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a group insurance health contract on behalf of its employees to file a copy with the State Health Benefits Commission. It also directs that the Commission report not less than every two years to the Governor and the legislature as to these contracts:

and shall make such recommendations concerning the contracts and the coverage thereunder as it deems appropriate *to achieve uniformity of coverage and benefits for employees throughout the state.* [Emphasis supplied.]

For these reasons, it is our judgment that the overall statutory framework evinces both an express and implicit legislative intent to insure equality of benefits between both state and local employees under the program administered by State Health Benefits Commission. Consequently, in the event the Commission determines to provide for an increased level of reimbursement under Blue Shield (Series 1420) to state employees it is required to extend that same level of reimbursement in those contracts purchased by it on behalf of all local participating employers.

Very truly yours,
JUDITH A. YASKIN
Acting Attorney General

By: THEODORE A. WINARD
Assistant Attorney General

December 24, 1981

MARTIN B. DANZIGER, *Acting Chairman*
Casino Control Commission
3131 Princeton Pike
Trenton, New Jersey 08625

FORMAL OPINION NO. 9—1981

Dear Chairman Danziger:

You have requested our opinion as to the legality of a proposed craps tournament to be held at Resorts International Casino. For the following reasons, it is our opinion that a proposed craps tournament would be in violation of the Penal Code's prohibition against gambling when an entry fee is charged as a condition of participation in the tournament.

We have been informed that upon payment of an entry fee of approximately \$250 any person may participate in the tournament. Participants are required to buy into the tournament by purchasing approximately \$750 in special tournament chips which can only be used in the tournament. Participants draw for numbered positions at the craps tables and at the end of the first round of tournament play, two players at each table with the highest amount of money advance to the second round. At the end of the second round, the one player with the highest amount of money

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advances to the third and final round. We are further informed that the final round will be played at one table with a maximum of 14 players. At the end of the final round, the three players with the highest amounts of money will be declared the first, second and third place winners and will receive cash and merchandise prizes in addition to the monies won at the individual craps games. The overall purpose of the tournament is to encourage additional persons to visit and spend time in Atlantic City and to take advantage of its hotel, tourist and entertainment facilities during a slow tourist period for the resort.

At the outset, it is clear that the gaming tournament described above is not a gaming activity specifically enumerated in the Casino Control Act. An authorized game under the Act is defined to mean roulette, baccarat, black jack, craps, Big 6 wheel, slot machines and any variations or composites of such games. N.J.S.A. 5:12-5. There is no express or implicit mention of a gaming tournament. Further, the proposed gaming tournament is not a variation or alteration of the existing craps game conducted by a licensee, but rather it is in essence an innovative and independent kind of gaming using an authorized game as its central component. This conclusion is supported not only by the provision for the award of a separate prize to the tournament winner but also by the requirement for an entry fee not normally charged to participate in an authorized game.

The question therefore posed is, assuming the proposed craps tournament is not in and by itself an authorized game or variation thereof under the Act, whether the tournament is consistent with the criminal law prohibition against illegal gambling. The promoting of gambling is a criminal offense punishable by sanctions which range from a third degree crime to a disorderly persons offense.* N.J.S.A. 2C:37-2. Gambling is defined by the Penal Code to mean the:

staking or risking something of value upon the outcome of a contest of chance or a future contingent event not under the actor's control or influence, upon an agreement or understanding that he will receive something of value in the event of a certain outcome. [N.J.S.A. 2C:37-1b.]

* The strong public policy against gambling in this jurisdiction is spelled out in Art. 4, §7, ¶2 of the 1947 New Jersey Constitution as follows:

No gambling of any kind shall be authorized by the Legislature unless the specific kind, restrictions and control thereof have been heretofore submitted to, and authorized by a majority of the votes cast by, the people at a special election or shall hereafter be submitted to, and authorized by a majority of the votes cast thereon by, the legally qualified voters of the State voting at a general election, except that, without any such submission or authorization; . . .

Constitutional amendments have been approved to exempt casino gambling, state lotteries to aid education and raffles and bingo games sponsored by charitable organizations from the broad prohibition on gambling. Art. 4, §7, ¶¶2(A), (B), (C) and (D). Pari-mutuel wagering on horse races was approved in a popular referendum held in 1939. This public policy is also expressed in the several enactments in the criminal laws dealing with illegal gambling, lotteries and other unauthorized gaming activities.

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“Something of value” is defined to mean

any money or property, any token, object or article exchangeable for money or property, or any form of credit or promise, directly or indirectly contemplating transfer of money or property or of any interest therein, or involving extension of a service, entertainment or a privilege of playing at a game or scheme without charge. [N.J.S.A. 2C:37-1d.]

The definitional section on gambling requires a participant to risk something of value upon the outcome of a contest of chance. In the proposed craps tournament, the players pay an entry fee as a condition to participation. Something of value is then risked on the chance of success in the tournament. It is contemplated that all monies including the entry fee would be recouped out of the prize awarded to the winner.

This interpretation of the statutory prohibition against gambling is consistent with the common law definition. In *State v. Berger*, 126 N.J.L. 39 (S. Ct. 1941), the defendant, movie operator, charged a \$.30 admission fee to the theater which included the right to play a game called “payme.” The game was played with cards on which numbered squares were printed. Patrons would draw by lot small rubber balls from a basket. Each ball contained a letter and a number and if the number appeared on the card, a player would punch out that square. When any player succeeded in punching out five squares, he would be declared the winner of the game and receive a credit voucher redeemable in merchandise. It was argued that because the players did not contribute or make up the fund out of which the vouchers were paid in order to participate, there was no element of risk and no violation of the act. The court held that the defendant had conducted an illegal game under the Gaming Act because the admission fee was something of value paid to the movie operator for the privilege of participating in the game and “[e]ach player took the chance of getting something of value in addition to that of seeing the picture.” *State v. Berger, supra*, at 43. Accordingly, it is our judgment that as was the case in *Berger*, the payment of an entry fee is the risking of something of value on the chance of success in the outcome of the tournament. It would constitute an essential element of an unauthorized gambling scheme.

This issue was also considered by the Attorney General in *Formal Opinion No. 1—1980*, dated January 10, 1980. In that case, the essential component of a proposed tournament at a casino licensee was the conduct of a game called backgammon. The Attorney General concluded that the payment of an entry fee directly or indirectly as a condition to participation in the tournament made the tournament a form of illegal gambling. Although in the present situation the central component of the tournament may be a game authorized under the act, there is no meaningful difference from the tournament reviewed in *Formal Opinion No. 1, supra*. The payment of an entry fee (in addition to the wager made to participate in a craps game) similarly brings this tournament within the purview of the criminal law definition of illegal gambling.

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In sum, therefore, it is our opinion that a proposed craps tournament to be held at Resorts International is a form of gambling prohibited by the provisions of the Penal Code.

Very truly yours,
JAMES R. ZAZZALI
Attorney General

By: THEODORE A. WINARD
Assistant Attorney General

April 14, 1982

JAMES BARRY, *Director*
Division of Consumer Affairs
1100 Raymond Boulevard
Newark, New Jersey 07102

FORMAL OPINION NO. 1—1982

Dear Director Barry:

You have asked for an opinion as to the effective date of the Plain Language Act with respect to those consumer contracts subject to the federal Truth in Lending Act. For the following reasons, you are advised that the effective date of the Plain Language Act with respect to that category of consumer contracts is November 30, 1982.

Amendments to the Plain Language Act were signed into law on January 11, 1982, Laws of 1981, c. 464. Section 11 of the Act is pertinent to your inquiry and provide in part:

This act shall take effect April 15, 1982 but with respect to consumer contracts which are subject to the federal Truth in Lending Act (P.L. 90-321, 15 U.S.C. §1601 et seq.), this act shall take effect 60 days after the next revision of regulations made pursuant to that act or April 15, 1982, which ever is later. . . .

Since the amendment is structured to "take effect 60 days after the next revision of regulations made pursuant to that act . . .", it is necessary to discern the probable legislative intent behind the meaning of that phrase. There is no legislative history which provides any clarification. Therefore, the Act should be construed sensibly and in light of developments at the federal level with regard to the promulgation of regulations under the federal Truth in Lending Act.

The Truth in Lending Act (15 U.S.C. §1601 et seq.) was amended by Congress on April 1, 1980. The Federal Reserve System published revised regulations in the Federal Register on April 7, 1981 (12 C.F.R. Part 226). The proposed mandatory effective date of the revised regulations was determined to be April 1, 1982. On December 26, 1981, however, President Reagan signed into law an amendment to the Act which delayed the