

**CHAPTER 36**  
**(Corrected Copy)**

**AN ACT** concerning casinos and casino simulcasting, amending various parts of the statutory law, and amending and supplementing P.L.1977, c.110 (C.5:12-1 et seq.).

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

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

C.5:12-12 "Casino service industry enterprise."

12. "Casino Service Industry Enterprise" -- Any vendor which provides casino applicants or licensees with goods or services regarding the realty, construction, maintenance, or business of a proposed or existing casino hotel or related facility or which purchases goods or services from, or which does any other business with, casino applicants or licensees on a regular or continuing basis, including, without limitation, junket enterprises, security businesses, gaming schools, manufacturers, distributors and servicers of gaming and casino simulcasting devices or equipment, in-State and out-of-State sending tracks as defined in section 2 of the "Casino Simulcasting Act," P.L.1992, c.19 (C.5:12-192), garbage haulers, maintenance companies, food purveyors, and construction companies. Notwithstanding the foregoing, any form of enterprise engaged in the manufacture, sale, distribution, testing or repair of slot machines within New Jersey, other than antique slot machines as defined in N.J.S.2C:37-7, shall be considered a casino service industry enterprise for the purposes of this act regardless of the nature of its business relationship, if any, with casino applicants and licensees in this State.

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

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

C.5:12-24 "Gross revenue."

24. "Gross Revenue"-- The total of all sums actually received by a casino licensee from gaming operations, less only the total of all sums actually paid out as winnings to patrons; provided, however, that the cash equivalent value of any merchandise or thing of value included in a jackpot or payout shall not be included in the total of all sums paid out as winnings to patrons for purposes of determining gross revenue. "Gross Revenue" shall not include any amount received by a casino from casino simulcasting pursuant to the "Casino Simulcasting Act," P.L.1992, c.19 (C.5:12-191 et al.).

3. Section 5 of P.L.2004, c.184 (C.5:12-45.2) is amended to read as follows:

C.5:12-45.2 "Slot system operator."

5. "Slot system operator" - Any person designated in a slot system agreement as being responsible for the operation and administration of a multi-casino progressive slot machine system, including a casino licensee, a group of casino licensees acting jointly or a casino service industry enterprise licensed pursuant to subsection a. of section 92 of P.L.1977, c.110 (C.5:12-92), or an eligible applicant for such license.

4. Section 58 of P.L.1977, c.110 (C.5:12-58) is amended to read as follows:

C.5:12-58 Restrictions on pre-employment by commissioners, commission employees and division employees and agents.

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

a. Deleted by amendment.

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

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

d. Each member of the commission and the director of the division shall file with the State Ethics Commission a financial disclosure statement listing all assets and liabilities, property and business interests, and sources of income of said member or director and said member's or director's spouse and shall provide to the State Ethics Commission a financial disclosure statement listing all assets and liabilities, property and business interests, and sources of income of the parents, brothers, sisters, and children of said member or director. Such statement shall be under oath and shall be filed at the time of appointment and annually thereafter.

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

5. Section 60 of P.L.1977, c.110 (C.5:12-60) is amended to read as follows:  
C.5:12-60 Post-employment restrictions.

60. Post-employment restrictions.

a. No member of the commission shall hold any direct or indirect interest in, or be employed by, any applicant or by any person licensed by or registered with the commission for a period of 4 years commencing on the date his membership on the commission terminates.

b. (1) No employee of the commission or employee or agent of the division may acquire any direct or indirect interest in, or accept employment with, any applicant or any person licensed by or registered with the commission, for a period of two years commencing at the termination of employment with the commission or division, except that a secretarial or clerical employee of the commission or the division may accept such employment at any time after the termination of employment with the commission or division. At the end of two years and for a period of two years thereafter, a former employee or agent who held a policy-making management position at any time during the five years prior to termination of employment may acquire an interest in, or accept employment with, any applicant or person licensed by or registered with the commission upon application to and the approval of the commission upon a finding that the interest to be acquired or the employment will not create the appearance of a conflict of interest and does not evidence a conflict of interest in fact.

(2) Notwithstanding the provisions of this subsection, if the employment of a commission employee or a division employee or agent, other than an employee or agent who held a policy-making management position at any time during the five years prior to termination of employment, is terminated as a result of a reduction in the workforce at the commission or division, the employee or agent may, at any time prior to the end of the two-year period, accept employment with any applicant or person licensed by or registered with the commission upon application to and the approval of the commission upon a finding that the employment will not create the appearance of a conflict of interest and does not evidence a conflict of interest in fact. The decision of the commission shall be final, and the employee or agent shall not be subject to a determination by the State Ethics Commission under section 4 of P.L.1981, c.142 (C.52:13D-17.2).

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

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

e. Notwithstanding any post-employment restriction imposed by this section, nothing herein shall prohibit a former commission member or employee or former division employee or agent, at any time after termination of such membership or employment, from acquiring an interest in, or soliciting or obtaining employment with, any person licensed as a casino service industry enterprise under subsection c. of section 92 of this act or any applicant for such licensure.

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

C.5:12-80 General provisions.

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

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

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

d. All applicants, licensees, registrants, and any other person who shall be qualified pursuant to this act shall have the continuing duty to provide any assistance or information required by the commission or division, and to cooperate in any inquiry or investigation conducted by the division and any inquiry, investigation, or hearing conducted by the commission. If, upon issuance of a formal request to answer or produce information, evidence or testimony, any applicant, licensee, registrant, or any other person who shall be qualified pursuant to this act refuses to comply, the application, license, registration or qualification of such person may be denied or revoked by the commission.

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

f. Each applicant or person who must be qualified under this act shall be photographed and fingerprinted for identification and investigation purposes in accordance with procedures established by the commission.

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

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

7. Section 82 of P.L.1977, c.110 (C.5:12-82) is amended to read as follows:

C.5:12-82 Casino license – applicant eligibility.

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

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

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

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

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

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

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

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

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

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

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

(5) As to agreements to lease an approved casino hotel or the land thereunder, unless it expressly and by formal vote for good cause determines otherwise, the commission shall require that each party thereto hold either a casino license or casino service industry enterprise license and that such an agreement be for a durational term exceeding 30 years, concern 100% of the entire approved casino hotel or of the land upon which same is located, and include within its terms a buy-out provision conferring upon the casino licensee-lessee who controls the operation of the approved casino hotel the absolute right to purchase for an expressly set forth fixed sum the entire interest of the lessor or any person associated with

the lessor in the approved casino hotel or the land thereunder in the event that said lessor or said person associated with the lessor is found by the commission to be unsuitable to be associated with a casino enterprise;

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

(7) As to agreements for the management of a casino and, if applicable, the authorized games in a casino simulcasting facility, the commission shall require that each party thereto hold a casino license, that the party thereto who is to manage the casino gaming operations own at least 10% of all outstanding equity securities of any casino licensee or of any eligible applicant for a casino license if the said licensee or applicant is a corporation and the ownership of an equivalent interest in any casino licensee or in any eligible applicant for a casino license if same is not a corporation, and that such an agreement be for the complete management of all casino space in the casino hotel and, if applicable, all authorized games in a casino simulcasting facility, provide for the sole and unrestricted power to direct the casino gaming operations of the casino hotel which is the subject of the agreement, and be for such a durational term as to assure reasonable continuity, stability and independence in the management of the casino gaming operations, provided that the provisions of this paragraph shall not apply to a slot system agreement between a group of casino licensees and a casino service industry enterprise licensed pursuant to subsection a. of section 92 of P.L.1977, c.110 (C.5:12-92), or an eligible applicant for such license, and that, with regard to such agreements, the casino service industry enterprise licensee or applicant may operate and administer the multi-casino progressive slot machine system, including, but not limited to, the operation of a monitor room or the payment of progressive jackpots, including annuity jackpots, or both, and further provided that the obligation to pay a progressive jackpot or establish an annuity jackpot guarantee shall be the sole responsibility of the casino licensee or casino service industry enterprise licensee or applicant designated in the slot system agreement and that no other party shall be jointly or severally liable for the payment or funding of such jackpots or guarantees unless such liability is specifically established in the slot system agreement;

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

(9) Notwithstanding any other provision of P.L.1977, c.110 (C.5:12-1 et seq.) to the contrary, the commission may permit an agreement between a casino licensee and a casino service industry enterprise licensed pursuant to the provisions of subsection a. of section 92 of P.L.1977, c.110 (C.5:12-92) for the conduct of casino simulcasting in a simulcasting facility or for the operation of a multi-casino progressive slot machine system, to provide for the payment to the casino service industry enterprise of an interest, percentage or share of the

money derived from the casino licensee's share of proceeds from simulcast wagering activity or the operation of a multi-casino progressive slot machine system; and

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

d. No corporation shall be eligible to apply for a casino license unless:

(1) The corporation shall be incorporated in the State of New Jersey, although such corporation may be a wholly or partially owned subsidiary of a corporation which is organized pursuant to the laws of another state of the United States or of a foreign country;

(2) The corporation shall maintain an office of the corporation in the casino hotel licensed or to be licensed;

(3) The corporation shall comply with all the requirements of the laws of the State of New Jersey pertaining to corporations;

(4) The corporation shall maintain a ledger in the principal office of the corporation in New Jersey which shall at all times reflect the current ownership of every class of security issued by the corporation and shall be available for inspection by the commission or the division and authorized agents of the commission and the division at all reasonable times without notice;

(5) The corporation shall maintain all operating accounts required by the commission in a bank in New Jersey, except that a casino licensee may establish deposit-only accounts in any jurisdiction in order to obtain payment of any check described in section 101 of P.L.1977, c.110 (C.5:12-101);

(6) The corporation shall include among the purposes stated in its certificate of incorporation the conduct of casino gaming and provide that the certificate of incorporation includes all provisions required by this act;

(7) The corporation, if it is not a publicly traded corporation, shall file with the commission such adopted corporate charter provisions as may be necessary to establish the right of prior approval by the commission with regard to transfers of securities, shares, and other interests in the applicant corporation; and, if it is a publicly traded corporation, provide in its corporate charter that any securities of such corporation are held subject to the condition that if a holder thereof is found to be disqualified by the commission pursuant to the provisions of this act, such holder shall dispose of his interest in the corporation; provided, however, that, notwithstanding the provisions of N.J.S.14A:7-12 and N.J.S.12A:8-101 et seq., nothing herein shall be deemed to require that any security of such corporation bear any legend to this effect;

(8) The corporation, if it is not a publicly traded corporation, shall establish to the satisfaction of the commission that appropriate charter provisions create the absolute right of such non-publicly traded corporations and companies to repurchase at the market price or the purchase price, whichever is the lesser, any security, share or other interest in the corporation in the event that the commission disapproves a transfer in accordance with the provisions of this act;

(9) Any publicly traded holding, intermediary, or subsidiary company of the corporation, whether the corporation is publicly traded or not, shall contain in its corporate charter the same provisions required under paragraph (7) for a publicly traded corporation to be eligible to apply for a casino license; and

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

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

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

e. No person shall be issued or be the holder of a casino license if the issuance or the holding results in undue economic concentration in Atlantic City casino operations by that person. The commission shall, after conducting public hearings thereon, promulgate rules and regulations in accordance with the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) defining the criteria the commission will use in determining what constitutes undue economic concentration. For the purpose of this subsection a person shall be considered the holder of a casino license if such license is issued to such person or if such license is held by any holding, intermediary or subsidiary company thereof, or by any officer, director, casino key employee or principal employee of such person, or of any holding, intermediary or subsidiary company thereof.

8. Section 84 of P.L.1977, c.110 (C.5:12-84) is amended to read as follows:

C.5:12-84 Casino license – applicant requirements.

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

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



b. Each applicant shall produce such information, documentation and assurances as may be necessary to establish by clear and convincing evidence the integrity of all financial backers, investors, mortgagees, bondholders, and holders of indentures, notes or other evidences of indebtedness, either in effect or proposed, which bears any relation to the casino proposal submitted by the applicant or applicants; provided, however, that this section shall not apply to banking or other licensed lending institutions exempted from the qualification requirements of subsections c. and d. of section 85 of P.L.1977, c.110 (C.5:12-85) and institutional investors waived from the qualification requirements of those subsections pursuant to the provisions of subsection f. of section 85 of P.L.1977, c.110 (C.5:12-85). Any such banking or licensed lending institution or institutional investor shall, however, produce for the commission or the division upon request any document or information which bears any relation to the casino proposal submitted by the applicant or applicants. The integrity of financial sources shall be judged upon the same standards as the applicant. In addition, the applicant shall produce whatever information, documentation or assurances as may be required to establish by clear and convincing evidence the adequacy of financial resources both as to the completion of the casino proposal and the operation of the casino.

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

d. Each applicant shall produce such information, documentation and assurances as may be required to establish by clear and convincing evidence that the applicant has sufficient business ability and casino experience as to establish the likelihood of creation and maintenance of a successful, efficient casino operation. The applicant shall produce the names of all proposed casino key employees as they become known and a description of their respective or proposed responsibilities, and a full description of security systems and management controls proposed for the casino and related facilities.

e. Each applicant shall produce such information, documentation and assurances to establish to the satisfaction of the commission the suitability of the casino and related facilities subject to subsection i. of section 83 of P.L.1977, c.110 (C.5:12-83) and its

proposed location will not adversely affect casino operations. Each applicant shall submit an impact statement which shall include, without limitation, architectural and site plans which establish that the proposed facilities comply in all respects with the requirements of this act and the requirements of the master plan and zoning and planning ordinances of Atlantic City, without any use variance from the provisions thereof; a market impact study which analyzes the adequacy of the patron market and the effect of the proposal on such market and on the existing casino facilities licensed under this act; and an analysis of the effect of the proposal on the overall economic and competitive conditions of Atlantic City and the State of New Jersey.

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

9. Section 85 of P.L.1977, c.110 (C.5:12-85) is amended to read as follows:

C.5:12-85 Additional requirements.

85. Additional Requirements.

a. In addition to other information required by this act, a corporation applying for a casino license shall provide the following information:

(1) The organization, financial structure and nature of all businesses operated by the corporation; the names and personal employment and criminal histories of all officers, directors and principal employees of the corporation; the names of all holding, intermediary and subsidiary companies of the corporation; and the organization, financial structure and nature of all businesses operated by such of its holding, intermediary and subsidiary companies as the commission may require, including names and personal employment and criminal histories of such officers, directors and principal employees of such corporations and companies as the commission may require;

(2) The rights and privileges acquired by the holders of different classes of authorized securities of such corporations and companies as the commission may require, including the names, addresses and amounts held by all holders of such securities;

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

(4) The terms and conditions of all outstanding loans, mortgages, trust deeds, pledges or any other indebtedness or security devices utilized by the corporation;

(5) The extent of the equity security holding in the corporation of all officers, directors and underwriters, and their remuneration in the form of salary, wages, fees or otherwise;

(6) Names of persons other than directors and officers who occupy positions specified by the commission or whose compensation exceeds an amount determined by the commission, and the amount of their compensation;

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

- (8) Copies of all management and service contracts; and
- (9) A listing of stock options existing or to be created.

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

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

(2) Qualify to do business in the State of New Jersey; and

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

(4) If it is not a corporation, register with the commission and furnish the commission with such information as the commission may prescribe.

c. No corporation shall be eligible to hold a casino license unless each officer; each director; each person who directly or indirectly holds any beneficial interest or ownership of the securities issued by the corporation; any person who in the opinion of the commission has the ability to control the corporation or elect a majority of the board of directors of that corporation, other than a banking or other licensed lending institution which makes a loan or holds a mortgage or other lien acquired in the ordinary course of business; each principal employee; and any lender, underwriter, agent, employee of the corporation, or other person whom the commission may consider appropriate for approval or qualification would, but for residence, individually be qualified for approval as a casino key employee pursuant to the provisions of this act.

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

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

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

that such person does not have the ability to control the company.

e. Any noncorporate applicant for a casino license shall provide the information required in subsection a. of this section in such form as may be required by the commission. No such applicant shall be eligible to hold a casino license unless each person who directly or indirectly holds any beneficial interest or ownership in the applicant, or who in the opinion of the commission has the ability to control the applicant, or whom the commission may consider appropriate for approval or qualification, would, but for residence, individually be qualified for approval as a casino key employee pursuant to the provisions of this act.

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

g. If at any time the commission finds that an institutional investor holding any security of a holding or intermediary company of a casino licensee, or, where relevant, of another subsidiary company of a holding or intermediary company of a casino licensee which is related in any way to the financing of the casino licensee, fails to comply with the terms of subsection f. of this section, or if at any time the commission finds that, by reason of the extent or nature of its holdings, an institutional investor is in a position to exercise such a substantial impact upon the controlling interests of a licensee that qualification of the institutional investor is necessary to protect the public interest, the commission may, in

accordance with the provisions of subsections a. through e. of this section or subsections d. and e. of section 105 of P.L.1977, c.110 (C.5:12-105), take any necessary action to protect the public interest, including requiring such an institutional investor to be qualified pursuant to the provisions of the "Casino Control Act," P.L.1977, c.110 (C.5:12-1 et seq.).

10. Section 89 of P.L.1977, c.110 (C.5:12-89) is amended to read as follows:

C.5:12-89 Licensing of casino key employees.

89. Licensing of Casino Key Employees.

a. No person may be employed as a casino key employee unless he is the holder of a valid casino key employee license issued by the commission.

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

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

(2) Each applicant for a casino key employee license shall produce such information, documentation and assurances as may be required to establish by clear and convincing evidence the applicant's good character, honesty and integrity. Such information shall include, without limitation, data pertaining to family, habits, character, reputation, criminal and arrest record, business activities, financial affairs, and business, professional and personal associates, covering at least the 10-year period immediately preceding the filing of the application. Each applicant shall notify the commission of any civil judgments obtained against such applicant pertaining to antitrust or security regulation laws of the federal government, of this State or of any other state, jurisdiction, province or country. In addition, each applicant shall, upon request of the commission or the division, produce letters of reference from law enforcement agencies having jurisdiction in the applicant's place of residence and principal place of business, which letters of reference shall indicate that such law enforcement agencies do not have any pertinent information concerning the applicant, or if such law enforcement agency does have information pertaining to the applicant, shall specify what that information is. If the applicant has been associated with gaming or casino operations in any capacity, position or employment in a jurisdiction which permits such activity, the applicant shall, upon request of the commission or division, produce letters of reference from the gaming or casino enforcement or control agency, which shall specify the experience of such agency with the applicant, his associates and his participation in the gaming operations of that jurisdiction; provided, however, that if no such letters are received from the appropriate law enforcement agencies within 60 days of the applicant's request therefor, the applicant may submit a statement under oath that he is or was during the period such activities were conducted in good standing with such gaming or casino enforcement or control agency.

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

(4) Each applicant shall be a resident of the State of New Jersey prior to the issuance of a casino key employee license; provided, however, that upon petition by the holder of a casino license, the commission may waive this residency requirement for any applicant whose particular position will require him to be employed outside the State.

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

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

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

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

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

(1) The applicant for the casino key employee license has filed a complete application as required by the commission;

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

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

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

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

In the event that an applicant for a casino key employee license is the holder of a valid casino employee license issued pursuant to section 90 of this act, and if the provisions of paragraphs (1), (2), and (5) of this subsection are satisfied, the commission may issue a temporary casino key employee license upon petition by the holder of a casino license, if the commission finds the issuance of a casino key employee license will be delayed by necessary

investigations and the said temporary casino key employee license is necessary for the operation of the casino.

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

11. Section 90 of P.L.1977, c.110 (C.5:12-90) is amended to read as follows:

C.5:12-90 Licensing of casino employees.

90. Licensing of Casino Employees.

a. No person may commence employment as a casino employee unless he is the holder of a valid casino employee license.

b. Any applicant for a casino employee license must, prior to the issuance of any such license, produce sufficient information, documentation and assurances to meet the qualification criteria, including New Jersey residency, contained in subsection b. of section 89 of this act and any additional residency requirement imposed under subsection c. of this section.

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

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

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

f. For the purposes of this section, casino security employees shall be considered casino employees and must, in addition to any requirements under other laws, be licensed in accordance with the provisions of this act.

g. Upon petition by the holder of a casino license, a temporary license may be issued by the commission to an applicant for a casino employee license provided that:

(1) the applicant for the casino employee license has filed a complete application as required by the commission;

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

(3) the petition for a temporary casino employee license certifies, and the commission finds, that the issuance of a plenary license will be restricted by necessary investigations, and the temporary licensing of the applicant is necessary for the operation of the casino and is not designed to circumvent the normal licensing procedures of the "Casino Control Act"; and

(4) the division does not object to the issuance of the temporary casino employee license.

Unless otherwise terminated pursuant to this act, a temporary license issued pursuant to this subsection shall expire six months from the date of its issuance and be renewable, at the discretion of the commission, for one additional six-month period.

h. Notwithstanding the provisions of subsection e. of this section, no applicant shall be

denied a casino employee license on the basis of a conviction of any of the offenses enumerated in this act as disqualification criteria or the commission of any act or acts which would constitute any offense under subsection c. of section 86 of P.L.1977, c.110 (C.5:12-86), as specified in subsection g. of that section; provided that the applicant has affirmatively demonstrated his rehabilitation. In determining whether the applicant has affirmatively demonstrated his rehabilitation the commission shall consider the following factors:

- (1) The nature and duties of the position applied for;
- (2) The nature and seriousness of the offense or conduct;
- (3) The circumstances under which the offense or conduct occurred;
- (4) The date of the offense or conduct;
- (5) The age of the applicant when the offense or conduct was committed;
- (6) Whether the offense or conduct was an isolated or repeated incident;
- (7) Any social conditions which may have contributed to the offense or conduct;

(8) Any evidence of rehabilitation, including good conduct in prison or in the community, counseling or psychiatric treatment received, acquisition of additional academic or vocational schooling, successful participation in correctional work-release programs, or the recommendation of persons who have or have had the applicant under their supervision.

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

12. Section 91 of P.L.1977, c.110 (C.5:12-91) is amended to read as follows:

C.5:12-91 Registration of casino service employees.

91. Registration of Casino Service Employees.

a. No person may commence employment as a casino service employee unless the person has been registered with the commission, which registration shall be in accordance with subsection f. of this section.

b. Any applicant for casino service employee registration shall produce such information as the commission may require. Subsequent to the registration of a casino service employee, the commission may revoke, suspend, limit, or otherwise restrict the registration upon a finding that the registrant is disqualified on the basis of the criteria contained in section 86 of P.L.1977, c.110 (C.5:12-86). If a casino service employee registrant has not been employed in any position within a casino hotel facility for a period of three years, the registration of that casino service employee shall lapse.

c. The commission may, by regulation, require that all applicants for casino service employee registration be residents of this State for a period not to exceed three months immediately prior to such registration, but application may be made prior to the expiration of the required period of residency. The commission shall waive the required residency period



for an applicant upon a showing that the residency period would cause undue hardship upon the casino licensee which intends to employ said applicant, or upon a showing of other good cause.

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

- (1) The nature and duties of the registrant's position;
- (2) The nature and seriousness of the offense or conduct;
- (3) The circumstances under which the offense or conduct occurred;
- (4) The date of the offense or conduct;
- (5) The age of the registrant when the offense or conduct was committed;
- (6) Whether the offense or conduct was an isolated or repeated incident;
- (7) Any social conditions which may have contributed to the offense or conduct;

(8) Any evidence of rehabilitation, including good conduct in prison or in the community, counseling or psychiatric treatment received, acquisition of additional academic or vocational schooling, successful participation in correctional work-release programs, or the recommendation of persons who have or have had the registrant under their supervision.

e. The commission may waive any disqualification criterion for a casino service employee consistent with the public policy of this act and upon a finding that the interests of justice so require.

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

All casino hotel employee registrations shall expire 120 days after the effective date of this amendatory and supplementary act, P.L.2002, c.65. Any holder of a casino hotel employee registration may until that date convert that registration to a casino service employee registration without fee.

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

13. Section 92 of P.L.1977, c.110 (C.5:12-92) is amended to read as follows:

C.5:12-92 Licensing of casino service industry enterprises.

92. Licensing of casino service industry enterprises.

a. (1) Any business to be conducted with a casino applicant or licensee by a vendor offering goods or services which directly relate to casino or gaming activity, including gaming equipment and simulcast wagering equipment manufacturers, suppliers, repairers and independent testing laboratories, shall be considered regular or continuing and shall require that the vendor be licensed as a casino service industry enterprise in accordance with the provisions of this act prior to conducting any business whatsoever with a casino applicant or licensee, its employees or agents; provided, however, that upon a showing of good cause by a casino applicant or licensee for each business transaction, the commission may permit an applicant for a casino service industry enterprise license to conduct business transactions with such casino applicant or licensee prior to the licensure of that casino service industry enterprise applicant under this subsection.

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

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

c. (1) Any vendor that offers goods or services to a casino applicant or licensee that are not included in subsection a. of this section including, without limitation, construction companies, vending machine providers, linen suppliers, junket enterprises, garbage handlers, maintenance companies, limousine services, food purveyors and suppliers of alcoholic beverages, shall be required to apply for a casino service industry enterprise license when, based upon the dollar amount of business being conducted with casino applicants or licensees or other factors established by the rules of the commission, licensure is deemed necessary to protect the public interest and the policies of this act, P.L.1977, c.110 (C.5:12-1 et seq.).

The rules of the commission shall require that each casino service industry enterprise required to be licensed pursuant to this subsection, as well as such of its owners, management, supervisory personnel, and principal employees with responsibility for services to a casino applicant or licensee as the commission may direct, shall establish by clear and convincing evidence their good character, honesty and integrity.

(2) Notwithstanding the provisions of paragraph (1) of this subsection, the commission

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

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

Upon granting an exemption or at any time thereafter, the commission may limit or place such restrictions thereupon as it may deem necessary in the public interest, and shall require the exempted person to cooperate with the commission and the division and, upon request, to provide information in the same manner as required of a casino service industry enterprise licensed pursuant to this subsection; provided, however, that no exemption be granted unless the casino service industry enterprise complies with the requirements of sections 134 and 135 of this act.

d. Licensure pursuant to subsection c. of this section of any casino service industry enterprise may be denied to any applicant or qualifier thereof disqualified in accordance with the criteria contained in section 86 of this act, except that licensure or qualification shall not be denied if such disqualified applicant or qualifier can affirmatively demonstrate rehabilitation as provided in subsection h. of section 90 of P.L.1977, c.110 (C.5:12-90).

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

f. A casino service industry enterprise licensed pursuant to subsection a. or subsection c. of this section shall require proof, from a subcontractor to a casino service industry enterprise contract with a casino applicant or casino licensee, of valid business registration with the Division of Revenue; verification information shall be forwarded by the casino service industry enterprise to the Division of Taxation in the Department of the Treasury. No subcontract to a casino service industry enterprise contract with a casino applicant or casino licensee shall be entered into by any casino service industry enterprise contractor unless the subcontractor first provides proof of valid business registration.

g. For the purposes of this section, each applicant shall submit to the division the name, address, fingerprints and a written consent for a criminal history record background check to

be performed, for each person required to qualify as part of the application. The division is hereby authorized to exchange fingerprint data with and receive criminal history record information from the State Bureau of Identification in the Division of State Police and the Federal Bureau of Investigation consistent with applicable State and federal laws, rules and regulations. The applicant shall bear the cost for the criminal history record background check, including all costs of administering and processing the check. The Division of State Police shall promptly notify the division in the event a current or prospective qualifier, who was the subject of a criminal history record background check pursuant to this section, is arrested for a crime or offense in this State after the date the background check was performed.

14. Section 94 of P.L.1977, c.110 (C.5:12-94) is amended to read as follows:

C.5:12-94 Approval and denial of registrations and licenses other than casino licenses.

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

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

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

d. When the commission grants an application, the commission may limit or place such restrictions thereupon as it may deem necessary in the public interest. Casino service employee registration shall, upon issuance, remain in effect unless revoked, suspended, limited, or otherwise restricted by the commission. Notwithstanding the foregoing, if a casino service employee registrant has not been employed in any position within a casino hotel facility for a period of three years, the registration of that casino service employee shall lapse. Licenses may be granted and renewed as follows:

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

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

Notwithstanding the foregoing, the commission shall reconsider the granting of any license or the approval of any registration at any time at the request of the division.

e. After an application is submitted to the commission, final action of the commission

shall be taken within 90 days after completion of all hearings and investigations and the receipt of all information required by the commission.

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

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

C.5:12-99 Internal controls.

99. Internal Controls.

a. Each applicant for a casino license shall submit to the commission a description of its initial system of internal procedures and administrative and accounting controls for gaming and simulcast wagering operations accompanied by a certification by its Chief Legal Officer or equivalent that the submitted procedures conform to the requirements of P.L.1977, c.110 (C.5:12-1 et seq.), and the regulations promulgated thereunder, and a certification by its Chief Financial Officer or equivalent that the submitted procedures provide adequate and effective controls, establish a consistent overall system of internal procedures and administrative and accounting controls and conform to generally accepted accounting principles, except an additional standard may be required by the commission for gross revenue tax purposes. Each applicant shall make its initial submission at least 30 business days before such operations are to commence unless otherwise directed by the commission. Except as otherwise provided in subsection b. of this section, a casino licensee, upon submission to the commission of a narrative description of a change in its system of internal procedures and controls and the two certifications described above, may, following the 15th business day after submission, implement the change. Each initial internal control submission shall contain a narrative description of the internal control system to be utilized by the casino, including, but not limited to:

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

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

(3) Job descriptions and the system of personnel and chain-of-command, establishing a diversity of responsibility among employees engaged in casino or simulcasting facility operations and identifying primary and secondary supervisory positions for areas of responsibility, which areas shall not be so extensive as to be impractical for an individual to monitor; salary structure; and personnel practices;

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

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

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

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

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

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

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

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

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

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

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

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

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

(17) Procedures for separately recording all transactions pursuant to section 101 of this act involving the Governor, any State officer or employee, or any special State officer or employee, any member of the Judiciary, any member of the Legislature, any officer of a municipality or county in which casino gaming is authorized, or any gaming related casino employee, and for the quarterly filing with the Attorney General of a list reporting all such transactions; and

(18) Procedures for the orderly shutdown of casino operations in the event that a state of emergency that is declared due to the failure to enact a general appropriation law by the deadline prescribed by Article VIII, Section II, paragraph 2 of the New Jersey Constitution extends for more than seven days, as provided in section 4 of P.L.2008, c.23 (C.5:12-211), or the casino licensee is not eligible to conduct casino operations during such a state of emergency in accordance with section 5 of P.L.2008, c.23 (C.5:12-212), which procedures shall include, without limitation, the securing of all keys and gaming assets.

b. The commission shall review a submission made pursuant to subsection a. to determine whether it conforms to the requirements of this act and to the regulations promulgated thereunder and provides adequate and effective controls for the operations of the particular casino hotel submitting it. If during its review, the commission preliminarily determines that a procedure in the submission contains a substantial and material insufficiency likely to have a direct and materially adverse impact on the integrity of gaming or simulcast wagering operations or the control of gross revenue, the chairman, by written notice to the casino licensee, shall: (1) specify the precise nature of the insufficiency and, when possible, an acceptable alternative procedure, (2) schedule a hearing before the full commission no later than 15 business days after the date of such written notice to plenary and finally determine whether the procedure in question contains the described insufficiency, and (3) direct that the internal controls in issue not yet implemented not be implemented until approved by the commission. Upon receipt of the notice, the casino licensee shall proceed to the scheduled hearing before the full commission and may submit a revised procedure addressing the concerns specified in the notice.

c. Notwithstanding the provisions of subsections a. and b. hereof, the commission shall, by regulation, permit changes to those internal controls required by subsection a. hereof that cannot have a material impact upon the integrity of gaming or simulcast wagering operations

or the control and reporting of gross revenue, including those internal controls described in paragraph (3) of subsection a. hereof, to be implemented by a casino licensee immediately upon the preparation and internal filing of such internal controls.

d. Each casino licensee and applicant shall submit a narrative description of its system of internal procedures and administrative and accounting controls for the recording and reporting of all business transactions and agreements governed by sections 92 and 104 of P.L.1977, c.110 (C.5:12-92 and 5:12-104, as amended) no later than five business days after those operations commence or after any change in those procedures or controls takes effect.

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

C.5:12-100 Games and gaming equipment.

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

b. Gaming equipment shall not be possessed, maintained or exhibited by any person on the premises of a casino hotel except in a casino room, in the simulcasting facility, or in restricted casino areas used for the inspection, repair or storage of such equipment and specifically designated for that purpose by the casino licensee with the approval of the commission. Gaming equipment which supports the conduct of gaming in a casino or simulcasting facility but does not permit or require patron access, such as computers, may be possessed and maintained by a casino licensee in restricted casino areas specifically designated for that purpose by the casino licensee with the approval of the commission. No gaming equipment shall be possessed, maintained, exhibited, brought into or removed from a casino room or simulcasting facility by any person unless such equipment is necessary to the conduct of an authorized game, has permanently affixed, imprinted, impressed or engraved thereon an identification number or symbol authorized by the commission, is under the exclusive control of a casino licensee or his employees, and is brought into or removed from the casino room or simulcasting facility following 24-hour prior notice given to an authorized agent of the commission.

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

Notwithstanding the foregoing, a person may, with the prior approval of the commission and under such terms and conditions as may be required by the commission, possess,

maintain or exhibit gaming equipment in any other area of the casino hotel, provided that such equipment is used for nongaming purposes.

c. Each casino hotel shall contain a count room and such other secure facilities as may be required by the commission for the counting and storage of cash, coins, tokens, checks, plaques, gaming vouchers, coupons, and other devices or items of value used in wagering and approved by the commission that are received in the conduct of gaming and for the inspection, counting and storage of dice, cards, chips and other representatives of value. All drop boxes and other devices in which the foregoing items are deposited at the gaming tables or in slot machines, and all areas wherein such boxes and devices are kept while in use, shall be equipped with two locking devices, one key to which shall be under the exclusive control of the commission and the other under the exclusive control of the casino licensee, and said drop boxes and other devices shall not be brought into or removed from a casino room or simulcasting facility, or locked or unlocked, except at such times, in such places, and according to such procedures as the commission may require. In the event that a state of emergency is declared due to the failure to enact a general appropriation law by the deadline prescribed by Article VIII, Section II, paragraph 2 of the New Jersey Constitution, the commission, in accordance with section 4 of P.L.2008, c.23 (C.5:12-211), may, at its discretion, and as may be necessary to ensure the continuity of casino operations and the collection and counting of gross revenue, give temporary custody of its key to a certified public accountant approved by the commission, who shall act in the capacity of the commission with respect to the use, control and security of the key in accordance with internal controls approved by the commission in accordance with section 5 of P.L.2008, c.23 (C.5:12-212).

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

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

f. Each casino licensee shall make available in printed form to any patron upon request the complete text of the rules of the commission regarding games and the conduct of gaming, pay-offs of winning wagers, an approximation of the odds of winning for each wager, and such other advice to the player as the commission shall require. Each casino licensee shall prominently post within a casino room and simulcasting facility, as appropriate, according to regulations of the commission such information about gaming rules, pay-offs of winning wagers, the odds of winning for each wager, and such other advice to the player as the commission shall require.

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

h. (1) Except as herein provided, no slot machine shall be used to conduct gaming unless it is identical in all electrical, mechanical and other aspects to a model thereof which has been specifically tested by the division and licensed for use by the commission. At the request of the commission, the division shall also test any other gaming device, gaming



equipment, gaming-related device or gross-revenue related device, such as a slot management system, electronic transfer credit system or gaming voucher system. In its discretion and for the purpose of expediting the approval process, the division may utilize the services of a private testing laboratory that has obtained a plenary license as a casino service industry enterprise pursuant to subsection a. of section 92 of P.L.1977, c.110 (C.5:12-92) to perform the testing, and may also utilize applicable data from any such private testing laboratory or from a governmental agency of a state other than New Jersey authorized to regulate slot machines and other gaming devices, gaming equipment, gaming-related devices and gross-revenue related devices used in casino gaming, if the private testing laboratory or governmental agency uses a testing methodology substantially similar to the methodology utilized by the division. Notwithstanding the provisions of this paragraph, the division shall in all instances use the data provided by the private testing laboratory or governmental agency to conduct its own independent evaluation, and shall form its own independent conclusions regarding any submitted device.

(2) The division shall, within 60 days of its receipt of a complete application for the testing of a slot machine or other gaming equipment model, recommend the approval or rejection of the slot machine or other gaming equipment model to the commission. In its report to the commission regarding its recommendation, the division shall specify whether and to what extent any data from a private testing laboratory or governmental agency of a state other than New Jersey was used in reaching its conclusions and recommendation. If the division is unable to complete the testing of a slot machine or other gaming equipment model within this 60-day period, the division may recommend that the commission conditionally approve the slot machine or other gaming equipment model for test use by a casino licensee provided that the division represents that the use of the slot machine or other gaming equipment model will not have a direct and materially adverse impact on the integrity of gaming or the control of gross revenue. The division shall give priority to the testing of slot machines or other gaming equipment which a casino licensee has certified it will use in its casino in this State.

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

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

- (a) promote optimum security for casino operations;
- (b) avoid deception or frequent distraction to players at gaming tables;
- (c) promote the comfort of patrons;
- (d) create and maintain a gracious playing environment in the casino; and
- (e) encourage and preserve competition in casino operations by assuring that a variety of gaming opportunities is offered to the public.

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

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

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

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

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

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

n. It shall be unlawful for any casino key employee or any person who is required to hold a casino key employee license as a condition of employment or qualification to wager in any casino or simulcasting facility in this State, or any casino employee, other than a junket representative, bartender, waiter, waitress, or other casino employee who, in the judgment of the commission, is not directly involved with the conduct of gaming operations, to wager in a casino or simulcasting facility in the casino hotel in which the employee is employed or in any other casino or simulcasting facility in this State which is owned or operated by the same casino licensee. Any casino employee, other than a junket representative, bartender, waiter, waitress, or other casino employee who, in the judgment of the commission, is not directly involved with the conduct of gaming operations, must wait at least 30 days following the date that the employee either leaves employment with a casino licensee or is terminated from employment with a casino licensee before the employee may gamble in a casino or simulcasting facility in the casino hotel in which the employee was formerly employed or in any other casino or simulcasting facility in this State which is owned or operated by the same casino licensee.

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

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

(3) Notwithstanding the provisions of paragraph (1) of this subsection, a casino licensee may require that a percentage of the prize pool offered to participants pursuant to an authorized poker tournament be withheld for distribution to the tournament dealers as tips or gratuities in accordance with procedures approved by the commission.

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

17. Section 101 of P.L.1977, c.110 (C.5:12-101) is amended to read as follows:

C.5:12-101 Credit.

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

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

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

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

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

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

(3) The check is presented to the cashier or the cashier's representative at a location in the casino approved by the commission and is exchanged for cash or slot tokens which total an amount equal to the amount for which the check is drawn, or the check is presented to the cashier's representative at a gaming table in exchange for chips which total an amount equal to the amount for which the check is drawn; and

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

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

c. When a casino licensee or other person licensed under this act, or any person acting on behalf of or under any arrangement with a casino licensee or other person licensed under this act, cashes a check in conformity with the requirements of subsection b. of this section, the casino licensee shall cause the deposit of such check in a bank for collection or payment, or shall require an attorney or casino key employee with no incompatible functions to present such check to the drawer's bank for payment, within (1) seven calendar days of the date of the transaction for a check in an amount of \$1,000.00 or less; (2) 14 calendar days of the date of the transaction for a check in an amount greater than \$1,000.00 but less than or equal to \$5,000.00; or (3) 45 calendar days of the date of the transaction for a check in an amount greater than \$5,000.00. Notwithstanding the foregoing, the drawer of the check may redeem the check by exchanging cash, cash equivalents, chips, or a check which meets the requirements of subsection g. of this section in an amount equal to the amount for which the

check is drawn; or he may redeem the check in part by exchanging cash, cash equivalents, chips, or a check which meets the requirements of subsection g. of this section and another check which meets the requirements of subsection b. of this section for the difference between the original check and the cash, cash equivalents, chips, or check tendered; or he may issue one check which meets the requirements of subsection b. of this section in an amount sufficient to redeem two or more checks drawn to the order of the casino licensee. If there has been a partial redemption or a consolidation in conformity with the provisions of this subsection, the newly issued check shall be delivered to a bank for collection or payment or presented to the drawer's bank for payment by an attorney or casino key employee with no incompatible functions within the period herein specified. No casino licensee or any person licensed under this act, and no person acting on behalf of or under any arrangement with a casino licensee or other person licensed under this act, shall accept any check or series of checks in redemption or consolidation of another check or checks in accordance with this subsection for the purpose of avoiding or delaying the deposit of a check in a bank for collection or payment or the presentment of the check to the drawer's bank within the time period prescribed by this subsection.

In computing a time period prescribed by this subsection, the last day of the period shall be included unless it is a Saturday, Sunday, or a State or federal holiday, in which event the time period shall run until the next business day.

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

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

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

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

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

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

e. No person other than one licensed as a casino key employee or as a casino employee may engage in efforts to collect upon checks that have been returned by banks without full and final payment, except that an attorney-at-law representing a casino licensee may bring action for such collection.

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

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

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

for goods or services rendered;

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

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

(d) The check is issued by a slot system operator or pursuant to an annuity jackpot guarantee as payment for winnings from a multi-casino progressive slot machine system jackpot; or

(e) The check is issued by an affiliate of a casino licensee that holds a gaming license in any jurisdiction, is made payable to the person presenting the check, and is issued for a purpose other than employment compensation or as payment for goods or services rendered;

(2) The check is identifiable in a manner approved by the commission as a check authorized for acceptance pursuant to paragraph (1) of this subsection;

(3) The check is dated, but not postdated;

(4) The check is presented to the cashier or the cashier's representative by the original payee and its validity is verified by the drawer in the case of a check drawn pursuant to subparagraph (a) of paragraph (1) of this subsection, or the check is verified in accordance with regulations promulgated by the commission in the case of a check issued pursuant to subparagraph (b), (c), (d) or (e) of paragraph (1) of this subsection; and

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

No casino licensee shall issue a check for the purpose of making a loan or otherwise providing or allowing any advance or credit to a person to enable the person to take part in gaming or simulcast wagering activity as a player.

h. Notwithstanding the provisions of subsection b. and subsection c. of this section to the contrary, a casino licensee may, at a location outside the casino, accept a personal check or checks from a person for up to \$5,000 in exchange for cash or cash equivalents, and may, at such locations within the casino or casino simulcasting facility as may be permitted by the commission, accept a personal check or checks for up to \$5,000 in exchange for cash, cash equivalents, tokens, chips, or plaques to enable the person to take part in gaming or simulcast wagering activity as a player, provided that:

(a) The check is drawn on the patron's bank or brokerage cash management account;

(b) The check is for a specific amount;

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

(d) The check is dated but not post-dated;

(e) The patron's identity is established by examination of one of the following: valid credit card, driver's license, passport, or other form of identification credential which contains, at a minimum, the patron's signature;

(f) The check is restrictively endorsed "For Deposit Only" to the casino licensee's bank account and deposited on the next banking day following the date of the transaction;

(g) The total amount of personal checks accepted by any one licensee pursuant to this subsection that are outstanding at any time, including the current check being submitted, does not exceed \$5,000;

(h) The casino licensee has an approved system of internal controls in place that will enable it to determine the amount of outstanding personal checks received from any patron

pursuant to this subsection at any given point in time; and

(i) The casino licensee maintains a record of each such transaction in accordance with regulations established by the commission.

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

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

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

18. Section 102 of P.L.1977, c.110 (C.5:12-102) is amended to read as follows:

C.5:12-102 Junkets and complimentary services.

102. Junkets and Complimentary Services.

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

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

c. Junket enterprises which, and junket representatives not employed by a casino licensee or an applicant for a casino license or by a junket enterprise who, are engaged in activities governed by this section shall be subject to the provisions of subsection c. of section 92 and subsection b. of section 104 of P.L.1977, c.110 (C.5:12-92 and 5:12-104) with regard to those activities, unless otherwise directed by the commission pursuant to subsection k. of this section. Such of the owners, management and supervisory personnel, and other principal employees of a junket enterprise as the commission may consider appropriate for qualification shall qualify under the standards, except for residency, established for qualification of a casino key employee under P.L.1977, c.110 (C.5:12-1 et seq.).

d. Prior to the issuance of any license required by this section, an applicant for licensure shall submit to the jurisdiction of the State of New Jersey and shall demonstrate to the satisfaction of the commission that he is amenable to service of process within this State. Failure to establish or maintain compliance with the requirements of this subsection shall constitute sufficient cause for the denial, suspension or revocation of any license issued pursuant to this section.

e. Upon petition by the holder of a casino license, an applicant for junket representative licensure may be issued a temporary license by the commission, provided that:

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

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

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

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

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

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

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

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

h. A casino licensee shall be responsible for any violation or deviation from the terms of a junket. Notwithstanding any other provisions of this act, the commission may, after hearings in accordance with this act, order restitution to junket participants, assess penalties for such violations or deviations, prohibit future junkets by the casino licensee, junket enterprise or junket representative, and order such further relief as it deems appropriate.

i. The commission shall, by regulation, prescribe methods, procedures and forms for the delivery and retention of information concerning the conduct of junkets by casino licensees. Without limitation of the foregoing, each casino licensee, in accordance with the rules of the commission, shall:

(1) Maintain on file a report describing the operation of any junket engaged in on its premises;

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

(3) Submit to the commission and division a list of all its employees who are acting as junket representatives.

j. Each casino licensee, junket representative or junket enterprise shall, in accordance with the rules of the commission, file a report with the division with respect to each list of

junket patrons or potential junket patrons purchased directly or indirectly by the casino licensee, junket representative or enterprise.

k. The commission shall have the authority to determine, either by regulation, or upon petition by the holder of a casino license, that a type of arrangement otherwise included within the definition of "junket" established by section 29 of P.L.1977, c.110 (C.5:12-29) shall not require compliance with any or all of the requirements of this section. The commission shall seek the opinion of the division prior to granting any exemption. In granting exemptions, the commission shall consider such factors as the nature, volume and significance of the particular type of arrangement, and whether the exemption would be consistent with the public policies established by this act. In applying the provisions of this subsection, the commission may condition, limit, or restrict any exemption as the commission may deem appropriate.

l. No junket enterprise or junket representative or person acting as a junket representative may:

(1) Engage in efforts to collect upon checks that have been returned by banks without full and final payment;

(2) Exercise approval authority with regard to the authorization or issuance of credit pursuant to section 101 of P.L.1977, c.110 (C.5:12-101);

(3) Act on behalf of or under any arrangement with a casino licensee or a gaming patron with regard to the redemption, consolidation, or substitution of the gaming patron's checks awaiting deposit pursuant to subsection c. of section 101 of P.L.1977, c.110 (C.5:12-101);

(4) Individually receive or retain any fee from a patron for the privilege of participating in a junket;

(5) Pay for any services, including transportation, or other items of value provided to, or for the benefit of, any patron participating in a junket.

m. No casino licensee shall offer or provide any complimentary services, gifts, cash or other items of value to any person unless:

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

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

(3) The complimentary consists of coins, tokens, cash or other complimentary items or services provided through a bus coupon or other complimentary distribution program which, notwithstanding the requirements of section 99 of P.L.1977, c.110 (C.5:12-99), shall be filed with the commission upon the implementation of the program or maintained pursuant to commission regulation.

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

Each casino licensee shall maintain a regulated complimentary service account, for those complimentary services which are permitted pursuant to this section, and shall submit a quarterly report to the commission based upon such account and covering all complimentary services offered or engaged in by the licensee during the immediately preceding quarter. Such reports



shall include identification of the regulated complimentary services and their respective costs, the number of persons by category of service who received the same, and such other information as the commission may require.

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

No casino applicant or licensee shall provide directly or indirectly to any person any complimentary service or discount which is other than such service or discount that is offered to members of the general public in like circumstance.

o. Any person who, on the effective date of this 1992 amendatory act, P.L.1992, c.9, holds a current and valid plenary junket representative license, a junket representative license with a sole owner-operator endorsement, or a junket enterprise license authorizing the conduct of junket activities, shall be considered licensed in accordance with the provisions of this section and subsection c. of section 92 of P.L.1977, c.110 (C.5:12-92) for the remaining term of his current license.

19. Section 103 of P.L.1977, c.110 (C.5:12-103) is amended to read as follows:

C.5:12-103 Alcoholic beverages in casino hotel facilities.

103. Alcoholic Beverages in Casino Hotel Facilities.

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

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

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

d. Except as otherwise provided in this section, the provisions of Title 33 of the Revised Statutes and the rules, regulations and bulletins promulgated by the Director of the Division

of Alcoholic Beverage Control shall apply to a Casino Hotel and Casino Hotel Alcoholic Beverage Licensee licensed under this act.

e. Notwithstanding any provision to the contrary, the commission may promulgate any regulations and special rulings and findings as may be necessary for the proper enforcement, regulation, and control of alcoholic beverages in casino hotels when the commission finds that the uniqueness of casino operations and the public interest require that such regulations, rulings, and findings are appropriate. Regulations of the commission may include but are not limited to: designation and duties of enforcement personnel; all forms necessary or convenient in the administration of this section; inspections, investigations, searches, seizures; licensing and disciplinary standards; requirements and standards for any hearings or disciplinary or other proceedings that may be required from time to time; the assessment of fines or penalties for violations; hours of sale; sales in original containers; sales on credit; out-of-door sales; limitations on sales; gifts and promotional materials; locations or places for sale; control of signs and other displays; identification of licensees and their employees; employment of aliens and minors; storage, transportation and sanitary requirements; records to be kept by the Casino Hotel Alcoholic Beverage Licensees and availability thereof; practices unduly designed to increase consumption of alcoholic beverages; and such other matters whatsoever as are or may become necessary and consistent with the administration of this act.

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

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

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

(1) To sell any alcoholic beverage by the glass or other open receptacle including, but not limited to, an original container, for on-premise consumption within a casino or simulcasting facility; provided, however, that no alcoholic beverage shall be sold or given for consumption; delivered or otherwise brought to a patron; or consumed at a gaming table unless so requested by the patron.

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

premises.

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

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

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

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

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

(3) No Casino Hotel Alcoholic Beverage License which authorizes the possession or storage of alcoholic beverages pursuant to subsection g. of this section shall issue to any applicant who does not hold a Casino Hotel Alcoholic Beverage License, permitting any activity pursuant to subsection g.(1), (2), (3), or (4) of this section.

i. The commission may revoke, suspend, refuse to renew or refuse to transfer any Casino Hotel Alcoholic Beverage License, or fine or penalize any Casino Hotel Alcoholic Beverage Licensee for violations of any provision of Title 33 of the Revised Statutes, the rules and regulations promulgated by the Director of the Division of Alcoholic Beverage Control, and the regulations promulgated by the commission.

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

20. Section 104 of P.L.1977, c.110 (C.5:12-104) is amended to read as follows:

C.5:12-104 Casino licensee leases and contracts.

104. a. Unless otherwise provided in this subsection, no agreement shall be lawful which provides for the payment, however defined, of any direct or indirect interest, percentage or share of: any money or property gambled at a casino or simulcasting facility; any money or

property derived from casino gaming activity or wagering at a simulcasting facility; or any revenues, profits or earnings of a casino or simulcasting facility. Notwithstanding the foregoing:

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

(2) Agreements between a casino licensee and a junket enterprise or junket representative licensed, qualified or registered in accordance with the provisions of P.L.1977, c.110 (C.5:12-1 et seq.) and the regulations of the commission which provide for the compensation of the junket enterprise or junket representative by the casino licensee based upon the actual casino gaming or simulcast wagering activities of a patron procured or referred by the junket enterprise or junket representative shall be lawful if filed with the division prior to the conduct of any junket that is governed by the agreement.

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

(4) Agreements to lease an approved casino hotel or the land thereunder and agreements for the complete management of all casino gaming operations in a casino hotel shall not be subject to the provisions of this subsection but shall rather be subject to the provisions of subsections b. and c. of section 82 of this act.

(5) Agreements which provide for percentage charges between the casino licensee and a holding company or intermediary company of the casino licensee shall be in writing and filed with the commission but shall not be subject to the provisions of this subsection.

(6) Agreements relating to simulcast racing and wagering between a casino licensee and an in-State or out-of-State sending track licensed or exempt from licensure in accordance with subsection c. of section 92 of P.L.1977, c.110 (C.5:12-92) shall be in writing, be filed with the commission, and be lawful and effective only if expressly approved as to their terms by the commission and the New Jersey Racing Commission, except that any such agreements which provide for a percentage of the parimutuel pool wagered at a simulcasting facility to be paid to the sending track shall not be subject to the provisions of this subsection.

(7) Agreements relating to simulcast racing and wagering between a casino licensee and a casino service industry enterprise licensed pursuant to the provisions of subsection a. of section 92 of P.L.1977, c.110 (C.5:12-92) as a hub facility, as defined in joint regulations of the Casino Control Commission and the New Jersey Racing Commission, shall be in writing, be filed with the commission, and be lawful and effective only if expressly approved as to their terms by the commission and the New Jersey Racing Commission, except that any such agreements which provide for a percentage of the casino licensee's share of the parimutuel pool wagered at a simulcasting facility to be paid to the hub facility shall not be subject to the provisions of this subsection.

(8) Agreements relating to simulcast racing and wagering between a casino licensee and a casino service industry enterprise licensed pursuant to the provisions of subsection a. of section 92 of P.L.1977, c.110 (C.5:12-92) to conduct casino simulcasting in a simulcasting

facility shall be in writing, be filed with the commission, and be lawful and effective only if expressly approved as to their terms by the commission, except that any such agreements which provide for a percentage of the casino licensee's share of the parimutuel pool wagered at a simulcasting facility to be paid to the casino service industry enterprise shall not be subject to the provisions of this subsection.

(9) Written agreements relating to the operation of multi-casino progressive slot machine systems between one or more casino licensees and a casino service industry enterprise licensed pursuant to the provisions of subsection a. of section 92 of P.L.1977, c.110 (C.5:12-92), or an eligible applicant for such license, which provide for an interest, percentage or share of the casino licensee's revenues, profits or earnings from the operation of such multi-casino progressive slot machines to be paid to the casino service industry enterprise licensee or applicant shall not be subject to the provisions of this subsection if the agreements are filed with and approved by the commission.

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

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

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

qualified party to the agreement or any related agreement. Failure expressly to include such a provision in the agreement shall not constitute a defense in any action brought to terminate the agreement. If the agreement is not maintained or presented to the commission in accordance with commission regulations, or the disapproved agreement is not terminated, the commission may pursue any remedy or combination of remedies provided in this act.

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

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

21. Section 106 of P.L.1977, c.110 (C.5:12-106) is amended to read as follows:

C.5:12-106 Casino employment.

106. Casino Employment.

a. A casino licensee shall not appoint or employ in a position requiring a casino key employee license, a casino employee license, or a casino service employee registration any person not possessing a current and valid license or registration permitting such appointment or employment.

b. A casino licensee shall, within 24 hours of receipt of written or electronically transferred notice thereof, terminate the appointment or employment of any person whose license or registration has been revoked or has expired. A casino licensee shall comply in all respects with any order of the commission imposing limitations or restrictions upon the terms of employment or appointment in the course of any investigation or hearing.

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

d. A holder of a casino service employee registration whose registration is revoked, in addition to any restrictions imposed by the regulations of the commission on a reapplication for licensure or registration, shall not be employed by a casino licensee in a position that does not require a license or registration until five years have elapsed from the date of revocation, except that the commission may permit such employment upon good cause shown.

22. Section 121 of P.L.1977, c.110 (C.5:12-121) is amended to read as follows:

C.5:12-121 Authority of gaming licensee and agents to detain or question persons; immunity from liability; posted notice required.

121. Authority of Gaming Licensee and Agents to Detain or Question Persons; Immunity from Liability; Posted Notice Required.

a. Any licensee or its officers, employees or agents may question any individual in the casino or simulcasting facility or elsewhere in the establishment who is reasonably suspected of violating any of the provisions of sections 113 through 116 of P.L.1977, c.110 (C.5:12-

113 through 116), section 46 of P.L.1991, c.182 (C.5:12-113.1), section 118 of P.L.1977, c.110 (C.5:12-118), section 119 of P.L.1977, c.110 (C.5:12-119) or R.S.33:1-81 pursuant to subsection d. of section 103 of P.L.1977, c.110 (C.5:12-103). No licensee or its officers, employees or agents shall be criminally or civilly liable by reason of any such questioning.

b. Any licensee or its officers, employees or agents who shall have probable cause for believing there has been a violation of sections 113 through 116 of P.L.1977, c.110 (C.5:12-113 through 116), section 46 of P.L.1991, c.182 (C.5:12-113.1), section 118 of P.L.1977, c.110 (C.5:12-118), section 119 of P.L.1977, c.110 (C.5:12-119) or R.S.33:1-81 pursuant to subsection d. of section 103 of P.L.1977, c.110 (C.5:12-103) in the casino or simulcasting facility by any person may refuse to permit such person to continue gaming or wagering or may take such person into custody and detain him in the establishment in a reasonable manner for a reasonable length of time, for the purpose of notifying law enforcement or commission authorities. Such refusal or taking into custody and detention shall not render such licensee or its officers, employees or agents criminally or civilly liable for false arrest, false imprisonment, slander or unlawful detention, unless such refusal or such taking into custody or detention is unreasonable under all of the circumstances.

c. No licensee or its officers, employees or agents shall be entitled to any immunity from civil or criminal liability provided in this section unless there is displayed in a conspicuous manner in the casino and, if applicable, the simulcasting facility a notice in bold face type clearly legible and in substantially this form:

"Any gaming licensee or officer, employee or agent thereof who has probable cause for believing that any person is violating any of the provisions of the Casino Control Act prohibiting cheating or swindling in gaming or simulcast wagering, underage gambling, underage drinking, the unauthorized presence on the casino floor or simulcasting facility by an underage person, or the presence in the casino establishment of a person excluded pursuant to the provisions of section 71 of P.L.1977, c.110 (C.5:12-71), may detain such person in the establishment for the purpose of notifying law enforcement or Casino Control Commission authorities."

23. Section 134 of P.L.1977, c.110 (C.5:12-134) is amended to read as follows:

C.5:12-134 Equal employment opportunity; requirements for license.

134. a. Each applicant at the time of submitting architectural plans or site plans to the commission for approval of proposed construction, renovation or reconstruction of any structure or facility to be used as an approved hotel or casino shall accompany same with a written guaranty that all contracts and subcontracts to be awarded in connection therewith shall contain appropriate provisions by which contractors and subcontractors or their assignees agree to afford an equal employment opportunity to all prospective employees and to all actual employees to be employed by the contractor or subcontractor in accordance with an affirmative action program approved by the commission and consonant with the provisions of the "Law Against Discrimination," P.L.1945, c.169 (C.10:5-1 et seq.). On and after the effective date of this amendatory act an applicant shall also be required to demonstrate that equal employment opportunities in accordance with the aforesaid affirmative-action program in compliance with P.L.1945, c.169 have been afforded to all prospective employees and to all actual employees employed by a contractor or subcontractor in connection with the actual construction, renovation or reconstruction of any structure or facility to be used as an approved hotel or casino prior to submission of

architectural plans or site plans to the commission.

b. No license shall be issued by the commission to any applicant, including a casino service industry enterprise as defined in section 12 of this act, who has not agreed to afford an equal employment opportunity to all prospective employees in accordance with an affirmative-action program approved by the commission and consonant with the provisions of the "Law Against Discrimination," P.L.1945, c.169 (C.10:5-1 et seq.).

c. Each applicant shall formulate for commission approval and abide by an affirmative-action program of equal opportunity whereby the applicant guarantees to provide equal employment opportunity to rehabilitated offenders eligible under sections 90 and 91 of this act and members of minority groups qualified for licensure in all employment categories, including a person with a disability, in accordance with the provisions of the "Law Against Discrimination," P.L.1945, c.169 (C.10:5-1 et seq.), except in the case of the mentally handicapped, if it can be clearly shown that such disability would prevent such person from performing a particular job.

d. Any license issued by the commission in violation of this section shall be null and void.

C.5:12-141.2 Expiration of gaming-related obligations owed to patrons; date of expiration; payment to casino revenue fund.

24. Expiration of gaming-related obligations owed to patrons; date of expiration; payment to Casino Revenue Fund.

a. Whenever a casino licensee owes a patron a specific amount of money as the result of a gaming transaction which remains unpaid due to the failure of the patron to claim the money or redeem a representation of the debt issued in a form approved by the commission, regardless of whether the identity of the patron is known, the casino licensee shall maintain a record of the obligation in accordance with the rules of the commission.

b. If the patron does not claim the money or redeem the representation of debt within one year of the date of the transaction, which date shall be established in accordance with the rules of the commission, the obligation of the casino licensee to pay the patron shall expire, and 25% of the money or the value of the debt shall be paid to the Casino Revenue Fund by the casino licensee, and the remaining 75% shall be retained by the casino licensee, provided the licensee uses the full amount for marketing purposes. Notwithstanding the foregoing, if the obligation was incurred or the representation of debt was issued prior to the effective date of this act, P.L.2009, c.36, the obligation of the casino licensee to pay the patron shall expire one year after such effective date, at which time 50% of the money or the value of the debt shall be paid to the Casino Revenue Fund, subject to a credit for the payment required to be made to that fund on or before June 30, 2009 by the casino licensee pursuant to subsection c. of this section, and 50% shall be retained by the casino licensee.

c. Each casino licensee shall, on or before June 30, 2009, make a payment to the Casino Revenue Fund in an amount equal to 25% of the value of the money or debt owed to its patrons as a result of gaming transactions that occurred more than one year prior to the effective date of this act, P.L.2009, c.36. This payment shall be credited towards the total obligation of the casino licensee to make payments to the Casino Revenue Fund in an amount equal to 50% of the value of expired gaming related obligations pursuant to subsection b. of this section.

25. Section 145 of P.L.1977, c.110 (C.5:12-145) is amended to read as follows:



C.5:12-145 Casino revenue fund.

145. a. There is hereby created and established in the Department of the Treasury a separate special account to be known as the "Casino Revenue Fund," into which shall be deposited all revenues from the tax imposed by section 144 of this act; the investment alternative tax imposed by section 3 of P.L.1984, c.218 (C.5:12-144.1); the taxes and fees imposed by sections 3, 4 and 6 of P.L.2003, c.116 (C.5:12-148.1, C.5:12-148.2 and C.5:12-145.8) and any interest and penalties imposed by the commission relating to those taxes; the percentage of the value of expired gaming related obligations pursuant to section 24 of P.L.2009, c.36 (C.5:12-141.2); and all penalties levied and collected by the commission pursuant to P.L.1977, c.110 (C.5:12-1 et seq.) and the regulations promulgated thereunder, except that the first \$600,000 in penalties collected each fiscal year shall be paid into the General Fund for appropriation by the Legislature to the Department of Health and Senior Services, \$500,000 of which is to provide funds to the Council on Compulsive Gambling of New Jersey and \$100,000 of which is to provide funds for compulsive gambling treatment programs in the State. In the event that less than \$600,000 in penalties are collected, the Department of Health and Senior Services shall determine the allocation of funds between the Council and the treatment programs eligible under the criteria developed pursuant to section 2 of P.L.1993, c.229 (C.26:2-169).

b. The commission shall require at least monthly deposits by the licensee of the tax established pursuant to subsection a. of section 144 of P.L.1977, c.110 (C.5:12-144), at such times, under such conditions, and in such depositories as shall be prescribed by the State Treasurer. The deposits shall be deposited to the credit of the Casino Revenue Fund. The commission may require a monthly report and reconciliation statement to be filed with it on or before the 10th day of each month, with respect to gross revenues and deposits received and made, respectively, during the preceding month.

c. Moneys in the Casino Revenue Fund shall be appropriated exclusively for reductions in property taxes, rentals, telephone, gas, electric, and municipal utilities charges of eligible senior citizens and disabled residents of the State, and for additional or expanded health services or benefits or transportation services or benefits to eligible senior citizens and disabled residents, as shall be provided by law. On or about March 15 and September 15 of each year, the State Treasurer shall publish in at least 10 newspapers circulating generally in the State a report accounting for the total revenues received in the Casino Revenue Fund and the specific amounts of money appropriated therefrom for specific expenditures during the preceding six months ending December 31 and June 30.

26. Section 4 of P.L.2003, c.116 (C.5:12-148.2) is amended to read as follows:

C.5:12-148.2 Tax of 8% imposed on multi-casino progressive slot machine revenue.

4. a. A tax at the rate of 8% is imposed on casino service industry multi-casino progressive slot machine revenue. The tax shall not be considered a tax collectable under the "Sales and Use Tax Act," P.L.1966, c.30 (C.54:32B-1 et seq.).

b. As used in this section, "casino service industry multi-casino progressive slot machine revenue" means sums received by a casino service industry enterprise, licensed pursuant to the provisions of subsection a. of section 92 of P.L.1977, c.110 (C.5:12-92), or an eligible applicant for such license, net of any money accrued for return to patrons in the form of jackpots, that are directly or indirectly related to: (1) the conduct of multi-casino progressive slot machine system operations in a casino; or (2) the sale, lease, servicing or management of

a multi-casino progressive slot machine system. Notwithstanding the foregoing, "casino service industry multi-casino progressive slot machine revenue" shall not be construed to apply to revenue derived from transactions between a casino licensee and its holding company or intermediary companies or their affiliates.

c. The commission shall administer the tax imposed pursuant to this section. The tax imposed by this section, and any interest or penalties imposed by the commission relating to that tax, shall be deposited by the State Treasurer into the Casino Revenue Fund established pursuant to section 145 of P.L.1977, c.110 (C.5:12-145).

d. A casino service industry enterprise licensee or applicant required to pay the tax imposed pursuant to this section shall, on or before the 28th day of the month, forward to the State Treasurer the tax owed on casino service industry multi-casino progressive slot machine revenue received by the casino service industry enterprise licensee or applicant in the preceding month and make and file a return for the preceding month with the commission on any form and containing any information as the commission shall prescribe by rule or regulation as necessary to determine liability for the tax in the preceding month during which the person was required to pay the tax.

e. The commission may permit or require returns to be made covering other periods and upon any dates as the commission may specify. In addition, the commission may require payments of tax liability to the State Treasurer at any intervals and based upon any classifications as the commission may designate. In prescribing any other periods to be covered by the return or intervals or classifications for payment of tax liability, the commission may take into account the dollar volume of tax involved as well as the need for ensuring the prompt and orderly collection of the tax imposed.

f. The commission may require amended returns to be filed within 20 days after notice and to contain the information specified in the notice.

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

27. Section 9 of P.L.1992, c.19 (C.5:12-199) is amended to read as follows:

C.5:12-199 Out-of-State horse races, simulcast; approved casinos, licensed sending tracks.

9. A casino which chooses to conduct casino simulcasting and which operates a simulcasting facility may, with the approval of both the New Jersey Racing Commission and the New Jersey Casino Control Commission, also receive simulcast horse races conducted at out-of-State sending tracks in accordance with the provisions of this act and any applicable regulations of these commissions and joint regulations of these commissions promulgated pursuant to this act.

In order to be eligible to participate in casino simulcasting, an out-of-State sending track shall be approved by the New Jersey Racing Commission and be subject to licensure by the Casino Control Commission as a casino service industry enterprise pursuant to subsection c. of section 92 of P.L.1977, c.110 (C.5:12-92). The approval of the New Jersey Racing Commission shall only be granted when that commission, in its discretion and after consideration of the interests of the casino making application, determines that approval is in the best interest of the public and the racing industry in New Jersey.

28. Section 11 of P.L.1992, c.19 (C.5:12-201) is amended to read as follows:

C.5:12-201 Payment to out-of-State sending track.

11. a. Except as provided in subsection b. of this section, a casino which receives a simulcast horse race from an out-of-State sending track shall not pay the out-of-State sending track for the transmission an amount equal to more than 3.5% of the parimutuel pool on each race. If the casino negotiates an agreement to pay the out-of-State sending track an amount equal to less than 3.5% of the parimutuel pool, the casino shall be entitled to retain the difference between the amount agreed upon and 3.5%.

b. Subject to the approval of the New Jersey Racing Commission and with respect to no more than 28 races per casino per calendar year, plus the number of races run annually at the Breeders' Cup World Championships, a casino may pay an out-of-State sending track an amount equal to not more than 6% of the parimutuel pool for the transmission of a race. If the casino negotiates an agreement to pay the out-of-State sending track an amount equal to less than 6% of the parimutuel pool, the casino shall be entitled to retain the difference between the amount agreed upon and 6%.

29. Section 13 of P.L.1992, c.19 (C.5:12-203) is amended to read as follows:

C.5:12-203 Wagers subject to takeout rate.

13. Sums wagered at a casino on races being transmitted to that casino from an out-of-State sending track shall be subject to the takeout rate determined pursuant to section 12 of this act, and the sums resulting from that takeout rate as applied to the parimutuel pool generated at the casino shall be distributed as follows, subject to the provisions of section 16 of this act:

a. .50% of the parimutuel pool generated at the casino shall be paid to the New Jersey Racing Commission for deposit in the Casino Simulcasting Fund established pursuant to section 18 of this act;

b. 3.5%, or if applicable 6%, of the parimutuel pool generated at the casino shall be paid to the casino to be used for payment to the out-of-State sending track for the transmission of the race, as provided in section 11 of this act;

c. in calendar years 1993, 1994, and 1995, 2% of the parimutuel pool generated at the casino shall be paid to the New Jersey Racing Commission for payment to the Atlantic City Racetrack until a total of \$100,000,000 in parimutuel pools has been generated in wagering on simulcast races at all casinos in each of those calendar years, except that if casino simulcasting in Atlantic City begins after January 1, 1993 and before January 1, 1994, 2% of the parimutuel pool generated at the casino shall be paid to the commission for payment to the Atlantic City Racetrack until that portion of \$100,000,000 determined by the following formula has been generated in wagering at casinos on simulcast races in 1993:

$$\frac{A}{B} = \frac{C}{D}$$

here: A = 365 minus (a) the number of racing days in 1993, other than live racing days, prior to the commencement of casino simulcasting in Atlantic City that the Atlantic City Racetrack conducts simulcasting under the provisions of the "Simulcasting Racing Act," P.L.1985, c.269 (C.5:5-110 et seq.) or the provisions of section 37 of P.L.1992, c.19 (C.5:5-125), and (b) the number of live racing days conducted by the Atlantic City Racetrack in 1993;

B = 365 (the number of calendar days in 1993);

C = the amount of the parimutuel pool generated in wagering on simulcast races in 1993

of which 2% is to be paid to the New Jersey Racing Commission for payment to the Atlantic City Racetrack;

D = \$100,000,000;

d. of the amount remaining after the deduction of the amounts under subsections a., b., and c. from the amount of the takeout rate, 65% shall be paid to the casino during the first 18 months after the effective date of this act; 60% shall be paid to the casino during the next succeeding 12 months after that 18-month period; 55% shall be paid to the casino during the next succeeding 12 months after that 12-month period; and 50% shall be paid to the casino commencing with the 43rd month after the effective date; except that if, at any time during the 42-month period following the effective date, wagering on sports events is authorized by law and a casino commences such wagering, 50% shall be paid to the casino upon the commencement of such wagering by that casino;

e. .50% of the parimutuel pool generated at the casino shall be paid to the New Jersey Racing Commission and shall be deposited by that commission as follows:

(1) 50% in the special trust account established pursuant to or specified in section 46a.(2) of P.L.1940, c.17 (C.5:5-66), section 2b. of P.L.1984, c.236 (C.5:5-66.1), section 5a.(1) of P.L.1982, c.201 (C.5:5-98), or section 7f.(1)(a) of P.L.1971, c.137 (C.5:10-7), as appropriate, for use and distribution as provided in section 46a.(2)(a), (b), and (c) of P.L.1940, c.17 (C.5:5-66), section 2b.(1), (2), and (3) of P.L.1984, c.236 (C.5:5-66.1), section 5a.(1)(a), (b), and (c) of P.L.1982, c.201 (C.5:5-98), or section 7f.(1)(a)(i), (ii), and (iii) of P.L.1971, c.137 (C.5:10-7), as appropriate; and

(2) 50% in the special trust account established pursuant to or specified in section 46b.(1)(e) and (2)(e) of P.L.1940, c.17 (C.5:5-66), section 5b.(3) of P.L.1982, c.201 (C.5:5-98), or section 7f.(2)(c) of P.L.1971, c.137 (C.5:10-7), as appropriate, for use and distribution as provided therein;

f. .03% of the parimutuel pool generated at the casino shall be paid to the New Jersey Racing Commission and set aside in the special trust account for horse breeding and development for distribution and use as provided in section 5 of P.L.1967, c.40 (C.5:5-88); and

g. the amount remaining after the deduction of the amounts under subsections a., b., c., d., e., and f. from the amount of the takeout rate shall be distributed as follows:

(1) 43% of that remaining amount shall be paid to the New Jersey Racing Commission and shall be distributed by that commission, on the basis of the following formula, among the New Jersey racetracks for their own use:

$$\frac{A}{B} = \frac{C}{D}$$

here:

A = the gross parimutuel pool generated at each racetrack during the preceding calendar year, including the parimutuel pool on simulcast races;

B = the gross parimutuel pool generated at racetracks Statewide during the preceding calendar year, including the parimutuel pool on simulcast races;

C = the amount to be paid to each racetrack from the moneys available for distribution pursuant to this paragraph;

D = the total amount of moneys available for distribution pursuant to this paragraph;

(2) 43% of that remaining amount shall be paid to the New Jersey Racing Commission

and, subject to the provisions of section 14 of this act, shall be distributed by that commission, in the following year and on the basis of the following formula, among the New Jersey racetracks for payment as purse money and for programs designed to aid horsemen and horsemen's organizations as provided in section 46a.(4) of P.L.1940, c.17 (C.5:5-66), section 2d. of P.L.1984, c.236 (C.5:5-66.1), section 5a.(2) of P.L.1982, c.201 (C.5:5-98), or section 7f.(1)(b) of P.L.1971, c.137 (C.5:10-7), in the case of harness races, and section 46b.(1)(d) or 46b.(2)(d) of P.L.1940, c.17 (C.5:5-66), section 5b.(2) of P.L.1982, c.201 (C.5:5-98), or section 7f.(2)(b) of P.L.1971, c.137 (C.5:10-7), in the case of running races:

$$\frac{A}{B} = \frac{C}{D}$$

here: A = the total amount distributed by each racetrack pursuant to section 46a.(4) of P.L.1940, c.17 (C.5:5-66), section 2d. of P.L.1984, c.236 (C.5:5-66.1), section 5a.(2) of P.L.1982, c.201 (C.5:5-98), or section 7f.(1)(b) of P.L.1971, c.137 (C.5:10-7), in the case of harness races, or section 46b.(1)(d) or 46b.(2)(d) of P.L.1940, c.17 (C.5:5-66), section 5b.(2) of P.L.1982, c.201 (C.5:5-98), or section 7f.(2)(b) of P.L.1971, c.137 (C.5:10-7), in the case of running races, during the preceding calendar year, plus any additional amounts paid out by each racetrack for overnight purses during the preceding calendar year from the permit holder's share of the parimutuel pool;

B = the total amount distributed by racetracks Statewide pursuant to section 46a.(4) of P.L.1940, c.17 (C.5:5-66), section 2d. of P.L.1984, c.236 (C.5:5-66.1), section 5a.(2) of P.L.1982, c.201 (C.5:5-98), and section 7f.(1)(b) of P.L.1971, c.137 (C.5:10-7), in the case of harness races, and pursuant to section 46b.(1)(d) and 46b.(2)(d) of P.L.1940, c.17 (C.5:5-66), section 5b.(2) of P.L.1982, c.201 (C.5:5-98), and section 7f.(2)(b) of P.L.1971, c.137 (C.5:10-7), in the case of running races, during the preceding calendar year, plus any additional amounts paid out by racetracks for overnight purses during the preceding calendar year from the permit holders' share of the parimutuel pool;

C = the amount to be paid to each racetrack from the moneys available for distribution pursuant to this paragraph;

D = the total amount of moneys available for distribution pursuant to this paragraph; and

(3) 14% of that remaining amount shall be paid to the New Jersey Racing Commission for deposit in the Casino Simulcasting Special Fund established pursuant to section 15 of this act.

In addition, all breakage moneys and outstanding parimutuel ticket moneys resulting from the wagering at the casino shall be paid to the New Jersey Racing Commission and deposited in the Casino Simulcasting Special Fund.

If a racetrack conducts both harness races and running races, the moneys the racetrack receives for payment pursuant to paragraph (2) of subsection g. above shall be distributed on the basis of the following formula:

$$\frac{A}{B} = \frac{C}{D}$$

here: A = the total amount distributed by the racetrack pursuant to section 46a.(4) of P.L.1940, c.17 (C.5:5-66), section 2d. of P.L.1984, c.236 (C.5:5-66.1), section 5a.(2) of P.L.1982, c.201 (C.5:5-98), or section 7f.(1)(b) of P.L.1971, c.137 (C.5:10-7), as appropriate,

in the case of harness races, plus any additional amounts paid out by the racetrack for overnight purses for harness races during the preceding calendar year from the permit holder's share of the parimutuel pool, or pursuant to section 46b.(1)(d) or 46b.(2)(d) of P.L.1940, c.17 (C.5:5-66), section 5b.(2) of P.L.1982, c.201 (C.5:5-98), or section 7f.(2)(b) of P.L.1971, c.137 (C.5:10-7), as appropriate, in the case of running races, plus any additional amounts paid out by the racetrack for overnight purses for running races during the preceding calendar year from the permit holder's share of the parimutuel pool, as the case may be;

B = the total amount distributed by the racetrack pursuant to section 46a.(4) of P.L.1940, c.17 (C.5:5-66), section 2d. of P.L.1984, c.236 (C.5:5-66.1), section 5a.(2) of P.L.1982, c.201 (C.5:5-98), or section 7f.(1)(b) of P.L.1971, c.137 (C.5:10-7), as appropriate, and pursuant to section 46b.(1)(d) or 46b.(2)(d) of P.L.1940, c.17 (C.5:5-66), section 5b.(2) of P.L.1982, c.201 (C.5:5-98), or section 7f.(2)(b) of P.L.1971, c.137 (C.5:10-7), as appropriate, plus any additional amounts paid out by the racetrack for overnight purses for both harness and running races during the preceding calendar year from the permit holder's share of the parimutuel pool;

C = the amount to be paid by the racetrack for overnight purse money and for programs designed to aid horsemen and horsemen's organizations as provided in section 46a.(4) of P.L.1940, c.17 (C.5:5-66), section 2d. of P.L.1984, c.236 (C.5:5-66.1), section 5a.(2) of P.L.1982, c.201 (C.5:5-98), or section 7f.(1)(b) of P.L.1971, c.137 (C.5:10-7), in the case of harness races, and section 46b.(1)(d) or 46b.(2)(d) of P.L.1940, c.17 (C.5:5-66), section 5b.(2) of P.L.1982, c.201 (C.5:5-98), or section 7f.(2)(b) of P.L.1971, c.137 (C.5:10-7), in the case of running races;

D = the total amount of moneys available to the racetrack for distribution as overnight purse money and for programs designed to aid horsemen and horsemen's organizations pursuant to this paragraph.

30. Section 5 of P.L.1988, c.20 (C.5:2A-14.1) is amended to read as follows:

C.5:2A-14.1 Events at casino hotels; licensure of promoter required.

5. No promoter shall hold or conduct any public boxing, wrestling, extreme wrestling, kick boxing or combative sports exhibition, event, performance or contest in a casino hotel which is licensed pursuant to or is an applicant for licensure pursuant to the "Casino Control Act," P.L.1977, c.110 (C.5:12-1 et seq.) unless the promoter is licensed as a casino service industry enterprise or is an applicant for licensure as a casino service industry enterprise pursuant to the "Casino Control Act," P.L.1977, c.110 (C.5:12-1 et seq.) or is registered as a vendor in accordance with the rules and regulations promulgated by the Casino Control Commission. Within one year of the effective date of this act, all seconds and managers and all promoters, other than those promoters who are applicants for licensure or who are licensed as a casino service industry enterprise under section 92 of P.L.1977, c.110 (C.5:12-92) or who are registered as vendors in accordance with the rules and regulations promulgated by the Casino Control Commission, shall undergo background checks conducted by the State Athletic Control Board prior to holding, conducting or participating in any public boxing, wrestling, extreme wrestling, kick boxing or combative sports exhibition, event, performance or contest in this State. Those promoters who are subject to background checks by the State Athletic Control Board pursuant to this section shall bear the costs involved in the conduct of such background checks.

The State Athletic Control Board may incur such expenses as are reasonable and necessary in conducting a background check authorized by this section. An amount equivalent to the expenses incurred shall be assessed as a fee against a promoter who is the subject of a background check by the State Athletic Control Board pursuant to this section and shall be collected by the State Athletic Control Board. The amount collected shall be deposited in a special account in the General Fund and this amount is hereby appropriated to the State Athletic Control Board in the Department of Law and Public Safety to reimburse the board for expenses incurred in conducting the background check.

The State Athletic Control Board shall promulgate rules and regulations governing the nature of and procedures concerning background checks to be conducted by the board pursuant to this section.

31. Section 5 of P.L.1997, c.36 (C.5:2A-14.3) is amended to read as follows:

C.5:2A-14.3 Professional wrestling events, exhibitions in casino hotels, requirements.

5. No person, club, corporation, or association, and in the case of a corporation no officer, director, employee or stockholder thereof, who produces, arranges or stages any professional wrestling event or exhibition shall hold or conduct such an event or exhibition in a casino hotel which is licensed pursuant to or is an applicant for licensure pursuant to the "Casino Control Act," P.L.1977, c.110 (C.5:12-1 et seq.) unless the person or entity is licensed as a casino service industry enterprise or is an applicant for licensure as a casino service industry enterprise pursuant to the "Casino Control Act," P.L.1977, c.110 (C.5:12-1 et seq.) or is registered as a vendor in accordance with the rules and regulations promulgated by the Casino Control Commission.

32. Section 5 of P.L.2004, c.57 (C.54:49-4.1) is amended to read as follows:

C.54:49-4.1 Violations of registration requirements; penalties.

5. A business organization that fails to provide a copy of a business registration as required pursuant to section 1 of P.L.2001, c.134 (C.52:32-44 et al.) or subsection e. or f. of section 92 of P.L.1977, c.110 (C.5:12-92), or that provides false information of business registration under the requirements of either of those sections, shall be liable for a penalty of \$25 for each day of violation, not to exceed \$50,000 for each business registration copy not properly provided under a contract with a contracting agency or under a casino service industry enterprise contract.

33. This act shall take effect immediately, but sections 12 and 14 shall remain inoperative until 90 days following enactment.

Approved April 8, 2009.