ASSEMBLY, No. 620

STATE OF NEW JERSEY

219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:
Assemblyman RALPH R. CAPUTO
District 28 (Essex)

SYNOPSIS

Requires casino licensee to apply every five years for casino license renewal.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.

AN ACT concerning the renewal of casino licenses and amending P.L.2011, c.19 and P.L.1977, c.110.

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

1. Section 54 of P.L.2011, c.19 (C.5:12-87.1) is amended to read as follows:

54. **[**No**]** a. Subject to the power of the commission to deny, revoke, or suspend a license, no later than five years after the date of the issuance of a license pursuant to section 87 of P.L.1977, c.110 (C.5:12-87) and every five years thereafter or within such lesser periods as the division may direct, a casino licensee and the qualifying entities and individuals thereof shall submit to **[**the division such documentation or information as the division may by regulation require, to demonstrate to the satisfaction of the director**]** the commission an application for renewal of the casino license demonstrating that they continue to meet the requirements of sections 84 and 85 of P.L.1977, c.110 (C.5:12-84 and C.5:12-85), and section 50 of P.L.2011, c.19 (C.5:12-85.1), and any other applicable section of law as the division or commission shall require. Upon investigation of the application, the division shall issue a report and recommendation to the commission in accordance with section 87 of P.L.1977, c.110 (C.5:12-87), which shall initiate a hearing on the application. If, **[**upon review,**]** following the investigation and hearing, the **[**director**]** commission determines that no information sufficient to warrant revocation, suspension, limitation, or conditioning of such license exists, **[**the director shall issue a summary report so advising the commission, and the license shall remain in full force and effect**]** the commission shall renew any casino license in force. **[**If the director determines that a hearing on any issue is required, the division shall issue a report and recommendation to the commission in accordance with section 87 of P.L.1977, c.110 (C.5:12-87), which shall initiate a hearing pursuant to subsection b. of that section.**]** In addition, the director may reopen licensing hearings at any time.

b. An application for renewal shall be filed with the division no later than 120 days prior to the expiration of the existing license, and all license fees and taxes as required by law shall be paid to the appropriate entity on or before the date of expiration of the existing license.

c. Upon renewal of any license, the commission shall issue an appropriate renewal certification or validating device or sticker, or both, which shall be attached to each casino license.

(cf: P.L.2011, c.19, s.54)

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.

2. Section 139 of P.L.1977, c.110 (C.5:12-139) is amended to read as follows:

139. Casino License Fees.

a. The division shall, by regulation, establish fees for the issuance and renewal of casino licenses. The issuance fee shall be based upon the cost of investigation and consideration of the license application and shall be not less than $200,000.00. The renewal fee shall be based upon the cost of investigation and consideration of the renewal application and shall be not less than $200,000 for a five-year license.

b. The Attorney General shall certify actual and prospective costs of the investigative and enforcement functions of the division, which costs shall be the basis, together with the operating expenses of the commission, for the establishment of annual license issuance and renewal fees.

c. A nonrefundable deposit of at least $100,000.00 shall be required to be posted with each application for a casino license or renewal of a casino license and shall be applied to the initial license fee or renewal fee if the application is approved.

(cf: P.L.2011, c.19, s.93)

3. This act shall take effect on the first day of the sixth month next following enactment, except that the Casino Control Commission and the Division of Gaming Enforcement in the Department of Law and Public Safety may take any anticipatory administrative action in advance as shall be necessary for the implementation of this act.

STATEMENT

This bill requires casino licensees to reapply for renewal of the casino licenses every five years. At present, casino licensees do not need to apply for renewal of the licenses, but rather they need only submit to the Division of Gaming Enforcement within the Department of Law and Public Safety such documentation or information to demonstrate that they continue to meet casino licensing requirements. This bill requires the division to investigate each application and make a recommendation to the Casino Control Commission as to whether to grant or deny each application, and requires the Casino Control Commission to conduct a hearing based on the division's recommendation.

Additionally, this bill requires casino licensees to submit applications for renewal 120 days prior to the expiration of the current license, and to pay all required license fees and taxes on or before the date of expiration of the current license.

This bill, in effect, reverses the recent change in law made by P.L.2011, c.19 that eliminated the renewal application process for casino licensees.

Further, this bill requires casino licensees to pay a renewal fee of not less than $200,000 for a five-year casino license.