

ASSEMBLY, No. 993

STATE OF NEW JERSEY

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 30 days before such operations are
13 to commence or at least 30 days before any change in those
14 procedures or controls is to take effect, unless otherwise directed by
15 the commission. Notwithstanding the foregoing, the internal controls
16 described in paragraph (3) of this subsection may be implemented by
17 a casino licensee upon the filing of such internal controls with the
18 commission. Each internal control submission shall contain both
19 narrative and diagrammatic representations of the internal control
20 system to be utilized by the casino, including, but not limited to:

21 (1) Accounting controls, including the standardization of forms and
22 definition of terms to be utilized in the gaming and simulcast wagering
23 operations;

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

29 (3) Job descriptions and the system of personnel and
30 chain-of-command, establishing a diversity of responsibility among
31 employees engaged in casino or simulcasting facility operations and
32 identifying primary and secondary supervisory positions for areas of
33 responsibility, which areas shall not be so extensive as to be
34 impractical for an individual to monitor; salary structure; and

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 personnel practices;

2 (4) Procedures within the cashier's cage and simulcast facility for
3 the receipt, storage and disbursal of chips, cash, and other cash
4 equivalents used in gaming and simulcast wagering; the cashing of
5 checks; the redemption of chips and other cash equivalents used in
6 gaming and simulcast wagering; the pay-off of jackpots and simulcast
7 wagers; and the recording of transactions pertaining to gaming and
8 simulcast wagering operations;

9 (5) Procedures for the collection and security of moneys at the
10 gaming tables and in the simulcasting facility;

11 (6) Procedures for the transfer and recordation of chips between
12 the gaming tables and the cashier's cage and the transfer and
13 recordation of moneys within the simulcasting facility;

14 (7) Procedures for the transfer of moneys from the gaming tables
15 to the counting process and the transfer of moneys within the
16 simulcasting facility for the counting process;

17 (8) Procedures and security for the counting and recordation of
18 revenue;

19 (9) Procedures for the security, storage and recordation of cash,
20 chips and other cash equivalents utilized in the gaming and simulcast
21 wagering operations;

22 (10) Procedures for the transfer of moneys or chips from and to the
23 slot machines;

24 (11) Procedures and standards for the opening and security of slot
25 machines;

26 (12) Procedures for the payment and recordation of slot machine
27 jackpots;

28 (13) Procedures for the cashing and recordation of checks
29 exchanged by casino and simulcasting facility patrons;

30 (14) Procedures governing the utilization of the private security
31 force within the casino and simulcasting facility;

32 (15) Procedures and security standards for the handling and
33 storage of gaming apparatus including cards, dice, machines, wheels
34 and all other gaming equipment;

35 (16) Procedures and rules governing the conduct of particular
36 games and simulcast wagering and the responsibility of casino
37 personnel in respect thereto; and

38 (17) Procedures for separately recording all transactions pursuant
39 to section 101 of this act involving the Governor, any State officer or
40 employee, [or] any special State officer or employee, any member of
41 the Judiciary, any member of the Legislature, any officer of a
42 municipality or county [in which casino gaming is authorized], any
43 school board member, chief school administrator, school business
44 administrator or school business manager of a school district, or any
45 gaming related casino employee, and for the quarterly filing with the
46 Attorney General of a list reporting all such transactions.

1 If required by regulation of the commission, each casino licensee
2 shall also submit a description of its system of internal procedures and
3 administrative and accounting controls for non-gaming operations and
4 a description of any changes thereto no later than five days after those
5 operations commence or after any change in those procedures or
6 controls takes effect.

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

19 (cf: P.L.1995, c.18, s.36)

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

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