

ASSEMBLY, No. 993

STATE OF NEW JERSEY

Introduced Pending Technical Review by Legislative Counsel

PRE-FILED FOR INTRODUCTION IN THE 1996 SESSION

By Assemblymen MORAN and CONNORS

1 AN ACT concerning credit at casinos and amending P.L.1977, c.110.

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

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

8 99. Internal Controls. a. Each casino licensee shall submit to the
9 commission a description of its system of internal procedures and
10 administrative and accounting controls for gaming and simulcast
11 wagering operations and a description of any changes thereof. Such
12 submission shall be made at least 60 days before such operations are
13 to commence or at least 60 days before any change in those
14 procedures or controls is to take effect, unless otherwise directed by
15 the commission. Each such submission shall contain both narrative
16 and diagrammatic representations of the internal control system to be
17 utilized by the casino, including, but not limited to:

18 (1) Accounting controls, including the standardization of forms and
19 definition of terms to be utilized in the gaming and simulcast wagering
20 operations;

21 (2) Procedures, forms, and, where appropriate, formulas covering
22 the calculation of hold percentages, revenue drop, expense and
23 overhead schedules, complimentary services, junkets, cash equivalent
24 transactions, salary structure and personnel practices;

25 (3) Job descriptions and the system of personnel and
26 chain-of-command, establishing a diversity of responsibility among
27 employees engaged in casino operations and identifying primary and
28 secondary supervisory positions for areas of responsibility, which areas
29 shall not be so extensive as to be impractical for an individual to
30 monitor;

31 (4) Procedures within the cashier's cage and simulcast facility for
32 the receipt, storage and disbursal of chips, cash, and other cash

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

Matter underlined thus is new matter.

- 1 equivalents used in gaming and simulcast wagering; the cashing of
2 checks; the redemption of chips and other cash equivalents used in
3 gaming and simulcast wagering; the pay-off of jackpots and simulcast
4 wagers; and the recording of transactions pertaining to gaming and
5 simulcast wagering operations;
- 6 (5) Procedures for the collection and security of moneys at the
7 gaming tables and in the simulcasting facility;
- 8 (6) Procedures for the transfer and recordation of chips between
9 the gaming tables and the cashier's cage and the transfer and
10 recordation of moneys within the simulcasting facility;
- 11 (7) Procedures for the transfer of moneys from the gaming tables
12 to the counting process and the transfer of moneys within the
13 simulcasting facility for the counting process;
- 14 (8) Procedures and security for the counting and recordation of
15 revenue;
- 16 (9) Procedures for the security, storage and recordation of cash,
17 chips and other cash equivalents utilized in the gaming and simulcast
18 wagering operations;
- 19 (10) Procedures for the transfer of moneys or chips from and to the
20 slot machines;
- 21 (11) Procedures and standards for the opening and security of slot
22 machines;
- 23 (12) Procedures for the payment and recordation of slot machine
24 jackpots;
- 25 (13) Procedures for the cashing and recordation of checks
26 exchanged by casino and simulcast wagering patrons;
- 27 (14) Procedures governing the utilization of the private security
28 force within the casino and simulcasting facility;
- 29 (15) Procedures and security standards for the handling and
30 storage of gaming apparatus including cards, dice, machines, wheels
31 and all other gaming equipment;
- 32 (16) Procedures and rules governing the conduct of particular
33 games and simulcast wagering and the responsibility of casino
34 personnel in respect thereto; and
- 35 (17) Procedures for separately recording all transactions pursuant
36 to section 101 of this act involving the Governor, any State officer or
37 employee, [or] any special State officer or employee, any member of
38 the Judiciary, any member of the Legislature, any officer of a
39 municipality or county [in which casino gaming is authorized], any
40 school board member, chief school administrator, school business
41 administrator or school business manager of a school district, or any
42 gaming related casino employee, and for the quarterly filing with the
43 Attorney General of a list reporting all such transactions.
- 44 In addition, each casino licensee shall submit to the commission a
45 description of its system of internal procedures and administrative and
46 accounting controls for non-gaming operations and a description of

1 any changes thereof no later than five days after those operations
2 commence or after any change in those procedures or controls takes
3 effect.

4 b. The commission shall review each submission required by
5 subsection a. hereof, and shall determine whether it conforms to the
6 requirements of this act and to the regulations promulgated thereunder
7 and whether the system submitted provides adequate and effective
8 controls for the operations of the particular casino hotel submitting it.
9 If the commission finds any insufficiencies, it shall specify same in
10 writing to the casino licensee, who shall make appropriate alterations.
11 When the commission determines a submission to be adequate in all
12 respects, it shall notify the casino licensee of same. No casino licensee
13 shall commence or alter gaming operations unless and until such
14 system of controls is approved by the commission.

15 (cf: P.L.1992, c.19, s.31)

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17 2. This act shall take effect immediately, except that the recording
18 of all transactions with respect to new applications for credit shall
19 begin on the 90th day after enactment and the recording of all
20 transactions with respect to already existing credit accounts or credit
21 accounts applied for prior to the 90th day after enactment shall begin
22 on the 180th day after enactment

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25 STATEMENT

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27 This bill requires a casino which grants credit for the purpose of
28 gambling to any member of a school board, chief school administrator
29 or school business officer, to separately record all such transactions
30 and to file a list with the Attorney General on a quarterly basis
31 reporting all such transactions.

32 The bill's provisions would be effective immediately except that the
33 recording of all transactions with respect to new applications for credit
34 would begin on the 90th day after enactment and the recording of all
35 transactions with respect to already existing credit accounts or credit
36 accounts applied for prior to the 90th day after enactment would begin
37 on the 180th day after enactment.

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43 Requires casinos to report to Attorney General the granting of credit
44 for purposes of gambling to any officer of a municipality or county or
to certain officers of a school district.