

[Fourth 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)

Assemblyman JOHN J. BURZICHELLI

District 3 (Salem, Cumberland and Gloucester)

Assemblyman RALPH R. CAPUTO

District 28 (Essex)

Assemblywoman CONNIE WAGNER

District 38 (Bergen)

Assemblyman VINCENT J. POLISTINA

District 2 (Atlantic)

Assemblyman JOHN F. AMODEO

District 2 (Atlantic)

SYNOPSIS

Revises various aspects of casino industry regulation.

CURRENT VERSION OF TEXT

As amended by the General Assembly on January 10, 2011.



(Sponsorship Updated As Of: 1/11/2011)

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

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.

²Senate floor amendments adopted December 13, 2010.

³Assembly floor amendments adopted January 6, 2011.

⁴Assembly floor amendments adopted January 10, 2011.

1 space for leisure time and recreational activities; and attract new investment
2 capital to New Jersey in general and to Atlantic City in particular.

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

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

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

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

1 (9) Since casino operations are especially sensitive and in need of
2 public control and supervision, and since it is vital to the interests of the
3 State to prevent entry, directly or indirectly, into such operations or the
4 ancillary industries regulated by this act of persons who have pursued
5 economic gains in an occupational manner or context which are in violation
6 of the criminal or civil public policies of this State, the regulatory and
7 investigatory powers and duties shall be exercised to the fullest extent
8 consistent with law to avoid entry of such persons into the casino
9 operations or the ancillary industries regulated by this act.

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

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

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

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

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

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

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

48

1 (17) A system whereby the suspension or revocation of casino operations
2 under certain appropriate circumstances causes the imposition of a
3 conservatorship upon the suspended or revoked casino operation serves
4 both the economic and law enforcement interests involved in casino gaming
5 operations.

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

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

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

27
28 2. Section 2 of P.L.1977, c.110 (C.5:12-2) is amended to read as
29 follows:

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

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

34
35 3. Section 3 of P.L.1995, c.18 (C.5:12-2.2) is amended to read as
36 follows:

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

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

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

46 5. "Authorized Game" or "Authorized Gambling Game"-- Roulette,
47 baccarat, blackjack, craps, big six wheel, slot machines, minibaccarat, red
48 dog, pai gow, and sic bo; any variations or composites of such games,

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

13

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

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

23

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

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

34

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

39

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

42 7. "Casino Employee"--Any natural person, not otherwise included in
43 the definition of casino key employee, who is employed by a casino
44 licensee, or a holding or intermediary company of a casino licensee, and is
45 involved in the operation of a licensed casino or a simulcasting facility or
46 performs services or duties in a casino, simulcasting facility or a restricted
47 casino area, including, without limitation, boxmen; dealers or croupiers;

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

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

12

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

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

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

31

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

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

1 haulers, maintenance companies, food purveyors, and construction
2 companies]. Notwithstanding the foregoing, any form of enterprise
3 engaged in the manufacture, sale, distribution, testing or repair of slot
4 machines within New Jersey, other than antique slot machines as defined in
5 N.J.S.2C:37-7, shall be considered a casino service industry enterprise for
6 the purposes of this act regardless of the nature of its business relationship,
7 if any, with casino applicants and licensees in this State.

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

13

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

18

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

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

31 (cf: P.L.1983, c.41, s.2)

32

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

35 20. "Family" - Spouse, domestic partner, partner in a civil union,
36 parents, grandparents, children, grandchildren, siblings, uncles, aunts,
37 nephews, nieces, fathers-in-law, mothers-in-law, daughters-in-law, sons-in-
38 law, brothers-in-law and sisters-in-law, whether by the whole or half blood,
39 by marriage, adoption or natural relationship.

40 (cf: P.L.1977, c.110, s.20)

41

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

44 24. "Gross Revenue" - The total of all sums actually received by a
45 casino licensee from gaming operations, less only the total of all sums
46 actually paid out as winnings to patrons; provided, however, that the cash
47 equivalent value of any merchandise or thing of value included in a jackpot

1 or payout shall not be included in the total of all sums paid out as winnings
2 to patrons for purposes of determining gross revenue. Non-cashable credits
3 in any form, including coupons, electronic credits and vouchers, shall not
4 be considered sums actually received by a casino licensee from gaming
5 operations for purposes of determining gross revenue ¹, except that
6 promotional gaming credits shall be considered sums actually received by a
7 casino licensee from gaming operations for purposes of determining gross
8 revenue unless excluded pursuant to section 2 of P.L.2008, c.12 (C.5:12-
9 144.2)¹. "Gross Revenue" shall not include any amount received by a
10 casino from casino simulcasting pursuant to the "Casino Simulcasting Act,"
11 P.L.1992, c.19 (C.5:12-191 et al.).
12 (cf: P.L.2009, c.36, s.2)]²

13
14 ²[15.] 14.² Section 25 of P.L.1977, c.110 (C.5:12-25) is amended to
15 read as follows:

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

19
20 ²[16.] 15.² Section 11 of P.L.1991, c.182 (C.5:12-27.1) is amended to
21 read as follows:

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

35
36 ²[17.] 16.² (New section) "Multi-casino employee" – Any registered
37 casino employee or licensed casino key employee who, upon the petition of
38 two or more affiliated casino licensees, is endorsed by the commission or
39 division, as applicable, to perform any compatible functions for any of the
40 petitioning casino licensees.

41
42 ²[18.] 17.² Section 35 of P.L.1977, c.110 (C.5:12-35) is amended to
43 read as follows:

44 35. "Operation certificate" - A certificate issued by the **[commission]**
45 division which certifies that operation of a casino and, if applicable, a
46 simulcasting facility conforms to the requirements of this act and applicable

1 regulations and that its personnel and procedures are efficient and prepared
2 to entertain the public.

3 (cf: P.L.1993, c.292, s.4)

4

5 ²**[19.] 18.**² Section 36 of P.L.1977, c.110 (C.5:12-36) is amended to
6 read as follows:

7 36. "Party" --The **[commission, the]** division, or any licensee,
8 registrant, or applicant, or any person appearing of record for any licensee,
9 registrant, or applicant in any proceeding before the division or the
10 commission or in any proceeding for judicial review of any action, decision
11 or order of the division or commission.

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

13

14 ²**[20.] 19.**² Section 1 of P.L.2008, c.12 (C.5:12-38a) is amended to read
15 as follows:

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

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

24

25 ²**[21.] 20.**² Section 39 of P.L.1977, c.110 (C.5:12-39) is amended to
26 read as follows:

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

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

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

33 c. Has one or more classes of securities traded in any open market in
34 any foreign jurisdiction or regulated pursuant to a statute of any foreign
35 jurisdiction which the **[commission]** division determines to be substantially
36 similar to either or both of the aforementioned statutes.

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

38

39 ²**[22.] 21.**² Section 3 of P.L.1987, c.353 (C.5:12-43.1) is amended to
40 read as follows:

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

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

1 ²**[23.] 22.**² Section 4 of P.L.2004, c.184 (C.5:12-45.1) is amended to
2 read as follows:

3 4. "Slot system agreement" - A written agreement governing the
4 operation and administration of a multi-casino progressive slot machine
5 system that is approved by the **[commission]** division and executed by the
6 participating casino licensees and any slot system operator.
7 (cf: P.L.2004, c.184, s.4)

8
9 ²**[24.] 23.**² (New section) "State of emergency" – Any emergency
10 situation, including the failure to enact a general appropriation law by the
11 deadline prescribed by Article VIII, Section II, paragraph 2 of the New
12 Jersey Constitution, a state of emergency declared by the President of the
13 United States or the Governor of the State of New Jersey and a State
14 ordered State employee furlough, during which division and commission
15 employees are unable to perform the duties and responsibilities required of
16 them under this act.

17

18 ²**[25.] 24.**² Section 46 of P.L.1977, c.110 (C.5:12-46) is amended to
19 read as follows:

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

32

33 ²**[26.] 25.**² Section 69 of P.L.1977, c.110 (C.5:12-69) is amended to
34 read as follows:

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

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

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

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

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

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

41 g. Notwithstanding any other provision of this act or the
42 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) to
43 the contrary, during the 90-day period following the effective date of
44 P.L. , c. (C.)(pending before the Legislature as this bill) the division
45 may, after notice provided in accordance with this subsection, summarily
46 adopt, amend or repeal any order, rule or regulation issued or promulgated
47 by the commission prior to the effective date of P.L. , c. (C.)

1 (pending before the Legislature as this bill), for a period not to exceed 270
2 days for the purpose of determining whether such rules should be adopted
3 on a permanent basis in accordance with the requirements of this section.
4 Any summary rulemaking authorized by this subsection shall be subject to
5 such terms and conditions as the division may deem appropriate. Notice of
6 any temporary rulemaking action taken by the division pursuant to this
7 subsection shall be published in the New Jersey Register, and provided to
8 the newspapers designated by the division pursuant to subsection d. of
9 section 3 of P.L.1975, c.231 (C.10:4-8), at least seven days prior to the
10 implementation of the temporary rules. Nothing herein shall be deemed to
11 require the publication of the text of any temporary rule adopted by the
12 division or notice of any modification of any temporary rulemaking
13 initiated in accordance with this subsection. The text of any temporary rule
14 adopted by the division shall be available in each casino or simulcasting
15 facility participating in the temporary rulemaking and shall be available
16 upon request from the division.

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

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

39

40 ²**[27.]** 26.² Section 70 of P.L.1977, c.110 (C.5:12-70) is amended to
41 read as follows:

42 70. Required Regulations. a. The **[commission]** division shall, without
43 limitation **[on the powers conferred in the preceding section,]** include
44 **[within its regulations]** the following specific provisions in its regulations
45 in accordance with the provisions of this act:

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

1 permitted to appear or practice or act in any capacity whatsoever before the
2 commission or division regarding any matter whatsoever, nor shall any
3 member of the family of the Governor or of a member of the Legislature be
4 permitted to so practice or appear in any capacity whatsoever before the
5 commission or division regarding any matter whatsoever;

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

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

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

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

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

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

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

45 b. The commission shall, in its regulations, prescribe the manner and
46 procedure of all hearings conducted by the commission, including special

1 rules of evidence applicable thereto and notices thereof.

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

3

4 ²~~28.~~ 27.² Section 52 of P.L.1977, c.110 (C.5:12-52) is amended to
5 read as follows:

6 52. a. ~~Initial~~ appointments to the commission made pursuant to this
7 amendatory and supplementary act shall be for terms as follows:

8 (1) One member for 2 years;

9 (2) One member for 3 years;

10 (3) One member for 4 years; and

11 (4) One member for 5 years.] (Deleted by amendment, P.L. , c.)
12 (pending before the Legislature as this bill)

13 b. ~~The term of each of the members first appointed pursuant to this~~
14 ~~amendatory and supplementary act shall be designated by the Governor.]~~
15 (Deleted by amendment, P.L. , c.)(pending before the Legislature as this
16 bill)

17 c. ~~After the initial appointments, all~~ The commission shall consist of
18 five members who shall be appointed for terms of 5 years; provided,
19 however, that no member shall serve more than two terms of 5 years each.

20 d. Appointments to the commission ~~and designation of the chairman~~
21 ⁴and designation of the chairman⁴ shall be made by the Governor with the
22 advice and consent of the Senate. Prior to nomination, the Governor shall
23 cause an inquiry to be conducted by the Attorney General into the
24 nominee's background, with particular regard to the nominee's financial
25 stability, integrity, and responsibility and his reputation for good character,
26 honesty, and integrity.

27 e. Appointments to fill vacancies on the commission shall be for the
28 unexpired term of the member to be replaced.

29 f. ~~The member designated by the Governor to serve as chairman~~
30 ⁴Commencing after the expiration of the term of the chair who is serving
31 on the effective date of P.L. , c. (pending before the Legislature as this
32 bill), the members of the commission shall elect a chairman from among
33 the members, who ~~The member designated by the Governor to serve as~~
34 ~~chairman~~⁴ shall serve in such capacity throughout such member's entire
35 term and until his successor shall have been duly ~~appointed~~ ⁴elect
36 appointed⁴ and qualified. ⁴The member who is serving as the chair of the
37 commission on the effective date of P.L. , c. (pending before the
38 Legislature as this bill) shall continue to serve in such capacity throughout
39 such member's entire term and until the successor is duly elected and
40 qualified.]⁴ No such member, however, shall serve in such capacity for
41 more than 10 years. The chairman shall be the chief executive officer of
42 the commission. All members shall devote full time to their duties of office
43 and shall not pursue or engage in any other business, occupation or other
44 gainful employment.

45 g. A commissioner may be removed from office for misconduct in
46 office, willful neglect of duty, or other conduct evidencing unfitness for his

1 office, or for incompetence. A proceeding for removal may be instituted by
2 the Attorney General in the Superior Court. Notwithstanding any provision
3 of this or any other act, any commissioner or employee of the commission
4 shall automatically forfeit his office or position upon conviction of any
5 crime. Any commissioner or employee of the commission shall be subject
6 to the duty to appear and testify and to removal from his office, position or
7 employment in accordance with the provisions of P.L.1970, c.72 (C.2A:81-
8 17.2a et seq.).

9 h. Each member of the commission shall serve for the duration of his
10 term and until his successor shall be duly appointed and qualified, **【subject**
11 **to】** ⁴**【notwithstanding】 subject to**⁴ the limitations in subsections c. and f. of
12 this section**【**; provided, however, that in the event that a successor is not
13 duly appointed and qualified within 120 days after the expiration of the
14 member's term, a vacancy shall be deemed to exist**】** ⁴**;** provided, however,
15 that in the event that a successor is not duly appointed and qualified within
16 120 days after the expiration of the member's term, a vacancy shall be
17 deemed to exist⁴.

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

19

20 ²**【29.】 28.**² Section 54 of P.L.1977, c.110 (C.5:12-54) is amended to
21 read as follows:

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

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

30 c. The commission shall appoint an executive secretary who shall
31 serve at its pleasure and shall be responsible for the conduct of its
32 administrative affairs. No person shall be eligible for such appointment
33 unless he shall have at least 5 years of responsible experience in public or
34 business administration or possesses broad management skills. The
35 position of executive secretary shall be in the unclassified service of the
36 civil service.

37 d. The commission may employ such other personnel as it deems
38 necessary. All employees of the commission, except for secretarial and
39 clerical personnel, shall be in the unclassified service of the Civil Service.
40 All employees of the commission shall be deemed confidential employees
41 for the purposes of the "New Jersey Employer-Employee Relations Act"
42 (P.L.1941, c.100; C.34:13A-1 et seq.), as amended. **【Notwithstanding the**
43 **provisions of any other law to the contrary, the commission may employ**
44 **legal counsel who shall represent the commission in any proceeding to**
45 **which it is a party, and who shall render legal advice to the commission**
46 **upon its request.】** ³Notwithstanding the provisions of any other law to the
47 contrary, the commission may employ legal counsel who shall represent the

1 commission in any proceeding to which it is a party, and who shall render
2 legal advice to the commission upon its request.³ The commission may
3 contract for the services of **【other】** ³other³ professional, technical and
4 operational personnel and consultants ³**【, and of legal counsel,】**³ as may be
5 necessary to the performance of its responsibilities under this act.

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

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

10
11 ²**【30.】** ²29.² Section 58 of P.L.1977, c.110 (C.5:12-58) is amended to
12 read as follows:

13 58. Restrictions on Pre-Employment by Commissioners, Commission
14 Employees and Division Employees and Agents.

15 a. Deleted by amendment.

16 b. No person shall be appointed to or employed by the commission or
17 division if, during the period commencing three years prior to appointment
18 or employment, said person held any direct or indirect interest in, or any
19 employment by, any person which is licensed as a casino licensee pursuant
20 to section 87 of P.L.1977, c.110 (C.5:12-87) or as a casino service industry
21 enterprise pursuant to subsection a. of section 92 of P.L.1977, c.110
22 (C.5:12-92) or has an application **【for such a license】** pending **【before the**
23 **commission】**; provided, however, that notwithstanding any other provision
24 of this act to the contrary, any such person may be appointed to or
25 employed by the commission or division if his interest in any such casino
26 licensee or casino service industry enterprise which is publicly traded
27 would not, in the opinion of the employing agency, interfere with the
28 objective discharge of such person's employment obligations, but in no
29 instance shall any person be appointed to or employed by the commission
30 or division if his interest in such a casino licensee or casino service industry
31 enterprise which is publicly traded constituted a controlling interest in that
32 casino licensee or casino service industry enterprise; and provided further,
33 however, that notwithstanding any other provision of this act to the
34 contrary, any such person may be employed by the commission or division
35 in a secretarial or clerical position if, in the opinion of the employing
36 agency, his previous employment by, or interest in, any such casino
37 licensee or casino service industry enterprise would not interfere with the
38 objective discharge of such person's employment obligations.

39 c. Prior to appointment or employment, each member of the
40 commission, each employee of the commission, the director of the Division
41 of Gaming Enforcement and each employee and agent of the division shall
42 swear or affirm that he possesses no interest in any business or organization
43 licensed by or registered with the commission.

44 d. Each member of the commission and the director of the division
45 shall file with the State Ethics Commission a financial disclosure statement
46 listing all assets and liabilities, property and business interests, and sources
47 of income of said member or director and said member's or director's

1 spouse, domestic partner or partner in a civil union, as the case may be, and
2 shall provide to the State Ethics Commission a financial disclosure
3 statement listing all assets and liabilities, property and business interests,
4 and sources of income of the parents, brothers, sisters, and children of said
5 member or director. Such statement shall be under oath and shall be filed
6 at the time of appointment and annually thereafter.

7 e. Each employee of the commission, except for secretarial and clerical
8 personnel, and each employee and agent of the division, except for
9 secretarial and clerical personnel, shall file with the State Ethics
10 Commission a financial disclosure statement listing all assets and liabilities,
11 property and business interests, and sources of income of said employee or
12 agent and said employee's or agent's spouse, domestic partner or partner in
13 a civil union, as the case may be. Such statement shall be under oath and
14 shall be filed at the time of employment and annually thereafter.
15 Notwithstanding the provisions of subsection (n) of section 10 of P.L.1971,
16 c.182 (C.52:13D-21), only financial disclosure statements filed by a
17 commission or division employee or agent who is in a policy-making
18 management position shall be posted on the Internet site of the State Ethics
19 Commission.

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

21

22 ²**[31.] 30.**² Section 59 of P.L.1977, c.110 (C.5:12-59) is amended to
23 read as follows:

24 59. Employment Restrictions on Commissioners, Commission
25 Employees and Division Employees.

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

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

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

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

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

- 1 (1) No commission member or employee or division director, employee
2 or agent shall be permitted to gamble in any establishment licensed by the
3 commission except in the course of his duties.
- 4 (2) No commission member or employee or division director, employee
5 or agent shall solicit or accept employment from any person licensed by or
6 registered with the commission or from any applicant for a period of four
7 years after termination of service with the commission or division, except
8 as otherwise provided in section 60 of this act.
- 9 (3) No commission member or employee or **[any]** division director,
10 employee or agent shall act in his official capacity in any matter wherein he
11 or his spouse, domestic partner or partner in a civil union, child, parent or
12 sibling has a direct or indirect personal financial interest that might
13 reasonably be expected to impair his objectivity or independence of
14 judgment.
- 15 (4) No commission member or employee or **[any]** division director,
16 employee or agent shall act in his official capacity in a matter concerning
17 an applicant for licensure or a licensee who is the employer of a spouse,
18 domestic partner or partner in a civil union, child, parent or sibling of said
19 commission or division employee or agent when the fact of the employment
20 of such spouse, domestic partner or partner in a civil union, child, parent or
21 sibling might reasonably be expected to impair the objectivity and
22 independence of judgment of said commission employee or division
23 employee or agent.
- 24 (5) No spouse, domestic partner or partner in a civil union, child, parent
25 or sibling of a commission member or the division director shall be
26 employed in any capacity by an applicant for a casino license or a casino
27 licensee nor by any holding, intermediary or subsidiary company thereof.
- 28 (6) No commission member shall meet with any person, except for any
29 other member of the commission or employee of the commission, or
30 discuss any issues involving any pending or proposed application or any
31 matter whatsoever which may reasonably be expected to come before the
32 commission, or any member thereof, for determination unless the meeting
33 or discussion takes place on the business premises of the commission,
34 provided, however, that commission members may meet to consider matters
35 requiring the physical inspection of equipment or premises at the location
36 of the equipment or premises. All meetings or discussions subject to this
37 paragraph shall be noted in a log maintained for this purpose and available
38 for inspection pursuant to the provisions of P.L.1963, c.73 (C.47:1A-1 et
39 seq.).
- 40 f. No commission member or employee or division director, employee
41 or agent shall have any interest, direct or indirect, in any applicant or in any
42 person licensed by or registered with the commission during his term of
43 office or employment.
- 44 g. Each commission member and employee of the commission,
45 **[including legal counsel,]** the division director and each employee and
46 agent of the division shall devote his entire time and attention to his duties
47 and shall not pursue any other business or occupation or other gainful
48 employment; provided, however, that secretarial and clerical personnel may

1 engage in such other gainful employment as shall not interfere with their
2 duties to the commission or division, unless otherwise directed; and
3 provided further, however, that other employees of the commission and
4 division and agents of the division may engage in such other gainful
5 employment as shall not interfere or be in conflict with their duties to the
6 commission or division, upon approval by the commission or the director of
7 the division, as the case may be.

8 h. No member of the commission, employee of the commission, or
9 director, employee or agent of the division shall:

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

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

15 (3) Take any active part in political campaigns or the management
16 thereof; provided, however, that nothing herein shall prohibit a person from
17 voting as he chooses or from expressing his personal opinions on political
18 subjects and candidates.

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

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

28

29 ²**[32.]** 31.² Section 60 of P.L.1977, c.110 (C.5:12-60) is amended to
30 read as follows:

31 60. Post-employment restrictions.

32 a. No member of the commission nor the division director shall hold
33 any direct or indirect interest in, or be employed by, any applicant or by
34 any person licensed by or registered **[with the commission]** under this act
35 for a period of 4 years commencing on the date his membership on the
36 commission or directorship, as the case may be, terminates.

37 b. (1) No employee of the commission or employee or agent of the
38 division may acquire any direct or indirect interest in, or accept
39 employment with, any applicant or any person licensed by or registered
40 with the commission, for a period of two years commencing at the
41 termination of employment with the commission or division, except that a
42 secretarial or clerical employee of the commission or the division may
43 accept such employment at any time after the termination of employment
44 with the commission or division. At the end of two years and for a period
45 of two years thereafter, a former employee or agent who held a policy-
46 making management position at any time during the five years prior to
47 termination of employment may acquire an interest in, or accept
48 employment with, any applicant or person licensed by or registered with the

1 commission or division upon application to and the approval of the
2 commission or the director, as the case may be, upon a finding that the
3 interest to be acquired or the employment will not create the appearance of
4 a conflict of interest and does not evidence a conflict of interest in fact.

5 (2) Notwithstanding the provisions of this subsection, if the
6 employment of a commission employee or a division employee or agent,
7 other than an employee or agent who held a policy-making management
8 position at any time during the five years prior to termination of
9 employment, is terminated as a result of a reduction in the workforce at the
10 commission or division, the employee or agent may, at any time prior to the
11 end of the two-year period, accept employment with any applicant or
12 person licensed by or registered **【with the commission】** under this act upon
13 **【application to and the approval of】** ⁴**【notification to】** application to and
14 the approval of⁴ the division or the commission **【upon】** , as the case may
15 be, ⁴**【unless there is】** upon⁴ a finding that the employment will **【not】** ⁴**not**⁴
16 create the appearance of a conflict of interest and does **【not】** ⁴**not**⁴ evidence
17 a conflict of interest in fact. ⁴The commission or the division shall take
18 action on an application within 30 days of receipt and an application may
19 be submitted to the commission or the division prior to or after the
20 commencement of the employment.⁴ **【The decision of the commission**
21 **shall be final, and the employee or agent shall not be subject to a**
22 **determination by the State Ethics Commission under section 4 of P.L.1981,**
23 **c.142 (C.52:13D-17.2).】**

24 c. No commission member, division director, or person employed by
25 the commission or division shall represent any person or party other than
26 the State before or against the commission or division for a period of two
27 years from the termination of his office or employment with the
28 commission or division.

29 d. No partnership, firm or corporation in which a former commission
30 member or employee or former division director, employee or agent has an
31 interest, nor any partner, officer or employee of any such partnership, firm
32 or corporation shall make any appearance or representation which is
33 prohibited to said former member, employee, or agent; provided, however,
34 that nothing herein shall prohibit such partnership, firm or corporation from
35 making such appearance or representation on behalf of a casino service
36 industry enterprise licensed under subsection c. of section 92 of P.L.1977,
37 c.110 (C.5:12-92).

38 e. Notwithstanding any post-employment restriction imposed by this
39 section, nothing herein shall prohibit a former commission member or
40 employee or former division director, employee or agent, at any time after
41 termination of such membership or employment, from acquiring an interest
42 in, or soliciting or obtaining employment with, any person **【licensed】**
43 registered as a casino service industry enterprise under subsection c. of
44 section 92 of **【this act or any applicant for such licensure】** P.L.1977, c.110
45 (C.5:12-92).

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

1 ²~~33.~~ 32.² Section 61 of P.L.1977, c.110 (C.5:12-61) is amended to
2 read as follows:

3 61. a. No applicant or person or organization licensed by or registered
4 ~~with the commission~~ under this act shall employ or offer to employ, or
5 provide, transfer or sell, or offer to provide, transfer or sell any interest,
6 direct or indirect, in any person licensed by or registered ~~with the~~
7 ~~commission~~ under this act to any person restricted from such transactions
8 by the provisions of sections 58, 59, and 60 of ~~this act~~ P.L.1977, c.110
9 (C.5:12-58, 5:12-59 and 5:12-60).

10 b. The ~~commission~~ division shall impose such sanctions upon an
11 applicant or a licensed or registered person for violations of this section as
12 authorized by Article 9 of this act.
13 (cf: P.L.1977, c.110, s.61)
14

15 ²~~34.~~ 33.² Section 63 of P.L.1977, c.110 (C.5:12-63) is amended to
16 read as follows:

17 63. Duties of the Commission. (1) The Casino Control Commission
18 shall have ~~general responsibility for the implementation of this act, as~~
19 ~~hereinafter provided, including, without limitation, the responsibility~~ the
20 following responsibilities under this act:

21 a. To hear and decide promptly and in reasonable order (1) all
22 applications for a casino license, registration, certificate, and permit
23 applications and causes affecting the granting, suspension, revocation, or
24 renewal thereof including applications filed by all persons required
25 individually to qualify in connection therewith; (2) all applications for
26 interim casino authorization, including but not limited to applications filed
27 by persons required individually to qualify in connection therewith; (3)
28 statements of compliance issued pursuant to section 81 of P.L.1977, c.110
29 (C.5:12-81); and (4) all applications for a casino key employee license;

30 b. To ~~conduct all hearings pertaining to civil violations of this act or~~
31 ~~regulations promulgated hereunder~~ review and decide any appeal from: (1)
32 a notice of violation and penalty assessment issued by the director upon any
33 applicant, qualifier, licensee or registrant under this act; (2) any
34 determination made by the director regarding: (i) any ruling on an
35 application for a casino service industry enterprise license; (ii) any ruling
36 on an application for any other license or qualification under this act; (iii) a
37 revocation of a license or registration; (iv) any ruling on a request for
38 statement of compliance; or (v) placement on an exclusion list;

39 c. To promulgate such regulations as ~~in its judgment~~ may be
40 necessary to fulfill the policies of this act conduct hearings under
41 subsections a. and b. of this section;

42 d. ~~To collect all license and registration fees and taxes imposed by~~
43 ~~this act and the regulations issued pursuant hereto;~~ (Deleted by
44 amendment, P.L. , c.) (pending before the Legislature as this bill)

- 1 e. **【To levy and collect penalties for the violation of provisions of this**
 2 **act and the regulations promulgated hereunder;】** (Deleted by amendment,
 3 P.L. , c.) (pending before the Legislature as this bill)
- 4 f. **【To be present through its inspectors and agents at all times, except**
 5 **as provided by section 4 of P.L.2008, c.23 (C.5:12-211), during the**
 6 **operation of any casino or simulcasting facility for the purpose of certifying**
 7 **the revenue thereof, receiving complaints from the public relating to the**
 8 **conduct of gaming and simulcast wagering operations, examining records**
 9 **of revenues and procedures, and conducting periodic reviews of operations**
 10 **and facilities for the purpose of evaluating current or suggested provisions**
 11 **of P.L.1977, c.110 (C.5:12-1 et seq.) and the regulations promulgated**
 12 **thereunder;】** (Deleted by amendment, P.L. , c.) (pending before the
 13 Legislature as this bill)
- 14 g. To refer to the division for investigation and prosecution any
 15 evidence of a violation of P.L.1977, c.110 (C.5:12-1 et seq.) or the
 16 regulations promulgated thereunder;
- 17 h. To review and rule upon any complaint by a casino licensee
 18 regarding any investigative procedures of the division which are
 19 unnecessarily disruptive of casino or simulcasting facility operations. The
 20 need to inspect and investigate shall be presumed at all times. The
 21 disruption of a licensee's operations shall be proved by clear and
 22 convincing evidence, which evidence shall establish that: (1) the procedures
 23 had no reasonable law enforcement purpose, and (2) the procedures were so
 24 disruptive as to inhibit unreasonably casino or simulcasting facility
 25 operations; and
- 26 i. **【To ensure that there is no duplication of duties and responsibilities**
 27 **between it and the division】** (Deleted by amendment, P.L. , c.)(pending
 28 before the Legislature as this bill)
- 29 j. To refer to the division for investigative hearing matters concerning
 30 the conduct of gaming and gaming operations as well as the enforcement of
 31 the provisions of P.L.1977, c.110 (C.5:12-1 et seq.).
- 32 (2) The Casino Control Commission shall proceed promptly, along with
 33 the division, to take all actions as may be deemed necessary and
 34 appropriate, including the promulgation of regulations, for the expeditious
 35 implementation of Internet wagering when such wagering is permitted by
 36 State and federal law.
 37 (cf: P.L.2008, c.23, s.1)
- 38
- 39 ²**【35.】** 34.² Section 66 of P.L.1977, c.110 (C.5:12-66) is amended to
 40 read as follows:
- 41 66. Investigative hearings. The **【commission】** division shall have the
 42 authority to conduct investigative hearings concerning the conduct of
 43 gaming and gaming operations as well as the enforcement of the provisions
 44 of P.L.1977, c.110 (C.5:12-1 et seq.), as amended and supplemented, in
 45 accordance with the procedures set forth in the act and any applicable
 46 implementing regulations.
 47 (cf: P.L.1995, c.18, s.15)

1 ²**[36.]** 35.² Section 68 of P.L.1977, c.110 (C.5:12-68) is amended to
2 read as follows:

3 68. Collection of Fees, Penalties or Tax. At any time within five years
4 after any amount of fees, interest, penalties or tax required to be collected
5 pursuant to the provisions of this act shall become due and payable, the
6 **[commission]** division may bring a civil action in the courts of this State or
7 any other state or of the United States, in the name of the State of New
8 Jersey, to collect the amount delinquent, together with penalties and
9 interest. An action may be brought whether or not the person owing the
10 amount is at such time an applicant, licensee or registrant pursuant to the
11 provisions of this act. If such action is brought in this State, a writ of
12 attachment may be issued and no bond or affidavit prior to the issuance
13 thereof shall be required. In all actions in this State, the records of the
14 commission and the division shall be prima facie evidence of the
15 determination of the fee or tax or the amount of the delinquency.

16 Each debt that is due and payable as a result of fees, interest, penalties,
17 or taxes required to be collected pursuant to the provisions of P.L.1977,
18 c.110 (C.5:12-1 et seq.) or the regulations promulgated thereunder,
19 including any compensation authorized pursuant to section 33 of P.L.1978,
20 c.7 (C.5:12-130.3), and each regulatory obligation imposed as a condition
21 upon the issuance or renewal of a casino license which requires the licensee
22 to maintain, as a fiduciary, a fund for a specific regulatory purpose, shall
23 constitute a lien on the real property in this State owned or hereafter
24 acquired by the applicant, licensee, or registrant owing such a debt or on
25 whom such an obligation has been imposed. Except as otherwise provided
26 in R.S.54:5-9, such a lien shall be a first lien paramount to all prior or
27 subsequent liens, claims, or encumbrances on that property.
28 (cf: P.L.1991, c.182, s.14)

29

30 ²**[37.]** 36.² Section 71 of P.L.1977, c.110 (C.5:12-71) is amended to
31 read as follows:

32 71. Regulation Requiring Exclusion of Certain Persons. a. The
33 **[commission]** division shall, by regulation, provide for the establishment
34 of a list of persons who are to be excluded or ejected from any licensed
35 casino establishment. Such provisions shall define the standards for
36 exclusion, and shall include standards relating to persons:

37 (1) Who are career or professional offenders as defined by regulations
38 **[of the commission]** promulgated hereunder;

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

42 (3) Whose presence in a licensed casino hotel would, in the opinion of
43 the **[commission]** director, be inimical to the interest of the State of New
44 Jersey or of licensed gaming therein, or both.

45 The **[commission]** division shall promulgate definitions establishing
46 those categories of persons who shall be excluded pursuant to this section,

- 1 including cheats and persons whose privileges for licensure or registration
2 have been revoked.
- 3 b. Race, color, creed, national origin or ancestry, or sex shall not be a
4 reason for placing the name of any person upon such list.
- 5 c. The **【commission】** division may impose sanctions upon a licensed
6 casino or individual licensee or registrant in accordance with the provisions
7 of this act if such casino or individual licensee or registrant knowingly fails
8 to exclude or eject from the premises of any licensed casino any person
9 placed by the **【commission】** division on the list of persons to be excluded
10 or ejected.
- 11 d. Any list compiled by the **【commission】** division of persons to be
12 excluded or ejected shall not be deemed an all-inclusive list, and licensed
13 casino establishments shall have a duty to keep from their premises persons
14 known to them to be within the classifications declared in paragraphs (1)
15 and (2) of subsection a. of this section and the regulations promulgated
16 thereunder, or known to them to be persons whose presence in a licensed
17 casino hotel would be inimical to the interest of the State of New Jersey or
18 of licensed gaming therein, or both, as defined in standards established by
19 the **【commission】** division.
- 20 e. **【Whenever the division petitions the commission to place】** Prior to
21 placing the name of any person on a list pursuant to this section, the
22 **【commission】** division shall serve notice of such fact to such person by
23 personal service, by certified mail at the last known address of such person,
24 or by publication daily for one week in a newspaper of general circulation
25 in Atlantic City.
- 26 f. Within 30 days after service of the petition in accordance with
27 subsection e. of this section, the person named for exclusion or ejection
28 may demand a hearing before the **【commission】** director or the director's
29 designee, at which hearing the **【division】** director or the director's
30 designee shall have the affirmative obligation to demonstrate by a preponderance of
31 the evidence that the person named for exclusion or ejection satisfies the
32 criteria for exclusion established by this section and the **【commission's】**
33 applicable regulations. Failure to demand such a hearing within 30 days
34 after service shall be deemed an admission of all matters and facts alleged
35 in the **【division's】** director's petition and shall preclude a person from
36 having an administrative hearing, but shall in no way affect his or her right
37 to judicial review as provided herein.
- 38 g. The division may **【file an application with the commission**
39 **requesting】** make a preliminary placement on the list of a person named in
40 a petition for exclusion or ejection pending completion of a hearing on the
41 petition. The hearing on the application for preliminary placement shall be
42 a limited proceeding at which the division shall have the affirmative
43 obligation to demonstrate that there is a reasonable possibility that the
44 person satisfies the criteria for exclusion established by this section and the
45 **【commission's】** applicable regulations. If a person has been placed on the
46 list as a result of an application for preliminary placement, unless otherwise
47 agreed by the **【commission】** director and the named person, a hearing on

1 the petition for exclusion or ejection shall be initiated within 30 days after
2 the receipt of a demand for such hearing or the date of preliminary
3 placement on the list, whichever is later.

4 h. If, upon completion of the hearing on the petition for exclusion or
5 ejection, the **【commission】** director determines that the person named
6 therein does not satisfy the criteria for exclusion established by this section
7 and the **【commission's】** applicable regulations, the **【commission】** director
8 shall issue an order denying the petition. If the person named in the
9 petition for exclusion or ejection had been placed on the list as a result of
10 an application for preliminary placement, the **【commission】** director shall
11 notify all casino licensees of **【his or her】** the person's removal from the
12 list.

13 i. If, upon completion of a hearing on the petition for exclusion or
14 ejection, the **【commission】** director determines that placement of the name
15 of the person on the exclusion list is appropriate, the **【commission】** director
16 shall make and enter an order to that effect, which order shall be served on
17 all casino licensees. Such order shall be subject to review by the
18 commission in accordance with regulations promulgated thereunder, which
19 final decision shall be subject to review by the Superior Court in
20 accordance with the rules of court.

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

22

23 ²**【38.】** 37.² Section 1 of P.L.2001, c.39 (C.5:12-71.2) is amended to
24 read as follows:

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

33 b. The regulations of the **【commission】** division shall establish
34 procedures for placements on, and removals from, the list of self-excluded
35 persons. Such regulations shall establish procedures for the transmittal to
36 licensed casinos and simulcasting facilities of identifying information
37 concerning self-excluded persons, and shall require licensed casinos and
38 simulcasting facilities to establish procedures designed, at a minimum, to
39 remove self-excluded persons from targeted mailings or other forms of
40 advertising or promotions and deny self-excluded persons access to credit,
41 **【complementaries】** complimentaries, check cashing privileges club
42 programs, and other similar benefits.

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

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

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

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

15 e. A licensed casino or simulcasting facility or employee thereof shall
16 not be liable to any self-excluded person or to any other party in any
17 judicial proceeding for any harm, monetary or otherwise, which may arise
18 as a result of disclosure or publication in any manner, other than a willfully
19 unlawful disclosure or publication, of the identity of any self-excluded
20 person.

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

22

23 ²**【39.】** 38.² Section 2 of P.L.2001, c.39 (C.5:12-71.3) is amended to
24 read as follows:

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

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

38 c. In addition to any other penalty provided by law, any money or
39 thing or value which has been obtained by, or is owed to, any prohibited
40 person by a licensed casino or simulcasting facility as a result of wagers
41 made by a prohibited person shall be subject to forfeiture **【by order of the**
42 **commission, on complaint of the division,】** following notice to the
43 prohibited person and opportunity to be heard. A licensed casino or
44 simulcasting facility shall inform a prohibited person of the availability of
45 such notice on the division's Internet website when ejecting the prohibited
46 person and seizing any chips, vouchers or other representative of money
47 owed by a casino to the prohibited person as authorized by this subsection.

1 Of any forfeited amount under \$100,000, one-half shall be deposited into
2 the State General Fund for appropriation by the Legislature to the
3 Department of Health and Senior Services to provide funds for compulsive
4 gambling treatment and prevention programs in the State and the remaining
5 one-half shall be deposited into the Casino Revenue Fund. Of any forfeited
6 amount of \$100,000 or more, \$50,000 shall be deposited into the State
7 General Fund for appropriation by the Legislature to the Department of
8 Health and Senior Services to provide funds for compulsive gambling
9 treatment and prevention programs and the remainder shall be deposited
10 into the Casino Revenue Fund.

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

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

21

22 ²**【40.】** 39.² Section 72 of P.L.1977, c.110 (C.5:12-72) is amended to
23 read as follows:

24 72. Commission reports and recommendations. The commission, in
25 consultation with the division, shall carry on a continuous study of the
26 operation and administration of casino control laws which may be in effect
27 in other jurisdictions, literature on this subject which may from time to time
28 become available, federal laws which may affect the operation of casino
29 gaming in this State, and the reaction of New Jersey citizens to existing and
30 potential features of casino gaming under this act. It shall be responsible for
31 ascertaining any defects in this act or in the rules and regulations issued
32 thereunder, formulating recommendations for changes in this act to prevent
33 abuses thereof, guarding against the use of this act as a cloak for the
34 carrying on of illegal gambling or other criminal activities, and insuring
35 that this act and the rules and regulations shall be in such form and be so
36 administered as to serve the true purposes of this act. The commission, after
37 consultation with the division, shall make to the Governor and the
38 Legislature an annual report of all revenues, expenses and disbursements,
39 and shall include therein such recommendations for changes in this act as
40 the commission or division deems necessary or desirable. The commission,
41 after consultation with the division, shall also report recommendations that
42 promote more efficient operations of the division and the commission. The
43 commission, after consultation with the division, shall report immediately
44 to the Governor and the Legislature any matters which in its judgment
45 require immediate changes in the laws of this State in order to prevent
46 abuses and evasions of this act or of rules and regulations promulgated

1 hereunder, or to rectify undesirable conditions in connection with the
2 operation and regulation of casino gaming.

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

4

5 ²~~41.~~ 40.² Section 74 of P.L.1977, c.110 (C.5:12-74) is amended to
6 read as follows:

7 74. Minutes and Records. a. The Executive Secretary of the
8 commission shall cause to be made and kept a record and verbatim
9 transcripts of all proceedings held at public meetings of the commission.
10 **【A verbatim transcript of those proceedings shall be prepared by the**
11 **commission upon the request of any commissioner or upon the request of**
12 **any other person and the payment by that person of the costs of**
13 **preparation.】** A copy of **【a】** any such verbatim transcript shall be made
14 available to any person upon request and payment of the costs of preparing
15 the copy.

16 A true copy of the minutes of every meeting of the commission and of
17 any regulations finally adopted by the commission shall be forthwith
18 delivered, by and under the certification of the executive secretary, to the
19 Governor, the Secretary of the Senate, and the Clerk of the General
20 Assembly.

21 b. The division or the commission, as appropriate, shall keep and
22 maintain a list of all applicants for licenses and registrations under this act
23 together with a record of all actions taken with respect to such applicants,
24 which file and record shall be open to public inspection; provided,
25 however, that the foregoing information regarding any applicant whose
26 license or registration has been denied~~【,】~~ or revoked【, or not renewed】
27 shall be removed from such list after five years from the date of such
28 action.

29 c. The Executive Secretary of the commission shall maintain such
30 other files and records as may be deemed desirable.

31 d. **【**Except as provided in subsection h. of this section, all information
32 and data required by the commission to be furnished hereunder, or which
33 may otherwise be obtained, relative to the internal controls specified in
34 section 99a. of this act or to the earnings or revenue of any applicant,
35 registrant, or licensee shall be considered to be confidential and shall not be
36 revealed in whole or in part except in the course of the necessary
37 administration of this act, or upon the lawful order of a court of competent
38 jurisdiction, or, with the approval of the Attorney General, to a duly
39 authorized law enforcement agency.**】** (Deleted by amendment, P.L. , c.)
40 (pending before the Legislature as this bill)

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

1 (Deleted by amendment, P.L. , c.)(pending before the Legislature as
2 this bill)

3 f. **【**Notice of the contents of any information or data released, except
4 to a duly authorized law enforcement agency pursuant to subsection d. or e.
5 of this section, shall be given to any applicant, registrant, or licensee in a
6 manner prescribed by the rules and regulations adopted by the
7 commission.**】** (Deleted by amendment, P.L. , c.)(pending before the
8 Legislature as this bill)

9 g. Files, records, reports and other information in the possession of the
10 New Jersey Division of Taxation pertaining to licensees shall be made
11 available to the commission and the division as may be necessary to the
12 effective administration of this act.

13 h. **【**The following information to be reported periodically to the
14 commission by a casino licensee shall not be considered confidential and
15 shall be made available for public inspection:

16 (1) A licensee's gross revenue from all authorized games as herein
17 defined, and its gross revenue from simulcast wagering;

18 (2) (a) The dollar amount of patron checks initially accepted by a
19 licensee, (b) the dollar amount of patron checks deposited to the licensee's
20 bank account, (c) the dollar amount of such checks initially dishonored by
21 the bank and returned to the licensee as "uncollected," and (d) the dollar
22 amount ultimately uncollected after all reasonable efforts;

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

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

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

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

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

41 Nothing in this subsection shall be construed to limit access by the
42 public to those forms and documents required to be filed pursuant to Article
43 11 of this act.**】** (Deleted by amendment, P.L. , c.)(pending before the
44 Legislature as this bill)

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

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

1 ²**[42.] 41.**² Section 75 of P.L.1977, c.110 (C.5:12-75) is amended to
2 read as follows:

3 75. The commission and the division may exercise any proper power or
4 authority necessary to perform the duties assigned to **[it]** each entity by
5 law, and no specific enumeration of powers in this act shall be read to limit
6 the authority of the **[commission]** division to administer this act.
7 (cf: P.L.1977, c.110, s.75)

8
9 ²**[43.] 42.**² Section 76 of P.L.1977, c.110 (C.5:12-76) is amended to
10 read as follows:

11 76. General Duties and Powers.

12 **[a.]** The Division of Gaming Enforcement shall have the general
13 responsibility for the implementation of P.L.1977, c.110, (C.5:12-1 et seq.),
14 and to issue any approvals necessary as hereinafter provided, including
15 without limitation, the responsibility to:

16 a. Enforce the provisions of this act and any regulations promulgated
17 hereunder;

18 b. **[(1) promptly]** Promptly and in reasonable order investigate all
19 applications**],** enforce the provisions of this act and any regulations
20 promulgated hereunder, and prosecute before the commission all
21 proceedings for violations of this act or any regulations promulgated
22 hereunder**]** for licensure and all registrations under this act;

23 c. Issue reports and recommendations to the commission with respect
24 to all entities and natural persons required to qualify for a casino license, an
25 application for interim casino authorization or a petition for a statement of
26 compliance;

27 d. Promptly and in reasonable order review and approve or deny all
28 casino service industry enterprise license applications;

29 e. Accept and maintain registrations for all casino employee and
30 vendor registrants;

31 f. Revoke any registration or casino service industry enterprise license
32 upon findings pursuant to the disqualification criteria in section 86 of
33 P.L.1977, c.110 (C.5:12-86);

34 g. Promulgate such regulations as may be necessary to fulfill the
35 policies of this act;

36 h. Initiate and decide any actions against licensees or registrants for
37 violation of this act or regulations promulgated hereunder, and impose
38 sanctions and levy and collect penalties upon finding violations;

39 **[(2) provide]** i. Provide the commission with all information that the
40 director deems necessary for [all] any action to be taken by the
41 commission under Article 6 of [this act] P.L.1977, c.110 (C.5:12-80
42 through 95); [and for all proceedings involving enforcement of the
43 provisions of this act or any regulations promulgated hereunder; and

44 (3) ensure that there is no duplication of duties and responsibilities
45 between it and the commission.

46 b. The division shall:

- 1 (1) Investigate the qualifications of each applicant before any license,
2 certificate, or permit is issued pursuant to the provisions of this act;
- 3 (2) Investigate the circumstances surrounding any act or transaction for
4 which commission approval is required;
- 5 (3) Investigate violations of this act and regulations promulgated
6 hereunder;
- 7 (4) **j.** Initiate, prosecute and defend **such proceedings before the**
8 **commission, or** appeals **therefrom**, as the **division** director may deem
9 appropriate;
- 10 **(5)** Provide assistance upon request by the commission in the
11 consideration and promulgation of rules and regulations;
- 12 (6) **k.** Conduct continuing reviews of casino operations through on-site
13 observation and other reasonable means to assure compliance with this act
14 and regulations promulgated hereunder, subject to subsection h. of section
15 63 of **this act** P.L.1977, c.110 (C.5:12-63);
- 16 **(7)** **l.** Receive and take appropriate action on any referral from the
17 commission relating to any evidence of a violation of P.L.1977, c.110
18 (C.5:12-1 et seq.) or the regulations promulgated thereunder;
- 19 **(8)** **m.** Exchange fingerprint data with, and receive criminal history
20 record information from, the Federal Bureau of Investigation for use in
21 considering applicants for any license or registration issued pursuant to the
22 provisions of P.L.1977, c.110 (C.5:12-1 et seq.);
- 23 **(9)** **n.** Conduct audits of casino operations at such times, under such
24 circumstances, and to such extent as the director shall determine, including
25 reviews of accounting, administrative and financial records, and
26 management control systems, procedures and records utilized by a casino
27 licensee;
- 28 **(10)** Be entitled to request **o.** Request and receive information,
29 materials and any other data from any licensee or registrant, or applicant for
30 a license or registration under this act; and
- 31 **(11)** **p.** Report to the Attorney General recommendations that promote
32 more efficient operations of the division.
- 33 **q.** Receive complaints from the public relating to the conduct of
34 gaming and simulcasting operations, examine records and procedures, and
35 conduct periodic reviews of operations and facilities for the purpose of
36 evaluating current or suggested provisions of P.L.1977, c.110 (C.5:12-1 et
37 seq.) and the regulations promulgated thereunder, as the director deems
38 appropriate;
- 39 **r.** Certify the revenue of any casino or simulcasting facility in such
40 manner as the director deems appropriate;
- 41 **s.** Create and maintain a list of all excluded patrons;
- 42 **t.** Initiate and decide all actions for involuntary exclusion of patrons
43 pursuant to section 71 of P.L.1977, c.110 (C.5:12-71);
- 44 **u.** Issue an operation certificate upon the commission's grant of an
45 application for a casino license;

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

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

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

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

12
13 ²[44.] 43.² (New section) a. Except as otherwise provided in this act,
14 all information and data required by the division or commission to be
15 furnished pursuant to the act or the regulations promulgated hereunder, or
16 which may otherwise be obtained, relative to the internal controls specified
17 in subsection a. of section 99 of P.L.1977, c.110 (C.5:12-99) or to the
18 earnings or revenue of any applicant, registrant, or licensee shall be
19 considered to be confidential and shall not be revealed in whole or in part
20 except in the course of the necessary administration of this act, or upon the
21 lawful order of a court of competent jurisdiction, or, with the approval of
22 the Attorney General, to a duly authorized law enforcement agency.

23 b. All information and data pertaining to an applicant's criminal
24 record, family, and background furnished to or obtained by the division or
25 the commission from any source shall be considered confidential and shall
26 be withheld in whole or in part, except that any information shall be
27 released upon the lawful order of a court of competent jurisdiction or, with
28 the approval of the Attorney General, to a duly authorized law enforcement
29 agency.

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

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

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

39 (2) (i) The dollar amount of patron checks initially accepted by a
40 licensee, (ii) the dollar amount of patron checks deposited to the licensee's
41 bank account, (iii) the dollar amount of such checks initially dishonored by
42 the bank and returned to the licensee as uncollected, and (iv) 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 of P.L.1977, c.110 (C.5:12-146), and the amount of
7 profits, if any, recaptured pursuant to section 147 of P.L.1977, c.110
8 (C.5:12-147);

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

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

17 Nothing in this subsection shall be construed to limit access by the
18 public to those forms and documents required to be filed pursuant to Article
19 11 of this act.

20
21 ²~~[45.]~~ 44.² Section 80 of P.L.1977, c.110 (C.5:12-80) is amended to
22 read as follows:

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

28 b. Any applicant, licensee, registrant, or any other person who must be
29 qualified pursuant to this act shall provide all information required by this
30 act and satisfy all requests for information pertaining to qualification and in
31 the form specified by **[the commission]** regulation. All applicants,
32 registrants, and licensees shall waive liability as to the State of New Jersey,
33 and its instrumentalities and agents, for any damages resulting from any
34 disclosure or publication in any manner, other than a willfully unlawful
35 disclosure or publication, of any material or information acquired during
36 inquiries, investigations or hearings.

37 c. All applicants, licensees, registrants, intermediary companies, and
38 holding companies shall consent to inspections, searches and seizures and
39 the supplying of handwriting exemplars as authorized by this act and
40 regulations promulgated hereunder.

41 d. All applicants, licensees, registrants, and any other person who shall
42 be qualified pursuant to this act shall have the continuing duty to provide
43 any assistance or information required by the **[commission or]** division,
44 and to cooperate in any inquiry **[or]** , investigation or hearing conducted by
45 the division and any **[inquiry, investigation, or]** hearing conducted by the
46 commission. If, upon issuance of a formal request to answer or produce
47 information, evidence or testimony, any applicant, licensee, registrant, or
48 any other person who shall be qualified pursuant to this act refuses to

1 comply, the application, license, registration or qualification of such person
2 may be denied or revoked **[by the commission]**.

3 e. No applicant or licensee shall give or provide, offer to give or
4 provide, directly or indirectly, any compensation or reward or any
5 percentage or share of the money or property played or received through
6 gaming or simulcast wagering activities, except as authorized by this act, in
7 consideration for obtaining any license, authorization, permission or
8 privilege to participate in any way in gaming or simulcast wagering
9 operations.

10 f. Each applicant or person who must be qualified under this act shall
11 be photographed and fingerprinted for identification and investigation
12 purposes in accordance with procedures **[established by the commission]**
13 set forth by regulation.

14 g. All licensees, all registrants, and all other persons required to be
15 qualified under this act**],** and all persons employed by a casino service
16 industry enterprise licensed pursuant to this act,**]** shall have a duty to
17 inform the **[commission or]** division of any action which they believe
18 would constitute a violation of this act. No person who so informs the
19 **[commission or the]** division shall be discriminated against by an
20 applicant, licensee or registrant because of the supplying of such
21 information.

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

23 (cf: P.L.2009, c.36, s.6)

24
25 ²**[46.] 45.**² Section 81 to P.L.1977, c.110 (C.5:12-81) is amended to
26 read as follows:

27 81. Statement of compliance.

28 a. (1) **[The]** Upon consideration of a report and recommendation of
29 the division, the commission may, in its discretion, issue a statement of
30 compliance to an applicant for **[any]** a casino license or **[for qualification**
31 status under this act at any time the commission is satisfied that**]** to any
32 person required to qualify in conjunction with a casino license or casino
33 license applicant if the applicant or person, as the case may be, has
34 established by clear and convincing evidence that one or more particular
35 eligibility criteria have been satisfied **[by an applicant]**. A request for the
36 issuance of a statement of compliance pursuant to this paragraph shall be
37 initiated by the applicant filing a petition with the **[commission]** division.
38 Before the **[commission refers any such petition to the]** division **[for]**
39 initiates any investigation on such a petition, the **[commission]** director
40 may require the applicant to establish to the satisfaction of the
41 **[commission]** director that the applicant actually intends, if found
42 qualified, to engage in the business or activity that would require the
43 issuance of the license or the determination of qualification status.

44 (2) Any person who must be qualified pursuant to the "Casino Control
45 Act," P.L.1977, c.110 (C.5:12-1 et seq.) in order to hold the securities of a
46 casino licensee or any holding or intermediary company of a casino

1 licensee may, prior to the acquisition of any such securities, request the
2 issuance of a statement of compliance by the commission that the person is
3 qualified to hold such securities. Any request for the issuance of a
4 statement of compliance pursuant to this paragraph shall be initiated by the
5 person filing a petition with the **【commission】** division in which the person
6 shall be required to establish that there is a reasonable likelihood that, if
7 qualified, the person will obtain and hold the securities of a casino licensee
8 or any holding or intermediary company thereof to such extent as to require
9 the qualification of the person. If **【the commission finds that this**
10 **reasonable likelihood exists, and if the commission is satisfied】**, after an
11 investigation by the division, the director finds that this reasonable
12 likelihood exists and that the qualifications of the person have been
13 established by clear and convincing evidence, the **【commission】** director
14 may, in **【its】** the director's discretion, recommend to the commission that it
15 issue a statement of compliance that the person is qualified to hold such
16 securities. Any person who requests a statement of compliance pursuant to
17 this paragraph shall be subject to the provisions of section 80 of P.L.1977,
18 c.110 (C.5:12-80) and shall pay for the costs of all investigations and
19 proceedings in relation to the request unless the person provides **【to the**
20 **commission】** an agreement with one or more casino licensees which states
21 that the licensee or licensees will pay those costs.

22 (3) A statement of compliance shall not be issued indicating that an
23 applicant or any other person required to qualify in conjunction with a
24 casino license or casino license applicant that is a corporation or other form
25 of business organization has established by clear and convincing evidence
26 its good character, honesty and integrity unless the **【Chief Executive**
27 **Officer, Chief Operating Officer and Chief Financial Officer, or the**
28 **functional equivalent thereof】** corporate officers; each director; each person
29 who directly or indirectly holds any beneficial **【interest】** or ownership
30 interest in the applicant of 5% or greater, to the extent such person would
31 be required to qualify under section 85 of P.L.1977, c.110 (C.5:12-85) **【if**
32 **the applicant were a holding company or intermediary company of a casino**
33 **licensee】**; and any other person whom the commission may consider
34 appropriate for approval or qualification, would, but for residence,
35 individually be qualified for approval as a casino key employee pursuant to
36 the provisions of section 89 of P.L.1977, c.110 (C.5:12-89).

37 b. Any statement of compliance issued under P.L.1977, c.110 (C.5:12-
38 1 et seq.) shall specify:

39 (1) the particular eligibility criterion satisfied by the applicant or
40 person;

41 (2) the date as of which such satisfaction was determined by the
42 commission;

43 (3) the continuing obligation of the applicant or person to file any
44 information required by the **【commission or】** division as part of any
45 application for a license or qualification status, including information
46 related to the eligibility criterion for which the statement of compliance was
47 issued; and

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

5 c. **【**A statement of compliance certifying satisfaction of all of the
6 requirements of subsection e. of section 84 of this act with respect to a
7 specific casino hotel proposal submitted by an eligible applicant may be
8 accompanied by a written commitment from the commission that a casino
9 license shall be reserved for a period not to exceed 30 months or within
10 such additional time period as the commission may, upon a showing of
11 good cause therefor, establish and shall be issued to such eligible applicant
12 with respect to such proposal provided that such applicant (1) complies in
13 all respects with the provisions of this act, (2) qualifies for a casino license
14 within a period not to exceed 30 months of the date of such commitment or
15 within such additional time period as the commission may, upon a showing
16 of good cause therefor, establish, and (3) complies with such other
17 conditions as the commission shall impose. The commission may revoke
18 such reservation at any time it finds that the applicant is disqualified from
19 receiving or holding a casino license or has failed to comply with any
20 conditions imposed by the commission. Such reservation shall be
21 automatically revoked if the applicant does not qualify for a casino license
22 within the period of such commitment. No license other than a casino
23 license shall be reserved by the commission.**】** (Deleted by amendment,
24 P.L. , c.)(pending before the Legislature as this bill)

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

27 (1) the applicant or person otherwise fails to satisfy the standards for
28 licensure or qualification;

29 (2) the applicant or person fails to comply with any condition imposed
30 **【**by the commission**】**; or

31 (3) the commission finds, on recommendation of the division, cause to
32 revoke the statement of compliance for any other reason.

33 e. Notwithstanding any other provision of this section, unless
34 otherwise extended by the commission upon application by the recipient
35 and for good cause shown, any statement of compliance issued by the
36 commission pursuant to this section shall expire 48 months after its date of
37 issuance**【**, unless the recipient also has received a commitment for the
38 reservation of a casino license, in which case the statement of compliance
39 shall expire on the same date as the commitment**】**.

40 f. **【**Any statement of compliance issued by the commission prior to the
41 effective date of this amendatory and supplementary act, P.L.2002, c.65,
42 shall expire in accordance with the provisions of subsection e. of this
43 section as if the statement had been issued on such effective date, unless the
44 statement is otherwise extended, withdrawn or revoked prior to such date in
45 accordance with the provisions of this section.**】** (Deleted by amendment,
46 P.L. , c.)(pending before the Legislature as this bill)
47 (cf: P.L.2002, c.65, s.13)

1 ²**[47.]** 46.² Section 82 of P.L.1977, c.110 (C.5:12-82) is amended to
2 read as follows:

3 82. a. No casino shall operate unless all necessary licenses and
4 approvals therefor have been obtained in accordance with law.

5 b. Only the following persons shall be eligible to hold a casino license;
6 and, unless otherwise determined by the commission with the concurrence
7 of the Attorney General which may not be unreasonably withheld in
8 accordance with subsection c. of this section, each of the following persons
9 shall be required to hold a casino license prior to the operation of a casino
10 in the casino hotel with respect to which the casino license has been applied
11 for:

12 (1) Any person who either owns an approved casino hotel or owns or
13 has a contract to purchase or construct a casino hotel which in the judgment
14 of the commission can become an approved casino hotel within 30 months
15 or within such additional time period as the commission may, upon a
16 showing of good cause therefor, establish;

17 (2) Any person who, whether as lessor or lessee, either leases an
18 approved casino hotel or leases or has an agreement to lease a casino hotel
19 which in the judgment of the commission can become an approved casino
20 hotel within 30 months or within such additional time period as the
21 commission may, upon a showing of good cause therefor, establish;

22 (3) Any person who has a written agreement with a casino licensee or
23 with an eligible applicant for a casino license for the complete management
24 of a casino and, if applicable, any authorized games in a casino
25 simulcasting facility; and

26 (4) Any other person who has control over either an approved casino
27 hotel or the land thereunder or the operation of a casino.

28 c. Prior to the operation of a casino and, if applicable, a casino
29 simulcasting facility, every agreement to lease an approved casino hotel or
30 the land thereunder and every agreement for the management of the casino
31 and, if applicable, any authorized games in a casino simulcasting facility,
32 shall be in writing and filed with the commission and the division. No such
33 agreement shall be effective unless expressly approved by the commission.
34 The commission may require that any such agreement include within its
35 terms any provision reasonably necessary to best accomplish the policies of
36 this act. Consistent with the policies of this act:

37 (1) The commission, with the concurrence of the Attorney General
38 which may not be unreasonably withheld, may determine that any person
39 who does not have the ability to exercise any significant control over either
40 the approved casino hotel or the operation of the casino contained therein
41 shall not be eligible to hold or required to hold a casino license;

42 (2) The commission, with the concurrence of the Attorney General
43 which may not be unreasonably withheld, may determine that any owner,
44 lessor or lessee of an approved casino hotel or the land thereunder who
45 does not own or lease **[the entire]** a significant portion of an approved
46 casino hotel shall not be eligible to hold or required to hold a casino
47 license;

1 (3) The commission shall require that any person or persons eligible to
2 apply for a casino license organize itself or themselves into such form or
3 forms of business association as the commission shall deem necessary or
4 desirable in the circumstances to carry out the policies of this act;

5 (4) The commission may issue separate casino licenses to any persons
6 eligible to apply therefor;

7 (5) As to agreements to lease an approved casino hotel or the land
8 thereunder, unless it expressly and by formal vote for good cause
9 determines otherwise, the commission shall require that each party thereto
10 hold either a casino license or casino service industry enterprise license and
11 that such an agreement **【**be for a durational term exceeding 30 years,
12 concern 100% of the entire approved casino hotel or of the land upon which
13 same is located, and**】** shall include within its terms a buy-out provision
14 conferring upon the casino licensee-lessee who controls the operation of the
15 approved casino hotel the absolute right to purchase for an expressly set
16 forth fixed sum the entire interest of the lessor or any person associated
17 with the lessor in the approved casino hotel or the land thereunder in the
18 event that said lessor or said person associated with the lessor is found by
19 the commission or director, as the case may be, to be unsuitable to be
20 associated with a casino enterprise;

21 (6) The commission shall not permit an agreement for the leasing of an
22 approved casino hotel or the land thereunder to provide for the payment of
23 an interest, percentage or share of money gambled at the casino or derived
24 from casino gaming activity or of revenues or profits of the casino unless
25 the party receiving payment of such interest, percentage or share is a party
26 to the approved lease agreement; unless each party to the lease agreement
27 holds either a casino license or casino service industry enterprise license
28 **【**and unless the agreement is for a durational term exceeding 30 years,
29 concerns a significant portion of the entire approved casino hotel or of the
30 land upon which same is located**】**, and includes within its terms a buy-out
31 provision conforming to that described in paragraph (5) above;

32 (7) As to agreements for the management of a casino and, if applicable,
33 the authorized games in a casino simulcasting facility, the commission shall
34 require that each party thereto hold a casino license or a casino service
35 industry enterprise license pursuant to subsection a. of section 92 of
36 P.L.1977, c.110 (C.5:12-92), that the party thereto who is to manage the
37 casino gaming operations own at least 10% of all outstanding equity
38 securities of any casino licensee or of any eligible applicant for a casino
39 license if the said licensee or applicant is a corporation and the ownership
40 of an equivalent interest in any casino licensee or in any eligible applicant
41 for a casino license if same is not a corporation, and that such an agreement
42 be for the complete management of all casino space in the casino hotel and,
43 if applicable, all authorized games in a casino simulcasting facility, provide
44 for the sole and unrestricted power to direct the casino gaming operations
45 of the casino hotel which is the subject of the agreement, and be for such a
46 durational term as to assure reasonable continuity, stability and
47 independence in the management of the casino gaming operations, provided
48 that the provisions of this paragraph shall not apply to a slot system

1 agreement between a group of casino licensees and a casino service
2 industry enterprise licensed pursuant to subsection a. of section 92 of
3 P.L.1977, c.110 (C.5:12-92), or an eligible applicant for such license, and
4 that, with regard to such agreements, the casino service industry enterprise
5 licensee or applicant may operate and administer the multi-casino
6 progressive slot machine system, including, but not limited to, the operation
7 of a monitor room or the payment of progressive **【jackpots】**, including
8 annuity ³/₂ jackpots, or both, and further provided that the obligation to pay
9 a progressive jackpot or establish an annuity jackpot guarantee shall be the
10 sole responsibility of the casino licensee or casino service industry
11 enterprise licensee or applicant designated in the slot system agreement and
12 that no other party shall be jointly or severally liable for the payment or
13 funding of such jackpots or guarantees unless such liability is specifically
14 established in the slot system agreement;

15 (8) The commission may permit an agreement for the management of a
16 casino and, if applicable, the authorized games in a casino simulcasting
17 facility to provide for the payment to the managing party of an interest,
18 percentage or share of money gambled at all authorized games or derived
19 from casino gaming activity or of revenues or profits of casino gaming
20 operations;

21 (9) Notwithstanding any other provision of P.L.1977, c.110 (C.5:12-1 et
22 seq.) to the contrary, the commission may permit an agreement between a
23 casino licensee and a casino service industry enterprise licensed pursuant to
24 the provisions of subsection a. of section 92 of P.L.1977, c.110 (C.5:12-92)
25 for the conduct of casino simulcasting in a simulcasting facility or for the
26 operation of a multi-casino progressive slot machine system, to provide for
27 the payment to the casino service industry enterprise of an interest,
28 percentage or share of the money derived from the casino licensee's share
29 of proceeds from simulcast wagering activity or the operation of a multi-
30 casino progressive slot machine system; and

31 (10) As to agreements to lease an approved casino hotel or the land
32 thereunder, agreements to jointly own an approved casino hotel or the land
33 thereunder and agreements for the management of casino gaming
34 operations or for the conduct of casino simulcasting in a simulcasting
35 facility, the commission shall require that each party thereto, except for a
36 banking or other chartered or licensed lending institution or any subsidiary
37 thereof, or any chartered or licensed life insurance company or property and
38 casualty insurance company, or the State of New Jersey or any political
39 subdivision thereof or any agency or instrumentality of the State or any
40 political subdivision thereof, shall be jointly and severally liable for all
41 acts, omissions and violations of this act by any party thereto regardless of
42 actual knowledge of such act, omission or violation and notwithstanding
43 any provision in such agreement to the contrary. Notwithstanding the
44 foregoing, nothing in this paragraph shall require a casino licensee to be
45 jointly and severally liable for any acts, omissions or violations of this act,
46 P.L.1977, c.110 (C.5:12-1 et seq.), committed by any casino service
47 industry enterprise licensee or applicant performing as a slot system
48 operator pursuant to a slot system agreement.

- 1 d. No corporation shall be eligible to apply for a casino license unless:
- 2 (1) The corporation shall be incorporated in the State of New Jersey,
3 although such corporation may be a wholly or partially owned subsidiary of
4 a corporation which is organized pursuant to the laws of another state of the
5 United States or of a foreign country;
- 6 (2) The corporation shall maintain an office of the corporation in the
7 casino hotel licensed or to be licensed;
- 8 (3) The corporation shall comply with all the requirements of the laws
9 of the State of New Jersey pertaining to corporations;
- 10 (4) The corporation shall maintain a ledger in the principal office of the
11 corporation in New Jersey which shall at all times reflect the current
12 ownership of every class of security issued by the corporation and shall be
13 available for inspection by the commission or the division and authorized
14 agents of the commission and the division at all reasonable times without
15 notice;
- 16 (5) The corporation shall maintain all operating accounts required by
17 the commission in a bank in New Jersey, except that a casino licensee may
18 establish deposit-only accounts in any jurisdiction in order to obtain
19 payment of any check described in section 101 of P.L.1977, c.110 (C.5:12-
20 101);
- 21 (6) The corporation shall include among the purposes stated in its
22 certificate of incorporation the conduct of casino gaming and provide that
23 the certificate of incorporation includes all provisions required by this act;
- 24 (7) The corporation, if it is not a publicly traded corporation, shall file
25 with the **【commission】** division such adopted corporate charter provisions
26 as may be necessary to establish the right of prior approval by the
27 commission with regard to transfers of securities, shares, and other interests
28 in the applicant corporation; and, if it is a publicly traded corporation,
29 provide in its corporate charter that any securities of such corporation are
30 held subject to the condition that if a holder thereof is found to be
31 disqualified **【by the commission】** pursuant to the provisions of this act,
32 such holder shall dispose of his interest in the corporation; provided,
33 however, that, notwithstanding the provisions of N.J.S.14A:7-12 and
34 N.J.S.12A:8-101 et seq., nothing herein shall be deemed to require that any
35 security of such corporation bear any legend to this effect;
- 36 (8) The corporation, if it is not a publicly traded corporation, shall
37 establish to the satisfaction of the **【commission】** division that appropriate
38 charter provisions create the absolute right of such non-publicly traded
39 corporations and companies to repurchase at the market price or the
40 purchase price, whichever is the lesser, any security, share or other interest
41 in the corporation in the event that the commission disapproves a transfer in
42 accordance with the provisions of this act;
- 43 (9) Any publicly traded holding, intermediary, or subsidiary company
44 of the corporation, whether the corporation is publicly traded or not, shall
45 contain in its corporate charter the same provisions required under
46 paragraph (7) for a publicly traded corporation to be eligible to apply for a
47 casino license; and

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

6 **【Notwithstanding the foregoing, any corporation or company which had
7 bylaw provisions approved by the commission prior to the effective date of
8 this 1987 amendatory act shall have one year from the effective date of this
9 1987 amendatory act to adopt appropriate charter provisions in accordance
10 with the requirements of this subsection.】**

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

15 e. No person shall be issued or be the holder of a casino license if the
16 issuance or the holding results in undue economic concentration in Atlantic
17 City casino operations by that person. ³For the purpose of this subsection,
18 "undue economic concentration" means that a person would have such
19 actual or potential domination of the casino gaming market in Atlantic City
20 as to substantially impede or suppress competition among casino licensees
21 or adversely impact the economic stability of the casino industry in Atlantic
22 City. In determining whether the issuance or holding of a casino license by
23 a person will result in undue economic concentration, the commission shall
24 consider the following criteria:

25 (1) The percentage share of the market presently controlled by the
26 person in each of the following categories:

- 27 The total number of licensed casinos in this State;
- 28 Total casino and casino simulcasting facility square footage;
- 29 Number of guest rooms;
- 30 Number of slot machines;
- 31 Number of table games;
- 32 Net revenue;
- 33 Table game win;
- 34 Slot machine win;
- 35 Table game drop;
- 36 Slot machine drop; and
- 37 Number of persons employed by the casino hotel;

38 (2) The estimated increase in the market shares in the categories in (1)
39 above if the person is issued or permitted to hold the casino license;

40 (3) The relative position of other persons who hold casino licenses, as
41 evidenced by the market shares of each such person in the categories in (1)
42 above;

43 (4) The current and projected financial condition of the casino industry;

44 (5) Current market conditions, including level of competition, consumer
45 demand, market concentration, any consolidation trends in the industry and
46 any other relevant characteristics of the market;

47 (6) Whether the licensed casinos held or to be held by the person have
48 separate organizational structures or other independent obligations;

1 (7) The potential impact of licensure on the projected future growth and
2 development of the casino industry and Atlantic City;

3 (8) The barriers to entry into the casino industry, including the licensure
4 requirements of this act, P.L.1977, c.110 (C.5:12-1 et seq.), and whether the
5 issuance or holding of a casino license by the person will operate as a
6 barrier to new companies and individuals desiring to enter the market;

7 (9) Whether the issuance or holding of the license by the person will
8 adversely impact on consumer interests, or whether such issuance or
9 holding is likely to result in enhancing the quality and customer appeal of
10 products and services offered by casino licensees in order to maintain or
11 increase their respective market shares;

12 (10) Whether a restriction on the issuance or holding of an additional
13 license by the person is necessary in order to encourage and preserve
14 competition and to prevent undue economic concentration in casino
15 operations; and

16 (11) Any other evidence deemed relevant by the commission.³

17 The commission shall, after conducting public hearings thereon,
18 promulgate rules and regulations in accordance with the "Administrative
19 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) defining ³**the** any
20 additional³ criteria the commission will use in determining what constitutes
21 undue economic concentration.

22 For the purpose of this subsection a person shall be considered the
23 holder of a casino license if such license is issued to such person or if such
24 license is held by any holding, intermediary or subsidiary company thereof,
25 or by any **officer, director, casino key employee or principal employee of**
26 **such person, or of any holding, intermediary or subsidiary company**
27 **thereof** person required to be qualified in conjunction with such casino
28 license.

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

30
31 ²**[48.]** 47.² Section 83 of P.L.1977, c.110 (C.5:12-83) is amended to
32 read as follows:

33 83. a. An approved hotel for purposes of this act shall be a hotel
34 providing facilities in accordance with this section. Nothing in this section
35 shall be construed to limit the authority of the commission to determine the
36 suitability of facilities as provided in this act, and nothing in this section
37 shall be construed to require a casino to be smaller than the maximum size
38 herein provided.

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

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

45 c. A casino hotel shall include an approved hotel containing at least
46 500 qualifying sleeping units, as defined in section 27 of the "Casino
47 Control Act," P.L.1977, c.110 (C.5:12-27), and a casino, the total square

1 footage of which shall not exceed 60,000 square feet, except that for each
2 additional 100 qualifying sleeping units above 500, the maximum amount
3 of the casino space may be increased by 10,000 square feet, up to a
4 maximum of 200,000 square feet of casino space. For the purpose of
5 increasing casino space, an agreement approved by the commission for the
6 addition of qualifying sleeping units within two years after the
7 commencement of gaming operations in the additional casino space shall be
8 deemed an addition of those sleeping units, but if the agreement is not
9 fulfilled due to conditions within the control of the casino licensee, the
10 casino licensee shall close the additional casino space or any portion
11 thereof as directed by the commission.

12 d. Once a hotel is initially approved, the commission and the division
13 shall thereafter rely on the certification of the casino licensee with regard to
14 the number of qualifying sleeping units and shall permit replacement,
15 rehabilitation, renovation and alteration of any part of the approved hotel
16 even if the replacement, rehabilitation, renovation, or alteration will mean
17 that the casino licensee does not temporarily meet the requirements of
18 subsection c. so long as the licensee certifies that the replacement,
19 rehabilitation, renovation, or alteration shall be completed within one year
20 or such other reasonable period of time as the commission may approve.

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

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

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

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

25 I. The **commission** division shall not impose any criteria or
26 requirements regarding the contents of the approved hotel in addition to the
27 criteria and requirements expressly specified in the "Casino Control Act,"
28 P.L.1977, c.110 (C.5:12-1 et seq.) and the regulations promulgated
29 thereunder; provided, however, that the **commission** division shall **be**
30 **authorized to** require each casino licensee to establish and maintain an
31 approved hotel which is in all respects a superior, first-class facility of
32 exceptional quality which will help restore Atlantic City as a resort, tourist
33 and convention destination.

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

35

36 ²**[49.] 48.**² Section 84 of P.L.1977, c.110 (C.5:12-84) is amended to
37 read as follows:

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

41 a. Each applicant shall produce such information, documentation and
42 assurances concerning financial background and resources as may be
43 required to establish by clear and convincing evidence the financial
44 stability, integrity and responsibility of the applicant, including but not
45 limited to bank references, business and personal income and disbursement
46 schedules, tax returns and other reports filed with governmental agencies,
47 and business and personal accounting and check records and ledgers. In
48 addition, each applicant shall, in writing, authorize the examination of all

1 bank accounts and records as may be deemed necessary by the commission
2 or the division. The commission or the division may consider any relevant
3 evidence of financial stability; provided, however, it is presumed that a
4 casino licensee or applicant is financially stable if it establishes by clear
5 and convincing evidence that it meets each of the following standards:

6 (1) The ability to assure the financial integrity of casino operations by
7 the maintenance of a casino bankroll or equivalent provisions adequate to
8 pay winning wagers to casino patrons when due. A casino licensee or
9 applicant shall be presumed to have met this standard if it maintains, on a
10 daily basis, a casino bankroll, or a casino bankroll and equivalent
11 provisions, in an amount which is at least equal to the average daily
12 minimum casino bankroll or equivalent provisions, calculated on a monthly
13 basis, for the corresponding month in the previous year. For any casino
14 licensee or applicant which has been in operation for less than a year, such
15 amount shall be determined by the division based upon levels maintained
16 by a comparable casino licensee;

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

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

28 (4) The ability to make necessary capital and maintenance expenditures
29 in a timely manner which are adequate to ensure maintenance of a superior,
30 first-class facility of exceptional quality pursuant to subsection i. of section
31 83 of P.L.1977, c.110 (C.5:12-83). A casino licensee or applicant shall be
32 presumed to have met this standard if it demonstrates that its capital and
33 maintenance expenditures, over the five-year period which includes the
34 three most recent calendar years and the upcoming two calendar years,
35 average at least five percent of net revenue per annum, except that any
36 casino licensee or applicant which has been in operation for less than three
37 years shall be required to otherwise establish compliance with this
38 standard; and

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

47 b. **【**Each applicant shall produce such information, documentation and
48 assurances as may be necessary to establish by clear and convincing

1 evidence the integrity of all financial backers, investors, mortgagees,
2 bondholders, and holders of indentures, notes or other evidences of
3 indebtedness, either in effect or proposed, which bears any relation to the
4 casino proposal submitted by the applicant or applicants; provided,
5 however, that this section shall not apply to banking or other licensed
6 lending institutions exempted from the qualification requirements of
7 subsections c. and d. of section 85 of P.L.1977, c.110 (C.5:12-85) and
8 institutional investors waived from the qualification requirements of those
9 subsections pursuant to the provisions of subsection f. of section 85 of
10 P.L.1977, c.110 (C.5:12-85). Any such banking or licensed lending
11 institution or institutional investor shall, however, produce for the
12 commission or the division upon request any document or information
13 which bears any relation to the casino proposal submitted by the applicant
14 or applicants. The integrity of financial sources shall be judged upon the
15 same standards as the applicant. In addition, the applicant shall produce
16 whatever information, documentation or assurances as may be required to
17 establish by clear and convincing evidence the adequacy of financial
18 resources both as to the completion of the casino proposal and the operation
19 of the casino.】 (Deleted by amendment, P.L. , c.)(pending before the
20 Legislature as this bill)

21 c. Each applicant shall produce such information, documentation and
22 assurances as may be required to establish by clear and convincing
23 evidence the applicant's good character, honesty and integrity. Such
24 information shall include, without limitation, information pertaining to
25 family, habits, character, reputation, criminal and arrest record, business
26 activities, financial affairs, and business, professional and personal
27 associates, covering at least the 10-year period immediately preceding the
28 filing of the application. Each applicant shall notify the commission and
29 division of any civil judgments obtained against any such applicant
30 pertaining to antitrust or security regulation laws of the federal government,
31 of this State or of any other state, jurisdiction, province or country. In
32 addition, each applicant shall produce letters of reference from law
33 enforcement agencies having jurisdiction in the applicant's place of
34 residence and principal place of business, which letters of reference shall
35 indicate that such law enforcement agencies do not have any pertinent
36 information concerning the applicant, or if such law enforcement agency
37 does have information pertaining to the applicant, shall specify what the
38 information is. If the applicant has conducted gaming operations in a
39 jurisdiction which permits such activity, the applicant shall produce letters
40 of reference from the gaming or casino enforcement or control agency
41 which shall specify the experiences of such agency with the applicant, his
42 associates, and his gaming operation; provided, however, that if no such
43 letters are received within 60 days of request therefor, the applicant may
44 submit a statement under oath that he is or was during the period such
45 activities were conducted in good standing with such gaming or casino
46 enforcement or control agency.

47 d. Each applicant shall produce such information, documentation and
48 assurances as may be required to establish by clear and convincing

1 evidence that the applicant has sufficient business ability and casino
2 experience as to establish the likelihood of creation and maintenance of a
3 successful, efficient casino operation. The applicant shall produce the
4 names of all proposed casino key employees as they become known and a
5 description of their respective or proposed responsibilities[, and a full
6 description of security systems and management controls proposed for the
7 casino and related facilities].

8 e. Each applicant shall produce such information, documentation and
9 assurances to establish [to the satisfaction of the commission] the
10 suitability of the casino and related facilities subject to subsection i. of
11 section 83 of P.L.1977, c.110 (C.5:12-83) and that its proposed location
12 will not adversely affect casino operations. Each applicant shall submit to
13 the division an impact statement which shall include, without limitation,
14 architectural and site plans which establish that the proposed facilities
15 comply in all respects with the requirements of this act and the
16 requirements of the master plan and zoning and planning ordinances of
17 Atlantic City, without any use variance from the provisions thereof; a
18 market impact study which analyzes the adequacy of the patron market and
19 the effect of the proposal on such market and on the existing casino
20 facilities licensed under this act; and an analysis of the effect of the
21 proposal on the overall economic and competitive conditions of Atlantic
22 City and the State of New Jersey.

23 f. For the purposes of this section, each applicant shall [submit] be
24 responsible for the submission to the division of the [applicant's] name,
25 address, fingerprints and written consent for a criminal history record
26 background check to be performed for each person who must individually
27 qualify in conjunction with the casino license application. The division is
28 hereby authorized to exchange fingerprint data with and receive criminal
29 history record information from the State Bureau of Identification in the
30 Division of State Police and the Federal Bureau of Investigation consistent
31 with applicable State and federal laws, rules and regulations. The applicant
32 shall bear the cost for the criminal history record background check,
33 including all costs of administering and processing the check. The Division
34 of State Police shall promptly notify the division in the event a current or
35 prospective licensee, who was the subject of a criminal history record
36 background check pursuant to this section, is arrested for a crime or offense
37 in this State after the date the background check was performed.

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

39

40 ²[50.] 49.² Section 85 of P.L.1997, c.110 (C.5:12-85) is amended to
41 read as follows:

42 85. Additional Requirements.

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

1 (1) The organization, financial structure and nature of all businesses
2 operated by the **【corporation】 applicant**; the names and personal
3 employment and criminal histories of all officers, directors and **【principal】**
4 such other employees of the **【corporation】 applicant** as the division may
5 require; the names of all holding, intermediary and subsidiary companies of
6 the **【corporation】 applicant**; and the organization, financial structure and
7 nature of all businesses operated by such of its holding, intermediary and
8 subsidiary companies as the **【commission】 division** may require, including
9 the names and personal employment and criminal histories of such
10 corporate officers, directors and **【principal】 other** employees of such
11 holding, intermediary and subsidiary 【corporations and】 companies as the
12 **【commission】 division** may require;

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

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

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

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

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

28 (7) A description of all bonus and profit-sharing arrangements;

29 (8) Copies of all management and service contracts; **【and】**

30 (9) A listing of stock options existing or to be created; and

31 (10) Documentation establishing that it is qualified to do business in the
32 State of New Jersey.

33 b. **【If a corporation or other form of business organization applying for**
34 **a casino license is, or if a corporation or other form of business**
35 **organization holding a casino license is to become, a subsidiary, each**
36 **holding company, intermediary company, and other entity required to be**
37 **qualified with respect thereto must, as a condition of the said subsidiary**
38 **acquiring or retaining such license, as the case may be:**

39 (1) Establish by clear and convincing evidence that it meets the
40 standards set forth in subsections a., c., and d. of section 84 of P.L.1977,
41 c.110 (C.5:12-84) as if it were itself applying for a casino license, and the
42 standards, but for residence, required for approval as a casino key employee
43 pursuant to the provisions of this act in accordance with subsections c., d.
44 and e. of this section, as applicable; and

1 (2) Qualify] Each holding, intermediary and subsidiary company of an
2 applicant for or holder of a casino license shall be required to qualify to do
3 business in the State of New Jersey; and

4 **[(3)] (1)** If it is a corporation, register with the **[commission] division**
5 and furnish the **[commission] division** with all the information required of
6 a corporate licensee as specified in subsection a. (1), (2) and (3) of this
7 section and such other information as the **[commission] division** may
8 require; or

9 **[(4)] (2)** If it is not a corporation, register with the **[commission]**
10 **division** and furnish the **[commission] division** with such information as
11 the **[commission] division** may prescribe.

12 c. **[No corporation shall be eligible to hold a casino license unless**
13 **each officer; each director; each person who directly or indirectly holds any**
14 **beneficial interest or ownership of the securities issued by the corporation;**
15 **any person who in the opinion of the commission has the ability to control**
16 **the corporation or elect a majority of the board of directors of that**
17 **corporation, other than a banking or other licensed lending institution**
18 **which makes a loan or holds a mortgage or other lien acquired in the**
19 **ordinary course of business; each principal employee; and any lender,**
20 **underwriter, agent, employee of the corporation, or other person whom the**
21 **commission may consider appropriate for approval or qualification would,**
22 **but for residence, individually be qualified for approval as a casino key**
23 **employee pursuant to the provisions of this act.] (Deleted by amendment,**
24 **P.L. , c.)(pending before the Legislature as this bill)**

25 d. **[No corporation or other form of business organization which is a**
26 **subsidiary shall be eligible to receive or hold a casino license unless each**
27 **holding and intermediary company with respect thereto:**

28 (1) If it is a corporation, shall comply with the provisions of subsection
29 c. of this section as if said holding or intermediary company were itself
30 applying for a casino license; provided, however, that the commission with
31 the concurrence of the director may waive compliance with the provisions
32 of subsection c. hereof on the part of a holding company as to any officer,
33 director, lender, underwriter, agent or employee thereof, or person directly
34 or indirectly holding a beneficial interest or ownership of the securities of
35 such corporation, where the commission and the director are satisfied that
36 such officer, director, lender, underwriter, agent or employee is not
37 significantly involved in the activities of the corporate licensee, and in the
38 case of security holders, does not have the ability to control the holding
39 company or elect one or more directors thereof; or

40 (2) If it is not a corporation, shall comply with the provisions of
41 subsection e. of this section as if said company were itself applying for a
42 casino license; provided, however, that the commission with the
43 concurrence of the director may waive compliance with the provisions of
44 subsection e. of this section on the part of a noncorporate business
45 organization which is a holding company as to any person who directly or
46 indirectly holds any beneficial interest or ownership in such company,
47 when the commission and the director are satisfied that such person does

1 not have the ability to control the company.】 (Deleted by amendment,
2 P.L. , c.) (pending before the Legislature as this bill)

3 e. 【Any noncorporate applicant for a casino license shall provide the
4 information required in subsection a. of this section in such form as may be
5 required by the commission. No such applicant shall be eligible to hold a
6 casino license unless each person who directly or indirectly holds any
7 beneficial interest or ownership in the applicant, or who in the opinion of
8 the commission has the ability to control the applicant, or whom the
9 commission may consider appropriate for approval or qualification, would,
10 but for residence, individually be qualified for approval as a casino key
11 employee pursuant to the provisions of this act.】 (Deleted by amendment,
12 P.L. , c.) (pending before the Legislature as this bill)

13 f. 【Notwithstanding the provisions of subsections c. and d. of this
14 section, and in the absence of a prima facie showing by the director that
15 there is any cause to believe that the institutional investor may be found
16 unqualified, an institutional investor holding either (1) under 10% of the
17 equity securities of a casino licensee's holding or intermediary companies,
18 or (2) debt securities of a casino licensee's holding or intermediary
19 companies, or another subsidiary company of a casino licensee's holding or
20 intermediary companies which is related in any way to the financing of the
21 casino licensee, where the securities represent a percentage of the
22 outstanding debt of the company not exceeding 20%, or a percentage of any
23 issue of the outstanding debt of the company not exceeding 50%, shall be
24 granted a waiver of qualification if such securities are those of a publicly
25 traded corporation and its holdings of such securities were purchased for
26 investment purposes only and upon request by the commission it files with
27 the commission a certified statement to the effect that it has no intention of
28 influencing or affecting the affairs of the issuer, the casino licensee or its
29 holding or intermediary companies; provided, however, that it shall be
30 permitted to vote on matters put to the vote of the outstanding security
31 holders. The commission may grant a waiver of qualification to an
32 institutional investor holding a higher percentage of such securities upon a
33 showing of good cause and if the conditions specified above are met. Any
34 institutional investor granted a waiver under this subsection which
35 subsequently determines to influence or affect the affairs of the issuer shall
36 provide not less than 30 days' notice of such intent and shall file with the
37 commission an application for qualification before taking any action that
38 may influence or affect the affairs of the issuer; provided, however, that it
39 shall be permitted to vote on matters put to the vote of the outstanding
40 security holders. If an institutional investor changes its investment intent,
41 or if the commission finds reasonable cause to believe that the institutional
42 investor may be found unqualified, no action other than divestiture shall be
43 taken by such investor with respect to its security holdings until there has
44 been compliance with the provisions of P.L.1987, c.409 (C.5:12-95.12 et
45 al.), including the execution of a trust agreement. The casino licensee and
46 its relevant holding, intermediary or subsidiary company shall immediately
47 notify the commission and the division of any information about, or actions
48 of, an institutional investor holding its equity or debt securities where such

1 information or action may impact upon the eligibility of such institutional
2 investor for a waiver pursuant to this subsection.】 (Deleted by amendment,
3 P.L. , c.)(pending before the Legislature as this bill)

4 g. 【If at any time the commission finds that an institutional investor
5 holding any security of a holding or intermediary company of a casino
6 licensee, or, where relevant, of another subsidiary company of a holding or
7 intermediary company of a casino licensee which is related in any way to
8 the financing of the casino licensee, fails to comply with the terms of
9 subsection f. of this section, or if at any time the commission finds that, by
10 reason of the extent or nature of its holdings, an institutional investor is in a
11 position to exercise such a substantial impact upon the controlling interests
12 of a licensee that qualification of the institutional investor is necessary to
13 protect the public interest, the commission may, in accordance with the
14 provisions of subsections a. through e. of this section or subsections d. and
15 e. of section 105 of P.L.1977, c.110 (C.5:12-105), take any necessary action
16 to protect the public interest, including requiring such an institutional
17 investor to be qualified pursuant to the provisions of the "Casino Control
18 Act," P.L.1977, c.110 (C.5:12-1 et seq.).】 (Deleted by amendment, P.L. ,
19 c.)(pending before the Legislature as this bill)
20 (cf: P.L.2009, c.36, s.9)

21

22 ²【51.】 50.² (New section) a. No casino license shall be issued to any
23 applicant or retained by any holder unless the commission determines that
24 all persons designated by the division as persons who must qualify in
25 conjunction with such license meet all applicable qualification criteria and
26 are not unqualified by reason of any disqualification criteria set forth in
27 section 86 of P.L.1977, c.110 (C.5:12-86).

28 b. Corporate applicants for and holders of casino licenses shall be
29 required to establish and maintain the qualifications of the following: (1)
30 each officer of the corporation; (2) each director of the corporation; (3)
31 each person who directly or indirectly holds any beneficial interest or
32 ownership of the securities issued by such applicant or holder; (4) any
33 holder who in the opinion of the director has the ability to control the
34 applicant for or holder of a casino license or to elect a majority of the board
35 of directors of such applicant or holder; and (5) each holding, intermediary
36 or subsidiary company of an applicant for or holder of a casino license.

37 c. As to each holding, intermediary and subsidiary company of an
38 applicant for or holder of a casino license, such applicants and holders shall
39 be required to establish and maintain the qualifications of the following:
40 (1) each Corporate Officer; (2) each director of the corporation; (3) each
41 person who directly or indirectly holds a beneficial interest or ownership
42 interest of 5% or more in such holding, intermediary or subsidiary
43 company; (4) any person who in the opinion of the director has the ability
44 to control or elect a majority of the board of directors of such holding,
45 intermediary or subsidiary company; and (5) any other person who the
46 director may consider appropriate for qualification.

- 1 d. The director shall have the authority to waive any or all of the
2 qualification requirements for any person listed in paragraph (1), (2) or (3)
3 of subsection c. of this section.
- 4 e. Applicants for and holders of casino licenses shall be required to
5 establish and maintain the qualifications of any financial backer, investor,
6 mortgagee, bondholder, or holders of indentures, notes or other evidences
7 of indebtedness, either in effect or proposed which bears relation to the
8 casino operation or casino hotel premises who holds 25% or more of such
9 financial instruments or evidences of indebtedness; provided however in
10 circumstances of default, any person holding 10% of such financial
11 instruments or evidences of indebtedness shall be required to establish and
12 maintain his qualifications as required pursuant to subsection c. of this
13 section. The director may, in his discretion, require that any other financial
14 backer, investor, mortgagee, bondholder, or holder of indentures, notes or
15 other evidences of indebtedness who does not meet the threshold set forth
16 herein to establish and maintain his qualifications as required pursuant to
17 subsection c. of this section.
- 18 f. Banks and licensed lending institutions shall be exempt from any
19 qualification requirements under this act if such bank or licensed lending
20 institution is acting in the ordinary course of business.
- 21 g. An institutional investor holding either (1) under 25% of the equity
22 securities of a casino licensee's holding or intermediary companies, or (2)
23 debt securities of a casino licensee's holding or intermediary companies, or
24 another subsidiary company of a casino licensee's holding or intermediary
25 companies which is related in any way to the financing of the casino
26 licensee, where the securities represent a percentage of the outstanding debt
27 of the company not exceeding 25%, or a percentage of any issue of the
28 outstanding debt of the company not exceeding 50% ⁴unless the full issue is
29 in the amount of \$150 million or less⁴, shall be granted a waiver of
30 qualification if such securities are those of a ²**[publicly traded]**²
31 corporation², whether publicly traded or privately held.² and its holdings of
32 such securities were purchased for investment purposes only and it files a
33 certified statement to the effect that it has no intention of influencing or
34 affecting the affairs of the issuer, the casino licensee or its holding or
35 intermediary companies; provided, however, that it shall be permitted to
36 vote on matters put to the vote of the outstanding security holders. The
37 director may grant a waiver of qualification to an institutional investor
38 holding a higher percentage of such securities upon a showing of good
39 cause and if the conditions specified above are met. Any institutional
40 investor granted a waiver under this subsection which subsequently
41 determines to influence or affect the affairs of the issuer shall provide not
42 less than 30 days' notice of such intent and shall file with the division an
43 application for qualification before taking any action that may influence or
44 affect the affairs of the issuer; provided, however, that it shall be permitted
45 to vote on matters put to the vote of the outstanding security holders. If an
46 institutional investor changes its investment intent, or if the director finds
47 reasonable cause to believe that the institutional investor may be found
48 unqualified, no action other than divestiture shall be taken by such investor

1 with respect to its security holdings until there has been compliance with
2 the provisions of P.L.1987, c.409 (C.5:12-95.12 et seq.), including the
3 execution of a trust agreement. The casino licensee and its relevant
4 holding, intermediary or subsidiary company shall immediately notify the
5 division of any information about, or actions of, an institutional investor
6 holding its equity or debt securities where such information or action may
7 impact upon the eligibility of such institutional investor for a waiver
8 pursuant to this subsection.

9 h. If at any time the director finds that an institutional investor holding
10 any security of a holding or intermediary company of a casino licensee, or,
11 where relevant, of another subsidiary company of a holding or intermediary
12 company of a casino licensee which is related in any way to the financing
13 of the casino licensee, fails to comply with the terms of subsection f. of this
14 section, or if at any time the director finds that, by reason of the extent or
15 nature of its holdings, an institutional investor is in a position to exercise
16 such a substantial impact upon the controlling interests of a licensee that
17 qualification of the institutional investor is necessary to protect the public
18 interest, the director may, in accordance with the provisions of subsections
19 a. through e. of this section or subsections d. and e. of section 105 of
20 P.L.1977, c.110 (C.5:12-105), take any necessary action to protect the
21 public interest, including requiring such an institutional investor to be
22 qualified pursuant to the provisions of the "Casino Control Act," P.L.1977,
23 c.110 (C.5:12-1 et seq.).

24 i. Any company required to qualify pursuant to subsection b. of this
25 section shall establish by clear and convincing evidence that it meets
26 ²**[that] the²** standards set forth in section 84 of P.L.1977, c.110 (C.5:12-
27 84).

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

33 k. Any natural person required to qualify pursuant to subsections b.
34 and c. of this section shall be required to establish his qualifications in
35 accordance with the standards applicable to casino key employees in
36 section 89 of this act ², P.L.1977, c.110 (C.5:12-89)²; provided, however
37 that persons required to qualify pursuant to subsection c. of this section
38 shall not be required to establish residency.

39

40 ²**[52.] 51.²** (New section) The provisions of this act shall apply to the
41 extent appropriate with the same force and effect with regard to casino
42 license applicants and casino licensees that have a legal existence that is
43 other than corporate.

44

45 ²**[53.] 52.²** Section 86 of P.L.1977, c.110 (C.5:12-86) is amended to
46 read as follows:

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

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

6 b. Failure of the applicant to provide information, documentation and
7 assurances required by the act or requested by the commission or the
8 division, or failure of the applicant to reveal any fact material to
9 qualification, or the supplying of information which is untrue or misleading
10 as to a material fact pertaining to the qualification criteria;

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

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

17 all crimes of the first degree;

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

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

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

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

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

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

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

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

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

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

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

37 N.J.S.2C:20-1 et seq. (theft and related offenses which constitute crimes
38 of the second or third degree);

39 N.J.S.2C:21-1 et seq. (forgery and fraudulent practices which constitute
40 crimes of the second or third degree);

41 N.J.S. 2C:24-4 (endangering the welfare of a child);

42 N.J.S.2C:27-1 et seq. (bribery and corrupt influence);

43 N.J.S.2C:28-1 et seq. (perjury and other falsification in official matters
44 which constitute crimes of the second, third or fourth degree);

45 N.J.S.2C:30-2 and N.J.S.2C:30-3 (misconduct in office and abuse in
46 office which constitutes a crime of the second degree);

1 N.J.S.2C:35-5 (manufacturing, distributing or dispensing a controlled
2 dangerous substance or a controlled dangerous substance analog which
3 constitutes a crime of the second or third degree);

4 N.J.S.2C:35-6 (employing a juvenile in a drug distribution scheme);

5 N.J.S.2C:35-7 (distributing, dispensing or possessing a controlled
6 dangerous substance or a controlled substance analog on or within 1,000
7 feet of school property or bus);

8 N.J.S.2C:35-7.1 (distributing, dispensing or possessing a controlled
9 dangerous substance or a controlled substance analog in proximity to public
10 housing facilities, parks or buildings);

11 N.J.S.2C:35-11 (distribution, possession or manufacture of imitation
12 controlled dangerous substances);

13 N.J.S.2C:35-13 (acquisition of controlled dangerous substances by
14 fraud);

15 N.J.S.2C:37-1 et seq. (gambling offenses which constitute crimes of the
16 third or fourth degree);

17 N.J.S.2C:37-7 (possession of a gambling device);

18 Any second degree racketeering crime under Chapter 41 of Title 2C of
19 the New Jersey Statutes; or

20 (2) Any of the following offenses under the “Casino Control Act,”
21 P.L.1977, c.110 (C.5:12-1 et seq.):

22 P.L.1977, c.110, s.113 (C.5:12-113) (swindling and cheating);

23 P.L.1991, c.182, s.46 (C.5:12-113.1) (use of device to gain advantage at
24 casino game);

25 P.L.1977, c.110, s.114 (C.5:12-114) (unlawful use of bogus chips or
26 gaming billets, marked cards, dice, cheating devices, unlawful coins);

27 P.L.1977, c.110, s.115 (C.5:12-115) (cheating games and devices in a
28 licensed casino); or

29 P.L.1977, c.110, s.116 (C.5:12-116) (unlawful possession of device,
30 equipment or other material illegally manufactured, distributed, sold or
31 delivered; or

32 **[(2)] (3)** Any other offense under present New Jersey or federal law
33 which indicates that licensure of the applicant would be inimical to the
34 policy of this act and to casino operations; provided, however, that the
35 automatic disqualification provisions of this subsection shall not apply with
36 regard to any conviction which did not occur within the 10-year period
37 immediately preceding application for licensure and which the applicant
38 demonstrates by clear and convincing evidence does not justify automatic
39 disqualification pursuant to this subsection and any conviction which has
40 been the subject of a judicial order of expungement or sealing;

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

47 e. The pursuit by the applicant or any person who is required to be
48 qualified under this act as a condition of a casino license of economic gain

1 in an occupational manner or context which is in violation of the criminal
2 or civil public policies of this State, if such pursuit creates a reasonable
3 belief that the participation of such person in casino operations would be
4 inimical to the policies of this act or to legalized gaming in this State. For
5 purposes of this section, occupational manner or context shall be defined as
6 the systematic planning, administration, management, or execution of an
7 activity for financial gain;

8 f. The identification of the applicant or any person who is required to
9 be qualified under this act as a condition of a casino license as a career
10 offender or a member of a career offender cartel or an associate of a career
11 offender or career offender cartel in such a manner which creates a
12 reasonable belief that the association is of such a nature as to be inimical to
13 the policy of this act and to gaming operations. For purposes of this
14 section, career offender shall be defined as any person whose behavior is
15 pursued in an occupational manner or context for the purpose of economic
16 gain, utilizing such methods as are deemed criminal violations of the public
17 policy of this State. A career offender cartel shall be defined as any group
18 of persons who operate together as career offenders;

19 g. The commission by the applicant or any person who is required to
20 be qualified under this act as a condition of a casino license of any act or
21 acts which would constitute any offense under subsection c. of this section,
22 even if such conduct has not been or may not be prosecuted under the
23 criminal laws of this State or any other jurisdiction or has been prosecuted
24 under the criminal laws of this State or any other jurisdiction and such
25 prosecution has been terminated in a manner other than with a conviction;
26 **[and]**

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

32 i. Failure by the applicant or any person required to be qualified under
33 this act as a condition of a casino license to (i) make required payments in
34 accordance with a child support order; (ii) repay an overpayment for food
35 stamp benefits or low income home energy assistance benefits incurred as a
36 former recipient of Capital Aid to Families with Dependent Children or
37 Work First New Jersey; or (iii) repay any other debt owed to the State;
38 unless such applicant provides proof to the director's satisfaction of
39 payment of or arrangement to pay any such debts prior to licensure.

40 (cf: P.L.1991, c.182, s.27)

41

42 ²**[54.]** 53.² Section 87 of P.L.1977, c.110 (C.5:12-87) is amended to
43 read as follows:

44 87. a. Upon the filing of an application for a casino license and such
45 supplemental information as the commission or division may require, **[**the
46 commission shall request**]** and upon the filing of such information as may
47 be required by section 88 of P.L.1977, c.110 (C.5:12-88), the division **[to]**

1 shall conduct **such** an investigation into the qualification of the applicant,
2 and **the** commission shall conduct a hearing thereon concerning the
3 qualification of the applicant in accordance with its regulations **submit** a
4 report and recommendation to the commission.

5 b. Upon the submission of a report and recommendation by the
6 division, the commission shall conduct a hearing thereon concerning the
7 qualification of the applicant. After such **investigation and** hearing, the
8 commission may either deny the application or grant a casino license to an
9 applicant whom it determines to be qualified to hold such license, which
10 final action shall be taken within 90 days after completion of the hearing.

11 c. The commission shall have the authority to deny any application
12 pursuant to the provisions of this act. When an application is denied, the
13 commission shall prepare and file an order **denying such application with**
14 stating the general reasons therefor, and if requested by the applicant, shall
15 further prepare and file a statement of the reasons for the denial, including
16 the specific findings of facts.

17 d. **After** an application is submitted to the commission, final action of
18 the commission shall be taken within 90 days after completion of all
19 hearings and investigations and the receipt of all information required by
20 the commission. **(Deleted by amendment, P.L. , c.)(pending before**
21 the Legislature as this bill)

22 e. **If** satisfied that an applicant is qualified to receive a casino
23 license **When** an application is granted, and upon tender of all required
24 license fees and taxes **as** required by law and regulations of the
25 commission, and such bonds as the commission may require for the
26 faithful performance of all requirements imposed by law or regulations, the
27 commission shall issue a casino license **for the term of 1 year**.

28 f. The commission shall fix the amount of the bond or bonds to be
29 required under this section in such amounts as it may deem appropriate, by
30 rules of uniform application. The bonds so furnished may be applied by the
31 commission to the payment of any unpaid liability of the licensee under this
32 act. The bond shall be furnished in cash or negotiable securities, by a
33 surety bond guaranteed by a satisfactory guarantor, or by an irrevocable
34 letter of credit issued by a banking institution of this State acceptable to the
35 commission. If furnished in cash or negotiable securities, the principal
36 shall be placed without restriction at the disposal of the commission, but
37 any income shall inure to the benefit of the licensee.

38 (cf: P.L.1979, c.282, s.23)

39
40 ²**[55.] 54.**² (New section) No later than five years after the date of the
41 issuance of a license pursuant to section 87 of P.L.1977, c.110 (C.5:12-87)
42 and every five years thereafter or within such lesser periods as the division
43 may direct, a casino licensee and the qualifying entities and individuals
44 thereof shall submit to the division such documentation or information as
45 the division may by regulation require, to demonstrate to the satisfaction of
46 the director that they continue to meet the requirements of sections 84 and
47 85 of P.L.1977, c.110 (C.5:12-84 and C.5:12-85), and section ²**[51] 50**² of

1 P.L. , c. (C.) (pending before the Legislature as this bill). If, upon
2 review, the director determines that no information sufficient to warrant
3 revocation, suspension, limitation, or conditioning of such license exists,
4 the director shall issue a summary report so advising the commission, and
5 the license shall remain in full force and effect. If the director determines
6 that a hearing on any issue is required, the division shall issue a report and
7 recommendation to the commission in accordance with section 87 of
8 P.L.1977, c.110 (C.5:12-87), which shall initiate a hearing pursuant to
9 subsection b. of that section. In addition, the director may reopen licensing
10 hearings at any time.

11

12 ²~~[56.]~~ 55.² Section 89 of P.L.1977, c.110 (C.5:12-89) is amended to
13 read as follows:

14 89. Licensing of Casino Key Employees. a. No casino licensee or a
15 holding or intermediary company of a casino licensee may employ any
16 person **[may be employed]** as a casino key employee unless **[he]** the
17 person is the holder of a valid casino key employee license issued by the
18 commission.

19 b. Each applicant for a casino key employee license must, prior to the
20 issuance of any casino key employee license, produce information,
21 documentation and assurances concerning the following qualification
22 criteria:

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

32 (2) Each applicant for a casino key employee license shall produce such
33 information, documentation and assurances as may be required to establish
34 by clear and convincing evidence the applicant's good character, honesty
35 and integrity. Such information shall include, without limitation, data
36 pertaining to family, habits, character, reputation, criminal and arrest
37 record, business activities, financial affairs, and business, professional and
38 personal associates, covering at least the 10-year period immediately
39 preceding the filing of the application. Each applicant shall notify the
40 commission and the division of any civil judgments obtained against such
41 applicant pertaining to antitrust or security regulation laws of the federal
42 government, of this State or of any other state, jurisdiction, province or
43 country. In addition, each applicant shall, upon request of the commission
44 or the division, produce letters of reference from law enforcement agencies
45 having jurisdiction in the applicant's place of residence and principal place
46 of business, which letters of reference shall indicate that such law
47 enforcement agencies do not have any pertinent information concerning the
48 applicant, or if such law enforcement agency does have information

1 pertaining to the applicant, shall specify what that information is. If the
2 applicant has been associated with gaming or casino operations in any
3 capacity, position or employment in a jurisdiction which permits such
4 activity, the applicant shall, upon request of the commission or division,
5 produce letters of reference from the gaming or casino enforcement or
6 control agency, which shall specify the experience of such agency with the
7 applicant, his associates and his participation in the gaming operations of
8 that jurisdiction; provided, however, that if no such letters are received
9 from the appropriate law enforcement agencies within 60 days of the
10 applicant's request therefor, the applicant may submit a statement under
11 oath that he is or was during the period such activities were conducted in
12 good standing with such gaming or casino enforcement or control agency.

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

14 (4) Each applicant employed by a casino licensee shall be a resident of
15 the State of New Jersey prior to the issuance of a casino key employee
16 license; provided, however, that upon petition by the holder of a casino
17 license, the commission may waive this residency requirement for any
18 applicant whose particular position will require him to be employed outside
19 the State; and provided further that no applicant employed by a holding or
20 intermediary company of a casino licensee shall be required to establish
21 residency in this State.

22 **【The commission may also, by regulation, require that all applicants for**
23 **casino key employee licenses be residents of this State for a period not to**
24 **exceed six months immediately prior to the issuance of such license, but**
25 **application may be made prior to the expiration of the required period of**
26 **residency. The commission shall, by resolution, waive the required**
27 **residency period for an applicant upon a showing that the residency period**
28 **would cause undue hardship upon the casino licensee which intends to**
29 **employ said applicant, or upon a showing of other good cause.】**

30 (5) For the purposes of this section, each applicant shall submit to the
31 division the applicant's name, address, fingerprints and written consent for
32 a criminal history record background check to be performed. The division
33 is hereby authorized to exchange fingerprint data with and receive criminal
34 history record information from the State Bureau of Identification in the
35 Division of State Police and the Federal Bureau of Investigation consistent
36 with applicable State and federal laws, rules and regulations. The applicant
37 shall bear the cost for the criminal history record background check,
38 including all costs of administering and processing the check. The Division
39 of State Police shall promptly notify the division in the event a current or
40 prospective licensee, who was the subject of a criminal history record
41 background check pursuant to this section, is arrested for a crime or offense
42 in this State after the date the background check was performed.

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

44 d. The commission shall deny a casino key employee license to any
45 applicant who is disqualified on the basis of the criteria contained in section
46 86 of this act.

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

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

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

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

12 (4) The petition for a temporary casino key employee license certifies,
13 and the commission finds, that an existing casino key employee position of
14 the petitioner is vacant or will become vacant within 60 days of the date of
15 the petition and that the issuance of a temporary key employee license is
16 necessary to fill the said vacancy on an emergency basis to continue the
17 efficient operation of the casino, and that such circumstances are
18 extraordinary and not designed to circumvent the normal licensing
19 procedures of this act;

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

22 **【In the event that an applicant for a casino key employee license is the**
23 **holder of a valid casino employee license issued pursuant to section 90 of**
24 **this act, and if the provisions of paragraphs (1), (2), and (5) of this**
25 **subsection are satisfied, the commission may issue a temporary casino key**
26 **employee license upon petition by the holder of a casino license, if the**
27 **commission finds the issuance of a casino key employee license will be**
28 **delayed by necessary investigations and the said temporary casino key**
29 **employee license is necessary for the operation of the casino】.**

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

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

34
35 ²**【57.】** 56.² Section 91 of P.L.1977, c.110 (C.5:12-91) is amended to
36 read as follows:

37 91. Registration of Casino **【Service】** Employees. a. No person may
38 commence employment as a casino **【service】** employee unless **【the person**
39 **has been registered with the commission, which registration shall be in**
40 **accordance with subsection f. of this section】** such person has a valid
41 registration on file with the division, which registration shall be prepared
42 and filed in accordance with the regulations promulgated hereunder.

43 b. **【Any applicant for casino service】** A casino employee
44 **【registration】** registrant shall produce such information as the
45 **【commission】** division by regulation may require. Subsequent to the
46 registration of a casino **【service】** employee, the **【commission】** director
47 may revoke, suspend, limit, or otherwise restrict the registration upon a

1 finding that the registrant is disqualified on the basis of the criteria
2 contained in section 86 of P.L.1977, c.110 (C.5:12-86). If a casino
3 **【service】** employee registrant has not been employed in any position within
4 a casino hotel facility for a period of three years, the registration of that
5 casino **【service】** employee shall lapse.

6 c. **【The commission may, by regulation, require that all applicants for**
7 **casino service employee registration be residents of this State for a period**
8 **not to exceed three months immediately prior to such registration, but**
9 **application may be made prior to the expiration of the required period of**
10 **residency. The commission shall waive the required residency period for**
11 **an applicant upon a showing that the residency period would cause undue**
12 **hardship upon the casino licensee which intends to employ said applicant,**
13 **or upon a showing of other good cause.】** (Deleted by amendment, P.L. ,
14 c.)(pending before the Legislature as this bill)

15 d. Notwithstanding the provisions of subsection b. of this section, no
16 casino **【service】** employee registration shall be revoked on the basis of a
17 conviction of any of the offenses enumerated in this act as disqualification
18 criteria or the commission of any act or acts which would constitute any
19 offense under subsection c. of section 86 of P.L.1977, c.110 (C.5:12-86), as
20 specified in subsection g. of that section, provided that the registrant has
21 affirmatively demonstrated the registrant's rehabilitation. In determining
22 whether the registrant has affirmatively demonstrated the registrant's
23 rehabilitation the **【commission】** director shall consider the following
24 factors:

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

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

43 f. **【Upon petition by the holder of a casino license, casino service**
44 **employee registration shall be granted to each applicant for such**
45 **registration named therein, provided that the petition certifies that each**
46 **such applicant has filed a completed application for casino service**
47 **employee registration as required by the commission.**

1 All casino hotel employee registrations shall expire 120 days after the
2 effective date of this amendatory and supplementary act, P.L.2002, c.65.
3 Any holder of a casino hotel employee registration may until that date
4 convert that registration to a casino service employee registration without
5 fee.】 (Deleted by amendment, P.L. , c.)(pending before the Legislature
6 as this bill)

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

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

22
23 ²**【58.】** 57.² (New section) Upon the joint petition of two or more
24 affiliated casino licensees, a registered casino employee or licensed casino
25 key employee who is employed by any affiliated casino licensee may be
26 endorsed by the commission or division, as applicable, as a multi-casino
27 employee of each of the petitioners; provided, however, that no such multi-
28 casino employee shall be permitted to engage in any incompatible
29 functions, as determined by the division.

30
31 ²**【59.】** 58.² Section 92 of P.L.1977, c.110 (C.5:12-92) is amended to
32 read as follows:

33 92. Licensing of casino service industry enterprises. a. (1) Any business
34 to be conducted with a casino applicant or licensee by a vendor offering
35 goods or services which directly relate to casino or gaming activity,
36 including gaming equipment and simulcast wagering equipment
37 manufacturers, suppliers, repairers **【and】** independent testing laboratories,
38 **【shall be considered regular or continuing and】** junket enterprises and
39 junket representatives, and any person employed by a junket enterprise or
40 junket representative in a managerial or supervisory position, shall require
41 **【that the vendor be licensed】** licensure as a casino service industry
42 enterprise in accordance with the provisions of this act prior to conducting
43 any business whatsoever with a casino applicant or licensee, its employees
44 or agents; provided, however, that upon a showing of good cause by a
45 casino applicant or licensee for each business transaction, the
46 **【commission】** director may permit an applicant for a casino service
47 industry enterprise license to conduct business transactions with such

1 casino applicant or licensee prior to the licensure of that casino service
2 industry enterprise applicant under this subsection.

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

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

27 c. (1) Any vendor that offers goods or services to a casino applicant or
28 licensee that **【are】** is not included in subsection a. of this section including,
29 **【without limitation, construction companies, vending machine providers,**
30 **linen suppliers, junket enterprises, garbage handlers, maintenance**
31 **companies, limousine services, food purveyors and suppliers of alcoholic**
32 **beverages】** but not limited to casino site contractors and subcontractors,
33 shopkeepers located within the approved hotels, and gaming schools that
34 possess slot machines for the purpose of instruction, and any non-
35 supervisory employee of a junket enterprise licensed under subsection a. of
36 this section, shall be required to **【apply for a casino service industry**
37 **enterprise license when, based upon the dollar amount of business being**
38 **conducted with casino applicants or licensees or other factors established**
39 **by the rules of the commission, licensure is deemed necessary to protect the**
40 **public interest and the policies of】** register with the division in accordance
41 with the regulations promulgated under this act, P.L.1977, c.110 (C.5:12-1
42 et seq.).

43 **【The rules of the commission shall require that each casino service**
44 **industry enterprise required to be licensed pursuant to this subsection, as**
45 **well as such of its owners, management, supervisory personnel, and**
46 **principal employees with responsibility for services to a casino applicant or**

1 licensee as the commission may direct, shall establish by clear and
2 convincing evidence their good character, honesty and integrity.】

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

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

33 Upon granting an exemption or at any time thereafter, the commission
34 may limit or place such restrictions thereupon as it may deem necessary in
35 the public interest, and shall require the exempted person to cooperate with
36 the commission and the division and, upon request, to provide information
37 in the same manner as required of a casino service industry enterprise
38 licensed pursuant to this subsection; provided, however, that no exemption
39 be granted unless the casino service industry enterprise complies with the
40 requirements of sections 134 and 135 of this act.】 (Deleted by amendment,
41 P.L. , c.)(pending before the Legislature as this bill)

42 d. 【Licensure pursuant to subsection c. of this section of any casino
43 service industry enterprise may be denied to any applicant or qualifier
44 thereof】 Any applicant, licensee or qualifier of a casino service industry
45 enterprise license under subsection a. or b. of this section, and any vendor
46 registrant under subsection c. of this section shall be disqualified in
47 accordance with the criteria contained in section 86 of this act, except that

1 **【**licensure or qualification shall not be denied if such disqualified applicant
 2 **or qualifier】** no such vendor registration under subsection c. of this section
 3 shall be denied or revoked if such vendor registrant can affirmatively
 4 demonstrate rehabilitation as provided in subsection **【h】** d. of section **【90】**
 5 91 of P.L.1977, c.110 **【(C.5:12-90)】** (C.5:12-91).

6 e. No casino service industry enterprise license shall be issued
 7 pursuant to subsection a. **【or subsection c.】** of this section to any person
 8 unless that person shall provide proof of valid business registration with the
 9 Division of Revenue in the Department of the Treasury.

10 f. **【A casino service industry enterprise licensed pursuant to subsection**
 11 **a. or subsection c. of this section shall require proof, from a subcontractor**
 12 **to a casino service industry enterprise contract with a casino applicant or**
 13 **casino licensee, of valid business registration with the Division of Revenue;**
 14 **verification information shall be forwarded by the casino service industry**
 15 **enterprise to the Division of Taxation in the Department of the Treasury.**
 16 **No subcontract to a casino service industry enterprise contract with a casino**
 17 **applicant or casino licensee shall be entered into by any casino service**
 18 **industry enterprise contractor unless the subcontractor first provides proof**
 19 **of valid business registration.】** (Deleted by amendment, P.L. , c.)
 20 (pending before the Legislature as this bill)

21 g. For the purposes of this section, each applicant shall submit to the
 22 division the name, address, fingerprints and a written consent for a criminal
 23 history record background check to be performed, for each person required
 24 to qualify as part of the application. The division is hereby authorized to
 25 exchange fingerprint data with and receive criminal history record
 26 information from the State Bureau of Identification in the Division of State
 27 Police and the Federal Bureau of Investigation consistent with applicable
 28 State and federal laws, rules and regulations. The applicant shall bear the
 29 cost for the criminal history record background check, including all costs of
 30 administering and processing the check. The Division of State Police shall
 31 promptly notify the division in the event a current or prospective qualifier,
 32 who was the subject of a criminal history record background check
 33 pursuant to this section, is arrested for a crime or offense in this State after
 34 the date the background check was performed.

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

36

37 ²**【60.】** 59.² Section 93 of P.L.1977, c.110 (C.5:12-93) is amended to
 38 read as follows:

39 93. Registration of Labor Organizations. a. Each labor organization,
 40 union or affiliate seeking to represent employees who are employed in a
 41 casino hotel, casino or casino simulcasting facility by a casino licensee
 42 shall register with the **【commission】** division biennially, and shall disclose
 43 such information to the **【commission】** division as the **【commission】**
 44 division may require, including the names of all affiliated organizations,
 45 pension and welfare systems and all officers and agents of such
 46 organizations and systems; provided, however, that no labor organization,
 47 union, or affiliate shall be required to furnish such information to the extent

1 such information is included in a report filed by any labor organization,
2 union, or affiliate with the Secretary of Labor pursuant to 29 U.S.C.s.431 et
3 seq. or s. 1001 et seq. if a copy of such report, or of the portion thereof
4 containing such information, is furnished to the **【commission】** division
5 pursuant to the aforesaid federal provisions. The **【commission】** division
6 may in its discretion exempt any labor organization, union, or affiliate from
7 the registration requirements of this subsection where the **【commission】**
8 division finds that such organization, union or affiliate is not the certified
9 bargaining representative of any employee who is employed in a casino
10 hotel, casino or casino simulcasting facility by a casino licensee, is not
11 involved actively, directly or substantially in the control or direction of the
12 representation of any such employee, and is not seeking to do so.

13 b. No person may act as an officer, agent or principal employee of a
14 labor organization, union or affiliate registered or required to be registered
15 pursuant to this section if the person has been found disqualified by the
16 **【commission】** division in accordance with the criteria contained in section
17 86 of that act. The **【commission】** division may, for purposes of this
18 subsection, waive any disqualification criterion consistent with the public
19 policy of this act and upon a finding that the interests of justice so require.

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

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

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

33 f. In addition to any other remedies provided in this section, a labor
34 organization, union or affiliate registered or required to be registered
35 pursuant to this section may be prohibited by the **【commission】** division
36 from receiving any dues from any employee licensed or registered under
37 that act and employed by a casino licensee or its agent, if any officer, agent
38 or principal employee of the labor organization, union or affiliate has been
39 found disqualified and if such disqualification has not been waived by the
40 **【commission】** division in accordance with subsection b. of this section.
41 The **【commission or the】** division may proceed in the manner provided by
42 subsection e. of this section to enforce an order of the **【commission】**
43 director prohibiting the receipt of dues.

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

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

1 ²~~61.~~ 60.² Section 94 of P.L.1977, c.110 (C.5:12-94) is amended to
2 read as follows:

3 94. a. Upon the filing of an application for ~~any~~ a casino key employee
4 license ~~or registration~~ required by this act, other than a casino license,
5 and after submission of such supplemental information as the commission
6 may require, the commission shall request the division to conduct such
7 investigation into the qualification of the applicant, and the commission
8 shall conduct such hearings concerning the qualification of the applicant, in
9 accordance with its regulations, as may be necessary to determine
10 qualification for such license~~or registration~~.

11 b. After such investigation, the commission may either deny the
12 application or grant a license to ~~or accept the registration of~~ an applicant
13 whom it determines to be qualified to hold such license ~~or registration~~.

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

20 d. When the commission grants an application, the commission may
21 limit or place such restrictions thereupon as it may deem necessary in the
22 public interest.

23 e. Casino ~~service~~ employee registration and vendor registration shall
24 ~~be effective~~ upon issuance, and shall remain in effect unless revoked,
25 suspended, limited, or otherwise restricted by the ~~commission~~ division.
26 Notwithstanding the foregoing, if a casino ~~service~~ employee registrant
27 has not been employed in any position within a casino hotel facility or a
28 vendor registrant has not conducted business with a casino hotel facility for
29 a period of three years, the registration of that casino ~~service~~ employee
30 or vendor registrant shall lapse. ~~Licenses may be granted and renewed as~~
31 follows:

32 (1) All casino employee licenses, casino service industry enterprise
33 licenses issued pursuant to subsection c. of section 92 of P.L.1977, c.110
34 (C.5:12-92), and junket representative and junket enterprise licenses issued
35 pursuant to section 102 of P.L.1977, c.110 (C.5:12-102) shall be issued for
36 an initial term of four years, and may be renewed for subsequent terms of
37 five years each; and

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

42 f. Notwithstanding the foregoing, the commission shall reconsider the
43 granting of any casino key employee license ~~or the approval of any~~
44 registration at any time at the request of the division. Notwithstanding the
45 foregoing, the division may reconsider the granting of any license or may
46 revoke any registration at any time.

1 **[e.]** g. After an application for a casino key employee license is
2 submitted to the commission, final action of the commission shall be taken
3 within 90 days after completion of all hearings and investigations and the
4 receipt of all information required by the commission.

5 **[f.]** A complete application for the renewal of a casino employee or
6 casino key employee license shall be filed with the commission no later
7 than the last day of the fifth month prior to the month in which the current
8 license term expires. **]**

9 h. (1) Not later than five years after obtaining a casino key employee
10 license pursuant to section 89 of P.L.1977, c.110 (C.5:12-89) or a casino
11 service industry enterprise license issued pursuant to subsection a. of
12 section 92 of P.L.1977, c.110 (C.5:12-92), and every five years thereafter,
13 the licensee shall submit such information and documentation as the
14 commission or division, as applicable, may by regulation require, to
15 demonstrate to the satisfaction of the commission or director, as applicable,
16 that it continues to meet the requirements, respectively, of section 89 or
17 subsection a. of section 92 of P.L.1977, c.110 (C.5:12-89 and C.5:12-92).
18 Upon receipt of such information, the commission or division, as
19 applicable, may take such action on the license, including suspension or
20 revocation, as it deems appropriate.

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

26 i. (1) The division shall establish by regulation appropriate fees to be
27 paid upon the filing of the informational filings required by paragraph (1)
28 of subsection h. of this section. Such fees shall be deposited into the
29 Casino Control Fund established by section 143 of P.L.1977, c.110 (C.5:12-
30 143).

31 (2) The division shall establish by regulation appropriate fees to be
32 imposed on each casino licensee and the method for the collection of such
33 fees for each casino registrant employed by an operating casino and for
34 each vendor registrant which provides goods or services to a casino,
35 regardless of the nature of any contractual relationship between the vendor
36 registrant and casino, if any. Such fees shall be deposited into the Casino
37 Control Fund established by section 143 of P.L.1977, c.110 (C.5:12-143).
38 (cf: P.L.2009, c.36, s.14.)

39
40 ²**[62.]** 61.² Section 96 of P.L.1977, c.110 (C.5:12-96) is amended to
41 read ¹as follows¹:

42 96. Operation Certificate. a. Notwithstanding the issuance of a license
43 therefor, no casino or simulcasting facility may be opened or remain open
44 to the public, and no gaming or simulcast wagering activity, except for test
45 purposes, may be conducted therein, unless and until a valid operation
46 certificate has been issued to the casino licensee by the **[commission]**
47 division. Such certificate shall be issued by the **[commission]** director

1 upon a **finding** determination that a casino and, if applicable, a
 2 simulcasting facility each complies in all respects with the requirements of
 3 this act and regulations promulgated hereunder, **that the casino licensee**
 4 **has implemented necessary management controls and security precautions**
 5 **for the efficient operation of the casino and, if applicable, the simulcasting**
 6 **facility, that casino and simulcasting facility personnel are licensed for the**
 7 **performance of their respective responsibilities,** and that the casino and
 8 any applicable simulcasting facility are prepared in all respects to receive
 9 and entertain the public¹. The director shall consult with the commission
 10 as to form and content before the director makes a determination¹.

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

15 c. **A casino licensee shall, in accordance with regulations**
 16 **promulgated by the commission, file any changes in the number of**
 17 **authorized games to be played in its casino or simulcasting facility, and any**
 18 **changes in the configuration of the casino or simulcasting facility, with the**
 19 **commission and the division, which shall review the changes for**
 20 **compliance with the "Casino Control Act," P.L.1977, c.110 (C.5:12-1 et**
 21 **seq.) or regulations promulgated thereunder.** (Deleted by amendment,
 22 P.L. , c.)(pending before the Legislature as this bill)

23 d. An operation certificate shall remain in force and effect unless
 24 **altered in accordance with subsection c. of this section, or** revoked,
 25 suspended, limited, or otherwise altered by the **commission** division in
 26 accordance with this act.

27 e. It shall be an express condition of continued operation under this act
 28 that a casino licensee shall maintain either electronically or in hard copy at
 29 the discretion of the casino licensee, copies of all books, records, and
 30 documents pertaining to the licensee's operations, including casino
 31 simulcasting, and approved hotel in a manner and location **within this**
 32 **State** approved by the **commission** division, provided, however, that the
 33 originals of such books, records and documents, whether in electronic or
 34 hard copy form, may be maintained at the offices or electronic system of an
 35 affiliate of the casino licensee, at the discretion of the casino licensee. All
 36 such books, records and documents shall be immediately available for
 37 inspection during all hours of operation in accordance with the rules of the
 38 **commission** division and shall be maintained for such period of time as
 39 the **commission** division shall require.

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

41

42 ²**[63.] 62.**² Section 97 of P.L.1977, c.110 (C.5:12-97) is amended to
 43 read as follows:

44 97. Hours of Operation. a. Each casino licensed pursuant to this act
 45 shall be permitted to operate 24 hours a day unless otherwise directed by

1 the **【commission】** division in accordance with its authority under P.L.1977,
2 c.110 (C.5:12-1 et seq.).

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

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

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

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

18

19 ²【64.】 63.² Section 98 of P.L.1977, c.110 (C.5:12-98) is amended to
20 read as follows.

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

26 b. Each casino hotel shall include:

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

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

33 (3) Design specifications that insure that visibility in a casino or in the
34 simulcasting facility is not obstructed in any way that might interfere with
35 the ability of the **【commission or】** the division to supervise casino or
36 simulcasting facility operations.

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

38

39 ²【65.】 64.² Section 99 of P.L.1977, c.110 (C.5:12-99) is amended to
40 read as follows:

41 99. Internal Controls. a Each applicant for a casino license shall
42 **【submit to the commission】** create, maintain, and file with the division a
43 description of its **【initial system of】** internal procedures and administrative
44 and accounting controls for gaming and simulcast wagering operations
45 **【accompanied by a certification by its Chief Legal Officer or equivalent**
46 **that the submitted procedures】** that conform to the requirements of

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

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

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

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

34 (4) Procedures within the cashier's cage and simulcast facility for the
35 receipt, storage and disbursement of chips, cash, and other cash equivalents
36 used in gaming and simulcast wagering; the cashing of checks; the
37 redemption of chips and other cash equivalents used in gaming and
38 simulcast wagering; the pay-off of jackpots and simulcast wagers; and the
39 recording of transactions pertaining to gaming and simulcast wagering
40 operations;

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

43 (6) Procedures for the transfer and recordation of chips between the
44 gaming tables and the cashier's cage and the transfer and recordation of
45 moneys within the simulcasting facility;

- 1 (7) Procedures for the transfer of moneys from the gaming tables to the
2 counting process and the transfer of moneys within the simulcasting facility
3 for the counting process;
- 4 (8) Procedures and security for the counting and recordation of revenue;
- 5 (9) Procedures for the security, storage and recordation of cash, chips
6 and other cash equivalents utilized in the gaming and simulcast wagering
7 operations;
- 8 (10) Procedures for the transfer of moneys or chips from and to the slot
9 machines;
- 10 (11) Procedures and standards for the opening and security of slot
11 machines;
- 12 (12) Procedures for the payment and recordation of slot machine
13 jackpots;
- 14 (13) Procedures for the cashing and recordation of checks exchanged by
15 casino and simulcasting facility patrons;
- 16 (14) Procedures governing the utilization of the private security force
17 within the casino and simulcasting facility;
- 18 (15) Procedures and security standards for the handling and storage of
19 gaming apparatus including cards, dice, machines, wheels and all other
20 gaming equipment;
- 21 (16) Procedures and rules governing the conduct of particular games and
22 simulcast wagering and the responsibility of casino personnel in respect
23 thereto;
- 24 (17) Procedures for separately recording all transactions pursuant to
25 section 101 of this act involving the Governor, any State officer or
26 employee, or any special State officer or employee, any member of the
27 Judiciary, any member of the Legislature, any officer of a municipality or
28 county in which casino gaming is authorized, or any gaming related casino
29 employee, and for the quarterly filing with the Attorney General of a list
30 reporting all such transactions; and
- 31 (18) Procedures for the orderly shutdown of casino operations in the
32 event that a state of emergency **【that】** is declared **【due to the failure to**
33 **enact a general appropriation law by the deadline prescribed by Article**
34 **VIII, Section II, paragraph 2 of the New Jersey Constitution extends for**
35 **more than seven days, as provided in section 4 of P.L.2008, c.23 (C.5:12-**
36 **211), or the casino licensee is not eligible to】** and the casino licensee is
37 unable or ineligible to continue to conduct casino operations during such a
38 state of emergency in accordance with section 5 of P.L.2008, c.23 (C.5:12-
39 212), which procedures shall include, without limitation, the securing of all
40 keys and gaming assets.
- 41 b. **【**The commission shall review a submission made pursuant to
42 subsection a. to determine whether it conforms to the requirements of this
43 act and to the regulations promulgated thereunder and provides adequate
44 and effective controls for the operations of the particular casino hotel
45 submitting it. If during its review, the commission preliminarily
46 determines that a procedure in the submission contains a substantial and
47 material insufficiency likely to have a direct and materially adverse impact
48 on the integrity of gaming or simulcast wagering operations or the control

1 of gross revenue, the chairman, by written notice to the casino licensee,
2 shall: (1) specify the precise nature of the insufficiency and, when possible,
3 an acceptable alternative procedure, (2) schedule a hearing before the full
4 commission no later than 15 business days after the date of such written
5 notice to plenary and finally determine whether the procedure in question
6 contains the described insufficiency, and (3) direct that the internal controls
7 in issue not yet implemented not be implemented until approved by the
8 commission. Upon receipt of the notice, the casino licensee shall proceed
9 to the scheduled hearing before the full commission and may submit a
10 revised procedure addressing the concerns specified in the notice.】 (Deleted
11 by amendment, P.L. , c.)(pending before the Legislature as this bill)

12 c. 【Notwithstanding the provisions of subsections a. and b. hereof, the
13 commission shall, by regulation, permit changes to those internal controls
14 required by subsection a. hereof that cannot have a material impact upon
15 the integrity of gaming or simulcast wagering operations or the control and
16 reporting of gross revenue, including those internal controls described in
17 paragraph (3) of subsection a. hereof, to be implemented by a casino
18 licensee immediately upon the preparation and internal filing of such
19 internal controls.】 No minimum staffing requirements shall be included in
20 the internal controls created in accordance with subsection a. of this
21 section.

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

31

32 ²【66.】 65.² Section 100 of P.L.1977, c.110 (C.5:12-100) is amended to
33 read as follows:

34 100. a. This act shall not be construed to permit any gaming except the
35 conduct of authorized games in a casino room in accordance with this act
36 and the regulations promulgated hereunder and in a simulcasting facility to
37 the extent provided by the "Casino Simulcasting Act," P.L.1992, c.19
38 (C.5:12-191 et al.). Notwithstanding the foregoing, if the 【commission】
39 division approves the game of keno as an authorized game pursuant to
40 section 5 of P.L.1977, c.110 (C.5:12-5), as amended, keno tickets may be
41 sold or redeemed in accordance with 【commission】 division regulations
42 【at any location in a casino hotel approved by the commission for such
43 activity】.

44 b. Gaming equipment shall not be possessed, maintained or exhibited
45 by any person on the premises of a casino hotel except in a casino room, in
46 the simulcasting facility, or in restricted casino areas used for the
47 inspection, repair or storage of such equipment and specifically designated

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

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

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

37 c. Each casino hotel shall contain a count room and such other secure
38 facilities as may be required by the **【commission】** division for the counting
39 and storage of cash, coins, tokens, checks, plaques, gaming vouchers,
40 coupons, and other devices or items of value used in wagering and
41 approved by the **【commission】** division that are received in the conduct of
42 gaming and for the inspection, counting and storage of dice, cards, chips
43 and other representatives of value. ²**【All】** The division shall promulgate
44 regulations for the security of² drop boxes and other devices in which the
45 foregoing items are deposited at the gaming tables or in slot machines, and
46 all areas wherein such boxes and devices are kept while in use, ²**【shall be**

1 equipped with two which regulations may include certain² locking devices
2 ²[, one key to which shall be under the exclusive control of the]²
3 **[commission]** ²**[division]** and the other under the exclusive control of the
4 casino licensee, and said **]** . Said² drop boxes and other devices shall not be
5 brought into or removed from a casino room or simulcasting facility, or
6 locked or unlocked, except at such times, in such places, and according to
7 such procedures as the **[commission]** division may require. ²**[In the event**
8 that a state of emergency is declared due to the failure to enact a general
9 appropriation law by the deadline prescribed by Article VIII, Section II,
10 paragraph 2 of the New Jersey Constitution, the]² **[commission]**
11 ²**[division]**, in accordance with section 4 of P.L.2008, c.23 (C.5:12-211),
12 may, at its discretion, and as may be necessary to ensure the continuity of
13 casino operations and the collection and counting of gross revenue, give
14 temporary custody of its key to a certified public accountant approved by
15 the]² **[commission]** ²**[division]**, who shall act in the capacity of the]²
16 **[commission]** ²**[division]** with respect to the use, control and security of
17 the key in accordance with the licensee's internal controls]² **[approved by**
18 the commission]² **[in accordance with section 5 of P.L.2008, c.23 (C.5:12-**
19 212).]²

20 d. All chips used in gaming shall be of such size and uniform color by
21 denomination as the **[commission]** division shall require by regulation.

22 e. All gaming shall be conducted according to rules promulgated by
23 the **[commission]** division. All wagers and pay-offs of winning wagers
24 shall be made according to rules promulgated by the **[commission]**
25 division, which shall establish such limitations as may be necessary to
26 assure the vitality of casino operations and fair odds to patrons. Each slot
27 machine shall have a minimum payout of 83%.

28 f. Each casino licensee shall make available in printed form to any
29 patron upon request the complete text of the rules of the **[commission]**
30 division regarding games and the conduct of gaming, pay-offs of winning
31 wagers, an approximation of the odds of winning for each wager, and such
32 other advice to the player as the ²**[commission]** division² shall require.
33 Each casino licensee shall prominently post within a casino room and
34 simulcasting facility, as appropriate, according to regulations of the
35 **[commission]** division such information about gaming rules, pay-offs of
36 winning wagers, the odds of winning for each wager, and such other advice
37 to the player as the **[commission]** division shall require.

38 g. Each gaming table shall be equipped with a sign indicating the
39 permissible minimum and maximum wagers pertaining thereto. It shall be
40 unlawful for a casino licensee to require any wager to be greater than the
41 stated minimum or less than the stated maximum; provided, however, that
42 any wager actually made by a patron and not rejected by a casino licensee
43 prior to the commencement of play shall be treated as a valid wager.

44 h. (1) Except as herein provided, no slot machine shall be used to
45 conduct gaming unless it is identical in all electrical, mechanical and other
46 aspects to a model thereof which has been specifically tested and licensed

1 for use by the division **【and licensed for use by the commission. At the**
2 **request of the commission, the】**. The division shall also test any other
3 gaming device, gaming equipment, gaming-related device or gross-revenue
4 related device, such as a slot management system, electronic transfer credit
5 system or gaming voucher system as it deems appropriate. In its discretion
6 and for the purpose of expediting the approval process, the division may
7 utilize the services of a private testing laboratory that has obtained a
8 plenary license as a casino service industry enterprise pursuant to
9 subsection a. of section 92 of P.L.1977, c.110 (C.5:12-92) to perform the
10 testing, and may also utilize applicable data from any such private testing
11 laboratory or from a governmental agency of a state other than New Jersey
12 authorized to regulate slot machines and other gaming devices, gaming
13 equipment, gaming-related devices and gross-revenue related devices used
14 in casino gaming, if the private testing laboratory or governmental agency
15 uses a testing methodology substantially similar to the methodology
16 utilized by the division. **【Notwithstanding the provisions of this paragraph,**
17 **the】** The division **【shall in all instances use】**, in its discretion, may rely
18 upon the data provided by the private testing laboratory or governmental
19 agency **【to conduct its own independent evaluation, and shall form its own**
20 **independent conclusions】** and adopt the conclusions of such private testing
21 laboratory or governmental agency regarding any submitted device.

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

41 (3) The **【commission】** division shall, by regulation, establish such
42 technical standards for licensure of slot machines, including mechanical
43 and electrical reliability, security against tampering, the comprehensibility
44 of wagering, and noise and light levels, as it may deem necessary to protect
45 the player from fraud or deception and to insure the integrity of gaming.
46 The denominations of such machines shall be set by the licensee; the

1 licensee shall simultaneously notify the **【commission】** division of the
2 settings.

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

- 6 (a) promote optimum security for casino operations;
- 7 (b) avoid deception or frequent distraction to players at gaming tables;
- 8 (c) promote the comfort of patrons;
- 9 (d) create and maintain a gracious playing environment in the casino;
- 10 and

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

13 Any such regulation promulgated by the **【commission】** division which
14 determines the permissible number and density of slot machines in a
15 licensed casino shall provide that all casino floor space and all space within
16 a casino licensee's casino simulcasting facility shall be included in any
17 calculation of the permissible number and density of slot machines in a
18 licensed casino.

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

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

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

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

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

46 m. It shall be unlawful for a dealer in any authorized game in which
47 cards are dealt to deal cards by hand or other than from a device

1 specifically designed for that purpose, unless otherwise permitted by the
2 rules of the **[commission]** division.

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

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

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

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

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

44 (3) Notwithstanding the provisions of paragraph (1) of this subsection, a
45 casino licensee may require that a percentage of the prize pool offered to
46 participants pursuant to an authorized poker tournament be withheld for
47 distribution to the tournament dealers as tips or gratuities **[in accordance**

1 with procedures approved by] as the [commission] division by regulation
2 may approve.

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

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

8

9 ²[67.] 66.² Section 4 of P.L.2005, c.46 (C.5:12-100.1) is amended to
10 read as follows:

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

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

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

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

36 (1) the full legal name, address, social security number or taxpayer
37 identification number and, if applicable, resident alien number of the
38 winner;

39 (2) the full legal name, address, social security number or taxpayer
40 identification number and, if applicable, resident alien number of the
41 assignee;

42 (3) the date on which and the casino where the annuity jackpot was
43 won;

44 (4) the slot machine game on which the annuity jackpot was won;

45 (5) the slot system operator primarily responsible for making the
46 annuity jackpot payments;

47 (6) the gross amount of the annuity jackpot won before application of
48 withholding taxes;

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

1 notice of the assignor's right to cancel the agreement which shall be located
2 in immediate proximity to all spaces reserved for the signature of the
3 winner in bold-faced type of at least 10 points and which shall provide as
4 follows:

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

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

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

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

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

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

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

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

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

37 (1) the United States Internal Revenue Service issues a technical rule
38 letter, revenue ruling, or other public ruling in which it is determined that
39 because of the right of assignment provided by subsection d. of this section,
40 annuity jackpot winners who do not exercise the right to assign annuity
41 jackpot payments would be subject to an immediate income tax liability for
42 the value of the entire annuity jackpot rather than annual income tax
43 liability for each installment when received; or

44 (2) a court of competent jurisdiction issues a published decision holding
45 that because of the right of assignment provided by subsection d. of this
46 section, annuity jackpot winners who do not exercise the right to assign
47 annuity jackpot payments would be subject to an immediate income tax

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

3 m. Upon receipt, the **[commission]** division shall immediately file a
4 copy of a letter or ruling of the United States Internal Revenue Service or a
5 published decision of a court of competent jurisdiction, described in
6 subsection l. of this section, with the Secretary of State. No assignment
7 shall be approved pursuant to subsection d. of this section after the date of
8 such filing.

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

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

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

19

20 ²**[68.]** 67.² Section 5 of P.L.2005, c.46 (C.5:12-100.2) is amended to
21 read as follows:

22 5. a. Each slot system operator that awards an annuity jackpot shall
23 provide prompt notice to the **[commission]** division of the name, address
24 and social security number of each annuity jackpot winner and the amount
25 of the pending payments. The **[commission]** division shall forward such
26 information to the Office of Information Technology in but not of the
27 Department of the Treasury.

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

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

45 d. The Probation Division of the Superior Court, acting as agent for the
46 child support payee or the county welfare agency that provided the public
47 assistance benefits, as appropriate, shall have a lien on the proceeds of the
48 annuity jackpot payment in an amount equal to the amount of child support

1 arrearage or the amount of overpayment incurred, as appropriate. The lien
2 imposed by this section shall be enforceable in the Superior Court. Any of
3 the annuity jackpot winner's funds remaining after withholding pursuant to
4 the lien established pursuant to this section shall be paid to the winner in
5 accordance with the rules of the **【commission】** division.

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

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

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

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

20
21 ²**【69.】** 68.² Section 101 of P.L.1977, c.110 (C.5:12-101) is amended as
22 follows:

23 101. a. Except as otherwise provided in this section, no casino licensee
24 or any person licensed under this act, and no person acting on behalf of or
25 under any arrangement with a casino licensee or other person licensed
26 under this act, shall:

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

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

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

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

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

44 (3) The check is presented to the cashier or the cashier's representative
45 at a location in the casino approved by the **【commission】** division and is
46 exchanged for cash or slot tokens which total an amount equal to the
47 amount for which the check is drawn, or the check is presented to the

1 cashier's representative at a gaming table in exchange for chips which total
2 an amount equal to the amount for which the check is drawn; and

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

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

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

46 In computing a time period prescribed by this subsection, the last day of
47 the period shall be included unless it is a Saturday, Sunday, or a State or

1 federal holiday, in which event the time period shall run until the next
2 business day.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

23
24 ²**【70.】** 69.² Section 2 of P.L.1987, c.419 (C.5:12-101.2) is amended to
25 read as follows:

26 2. No casino licensee or any person licensed or registered under
27 P.L.1977, c.110 (C.5:12-1 et seq.), and no person acting on behalf of or
28 under any arrangement with a casino licensee or other person licensed or
29 registered under P.L.1977, c.110, shall, in a single transaction during a
30 gaming day, redeem for cash or credit any chips or markers in an amount of
31 \$10,000.00 or more or exchange chips for cash in an amount of \$10,000.00
32 or more, from any one person, unless the person seeking to redeem the
33 chips or markers presents proof of his identity and passport identification
34 number if he is not a United States citizen.

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

42 (cf: P.L.1987, c.419, s.2)

43
44 ²**【71.】** 70.² Section 3 of P.L.1987, c.419 (C.5:12-101.3) is amended to
45 read as follows:

46 3. Casino licensees, persons licensed or registered under P.L.1977,
47 c.110 (C.5:12-1 et seq.) and persons acting on behalf of or under any

1 arrangement with casino licensees or other persons licensed or registered
2 under P.L.1977, c.110, who accept cash or redeem chips or markers
3 **【totalling】 totaling** \$10,000.00 or more in a gaming day for which
4 identification is required pursuant to sections 1 and 2 of this 1987
5 supplementary act, shall at least once every 30 days report the identities and
6 passport numbers of the persons offering the cash, chips or markers, to the
7 Division of Gaming Enforcement.

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

9
10 ²**【72.】 71.**² Section 102 of P.L.1977, c.110 (C.5:12-102) is amended to
11 read as follows:

12 102. Junkets and Complimentary Services.

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

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

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

42 d. Prior to the issuance of any license required by this section, an
43 applicant for licensure shall submit to the jurisdiction of the State of New
44 Jersey and shall demonstrate **【to the satisfaction of the commission】** that he
45 is amenable to service of process within this State. Failure to establish or
46 maintain compliance with the requirements of this subsection shall

1 constitute sufficient cause for the denial, suspension or revocation of any
2 license issued pursuant to this section.

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

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

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

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

14 (4) the division does not object to the temporary licensure of the
15 applicant; provided, however, that failure of the division to object prior to
16 the temporary licensure of the applicant shall not be construed to reflect in
17 any manner upon the qualifications of the applicant for licensure.

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

26 Unless otherwise terminated pursuant to P.L.1977, c.110 (C.5:12-1 et
27 seq.), any temporary license issued pursuant to this subsection shall expire
28 12 months from the date of its issuance, and shall be renewable by the
29 commission, in the absence of an objection by the division, as specified in
30 paragraph (4) of this subsection, for one additional six-month period.

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

40 g. A casino licensee shall be responsible for the conduct of any junket
41 representative or junket enterprise associated with it and for the terms and
42 conditions of any junket engaged in on its premises, regardless of the fact
43 that the junket may involve persons not employed by such a casino
44 licensee.

45 h. A casino licensee shall be responsible for any violation or deviation
46 from the terms of a junket. Notwithstanding any other provisions of this
47 act, the **【commission】** division may**【**, after hearings in accordance with this
48 act,**】** order restitution to junket participants, assess penalties for such

- 1 violations or deviations, prohibit future junkets by the casino licensee,
2 junket enterprise or junket representative, and order such further relief as it
3 deems appropriate.
- 4 i. The **【commission】** division shall, by regulation, prescribe methods,
5 procedures and forms for the delivery and retention of information
6 concerning the conduct of junkets by casino licensees. Without limitation
7 of the foregoing, each casino licensee, in accordance with the rules of the
8 **【commission】** division, shall:
- 9 (1) Maintain on file a report describing the operation of any junket
10 engaged in on its premises;
- 11 (2) (Deleted by amendment, P.L.1995, c.18.).
- 12 (3) Submit to the **【commission and】** division a list of all its employees
13 who are acting as junket representatives.
- 14 j. Each casino licensee, junket representative or junket enterprise
15 shall, in accordance with the rules of the **【commission】** division, file a
16 report with the division with respect to each list of junket patrons or
17 potential junket patrons purchased directly or indirectly by the casino
18 licensee, junket representative or enterprise.
- 19 k. The **【commission】** division shall have the authority to determine,
20 either by regulation, or upon petition by the holder of a casino license, that
21 a type of arrangement otherwise included within the definition of "junket"
22 established by section 29 of P.L.1977, c.110 (C.5:12-29) shall not require
23 compliance with any or all of the requirements of this section. **【The**
24 **commission shall seek the opinion of the division prior to granting any**
25 **exemption.】** In granting exemptions, the **【commission】** division shall
26 consider such factors as the nature, volume and significance of the
27 particular type of arrangement, and whether the exemption would be
28 consistent with the public policies established by this act. In applying the
29 provisions of this subsection, the **【commission】** division may condition,
30 limit, or restrict any exemption as the commission may deem appropriate.
- 31 l. No junket enterprise or junket representative or person acting as a
32 junket representative may:
- 33 (1) Engage in efforts to collect upon checks that have been returned by
34 banks without full and final payment;
- 35 (2) Exercise approval authority with regard to the authorization or
36 issuance of credit pursuant to section 101 of P.L.1977, c.110 (C.5:12-101);
- 37 (3) Act on behalf of or under any arrangement with a casino licensee or
38 a gaming patron with regard to the redemption, consolidation, or
39 substitution of the gaming patron's checks awaiting deposit pursuant to
40 subsection c. of section 101 of P.L.1977, c.110 (C.5:12-101);
- 41 (4) Individually receive or retain any fee from a patron for the privilege
42 of participating in a junket;
- 43 (5) Pay for any services, including transportation, or other items of
44 value provided to, or for the benefit of, any patron participating in a junket.
- 45 m. No casino licensee shall offer or provide any complimentary
46 services, gifts, cash or other items of value to any person unless:

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

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

6 (3) The complimentary consists of coins, tokens, cash or other
7 complimentary items or services provided through a bus coupon or other
8 complimentary distribution program which, notwithstanding the
9 requirements of section 99 of P.L.1977, c.110 (C.5:12-99), shall be **filed**
10 with the commission upon the implementation of the program or
11 maintained pursuant to commission regulation] maintained pursuant to
12 regulation and made available for inspection by the division.

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

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

30 n. As used in this subsection, "person" means any State officer or
31 employee subject to financial disclosure by law or executive order and any
32 other State officer or employee with responsibility for matters affecting
33 casino activity; any special State officer or employee with responsibility for
34 matters affecting casino activity; the Governor; any member of the
35 Legislature or full-time member of the Judiciary; any full-time professional
36 employee of the Office of the Governor, or the Legislature; members of the
37 Casino Reinvestment Development Authority; the head of a principal
38 department; the assistant or deputy heads of a principal department,
39 including all assistant and deputy commissioners; the head of any division
40 of a principal department; any member of the governing body, or the
41 municipal judge or the municipal attorney of a municipality wherein a
42 casino is located; any member of or attorney for the planning board or
43 zoning board of adjustment of a municipality wherein a casino is located, or
44 any professional planner or consultant regularly employed or retained by
45 such planning board or zoning board of adjustment.

46 No casino applicant or licensee shall provide directly or indirectly to any
47 person any complimentary service or discount which is other than such

1 service or discount that is offered to members of the general public in like
2 circumstance.

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

12
13 ²**【**73.**】** 72.² Section 103 of P.L.1977, c.110 (C.5:12-103) is amended as
14 follows:

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

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

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

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

35 d. Except as otherwise provided in this section, the provisions of Title
36 33 of the Revised Statutes and the rules, regulations and bulletins
37 promulgated by the Director of the Division of Alcoholic Beverage Control
38 shall apply to a Casino Hotel and Casino Hotel Alcoholic Beverage
39 Licensee licensed under this act.

40 e. Notwithstanding any provision to the contrary, the **【**commission**】**
41 division may promulgate any regulations and special rulings and findings as
42 may be necessary for the proper enforcement, regulation, and control of
43 alcoholic beverages in casino hotels when the **【**commission**】** division finds
44 that the uniqueness of casino operations and the public interest require that
45 such regulations, rulings, and findings are appropriate. Regulations of the
46 **【**commission**】** division may include but are not limited to: designation and
47 duties of enforcement personnel; all forms necessary or convenient in the

1 administration of this section; inspections, investigations, searches,
2 seizures; licensing and disciplinary standards; requirements and standards
3 for any hearings or disciplinary or other proceedings that may be required
4 from time to time; the assessment of fines or penalties for violations; hours
5 of sale; sales in original containers; sales on credit; out-of-door sales;
6 limitations on sales; gifts and promotional materials; locations or places for
7 sale; control of signs and other displays; identification of licensees and
8 their employees; employment of aliens and minors; storage, transportation
9 and sanitary requirements; records to be kept by the Casino Hotel Alcoholic
10 Beverage Licensees and availability thereof; practices unduly designed to
11 increase consumption of alcoholic beverages; and such other matters
12 whatsoever as are or may become necessary and consistent with the
13 administration of this act.

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

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

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

40 g. In issuing a Casino Hotel Alcoholic Beverage License the
41 **【commission】** division shall describe the scope of the particular license and
42 the restrictions and limitations thereon as it deems necessary and
43 reasonable. The**【commission】** division may, in a single Casino Hotel
44 Alcoholic Beverage License, permit the holder of such a license to perform
45 any or all of the following activities, subject to applicable laws, rules and
46 regulations:

47 (1) To sell any alcoholic beverage by the glass or other open receptacle
48 including, but not limited to, an original container, for on-premise

1 consumption within a casino or simulcasting facility; provided, however,
2 that no alcoholic beverage shall be sold or given for consumption; delivered
3 or otherwise brought to a patron; or consumed at a gaming table unless so
4 requested by the patron.

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

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

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

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

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

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

41 (3) No Casino Hotel Alcoholic Beverage License which authorizes the
42 possession or storage of alcoholic beverages pursuant to subsection g. of
43 this section shall issue to any applicant who does not hold a Casino Hotel
44 Alcoholic Beverage License, permitting any activity pursuant to subsection
45 g.(1), (2), (3), or (4) of this section. **】 Deleted by amendment, P.L. _____,**
46 **c. (pending before the Legislature as this bill)**

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

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

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

13
14 ²**【74.】** 73.² Section 104 of P.L.1977, c.110 (C.5:12-104) is amended to
15 read as follows:

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

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

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

42 (3) Agreements between a casino licensee and its employees which
43 provide for casino employee or casino key employee profit sharing shall be
44 lawful if the agreement is in writing and filed with the **【commission】**
45 division prior to its effective date. Such agreements may be reviewed by
46 the **【commission】** division under any relevant provision of P.L.1977, c.110
47 (C.5:12-1 et seq.).

- 1 (4) Agreements to lease an approved casino hotel or the land thereunder
2 and agreements for the complete management of all casino gaming
3 operations in a casino hotel shall not be subject to the provisions of this
4 subsection but shall rather be subject to the provisions of subsections b. and
5 c. of section 82 of this act.
- 6 (5) Agreements which provide for percentage charges between the
7 casino licensee and a holding company or intermediary company of the
8 casino licensee shall be in writing and filed with the **【commission】** division
9 but shall not be subject to the provisions of this subsection.
- 10 (6) Agreements relating to simulcast racing and wagering between a
11 casino licensee and an in-State or out-of-State sending track licensed or
12 exempt from licensure in accordance with **【subsection c. of】** section 92 of
13 P.L.1977, c.110 (C.5:12-92) shall be in writing, be filed with the
14 **【commission】** division, and be lawful and effective only if expressly
15 approved as to their terms by the **【commission】** division and the New
16 Jersey Racing Commission, except that any such agreements which provide
17 for a percentage of the parimutuel pool wagered at a simulcasting facility to
18 be paid to the sending track shall not be subject to the provisions of this
19 subsection.
- 20 (7) Agreements relating to simulcast racing and wagering between a
21 casino licensee and a casino service industry enterprise licensed pursuant to
22 the provisions of subsection a. of section 92 of P.L.1977, c.110 (C.5:12-92)
23 as a hub facility, as defined in joint regulations of the **【Casino Control**
24 **Commission】** Division of Gaming Enforcement and the New Jersey Racing
25 Commission, shall be in writing, be filed with the commission, and be
26 lawful and effective only if expressly approved as to their terms by the
27 commission and the New Jersey Racing Commission, except that any such
28 agreements which provide for a percentage of the casino licensee's share of
29 the parimutuel pool wagered at a simulcasting facility to be paid to the hub
30 facility shall not be subject to the provisions of this subsection.
- 31 (8) Agreements relating to simulcast racing and wagering between a
32 casino licensee and a casino service industry enterprise licensed pursuant to
33 the provisions of subsection a. of section 92 of P.L.1977, c.110 (C.5:12-92)
34 to conduct casino simulcasting in a simulcasting facility shall be in writing,
35 be filed with the commission, and be lawful and effective only if expressly
36 approved as to their terms by the commission, except that any such
37 agreements which provide for a percentage of the casino licensee's share of
38 the parimutuel pool wagered at a simulcasting facility to be paid to the
39 casino service industry enterprise shall not be subject to the provisions of
40 this subsection.
- 41 (9) Written agreements relating to the operation of multi-casino
42 progressive slot machine systems between one or more casino licensees and
43 a casino service industry enterprise licensed pursuant to the provisions of
44 subsection a. of section 92 of P.L.1977, c.110 (C.5:12-92), or an eligible
45 applicant for such license, which provide for an interest, percentage or
46 share of the casino licensee's revenues, profits or earnings from the
47 operation of such multi-casino progressive slot machines to be paid to the

1 casino service industry enterprise licensee or applicant shall not be subject
2 to the provisions of this subsection if the agreements are filed with and
3 approved by the **【commission】** division.

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

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

41 Every agreement required to be maintained, and every related agreement
42 the performance of which is dependent upon the performance of any such
43 agreement, shall be deemed to include a provision to the effect that, if the
44 commission shall require termination of an agreement pursuant to its
45 authority under P.L.1977, c.110 (C.5:12-1 et seq.), such termination shall
46 occur without liability on the part of the casino applicant or licensee or any
47 qualified party to the agreement or any related agreement. Failure expressly

1 to include such a provision in the agreement shall not constitute a defense
2 in any action brought to terminate the agreement. If the agreement is not
3 maintained or presented to the commission in accordance with
4 **【commission】** division regulations, or the disapproved agreement is not
5 terminated, the **【commission】** division may pursue any remedy or
6 combination of remedies provided in this act.

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

12 c. Nothing in this act shall be deemed to permit the transfer of any
13 license, or any interest in any license, or any certificate of compliance or
14 any commitment or reservation.

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

16
17 ²**【75.】** 74.² Section 105 of P.L.1977, c.110 (C.5:12-105) is amended as
18 follows:

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

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

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

41 d. If at any time the division reports to the commission **【finds】** that an
42 individual owner or holder of any security of a corporate licensee or of a
43 holding or intermediary company with respect thereto is not qualified under
44 this act, and if as a result the corporate licensee is no longer qualified to
45 continue as a casino licensee in this State, the commission shall, pursuant to
46 the provisions of this act, and upon the report and input of the division, take
47 any necessary action to protect the public interest, including the suspension

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

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

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

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

41 g. Each corporation which has been issued a casino license pursuant to
42 the provisions of this act shall file a report of any change of its corporate
43 officers or members of its board of directors with the commission and the
44 division. No officer or director shall be entitled to exercise any powers of
45 the office to which he was so elected or appointed until qualified by the
46 commission in accordance with the provisions of this act.

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

1 ²~~76.~~ ²75. Section 106 of P.L.1977, c.110 (C.5:12-106) is amended to
2 read as follows:

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

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

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

27 d. ~~【A holder of a casino service employee registration whose~~
28 ~~registration is revoked, in addition to any restrictions imposed by the~~
29 ~~regulations of the commission on a reapplication for licensure or~~
30 ~~registration, shall not be employed by a casino licensee in a position that~~
31 ~~does not require a license or registration until five years have elapsed from~~
32 ~~the date of revocation, except that the commission may permit such~~
33 ~~employment upon good cause shown.】 (Deleted by amendment, P.L. _____,~~
34 ~~c.) (pending before the Legislature as this bill)~~
35 (cf: P.L.2009, c.36, s.21)

36
37 ²~~77.~~ ²76. Section 107 of P.L.1977, c.110 (C.5:12-107) is amended as
38 follows:

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

45 (1) Unless the commission hears the matter directly, the chairman shall
46 refer the matter to the Office of Administrative Law in accordance with
47 P.L.1978, c.67 (C.52:14F-1 et al.); provided, however, that the chairman

1 may, in his discretion, designate a member of the commission, or other
2 qualified person other than an employee of the commission, to serve as
3 hearing examiner in a particular matter;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

28

29 ²**[78.] 77.**² Section 109 of P.L.1977, c.110 (C.5:12-109) is amended to
 30 read as follows:

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

39 a. An emergency order shall be issued only when the **[commission]**
 40 director finds that:

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

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

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

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

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

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

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

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

22
23 ²[79.] 78.² Section 110 of P.L.1977, c.110 (C.5:12-110) is amended to
24 read as follows:

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

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

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

38 (1) In violation of constitutional provisions;

39 (2) In excess of the statutory authority and jurisdiction of the
40 commission; or

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

42 d. In order to protect the public interest and the regulatory authority of
43 the commission, any action by the commission taken pursuant to the
44 provisions of sections 64, 69 d. or 71 of this act shall not be subject to the
45 injunctive authority of the Superior Court prior to the exhaustion of the
46 administrative procedures herein specified, unless it shall appear evident to
47 the court, by clear and convincing evidence, that a manifest denial of

1 justice would be effectuated by the refusal to enjoin the contemplated
2 action **【of the commission】**.

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

4

5 ²**【80.】 79.**² Section 111 of P.L.1977, c.110 (C.5:12-111) is amended to
6 read as follows:

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

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

20

21 ²**【81.】 80.**² Section 112 of P.L.1977, c.110 (C.5:12-112) is amended to
22 read as follows:

23 112. Unlicensed Casino Gambling Games Unlawful; Penalties.

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

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

39 c. Any person who operates, carries on or exposes for play any
40 gambling game, gaming device or slot machine after his license has expired
41 and prior to the actual renewal thereof is guilty of a crime of the fourth
42 degree and subject to the penalties therefor, except that the amount of a fine
43 may be up to **【\$25,000.00】** \$50,000, and in the case of a person other than
44 a natural person, the amount of a fine may be up to **【\$100,000.00】**
45 \$200,000.

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

1 ²**[82.] 81.**² Section 46 of P.L.1991, c.182 (C5:12-113.1) is amended to
2 read as follows:

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

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

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

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

20

21 ²**[83.] 82.**² Section 114 of P.L.1977, c.110 (C.5:12-114) is amended to
22 read as follows:

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

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

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

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

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

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

43 c. It shall be unlawful for any person knowingly to possess or use
44 while on the premises of a licensed casino, any cheating or thieving device,
45 including but not limited to tools, wires, drills, coins attached to strings or
46 wires or electronic or magnetic devices to facilitate removing from any slot
47 machine any money or contents thereof, except that a duly authorized

1 employee of a licensed casino may possess and use any of the foregoing
2 only in furtherance of his employment in the casino.

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

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

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

18

19 ²**[84.]** 83.² Section 5 of P.L.1980, c.69 (C.5:12-117.1) is amended to
20 read as follows:

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

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

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

29

30 ²**[85.]** 84.² Section 118 of P.L.1977, c.110 (C.5:12-118) is amended to
31 read as follows:

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

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

39

40 ²**[86.]** 85.² Section 121 of P.L.1977, c.110 (C.5:12-121) is amended to
41 read as follows:

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

44 a. Any licensee or its officers, employees or agents may question any
45 individual in the casino or simulcasting facility or elsewhere in the
46 establishment who is reasonably suspected of violating any of the
47 provisions of sections 113 through 116 of P.L.1977, c.110 (C.5:12-113

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

6 b. Any licensee or its officers, employees or agents who shall have
7 probable cause for believing there has been a violation of sections 113
8 through 116 of P.L.1977, c.110 (C.5:12-113 through 116), section 46 of
9 P.L.1991, c.182 (C.5:12-113.1), section 118 of P.L.1977, c.110 (C.5:12-
10 118), section 119 of P.L.1977, c.110 (C.5:12-119) or R.S.33:1-81 pursuant
11 to subsection d. of section 103 of P.L.1977, c.110 (C.5:12-103) in the
12 casino or simulcasting facility by any person may refuse to permit such
13 person to continue gaming or wagering or may take such person into
14 custody and detain him in the establishment in a reasonable manner for a
15 reasonable length of time, for the purpose of notifying law enforcement **【or**
16 **commission】** authorities. Such refusal or taking into custody and detention
17 shall not render such licensee or its officers, employees or agents criminally
18 or civilly liable for false arrest, false imprisonment, slander or unlawful
19 detention, unless such refusal or such taking into custody or detention is
20 unreasonable under all of the circumstances.

21 c. No licensee or its officers, employees or agents shall be entitled to
22 any immunity from civil or criminal liability provided in this section unless
23 there is displayed in a conspicuous manner in the casino and, if applicable,
24 the simulcasting facility a notice in bold face type clearly legible and in
25 substantially this form:

26 "Any gaming licensee or officer, employee or agent thereof who has
27 probable cause for believing that any person is violating any of the
28 provisions of the Casino Control Act prohibiting cheating or swindling in
29 gaming or simulcast wagering, underage gambling, underage drinking, the
30 unauthorized presence on the casino floor or simulcasting facility by an
31 underage person, or the presence in the casino establishment of a person
32 excluded pursuant to the provisions of section 71 of P.L.1977, c.110
33 (C.5:12-71), may detain such person in the establishment for the purpose of
34 notifying law enforcement **【or Casino Control Commission】** authorities."
35 (cf: P.L.2009, c.36, s.22)

36

37 ²**【87.】** 86.² Section 129 of P.L.1977, c.110 (C.5:12-129) is amended to
38 read as follows:

39 129. Supplemental Sanctions.

40 a. In addition to any penalty, fine or term of imprisonment authorized
41 by law, the **【commission】** division shall, after appropriate hearings and
42 factual determinations, have the authority to impose the following sanctions
43 upon any person licensed or registered pursuant to this act:

44 (1) Revoke the license or registration of any person for the conviction
45 of any criminal offense under this act or for the commission of any other
46 offense or violation of this act which would disqualify such person from
47 holding his license or registration;

- 1 (2) Revoke the license or registration of any person for willfully and
2 knowingly violating an order of the **【commission】** division directed to such
3 person;
- 4 (3) Suspend the license or registration of any person pending hearing
5 and determination, in any case in which license or registration revocation
6 could result;
- 7 (4) Suspend the operation certificate of any casino licensee for violation
8 of any provisions of this act or regulations promulgated hereunder relating
9 to the operation of its casino or, if applicable, its simulcasting facility, or
10 both, including games, internal and accountancy controls and security;
- 11 (5) Assess such civil penalties as may be necessary to punish
12 misconduct and to deter future violations, which penalties may not exceed
13 **【\$10,000.00】** \$20,000 in the case of any individual licensee or registrant,
14 except that in the case of a casino licensee the penalty may not exceed
15 **【\$50,000.00】** \$100,000;
- 16 (6) Order restitution of any moneys or property unlawfully obtained or
17 retained by a licensee or registrant;
- 18 (7) Enter a cease and desist order which specifies the conduct which is
19 to be discontinued, altered or implemented by the licensee or registrant;
- 20 (8) Issue letters of reprimand or censure, which letters shall be made a
21 permanent part of the file of each licensee or registrant so sanctioned; or
- 22 (9) Impose any or all of the foregoing sanctions in combination with
23 each other.
- 24 b. The division's imposition of any fine, penalty, or sanction pursuant
25 to this section shall be appealable to the commission, except that in no case
26 shall the division's decision to enter into a settlement agreement which
27 results in the imposition of a fine, penalty, sanction or any combination
28 thereof be subject to review by the commission.
29 (cf: P.L.1993, c.292, s.32)
- 30
- 31 ²**【88.】** 87.² Section 130 of P.L.1977, c.110 (C.5:12-130) is amended to
32 read as follows:
- 33 130. In considering appropriate sanctions in a particular case, the
34 **【commission】** division shall consider:
- 35 a. The risk to the public and to the integrity of gaming operations
36 created by the conduct of the licensee or registrant;
- 37 b. The seriousness of the conduct of the licensee or registrant, and
38 whether the conduct was purposeful and with knowledge that it was in
39 contravention of the provisions of this act or regulations promulgated
40 hereunder;
- 41 c. Any justification or excuse for such conduct by the licensee or
42 registrant;
- 43 d. The prior history of the particular license or registrant involved with
44 respect to gaming activity;
- 45 e. The corrective action taken by the licensee or registrant to prevent
46 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 ²**【89.】** 88.² Section 31 of P.L.1978, c.7 (C.5:12-130.1) is amended to
14 read as 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

1 applicable to all; the debts and property of the former or suspended licensee
2 may be collected and received by any of them; and the powers and rights
3 conferred upon them shall be exercised by a majority of them.

4 f. The commission shall require that the former or suspended licensee
5 purchase liability insurance, in an amount determined by the commission,
6 to protect a conservator from liability for any acts or omissions of the
7 conservator occurring during the duration of the conservatorship which are
8 reasonably related to, and within the scope of, the conservator's duties.

9 (cf: P.L.1991, c.182, s.54)

10

11 ²~~[90.] 89.~~² Section 133 of P.L.1977, c.110 (C.5:12-133) is amended to
12 read as follows:

13 133. a. If any clause, sentence, subparagraph, paragraph, subsection,
14 section, article or other portion of this act or the application thereof to any
15 person or circumstances shall be held to be invalid, such holding shall not
16 affect, impair or invalidate the remainder of this act or the application of
17 such portion held invalid to any other person or circumstances, but shall be
18 confined in its operation to the clause, sentence, paragraph, subparagraph,
19 subsection, section, article or other portion thereof directly involved in such
20 holding or to the person or circumstance therein involved.

21 b. If any provision of this act is inconsistent with, in conflict with, or
22 contrary to any other provision of law, such provision of this act shall
23 prevail over such other provision and such other provision shall be deemed
24 to be amended, superseded or repealed to the extent of such inconsistency
25 or conflict. Notwithstanding the provisions of any other law to the
26 contrary, no local government unit of this State may enact or enforce any
27 ordinance or resolution conflicting with any provision of this act or with
28 any policy of this State expressed or implied herein, whether by exclusion
29 or inclusion. The commission shall have exclusive jurisdiction over all
30 matters delegated to it or within the scope of its powers under the
31 provisions of this act, and the division shall have exclusive jurisdiction over
32 all matters delegated to it or within the scope of its powers under the
33 provisions of this act.

34 (cf: P.L.1977, c.110, s.133)

35

36 ²~~[91.] 90.~~² Section 134 of P.L.1977, c.110 (C.5:12-134) is amended to
37 read as follows:

38 134. a. Each applicant at the time of submitting architectural plans or
39 site plans to the **[commission]** division for approval of proposed
40 construction, renovation or reconstruction of any structure or facility to be
41 used as an approved hotel or casino shall accompany same with a written
42 guaranty that all contracts and subcontracts to be awarded in connection
43 therewith shall contain appropriate provisions by which contractors and
44 subcontractors or their assignees agree to afford an equal employment
45 opportunity to all prospective employees and to all actual employees to be
46 employed by the contractor or subcontractor in accordance with an
47 affirmative action program approved by the **[commission]** division and
48 consonant with the provisions of the "Law Against Discrimination,"

1 P.L.1945, c.169 (C.10:5-1 et seq.). On and after the effective date of this
2 amendatory act an applicant shall also be required to demonstrate that equal
3 employment opportunities in accordance with the aforesaid affirmative-
4 action program in compliance with P.L.1945, c.169 have been afforded to
5 all prospective employees and to all actual employees employed by a
6 contractor or subcontractor in connection with the actual construction,
7 renovation or reconstruction of any structure or facility to be used as an
8 approved hotel or casino prior to submission of architectural plans or site
9 plans to the commission.

10 b. No license shall be issued by the commission to any applicant,
11 including a casino service industry enterprise as defined in section 12 of
12 this act, who has not agreed to afford an equal employment opportunity to
13 all prospective employees in accordance with an affirmative-action
14 program approved by the commission and consonant with the provisions of
15 the "Law Against Discrimination," P.L.1945, c.169 (C.10:5-1 et seq.).

16 c. Each applicant shall formulate for **【commission】** division approval
17 and abide by an affirmative-action program of equal opportunity whereby
18 the applicant guarantees to provide equal employment opportunity to
19 rehabilitated offenders eligible under sections 90 and 91 of this act and
20 members of minority groups qualified for licensure in all employment
21 categories, including a person with a disability, in accordance with the
22 provisions of the "Law Against Discrimination," P.L.1945, c.169 (C.10:5-1
23 et seq.), except in the case of the mentally handicapped, if it can be clearly
24 shown that such disability would prevent such person from performing a
25 particular job.

26 d. Any license issued by the commission in violation of this section
27 shall be null and void.

28 (cf: P.L.2009, c.36, s.23)

29

30 ²**【92.】** 91.² Section 135 of P.L.1977, c.110 (C.5:12-135) is amended to
31 read as follows:

32 135. The **【commission】** division, in addition to and without limitation
33 of other powers which it may have by law, shall have the following powers:

34 a. To investigate and determine the percentage of population of
35 minority groups in the State or in areas thereof from which the work force
36 for the licensee is or may be drawn;

37 b. To establish and promulgate such percentages as guidelines in
38 determining the adequacy of affirmative-action programs submitted for
39 approval pursuant to the provisions of section 134 of this act;

40 c. To impose such sanctions as may be necessary to accomplish the
41 objectives of section 134;

42 d. To refer to the Attorney General or his designee circumstances
43 which may constitute violation of the "Law Against Discrimination,"
44 P.L.1945, c.169 (C.10:5-1 et seq.);

45 e. To enforce in a court of law the provisions of section 134 or to join
46 in or assist any enforcement proceeding initiated by any aggrieved person;
47 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 ²**[93.] 92.**² Section 136 of P.L.1977, c.110 (C.5:12-136) is amended to
7 read as 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 ²**[94.] 93.**² Section 139 of P.L.1977, c.110 (C.5:12-139) is amended to
18 read as 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 ²**[95.] 94.**² Section 141 of P.L.1977, c.110 (C.5:12-141) is amended to
38 read as 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 ²**[96.] 95.**² Section 31 of P.L.2002, c.65 (C.5:12-141.1) is amended to
47 read as 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 ²**【97.】** 96.² Section 24 of P.L.2009, c.36 (C.5:12-141.2) is amended as
12 follows:

13 24. Expiration of gaming-related obligations owed to patrons; date of
14 expiration; payment to Casino Revenue Fund.

15 a. Whenever a casino licensee owes a patron a specific amount of
16 money as the result of a gaming transaction which remains unpaid due to
17 the failure of the patron to claim the money or redeem a representation of
18 the debt issued in a form approved by the commission, regardless of
19 whether the identity of the patron is known, the casino licensee shall
20 maintain a record of the obligation in accordance with the rules of the
21 **【commission】** division.

22 b. If the patron does not claim the money or redeem the representation
23 of debt within one year of the date of the transaction, which date shall be
24 established in accordance with the rules of the **【commission】** division, the
25 obligation of the casino licensee to pay the patron shall expire, and 25% of
26 the money or the value of the debt shall be paid to the Casino Revenue
27 Fund by the casino licensee, and the remaining 75% shall be retained by the
28 casino licensee, provided the licensee uses the full amount for marketing
29 purposes. Notwithstanding the foregoing, if the obligation was incurred or
30 the representation of debt was issued prior to the effective date of this act,
31 P.L.2009, c.36, the obligation of the casino licensee to pay the patron shall
32 expire one year after such effective date, at which time 50% of the money
33 or the value of the debt shall be paid to the Casino Revenue Fund, subject
34 to a credit for the payment required to be made to that fund on or before
35 June 30, 2009 by the casino licensee pursuant to subsection c. of this
36 section, and 50% shall be retained by the casino licensee.

37 c. Each casino licensee shall, on or before June 30, 2009, make a
38 payment to the Casino Revenue Fund in an amount equal to 25% of the
39 value of the money or debt owed to its patrons as a result of gaming
40 transactions that occurred more than one year prior to the effective date of
41 this act, P.L.2009, c.36. This payment shall be credited towards the total
42 obligation of the casino licensee to make payments to the Casino Revenue
43 Fund in an amount equal to 50% of the value of expired gaming related
44 obligations pursuant to subsection b. of this section.

45 (cf: P.L.2009, c.36, s.24)

1 ²[98.] 97.² Section 143 of P.L.1977, c.110 (C.5:12-143) is amended to
2 read as follows:

3 143. a. There is hereby created and established in the Department of the
4 Treasury a separate special account to be known as the "Casino Control
5 Fund," into which shall be deposited all license fee revenues imposed by
6 sections 94, 139, 140, 141, and 142 of this act.

7 b. Moneys in the Casino Control Fund shall be appropriated,
8 notwithstanding the provisions of P.L.1976, c.67 (C.52:9H-5 et seq.),
9 exclusively for the operating expenses of the commission and the division.
10 (cf: P.L.1977, c.110, s.143)

11

12 ²[99.] 98.² Section 144 of P.L.1977, c.110 (C.5:12-144) is amended to
13 read as follows:

14 144. a. There is hereby imposed an annual tax on gross revenues as
15 defined in section 24 of this act in the amount of 8% of such gross
16 revenues.

17 b. Commencing with the first annual tax return of a licensee for any
18 calendar year beginning after December 31, 1978, and ending before
19 January 1, 1984 and based upon a determination that in said return or any
20 annual return for a calendar year during that period the gross revenue of a
21 licensee in the calendar year upon which the tax is based exceeds the
22 cumulative investments in this State of said licensee as of that year, such
23 licensee shall make investments in an amount not less than 2% of the gross
24 revenue for said calendar year within a period of five years from the end of
25 said calendar year. Fifty percent of the investments required by this
26 subsection as a result of any of the three annual tax returns commencing
27 with the first annual tax return for any calendar year beginning after
28 December 31, 1978 shall be made in the municipality in which the licensed
29 premises are located, and 50% of such investments shall be made in any
30 other municipality of this State. Twenty-five percent of the investments
31 required by this subsection as a result of any annual tax return subsequent
32 to the third such return in a series of returns the first of which is for a
33 calendar year beginning after December 31, 1978 shall be made in the
34 municipality in which the licensed premises are located, and 75% shall be
35 made in any other municipality of this State.

36 All investments and cumulative investments made pursuant to this
37 subsection shall be subject to a determination by the **[commission]** division
38 as to the eligibility of such investments. In determining eligibility, the
39 **[commission]** division shall consider the public interest, including the
40 social and economic benefits to be derived from such investments for the
41 people of this State.

42 c. For the purposes of this section, "investments" means equity
43 investments in land and real property on which improvements are made and
44 in real property improvements. For the purposes of this section,
45 "cumulative investments" means investments in and debt financing of the
46 licensed premises, plus other investments in and debt financing of land and
47 real property on which improvements are made and real property
48 improvements; provided, however, that the investments and debt financing

1 not associated with the licensed premises have been subsequent to July 6,
2 1976. Real property and real property improvements sold or otherwise
3 disposed of by the licensee shall not be included for the purposes of
4 determining cumulative investments.

5 d. For the purposes of satisfying the amount of investments in any
6 given year and of determining cumulative investments as of any given year,
7 pursuant to subsection b., contributions of money or realty shall be included
8 if the **【commission】** division determines that such contributions best serve
9 the public interest and either (1) directly relate to the improvement,
10 furtherance, and promotion of the tourist industry in this State through the
11 planning, acquisition, construction, improvement, maintenance and
12 operation of recreational, entertainment, and other facilities for the public,
13 including, without limitation, a performing arts center, the beaches and
14 shorefront of this State, and transportation facilities providing or enhancing
15 service in resort areas of this State, or (2) directly relate to the
16 improvement, furtherance, and promotion of the health and wellbeing of the
17 people of this State through the planning, acquisition, construction,
18 improvement, maintenance, and operation of a facility, project or program
19 approved by the **【commission】** division.

20 e. In the event that the investments required in subsection b. of this
21 section are not made within the time set forth herein, there shall be imposed
22 an investment alternative tax in an amount equivalent to 2% of gross
23 revenue, which tax shall be added to the tax determined under subsection a.
24 of this section and shall be due and payable in accordance with section 148
25 of P.L.1977, c.110 (C.5:12-148). For the purposes of determining whether
26 the investment alternative tax shall be paid, the State Treasurer shall
27 certify, under such rules and regulations as he shall promulgate consistent
28 with the provisions of this article, the amount of cumulative investments
29 made by each licensee. In the event of the sale or other disposition of the
30 licensed premises, any investment obligation imposed by subsection b.
31 which is not satisfied shall be immediately deemed due and payable as
32 investment alternative tax, and said amount shall constitute a lien upon the
33 licensed premises until paid, together with interest at the rate specified in
34 the "State Tax Uniform Procedure Law," Subtitle 9 of Title 54 of the
35 Revised Statutes; provided, however, that the appointment of a conservator
36 under section 31 of P.L.1978, c.7, shall not constitute a sale or other
37 disposition of the licensed premises within the meaning of this subsection,
38 and provided further, that if, in the judgment of the **【commission】** division,
39 a sale or other disposition does not significantly affect the operations of a
40 casino licensee with respect to such premises, the **【commission】** division
41 may permit the investment obligation imposed on such licensee to continue
42 under such conditions as the **【commission】** division may deem appropriate.

43 f. The **【commission】** division shall promulgate rules and regulations
44 consistent with the provisions of this article as to the eligibility of the
45 investments and cumulative investments required by this section.

46 g. The Casino Reinvestment Development Authority shall,
47 simultaneous with the initial exercise of its general powers and

1 responsibilities pursuant to section 39 of P.L.1984, c.218, assume and
2 exercise all powers and responsibilities and make all determinations
3 necessary to the administration of subsections b. through f. of section 144
4 of P.L.1977, c.110 (C.5:12-144) theretofore exercised or made by the
5 **【commission】** division, including the resolution of all matters then pending
6 before the **【commission】** division. Subsequent to the initial exercise of its
7 general powers and responsibilities by the Casino Reinvestment
8 Development Authority, the **【commission】** division shall make no further
9 determinations of eligibility under this section except as may be necessary
10 to enable a licensee to satisfy an investment obligation which is due in
11 calendar year 1984, and shall have no further responsibility for planning or
12 redevelopment activity with regard to the use of reinvestment funds
13 generated by either subsections b. through f. of section 144 of P.L.1977,
14 c.110 (C.5:12-144) or subsection b. of section 3 of P.L.1984, c.218 (C.5:12-
15 144.1). All determinations **【of the commission】** made in accordance with
16 this section shall be final and subject only to alteration by a decision of a
17 court.

18 h. Notwithstanding any other provision of this section to the contrary,
19 any investment required by this section which has not been commenced by
20 a licensee as of the effective date of this 1984 amendatory and
21 supplementary act, other than an investment which is necessary to enable a
22 licensee to satisfy an investment obligation which is due in calendar year
23 1984, may only be satisfied through the purchase of bonds of the Casino
24 Reinvestment Development Authority issued pursuant to sections 14 and 15
25 of P.L.1984, c.218 (C.5:12-162, 5:12-163), except that the date by which
26 the investment shall be made, and the amount of the investment or
27 investment alternative tax obligation, shall be that set forth in subsections
28 b. and e. of this section.

29 Notwithstanding the provisions of subsections b. and c. of this section,
30 any investment obligation which is due in calendar year 1984 which has not
31 been commenced or satisfied by December 31, 1984 may, at the option of
32 the licensee and with the approval of the **【Casino Control Commission】**
33 division, and in lieu of or in addition to making any other investment or
34 contribution authorized by this section, be satisfied subsequent thereto by
35 the purchase, or the agreement to make a purchase, of bonds of the Casino
36 Reinvestment Development Authority. Any licensee desiring to exercise
37 this option, with the approval of the **【Casino Control Commission】**
38 division, shall transfer and entrust the necessary amount to the State
39 Treasurer, who shall maintain the funds until the initial exercise by the
40 Casino Reinvestment Development Authority of its general powers and
41 responsibilities pursuant to section 39 of P.L.1984, c.218. Immediately
42 subsequent to the initial exercise of its general powers and responsibilities
43 by the Casino Reinvestment Development Authority, the State Treasurer
44 shall transfer any such entrusted funds to the Casino Reinvestment
45 Development Authority for the purchase of bonds by the licensee in
46 amounts equivalent to the amount of the funds deposited by the licensee
47 with the State Treasurer. Until he transfers the funds to the Casino

1 Reinvestment Development Authority, the State Treasurer shall be
2 authorized to invest and reinvest such funds through the Director of the
3 Division of Investment, who shall make such investments in accordance
4 with written directions of the State Treasurer, without regard to any other
5 law relating to investments by the Director of the Division of Investment.
6 Any interest earned on the funds while they are entrusted to the State
7 Treasurer shall accrue to the licensee and the Casino Reinvestment
8 Development Authority in the same proportion as if the funds were held
9 and invested by the Casino Reinvestment Development Authority pursuant
10 to subsection m. of section 13 of P.L.1984, c.218 (C.5:12-161).

11 The proceeds of all bond purchases made pursuant to this subsection
12 shall be used exclusively to finance the rehabilitation, development, or
13 construction of housing facilities in the city of Atlantic City for persons or
14 families of low through middle income in accordance with the provisions of
15 subsection f. of section 3 of P.L.1984, c.218 (C.5:12-144.1).

16 i. If a licensee has incurred an investment obligation which requires
17 bonds to be purchased pursuant to the provisions of subsection h. of this
18 section and the licensee purchases bonds of the Casino Reinvestment
19 Development Authority issued pursuant to sections 14 and 15 of P.L.1984,
20 c.218 (C.5:12-162, 5:12-163) in satisfaction of that obligation no later than
21 six months after the adoption by the Casino Reinvestment Development
22 Authority of rules and regulations pursuant to subsection j. of section 3 of
23 P.L.1984, c.218 (C.5:12-144.1), the licensee shall be entitled to a reduction
24 of its investment obligation in an amount determined by the Casino
25 Reinvestment Development Authority, taking into account a current market
26 discount rate from the date of the purchase to the date the purchase would
27 have been required to be made. Any purchase of bonds made pursuant to
28 this subsection shall first be used to satisfy the licensee's most recently
29 incurred investment obligation. That purchase of bonds shall not constitute
30 a credit against the tax provided for in subsection a. of section 3 of this
31 1984 amendatory and supplementary act.

32 (cf: P.L.1984, c.218, s.2)

33

34 ²**[100.]** 99.² Section 3 of P.L.1984, c.218 (C.5:12-144.1) is amended to
35 read as follows:

36 3. a. (1) Commencing with the first annual tax return of a licensee for
37 any calendar year beginning after December 31, 1983, there is imposed an
38 investment alternative tax on the gross revenues as defined in section 24 of
39 P.L.1977, c.110 (C.5:12-24) of the licensee in the amount of 2.5% of those
40 gross revenues. The tax imposed with respect to each calendar year shall
41 be due and payable on the last day of April next following the end of the
42 calendar year. The State Treasurer shall have a lien against the property
43 constituting the casino of a licensee for the amount of any tax not paid
44 when due. No tax shall be imposed, however, on the gross revenues
45 received by a licensee during the first 12 months of the operation of any
46 casino that commences operation after January 1, 1984, but prior to the
47 effective date of this act, P.L.1996, c.118 (C.5:12-173.3a et al.).

1 (2) A licensee shall pay to the State Treasurer on or before the 15th day
2 of the first, fourth, seventh, and 10th months of each year as partial
3 payment of the investment alternative tax imposed pursuant to paragraph
4 (1) of this subsection an amount equal to 1.25% of the estimated gross
5 revenues for the three-month period immediately preceding the first day of
6 those months. The moneys received shall be placed in an escrow account
7 and shall be held until the licensee directs that the moneys be transferred to
8 the Casino Reinvestment Development Authority for the purchase of bonds
9 issued by or offered through the Casino Reinvestment Development
10 Authority or pursuant to a contract for such a purchase, be made available
11 to the licensee for a direct investment approved by the authority, or be
12 transferred to the Casino Revenue Fund as partial payment of the
13 investment alternative tax imposed pursuant to paragraph (1) of this
14 subsection. Any interest derived from the moneys in the escrow account
15 shall be paid or made available to the Casino Revenue Fund. If a licensee
16 fails to pay the amount due or underpays by an unjustifiable amount, the
17 **【Casino Control Commission】** division shall impose a fine of 5% of the
18 amount due or of the underpayment, as the case may be, for each month or
19 portion thereof the licensee is in default of payment, up to 25% of the
20 amount in default. Any fine imposed shall be paid to the Casino
21 Reinvestment Development Authority and shall be used for the purposes of
22 this 1984 amendatory and supplementary act.

23 b. Each licensee shall be entitled to an investment tax credit against the
24 tax imposed by subsection a. of this section, provided the licensee shall pay
25 over the moneys required pursuant to section 5 of P.L.1993, c.159 (C.5:12-
26 173.5): (1) for the first 10 years of a licensee's tax obligation, in an amount
27 equal to twice the purchase price of bonds issued by the Casino
28 Reinvestment Development Authority pursuant to sections 14 and 15 of this
29 1984 amendatory and supplementary act, purchased by the licensee, or
30 twice the amount of the investments authorized in lieu thereof, and (2) for
31 the remainder of a licensee's tax obligation, in an amount equal to twice the
32 purchase price of bonds issued by the Casino Reinvestment Development
33 Authority pursuant to sections 14 and 15 of this 1984 amendatory and
34 supplementary act, purchased by the licensee, or twice the amount of the
35 investments authorized in lieu thereof, and twice the amount of investments
36 made by a licensee in other approved eligible investments made pursuant to
37 section 25 of this act. The Casino Reinvestment Development Authority
38 shall have the power to enter into a contract or contracts with a licensee
39 pursuant to which the Casino Reinvestment Development Authority agrees
40 to issue and sell bonds to the licensee, and the licensee agrees to purchase
41 the bonds issued by or offered through the Casino Reinvestment
42 Development Authority, in annual purchase price amounts as will constitute
43 a credit against at least 50% of the tax to become due in any future year or
44 years. The contract may contain those terms and conditions relating to the
45 terms of the bonds and to the issuance and sale of the bonds to the licensee
46 as the Casino Reinvestment Development Authority shall deem necessary
47 or desirable. The contract shall not be deemed to be in violation of section
48 104 of P.L.1977, c.110 (C.5:12-104). After the first 10 years of a licensee's

1 investment alternative tax obligation, a licensee will have the option of
2 entering into a contract with the Casino Reinvestment Development
3 Authority to have its tax credit comprised of direct investments in approved
4 eligible projects. These direct investments shall not comprise more than
5 50% of a licensee's eligible tax credit in any one year.

6 The entering of a contract pursuant to this section shall be sufficient to
7 entitle a licensee to an investment tax credit for the appropriate tax year.

8 c. A contract entered into between a licensee and the Casino
9 Reinvestment Development Authority may provide for a deferral of
10 payment for and delivery of bonds required to be purchased and for a
11 deferral from making approved eligible investments in any year, but no
12 deferral shall occur more than two years consecutively. A deferral of
13 payment for any bonds required to be purchased by a licensee and a deferral
14 from making approved eligible investments may be granted by the Casino
15 Reinvestment Development Authority only upon a determination by the
16 **【Casino Control Commission】** Division of Gaming Enforcement that
17 purchase of these bonds or making approved eligible investments would
18 cause extreme financial hardship to the licensee and a determination by the
19 Casino Reinvestment Development Authority that the deferral of the
20 payment would not violate any covenant or agreement or impair any
21 financial obligation of the Casino Reinvestment Development Authority.
22 The contract may establish a late payment charge to be paid in the event of
23 deferral or other late payment at a rate as shall be agreed to by the Casino
24 Reinvestment Development Authority. If a deferral of purchase or
25 investment is granted, the licensee shall be deemed to have made the
26 purchase or investment at the time required by the contract, except that if
27 the purchase is not made at the time to which the purchase or investment
28 was deferred, then the licensee shall be deemed not to have made the
29 purchase or investment. The **【Casino Control Commission】** Division of
30 Gaming Enforcement shall adopt regulations establishing a uniform
31 definition of extreme financial hardship applicable to all these contracts. If
32 a licensee petitions the Casino Reinvestment Development Authority for a
33 deferral, the Casino Reinvestment Development Authority shall give notice
34 of that petition to the **【Casino Control Commission and to the】** Division of
35 Gaming Enforcement within three days of the filing of the petition. The
36 **【Casino Control Commission】** Division of Gaming Enforcement shall
37 render a decision within 60 days of notice as to whether the licensee has
38 established extreme financial hardship**【**, after consultation with the
39 Division of Gaming Enforcement**】**. The Casino Reinvestment Development
40 Authority shall render a decision as to the availability of the deferral within
41 10 days of the receipt by it of the decision of the **【Casino Control**
42 **Commission】** Division of Gaming Enforcement and shall notify the
43 Division of Gaming Enforcement **【and the Casino Control Commission】** of
44 that decision. If a deferral is granted, the Casino Reinvestment
45 Development Authority may determine whether the purchases or
46 investments shall be made in a lump sum, made over a period of years, or

1 whether the period of obligation shall be extended an additional period of
2 time equivalent to the period of time deferred.

3 d. The license of any licensee which has defaulted in its obligation to
4 make any purchase of bonds or investment in any approved eligible project
5 under a contract entered into pursuant to subsection b. of this section for a
6 period of 90 days may be suspended by the Casino Control Commission
7 upon report and recommendation of the division until that purchase is made
8 or deferred in accordance with subsection b. of this section, or a fine or
9 other penalty may be imposed upon the licensee by the commission. If the
10 Casino Control Commission elects not to suspend the license of a licensee
11 after the licensee has first defaulted in its obligation **[but] the division may**
12 **instead [imposes] impose** some lesser penalty **[and]. In such event, if the**
13 licensee continues to be in default of its obligation after a period of 30
14 additional days and after any additional 30-day period, the **[commission]**
15 **division** may impose another fine or penalty upon the licensee, **[which]**
16 **and may [include suspension of] again recommend that the commission**
17 **suspend** that licensee's license. The fine shall be 5% of the amount of the
18 obligation owed for each month or portion thereof a licensee is in default,
19 up to 25% of that obligation; shall be paid to the Casino Reinvestment
20 Development Authority; and shall be used for the purposes of this 1984
21 amendatory and supplementary act.

22 e. A contract entered into by a licensee and the Casino Reinvestment
23 Development Authority pursuant to subsection b. of this section may
24 provide that after the first 10 years of a licensee's investment alternative tax
25 obligation imposed by subsection a. of this section, the Casino
26 Reinvestment Development Authority may repurchase bonds previously
27 sold to the licensee, which were issued after the 10th year of a licensee's
28 investment alternative tax obligation, by the Casino Reinvestment
29 Development Authority, if the Casino Reinvestment Development
30 Authority determines that the repurchase will not violate any agreement or
31 covenant or impair any financial obligation of the Casino Reinvestment
32 Development Authority and that the licensee will reinvest the proceeds of
33 the resale in an eligible project approved by the Casino Reinvestment
34 Development Authority.

35 f. (1) During the 50 years a licensee is obligated to pay an investment
36 alternative tax pursuant to subsection k. of this section, the total of (a) the
37 proceeds of all bonds purchased by a licensee from or through the Casino
38 Reinvestment Development Authority and (b) all approved investments in
39 eligible projects by a licensee shall be devoted to the financing of projects
40 in the following areas and amounts:

41 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
43 a) Atlantic City	100%	90%	80%	50%	30%	20%			
44 b) South Jersey		8%	12%	28%	43%	45%		25%	50%
45 c) North Jersey		2%	8%	22%	27%	35%	35%	50%	50%
46 d) Atlantic City									
47 through the Atlantic									
48 City Fund							65%	25%	

1 except that, with respect to the obligations for calendar years 1994 through
2 1998, the amount allocated for the financing of projects in North Jersey
3 from each casino licensee's obligation shall be the amount allocated for
4 calendar year 1993, and the difference between that amount and the amount
5 to be allocated to North Jersey, on the basis of the above schedule, from
6 each casino licensee's obligations for calendar years 1994 through 1998
7 shall be paid into or credited to the Atlantic City Fund established by
8 section 44 of P.L.1995, c.18 (C.5:12-161.1) and be devoted to the financing
9 of projects in Atlantic City through that fund. For the purposes of this
10 paragraph, "South Jersey" means the counties of Atlantic, Burlington,
11 Camden, Cape May, Cumberland, Gloucester, Mercer, Ocean, and Salem,
12 except that "South Jersey" shall not include the City of Atlantic City; and
13 "North Jersey" means the remaining 12 counties of the State. For the
14 purposes of this 1984 amendatory and supplementary act, bond "proceeds"
15 means all funds received from the sale of bonds and any funds generated or
16 derived therefrom.

17 In the financing of projects outside Atlantic City, the Casino
18 Reinvestment Development Authority shall give priority to the
19 revitalization of the urban areas of this State in the ways specified in
20 section 12 of this 1984 amendatory and supplementary act. Those areas
21 shall include, but not be limited to, all municipalities qualifying for aid
22 pursuant to P.L.1978, c.14 (C.52:27D-178 et seq.).

23 Within nine months from the effective date of this 1984 amendatory and
24 supplementary act, the Casino Reinvestment Development Authority shall
25 determine the allocation of projected available moneys to municipalities in
26 South Jersey for the first seven years of their receipt of funds, giving
27 priority to the revitalization of the urban areas of the region. Municipalities
28 receiving such an allocation shall present to the Casino Reinvestment
29 Development Authority for its approval comprehensive plans or projects for
30 which the allocations shall be used. Any such comprehensive plan or
31 project may be submitted to the Casino Reinvestment Development
32 Authority for a determination of eligibility at any time prior to the year for
33 which the funds are allocated, and the Casino Reinvestment Development
34 Authority shall make a determination of eligibility of the plan or project
35 within a reasonable amount of time. If the Casino Reinvestment
36 Development Authority makes a positive determination of eligibility for
37 any comprehensive plan or project, or combination of comprehensive plans
38 or projects, for any municipality whose total cost exceeds the amount
39 allocated to that municipality for the first seven years of the receipt of
40 funds by South Jersey municipalities, the Casino Reinvestment
41 Development Authority shall make available sufficient funds in subsequent
42 years necessary to complete those plans or projects, or to complete that
43 portion of the plan or project originally agreed to be funded through the
44 Casino Reinvestment Development Authority, from funds received by the
45 Casino Reinvestment Development Authority in the years following the
46 seventh year of the receipt of funds by South Jersey municipalities. If the
47 comprehensive plan or project is determined by the Casino Reinvestment
48 Development Authority not to be an eligible plan or project, the

1 municipality may submit any other comprehensive plan or project for a
2 determination of eligibility. If, however, the municipality fails to receive a
3 positive determination of eligibility for any comprehensive plan or project,
4 or combination of comprehensive plans or projects, sufficient to exhaust the
5 total allocation to that municipality for any year prior to April 30 of the
6 following year for which the allocation was made, the allocation to that
7 municipality for that year shall cease, and the Casino Reinvestment
8 Development Authority may apply those excess funds to any other
9 comprehensive plan or project in any other municipality in the region
10 whose comprehensive plan or project has received a positive determination
11 of eligibility by the Casino Reinvestment Development Authority.

12 Within 36 months from the effective date of this 1984 amendatory and
13 supplementary act, the Casino Reinvestment Development Authority shall
14 determine the allocation of projected available moneys to municipalities in
15 North Jersey for the first five years of their receipt of funds, giving priority
16 to the revitalization of the urban areas of the region. Municipalities
17 receiving such an allocation shall present to the Casino Reinvestment
18 Development Authority for its approval comprehensive plans or projects for
19 which the allocations shall be used. Any such comprehensive plan or
20 project may be submitted to the Casino Reinvestment Development
21 Authority for a determination of eligibility at any time prior to the year for
22 which the funds are allocated, and the Casino Reinvestment Development
23 Authority shall make a determination of eligibility of the plan or project
24 within a reasonable amount of time. If the Casino Reinvestment
25 Development Authority makes a positive determination of eligibility for
26 any comprehensive plan or project, or combination of comprehensive plans
27 or projects, for any municipality whose total cost exceeds the amount
28 allocated to that municipality for the first five years of the receipt of funds
29 by North Jersey municipalities, the Casino Reinvestment Development
30 Authority shall make available sufficient funds in subsequent years
31 necessary to complete those plans or projects, or to complete that portion of
32 the plan or project originally agreed to be funded through the Casino
33 Reinvestment Development Authority, from funds received by the Casino
34 Reinvestment Development Authority in the years following the fifth year
35 of the receipt of funds by North Jersey municipalities. If the
36 comprehensive plan or project is determined by the Casino Reinvestment
37 Development Authority not to be an eligible plan or project, the
38 municipality may submit any other comprehensive plan or project for a
39 determination of eligibility. If, however, the municipality fails to receive a
40 positive determination of eligibility for any comprehensive plan or project,
41 or combination of comprehensive plans or projects, sufficient to exhaust the
42 total allocation to that municipality for any year prior to April 30 of the
43 following year for which the allocation was made, the allocation to that
44 municipality for that year shall cease, and the Casino Reinvestment
45 Development Authority may apply those excess funds to any other
46 comprehensive plan or project in any other municipality in the region
47 whose comprehensive plan or project has received a positive determination
48 of eligibility by the Casino Reinvestment Development Authority.

1 (2) Commencing with the first year in which a licensee incurs a tax
2 obligation pursuant to this section, and for the period of two years
3 thereafter, 100% of the proceeds of all bonds purchased by a licensee from
4 the Casino Reinvestment Development Authority which are devoted to the
5 financing of projects in the city of Atlantic City pursuant to paragraph (1)
6 of this subsection shall be used exclusively to finance the rehabilitation,
7 development, or construction of, or to provide mortgage financing of,
8 housing facilities in the city of Atlantic City for persons or families of low
9 through middle income, as defined in this subsection. For the purposes of
10 this subsection, the "rehabilitation, development, or construction of housing
11 facilities" shall include expenses attributable to site preparation,
12 infrastructure needs and housing-related community facilities and services,
13 including supporting commercial development. Commencing with the
14 fourth year in which a licensee incurs a tax obligation pursuant to this
15 subsection, 50% of the proceeds of all bonds purchased by a licensee from
16 the Casino Reinvestment Development Authority which are devoted to the
17 financing of projects in the city of Atlantic City shall be used exclusively to
18 finance the rehabilitation, development, or construction of housing facilities
19 in the city of Atlantic City for persons or families of low through middle
20 income. Commencing with the 11th year in which a licensee incurs a tax
21 obligation pursuant to this section, 50% of the annual aggregate of the
22 proceeds of bonds purchased by a licensee from the Casino Reinvestment
23 Development Authority which are devoted to the financing of projects in
24 the city of Atlantic City and investments in approved eligible projects
25 commenced by a licensee in the city of Atlantic City shall be used
26 exclusively to finance the rehabilitation, development, or construction of,
27 or to provide mortgage financing of, housing facilities in the city of
28 Atlantic City for persons or families of low through middle income.

29 (3) The Legislature finds that it is necessary to provide for a balanced
30 community and develop a comprehensive housing program. The Casino
31 Reinvestment Development Authority shall determine the need for housing
32 in the city of Atlantic City, in consultation with the city of Atlantic City
33 and specifically its zoning and planning boards. This shall include
34 determining the types and classes of housing to be constructed and the
35 number of units of each type and class of housing to be built. The Casino
36 Reinvestment Development Authority shall give priority to the housing
37 needs of the persons and their families residing in the city of Atlantic City
38 in 1983 and continuing such residency through the effective date of this
39 1984 amendatory and supplementary act. The actual percentage of the
40 proceeds of bonds and investments in approved eligible projects
41 commenced by a licensee in the city of Atlantic City, which shall be used
42 exclusively to finance the rehabilitation, development, or construction of,
43 or to provide mortgage financing of, housing facilities in the city of
44 Atlantic City for persons or families of low through middle income, shall
45 be based upon the authority's determination of the need for housing in the
46 city of Atlantic City conducted pursuant to this subsection. Once the
47 housing needs of the persons residing in the city of Atlantic City in 1983
48 and continuing such residency through the effective date of this 1984

1 amendatory and supplementary act have been met, as determined by the
2 Casino Reinvestment Development Authority pursuant to this subsection,
3 any required percentages for such housing in the city of Atlantic City may,
4 in its sole discretion, be waived by the Casino Reinvestment Development
5 Authority. To aid the Casino Reinvestment Development Authority in
6 making these determinations, the Casino Reinvestment Development
7 Authority shall review the proposal for a housing redevelopment program
8 and strategy for the city of Atlantic City approved and adopted by the
9 Casino Control Commission and shall give priority to same and any other
10 plan or project which is consistent with the standards of this subsection and
11 is acceptable to the Casino Reinvestment Development Authority, pursuant
12 to section 25 of this 1984 amendatory and supplementary act. The Casino
13 Reinvestment Development Authority may determine whether the funds
14 used to finance housing facilities in the city of Atlantic City for persons or
15 families of low, moderate, median range, and middle income are derived
16 from the proceeds of bonds purchased by a licensee from the Casino
17 Reinvestment Development Authority to be devoted to the financing of
18 projects in the city of Atlantic City, investments in approved eligible
19 projects commenced by a licensee in the city of Atlantic City, or a
20 combination of both. Any investment made by a licensee in excess of
21 100% of its eligible investment tax credit during the first three years and in
22 excess of 50% thereafter in either the purchase of bonds or direct
23 investments in approved eligible projects for low, moderate, median range,
24 and middle income family housing facilities in the city of Atlantic City may
25 be carried forward and credited against the licensee's obligation to make a
26 100% investment during the first three years and 50% thereafter in low,
27 moderate, median range, and middle income family housing in any future
28 year, with the approval of the Casino Reinvestment Development
29 Authority. For the purposes of this act, "low income families" means
30 families whose income does not exceed 50% of the median income of the
31 area, with adjustments for smaller and larger families. "Moderate income
32 families" means families whose income does not exceed 80% and is not
33 less than 50% of the median income for the area, with adjustments for
34 smaller and larger families. "Median range income families" means
35 families whose income does not exceed 120% and is not less than 80% of
36 the median income for the area, with adjustments for smaller and larger
37 families. "Middle income families" means families whose income does not
38 exceed 150% and not less than 120% of the median income for the area,
39 with adjustments for smaller and larger families. "Median income" means
40 an income defined as median within the Standard Metropolitan Statistical
41 Area for Atlantic City by the United States Department of Housing and
42 Urban Development.

43 In order to achieve a balanced community, the authority shall ensure that
44 the development of housing for families of low and moderate income shall
45 proceed at the same time as housing for families of median range and
46 middle income, until such time as there is no longer a need for such
47 facilities in the city of Atlantic City, as determined by the Casino
48 Reinvestment Development Authority.

1 (4) Notwithstanding any other law or section to the contrary,
2 particularly this subsection regarding the waiver of the required percentages
3 for housing in the city of Atlantic City, subsection I. of section 14, and
4 sections 26, 27, 28, 29, and 31 of this 1984 amendatory and supplementary
5 act, nothing shall be implemented or waived by the Casino Reinvestment
6 Development Authority which would reduce, impair, or prevent the
7 fulfillment of the priorities established and contained in this subsection of
8 this 1984 amendatory and supplementary act.

9 g. If a person is a licensee with regard to more than one approved hotel
10 pursuant to section 82 of P.L.1977, c.110 (C.5:12-82), the person shall
11 separately account for the gross revenues, the investment alternative tax
12 obligations, and the investments for a tax credit against the investment
13 alternative tax for each approved hotel, and the tax obligations of the
14 licensee under this section shall be determined separately for each approved
15 hotel. The licensee may apportion investments between its approved
16 hotels; provided that no amount of investment shall be credited more than
17 once. If a licensee receives the prior approval of the Casino Reinvestment
18 Development Authority, the licensee may make eligible investments in
19 excess of the investments necessary to receive a tax credit against the
20 investment alternative tax for a given calendar year, and the licensee may
21 carry forward this excess investment and have it credited to its next
22 investment alternative tax obligation. If the Casino Reinvestment
23 Development Authority approves of such excess investment and approves
24 the carry forward of this excess investment, and a licensee elects to
25 purchase bonds of the Casino Reinvestment Development Authority or
26 makes direct investments in approved eligible projects in excess of the
27 investments necessary to receive a tax credit against the investment
28 alternative tax for its current obligation, the licensee shall be entitled to a
29 reduction of the amount of investments necessary in future years, which
30 amount shall be determined annually by the Casino Reinvestment
31 Development Authority, taking into account a current market discount rate
32 from the date of the purchase or investment to the date the purchase or
33 investment would have been required to be made.

34 h. Each casino licensee shall prepare and file, in a form prescribed by
35 the Casino Reinvestment Development Authority, an annual return
36 reporting that financial information as shall be deemed necessary by the
37 Casino Reinvestment Development Authority to carry out the provisions of
38 this act. This return shall be filed with the Casino Reinvestment
39 Development Authority and the **【Casino Control Commission】** Division of
40 Gaming Enforcement on or before April 30 following the calendar year on
41 which the return is based. The **【Casino Control Commission】** Division of
42 Gaming Enforcement shall verify to the Casino Reinvestment Development
43 Authority the information contained in the report, to the fullest extent
44 possible. Nothing in this subsection shall be deemed to affect the due dates
45 for making any investment or paying any tax under this section.

46 i. Any purchase by a licensee of bonds issued by or offered through
47 the Casino Reinvestment Development Authority pursuant to sections 14
48 and 15 of this act and subsection b. of this section and all approved eligible

1 investments made by a licensee pursuant to section 25 of this act and
2 subsection b. of this section are to be considered investments and not taxes
3 owed or grants to the State or any political subdivision thereof. As such, a
4 licensee shall have the possibility of the return of principal and a return on
5 the capital invested as with other investments. Investors in the bonds
6 issued by or offered through the Casino Reinvestment Development
7 Authority shall be provided with an opinion from a recognized financial
8 rating agency or a financial advisory firm with national standing that each
9 loan of bond proceeds by the Casino Reinvestment Development Authority
10 has the minimum characteristics of an investment, in that a degree of
11 assurance exists that interest and principal payments can be made and other
12 terms of the proposed investment be maintained over the period of the
13 investment, and that the loan of the bond proceeds would qualify for a bond
14 rating of "C" or better. If an opinion cannot be obtained from a recognized
15 financial rating agency or a financial advisory firm with national standing,
16 an opinion shall be obtained from an expert financial analyst with national
17 standing, selected and hired by the Casino Reinvestment Development
18 Authority. In order to achieve a balanced portfolio, assure the viability of
19 the authority and the projects, facilities and programs undertaken pursuant
20 to this 1984 amendatory and supplementary act, no more than 25% of the
21 total investments made by or through the Casino Reinvestment
22 Development Authority with the proceeds of bonds generated in each year
23 shall be investments which would qualify for a bond rating of "C," unless
24 all holders of obligations in each year agree to waive the 25% limit for
25 that year. Nothing herein shall be interpreted as limiting the Casino
26 Reinvestment Development Authority from taking any steps it deems
27 appropriate to protect the characteristics of its investment in projects or any
28 other investments from not being real investments with a prospect for the
29 return of principal and a return on the capital invested. Anything contained
30 in this section shall not be considered a guarantee by the State or any
31 political subdivision thereof of any return of principal or interest, but any
32 purchase by a licensee of bonds or approved eligible investments made by a
33 licensee pursuant to this act shall be at the risk of the licensee. A licensee
34 or the licensees purchasing an issue of bonds issued by the Casino
35 Reinvestment Development Authority in any given year may arrange, at
36 their option, for those bonds or the investments, made by or through the
37 Casino Reinvestment Development Authority with the proceeds of those
38 bonds, to be insured. The cost of any such insurance purchased by a
39 licensee or licensees shall be paid by the licensee or licensees desiring such
40 insurance.

41 j. The Casino Reinvestment Development Authority shall promulgate
42 rules and regulations deemed necessary to carry out the purposes of this
43 section.

44 k. The obligation of a licensee to pay an investment alternative tax
45 pursuant to subsection a. of this section, including a casino licensee subject
46 to the provisions of section 13 of P.L.2001, c.221 (C.5:12-173.21), shall
47 end for each licensed facility operated by the licensee 50 years after any
48 investment alternative tax obligation is first incurred in connection with

1 each licensed facility operated by the licensee, unless extended in
2 connection with a deferral granted by the Casino Reinvestment
3 Development Authority pursuant to subsection c. of this section.

4 1. Within 90 days of the effective date of this act, P.L.2004, c.129, the
5 State Treasurer shall certify the amounts that were invested pursuant to this
6 section in South Jersey, as defined in subsection f. of this section, for
7 projects located in the City of Atlantic City. Notwithstanding subsection f.
8 of this section, beginning in State fiscal year 2005, the amount of (a)
9 proceeds of all bonds purchased by a licensee from or through the Casino
10 Reinvestment Development Authority and (b) all approved investments in
11 eligible projects by a licensee devoted pursuant to subsection f., shall not
12 exceed the amount devoted for those purposes in State fiscal year 2004.
13 Any amounts in excess of the amounts devoted in State fiscal year 2004,
14 after fulfilling all fund reservations, bonding and contractual obligations,
15 shall be devoted to the financing of projects in South Jersey. For the
16 purpose of this section, "South Jersey" means the counties of Atlantic,
17 Burlington, Camden, Cape May, Cumberland, Gloucester, Mercer, Ocean,
18 and Salem, except that the term shall not include the City of Atlantic City.
19 The provisions of this subsection shall terminate when excess amounts
20 devoted to the financing of projects in South Jersey equal the amount
21 certified by the State Treasurer.

22 (cf: P.L.2004, c.129, s.1)

23

24 ²**[101.]** 100.² Section 2 of P.L.2008, c.12 (C.5:12-144.2) is amended to
25 read as follows:

26 2. a. A casino licensee shall receive an annual deduction from the
27 gross revenue taxed pursuant to subsection a. of section 144 of P.L.1977,
28 c.110 (C.5:12-144) in an amount equal to either (1) the promotional gaming
29 credits reported by that licensee in its annual tax return or (2) such other
30 portion of the promotional gaming credits reported by all casino licensees
31 as the **[commission]** division may allocate to a particular licensee to reflect
32 that licensee's pro rata share of the costs of the 2008 agreement executed
33 between the New Jersey Sports and Exposition Authority and the Casino
34 Association of New Jersey for the benefit of the horse racing industry.

35 b. Casino licensees shall be allowed a deduction from gross revenues
36 for a tax year pursuant to subsection a. of this section for the total value of
37 promotional gaming credits redeemed by patrons at all licensed casinos for
38 that tax year in excess of \$90,000,000. For the first tax year in which this
39 act becomes operative pursuant to section 3 of this act, P.L.2008, c.12, the
40 commission shall reduce the \$90,000,000 deduction threshold for that tax
41 year in proportion to the part of the tax year that has elapsed prior to that
42 operative date.

43 c. The **[commission]** division shall establish, by regulation,
44 procedures and standards for allocating the deduction established pursuant
45 to this section to reflect each licensee's pro rata share of the costs of the
46 2008 agreement executed between the New Jersey Sports and Exposition
47 Authority and the Casino Association of New Jersey for the benefit of the
48 horse racing industry and procedures and standards for each licensee to take

1 the deduction established pursuant to this section to reflect those deductions
2 that exceed the costs of the 2008 agreement. Such regulations shall include
3 standards for the allocation of the \$90,000,000 deduction threshold
4 established in subsection b. of this section, the timing of the application of
5 deductions, and all other matters related to the provisions of this section.

6 d. (1) The **【commission】** division shall establish, by regulation,
7 procedures to ensure that the promotional gaming credit deduction
8 established pursuant to this section does not result in a negative fiscal
9 impact to the Casino Revenue Fund. If necessary, the **【commission】**
10 division may reduce the value of the available deduction to eliminate any
11 negative fiscal impact to the Casino Revenue Fund attributable solely to the
12 deduction and not to other economic or other factors that cause a negative
13 fiscal impact to the Casino Revenue Fund.

14 (2) For the purposes of this subsection, "negative fiscal impact to the
15 Casino Revenue Fund" shall mean that the amount generated from taxation
16 of promotional gaming credits falls below the level generated in calendar
17 year 2007.

18 (cf: P.L.2008, c.12, s.2)

19
20 ²**【102.】** 101.² Section 145 of P.L.1977, c.110 (C.5:12-145) is amended
21 as follows:

22 145. a. There is hereby created and established in the Department of the
23 Treasury a separate special account to be known as the "Casino Revenue
24 Fund," into which shall be deposited all revenues from the tax imposed by
25 section 144 of this act; the investment alternative tax imposed by section 3
26 of P.L.1984, c.218 (C.5:12-144.1); the taxes and fees imposed by sections
27 3, 4 and 6 of P.L.2003, c.116 (C.5:12-148.1, C.5:12-148.2 and C.5:12-
28 145.8) and any interest and penalties imposed by the **【commission】**
29 division relating to those taxes; the percentage of the value of expired
30 gaming related obligations pursuant to section 24 of P.L.2009, c.36
31 (C.5:12-141.2); and all penalties levied and collected by the **【commission】**
32 division pursuant to P.L.1977, c.110 (C.5:12-1 et seq.) and the regulations
33 promulgated thereunder, except that the first \$600,000 in penalties
34 collected each fiscal year shall be paid into the General Fund for
35 appropriation by the Legislature to the Department of Health and Senior
36 Services, \$500,000 of which is to provide funds to the Council on
37 Compulsive Gambling of New Jersey and \$100,000 of which is to provide
38 funds for compulsive gambling treatment programs in the State. In the
39 event that less than \$600,000 in penalties are collected, the Department of
40 Health and Senior Services shall determine the allocation of funds between
41 the Council and the treatment programs eligible under the criteria
42 developed pursuant to section 2 of P.L.1993, c.229 (C.26:2-169).

43 b. The **【commission】** division shall require at least monthly deposits
44 by the licensee of the tax established pursuant to subsection a. of section
45 144 of P.L.1977, c.110 (C.5:12-144), at such times, under such conditions,
46 and in such depositories as shall be prescribed by the State Treasurer. The
47 deposits shall be deposited to the credit of the Casino Revenue Fund. The

1 **[commission]** division may require a monthly report and reconciliation
2 statement to be filed with it on or before the 10th day of each month, with
3 respect to gross revenues and deposits received and made, respectively,
4 during the preceding month.

5 c. Moneys in the Casino Revenue Fund shall be appropriated
6 exclusively for reductions in property taxes, rentals, telephone, gas,
7 electric, and municipal utilities charges of eligible senior citizens and
8 disabled residents of the State, and for additional or expanded health
9 services or benefits or transportation services or benefits to eligible senior
10 citizens and disabled residents, as shall be provided by law. On or about
11 March 15 and September 15 of each year, the State Treasurer shall publish
12 in at least 10 newspapers circulating generally in the State a report
13 accounting for the total revenues received in the Casino Revenue Fund and
14 the specific amounts of money appropriated therefrom for specific
15 expenditures during the preceding six months ending December 31 and
16 June 30.

17 (cf: P.L.2009, c.36, s.25)

18

19 ²**[103.]** 102.² Section 6 of P.L.2003, c.116 (C.5:12-145.8) is amended
20 to read as follows:

21 6. Notwithstanding the provisions of any other law to the contrary and
22 in addition to any other tax or fee imposed by law, there is imposed a fee of
23 \$3.00 per day on each hotel room in a casino hotel facility that is occupied
24 by a guest, for consideration or as a complimentary item. This section shall
25 be administered by the **[commission]** ²**[Casino Revenue Fund Advisory**
26 **Commission]** Department of the Treasury² and the amounts generated by
27 this section shall be paid to the State Treasurer for deposit in the Casino
28 Revenue Fund established pursuant to section 145 of P.L.1977, c.110
29 (C.5:12-145) in State fiscal years 2004 through 2006. Beginning in State
30 fiscal year 2007 and thereafter, \$1.00 of the fee shall be deposited by the
31 State Treasurer into a special fund established and held by the State
32 Treasurer and made available for the exclusive use of the Casino
33 Reinvestment Development Authority established pursuant to section 5 of
34 P.L.1984, c.218 (C.5:12-153) for its purposes pursuant to law, as approved
35 by the membership of the authority, subject to the provisions of subsection
36 e. of section 5 of P.L.2004, c.129 (C.5:12-173.22a). Beginning in State
37 fiscal year 2007 and thereafter, the portion of the proceeds of \$2.00 of the
38 fee necessary to carry out the purpose of subsections a. through c. of
39 section 5 of P.L.2004, c.129 (C.5:12-173.22a) shall be deposited by the
40 State Treasurer into a special fund established and held by the State
41 Treasurer and made available for the exclusive use of the authority to carry
42 out that purpose, and the remaining proceeds of the \$2.00 fee shall be
43 deposited by the State Treasurer into the Casino Revenue Fund.

44 (cf: P.L.2004, c.129, s.2)

45

46 ²**[104.]** 103.² Section 146 of P.L.1977, c.110 (C.5:12-146) is amended
47 to read as follows:

1 146. a. Any casino licensee whose licensed premises are located in an
2 area which has been declared, by the Department of Community Affairs
3 and the **commission** division, to be a blighted area, or an area endangered
4 by blight, may, for a period of not more than 25 years, enter into a written
5 agreement with the Department of the Treasury, which agreement shall,
6 with respect to real property held for use as a licensed casino hotel,
7 provide for the payment of taxes to the tax collector of the municipality, in
8 lieu of full local real property tax payments, in an amount to be computed
9 by the sum of the following amounts, payable at the time specified by law
10 for the payment of local property taxes;

11 (1) An annual amount equal to 2% of the cost of the real property
12 investment. For the purposes of this section, "cost of the real property
13 investment" means only the actual cost or fair market value of direct labor
14 and all materials used in the construction, expansion, or rehabilitation of all
15 buildings, structures, and facilities at the project site, including the costs, if
16 any, of land acquisition and land preparation, provision of access roads,
17 utilities, drainage facilities, and parking facilities, together with
18 architectural, engineering, legal, surveying, testing, and contractors' fees
19 associated with the project; provided, however, that the applicant shall
20 cause such costs to be certified and verified to the Department of the
21 Treasury by an independent certified public accountant, following the
22 completion of the investment in the project; and provided further, however,
23 that upon execution of an agreement pursuant to this section, only real
24 property improvements made after July 6, 1976 shall be subject to the
25 provisions herein; plus

26 (2) An amount equivalent to the difference between an amount that
27 would have been payable as property taxes under the full local property tax
28 rate and the amount calculated pursuant to subsection a.(1) of this section,
29 which shall be payable from such profits, if any, as hereinafter defined in
30 section 147, as shall remain after deducting therefrom interest and principal
31 paid on mortgage loans applicable to the real property held for use as a
32 licensed casino hotel. The total payments provided by this section shall not
33 exceed the full local property taxes normally payable for the year.

34 b. At the time an applicant applies for a license under this act, he shall
35 determine whether to exercise the option to pay in lieu taxes under this
36 section or whether the property of the applicant shall be subject to the
37 normal real property taxes of the municipality. This determination having
38 been made and approved, the method selected may not be changed or
39 altered during the term of the agreement.

40 c. Upon the filing of a certification by the State Treasurer in any year
41 that an agreement has been entered into pursuant to this section, the in lieu
42 tax provisions of this section shall be applicable with respect to the ensuing
43 tax years.

44 (cf: P.L.1977, c.110, s.146)

45

46 ²**[105.]** 104.² Section 147 of P.L.1977, c.110 (C.5:12-147) is amended
47 to read as follows:

1 147. a. For the purposes of the application of the provisions of section
2 146 of this act, "profits" referred to in section 146 a.(2) for any year means
3 total profits from cumulative investments in Atlantic City. In computing
4 profits under this section, a licensee shall deduct from the gross income of
5 cumulative investments in Atlantic City all operating expenses in
6 accordance with generally accepted accounting principles. There shall be
7 included in said operating expenses (1) all annual payments pursuant to
8 section 146 a.(1) of this act; (2) property taxes in said municipality not
9 subject to section 146; and (3) an annual amount sufficient to amortize in
10 equal annual installments the total cost of the investment over the life of the
11 improvements, which in no case shall be less than 25 years in the case of
12 real property. There shall not be included in said operating expenses or in
13 any other account (1) depreciation or obsolescence; (2) interest on debt; (3)
14 taxes on income; (4) losses on bad debt instruments from gaming
15 operations in excess of the lesser of such instruments actually uncollected
16 or 4% of gross revenues; or (5) salaries, bonuses and other compensation
17 paid, directly or indirectly, to directors, partners, officers, stockholders or
18 other persons having any proprietary or ownership interest in the licensee.

19 b. In any year during which gross income exceeds cumulative
20 investments as defined in section 144 d. hereof, 50% of the profits, as
21 herein defined, which exceed the amount equivalent to 20% of the
22 cumulative investments in the municipality of a licensee who shall have
23 entered into an agreement pursuant to the provisions of section 146 hereof
24 for such year shall be retained in a separate interest-bearing account
25 maintained by the Treasurer, which account shall be designated "Special
26 Casino Retention Account." All amounts retained in such account with
27 respect to a licensee for any year may be recaptured by the licensee,
28 provided that (1) the average annual gross income for the tax year and the
29 two immediately preceding years is less than the cumulative investments of
30 the licensee in casino, hotel, or other facilities in the municipality or State;
31 or (2) the licensee, within 5 years of the date its annual tax return under this
32 act is due, shall make cumulative investments in such municipality which
33 shall cause the total of such investments to exceed the average annual gross
34 income for the tax year and the 2 immediately preceding years, and which
35 are equal to or greater than the amount of profits, as herein defined,
36 retained in such account for the tax year.

37 c. In the event such licensee fails to make cumulative investments
38 within the time specified as required for recapture of profits under this
39 section, the profits retained in the Special Casino Retention Account shall
40 be remitted to the Treasurer for deposit to the credit of the Casino Revenue
41 Fund.

42 d. For the purposes of this section, each annual return of such licensee
43 shall reflect the profits, if appropriate, determined on the basis of the
44 immediately preceding calendar year. The **commission** division shall
45 make rules and regulations for the determination of profits under the
46 provisions of this section.

47 (cf: P.L.1977, c.110, s.147)

1 ²**[106.] 105.**² Section 148 of P.L.1977, c.110 (C.5:12-148) is amended
2 to read as follows:

3 148. a. The tax imposed under section 144 hereof shall be due and
4 payable annually on or before the 15th day of March and shall be based
5 upon gross revenues derived during the previous calendar year. A licensee
6 shall file its first return and shall report gross revenues from the time it
7 commenced operations and ending on the last day of said calendar year.
8 Such report shall be filed with the **[commission]** Director of the Division
9 of Taxation in the Department of the Treasury on or before the following
10 March 15.

11 b. Any other law to the contrary notwithstanding, any business
12 conducted by an individual, partnership, or corporation or any other entity,
13 or any combination thereof, holding a license pursuant to this act shall, in
14 addition to all other taxes imposed by this act, file a consolidated
15 corporation business tax return pursuant to P.L.1945, c.162 (C.54:10A-1 et
16 seq.) and pay the taxes indicated thereon. The director of the Division of
17 Taxation shall issue such rules and regulations and design such tax forms as
18 shall be necessary to carry into effect the provisions of this act.
19 (cf: P.L.1977, c.110, s.148)

20

21 ²**[107.] 106.**² Section 4 of P.L.2003, c.116 (C.5:12-148.2) is amended
22 to read as follows:

23 4. a. A tax at the rate of 8% is imposed on casino service industry
24 multi-casino progressive slot machine revenue. The tax shall not be
25 considered a tax collectable under the "Sales and Use Tax Act," P.L.1966,
26 c.30 (C.54:32B-1 et seq.).

27 b. As used in this section, "casino service industry multi-casino
28 progressive slot machine revenue" means sums received by a casino service
29 industry enterprise, licensed pursuant to the provisions of subsection a. of
30 section 92 of P.L.1977, c.110 (C.5:12-92), or an eligible applicant for such
31 license, net of any money accrued for return to patrons in the form of
32 jackpots, that are directly or indirectly related to: (1) the conduct of multi-
33 casino progressive slot machine system operations in a casino; or (2) the
34 sale, lease, servicing or management of a multi-casino progressive slot
35 machine system. Notwithstanding the foregoing, "casino service industry
36 multi-casino progressive slot machine revenue" shall not be construed to
37 apply to revenue derived from transactions between a casino licensee and
38 its holding company or intermediary companies or their affiliates.

39 c. The **[commission]** Director of the Division of Taxation in the
40 Department of the Treasury, in consultation with the Division of Gaming
41 Enforcement, shall administer the tax imposed pursuant to this section. The
42 tax imposed by this section, and any interest or penalties imposed by the
43 **[commission]** Director of the Division of Taxation relating to that tax,
44 shall be deposited by the State Treasurer into the Casino Revenue Fund
45 established pursuant to section 145 of P.L.1977, c.110 (C.5:12-145).

46 d. A casino service industry enterprise licensee or applicant required to
47 pay the tax imposed pursuant to this section shall, on or before the 28th day

1 of the month, forward to the State Treasurer the tax owed on casino service
2 industry multi-casino progressive slot machine revenue received by the
3 casino service industry enterprise licensee or applicant in the preceding
4 month and make and file a return for the preceding month with the
5 commission on any form and containing any information as the commission
6 shall prescribe by rule or regulation as necessary to determine liability for
7 the tax in the preceding month during which the person was required to pay
8 the tax.

9 e. The **【commission】** Director of the Division of Taxation may permit
10 or require returns to be made covering other periods and upon any dates as
11 the **【commission】** Director of the Division of Taxation may specify. In
12 addition, the **【commission】** Director of the Division of Taxation may
13 require payments of tax liability to the State Treasurer at any intervals and
14 based upon any classifications as the **【commission】** Director of the
15 Division of Taxation may designate. In prescribing any other periods to be
16 covered by the return or intervals or classifications for payment of tax
17 liability, the **【commission】** Director of the Division of Taxation may take
18 into account the dollar volume of tax involved as well as the need for
19 ensuring the prompt and orderly collection of the tax imposed.

20 f. The **【commission】** Director of the Division of Taxation may require
21 amended returns to be filed within 20 days after notice and to contain the
22 information specified in the notice.

23 g. (Deleted by amendment, P.L.2004, c.128).
24 (cf: P.L.2009, c.36, s.26)

25
26 ²**【108.】** 107.² Section 5 of P.L.2003, c.116 (C.5:12-148.3) is amended
27 to read as follows:

28 5. a. In State fiscal years 2004 through 2006, a tax at the rate of 7.5%
29 is imposed on the adjusted net income of a casino licensee in calendar year
30 2002, determined pursuant to information provided by casino licensees to
31 the commission pursuant to regulations promulgated in accordance with
32 subsection n. of section 70 of P.L.1977, c.110 (C.5:12-70) and published on
33 April 2, 2003 in the commission's statement of casino licensee income for
34 the twelve-month period ending on December 31, 2002, without regard to
35 subsequent adjustment to such filing. For a casino licensee that was not in
36 operation in calendar year 2002, the amount of the tax shall be 7.5% of its
37 adjusted net income in State fiscal year 2004, as filed by the licensee with
38 the commission pursuant to regulations promulgated in accordance with
39 subsection n. of section 70 of P.L.1977, c.110 (C.5:12-70). As used in this
40 section, "adjusted net income" means annual net income plus management
41 fees.

42 The aggregate amount of tax imposed by this section shall not exceed
43 \$10 million annually for a holder of more than one casino license, and for
44 each casino licensee the tax imposed by this section shall not be less than
45 \$350,000 annually.

46 b. The **【commission】** Director of the Division of Taxation in the
47 Department of the Treasury shall collect and administer the tax imposed

1 pursuant to this section. In carrying out the provisions of this section, the
2 Director of the Division of Taxation shall have all of the powers granted in
3 P.L.1945, c.162 (C.54:10A-1 et seq.). For a casino licensee that was in
4 operation in calendar year 2002, the tax shall be due and payable to the
5 State Treasurer in four equal payments on September 15, December 15,
6 March 15, and June 15 of each State fiscal year. For a casino licensee that
7 was not in operation in calendar year 2002, the tax in State fiscal year 2004
8 shall be due and payable to the State Treasurer in four quarterly estimated
9 payments on the basis of adjusted net income in the current quarter, and the
10 licensee shall file an annual return for State fiscal year 2004 no later than
11 October 15, 2004. In State fiscal years 2005 and 2006 for such casino
12 licensee, the tax shall be due and payable to the State Treasurer in four
13 equal payments on September 15, December 15, March 15 and June 15.

14 c. The tax imposed by this section, and any interest or penalties
15 **【imposed by the commission】** collected by the Director of the Division of
16 Taxation in the Department of Treasury relating to that tax, shall be
17 deposited by the State Treasurer into the Casino Revenue Fund established
18 pursuant to section 145 of P.L.1977, c.110 (C.5:12-145).

19 d. The **【commission】** Director of the Division of Taxation in the
20 Department of Treasury shall certify annually on September 30**【, 2003 and**
21 **annually thereafter】** of each year the amount of tax required to be paid
22 pursuant to this section. The **【commission】** Director of the Division of
23 Taxation may promulgate such rules and regulations as the **【commission】**
24 Director of the Division of Taxation determines are necessary to effectuate
25 the provisions of this section.

26 e. (Deleted by amendment, P.L.2004, c.128).

27 f. The tax imposed under this section shall be governed by the
28 provisions of the “State Uniform Tax Procedure Law,” R.S.54:48-1 et seq.
29 (cf: P.L.2004, c.128, s.6)

30
31 ²**【109.】** 108.² Section 149 of P.L.1977, c.110 (C.5:12-149) is amended
32 to read as follows:

33 149. Determination of Tax Liability. The **【commission】** Division of
34 Taxation may perform audits of the books and records of a casino licensee,
35 at such times and intervals as it deems appropriate, for the purpose of
36 determining the sufficiency of tax payments. If a return or deposit required
37 by section 145 with regard to obligations imposed by subsection a. of
38 section 144 of P.L.1977, c.110 (C.5:12-144) is not filed or paid, or if a
39 return or deposit when filed or paid is determined by the **【commission】**
40 Division of Taxation to be incorrect or insufficient with or without an audit,
41 the amount of tax or deposit due shall be determined by the **【commission】**
42 Division of Taxation. Notice of such determination shall be given to the
43 licensee liable for the payment of the tax or deposit. Such determination
44 shall finally and irrevocably fix the tax unless the person against whom it is
45 assessed, within 30 days after receiving notice of such determination, shall
46 apply to the **【commission】** Division of Taxation for a hearing**【, or unless**
47 the commission on its own motion shall redetermine the same. After such

1 hearing the commission shall give notice of its determination to the person
2 against whom the tax is assessed] in accordance with the regulations of the
3 Division of Taxation.

4 (cf: P.L.1993, c.292, s.34)

5
6 ²[110.] 109.² Section 150 of P.L.1977, c.110 (C.5:12-150) is amended
7 to read as follows:

8 150. Penalties. a. Any licensee who shall fail to file his return when
9 due or to pay any tax or deposit when the same becomes due, as herein
10 provided, shall be subject to such penalties and interest as provided in the
11 "State Tax Uniform Procedure Law," Subtitle 9 of Title 54 of the Revised
12 Statutes. If the [commission] Division of Taxation determines that the
13 failure to comply with any provision of this Article was excusable under the
14 circumstances, the [commission] Division of Taxation may remit such part
15 or all of the penalty as shall be appropriate under such circumstances.

16 b. Any person failing to file a return, failing to pay the tax or deposit,
17 or filing or causing to be filed, or making or causing to be made, or giving
18 or causing to be given any return, certificate, affidavit, representation,
19 information, testimony or statement required or authorized by this act, or
20 rules or regulations adopted hereunder which is willfully false, or failing to
21 keep any records required by this act or rules and regulations adopted
22 hereunder, shall, in addition to any other penalties herein or elsewhere
23 prescribed, be guilty of a crime of the fourth degree and subject to the
24 penalties therefor, except that the amount of a fine may be up to
25 \$100,000.00.

26 c. Except as to those determinations required to be made by the
27 [commission] Division of Taxation pursuant to section 149 of P.L.1977,
28 c.110 (C.5:12-149), the certificate of the State Treasurer to the effect that a
29 tax or deposit has not been paid, that a return has not been filed, that
30 information has not been supplied, or that inaccurate information has been
31 supplied pursuant to the provisions of this act or rules or regulations
32 adopted hereunder, shall be presumptive evidence thereof.

33 d. If any part of any underpayment of tax required to be shown on a
34 return is due to fraud, there shall be added to the tax an amount equal to
35 50% of the underpayment.

36 (cf: P.L.1993, c.292, s.35)

37
38 ²[111.] 110.² Section 151 of P.L.1977, c.110 (C.5:12-151) is amended
39 as follows:

40 151. In addition to the other powers granted by this act, the
41 [commission] Division of Taxation is hereby authorized and empowered to
42 promulgate and distribute all forms and returns necessary to the
43 implementation of this act.

44 (cf: P.L.1977, c.110, s.151)

45
46 ²[112.] 111.² Section 4 of P.L.1985, c.539 (C.5:12-186) is amended to
47 read as follows:

1 4. a. Notwithstanding the provisions of any law, rule or regulation to
2 the contrary, every casino licensee shall establish goals of expending at
3 least 5% of the dollar value of its contracts for goods and services with
4 minority and women's business enterprises **【by the end of the third year**
5 **following the operative date of this 1985 amendatory and supplementary**
6 **act or】** by the end of third year following the receipt of a casino license,
7 **【whichever is later】** and 10% of the dollar value of its contracts for goods
8 and services with minority and women's business enterprises **【by the end of**
9 **the sixth year following the operative date of this 1985 amendatory and**
10 **supplementary act or】** by the end of the sixth year following the receipt of a
11 casino license**【, whichever is later】**; and each such licensee shall have a
12 goal of expending 15% of the dollar value of its contracts for goods and
13 services with minority and women's business enterprises **【by the end of the**
14 **10th year following that operative date or】** by the end of the 10th year
15 following the receipt of a casino license**【, whichever is later】**. Each casino
16 licensee shall be required to demonstrate annually **【to the commission】** that
17 the requirements of this act have been met by submitting a report which
18 shall include the total dollar value of contracts awarded for goods or
19 services and the percentage thereof awarded to minority and women's
20 business enterprises.

21 As used in this section, "goods and services" shall not include (1)
22 utilities and taxes; (2) financing costs, such as mortgages, loans or any
23 other type of debt; (3) medical insurance; (4) dues and fees to the Atlantic
24 City Casino Association; (5) fees and payments to a parent or affiliated
25 company of the casino licensee other than those that represent fees and
26 payments for goods and services supplied by non-affiliated persons through
27 an affiliated company for the use or benefit of the casino licensee; and (6)
28 rents paid for real property and any payments constituting the price of an
29 interest in real property as a result of a real estate transaction.

30 b. A casino licensee shall make a good faith effort to meet the
31 requirements of this section and shall annually demonstrate to the
32 **【commission】** division that such an effort was made.

33 c. A casino licensee may fulfill no more than 70% of its obligation or
34 part of it under this act by requiring a vendor to set aside a portion of his
35 contract for minority or women's business enterprises. Upon request, the
36 licensee shall provide the **【commission】** division with proof of the amount
37 of the set-aside.

38 (cf: P.L.1987, c.137, s.3)

39

40 ²**【113.】** 112.² Section 5 of P.L.1985, c.539 (C.5:12-187) is amended to
41 read as follows:

42 5. a. Every casino licensee shall establish goals of expending at least
43 5% of the dollar value of its bus business with minority and women's
44 business enterprises **【by the end of the third year following the operative**
45 **date of this 1985 amendatory and supplementary act or】** by the end of the
46 third year following the receipt of a casino license, **【whichever is later】** and

1 10% of the dollar value of its bus business with minority and women's
2 business enterprises [by the end of the sixth year following the operative
3 date of this 1985 amendatory and supplementary act or] by the end of the
4 sixth year following the receipt of a casino license[, whichever is later];
5 and each such licensee shall have a goal of expending 15% of the dollar
6 value of its bus business with minority and women's business enterprises by
7 the end of the 10th year following [that operative date or] by the end of the
8 10th year following the receipt of a casino license[, whichever is later].
9 Each casino licensee shall be required to demonstrate annually [to the
10 commission] that the requirements of this act have been met by submitting
11 a report which shall include the total bus business expended and the
12 percentage thereof awarded to minority and women's business enterprises.
13 b. A casino licensee shall make a good faith effort to meet the
14 requirements of this section [and shall annually demonstrate to the
15 commission that such an effort was made].

16 (cf: P.L.1987, c.137, s.4)

17

18 ²[114.] 113.² Section 7 of P.L.1987, c.137 (C.5:12-187.1) is amended
19 to read as follows:

20 7. If the [commission] division determines that the provisions of
21 sections 4 and 5 of P.L.1985, c.539 (C.5:12-186 and C.5:12-187) relating to
22 expenditures and assignments to minority and women's business enterprises
23 have not been met by a licensee, the [commission] division may [suspend
24 or revoke] recommend to the commission the suspension or revocation of
25 the casino license, and the commission may, in its discretion, revoke or
26 suspend the license, or the division may fine or impose appropriate
27 conditions on the licensee, to ensure that the goals for expenditures and
28 assignments to minority and women's business enterprises are met; except
29 that if a determination is made that a casino licensee has failed to
30 demonstrate compliance with the provisions of sections 4 and 5 of
31 P.L.1985, c.539 (C.5:12-186 and C.5:12-187), a casino licensee will have
32 90 days from the date of the determination of noncompliance within which
33 to comply with the provisions of those sections.

34 (cf: P.L.1987, c.137, s.7)

35

36 ²[115.] 114.² Section 8 of P.L.1985, c.539 (C.5:12-190) is amended to
37 read as follows:

38 8. The Division of Development for Small Businesses and Women's
39 and Minority Businesses and the [Casino Control Commission] Division of
40 Gaming Enforcement shall develop such other regulations as may be
41 necessary to interpret and implement the provisions of this act.

42 (cf: P.L.1985, c.539, s.8)

43

44 ²[116.] 115.² Section 193 of P.L.1992, c.19 (C.5:12-193) is amended to
45 read as follows:

1 193. It shall be lawful for a casino to conduct casino simulcasting with
2 any in-State sending track and with any out-of-State sending track in
3 accordance with the provisions of this act, the applicable regulations of the
4 New Jersey Racing Commission and the **【New Jersey Casino Control**
5 **Commission】** Division of Gaming Enforcement and any joint regulations of
6 these commissions promulgated pursuant to this act.

7 (cf: P.L.1992, c.19, s.3)

8
9 ²**【117.】** 116.² Section 194 of P.L.1992, c.19 (C.5:12-194) is amended to
10 read as follows:

11 194. a. (1) A casino licensee which wishes to conduct casino
12 simulcasting shall establish a simulcasting facility as part of the casino
13 hotel. The simulcasting facility may be adjacent to, but shall not be part of,
14 any room or location in which casino gaming is conducted pursuant to the
15 provisions of P.L.1977, c.110 (C.5:12-1 et seq.). The simulcasting facility
16 shall conform to all requirements concerning square footage, equipment,
17 security measures and related matters which the **【Casino Control**
18 **Commission】** Division of Gaming Enforcement shall by regulation
19 prescribe. The space required for the establishment of a simulcasting
20 facility shall not reduce the space authorized for casino gaming activities as
21 specified in section 83 of P.L.1977, c.110 (C.5:12-83). The cost of
22 establishing, maintaining and operating a simulcasting facility shall be the
23 sole responsibility of the casino licensee.

24 (2) Wagering on simulcast horse races shall be conducted only in the
25 simulcasting facility, which shall be open and operated whenever simulcast
26 horse races are being transmitted to the casino hotel during permitted hours
27 of casino operation.

28 (3) Any authorized game, as defined in section 5 of P.L.1977, c.110
29 (C.5:12-5), other than slot machines may be conducted in a simulcasting
30 facility subject to the rules and regulations of the **【Casino Control**
31 **Commission】** Division of Gaming Enforcement.

32 (4) The security measures for a simulcasting facility shall include the
33 installation by the casino licensee of a closed circuit television system
34 according to specifications approved by the **【Casino Control Commission】**
35 Division of Gaming Enforcement. The Casino Control Commission and the
36 Division of Gaming Enforcement shall have access to the system or its
37 signal in accordance with regulations of the commission.

38 b. All persons engaged directly in wagering-related activities
39 conducted by a casino licensee in a simulcasting facility, whether employed
40 by the casino licensee or by a person or entity conducting casino
41 simulcasting in the simulcasting facility pursuant to an agreement with the
42 casino licensee**【**, shall be licensed as casino employees or casino key
43 employees, as appropriate. **All】** and all other employees of the casino
44 licensee or of the person or entity conducting casino simulcasting who are
45 working in the simulcasting facility, shall be licensed or registered in
46 accordance with regulations of the Casino Control Commission or the
47 Division of Gaming Enforcement.

1 Any employee at the Atlantic City Race Course or Garden State Park on
2 or after June 12, 1992, who loses employment with that racetrack as a
3 direct result of the implementation of casino simulcasting and who has been
4 licensed by the New Jersey Racing Commission for five consecutive years
5 immediately preceding the loss of employment shall be given first
6 preference for employment whenever any comparable position becomes
7 available in any casino simulcasting facility, provided the person is
8 qualified pursuant to this subsection. If a casino licensee enters into an
9 agreement with a person or entity for the conduct of casino simulcasting in
10 its simulcasting facility, the agreement shall include the requirement that
11 such first preference in employment shall be given by the person or entity
12 with respect to employment in the simulcasting facility.

13 c. A casino licensee which establishes a simulcasting facility and
14 conducts casino simulcasting shall, as a condition of continued operation of
15 casino simulcasting, receive all live races which are transmitted by in-State
16 sending tracks.

17 d. Agreements between a casino licensee and an in-State or out-of-
18 State sending track for casino simulcasting shall be in writing and shall be
19 filed with the New Jersey Racing Commission and with the **【Casino**
20 **Control Commission】** Division of Gaming Enforcement in accordance with
21 section 104 of P.L.1977, c.110 (C.5:12-104).

22 e. If wagering at casinos on sports events is authorized by the voters of
23 this State and by enabling legislation enacted by the Legislature, and if a
24 casino licensee conducts such wagering and casino simulcasting, the two
25 activities shall be conducted in the same area, in accordance with such
26 regulations as the **【Casino Control Commission】** Division of Gaming
27 Enforcement shall prescribe with respect to wagering on sports events and
28 in accordance with this act and such regulations as may be adopted
29 pursuant to section 3 of this act with respect to casino simulcasting.

30 (cf: P.L.1996, c.84, s.8)

31

32 ²**【118.】** 117.² Section 199 of P.L.1992, c.19 (C.5:12-199) is amended to
33 read as follows:

34 199. A casino which chooses to conduct casino simulcasting and which
35 operates a simulcasting facility may, with the approval of both the New
36 Jersey Racing Commission and the New Jersey **【Casino Control**
37 **Commission】** Division of Gaming Enforcement, also receive simulcast
38 horse races conducted at out-of-State sending tracks in accordance with the
39 provisions of this act and any applicable regulations of these commissions
40 and joint regulations of these commissions promulgated pursuant to this
41 act.

42 In order to be eligible to participate in casino simulcasting, an out-of-
43 State sending track shall be approved by the New Jersey Racing
44 Commission and be subject to licensure by the **【Casino Control**
45 **Commission】** Division of Gaming Enforcement as a casino service industry
46 enterprise pursuant to subsection c. of section 92 of P.L.1977, c.110
47 (C.5:12-92). The approval of the New Jersey Racing Commission shall

1 only be granted when that commission, in its discretion and after
2 consideration of the interests of the casino making application, determines
3 that approval is in the best interest of the public and the racing industry in
4 New Jersey.

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

6
7 ²**[119.] 118.**² Section 20 of P.L.1992, c.19 (C.5:12-210) is amended to
8 read as follows:

9 20. The **[Casino Control Commission]** Division of Gaming
10 Enforcement and the New Jersey Racing Commission shall individually and
11 jointly promulgate and adopt any rules and regulations, pursuant to the
12 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.),
13 which are necessary to effectuate the purposes of **[this act]** P.L.1992, c.19
14 (C.5:12-191 et seq.).

15 (cf: P.L.1992, c.19, s.20)

16
17 ²**[120.] 119.**² Section 4 of P.L.2008, c.23 (C.5:12-211) is amended to
18 read as follows:

19 4. In the event **[that]** of a state of emergency **[is declared due to the**
20 **failure to enact a general appropriation law by the deadline prescribed by**
21 **Article VIII, Section II, paragraph 2 of the New Jersey Constitution, that**
22 **prevents inspectors, agents, or other employees of the commission and the**
23 **division from performing their normal duties]**, a casino licensee may
24 continue to conduct casino and simulcast operations for a period not to
25 exceed seven calendar days, notwithstanding that **[the inspectors, agents or**
26 **other]** employees of the commission and the division are unable to perform
27 their functions, provided that the casino licensee has complied with section
28 5 of P.L.2008, c.23 (C.5:12-212), and that the casino licensee and its
29 employees shall continue to comply with all relevant provisions of the New
30 Jersey Constitution and all relevant State statutes and regulations and shall
31 maintain detailed records of that compliance.

32 If, during any period of time that casino and simulcasting facilities
33 remain open pursuant to the provisions of this section, the Governor
34 determines that the holder of a casino license, or any licensed employee
35 thereof, may be engaged in what the Governor believes to be a violation of
36 any State statute or regulation governing the operation of those facilities
37 that would ordinarily subject a licensee to a possible suspension or
38 revocation of its license, the Governor shall have the authority to
39 summarily suspend the license of that casino or employee until such time as
40 it is rescinded by the Governor, or the state of emergency ceases and the
41 commission or the division, as appropriate, is able to address the matter.

42 Any violation of a statute or regulation that would ordinarily subject a
43 licensee to a fine, but which occurs while a facility remains open during a
44 state of emergency pursuant to this section, which is not reported by the
45 casino licensee in accordance with **[its approved internal control**
46 **procedures]** this act, shall be punishable by a fine of no less than five times
47 and up to ten times the amount of the usual fine, depending on the nature

1 and seriousness of the violation. When the state of emergency ceases,
2 casino licensees shall be responsible for any costs associated with re-
3 implementing onsite State inspections.
4 (cf: P.L.2008, c.23, s.4)

5
6 ²~~121.~~ 120.² Section 5 of P.L.2008, c.23 (C.5:12-212) is amended to
7 read as follows:

8 5. In order for a casino licensee to conduct casino and simulcast
9 operations during a state of emergency as authorized in section 4 of
10 P.L.2008, c.23 (C.5:12-211), it shall ~~obtain commission approval~~ create,
11 maintain, and file with the division of internal controls prior to the state of
12 emergency, which shall become effective only during the state of
13 emergency, that contain, without limitation:

14 a. Procedures for the casino licensee and its employees to report any
15 violation of a statute or regulation to the casino licensee's chief legal officer
16 and audit committee executive, who shall report any such violations to the
17 Governor immediately and to the commission and division when the state
18 of emergency ceases.

19 b. Procedures for the casino licensee to engage a certified public
20 accountant ~~approved by the commission, which procedures shall provide~~
21 ~~sufficient safeguards to ensure that the public's interest in the integrity of~~
22 ~~casino operations is served, and shall include but not be limited to a~~
23 ~~criminal history record background check to be conducted in accordance~~
24 ~~with the authority provided under paragraph (5) of subsection b. of section~~
25 ~~89 of P.L.1977, c.110 (C.5:12-89),~~ to perform the following functions
26 during the state of emergency:

27 (1) Act in the capacity of the ~~commission~~ division whenever the
28 presence of an ~~inspector, agent or~~ employee of the ~~commission~~
29 division is normally required to perform an activity ~~including, without~~
30 ~~limitation, the collection and counting of gross revenue~~;

31 (2) Perform any other functions in accordance with instructions issued
32 by the ~~commission~~ division prior to the state of emergency; and

33 (3) Maintain a written record of all activity performed.

34 c. Procedures for the surveillance department of the casino licensee to
35 record any activity that involves the participation of the certified public
36 accountant and to provide the recordings to the ~~commission~~ division
37 when the state of emergency ceases.

38 d. Procedures for providing any evidence of tampering or cheating that
39 occurs during the state of emergency to the certified public accountant, who
40 shall preserve such evidence for the ~~commission and~~ division.

41 e. Procedures to ensure that a designee of the casino licensee's chief
42 legal officer is available at all times to receive any complaint from the
43 public relating to the conduct of casino operations. Any such patron
44 complaint shall be forwarded to the chief legal officer, who shall promptly
45 file it with the ~~commission~~ division when the state of emergency ceases.

46 f. Procedures for withholding the payment of slot machine jackpots
47 greater than \$75,000 during the state of emergency, which shall be posted

1 in the casino advising patrons of the temporary jackpot payout procedures.
2 Such procedures shall include, without limitation, issuance of a written
3 receipt to the winning patron and withholding payment of the jackpot until
4 the state of emergency ceases and the division has had the opportunity to
5 inspect the slot machine on which the jackpot was won.

6 g. Procedures for staffing both the surveillance and casino security
7 departments with at least one additional officer at all times during the state
8 of emergency.

9 (cf: P.L.2008, c.23, s.5)

10
11 ²~~122.~~ 121.² Section 6 of P.L.2008, c.23 (C.5:12-213) is amended to
12 read as follows:

13 6. During any ~~period of operations authorized by section 4 of~~
14 ~~P.L.2008, c.23 (C.5:12-211)~~ state of emergency, as defined in section
15 ²~~24~~ 23² of P.L. c. (C.) (pending before the Legislature as this bill),
16 a casino licensee shall not:

17 a. Amend or seek permission to amend: (1) any submission required by
18 section 99 of P.L.1977, c.110 (C.5:12-99); or (2) its operation certificate.

19 b. ~~Modify the configuration of its gaming floor or the gaming assets~~
20 ~~located thereon in any manner whatsoever.~~ (Deleted by amendment,
21 P.L. , c.) (pending before the Legislature as this bill)

22 c. ~~Perform any activity that requires a pre-inspection by the~~
23 ~~commission to ensure that surveillance camera coverage is adequate.~~
24 (Deleted by amendment, P.L. , c.) (pending before the Legislature as
25 this bill)

26 d. Perform any modification to any casino computer system or multi-
27 casino progressive slot system, except in the event of an emergency that, in
28 the opinion of its chief gaming executive and the director of its
29 Management Information Systems department, could affect the integrity of
30 casino or simulcasting operations or the collection and certification of gross
31 revenue.

32 e. Perform an adjustment to the amount on the progressive meter of
33 any slot machine; provided, however, notwithstanding any ~~commission~~
34 division regulation to the contrary, if a casino licensee reasonably believes
35 a progressive meter is displaying an incorrect amount, it may take the
36 progressive slot machine out of service until the state of emergency ceases.

37 f. Conduct any gaming tournament or other activity that requires
38 ~~commission~~ division approval, unless the tournament or activity has been
39 approved by the ~~commission~~ division prior to the commencement of the
40 state of emergency.

41 (cf: P.L.2008, c.23, s.6)

42
43 ²~~123.~~ 122.² Section 7 of P.L.2008, c.23 (C.5:12-214) is amended to
44 read as follows:

45 7. During any ~~period of operations authorized by section 4 of~~
46 ~~P.L.2008, c.23 (C.5:12-211)~~ state of emergency, no transfer of property
47 shall occur that would otherwise require the issuance of interim casino

1 authorization pursuant to section 3 of P.L.1987, c.409 (C.5:12-95.12) prior
2 to such transfer.

3 (cf: P.L.2008, c.23, s.7)

4

5 ²**[124.]** 123.² Section 8 of P.L.2008, c.23 (C.5:12-215) is amended to
6 read as follows:

7 8. In the event a state of emergency is declared **[due to the failure to**
8 **enact a general appropriation law by the deadline prescribed by Article**
9 **VIII, Section II, paragraph 2 of the New Jersey Constitution]** that prevents
10 employees of the commission and the division from performing their
11 normal duties, the duration of the state of emergency shall not be included
12 in the calculation of the time period required by any law, rule or regulation
13 for:

14 a. Action by the Casino Control Commission or the Division of
15 Gaming Enforcement on any pending application **[or submission]**; and

16 b. The filing of any application or other required submission with the
17 Casino Control Commission or the Division of Gaming Enforcement by
18 any person.

19 (cf: P.L.2008, c.23, s.8)

20

21 ²**[125.]** 124.² Section 55 of P.L.1977, c.110 (C.5:12-55) is amended to
22 read as follows:

23 55. Division of gaming enforcement. There is hereby established in the
24 Department of Law and Public Safety the Division of Gaming Enforcement.
25 The division shall be under the immediate supervision of a director who
26 shall also be sworn as an Assistant Attorney General and who shall
27 administer the work of the division under the direction and supervision of
28 the Attorney General. The director shall be appointed by the Governor,
29 with the advice and consent of the Senate, and shall serve during the term
30 of office of the Governor, except that the first director shall be appointed
31 for a term of 2 years. The director may be removed from office by the
32 Attorney General for cause upon notice and opportunity to be heard.

33 The director and any employee or agent of the division shall be subject
34 to the duty to appear and testify and to removal from his office, position or
35 employment in accordance with the provisions of P.L.1970, c.72 (C.2A:81-
36 17.2a et seq.). The Attorney General shall be responsible for the exercise
37 of the duties and powers assigned to the division.

38 The division shall be **[principally]** located in Atlantic City, except that
39 the division may maintain a secondary satellite office in Trenton, which
40 shall not be the primary office, if deemed necessary for the effective
41 performance of its duties and responsibilities.

42 If, as a result of the transfer of duties and responsibilities from the
43 Casino Control Commission to the division in accordance with P.L. ,
44 c. (C.) (pending before the Legislature as this bill), the division needs
45 to employ an individual to fill a position, former employees of the
46 commission who performed the duties of the position to be filled shall
47 be given a one-time right of first refusal offer of employment with the

1 division ⁴, and such employees may be removed by the division for cause
2 or if deemed unqualified to hold the position⁴, notwithstanding any other
3 provision of law to the contrary.

4 (cf: P.L.1995, c.18, s.11)

5

6 ²**[126.]** 125.² (New section) A member of the Casino Control
7 Commission and any employee of the commission holding a supervisory or
8 policy-making management position, and the Director of the Division of
9 Gaming Enforcement and any employee of the division holding a
10 supervisory or policy-making management position, shall not make any
11 contribution as that term is defined in the "The New Jersey Campaign
12 Contributions and Expenditures Reporting Act," P.L.1973, c.83 (C.19:44A-
13 1 et seq.).

14

15 ²**[127.]** 126.² Section 115 of P.L.1977, c.110 (C.5:12-115) is amended
16 to read as follows:

17 115. Cheating Games and Devices in a Licensed Casino; Penalty. a. It
18 shall be unlawful:

19 (1) Knowingly to conduct, carry on, operate, deal or allow to be
20 conducted, carried on, operated or dealt any cheating or thieving game or
21 device; or

22 (2) Knowingly to deal, conduct, carry on, operate or expose for play any
23 game or games played with cards, dice or any mechanical device, or any
24 combination of games or devices, which have in any manner been marked
25 or tampered with, or placed in a condition, or operated in a manner, the
26 result of which tends to deceive the public or tends to alter the normal
27 random selection of characteristics or the normal chance of the game which
28 could determine or alter the result of the game.

29 b. It shall be unlawful knowingly to use or possess any marked cards,
30 loaded dice, plugged or tampered with machines or devices.

31 c. Any person who violates this section is guilty of a crime of the
32 fourth degree and subject to the penalties therefor, except that the amount
33 of a fine may be up to **[\$25,000.00]** \$50,000, and in the case of a person
34 other than a natural person, the amount of a fine may be up to
35 **[\$100,000.00]** \$200,000.

36 (cf: P.L.1991, c.182, s.47)

37

38 ²**[128.]** 127.² Section 116 of P.L.1977, c.110 (C.5:12-116) is amended
39 to read as follows:

40 116. Unlawful possession of device, equipment or other material
41 illegally manufactured, distributed, sold or serviced. Any person who
42 possesses any device, equipment or material which he knows has been
43 manufactured, distributed, sold, tampered with or serviced in violation of
44 the provisions of this act is guilty of a crime of the fourth degree and
45 subject to the penalties therefor, except that the amount of a fine may be up
46 to **[\$25,000.00]** \$50,000, and in the case of a person other than a natural

1 person, the amount of a fine may be up to **[\$100,000.00]** \$200,000.
2 (cf: P.L.1991, c.182, s.48)

3
4 ²**[129.]** 128.² Section 117 of P.L.1977, c.110 (C.5:12-117) is amended
5 to read as follows:

6 117. Employment Without License or Registration; Penalty. a. Any
7 person who, without obtaining the requisite license or registration as
8 provided in this act, works or is employed in a position whose duties would
9 require licensing or registration under the provisions of this act is guilty of
10 a crime of the fourth degree and subject to the penalties therefor, except
11 that the amount of a fine may be up to **[\$10,000.00]** \$20,000, and in the
12 case of a person other than a natural person, the amount of a fine may be up
13 to **[\$50,000.00]** \$100,000.

14 b. Any person who employs or continues to employ an individual not
15 duly licensed or registered under the provisions of this act in a position
16 whose duties require a license or registration under the provisions of this
17 act is guilty of a crime of the fourth degree and subject to the penalties
18 therefor, except that the amount of a fine may be up to **[\$10,000.00]**
19 \$20,000, and in the case of a person other than a natural person, the amount
20 of a fine may be up to **[\$50,000.00]** \$100,000.

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

22 d. Any person violating the provisions of subsection 101e. of this act
23 shall be guilty of a crime of the third degree, and shall be subject to the
24 penalties therefor, except that the amount of a fine may be up to
25 **[\$25,000.00]** \$50,000. Any licensee permitting or allowing such a
26 violation shall also be punishable under this subsection, in addition to any
27 other sanctions the commission may impose.

28 (cf: P.L.1991, c.182, s.49)

29

30 ²**[130.]** 129.² Section 120 of P.L.1977, c.110 (C.5:12-120) is amended
31 to read as follows:

32 120. Prohibited Political Contributions; Penalty. Any person who
33 makes or causes to be made a political contribution prohibited by the
34 provisions of this act is guilty of a crime of the fourth degree and subject to
35 the penalties therefor, except that the amount of a fine may be up to
36 **[\$100,000.00]** \$200,000, and in the case of a person other than a natural
37 person, the amount of a fine may be up to **[\$250,000.00]** \$500,000.

38 (cf: P.L.1991, c.182, s.52)

39

40 ²**[131.]** 130.² Section 126 of P.L.1977, c.110 (C.5:12-126) is amended
41 to read as follows:

42 126. a. It shall be unlawful for any person who has received any income
43 derived, directly or indirectly, from pattern of racketeering activity or
44 through collection of an unlawful debt in which such person has
45 participated as a principal within the meaning of N.J.S.2A:85-14 to use or
46 invest, directly or indirectly, any part of such income, or the proceeds of
47 such income, in acquisition of any interest in, or the establishment or

1 operation of, any enterprise which is engaged in or the activities of which
2 affect casino gaming operations or ancillary industries which do business
3 with any casino licensee. A purchase of securities on the open market for
4 purposes of investment, and without the intention of controlling or
5 participating in the control of the issuer or of assisting another to do so,
6 shall not be unlawful under this subsection, provided that the sum total of
7 the securities of the issuer held by the purchaser, the members of his
8 family, and his or their accomplices in any pattern of racketeering activity
9 or in the collection of an unlawful debt does not amount in the aggregate to
10 one percent of the outstanding securities of any one class, or does not,
11 either in law or in fact, empower the holders thereof to elect one or more
12 directors of the issuer.

13 b. It shall be unlawful for any person through a pattern of racketeering
14 activity or through collection of an unlawful debt to acquire or maintain,
15 directly or indirectly, any interest in or control of any enterprise which is
16 engaged in, or the activities of which affect, casino gaming operations or
17 ancillary industries which do business with any casino licensee.

18 c. It shall be unlawful for any person employed by or associated with
19 any enterprise engaged in, or the activities of which affect, casino gaming
20 operations or ancillary industries which do business with any casino
21 licensee, to conduct or participate, directly or indirectly, in the conduct of
22 such enterprise's affairs through a pattern of racketeering activity or
23 collection of unlawful debt.

24 d. It shall be unlawful for any person to conspire to violate any of the
25 provisions of subsections a., b., or c. of this section.

26 e. Any person who violates any provision of this section shall be fined
27 not more than ~~【\$50,000.00】~~ \$100,000 or imprisoned not more than twenty
28 years or both and shall forfeit to the State (1) any interest he has acquired
29 or maintained in violation of this section and (2) any interest in, security of,
30 claim against, or property or contractual right of any kind affording a
31 source of influence over any enterprise which he has established, operated,
32 controlled, conducted, or participated in the conduct of, in violation of this
33 section.

34 f. In any action brought by the Attorney General under this section, the
35 Superior Court shall have jurisdiction to enter such restraining orders or
36 prohibitions, or to take such other actions, including, but not limited to, the
37 acceptance of satisfactory performance bonds, in connection with any
38 property or other interest subject to forfeiture under this section, as it shall
39 deem proper.

40 g. Upon conviction of a person under this section, the court shall
41 authorize the Attorney General to seize all property or other interest
42 declared forfeited under this section upon such terms and conditions as the
43 court shall deem proper. If a property right or other interest is not
44 exercisable or transferable for value by the State, it shall expire and shall
45 not revert to the convicted person.

46 (cf: P.L.1977, c.110, s.126)

1 ¹ ~~132.~~ ² 131.² Section 4 of P.L.1978, c.7 (C.5:12-14.4) is amended to
2 read as follows:

3 4. "Debt" -- Any legal liability, whether matured or unmatured,
4 liquidated or unliquidated, absolute, fixed or contingent, including ² ~~[(1)~~
5 convertible]² debt ² [that has not yet been converted to any] convertible
6 into an² equity security ² which has not yet been so converted.² and ² ~~[(2)]~~²
7 any other debt ² [instrument]² carrying any warrant or right to subscribe to
8 or purchase ² [such]² an equity security ² [but]² which warrant or right has
9 not ² yet² been exercised.¹
10 (cf: P.L.1978, c.7, s.4)

11

12 ¹ ~~133.~~ ² 132.² Section 18 of P.L.1977, c.110 (C.5:12-18) is amended
13 to read as follows:

14 18. "Equity security" -- (a) Any voting stock of a corporation, or similar
15 security; (b) any security [convertible] ² which has been² converted, with
16 or without consideration, into such a security, or [carrying] ² [that carried]
17 carrying² any warrant or right to subscribe to or purchase such a security
18 which ² [was] warrant or right has been² exercised; ² ~~[(c)~~ any such warrant
19 or right; ² or ² ~~[(d)]~~ ² (c)² any security having a direct or indirect
20 participation in the profits of the issuer ² [, except that as to paragraph (b)
21 hereunder the]. The² holder ² [thereof] of a security described in
22 subsection (b) of this section² shall ² not² be required to qualify as a holder
23 of ² an² equity security prior to any ² such² conversion or exercise of ² any
24 such warrant or² rights.¹

25 (cf: P.L.1977, c.110, s.18)

26

27 ¹ ~~132.~~ ² ~~134.~~ ¹ ~~133.~~ ² The following sections are repealed:

28 Section 6 of P.L.1995, c.18 (C.5:12-11.1);
29 Section 38 of P.L.1977, c.110 (C.5:12-38);
30 Section 64 of P.L.1977, c.110 (C.5:12-64);
31 Section 65 of P.L.1977, c.110 (C.5:12-65);
32 Section 67 of P.L.1977, c.110 (C.5:12-67);
33 Section 88 of P.L.1977, c.110 (C.5:12-88);
34 Section 90 of P.L.1977, c.110 (C.5:12-90); and
35 Section 3 of P.L.2003, c.116 (C.5:12-148.1).

36

37 ¹ ~~133.~~ ² ~~135.~~ ¹ ~~134.~~ ² This act shall take effect immediately ¹ and the
38 orderly transition of responsibilities and functions from the Casino Control
39 Commission to the Division of Gaming Enforcement shall take place for 90
40 days following the effective date¹, provided, however, that the division and
41 commission may take such anticipatory action as is necessary to effectuate
42 the provisions of this act. Any completed applications properly filed with
43 or submitted to the commission which are pending on the effective date of
44 this act over which the division is accorded authority pursuant to the
45 provisions of this act shall be deemed to have been properly filed with or

1 submitted to the division, provided that any application for a license, which
2 license by effect of this act is no longer required, shall be treated as a
3 registration.