

ASSEMBLY, No. 2877

STATE OF NEW JERSEY

INTRODUCED MAY 1, 1997

By Assemblymen LeFEVRE and BLEE

1 AN ACT concerning casino key employees and amending P.L.1977,  
2 c.110.

3

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

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

9 99. Internal Controls.

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

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

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

31 (3) Job descriptions and the system of personnel and  
32 chain-of-command, establishing a diversity of responsibility among  
33 employees engaged in casino or simulcasting facility operations and  
34 identifying primary and secondary supervisory positions for areas of

**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 responsibility, which areas shall not be so extensive as to be  
2 impractical for an individual to monitor; salary structure; and  
3 personnel practices;

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

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

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

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

19 (8) Procedures and security for the counting and recordation of  
20 revenue;

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

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

26 (11) Procedures and standards for the opening and security of slot  
27 machines;

28 (12) Procedures for the payment and recordation of slot machine  
29 jackpots;

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

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

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

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

40 (17) Procedures for separately recording all transactions pursuant  
41 to section 101 of this act involving the Governor, any State officer or  
42 employee, or any special State officer or employee, any member of the  
43 Judiciary, any member of the Legislature, any officer of a municipality  
44 or county in which casino gaming is authorized, any casino key  
45 employee, any person required to hold a casino key employee license  
46 as a condition of employment or qualification, or any gaming related

1 casino employee, and for the quarterly filing with the Attorney General  
2 of a list reporting all such transactions.

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

9 b. The commission shall review each submission required by  
10 subsection a. hereof, and shall determine whether it conforms to the  
11 requirements of this act and to the regulations promulgated thereunder  
12 and whether the system submitted provides adequate and effective  
13 controls for the operations of the particular casino hotel submitting it.  
14 If the commission finds any insufficiencies, it shall specify same in  
15 writing to the casino licensee, who shall make appropriate alterations.  
16 When the commission determines a submission to be adequate in all  
17 respects, it shall notify the casino licensee of same. Except as  
18 otherwise provided in subsection a. of this section, no casino licensee  
19 shall commence or alter gaming operations unless and until such  
20 system of controls is approved by the commission.  
21 (cf: P.L.1995,c.18,s.36)

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23 2. Section 100 of P.L.1977, c.110 (C.5:12-100) is amended to read  
24 as follows:

25 100. a. This act shall not be construed to permit any gaming  
26 except the conduct of authorized games in a casino room in  
27 accordance with this act and the regulations promulgated hereunder  
28 and in a simulcasting facility to the extent provided by the "Casino  
29 Simulcasting Act," P.L.1992, c.19 (C.5:12-191 et al.).  
30 Notwithstanding the foregoing, if the commission approves the game  
31 of keno as an authorized game pursuant to section 5 of P.L.1977,  
32 c.110 (C.5:12-5), as amended, keno tickets may be sold or redeemed  
33 in accordance with commission regulations at any location in a casino  
34 hotel approved by the commission for such activity.

35 b. Gaming equipment shall not be possessed, maintained or  
36 exhibited by any person on the premises of a casino hotel except in a  
37 casino room, in the simulcasting facility, or in restricted casino areas  
38 used for the inspection, repair or storage of such equipment and  
39 specifically designated for that purpose by the casino licensee with the  
40 approval of the commission. Gaming equipment which supports the  
41 conduct of gaming in a casino or simulcasting facility but does not  
42 permit or require patron access, such as computers, may be possessed  
43 and maintained by a casino licensee in restricted casino areas  
44 specifically designated for that purpose by the casino licensee with the  
45 approval of the commission. No gaming equipment shall be possessed,  
46 maintained, exhibited, brought into or removed from a casino room or

1 simulcasting facility by any person unless such equipment is necessary  
2 to the conduct of an authorized game, has permanently affixed,  
3 imprinted, impressed or engraved thereon an identification number or  
4 symbol authorized by the commission, is under the exclusive control  
5 of a casino licensee or his employees, and is brought into or removed  
6 from the casino room or simulcasting facility following 24-hour prior  
7 notice given to an authorized agent of the commission.

8 Notwithstanding the foregoing, a person may, with the prior  
9 approval of the commission and under such terms and conditions as  
10 may be required by the commission, possess, maintain or exhibit  
11 gaming equipment in any other area of the casino hotel; provided such  
12 equipment is used for nongaming purposes.

13 c. Each casino hotel shall contain a count room and such other  
14 secure facilities as may be required by the commission for the counting  
15 and storage of cash, coins, tokens and checks received in the conduct  
16 of gaming and for the inspection, counting and storage of dice, cards,  
17 chips and other representatives of value. All drop boxes and other  
18 devices wherein cash, coins, or tokens are deposited at the gaming  
19 tables or in slot machines, and all areas wherein such boxes and  
20 devices are kept while in use, shall be equipped with two locking  
21 devices, one key to which shall be under the exclusive control of the  
22 commission and the other under the exclusive control of the casino  
23 licensee, and said drop boxes and other devices shall not be brought  
24 into or removed from a casino room or simulcasting facility, or locked  
25 or unlocked, except at such times, in such places, and according to  
26 such procedures as the commission may require.

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

29 e. All gaming shall be conducted according to rules promulgated  
30 by the commission. All wagers and pay-offs of winning wagers shall  
31 be made according to rules promulgated by the commission, which  
32 shall establish such limitations as may be necessary to assure the  
33 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 regarding games and the conduct of gaming, pay-offs of winning  
38 wagers, an approximation of the odds of winning for each wager, and  
39 such other advice to the player as the commission shall require. Each  
40 casino licensee shall prominently post within a casino room and  
41 simulcasting facility, as appropriate, according to regulations of the  
42 commission such information about gaming rules, pay-offs of winning  
43 wagers, the odds of winning for each wager, and such other advice to  
44 the player as the commission 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

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

6 h. (1) No slot machine shall be used to conduct gaming unless it  
7 is identical in all electrical, mechanical and other aspects to a model  
8 thereof which has been specifically tested by the division and licensed  
9 for use by the commission. The division may, in its discretion, and for  
10 the purpose of expediting the approval process, refer testing to any  
11 testing laboratory with a plenary license as a casino service industry  
12 pursuant to subsection a. of section 92 of P.L.1977, c.110  
13 (C.5:12-92). The division shall give priority to the testing of slot  
14 machines which a casino licensee has certified it will use in its casino  
15 in this State. The commission shall, by regulation, establish such  
16 technical standards for licensure of slot machines, including mechanical  
17 and electrical reliability, security against tampering, the  
18 comprehensibility of wagering, and noise and light levels, as it may  
19 deem necessary to protect the player from fraud or deception and to  
20 insure the integrity of gaming. The denominations of such machines  
21 shall be set by the licensee; the licensee shall simultaneously notify the  
22 commission of the settings.

23 (2) The commission shall, by regulation, determine the permissible  
24 number and density of slot machines in a licensed casino so as to:

25 (a) promote optimum security for casino operations;

26 (b) avoid deception or frequent distraction to players at gaming  
27 tables;

28 (c) promote the comfort of patrons;

29 (d) create and maintain a gracious playing environment in the  
30 casino; and

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

33 Any such regulation promulgated by the commission which  
34 determines the permissible number and density of slot machines in a  
35 licensed casino shall provide that all casino floor space and all space  
36 within a casino licensee's casino simulcasting facility shall be included  
37 in any calculation of the permissible number and density of slot  
38 machines in a licensed casino.

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

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

41 k. It shall be unlawful for any person to exchange or redeem chips  
42 for anything whatsoever, except for currency, negotiable personal  
43 checks, negotiable counter checks, other chips, coupons or  
44 complimentary vouchers distributed by the casino licensee, or, if  
45 authorized by regulation of the commission, a valid charge to a credit  
46 or debit card account. A casino licensee shall, upon the request of any

1 person, redeem that licensee's gaming chips surrendered by that person  
2 in any amount over \$100 with a check drawn upon the licensee's  
3 account at any banking institution in this State and made payable to  
4 that person.

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

9 m. It shall be unlawful for a dealer in any authorized game in which  
10 cards are dealt to deal cards by hand or other than from a device  
11 specifically designed for that purpose, unless otherwise permitted by  
12 the rules of the commission.

13 n. It shall be unlawful for any casino key employee or any person  
14 who is required to hold a casino key employee license as a condition  
15 of employment or qualification [to wager in any casino or simulcasting  
16 facility in this State], or any casino employee, other than a junket  
17 representative, bartender, waiter, waitress, or other casino employee  
18 who, in the judgment of the commission, is not directly involved with  
19 the conduct of gaming operations, to wager in a casino or simulcasting  
20 facility in the casino hotel in which the employee is employed or in any  
21 other casino or simulcasting facility in this State which is owned or  
22 operated by the same casino licensee. Any casino key employee, any  
23 person required to hold a casino key employee license as a condition  
24 of employment or qualification, and any casino employee, other than  
25 a junket representative, bartender, waiter, waitress, or other casino  
26 employee who, in the judgment of the commission, is not directly  
27 involved with the conduct of gaming operations, must wait at least 30  
28 days following the date that the employee either leaves employment  
29 with a casino licensee or is terminated from employment with a casino  
30 licensee before the employee may gamble in a casino or simulcasting  
31 facility in the casino hotel in which the employee was formerly  
32 employed or in any other casino or simulcasting facility in this State  
33 which is owned or operated by the 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  
36 supervisory position to solicit or accept, and for any other casino  
37 employee to solicit, any tip or gratuity from any player or patron at the  
38 casino hotel or simulcasting facility where he is employed.

39 (2) A dealer may accept tips or gratuities from a patron at the table  
40 at which such dealer is conducting play, subject to the provisions of  
41 this subsection. All such tips or gratuities shall be immediately  
42 deposited in a lockbox reserved for that purpose, accounted for, and  
43 placed in a pool for distribution pro rata among the dealers, with the  
44 distribution based upon the number of hours each dealer has worked.  
45 (cf: P.L.1996, c.84, s.6)

1       3. This act shall take effect immediately.

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#### STATEMENT

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6       As originally enacted in 1977, the Casino Control Act prohibited  
7 casino gambling by both casino key employees and casino gaming  
8 employees. In 1992, the law was amended to allow a casino gaming  
9 employee to gamble in a casino, other than the casino in which the  
10 employee works or another casino owned or operated by the  
11 employee's employer. This bill would amend existing law to give a  
12 casino key employee the same right to gamble as a casino gaming  
13 employee. The restriction on gambling in the casino in which  
14 employed or another casino owned or operated by the employer would  
15 also apply to a casino key employee. Like a casino gaming employee,  
16 a casino key employee who terminated employment would be required  
17 to wait 30 days before gambling in a casino owned or operated by the  
18 former employer.

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23       Permits casino key employees to gamble in any casino except casino  
24 in which employed or another casino owned or operated by employer.