposit, or
12 filing or causing to be filed, or making or causing to be made, or giving or
13 causing to be given any return, certificate, affidavit, representation,
14 information, testimony or statement required or authorized by this act, or
15 rules or regulations adopted hereunder which is willfully false, or failing to
16 keep any records required by this act or rules and regulations adopted
17 hereunder, shall, in addition to any other penalties herein or elsewhere
18 prescribed, be guilty of a crime of the fourth degree and subject to the
19 penalties therefor, except that the amount of a fine may be up to
20 \$100,000.00.

21 c. Except as to those determinations required to be made by the
22 **【commission】** Division of Taxation pursuant to section 149 of P.L.1977,
23 c.110 (C.5:12-149), the certificate of the State Treasurer to the effect that a
24 tax or deposit has not been paid, that a return has not been filed, that
25 information has not been supplied, or that inaccurate information has been
26 supplied pursuant to the provisions of this act or rules or regulations
27 adopted hereunder, shall be presumptive evidence thereof.

28 d. If any part of any underpayment of tax required to be shown on a
29 return is due to fraud, there shall be added to the tax an amount equal to
30 50% of the underpayment.

31 (cf: P.L.1993, c.292, s.35)

32

33 111. Section 151 of P.L.1977, c.110 (C.5:12-151) is amended as
34 follows:

35 151. In addition to the other powers granted by this act, the
36 **【commission】** Division of Taxation is hereby authorized and empowered to
37 promulgate and distribute all forms and returns necessary to the
38 implementation of this act.

39 (cf: P.L.1977, c.110, s.151)

40

41 112. Section 4 of P.L.1985, c.539 (C.5:12-186) is amended to read as
42 follows:

43 4. a. Notwithstanding the provisions of any law, rule or regulation to
44 the contrary, every casino licensee shall establish goals of expending at
45 least 5% of the dollar value of its contracts for goods and services with
46 minority and women's business enterprises **【by the end of the third year**
47 following the operative date of this 1985 amendatory and supplementary

1 act or] by the end of third year following the receipt of a casino license,
2 [whichever is later] and 10% of the dollar value of its contracts for goods
3 and services with minority and women's business enterprises [by the end of
4 the sixth year following the operative date of this 1985 amendatory and
5 supplementary act or] by the end of the sixth year following the receipt of a
6 casino license[, whichever is later]; and each such licensee shall have a
7 goal of expending 15% of the dollar value of its contracts for goods and
8 services with minority and women's business enterprises [by the end of the
9 10th year following that operative date or] by the end of the 10th year
10 following the receipt of a casino license[, whichever is later]. Each casino
11 licensee shall be required to demonstrate annually [to the commission] that
12 the requirements of this act have been met by submitting a report which
13 shall include the total dollar value of contracts awarded for goods or
14 services and the percentage thereof awarded to minority and women's
15 business enterprises.

16 As used in this section, "goods and services" shall not include (1)
17 utilities and taxes; (2) financing costs, such as mortgages, loans or any
18 other type of debt; (3) medical insurance; (4) dues and fees to the Atlantic
19 City Casino Association; (5) fees and payments to a parent or affiliated
20 company of the casino licensee other than those that represent fees and
21 payments for goods and services supplied by non-affiliated persons through
22 an affiliated company for the use or benefit of the casino licensee; and (6)
23 rents paid for real property and any payments constituting the price of an
24 interest in real property as a result of a real estate transaction.

25 b. A casino licensee shall make a good faith effort to meet the
26 requirements of this section and shall annually demonstrate to the
27 [commission] division that such an effort was made.

28 c. A casino licensee may fulfill no more than 70% of its obligation or
29 part of it under this act by requiring a vendor to set aside a portion of his
30 contract for minority or women's business enterprises. Upon request, the
31 licensee shall provide the [commission] division with proof of the amount
32 of the set-aside.

33 (cf: P.L.1987, c.137, s.3)

34
35 113. Section 5 of P.L.1985, c.539 (C.5:12-187) is amended to read as
36 follows:

37 5. a. Every casino licensee shall establish goals of expending at least
38 5% of the dollar value of its bus business with minority and women's
39 business enterprises [by the end of the third year following the operative
40 date of this 1985 amendatory and supplementary act or] by the end of the
41 third year following the receipt of a casino license, [whichever is later] and
42 10% of the dollar value of its bus business with minority and women's
43 business enterprises [by the end of the sixth year following the operative
44 date of this 1985 amendatory and supplementary act or] by the end of the
45 sixth year following the receipt of a casino license[, whichever is later];
46 and each such licensee shall have a goal of expending 15% of the dollar

1 value of its bus business with minority and women's business enterprises by
2 the end of the 10th year following **【that operative date or】** by the end of the
3 10th year following the receipt of a casino license**【, whichever is later】**.
4 Each casino licensee shall be required to demonstrate annually **【to the**
5 **commission】** that the requirements of this act have been met by submitting
6 a report which shall include the total bus business expended and the
7 percentage thereof awarded to minority and women's business enterprises.

8 b. A casino licensee shall make a good faith effort to meet the
9 requirements of this section **【and shall annually demonstrate to the**
10 **commission that such an effort was made】**.

11 (cf: P.L.1987, c.137, s.4)

12
13 114. Section 7 of P.L.1987, c.137 (C.5:12-187.1) is amended to read as
14 follows:

15 7. If the **【commission】** division determines that the provisions of
16 sections 4 and 5 of P.L.1985, c.539 (C.5:12-186 and C.5:12-187) relating to
17 expenditures and assignments to minority and women's business enterprises
18 have not been met by a licensee, the **【commission】** division may **【suspend**
19 **or revoke】** recommend to the commission the suspension or revocation of
20 the casino license, and the commission may, in its discretion, revoke or
21 suspend the license, or the division may fine or impose appropriate
22 conditions on the licensee, to ensure that the goals for expenditures and
23 assignments to minority and women's business enterprises are met; except
24 that if a determination is made that a casino licensee has failed to
25 demonstrate compliance with the provisions of sections 4 and 5 of
26 P.L.1985, c.539 (C.5:12-186 and C.5:12-187), a casino licensee will have
27 90 days from the date of the determination of noncompliance within which
28 to comply with the provisions of those sections.

29 (cf: P.L.1987, c.137, s.7)

30
31 115. Section 8 of P.L.1985, c.539 (C.5:12-190) is amended to read as
32 follows:

33 8. The Division of Development for Small Businesses and Women's
34 and Minority Businesses and the **【Casino Control Commission】** Division of
35 Gaming Enforcement shall develop such other regulations as may be
36 necessary to interpret and implement the provisions of this act.

37 (cf: P.L.1985, c.539, s.8)

38
39 116. Section 193 of P.L.1992, c.19 (C.5:12-193) is amended to read as
40 follows:

41 193. It shall be lawful for a casino to conduct casino simulcasting with
42 any in-State sending track and with any out-of-State sending track in
43 accordance with the provisions of this act, the applicable regulations of the
44 New Jersey Racing Commission and the **【New Jersey Casino Control**
45 **Commission】** Division of Gaming Enforcement and any joint regulations of
46 these commissions promulgated pursuant to this act.

47 (cf: P.L.1992, c.19, s.3)

1 117. Section 194 of P.L.1992, c.19 (C.5:12-194) is amended to read as
2 follows:

3 194. a. (1) A casino licensee which wishes to conduct casino
4 simulcasting shall establish a simulcasting facility as part of the casino
5 hotel. The simulcasting facility may be adjacent to, but shall not be part of,
6 any room or location in which casino gaming is conducted pursuant to the
7 provisions of P.L.1977, c.110 (C.5:12-1 et seq.). The simulcasting facility
8 shall conform to all requirements concerning square footage, equipment,
9 security measures and related matters which the **【Casino Control**
10 **Commission】** Division of Gaming Enforcement shall by regulation
11 prescribe. The space required for the establishment of a simulcasting
12 facility shall not reduce the space authorized for casino gaming activities as
13 specified in section 83 of P.L.1977, c.110 (C.5:12-83). The cost of
14 establishing, maintaining and operating a simulcasting facility shall be the
15 sole responsibility of the casino licensee.

16 (2) Wagering on simulcast horse races shall be conducted only in the
17 simulcasting facility, which shall be open and operated whenever simulcast
18 horse races are being transmitted to the casino hotel during permitted hours
19 of casino operation.

20 (3) Any authorized game, as defined in section 5 of P.L.1977, c.110
21 (C.5:12-5), other than slot machines may be conducted in a simulcasting
22 facility subject to the rules and regulations of the **【Casino Control**
23 **Commission】** Division of Gaming Enforcement.

24 (4) The security measures for a simulcasting facility shall include the
25 installation by the casino licensee of a closed circuit television system
26 according to specifications approved by the **【Casino Control Commission】**
27 Division of Gaming Enforcement. The Casino Control Commission and the
28 Division of Gaming Enforcement shall have access to the system or its
29 signal in accordance with regulations of the commission.

30 b. All persons engaged directly in wagering-related activities
31 conducted by a casino licensee in a simulcasting facility, whether employed
32 by the casino licensee or by a person or entity conducting casino
33 simulcasting in the simulcasting facility pursuant to an agreement with the
34 casino licensee**【**, shall be licensed as casino employees or casino key
35 employees, as appropriate. **All】** and all other employees of the casino
36 licensee or of the person or entity conducting casino simulcasting who are
37 working in the simulcasting facility, shall be licensed or registered in
38 accordance with regulations of the Casino Control Commission or the
39 Division of Gaming Enforcement.

40 Any employee at the Atlantic City Race Course or Garden State Park on
41 or after June 12, 1992, who loses employment with that racetrack as a
42 direct result of the implementation of casino simulcasting and who has been
43 licensed by the New Jersey Racing Commission for five consecutive years
44 immediately preceding the loss of employment shall be given first
45 preference for employment whenever any comparable position becomes
46 available in any casino simulcasting facility, provided the person is
47 qualified pursuant to this subsection. If a casino licensee enters into an

1 agreement with a person or entity for the conduct of casino simulcasting in
2 its simulcasting facility, the agreement shall include the requirement that
3 such first preference in employment shall be given by the person or entity
4 with respect to employment in the simulcasting facility.

5 c. A casino licensee which establishes a simulcasting facility and
6 conducts casino simulcasting shall, as a condition of continued operation of
7 casino simulcasting, receive all live races which are transmitted by in-State
8 sending tracks.

9 d. Agreements between a casino licensee and an in-State or out-of-
10 State sending track for casino simulcasting shall be in writing and shall be
11 filed with the New Jersey Racing Commission and with the **【Casino
12 Control Commission】** Division of Gaming Enforcement in accordance with
13 section 104 of P.L.1977, c.110 (C.5:12-104).

14 e. If wagering at casinos on sports events is authorized by the voters of
15 this State and by enabling legislation enacted by the Legislature, and if a
16 casino licensee conducts such wagering and casino simulcasting, the two
17 activities shall be conducted in the same area, in accordance with such
18 regulations as the **【Casino Control Commission】** Division of Gaming
19 Enforcement shall prescribe with respect to wagering on sports events and
20 in accordance with this act and such regulations as may be adopted
21 pursuant to section 3 of this act with respect to casino simulcasting.
22 (cf: P.L.1996, c.84, s.8)

23
24 118. Section 199 of P.L.1992, c.19 (C.5:12-199) is amended to read as
25 follows:

26 199. A casino which chooses to conduct casino simulcasting and which
27 operates a simulcasting facility may, with the approval of both the New
28 Jersey Racing Commission and the New Jersey **【Casino Control
29 Commission】** Division of Gaming Enforcement, also receive simulcast
30 horse races conducted at out-of-State sending tracks in accordance with the
31 provisions of this act and any applicable regulations of these commissions
32 and joint regulations of these commissions promulgated pursuant to this
33 act.

34 In order to be eligible to participate in casino simulcasting, an out-of-
35 State sending track shall be approved by the New Jersey Racing
36 Commission and be subject to licensure by the **【Casino Control
37 Commission】** Division of Gaming Enforcement as a casino service industry
38 enterprise pursuant to subsection c. of section 92 of P.L.1977, c.110
39 (C.5:12-92). The approval of the New Jersey Racing Commission shall
40 only be granted when that commission, in its discretion and after
41 consideration of the interests of the casino making application, determines
42 that approval is in the best interest of the public and the racing industry in
43 New Jersey.

44 (cf: P.L.2009, c.36, s.27)

45
46 119. Section 20 of P.L.1992, c.19 (C.5:12-210) is amended to read as
47 follows:

1 20. The **【Casino Control Commission】** Division of Gaming
2 Enforcement and the New Jersey Racing Commission shall individually and
3 jointly promulgate and adopt any rules and regulations, pursuant to the
4 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.),
5 which are necessary to effectuate the purposes of **【this act】** P.L.1992, c.19
6 (C.5:12-191 et seq.).
7 (cf: P.L.1992, c.19, s.20)
8

9 120. Section 4 of P.L.2008, c.23 (C.5:12-211) is amended to read as
10 follows:

11 4. In the event **【that】** of a state of emergency **【is declared due to the**
12 **failure to enact a general appropriation law by the deadline prescribed by**
13 **Article VIII, Section II, paragraph 2 of the New Jersey Constitution, that**
14 **prevents inspectors, agents, or other employees of the commission and the**
15 **division from performing their normal duties】**, a casino licensee may
16 continue to conduct casino and simulcast operations for a period not to
17 exceed seven calendar days, notwithstanding that **【the inspectors, agents or**
18 **other】** employees of the commission and the division are unable to perform
19 their functions, provided that the casino licensee has complied with section
20 5 of P.L.2008, c.23 (C.5:12-212), and that the casino licensee and its
21 employees shall continue to comply with all relevant provisions of the New
22 Jersey Constitution and all relevant State statutes and regulations and shall
23 maintain detailed records of that compliance.

24 If, during any period of time that casino and simulcasting facilities
25 remain open pursuant to the provisions of this section, the Governor
26 determines that the holder of a casino license, or any licensed employee
27 thereof, may be engaged in what the Governor believes to be a violation of
28 any State statute or regulation governing the operation of those facilities
29 that would ordinarily subject a licensee to a possible suspension or
30 revocation of its license, the Governor shall have the authority to
31 summarily suspend the license of that casino or employee until such time as
32 it is rescinded by the Governor, or the state of emergency ceases and the
33 commission or the division, as appropriate, is able to address the matter.

34 Any violation of a statute or regulation that would ordinarily subject a
35 licensee to a fine, but which occurs while a facility remains open during a
36 state of emergency pursuant to this section, which is not reported by the
37 casino licensee in accordance with **【its approved internal control**
38 **procedures】** this act, shall be punishable by a fine of no less than five times
39 and up to ten times the amount of the usual fine, depending on the nature
40 and seriousness of the violation. When the state of emergency ceases,
41 casino licensees shall be responsible for any costs associated with re-
42 implementing onsite State inspections.

43 (cf: P.L.2008, c.23, s.4)
44

45 121. Section 5 of P.L.2008, c.23 (C.5:12-212) is amended to read as
46 follows:

- 1 5. In order for a casino licensee to conduct casino and simulcast
2 operations during a state of emergency as authorized in section 4 of
3 P.L.2008, c.23 (C.5:12-211), it shall **【obtain commission approval】** create,
4 maintain, and file with the division of internal controls prior to the state of
5 emergency, which shall become effective only during the state of
6 emergency, that contain, without limitation:
- 7 a. Procedures for the casino licensee and its employees to report any
8 violation of a statute or regulation to the casino licensee's chief legal officer
9 and audit committee executive, who shall report any such violations to the
10 Governor immediately and to the commission and division when the state
11 of emergency ceases.
- 12 b. Procedures for the casino licensee to engage a certified public
13 accountant **【approved by the commission, which procedures shall provide**
14 **sufficient safeguards to ensure that the public's interest in the integrity of**
15 **casino operations is served, and shall include but not be limited to a**
16 **criminal history record background check to be conducted in accordance**
17 **with the authority provided under paragraph (5) of subsection b. of section**
18 **89 of P.L.1977, c.110 (C.5:12-89),】** to perform the following functions
19 during the state of emergency:
- 20 (1) Act in the capacity of the **【commission】** division whenever the
21 presence of an **【inspector, agent or】** employee of the **【commission】**
22 division is normally required to perform an activity **【including, without**
23 **limitation, the collection and counting of gross revenue】**;
- 24 (2) Perform any other functions in accordance with instructions issued
25 by the **【commission】** division prior to the state of emergency; and
- 26 (3) Maintain a written record of all activity performed.
- 27 c. Procedures for the surveillance department of the casino licensee to
28 record any activity that involves the participation of the certified public
29 accountant and to provide the recordings to the **【commission】** division
30 when the state of emergency ceases.
- 31 d. Procedures for providing any evidence of tampering or cheating that
32 occurs during the state of emergency to the certified public accountant, who
33 shall preserve such evidence for the **【commission and】** division.
- 34 e. Procedures to ensure that a designee of the casino licensee's chief
35 legal officer is available at all times to receive any complaint from the
36 public relating to the conduct of casino operations. Any such patron
37 complaint shall be forwarded to the chief legal officer, who shall promptly
38 file it with the **【commission】** division when the state of emergency ceases.
- 39 f. Procedures for withholding the payment of slot machine jackpots
40 greater than \$75,000 during the state of emergency, which shall be posted
41 in the casino advising patrons of the temporary jackpot payout procedures.
42 Such procedures shall include, without limitation, issuance of a written
43 receipt to the winning patron and withholding payment of the jackpot until
44 the state of emergency ceases and the division has had the opportunity to
45 inspect the slot machine on which the jackpot was won.

1 g. Procedures for staffing both the surveillance and casino security
2 departments with at least one additional officer at all times during the state
3 of emergency.

4 (cf: P.L.2008, c.23, s.5)

5
6 122. Section 6 of P.L.2008, c.23 (C.5:12-213) is amended to read as
7 follows:

8 6. During any **【period of operations authorized by section 4 of**
9 **P.L.2008, c.23 (C.5:12-211)】** state of emergency, as defined in section 24
10 of P.L. c. (C.) (pending before the Legislature as this bill), a casino
11 licensee shall not:

12 a. Amend or seek permission to amend: (1) any submission required by
13 section 99 of P.L.1977, c.110 (C.5:12-99); or (2) its operation certificate.

14 b. **【Modify the configuration of its gaming floor or the gaming assets**
15 **located thereon in any manner whatsoever.】** (Deleted by amendment,
16 P.L. , c.) (pending before the Legislature as this bill)

17 c. **【Perform any activity that requires a pre-inspection by the**
18 **commission to ensure that surveillance camera coverage is adequate.】**
19 (Deleted by amendment, P.L. , c.) (pending before the Legislature as
20 this bill)

21 d. Perform any modification to any casino computer system or multi-
22 casino progressive slot system, except in the event of an emergency that, in
23 the opinion of its chief gaming executive and the director of its
24 Management Information Systems department, could affect the integrity of
25 casino or simulcasting operations or the collection and certification of gross
26 revenue.

27 e. Perform an adjustment to the amount on the progressive meter of
28 any slot machine; provided, however, notwithstanding any **【commission】**
29 division regulation to the contrary, if a casino licensee reasonably believes
30 a progressive meter is displaying an incorrect amount, it may take the
31 progressive slot machine out of service until the state of emergency ceases.

32 f. Conduct any gaming tournament or other activity that requires
33 **【commission】** division approval, unless the tournament or activity has been
34 approved by the **【commission】** division prior to the commencement of the
35 state of emergency.

36 (cf: P.L.2008, c.23, s.6)

37
38 123. Section 7 of P.L.2008, c.23 (C.5:12-214) is amended to read as
39 follows:

40 7. During any **【period of operations authorized by section 4 of**
41 **P.L.2008, c.23 (C.5:12-211)】** state of emergency, no transfer of property
42 shall occur that would otherwise require the issuance of interim casino
43 authorization pursuant to section 3 of P.L.1987, c.409 (C.5:12-95.12) prior
44 to such transfer.

45 (cf: P.L.2008, c.23, s.7)

1 124. Section 8 of P.L.2008, c.23 (C.5:12-215) is amended to read as
2 follows:

3 8. In the event a state of emergency is declared **【due to the failure to**
4 **enact a general appropriation law by the deadline prescribed by Article**
5 **VIII, Section II, paragraph 2 of the New Jersey Constitution】** that prevents
6 employees of the commission and the division from performing their
7 normal duties, the duration of the state of emergency shall not be included
8 in the calculation of the time period required by any law, rule or regulation
9 for:

10 a. Action by the Casino Control Commission or the Division of
11 Gaming Enforcement on any pending application **【or submission】**; and

12 b. The filing of any application or other required submission with the
13 Casino Control Commission or the Division of Gaming Enforcement by
14 any person.

15 (cf: P.L.2008, c.23, s.8)

16

17 125. Section 55 of P.L.1977, c.110 (C.5:12-55) is amended to read as
18 follows:

19 55. Division of gaming enforcement. There is hereby established in the
20 Department of Law and Public Safety the Division of Gaming Enforcement.
21 The division shall be under the immediate supervision of a director who
22 shall also be sworn as an Assistant Attorney General and who shall
23 administer the work of the division under the direction and supervision of
24 the Attorney General. The director shall be appointed by the Governor,
25 with the advice and consent of the Senate, and shall serve during the term
26 of office of the Governor, except that the first director shall be appointed
27 for a term of 2 years. The director may be removed from office by the
28 Attorney General for cause upon notice and opportunity to be heard.

29 The director and any employee or agent of the division shall be subject
30 to the duty to appear and testify and to removal from his office, position or
31 employment in accordance with the provisions of P.L.1970, c.72 (C.2A:81-
32 17.2a et seq.). The Attorney General shall be responsible for the exercise
33 of the duties and powers assigned to the division.

34 The division shall be **【principally】** located in Atlantic City, except that
35 the division may maintain a secondary satellite office in Trenton, which
36 shall not be the primary office, if deemed necessary for the effective
37 performance of its duties and responsibilities.

38 If, as a result of the transfer of duties and responsibilities from the
39 Casino Control Commission to the division in accordance with P.L. ,
40 c. (C.) (pending before the Legislature as this bill), the division needs
41 to employ an individual to fill a position, former employees of the
42 commission who performed the duties of the position to be filled shall be
43 given a one-time right of first refusal offer of employment with the
44 division, notwithstanding any other provision of law to the contrary.

45 (cf: P.L.1995, c.18, s.11)

46

47 126. (New section) A member of the Casino Control Commission and
48 any employee of the commission holding a supervisory or policy-making

1 management position, and the Director of the Division of Gaming
2 Enforcement and any employee of the division holding a supervisory or
3 policy-making management position, shall not make any contribution as
4 that term is defined in the "The New Jersey Campaign Contributions and
5 Expenditures Reporting Act," P.L.1973, c.83 (C.19:44A-1 et seq.).

6
7 127. Section 115 of P.L.1977, c.110 (C.5:12-115) is amended to read as
8 follows:

9 115. Cheating Games and Devices in a Licensed Casino; Penalty. a. It
10 shall be unlawful:

11 (1) Knowingly to conduct, carry on, operate, deal or allow to be
12 conducted, carried on, operated or dealt any cheating or thieving game or
13 device; or

14 (2) Knowingly to deal, conduct, carry on, operate or expose for play any
15 game or games played with cards, dice or any mechanical device, or any
16 combination of games or devices, which have in any manner been marked
17 or tampered with, or placed in a condition, or operated in a manner, the
18 result of which tends to deceive the public or tends to alter the normal
19 random selection of characteristics or the normal chance of the game which
20 could determine or alter the result of the game.

21 b. It shall be unlawful knowingly to use or possess any marked cards,
22 loaded dice, plugged or tampered with machines or devices.

23 c. Any person who violates this section is guilty of a crime of the
24 fourth degree and subject to the penalties therefor, except that the amount
25 of a fine may be up to **【\$25,000.00】** \$50,000, and in the case of a person
26 other than a natural person, the amount of a fine may be up to
27 **【\$100,000.00】** \$200,000.

28 (cf: P.L.1991, c.182, s.47)

29
30 128. Section 116 of P.L.1977, c.110 (C.5:12-116) is amended to read as
31 follows:

32 116. Unlawful possession of device, equipment or other material
33 illegally manufactured, distributed, sold or serviced. Any person who
34 possesses any device, equipment or material which he knows has been
35 manufactured, distributed, sold, tampered with or serviced in violation of
36 the provisions of this act is guilty of a crime of the fourth degree and
37 subject to the penalties therefor, except that the amount of a fine may be up
38 to **【\$25,000.00】** \$50,000, and in the case of a person other than a natural
39 person, the amount of a fine may be up to **【\$100,000.00】** \$200,000.

40 (cf: P.L.1991, c.182, s.48)

41
42 129. Section 117 of P.L.1977, c.110 (C.5:12-117) is amended to read as
43 follows:

44 117. Employment Without License or Registration; Penalty. a. Any
45 person who, without obtaining the requisite license or registration as
46 provided in this act, works or is employed in a position whose duties would
47 require licensing or registration under the provisions of this act is guilty of
48 a crime of the fourth degree and subject to the penalties therefor, except

1 that the amount of a fine may be up to ~~【\$10,000.00】~~ \$20,000, and in the
2 case of a person other than a natural person, the amount of a fine may be up
3 to ~~【\$50,000.00】~~ \$100,000.

4 b. Any person who employs or continues to employ an individual not
5 duly licensed or registered under the provisions of this act in a position
6 whose duties require a license or registration under the provisions of this
7 act is guilty of a crime of the fourth degree and subject to the penalties
8 therefor, except that the amount of a fine may be up to ~~【\$10,000.00】~~
9 \$20,000, and in the case of a person other than a natural person, the amount
10 of a fine may be up to ~~【\$50,000.00】~~ \$100,000.

11 c. (Deleted by amendment, P.L.1991, c.182).

12 d. Any person violating the provisions of subsection 101e. of this act
13 shall be guilty of a crime of the third degree, and shall be subject to the
14 penalties therefor, except that the amount of a fine may be up to
15 ~~【\$25,000.00】~~ \$50,000. Any licensee permitting or allowing such a
16 violation shall also be punishable under this subsection, in addition to any
17 other sanctions the commission may impose.

18 (cf: P.L.1991, c.182, s.49)

19

20 130. Section 120 of P.L.1977, c.110 (C.5:12-120) is amended to read as
21 follows:

22 120. Prohibited Political Contributions; Penalty. Any person who
23 makes or causes to be made a political contribution prohibited by the
24 provisions of this act is guilty of a crime of the fourth degree and subject to
25 the penalties therefor, except that the amount of a fine may be up to
26 ~~【\$100,000.00】~~ \$200,000, and in the case of a person other than a natural
27 person, the amount of a fine may be up to ~~【\$250,000.00】~~ \$500,000.

28 (cf: P.L.1991, c.182, s.52)

29

30 131. Section 126 of P.L.1977, c.110 (C.5:12-126) is amended to read as
31 follows:

32 126. a. It shall be unlawful for any person who has received any income
33 derived, directly or indirectly, from pattern of racketeering activity or
34 through collection of an unlawful debt in which such person has
35 participated as a principal within the meaning of N.J.S.2A:85-14 to use or
36 invest, directly or indirectly, any part of such income, or the proceeds of
37 such income, in acquisition of any interest in, or the establishment or
38 operation of, any enterprise which is engaged in or the activities of which
39 affect casino gaming operations or ancillary industries which do business
40 with any casino licensee. A purchase of securities on the open market for
41 purposes of investment, and without the intention of controlling or
42 participating in the control of the issuer or of assisting another to do so,
43 shall not be unlawful under this subsection, provided that the sum total of
44 the securities of the issuer held by the purchaser, the members of his
45 family, and his or their accomplices in any pattern of racketeering activity
46 or in the collection of an unlawful debt does not amount in the aggregate to
47 one percent of the outstanding securities of any one class, or does not,

1 either in law or in fact, empower the holders thereof to elect one or more
2 directors of the issuer.

3 b. It shall be unlawful for any person through a pattern of racketeering
4 activity or through collection of an unlawful debt to acquire or maintain,
5 directly or indirectly, any interest in or control of any enterprise which is
6 engaged in, or the activities of which affect, casino gaming operations or
7 ancillary industries which do business with any casino licensee.

8 c. It shall be unlawful for any person employed by or associated with
9 any enterprise engaged in, or the activities of which affect, casino gaming
10 operations or ancillary industries which do business with any casino
11 licensee, to conduct or participate, directly or indirectly, in the conduct of
12 such enterprise's affairs through a pattern of racketeering activity or
13 collection of unlawful debt.

14 d. It shall be unlawful for any person to conspire to violate any of the
15 provisions of subsections a., b., or c. of this section.

16 e. Any person who violates any provision of this section shall be fined
17 not more than ~~【\$50,000.00】~~ \$100,000 or imprisoned not more than twenty
18 years or both and shall forfeit to the State (1) any interest he has acquired
19 or maintained in violation of this section and (2) any interest in, security of,
20 claim against, or property or contractual right of any kind affording a
21 source of influence over any enterprise which he has established, operated,
22 controlled, conducted, or participated in the conduct of, in violation of this
23 section.

24 f. In any action brought by the Attorney General under this section, the
25 Superior Court shall have jurisdiction to enter such restraining orders or
26 prohibitions, or to take such other actions, including, but not limited to, the
27 acceptance of satisfactory performance bonds, in connection with any
28 property or other interest subject to forfeiture under this section, as it shall
29 deem proper.

30 g. Upon conviction of a person under this section, the court shall
31 authorize the Attorney General to seize all property or other interest
32 declared forfeited under this section upon such terms and conditions as the
33 court shall deem proper. If a property right or other interest is not
34 exercisable or transferable for value by the State, it shall expire and shall
35 not revert to the convicted person.

36 (cf: P.L.1977, c.110, s.126)

37

38 ¹132. Section 4 of P.L.1978, c.7 (C.5:12-14.4) is amended to read as
39 follows:

40 4. "Debt" -- Any legal liability, whether matured or unmatured,
41 liquidated or unliquidated, absolute, fixed or contingent, including (1)
42 convertible debt that has not yet been converted to any equity security and
43 (2) any other debt instrument carrying any warrant or right to subscribe to
44 or purchase such an equity security but which warrant or right has not been
45 exercised.¹

46 (cf: P.L.1978, c.7, s.4)

1 ¹133. Section 18 of P.L.1977, c.110 (C.5:12-18) is amended to read as
2 follows:

3 18. "Equity security" -- (a) Any voting stock of a corporation, or similar
4 security; (b) any security **【convertible】** converted, with or without
5 consideration, into such a security, or **【carrying】** that carried any warrant
6 or right to subscribe to or purchase such a security which was exercised; (c)
7 any such warrant or right; or (d) any security having a direct or indirect
8 participation in the profits of the issuer, except that as to paragraph (b)
9 hereunder the holder thereof shall be required to qualify as a holder of
10 equity security prior to any conversion or exercise of rights.¹

11 (cf: P.L.1977, c.110, s.18)

12

13 ¹**【132.】** 134.¹ The following sections are repealed:

14 Section 6 of P.L.1995, c.18 (C.5:12-11.1);
15 Section 38 of P.L.1977, c.110 (C.5:12-38);
16 Section 64 of P.L.1977, c.110 (C.5:12-64);
17 Section 65 of P.L.1977, c.110 (C.5:12-65);
18 Section 67 of P.L.1977, c.110 (C.5:12-67);
19 Section 88 of P.L.1977, c.110 (C.5:12-88);
20 Section 90 of P.L.1977, c.110 (C.5:12-90); and
21 Section 3 of P.L.2003, c.116 (C.5:12-148.1).

22

23 ¹**【133.】** 135.¹ This act shall take effect immediately ¹and the orderly
24 transition of responsibilities and functions from the Casino Control
25 Commission to the Division of Gaming Enforcement shall take place for 90
26 days following the effective date¹, provided, however, that the division and
27 commission may take such anticipatory action as is necessary to effectuate
28 the provisions of this act. Any completed applications properly filed with
29 or submitted to the commission which are pending on the effective date of
30 this act over which the division is accorded authority pursuant to the
31 provisions of this act shall be deemed to have been properly filed with or
32 submitted to the division, provided that any application for a license, which
33 license by effect of this act is no longer required, shall be treated as a
34 registration.