

ASSEMBLY, No. 4340

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED JULY 2, 2020

Sponsored by:

Assemblyman RONALD S. DANCER

District 12 (Burlington, Middlesex, Monmouth and Ocean)

Assemblyman RALPH R. CAPUTO

District 28 (Essex)

SYNOPSIS

Provides that employees of State agencies that oversee casinos and racetracks are essential personnel; ensures continued operation of casinos and racetracks throughout duration of state of emergency exceeding seven days.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 7/2/2020)

1 AN ACT concerning State agencies that oversee casinos and
2 racetracks in the event that a state of emergency is declared,
3 amending various parts of the statutory law, and repealing
4 section 5 of P.L.2008, c.23.

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

8
9 1. Section 23 of P.L.2011, c.19 (C.5:12-45.3) is amended to read
10 as follows.

11 23. "State of emergency" - Any emergency situation, including
12 the failure to enact a general appropriation law by the deadline
13 prescribed by Article VIII, Section II, paragraph 2 of the New
14 Jersey Constitution, a state of emergency declared by the President
15 of the United States or the Governor of the State of New Jersey and
16 a State ordered State employee furlough, during which division and
17 commission employees, who are not responsible for ensuring
18 compliance with the provisions of the "Casino Control Act,"
19 P.L.1977, c.110 (C.5:12-1 et seq.), and the "Casino Simulcasting
20 Act," P.L.1992, c.19 (C.5:12-191 et seq.), are unable to perform the
21 duties and responsibilities required of them under this act.
22 (cf: P.L.2011, c.19, s.23)

23
24 2. Section 99 of P.L.1977, c.110 (C.5:12-99) is amended to read
25 as follows:

26 99. Internal Controls. a. Each applicant for a casino license
27 shall create, maintain, and file with the division a description of its
28 internal procedures and administrative and accounting controls for
29 gaming and simulcast wagering operations that conform to the
30 requirements of P.L.1977, c.110 (C.5:12-1 et seq.), and the
31 regulations promulgated thereunder, and provide adequate and
32 effective controls, establish a consistent overall system of internal
33 procedures and administrative and accounting controls and conform
34 to generally accepted accounting principles, and ensure that casino
35 procedures are carried out and supervised by personnel who do not
36 have incompatible functions. A casino licensee's internal controls
37 shall contain a narrative description of the internal control system to
38 be utilized by the casino, including, but not limited to:

39 (1) Accounting controls, including the standardization of forms
40 and definition of terms to be utilized in the gaming and simulcast
41 wagering operations;

42 (2) Procedures, forms, and, where appropriate, formulas
43 covering the calculation of hold percentages; revenue drop; expense
44 and overhead schedules; complimentary services, except as
45 provided in paragraph (3) of subsection m. of section 102 of

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.

- 1 P.L.1977, c.110 (C.5:12-102); junkets; and cash equivalent
2 transactions;
- 3 (3) (Deleted by amendment, P.L.2011, c.19)
- 4 (4) Procedures within the cashier's cage and simulcast facility
5 for the receipt, storage and disbursal of chips, cash, and other cash
6 equivalents used in gaming and simulcast wagering; the cashing of
7 checks; the redemption of chips and other cash equivalents used in
8 gaming and simulcast wagering; the pay-off of jackpots and
9 simulcast wagers; and the recording of transactions pertaining to
10 gaming and simulcast wagering operations;
- 11 (5) Procedures for the collection and security of moneys at the
12 gaming tables and in the simulcasting facility;
- 13 (6) Procedures for the transfer and recordation of chips between
14 the gaming tables and the cashier's cage and the transfer and
15 recordation of moneys within the simulcasting facility;
- 16 (7) Procedures for the transfer of moneys from the gaming
17 tables to the counting process and the transfer of moneys within the
18 simulcasting facility for the counting process;
- 19 (8) Procedures and security for the counting and recordation of
20 revenue;
- 21 (9) Procedures for the security, storage and recordation of cash,
22 chips and other cash equivalents utilized in the gaming and
23 simulcast wagering operations;
- 24 (10) Procedures for the transfer of moneys or chips from and to
25 the slot machines;
- 26 (11) Procedures and standards for the opening and security of
27 slot machines;
- 28 (12) Procedures for the payment and recordation of slot machine
29 jackpots;
- 30 (13) Procedures for the cashing and recordation of checks
31 exchanged by casino and simulcasting facility patrons;
- 32 (14) Procedures governing the utilization of the private security
33 force within the casino and simulcasting facility;
- 34 (15) Procedures and security standards for the handling and
35 storage of gaming apparatus including cards, dice, machines,
36 wheels and all other gaming equipment;
- 37 (16) Procedures and rules governing the conduct of particular
38 games and simulcast wagering and the responsibility of casino
39 personnel in respect thereto;
- 40 (17) Procedures for separately recording all transactions
41 pursuant to section 101 of this act involving the Governor, any State
42 officer or employee, or any special State officer or employee, any
43 member of the Judiciary, any member of the Legislature, any officer
44 of a municipality or county in which casino gaming is authorized,
45 or any gaming related casino employee, and for the quarterly filing
46 with the Attorney General of a list reporting all such transactions;
47 and

1 (18) **【**Procedures for the orderly shutdown of casino operations
2 in the event that a state of emergency is declared and the casino
3 licensee is unable or ineligible to continue to conduct casino
4 operations during such a state of emergency in accordance with
5 section 5 of P.L.2008, c.23 (C.5:12-212), which procedures shall
6 include, without limitation, the securing of all keys and gaming
7 assets.**】** (Deleted by amendment, P.L. , c.) (pending before the
8 Legislature as this bill)

9 b. (Deleted by amendment, P.L.2011, c.19)

10 c. No minimum staffing requirements shall be included in the
11 internal controls created in accordance with subsection a. of this
12 section.

13 d. (Deleted by amendment, P.L.2011, c.19)

14 (cf: P.L.2011, c.19, s.64)

15

16 3. Section 4 of P.L.2008, c.23 (C.5:12-211) is amended to read
17 as follows:

18 4. In the event of a state of emergency, a casino licensee may
19 continue to conduct casino and simulcast operations **【**for a period
20 not to exceed seven calendar days, notwithstanding that employees
21 of the commission and the division are unable to perform their
22 functions, provided that the casino licensee has complied with
23 section 5 of P.L.2008, c.23 (C.5:12-212), and that the casino
24 licensee and its employees shall continue to comply with all
25 relevant provisions of the New Jersey Constitution and all relevant
26 State statutes and regulations and shall maintain detailed records of
27 that compliance.

28 If, during any period of time that casino and simulcasting
29 facilities remain open pursuant to the provisions of this section, the
30 Governor determines that the holder of a casino license, or any
31 licensed employee thereof, may be engaged in what the Governor
32 believes to be a violation of any State statute or regulation
33 governing the operation of those facilities that would ordinarily
34 subject a licensee to a possible suspension or revocation of its
35 license, the Governor shall have the authority to summarily suspend
36 the license of that casino or employee until such time as it is
37 rescinded by the Governor, or the state of emergency ceases and the
38 commission or the division, as appropriate, is able to address the
39 matter.

40 Any violation of a statute or regulation that would ordinarily
41 subject a licensee to a fine, but which occurs while a facility
42 remains open during a state of emergency pursuant to this section,
43 which is not reported by the casino licensee in accordance with this
44 act, shall be punishable by a fine of no less than five times and up
45 to ten times the amount of the usual fine, depending on the nature
46 and seriousness of the violation. When the state of emergency
47 ceases, casino licensees shall be responsible for any costs associated
48 with re-implementing onsite State inspections**】** , and employees of

1 the commission and the division responsible for ensuring
2 compliance with the provisions of the "Casino Control Act,"
3 P.L.1977, c.110 (C.5:12-1 et seq.), and the "Casino Simulcasting
4 Act," P.L.1992, c.19 (C.5:12-191 et seq.), shall be considered
5 personnel essential to the health, safety, and welfare of the public
6 and declared as such by the Governor.
7 (cf: P.L.2011, c.19, s.119)

8
9 4. Section 10 of P.L.2008, c.23 (C.5:5-22.3) is amended to read
10 as follows:

11 10. **[a.]** In the event that a state of emergency is declared due to
12 the failure to enact a general appropriation law by the deadline
13 prescribed by Article VIII, Section II, paragraph 2 of the New
14 Jersey Constitution, **[that prevents employees of the New Jersey**
15 **Racing Commission from performing their normal duties,]** a holder
16 of a permit to conduct a horse race meeting may continue to hold
17 scheduled races and simulcast operations **[for a period not to**
18 **exceed seven calendar days, notwithstanding that employees of the**
19 **commission are unable to perform the functions usually required for**
20 **the conduct of horse racing in this State, provided that the permit**
21 **holder has complied with subsection b. of this section, and that the**
22 **permit holder and its employees shall continue to comply with all**
23 **relevant provisions of the New Jersey Constitution and all relevant**
24 **State statutes and regulations, and shall maintain detailed records of**
25 **that compliance.**

26 If, during any period of time that racetrack facilities remain open
27 pursuant to the provisions of this section, the Governor determines
28 that a permit holder, or any employee thereof, may be engaged in
29 what the Governor believes to be a violation of any State statute or
30 regulation governing the operation of those facilities and the
31 conduct of horse racing in this State, that would ordinarily subject a
32 permit holder or employee to a possible suspension or revocation of
33 its permit or license, the Governor shall have the authority to
34 summarily suspend the permit or license of that permit holder or
35 employee until such time as it is rescinded by the Governor, or the
36 state of emergency ceases and the commission is able to address the
37 matter.

38 Any violation of a statute or regulation that would ordinarily
39 subject a permit holder or licensee to a fine, but which occurs while
40 a racetrack facility remains open during a state of emergency
41 pursuant to this section, which is not reported by the permit holder
42 or licensee in accordance with commission rules and regulations
43 pursuant to subsection b. of this section, shall be punishable by a
44 fine of no less than five times and up to ten times the amount of the
45 usual fine, depending on the nature and seriousness of the violation.
46 When the state of emergency ceases, permit holders shall be
47 responsible for any costs associated with implementing the
48 provisions of this section, including any costs accrued by the

1 commission and associated with re-implementing commission
2 functions and duties.

3 b. Notwithstanding any law, rule, or regulation to the contrary,
4 the New Jersey Racing Commission may develop, through rules and
5 regulations, the necessary standards, criteria, safeguards, and
6 procedures that a permit holder shall meet prior to, and as a
7 condition of, being eligible to continue to conduct horse racing
8 operations in this State in the event that a state of emergency is
9 declared, as provided in subsection a. of this section, and
10 commission employees are not able to perform their usual
11 functions. Notwithstanding any provision of the "Administrative
12 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) to the
13 contrary, the commission may adopt immediately upon filing with
14 the Office of Administrative Law such rules and regulations as the
15 commission deems necessary to implement the provisions of this
16 section, which shall be effective for a period not to exceed 270 days
17 following enactment of P.L.2008, c.23, and may thereafter be
18 amended, adopted, or readopted by the commission in accordance
19 with the requirements of the "Administrative Procedure Act,"
20 P.L.1968, c.410 (C.52:14B-1 et seq.)】 , and employees of the New
21 Jersey Racing Commission responsible for ensuring compliance
22 with all relevant provisions of the New Jersey Constitution and all
23 relevant State statutes and regulations shall be considered personnel
24 essential to the health, safety, and welfare of the public and
25 declared as such by the Governor.

26 (cf: P.L.2008, c.23, s.10)

27

28 5. Section 5 of P.L.2008, c.23 (C.5:12-212) is repealed.

29

30 6. This act shall take effect immediately.

31

32

33

STATEMENT

34

35 Under current law, in the event that a state of emergency is
36 declared due to the failure to enact a general appropriation law by
37 the deadline prescribed in the New Jersey Constitution, casino and
38 racetrack facilities may remain open for a period not to exceed
39 seven calendar days, notwithstanding that inspectors, agents, or
40 other employees of the Casino Control Commission, the Division of
41 Gaming Enforcement, and the New Jersey Racing Commission, as
42 appropriate, are not performing the functions usually required for
43 the operation of those facilities. This bill removes the seven-
44 calendar day limitation and declares that inspectors, agents, or other
45 employees of the Casino Control Commission, the Division of
46 Gaming Enforcement, and the New Jersey Racing Commission are
47 personnel essential to the health, safety, and welfare of the public
48 and declared as such by the Governor. Under the bill, inspectors,

A4340 DANCER, CAPUTO

7

1 agents, or other employees of the Casino Control Commission, the
2 Division of Gaming Enforcement, and the New Jersey Racing
3 Commission would continue working in the event that a state of
4 emergency is declared.

5 This bill also repeals section 5 of P.L.2008, c.23 (C.5:12-212),
6 which concerns procedures for the orderly shutdown of casino
7 operations in the event that a state of emergency is declared and a
8 casino licensee is unable or ineligible to continue to conduct casino
9 operations during such a state of emergency.