

**CHAPTER 19**  
**(CORRECTED COPY)**

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

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

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

C.5:12-1 Short title; declaration of policy and legislative findings.

1. Short title; Declaration of Policy and Legislative Findings.

- a. This act shall be known and may be cited as the "Casino Control Act."

- b. The Legislature hereby finds and declares to be the public policy of this State, the following:

- (1) The tourist, resort and convention industry of this State constitutes a critical component of its economic structure and, if properly developed, controlled and fostered, is capable of providing a substantial contribution to the general welfare, health and prosperity of the State and its inhabitants.

- (2) By reason of its location, natural resources and worldwide prominence and reputation, the city of Atlantic City and its resort, tourist and convention industry represent a critically important and valuable asset in the continued viability and economic strength of the tourist, convention and resort industry of the State of New Jersey.

- (3) The rehabilitation and redevelopment of existing tourist and convention facilities in Atlantic City, and the fostering and encouragement of new construction and the replacement of lost convention, tourist, entertainment and cultural centers in Atlantic City will offer a unique opportunity for the inhabitants of the entire State to make maximum use of the natural resources available in Atlantic City for the expansion and encouragement of New Jersey's hospitality industry, and to that end, the restoration of Atlantic City as the Playground of the World and the major hospitality center of the Eastern United States is found to be a program of critical concern and importance to the inhabitants of the State of New Jersey.

- (4) Legalized casino gaming has been approved by the citizens of New Jersey as a unique tool of urban redevelopment for Atlantic City. In this regard, the introduction of a limited number of casino rooms in major hotel convention complexes, permitted as an additional element in the hospitality industry of Atlantic City, will facilitate the redevelopment of existing blighted areas and the refurbishing and expansion of existing hotel, convention, tourist, and entertainment facilities; encourage the replacement of lost hospitality-oriented facilities; provide for judicious use of open space for leisure time and recreational activities; and attract new investment capital to New Jersey in general and to Atlantic City in particular.

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

- (6) An integral and essential element of the regulation and control of such casino facilities by the State rests in the public confidence and trust in the credibility and integrity of the regulatory process and of casino operations. To further such public confidence and trust, the regulatory provisions of this act are designed to extend strict State regulation to all

persons, locations, practices and associations related to the operation of licensed casino enterprises and all related service industries as herein provided. In addition, licensure of a limited number of casino establishments, with the comprehensive law enforcement supervision attendant thereto, is further designed to contribute to the public confidence and trust in the efficacy and integrity of the regulatory process.

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

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

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

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

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

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

(13) It is in the public interest that the institution of licensed casino establishments in New Jersey be strictly regulated and controlled pursuant to the above findings and pursuant to the

provisions of this act, which provisions are designed to engender and maintain public confidence and trust in the regulation of the licensed enterprises, to provide an effective method of rebuilding and redeveloping existing facilities and of encouraging new capital investment in Atlantic City, and to provide a meaningful and permanent contribution to the economic viability of the resort, convention, and tourist industry of New Jersey.

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

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

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

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

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

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

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

C.5:12-2 Definitions.

2. As used in this act, the words and terms have the meanings ascribed to them in P.L.1977, c.110 (C.5:12-1 et seq.), unless a different meaning clearly appears in the context.

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

C.5:12-2.2 "Annuity jackpot guarantee."

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

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

C.5:12-5 "Authorized game" or "authorized gambling game"

5. "Authorized Game" or "Authorized Gambling Game"-- Roulette, baccarat, blackjack, craps, big six wheel, slot machines, minibaccarat, red dog, pai gow, and sic bo; any variations or composites of such games, provided that such variations or composites are found by the division suitable for use after an appropriate test or experimental period under such terms and conditions as the division may deem appropriate; and any other game which is determined by the division to be compatible with the public interest and to be suitable for casino use after such appropriate test or experimental period as the division may deem appropriate. "Authorized game" or "authorized gambling game" includes gaming tournaments in which players compete against one another in one or more of the games authorized herein or by the division or in approved variations or composites thereof if the tournaments are authorized by the division.

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

C.5:12-5.2 "Cash equivalent value."

2. "Cash equivalent value" -- The monetary value that a casino licensee shall assign to a jackpot or payout that consists of merchandise or any thing of value other than cash, tokens, chips or plaques. The division shall promulgate rules defining "cash equivalent value" in order to assure fairness, uniformity and comparability of valuation of jackpots and payoffs that include merchandise or any thing of value.

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

C.5:12-6 "Casino" or "casino room" or "licensed casino"

6. "Casino" or "casino room" or "licensed casino" -- One or more locations or rooms in a casino hotel facility that have been approved by the division for the conduct of casino gaming in accordance with the provisions of this act. "Casino" or "casino room" or "licensed casino" shall not include any casino simulcasting facility authorized pursuant to the "Casino Simulcasting Act," P.L.1992, c.19 (C.5:12-191 et seq.).

C.5:12-6.1 "Casino bankroll."

7. "Casino bankroll" -- Cash maintained in the casino, excluding any funds necessary for the normal operation of the casino, such as change banks, slot hopper fills, slot booths, cashier imprest funds and redemption area funds.

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

C.5:12-7 "Casino employee."

7. "Casino Employee"--Any natural person, not otherwise included in the definition of casino key employee, who is employed by a casino licensee, or a holding or intermediary

company of a casino licensee, and is involved in the operation of a licensed casino or a simulcasting facility or performs services or duties in a casino, simulcasting facility or a restricted casino area, including, without limitation, boxmen; dealers or croupiers; floormen; machine mechanics; casino security employees; count room personnel; cage personnel; slot machine and slot booth personnel; collection personnel; casino surveillance personnel; simulcasting facility personnel involved in wagering-related activities in a simulcasting facility; data processing personnel; and information technology employees; or any other natural person whose employment duties predominantly involve the maintenance or operation of gaming activity or equipment and assets associated therewith or who, in the judgment of the commission, is so regularly required to work in a restricted casino area that registration as a casino employee is appropriate.

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

C.5:12-9 "Casino key employee."

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

10. 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 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, junket enterprises and junket representatives, that provides casino applicants or licensees with goods or services. 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 division for a casino license or any approval required under P.L.1977, c.110 (C.5:12-1 et seq.).

C.5:12-14.2a "Corporate officer."

11. "Corporate Officer" – The chief executive officer, chief financial officer, chief operating officer, chief information officer and chief legal officer of a corporation, or their equivalents in any unincorporated entity.

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

C.5:12-14a "Complimentary service or item."

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

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

C.5:12-20 "Family."

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

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

C.5:12-25 "Hearing examiner."

25. "Hearing examiner" - The director, a commissioner or other person authorized by the director or the commission to conduct hearings.

15. Section 11 of P.L.1991, c.182 (C.5:12-27.1) is amended to read as follows:

C.5:12-27.1 "Institutional investor."

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

C.5:12-33a "Multi-casino employee."

16. "Multi-casino employee" – Any registered casino employee or licensed casino key employee who, upon the petition of two or more affiliated casino licensees, is endorsed by the commission or division, as applicable, to perform any compatible functions for any of the petitioning casino licensees.

17. Section 35 of P.L.1977, c.110 (C.5:12-35) is amended to read as follows:

C.5:12-35 "Operation certificate."

35. "Operation certificate" - A certificate issued by the division which certifies that operation of a casino and, if applicable, a simulcasting facility conforms to the requirements of this act and applicable regulations and that its personnel and procedures are efficient and prepared to entertain the public.

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

C.5:12-36 "Party."

36. "Party" --The division, or any licensee, registrant, or applicant, or any person appearing of record for any licensee, registrant, or applicant in any proceeding before the division or the commission or in any proceeding for judicial review of any action, decision or order of the division or commission.

19. Section 1 of P.L.2008, c.12 (C.5:12-38a) is amended to read as follows:

C.5:12-38a "Promotional gaming credit."

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

20. Section 39 of P.L.1977, c.110 (C.5:12-39) is amended to read as follows:

C.5:12-39 "Publicly traded corporation."

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

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

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

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

21. Section 3 of P.L.1987, c.353 (C.5:12-43.1) is amended to read as follows:

C.5:12-43.1 "Restricted casino areas."

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

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

C.5:12-45.1 "Slot system agreement."

4. "Slot system agreement" - A written agreement governing the operation and administration of a multi-casino progressive slot machine system that is approved by the division and executed by the participating casino licensees and any slot system operator.

C.5:12-45.3 "State of emergency."

23. "State of emergency" - Any emergency situation, including the failure to enact a general appropriation law by the deadline prescribed by Article VIII, Section II, paragraph 2 of the New Jersey Constitution, a state of emergency declared by the President of the United States or the Governor of the State of New Jersey and a State ordered State employee furlough, during which division and commission employees are unable to perform the duties and responsibilities required of them under this act.

24. Section 46 of P.L.1977, c.110 (C.5:12-46) is amended to read as follows:

C.5:12-46 "Statement of compliance."

46. "Statement of compliance" --A statement by the commission, upon the input of the division, which may be issued to an applicant for a casino license or any person who must be qualified pursuant to this act in order to hold the securities of a casino licensee or any holding or intermediary company of a casino licensee, indicating satisfactory completion of a particular stage or stages of the license consideration process, and which states that unless there is a change of any material circumstance pertaining to such particular stage or stages of license consideration involved in the statement, such applicant has complied with requirements mandated by this act and is therefore approved for license qualification to the stage or stages for which the statement has been issued.

25. Section 69 of P.L.1977, c.110 (C.5:12-69) is amended to read as follows:

C.5:12-69 Regulations.

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

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

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

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

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

f. Orders, rules and regulations concerning implementation of P.L.1977, c.110 (C.5:12-1 et seq.) issued or promulgated by the commission prior to the effective date of P.L.2011, c.19 (C.5:12-6.1 et al.), shall continue with full force and effect until amended or repealed by the division or commission pursuant to law; provided, however, that any references to the commission in such orders, rules and regulations shall be deemed to refer to the division unless the context indicates otherwise.

g. Notwithstanding any other provision of this act or the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) to the contrary, during the 90-day period following the effective date of P.L.2011, c.19 (C.5:12-6.1 et al.) the division may, after notice provided in accordance with this subsection, summarily adopt, amend or repeal any order, rule or regulation issued or promulgated by the commission prior to the effective date of P.L.2011, c.19 (C.5:12-6.1 et al.), for a period not to exceed 270 days for the purpose of determining whether such rules should be adopted on a permanent basis in accordance with the requirements of this section. Any summary rulemaking authorized by this subsection shall be subject to such terms and conditions as the division may deem appropriate. Notice of any temporary rulemaking action taken by the division pursuant to this subsection shall be published in the New Jersey Register, and provided to the newspapers designated by the division pursuant to subsection d. of section 3 of P.L.1975, c.231 (C.10:4-8), at least seven days prior to the implementation of the temporary rules. Nothing herein shall be deemed to require the publication of the text of any temporary rule adopted by the division or notice of any modification of any temporary rulemaking initiated in accordance with this subsection. The text of any temporary rule adopted by the division shall be available in each casino or simulcasting facility participating in the temporary rulemaking and shall be available upon request from the division.

h. Notwithstanding any other provision of this act or the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) to the contrary, the commission and the division may, after notice provided in accordance with this subsection, summarily adopt, amend, or repeal any order, rule, or regulation issued or promulgated by the commission or division, for a period not to exceed 270 days for the purpose of initiating the implementation of Internet wagering at casinos. The summary rulemaking authorized by this subsection shall be subject

to such terms and conditions as the commission or division may deem appropriate. Notice of any temporary rulemaking action taken by the commission or division pursuant to this subsection shall be published in the New Jersey Register, and provided to the newspapers designated by the commission or division pursuant to subsection d. of section 3 of P.L.1975, c.231 (C.10:4-8), at least seven days prior to the implementation of the temporary rules. Nothing herein shall be deemed to require the publication of the text of any temporary rule adopted by the commission or division or notice of any modification of any temporary rulemaking initiated in accordance with this subsection. The text of any temporary rule adopted by the commission or division shall be available in each casino participating in the temporary rulemaking and shall be available upon request from the commission or division.

26. Section 70 of P.L.1977, c.110 (C.5:12-70) is amended to read as follows:

C.5:12-70 Required regulations.

70. Required Regulations. a. The division shall, without limitation include the following specific provisions in its regulations in accordance with the provisions of this act:

(1) Prescribing the methods and forms of application and registration which any applicant or registrant shall follow and complete;

(2) Prescribing the methods, procedures and form for delivery of information concerning any person's family, habits, character, associates, criminal record, business activities and financial affairs;

(3) Prescribing such procedures for the fingerprinting of an applicant, employee of a licensee, or registrant, and methods of identification which may be necessary to accomplish effective enforcement of restrictions on access to the casino floor, the simulcasting facility, and other restricted areas of the casino hotel complex;

(4) Prescribing the method of notice to an applicant, registrant or licensee concerning the release of any information or data provided to the commission or division by such applicant, registrant or licensee;

(5) Prescribing the manner and procedure of all hearings conducted by the division or any hearing examiner, including special rules of evidence applicable thereto and notices thereof;

(6) Prescribing the manner and method of collection of payments of taxes, fees, and penalties;

(7) Defining and limiting the areas of operation, the rules of authorized games, odds, and devices permitted, and the method of operation of such games and devices;

(8) Regulating the practice and procedures for negotiable transactions involving patrons, including limitations on the circumstances and amounts of such transactions, and the establishment of forms and procedures for negotiable instrument transactions, redemptions, and consolidations;

(9) Prescribing grounds and procedures for the revocation or suspension of operating certificates, licenses and registrations;

(10) Governing the manufacture, distribution, sale, deployment, and servicing of gaming devices and equipment;

(11) Prescribing for gaming operations the procedures, forms and methods of management controls, including employee and supervisory tables of organization and responsibility, and minimum security and surveillance standards, including security personnel structure, alarm and other electrical or visual security measures; provided, however, that the division shall grant an applicant for a casino license or a casino licensee broad discretion concerning the

organization and responsibilities of management personnel who are not directly involved in the supervision of gaming or simulcast wagering operations;

(12) Prescribing the qualifications of, and the conditions pursuant to which, engineers, accountants, and others shall be permitted to practice before the division or to submit materials on behalf of any applicant or licensee; provided, however, that no member of the Legislature, nor any firm with which said member is associated, shall be permitted to appear or practice or act in any capacity whatsoever before the commission or division regarding any matter whatsoever, nor shall any member of the family of the Governor or of a member of the Legislature be permitted to so practice or appear in any capacity whatsoever before the commission or division regarding any matter whatsoever;

(13) Prescribing minimum procedures for the exercise of effective control over the internal fiscal affairs of a licensee, including provisions for the safeguarding of assets and revenues, the recording of cash and evidence of indebtedness, and the maintenance of reliable records, accounts, and reports of transactions, operations and events, including reports to the division;

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

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

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

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

(18) Concerning the distribution and consumption of alcoholic beverages on the premises of the licensee, which regulations shall be insofar as possible consistent with Title 33 of the Revised Statutes, and shall deviate only insofar as necessary because of the unique character of the hotel casino premises and operations;

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

b. The commission shall, in its regulations, prescribe the manner and procedure of all hearings conducted by the commission, including special rules of evidence applicable thereto and notices thereof.

27. Section 52 of P.L.1977, c.110 (C.5:12-52) is amended to read as follows:

C.5:12-52 Appointment and terms of commission members.

52. a. (Deleted by amendment, P.L.2011, c.19)

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

c. The commission shall consist of five members who shall be appointed for terms of 5 years; provided, however, that no member shall serve more than two terms of 5 years each.

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

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

f. The member designated by the Governor to serve as chairman shall serve in such capacity throughout such member's entire term and until his successor shall have been duly appointed and qualified. No such member, however, shall serve in such capacity for more than 10 years. The chairman shall be the chief executive officer of the commission. All members shall devote full time to their duties of office and shall not pursue or engage in any other business, occupation or other gainful employment.

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

h. Each member of the commission shall serve for the duration of his term and until his successor shall be duly appointed and qualified, subject to the limitations in subsections c. and f. of this section; provided, however, that in the event that a successor is not duly appointed and qualified within 120 days after the expiration of the member's term, a vacancy shall be deemed to exist.

28. Section 54 of P.L.1977, c.110 (C.5:12-54) is amended to read as follows:

C.5:12-54 Organization and employees.

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

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

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

d. The commission may employ such other personnel as it deems necessary. All employees of the commission, except for secretarial and clerical personnel, shall be in the

unclassified service of the Civil Service. All employees of the commission shall be deemed confidential employees for the purposes of the "New Jersey Employer-Employee Relations Act" (P.L.1941, c.100; C.34:13A-1 et seq.), as amended. Notwithstanding the provisions of any other law to the contrary, the commission may employ legal counsel who shall represent the commission in any proceeding to which it is a party, and who shall render legal advice to the commission upon its request. The commission may contract for the services of other professional, technical and operational personnel and consultants as may be necessary to the performance of its responsibilities under this act.

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

29. 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 pending; 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, domestic partner or partner in a civil union, as the case may be, 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, domestic partner or partner in a civil union, as the case may be. 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.

30. Section 59 of P.L.1977, c.110 (C.5:12-59) is amended to read as follows:

C.5:12-59 Employment restrictions on commissioners, commission employees and division employees.

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

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

b. The commission shall promulgate and maintain a Code of Ethics that is modeled upon the Code of Judicial Conduct of the American Bar Association, as amended and adopted by the Supreme Court of New Jersey.

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

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

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

(1) No commission member or employee or division director, employee or agent shall be permitted to gamble in any establishment licensed by the commission except in the course of his duties.

(2) No commission member or employee or division director, employee or agent shall solicit or accept employment from any person licensed by or registered with the commission or from any applicant for a period of four years after termination of service with the commission or division, except as otherwise provided in section 60 of this act.

(3) No commission member or employee or division director, employee or agent shall act in his official capacity in any matter wherein he or his spouse, domestic partner or partner in a civil union, child, parent or sibling has a direct or indirect personal financial interest that might reasonably be expected to impair his objectivity or independence of judgment.

(4) No commission member or employee or division director, employee or agent shall act in his official capacity in a matter concerning an applicant for licensure or a licensee who is the employer of a spouse, domestic partner or partner in a civil union, child, parent or sibling of said commission or division employee or agent when the fact of the employment of such spouse, domestic partner or partner in a civil union, child, parent or sibling might reasonably

be expected to impair the objectivity and independence of judgment of said commission employee or division employee or agent.

(5) No spouse, domestic partner or partner in a civil union, child, parent or sibling of a commission member or the division director shall be employed in any capacity by an applicant for a casino license or a casino licensee nor by any holding, intermediary or subsidiary company thereof.

(6) No commission member shall meet with any person, except for any other member of the commission or employee of the commission, or discuss any issues involving any pending or proposed application or any matter whatsoever which may reasonably be expected to come before the commission, or any member thereof, for determination unless the meeting or discussion takes place on the business premises of the commission, provided, however, that commission members may meet to consider matters requiring the physical inspection of equipment or premises at the location of the equipment or premises. All meetings or discussions subject to this paragraph shall be noted in a log maintained for this purpose and available for inspection pursuant to the provisions of P.L.1963, c.73 (C.47:1A-1 et seq.).

f. No commission member or employee or division director, employee or agent shall have any interest, direct or indirect, in any applicant or in any person licensed by or registered with the commission during his term of office or employment.

g. Each commission member and employee of the commission, the division director and each employee and agent of the division shall devote his entire time and attention to his duties and shall not pursue any other business or occupation or other gainful employment; provided, however, that secretarial and clerical personnel may engage in such other gainful employment as shall not interfere with their duties to the commission or division, unless otherwise directed; and provided further, however, that other employees of the commission and division and agents of the division may engage in such other gainful employment as shall not interfere or be in conflict with their duties to the commission or division, upon approval by the commission or the director of the division, as the case may be.

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

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

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

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

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

31. 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 nor the division director shall hold any direct or indirect interest in, or be employed by, any applicant or by any person licensed by or registered under this act for a period of 4 years commencing on the date his membership on the commission or directorship, as the case may be, 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 or division upon application to and the approval of the commission or the director, as the case may be, 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 under this act upon application to and the approval of the division or the commission, as the case may be, 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 commission or the division shall take action on an application within 30 days of receipt and an application may be submitted to the commission or the division prior to or after the commencement of the employment.

c. No commission member, division director, or person employed by the commission or division shall represent any person or party other than the State before or against the commission or division 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 director, 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 director, 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 registered as a casino service industry enterprise under subsection c. of section 92 of P.L.1977, c.110 (C.5:12-92).

32. Section 61 of P.L.1977, c.110 (C.5:12-61) is amended to read as follows:

C.5:12-61 Applicant and licensee liability for violations.

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

b. The division shall impose such sanctions upon an applicant or a licensed or registered person for violations of this section as authorized by Article 9 of this act.

33. Section 63 of P.L.1977, c.110 (C.5:12-63) is amended to read as follows:

C.5:12-63 Duties of the commission.

63. Duties of the Commission. (1) The Casino Control Commission shall have the following responsibilities under this act:

a. To hear and decide promptly and in reasonable order (1) all applications for a casino license, including applications filed by all persons required individually to qualify in connection therewith; (2) all applications for interim casino authorization, including but not limited to applications filed by persons required individually to qualify in connection therewith; (3) statements of compliance issued pursuant to section 81 of P.L.1977, c.110 (C.5:12-81); and (4) all applications for a casino key employee license;

b. To review and decide any appeal from: (1) a notice of violation and penalty assessment issued by the director upon any applicant, qualifier, licensee or registrant under this act; (2) any determination made by the director regarding: (i) any ruling on an application for a casino service industry enterprise license; (ii) any ruling on an application for any other license or qualification under this act; (iii) a revocation of a license or registration; (iv) any ruling on a request for statement of compliance; or (v) placement on an exclusion list;

c. To promulgate such regulations as may be necessary to conduct hearings under subsections a. and b. of this section;

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

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

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

g. To refer to the division for investigation and prosecution any evidence of a violation of P.L.1977, c.110 (C.5:12-1 et seq.) or the regulations promulgated thereunder;

h. To review and rule upon any complaint by a casino licensee regarding any investigative procedures of the division which are unnecessarily disruptive of casino or simulcasting facility operations. The need to inspect and investigate shall be presumed at all times. The disruption of a licensee's operations shall be proved by clear and convincing evidence, which evidence shall establish that: (1) the procedures had no reasonable law enforcement purpose, and (2) the procedures were so disruptive as to inhibit unreasonably casino or simulcasting facility operations; and

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

j. To refer to the division for investigative hearing matters concerning the conduct of gaming and gaming operations as well as the enforcement of the provisions of P.L.1977, c.110 (C.5:12-1 et seq.).

(2) The Casino Control Commission shall proceed promptly, along with the division, to take all actions as may be deemed necessary and appropriate, including the promulgation of

regulations, for the expeditious implementation of Internet wagering when such wagering is permitted by State and federal law.

34. Section 66 of P.L.1977, c.110 (C.5:12-66) is amended to read as follows:

C.5:12-66 Investigative hearings.

66. Investigative hearings. The division shall have the authority to conduct investigative hearings concerning the conduct of gaming and gaming operations as well as the enforcement of the provisions of P.L.1977, c.110 (C.5:12-1 et seq.), as amended and supplemented, in accordance with the procedures set forth in the act and any applicable implementing regulations.

35. Section 68 of P.L.1977, c.110 (C.5:12-68) is amended to read as follows:

C.5:12-68 Collection of fees, penalties or tax.

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

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

36. Section 71 of P.L.1977, c.110 (C.5:12-71) is amended to read as follows:

C.5:12-71 Regulation requiring exclusion of certain persons.

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

(1) Who are career or professional offenders as defined by regulations promulgated hereunder;

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

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

The division shall promulgate definitions establishing those categories of persons who shall be excluded pursuant to this section, including cheats and persons whose privileges for licensure or registration have been revoked.

b. Race, color, creed, national origin or ancestry, or sex shall not be a reason for placing the name of any person upon such list.

c. The division may impose sanctions upon a licensed casino or individual licensee or registrant in accordance with the provisions of this act if such casino or individual licensee or registrant knowingly fails to exclude or eject from the premises of any licensed casino any person placed by the division on the list of persons to be excluded or ejected.

d. Any list compiled by the division of persons to be excluded or ejected shall not be deemed an all-inclusive list, and licensed casino establishments shall have a duty to keep from their premises persons known to them to be within the classifications declared in paragraphs (1) and (2) of subsection a. of this section and the regulations promulgated thereunder, or known to them to be persons whose presence in a licensed casino hotel would be inimical to the interest of the State of New Jersey or of licensed gaming therein, or both, as defined in standards established by the division.

e. Prior to placing the name of any person on a list pursuant to this section, the division shall serve notice of such fact to such person by personal service, by certified mail at the last known address of such person, or by publication daily for one week in a newspaper of general circulation in Atlantic City.

f. Within 30 days after service of the petition in accordance with subsection e. of this section, the person named for exclusion or ejection may demand a hearing before the director or the director's designee, at which hearing the director or the director's designee shall have the affirmative obligation to demonstrate by a preponderance of the evidence that the person named for exclusion or ejection satisfies the criteria for exclusion established by this section and the applicable regulations. Failure to demand such a hearing within 30 days after service shall be deemed an admission of all matters and facts alleged in the director's petition and shall preclude a person from having an administrative hearing, but shall in no way affect his or her right to judicial review as provided herein.

g. The division may make a preliminary placement on the list of a person named in a petition for exclusion or ejection pending completion of a hearing on the petition. The hearing on the application for preliminary placement shall be a limited proceeding at which the division shall have the affirmative obligation to demonstrate that there is a reasonable possibility that the person satisfies the criteria for exclusion established by this section and the applicable regulations. If a person has been placed on the list as a result of an application for preliminary placement, unless otherwise agreed by the director and the named person, a hearing on the petition for exclusion or ejection shall be initiated within 30 days after the receipt of a demand for such hearing or the date of preliminary placement on the list, whichever is later.

h. If, upon completion of the hearing on the petition for exclusion or ejection, the director determines that the person named therein does not satisfy the criteria for exclusion established by this section and the applicable regulations, the director shall issue an order denying the petition. If the person named in the petition for exclusion or ejection had been placed on the list as a result of an application for preliminary placement, the director shall notify all casino licensees of the person's removal from the list.

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

37. Section 1 of P.L.2001, c.39 (C.5:12-71.2) is amended to read as follows:

C.5:12-71.2 List of persons self-excluded from gaming activities.

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

b. The regulations of the division shall establish procedures for placements on, and removals from, the list of self-excluded persons. Such regulations shall establish procedures for the transmittal to licensed casinos and simulcasting facilities of identifying information concerning self-excluded persons, and shall require licensed casinos and simulcasting facilities to establish procedures designed, at a minimum, to remove self-excluded persons from targeted mailings or other forms of advertising or promotions and deny self-excluded persons access to credit, complimentaries, check cashing privileges club programs, and other similar benefits.

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

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

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

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

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

38. Section 2 of P.L.2001, c.39 (C.5:12-71.3) is amended to read as follows:

C.5:12-71.3 Penalties for gaming by prohibited persons.

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

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

c. In addition to any other penalty provided by law, any money or thing or value which has been obtained by, or is owed to, any prohibited person by a licensed casino or simulcasting facility as a result of wagers made by a prohibited person shall be subject to forfeiture following notice to the prohibited person and opportunity to be heard. A licensed casino or simulcasting facility shall inform a prohibited person of the availability of such notice on the division's Internet website when ejecting the prohibited person and seizing any chips, vouchers or other representative of money owed by a casino to the prohibited person as authorized by this subsection.

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

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

39. Section 72 of P.L.1977, c.110 (C.5:12-72) is amended to read as follows:

C.5:12-72 Commission reports and recommendations.

72. Commission reports and recommendations. The commission, in consultation with the division, shall carry on a continuous study of the operation and administration of casino control laws which may be in effect in other jurisdictions, literature on this subject which may from time to time become available, federal laws which may affect the operation of casino gaming in this State, and the reaction of New Jersey citizens to existing and potential features of casino gaming under this act. It shall be responsible for ascertaining any defects in this act or in the rules and regulations issued thereunder, formulating recommendations for changes in this act to prevent abuses thereof, guarding against the use of this act as a cloak for the carrying on of illegal gambling or other criminal activities, and insuring that this act and the rules and regulations shall be in such form and be so administered as to serve the true

purposes of this act. The commission, after consultation with the division, shall make to the Governor and the Legislature an annual report of all revenues, expenses and disbursements, and shall include therein such recommendations for changes in this act as the commission or division deems necessary or desirable. The commission, after consultation with the division, shall also report recommendations that promote more efficient operations of the division and the commission. The commission, after consultation with the division, shall report immediately to the Governor and the Legislature any matters which in its judgment require immediate changes in the laws of this State in order to prevent abuses and evasions of this act or of rules and regulations promulgated hereunder, or to rectify undesirable conditions in connection with the operation and regulation of casino gaming.

40. Section 74 of P.L.1977, c.110 (C.5:12-74) is amended to read as follows:

C.5:12-74 Minutes and records.

74. Minutes and Records. a. The Executive Secretary of the commission shall cause to be made and kept a record and verbatim transcripts of all proceedings held at public meetings of the commission. A copy of any such verbatim transcript shall be made available to any person upon request and payment of the costs of preparing the copy.

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

b. The division or the commission, as appropriate, shall keep and maintain a list of all applicants for licenses and registrations under this act together with a record of all actions taken with respect to such applicants, which file and record shall be open to public inspection; provided, however, that the foregoing information regarding any applicant whose license or registration has been denied or revoked shall be removed from such list after five years from the date of such action.

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

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

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

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

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

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

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

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

C.5:12-75 Powers not enumerated.

75. The commission and the division may exercise any proper power or authority necessary to perform the duties assigned to each entity by law, and no specific enumeration of powers in this act shall be read to limit the authority of the division to administer this act.

42. Section 76 of P.L.1977, c.110 (C.5:12-76) is amended to read as follows:

C.5:12-76 General duties and powers.

76. General Duties and Powers.

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

- a. Enforce the provisions of this act and any regulations promulgated hereunder;
- b. Promptly and in reasonable order investigate all applications for licensure and all registrations under this act;
- c. Issue reports and recommendations to the commission with respect to all entities and natural persons required to qualify for a casino license, an application for interim casino authorization or a petition for a statement of compliance;
- d. Promptly and in reasonable order review and approve or deny all casino service industry enterprise license applications;
- e. Accept and maintain registrations for all casino employee and vendor registrants;
- f. Revoke any registration or casino service industry enterprise license upon findings pursuant to the disqualification criteria in section 86 of P.L.1977, c.110 (C.5:12-86);
- g. Promulgate such regulations as may be necessary to fulfill the policies of this act;
- h. Initiate and decide any actions against licensees or registrants for violation of this act or regulations promulgated hereunder, and impose sanctions and levy and collect penalties upon finding violations;
- i. Provide the commission with all information that the director deems necessary for any action to be taken by the commission under Article 6 of P.L.1977, c.110 (C.5:12-80 through 95);
- j. Initiate, prosecute and defend appeals, as the director may deem appropriate;
- k. Conduct continuing reviews of casino operations through on-site observation and other reasonable means to assure compliance with this act and regulations promulgated hereunder, subject to subsection h. of section 63 of P.L.1977, c.110 (C.5:12-63);
- l. Receive and take appropriate action on any referral from the commission relating to any evidence of a violation of P.L.1977, c.110 (C.5:12-1 et seq.) or the regulations promulgated thereunder;
- m. Exchange fingerprint data with, and receive criminal history record information from, the Federal Bureau of Investigation for use in considering applicants for any license or registration issued pursuant to the provisions of P.L.1977, c.110 (C.5:12-1 et seq.);
- n. Conduct audits of casino operations at such times, under such circumstances, and to such extent as the director shall determine, including reviews of accounting, administrative and financial records, and management control systems, procedures and records utilized by a casino licensee;
- o. Request and receive information, materials and any other data from any licensee or registrant, or applicant for a license or registration under this act; and
- p. Report to the Attorney General recommendations that promote more efficient operations of the division.
- q. Receive complaints from the public relating to the conduct of gaming and simulcasting operations, examine records and procedures, and conduct periodic reviews of operations and facilities for the purpose of evaluating current or suggested provisions of P.L.1977, c.110 (C.5:12-1 et seq.) and the regulations promulgated thereunder, as the director deems appropriate;

- r. Certify the revenue of any casino or simulcasting facility in such manner as the director deems appropriate;
- s. Create and maintain a list of all excluded patrons;
- t. Initiate and decide all actions for involuntary exclusion of patrons pursuant to section 71 of P.L.1977, c.110 (C.5:12-71);
- u. Issue an operation certificate upon the commission's grant of an application for a casino license;
- v. Recommend that the commission issue or revoke statements of compliance pursuant to section 81 of P.L.1977, c.110 (C.5:12-81) and the regulations promulgated thereunder;
- w. Accept impact statements submitted by an applicant for a casino license pursuant to section 84 of P.L.1977, c.110 (C.5:12-84); and
- x. Utilize, in its discretion, the services of a private entity for the purpose of expediting criminal history record background checks required to be performed by the division pursuant to the provisions of P.L.1977, c.110 (C.5:12-1 et seq.), provided that the private entity has been awarded a contract in accordance with the public contracting laws of this State.

C.5:12-74.1 Information, data deemed confidential; exceptions.

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

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

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

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

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

(2) (i) The dollar amount of patron checks initially accepted by a licensee, (ii) the dollar amount of patron checks deposited to the licensee's bank account, (iii) the dollar amount of such checks initially dishonored by the bank and returned to the licensee as uncollected, and (iv) the dollar amount ultimately uncollected after all reasonable efforts;

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

(4) A list of the premises and the nature of improvements, costs thereof and the payees for all such improvements, which were the subject of an investment required and allowed

pursuant to section 144 of P.L.1977, c.110 (C.5:12-144) and section 3 of P.L.1984, c.218 (C.5:12-144.1);

(5) The amount, if any, of tax in lieu of full local real property tax paid pursuant to section 146 of P.L.1977, c.110 (C.5:12-146), and the amount of profits, if any, recaptured pursuant to section 147 of P.L.1977, c.110 (C.5:12-147);

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

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

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

44. 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 regulation. 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 division, and to cooperate in any inquiry, investigation or hearing conducted by the division and any 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.

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 set forth by regulation.

g. All licensees, all registrants, and all other persons required to be qualified under this act shall have a duty to inform the division of any action which they believe would constitute a violation of this act. No person who so informs 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.)

45. Section 81 of P.L.1977, c.110 (C.5:12-81) is amended to read as follows:

C.5:12-81 Statement of compliance.

81. Statement of compliance.

a. (1) Upon consideration of a report and recommendation of the division, the commission may, in its discretion, issue a statement of compliance to an applicant for a casino license or to any person required to qualify in conjunction with a casino license or casino license applicant if the applicant or person, as the case may be, has established by clear and convincing evidence that one or more particular eligibility criteria have been satisfied. A request for the issuance of a statement of compliance pursuant to this paragraph shall be initiated by the applicant filing a petition with the division. Before the division initiates any investigation on such a petition, the director may require the applicant to establish to the satisfaction of the director that the applicant actually intends, if found qualified, to engage in the business or activity that would require the issuance of the license or the determination of qualification status.

(2) Any person who must be qualified pursuant to the "Casino Control Act," P.L.1977, c.110 (C.5:12-1 et seq.) in order to hold the securities of a casino licensee or any holding or intermediary company of a casino licensee may, prior to the acquisition of any such securities, request the issuance of a statement of compliance by the commission that the person is qualified to hold such securities. Any request for the issuance of a statement of compliance pursuant to this paragraph shall be initiated by the person filing a petition with the division in which the person shall be required to establish that there is a reasonable likelihood that, if qualified, the person will obtain and hold the securities of a casino licensee or any holding or intermediary company thereof to such extent as to require the qualification of the person. If, after an investigation by the division, the director finds that this reasonable likelihood exists and that the qualifications of the person have been established by clear and convincing evidence, the director may, in the director's discretion, recommend to the commission that it issue a statement of compliance that the person is qualified to hold such securities. Any person who requests a statement of compliance pursuant to this paragraph shall be subject to the provisions of section 80 of P.L.1977, c.110 (C.5:12-80) and shall pay for the costs of all investigations and proceedings in relation to the request unless the person provides an agreement with one or more casino licensees which states that the licensee or licensees will pay those costs.

(3) A statement of compliance shall not be issued indicating that an applicant or any other person required to qualify in conjunction with a casino license or casino license applicant that is a corporation or other form of business organization has established by clear and convincing evidence its good character, honesty and integrity unless the corporate officers; each director; each person who directly or indirectly holds any beneficial or ownership interest in the applicant of 5% or greater, to the extent such person would be required to qualify under section 85 of P.L.1977, c.110 (C.5:12-85); and any 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 section 89 of P.L.1977, c.110 (C.5:12-89).

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

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

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

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

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

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

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

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

(2) the applicant or person fails to comply with any condition imposed; or

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

e. Notwithstanding any other provision of this section, unless otherwise extended by the commission upon application by the recipient and for good cause shown, any statement of compliance issued by the commission pursuant to this section shall expire 48 months after its date of issuance.

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

46. 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 and the division. 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 a significant portion of an 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 shall 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 or director, as the case may be, 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 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 or a casino service industry enterprise license pursuant to subsection a. of section 92 of P.L.1977, c.110 (C.5:12-92), 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, 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 division 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 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 division 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.

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. For the purpose of this subsection, "undue economic concentration" means that a person would have such actual or potential domination of the casino gaming market in Atlantic City as to substantially impede or suppress competition among casino licensees or adversely impact the economic stability of the casino industry in Atlantic City. In determining whether the issuance or holding of a casino license by a person will result in undue economic concentration, the commission shall consider the following criteria:

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

- The total number of licensed casinos in this State;
- Total casino and casino simulcasting facility square footage;
- Number of guest rooms;
- Number of slot machines;
- Number of table games;
- Net revenue;
- Table game win;
- Slot machine win;
- Table game drop;
- Slot machine drop; and
- Number of persons employed by the casino hotel;

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

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

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

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

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

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

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

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

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

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

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 any additional 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 person required to be qualified in conjunction with such casino license.

47. Section 83 of P.L.1977, c.110 (C.5:12-83) is amended to read as follows:

C.5:12-83 Approved hotel.

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

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

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

c. A casino hotel shall include an approved hotel containing at least 500 qualifying sleeping units, as defined in section 27 of the "Casino Control Act," P.L.1977, c.110 (C.5:12-27), and a casino, the total square footage of which shall not exceed 60,000 square feet, except that for each additional 100 qualifying sleeping units above 500, the maximum amount of the casino space may be increased by 10,000 square feet, up to a maximum of 200,000 square feet of casino space. For the purpose of increasing casino space, an agreement approved by the commission for the addition of qualifying sleeping units within two years after the commencement of gaming operations in the additional casino space shall be deemed an addition of those sleeping units, but if the agreement is not fulfilled due to conditions within the control of the casino licensee, the casino licensee shall close the additional casino space or any portion thereof as directed by the commission.

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

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

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

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

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

i. The division shall not impose any criteria or requirements regarding the contents of the approved hotel in addition to the criteria and requirements expressly specified in the "Casino Control Act," P.L.1977, c.110 (C.5:12-1 et seq.) and the regulations promulgated thereunder; provided, however, that the division shall require each casino licensee to establish and maintain an approved hotel which is in all respects a superior, first-class

facility of exceptional quality which will help restore Atlantic City as a resort, tourist and convention destination.

48. 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. The commission or the division may consider any relevant evidence of financial stability; provided, however, it is presumed that a casino licensee or applicant is financially stable if it establishes by clear and convincing evidence that it meets each of the following standards:

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

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

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

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

(5) The ability to pay, exchange, refinance or extend debts, including long-term and

short-term principal and interest and capital lease obligations, which will mature or otherwise come due and payable during the license term, or to otherwise manage such debts and any default with respect to such debts. The division also may require that a casino licensee or applicant advise as to its plans to meet this standard with respect to any material debts coming due and payable within 12 months after the end of the license term.

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

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 and division 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.

e. Each applicant shall produce such information, documentation and assurances to establish 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 that its proposed location will not adversely affect casino operations. Each applicant shall submit to the division 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 be responsible for the submission to the division of the name, address, fingerprints and written consent for a criminal history record background check to be performed for each person who must

individually qualify in conjunction with the casino license 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 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.

49. Section 85 of P.L.1997, 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 or other form of business organization applying for a casino license shall provide the following information, in such form as may be established by regulation:

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

(2) The rights and privileges acquired by the holders of different classes of authorized securities of the applicant and such companies as the division 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 applicant;

(5) The extent of the equity security holding in the applicant 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 division or whose compensation exceeds an amount determined by the division, and the amount of their compensation;

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

(8) Copies of all management and service contracts;

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

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

b. Each holding, intermediary and subsidiary company of an applicant for or holder of a casino license shall be required to qualify to do business in the State of New Jersey; and

(1) If it is a corporation, register with the division and furnish the division 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 division may require; or

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

- c. (Deleted by amendment, P.L.2011, c.19)
- d. (Deleted by amendment, P.L.2011, c.19)
- e. (Deleted by amendment, P.L.2011, c.19)
- f. (Deleted by amendment, P.L.2011, c.19)
- g. (Deleted by amendment, P.L.2011, c.19)

C.5:12-85.1 Qualifications for issuance of casino license.

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

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

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

d. The director shall have the authority to waive any or all of the qualification requirements for any person listed in paragraph (1), (2) or (3) of subsection c. of this section.

e. Applicants for and holders of casino licenses shall be required to establish and maintain the qualifications of any financial backer, investor, mortgagee, bondholder, or holders of indentures, notes or other evidences of indebtedness, either in effect or proposed which bears relation to the casino operation or casino hotel premises who holds 25% or more of such financial instruments or evidences of indebtedness; provided however in circumstances of default, any person holding 10% of such financial instruments or evidences of indebtedness shall be required to establish and maintain his qualifications as required pursuant to subsection c. of this section. The director may, in his discretion, require that any other financial backer, investor, mortgagee, bondholder, or holder of indentures, notes or other evidences of indebtedness who does not meet the threshold set forth herein to establish and maintain his qualifications as required pursuant to subsection c. of this section.

f. Banks and licensed lending institutions shall be exempt from any qualification requirements under this act if such bank or licensed lending institution is acting in the ordinary course of business.

g. An institutional investor holding either (1) under 25% 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 25%, or a percentage of any issue of the outstanding debt of the company not exceeding 50% unless the full issue is in the amount of \$150 million or less, shall be granted a waiver of qualification if such securities are those of a corporation, whether publicly traded or privately held, and its holdings of such securities were purchased for investment purposes only and it files 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 director 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 division 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 director 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 seq.), including the execution of a trust agreement. The casino licensee and its relevant holding, intermediary or subsidiary company shall immediately notify 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.

h. If at any time the director 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 director 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 director 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.).

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

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

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

required to establish residency.

C.5:12-85.2 Applicability of act.

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

52. Section 86 of P.L.1977, c.110 (C.5:12-86) is amended to read as follows:

C.5:12-86 Casino license – disqualification criteria.

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

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

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

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

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

all crimes of the first degree;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

P.L.1997, c.327 (C.2C:35-7.1) (distributing, dispensing or possessing a controlled dangerous substance or a controlled substance analog in proximity to public housing facilities, parks or buildings);

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

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

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

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

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

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

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

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

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

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

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

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

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

e. The pursuit by the applicant or any person who is required to be qualified under this act as a condition of a casino license of economic gain in an occupational manner or context which is in violation of the criminal or civil public policies of this State, if such pursuit creates a reasonable belief that the participation of such person in casino operations would be inimical to the policies of this act or to legalized gaming in this State. For purposes of this section, occupational manner or context shall be defined as the systematic planning, administration, management, or execution of an activity for financial gain;

f. The identification of the applicant or any person who is required to be qualified under this act as a condition of a casino license as a career offender or a member of a career

offender cartel or an associate of a career offender or career offender cartel in such a manner which creates a reasonable belief that the association is of such a nature as to be inimical to the policy of this act and to gaming operations. For purposes of this section, career offender shall be defined as any person whose behavior is pursued in an occupational manner or context for the purpose of economic gain, utilizing such methods as are deemed criminal violations of the public policy of this State. A career offender cartel shall be defined as any group of persons who operate together as career offenders;

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

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

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

53. Section 87 of P.L.1977, c.110 (C.5:12-87) is amended to read as follows:

C.5:12-87 Investigation of applicants for casino licenses; report, recommendation.

87. a. Upon the filing of an application for a casino license and such supplemental information as the commission or division may require, and upon the filing of such information as may be required by section 88 of P.L.1977, c.110 (C.5:12-88), the division shall conduct an investigation into the qualification of the applicant, and submit a report and recommendation to the commission.

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

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 an order stating 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 facts.

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

e. When an application is granted, and upon tender of all required license fees and taxes, and such bonds as the commission may require for the faithful performance of all requirements imposed by law or regulations, the commission shall issue a casino license.

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

C.5:12-87.1 Submission of documentation, information by licensee.

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

55. 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 casino licensee or a holding or intermediary company of a casino licensee may employ any person as a casino key employee unless the person is the holder of a valid casino key employee license issued by the commission.

b. Each applicant for a casino key employee license 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 and the division 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 employed by a casino licensee 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; and provided further that no applicant employed by a holding or intermediary company of a casino licensee shall be required to establish residency in this State.

(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 completed 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.

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.

56. 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 employees.

91. Registration of Casino Employees. a. No person may commence employment as a casino employee unless such person has a valid registration on file with the division, which registration shall be prepared and filed in accordance with the regulations promulgated hereunder.

b. A casino employee registrant shall produce such information as the division by regulation may require. Subsequent to the registration of a casino employee, the director 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 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 employee shall lapse.

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

d. Notwithstanding the provisions of subsection b. of this section, no casino 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 director 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. (Deleted by amendment, P.L.2011, c.19)

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

g. For the purposes of this section, each registrant shall submit to the division the registrant'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 registrant 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.5:12-91.1 Endorsement as multi-casino employee.

57. Upon the joint petition of two or more affiliated casino licensees, a registered casino employee or licensed casino key employee who is employed by any affiliated casino licensee may be endorsed by the commission or division, as applicable, as a multi-casino employee of each of the petitioners; provided, however, that no such multi-casino employee shall be permitted to engage in any incompatible functions, as determined by the division.

58. 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, independent testing laboratories, junket enterprises and junket representatives, and any person employed by a junket enterprise or junket representative in a managerial or supervisory position, shall require licensure 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 director 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 director 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 director 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, as well as its owners; management and supervisory personnel; and employees if such 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 is not included in subsection a. of this section including, but not limited to casino site contractors and subcontractors, shopkeepers located within the approved hotels, and gaming schools that possess slot machines for the purpose of instruction, and any non-supervisory employee of a junket enterprise licensed under subsection a. of this section, shall be required to register with the division in accordance with the regulations promulgated under this act, P.L.1977, c.110 (C.5:12-1 et seq.).

(2) Notwithstanding the provisions of paragraph (1) of this subsection, the director may, consistent with the public interest and the policies of this act, direct 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, 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) (Deleted by amendment, P.L.2011, c.19)

d. Any applicant, licensee or qualifier of a casino service industry enterprise license under subsection a. or b. of this section, and any vendor registrant under subsection c. of this section shall be disqualified in accordance with the criteria contained in section 86 of this act, except that no such vendor registration under subsection c. of this section shall be denied or revoked if such vendor registrant can affirmatively demonstrate rehabilitation as provided in subsection d. of section 91 of P.L.1977, c.110 (C.5:12-91).

e. No casino service industry enterprise license shall be issued pursuant to subsection a. 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. (Deleted by amendment, P.L.2011, c.19)

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.

59. Section 93 of P.L.1977, c.110 (C.5:12-93) is amended to read as follows:

## C.5:12-93 Registration of labor organizations.

93. Registration of Labor Organizations. a. Each labor organization, union or affiliate seeking to represent employees who are employed in a casino hotel, casino or casino simulcasting facility by a casino licensee shall register with the division biennially, and shall disclose such information to the division as the division may require, including the names of all affiliated organizations, pension and welfare systems and all officers and agents of such organizations and systems; provided, however, that no labor organization, union, or affiliate shall be required to furnish such information to the extent such information is included in a report filed by any labor organization, union, or affiliate with the Secretary of Labor pursuant to 29 U.S.C.s.431 et seq. or s. 1001 et seq. if a copy of such report, or of the portion thereof containing such information, is furnished to the division pursuant to the aforesaid federal provisions. The division may in its discretion exempt any labor organization, union, or affiliate from the registration requirements of this subsection where the division finds that such organization, union or affiliate is not the certified bargaining representative of any employee who is employed in a casino hotel, casino or casino simulcasting facility by a casino licensee, is not involved actively, directly or substantially in the control or direction of the representation of any such employee, and is not seeking to do so.

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

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

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

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

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

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

60. 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 a casino key employee license 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.

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

c. The commission shall have the authority to deny any application pursuant to the provisions of this act. When an application for a casino key employee license 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.

e. Casino employee registration and vendor registration shall be effective upon issuance, and shall remain in effect unless revoked, suspended, limited, or otherwise restricted by the division. Notwithstanding the foregoing, if a casino employee registrant has not been employed in any position within a casino hotel facility or a vendor registrant has not conducted business with a casino hotel facility for a period of three years, the registration of that casino employee or vendor registrant shall lapse.

f. Notwithstanding the foregoing, the commission shall reconsider the granting of any casino key employee license at any time at the request of the division. Notwithstanding the foregoing, the division may reconsider the granting of any license or may revoke any registration at any time.

g. After an application for a casino key employee license 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.

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

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

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

(2) The division shall establish by regulation appropriate fees to be imposed on each casino licensee and the method for the collection of such fees for each casino registrant

employed by an operating casino and for each vendor registrant which provides goods or services to a casino, regardless of the nature of any contractual relationship between the vendor registrant and casino, if any. Such fees shall be deposited into the Casino Control Fund established by section 143 of P.L.1977, c.110 (C.5:12-143).

61. Section 96 of P.L.1977, c.110 (C.5:12-96) is amended to read as follows:

C.5:12-96 Operation certificate.

96. Operation Certificate. a. Notwithstanding the issuance of a license therefor, no casino or simulcasting facility may be opened or remain open to the public, and no gaming or simulcast wagering activity, except for test purposes, may be conducted therein, unless and until a valid operation certificate has been issued to the casino licensee by the division. Such certificate shall be issued by the director upon a determination that a casino and, if applicable, a simulcasting facility each complies in all respects with the requirements of this act and regulations promulgated hereunder, and that the casino and any applicable simulcasting facility are prepared in all respects to receive and entertain the public.

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

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

d. An operation certificate shall remain in force and effect unless revoked, suspended, limited, or otherwise altered by the division in accordance with this act.

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

62. Section 97 of P.L.1977, c.110 (C.5:12-97) is amended to read as follows:

C.5:12-97 Hours of operation.

97. Hours of Operation. a. Each casino licensed pursuant to this act shall be permitted to operate 24 hours a day unless otherwise directed by the division in accordance with its authority under P.L.1977, c.110 (C.5:12-1 et seq.).

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

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

63. Section 98 of P.L.1977, c.110 (C.5:12-98) is amended to read as follows.

C.5:12-98 Casino facility requirements.

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

b. Each casino hotel shall include:

(1) A closed circuit television system according to specifications approved by the division, with access on the licensed premises to the system or its signal provided to the division, in accordance with regulations pertaining thereto;

(2) One or more rooms or locations approved by the division as casino space; and

(3) Design specifications that insure that visibility in a casino or in the simulcasting facility is not obstructed in any way that might interfere with the ability of the division to supervise casino or simulcasting facility operations.

64. 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 create, maintain, and file with the division a description of its internal procedures and administrative and accounting controls for gaming and simulcast wagering operations that conform to the requirements of P.L.1977, c.110 (C.5:12-1 et seq.), and the regulations promulgated thereunder, and 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, and ensure that casino procedures are carried out and supervised by personnel who do not have incompatible functions. A casino licensee's internal controls 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) (Deleted by amendment, P.L.2011, c.19)

(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 is declared and the casino licensee is unable or ineligible to continue 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. (Deleted by amendment, P.L.2011, c.19)

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

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

65. 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 division 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 division regulations.

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 division. 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 or a qualified holding or intermediary company of a casino licensee in restricted areas specifically approved by the division. 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 division, is under the exclusive control of a casino licensee or casino licensee's employees, or of any individually qualified employee of a holding company or casino licensee 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 division.

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 division deems necessary and appropriate to the operation or maintenance of the multi-casino progressive slot machine system may, with the prior approval of the division, 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 division and under such terms and conditions as may be required by the division, 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 division 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 division that are received in the conduct of gaming and for the inspection, counting and storage of dice, cards, chips and other representatives of value. The division shall promulgate regulations for the security of 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, which regulations may include certain locking devices. 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 division may require.

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

e. All gaming shall be conducted according to rules promulgated by the division. All wagers and pay-offs of winning wagers shall be made according to rules promulgated by the division, 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 division 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 division shall require. Each casino licensee shall prominently post within a casino room and simulcasting facility, as appropriate, according to regulations of the division 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 division 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 and licensed for use by the division. 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 as it deems appropriate. 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. The division, in its discretion, may rely upon the data provided by the private testing laboratory or governmental agency and adopt the conclusions of such private testing laboratory or governmental agency regarding any submitted device.

(2) Except as otherwise provided in paragraph (5) of subsection h. of this section, 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, approve or reject the slot machine or other gaming equipment model. In so doing, 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 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 division 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 division of the settings.

(4) The division 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 division 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.

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

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, slot vouchers or complimentary vouchers distributed by the casino licensee, or, if authorized by regulation of the division, 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 division.

n. (1) It shall be unlawful for any casino key employee, licensee 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.

(2) It shall be unlawful for any other employee of a casino licensee who, in the judgment of the division, is directly involved with the conduct of gaming operations, including but not limited to dealers, floor persons, box persons, security and surveillance employees, to wager in any 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 an affiliated licensee.

(3) The prohibition against wagering set forth in paragraphs (1) and (2) of this subsection shall continue for a period of 30 days commencing upon the date that the employee either leaves employment with a casino licensee or is terminated from employment with a 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 division. 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 division may, by regulation, 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 as the division by regulation may approve.

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 division.

66. Section 4 of P.L.2005, c.46 (C.5:12-100.1) is amended to read as follows:

C.5:12-100.1 Right to receive annuity jackpot payments.

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

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

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

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

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

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

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

- (4) the slot machine game on which the annuity jackpot was won;
- (5) the slot system operator primarily responsible for making the annuity jackpot payments;
- (6) the gross amount of the annuity jackpot won before application of withholding taxes;
- (7) the gross amount of each payment to be made to the winner by the slot system operator before application of withholding taxes;
- (8) the dates of the payments to be assigned and the amount of the specific payments to be assigned on each date;
- (9) the identity of the winner's spouse, domestic partner or partner in a civil union, if any, and the interest of that person, if any, in the annuity jackpot payments;
- (10) the identity of any other co-owner, claimant or lienholder and the amount of the interests, liens, security interests, prior assignments or offsets asserted by each such party;
- (11) that the interest rate or discount rate, as applicable, and all fees and costs and other material terms relating to the assignment are expressly and clearly included in all material documents and in all documents that include any obligations of the annuity jackpot winner;
- (12) that the interest rate or discount rate, as applicable, and any other fees or charges associated with the assignment do not indicate overreaching or exploitation, do not exceed current usury rates, and does not violate any laws of usury of this State;
- (13) that the winner has reviewed and understands the terms of the assignment;
- (14) that the winner understands that the winner will not receive the annuity jackpot payments, or portions thereof, for the years assigned;
- (15) that the winner has agreed to the assignment of the winner's own free will without undue influence or duress;
- (16) that the winner has retained and consulted with independent legal counsel who has advised the winner of the winner's legal rights and obligations;
- (17) that the winner has retained and consulted with an independent tax advisor concerning the tax consequences of the assignment;
- (18) that the winner has disclosed all existing debts, liens and child support obligations and does not seek assignment for purposes of evading creditors, judgments or obligations for child support; and
- (19) that the winner has certified that: the winner is not obligated to repay any public assistance benefits; and the winner does not have a child support obligation, or if the winner does have a child support obligation, that no arrearage is due.

The annuity jackpot winner and the proposed assignee shall provide a copy of the proposed form of order to the slot system operator at least 10 days before the court is scheduled to act on the proposed order to allow the slot system operator the opportunity to ensure that the proposed order is complete and correct in all respects prior to the court's approval.

e. Before a winner is legally bound, by agreement, contract or otherwise, and prior to the issuance of an order pursuant to subsection d. of this section, the assignee shall provide the winner with all material documents which shall be binding on the assignor, including documents evidencing obligations of the winner, and a written notice recommending that the winner obtain independent counsel before signing any document which shall be binding on the assignor. All documents shall include a notice of the assignor's right to cancel the agreement which shall be located in immediate proximity to all spaces reserved for the signature of the winner in bold-faced type of at least 10 points and which shall provide as follows:

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

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

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

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

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

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

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

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

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

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

(2) a court of competent jurisdiction issues a published decision holding that because of the right of assignment provided by subsection d. of this section, annuity jackpot winners who do not exercise the right to assign annuity jackpot payments would be subject to an immediate income tax liability for the value of the entire annuity jackpot rather than annual income tax liability for each installment when received.

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

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

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

67. Section 5 of P.L.2005, c.46 (C.5:12-100.2) is amended to read as follows:

C.5:12-100.2 Prompt notice of award of annuity jackpot; offset, lien for child support arrearages.

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

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

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

d. The Probation Division of the Superior Court, acting as agent for the child support payee or the county welfare agency that provided the public assistance benefits, as appropriate, shall have a lien on the proceeds of the annuity jackpot payment in an amount equal to the amount of child support arrearage or the amount of overpayment incurred, as appropriate. The lien imposed by this section shall be enforceable in the Superior Court. Any of the annuity jackpot winner's funds remaining after withholding pursuant to the lien established pursuant to this section shall be paid to the winner in accordance with the rules of the division.

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

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

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

68. 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 division.

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 division 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 or registered 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 or registered under this act, or any other person acting on behalf of or under any arrangement with a casino licensee or other person licensed or registered 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 a casino key employee licensed under this act or a casino employee registered under this act 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 division 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 under this act 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 division, 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 a 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 division.

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

j. A person may request the division 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 division the person's name, address, and date of birth. The person does not need to provide a reason for this request. The division shall provide this list to the credit department of each casino; neither the division 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 division, 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).

69. Section 2 of P.L.1987, c.419 (C.5:12-101.2) is amended to read as follows:

C.5:12-101.2 Cash redemption, limited.

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

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

70. Section 3 of P.L.1987, c.419 (C.5:12-101.3) is amended to read as follows:

C.5:12-101.3 Report of cash transactions.

3. Casino licensees, persons licensed or registered under P.L.1977, c.110 (C.5:12-1 et seq.) and persons acting on behalf of or under any arrangement with casino licensees or other persons licensed or registered under P.L.1977, c.110, who accept cash or redeem chips or markers totaling \$10,000.00 or more in a gaming day for which identification is required pursuant to sections 1 and 2 of this 1987 supplementary act, shall at least once every 30 days report the identities and passport numbers of the persons offering the cash, chips or markers, to the Division of Gaming Enforcement.

71. 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 enterprise or 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 key 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. 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 that, and junket representatives not employed by a casino licensee or an applicant for a casino license or by a junket enterprise who, engage in activities governed by this section shall be licensed as a casino service industry enterprise in accordance with subsection a. of section 92 of P.L.1977, c.110 (C.5:12-92), unless otherwise directed by the division. Any non-supervisory employee of a junket enterprise or junket representative licensed under this subsection shall be registered in accordance with subsection c. of section 92 of P.L.1977, c.110 (C.5:12-92).

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 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 or junket enterprise applying for licensure may be issued a temporary license by the division in accordance with regulations promulgated by the division, 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 division 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 division may 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 division 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 division, 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 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 division, 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 division 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. In granting exemptions, the division 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 division 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 maintained pursuant to regulation and made available for inspection by the division.

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

72. 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 division.

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 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 division 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 division finds that the uniqueness of casino operations and the public interest require that such regulations, rulings, and findings are appropriate. Regulations of the division 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.

(3) Notwithstanding any other law to the contrary, a manufacturer, wholesaler, or other person licensed to sell alcoholic beverages to retailers, or third parties at their discretion, may, in addition to the activities permitted by section 10 of P.L.2005, c.243 (C.33:1-43.2), jointly sponsor with the Casino Hotel Alcoholic Beverage Licensee musical or theatrical

performances or concerts, sporting events and such similar events and festivals, with an anticipated overall audience attendance of at least one thousand patrons, as may be approved by the division.

g. In issuing a Casino Hotel Alcoholic Beverage License the division shall describe the scope of the particular license and the restrictions and limitations thereon as it deems necessary and reasonable. The division 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 division, other than any room authorized by the division 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. (Deleted by amendment, P.L.2011, c.19)

i. The division 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 division.

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

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

(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 division prior to its effective date. Such agreements may be reviewed by the division 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 division 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 section 92 of P.L.1977, c.110 (C.5:12-92) shall be in writing, be filed with the division, and be lawful and effective only if expressly approved as to their terms by the division 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 Division of Gaming Enforcement 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 division.

(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 division, 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 division for inflation; (ii) the division 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 division.

b. Each casino applicant or licensee shall maintain, in accordance with the rules of the division, 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 division 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 division disapproves such an agreement or the owners, officers, employees, or directors of any enterprise involved therein, the division 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 division regulations, or the disapproved agreement is not terminated, the division 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 division 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.

74. Section 105 of P.L.1977, c.110 (C.5:12-105) is amended to read as follows:

C.5:12-105 Disposition of securities by corporate licensee.

105. Disposition of Securities by Corporate Licensee. a. The sale, assignment, transfer, pledge or other disposition of any security issued by a corporation which holds a casino license shall be effective five business days after the commission receives notice from the licensee of such sale, assignment, transfer, pledge or other disposition, in the form required by regulation, unless within the five business day period, the commission disapproves of such sale, assignment, transfer, pledge or other disposition.

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

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

d. If at any time the division reports to the commission that an individual owner or holder of any security of a corporate licensee or of a holding or intermediary company with respect thereto is not qualified under this act, and if as a result the corporate licensee is no longer qualified to continue as a casino licensee in this State, the commission shall, pursuant to the provisions of this act, and upon the report and input of the division, take any necessary action to protect the public interest, including the suspension or revocation of the casino license of the corporation; provided, however, that if the holding or intermediary company is a publicly traded corporation and the commission finds disqualified any holder of any security thereof who is required to be qualified under section 85d. of this act, and the commission also finds that: (1) the holding or intermediary company has complied with the provisions of section 82d.(7) of this act; (2) the holding or intermediary company has made a good faith effort, including the prosecution of all legal remedies, to comply with any order of the commission or the division requiring the divestiture of the security interest held by the disqualified holder; and (3) such disqualified holder does not have the ability to control the corporate licensee or any holding or intermediary company with respect thereto, or to elect one or more members of the board of directors of such corporation or company, the commission shall not take action against the casino licensee or the holding or intermediary company with respect to the continued ownership of the security interest by the disqualified holder. For purposes of this act, a security holder shall be presumed to have the ability to control a publicly traded corporation, or to elect one or more members of its board of

directors, if such holder owns or beneficially holds 5% or more of the equity securities of such corporation, unless such presumption of control or ability to elect is rebutted by clear and convincing evidence.

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

(1) To receive any dividends or interest upon any such securities;

(2) To exercise, directly or through any trustee or nominee, any right conferred by such securities; or

(3) To receive any remuneration in any form from the corporate licensee for services rendered or otherwise.

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

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

75. 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 or a casino 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 may, in its discretion, suspend rather than terminate the appointment or employment of any person whose license or registration has expired until such time as the person is again licensed or registered. A casino licensee shall comply in all respects with any order of the division 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 holder of a casino employee registration whose application is denied or whose licensure or registration is revoked, as the case may be, shall not, in addition to any restrictions imposed by the regulations of the commission or division, as applicable, on a reapplication for licensure, 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 the denial or revocation, except that the commission or division may permit such employment upon good cause shown.

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

76. Section 107 of P.L.1977, c.110 (C.5:12-107) is amended to read as follows:

C.5:12-107 Conduct of hearings; rules of evidence; punishment of contempts.

107. Conduct of Hearings; Rules of Evidence; Punishment of Contempts. a. The commission shall promulgate regulations for the conduct of hearings it is authorized to conduct under subsection a. of section 63 of P.L.1977, c.110 (C.5:12-63), which regulations shall include the following:

(1) Unless the commission hears the matter directly, the chairman shall refer the matter to the Office of Administrative Law in accordance with P.L.1978, c.67 (C.52:14F-1 et al.); provided, however, that the chairman may, in his discretion, designate a member of the commission, or other qualified person other than an employee of the commission, to serve as hearing examiner in a particular matter;

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

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

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

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

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

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

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

c. If any person in proceedings before the commission or the division disobeys or resists any lawful order, refuses to respond to a subpoena, refuses to take the oath or affirmation as a witness or thereafter refuses to be examined, or is guilty of misconduct at the hearing or so near the place thereof as to obstruct the proceeding, the person may be punished for contempt in accordance with the Rules of Court if the commission or division certifies the facts underlying the contumacious behavior to the Superior Court. Thereafter, the courts shall have jurisdiction in the matter, and the same proceeding shall be had, the same penalties may be

imposed, and the person charged may purge himself of the contempt in the same way as in the case of a person who has committed contempt in the trial of a civil action before the Superior Court.

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

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

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

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

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

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

i. All appeals from final decisions of the division shall be heard by the commission in accordance with subsection b. of section 63 of P.L.1977, c.110 (C.5:12-63), which procedure may include the opportunity for the matter to be heard as a contested case in accordance with the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.). Final orders of the commission shall constitute final agency action for purposes of establishing jurisdiction on appeal in the New Jersey Superior Court.

77. Section 109 of P.L.1977, c.110 (C.5:12-109) is amended to read as follows:

C.5:12-109 Emergency orders.

109. Notwithstanding any provisions of this article, the director may issue an emergency order for the suspension, limitation or conditioning of any operation certificate or any license, other than a casino license, or any registration, or may issue an emergency order

requiring the licensed casino to keep an individual from the premises of such licensed casino or not to pay such individual any remuneration for services or any profits, income or accruals on his investment in such casino, in the following manner:

a. An emergency order shall be issued only when the director finds that:

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

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

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

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

c. The emergency order shall be effective immediately upon issuance and service upon the licensee, registrant, or resident agent of the licensee. The emergency order may suspend, limit, condition or take other action in relation to the approval of one or more individuals who were required to be approved in any operation, without necessarily affecting any other individuals or the licensed casino establishment. The emergency order shall remain effective until further order of the director.

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

e. Thereafter, the person or entity against whom the emergency order has been issued and served shall show cause before the director why the emergency order should not remain in effect in accordance with the provisions of this act and the regulations promulgated hereunder.

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

C.5:12-110 Judicial review.

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

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

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

(1) In violation of constitutional provisions;

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

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

d. In order to protect the public interest and the regulatory authority of the commission, any action by the commission taken pursuant to the provisions of section 64, 69 d. or 71 of this act shall not be subject to the injunctive authority of the Superior Court prior to the exhaustion of the administrative procedures herein specified, unless it shall appear evident to

the court, by clear and convincing evidence, that a manifest denial of justice would be effectuated by the refusal to enjoin the contemplated action.

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

C.5:12-111 Penalties for willful evasion of payment of license fees, other acts and omissions.

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

80. Section 112 of P.L.1977, c.110 (C.5:12-112) is amended to read as follows:

C.5:12-112 Unlicensed casino gambling games unlawful; penalties.

112. Unlicensed Casino Gambling Games Unlawful; Penalties.

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

b. Any licensee who places games or slot machines into play or displays such games or slot machines in a casino or simulcasting facility without authority of the division to do so is guilty of a crime of the fourth degree and subject to the penalties therefor, except that the amount of a fine may be up to \$50,000, and in the case of a person other than a natural person, the amount of a fine may be up to \$200,000.

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

81. Section 46 of P.L.1991, c.182 (C.5:12-113.1) is amended to read as follows:

C.5:12-113.1 Use of certain devices in playing games, grading of offense; forfeiture of devices.

46. a. A person commits a third degree offense if, in playing a game in a licensed casino or simulcasting facility, the person uses, or assists another in the use of, a computerized, electronic, electrical or mechanical device which is designed, constructed, or programmed specifically for use in obtaining an advantage at playing any game in a licensed casino or simulcasting facility, unless the advantage obtained can be assessed a monetary value or loss of \$75,000 or greater in which case the offense is a crime of the second degree.

b. Any computerized, electronic, electrical or mechanical device used in violation of subsection a. of this section shall be considered prima facie contraband and shall be subject to the provisions of N.J.S.2C:64-2. A device used by any person in violation of this section shall be subject to forfeiture pursuant to the provisions of N.J.S.2C:64-1 et seq.

c. Each casino licensee shall post notice of this prohibition and the penalties of this section in a manner determined by the division.

82. Section 114 of P.L.1977, c.110 (C.5:12-114) is amended to read as follows:

C.5:12-114 Unlawful use of bogus chips or gaming billets, marked cards, dice, cheating devices, unlawful coins; penalty.

114. Unlawful Use of Bogus Chips or Gaming Billets, Marked Cards, Dice, Cheating Devices, Unlawful Coins; Penalty. a. It shall be unlawful for any person playing any licensed gambling game:

(1) Knowingly to use bogus or counterfeit chips or gaming billets, or knowingly to substitute and use in any such game cards or dice that have been marked, loaded or tampered with; or

(2) Knowingly to use or possess any cheating device with intent to cheat or defraud.

b. It shall be unlawful for any person, playing or using any slot machine in a licensed casino:

(1) Knowingly to use other than a lawful coin or legal tender of the United States of America, or to use coin not of the same denomination as the coin intended to be used in such slot machine, except that in the playing of any slot machine or similar gaming device, it shall be lawful for any person to use gaming billets, tokens or similar objects therein which are approved by the division; or

(2) To use any cheating or thieving device, including but not limited to tools, drills, wires, coins or tokens attached to strings or wires, or electronic or magnetic devices, to facilitate the alignment of any winning combination or removing from any slot machine any money or other contents thereof.

c. It shall be unlawful for any person knowingly to possess or use while on the premises of a licensed casino, any cheating or thieving device, including but not limited to tools, wires, drills, coins attached to strings or wires or electronic or magnetic devices to facilitate removing from any slot machine any money or contents thereof, except that a duly authorized employee of a licensed casino may possess and use any of the foregoing only in furtherance of his employment in the casino.

d. It shall be unlawful for any person knowingly to possess or use while on the premises of any licensed casino or simulcasting facility any key or device designed for the purpose of or suitable for opening or entering any slot machine or similar gaming device or drop box, except that a duly authorized employee of a licensed casino, of a company authorized to conduct casino simulcasting, or of the division may possess and use any of the foregoing only in furtherance of his employment.

e. Any person who violates this section is guilty of a crime of the fourth degree and notwithstanding the provisions of N.J.S.2C:43-3 shall be subject to a fine of not more than \$50,000, and in the case of a person other than a natural person, to a fine of not more than \$200,000 and any other appropriate disposition authorized by subsection b. of N.J.S.2C:43-2.

83. Section 5 of P.L.1980, c.69 (C.5:12-117.1) is amended to read as follows:

C.5:12-117.1 Persons prohibited from accepting employment; violation; crime of fourth degree.

5. a. No applicant or person or organization licensed by or registered with the commission or division shall employ or offer to employ any person who is prohibited from accepting employment from a licensee or applicant or any holding or intermediary company under section 4 of P.L.1981, c.142 (C.52:13D-17.2).

b. An applicant or person or organization who violates the provisions of this section is guilty of a crime of the fourth degree.

84. Section 118 of P.L.1977, c.110 (C.5:12-118) is amended to read as follows:

C.5:12-118 Regulations requiring exclusion or rejection of certain persons from licensed casinos; unlawful entry by person whose name has been placed on list; penalty.

118. Regulations Requiring Exclusion or Rejection of Certain Persons from Licensed Casinos; Unlawful Entry by Person Whose Name Has Been Placed on List; Penalty. Any person whose name is on the list of persons promulgated by the division pursuant to the provisions of section 71 of this act, P.L.1977, c.110 (C.5:12-71), who knowingly enters the premises of a licensed casino is guilty of a crime of the fourth degree.

85. 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 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 authorities."

86. Section 129 of P.L.1977, c.110 (C.5:12-129) is amended to read as follows:

C.5:12-129 Supplemental sanctions.

129. Supplemental Sanctions.

a. In addition to any penalty, fine or term of imprisonment authorized by law, the division shall, after appropriate hearings and factual determinations, have the authority to impose the following sanctions upon any person licensed or registered pursuant to this act:

(1) Revoke the license or registration of any person for the conviction of any criminal offense under this act or for the commission of any other offense or violation of this act which would disqualify such person from holding his license or registration;

(2) Revoke the license or registration of any person for willfully and knowingly violating an order of the division directed to such person;

(3) Suspend the license or registration of any person pending hearing and determination, in any case in which license or registration revocation could result;

(4) Suspend the operation certificate of any casino licensee for violation of any provisions of this act or regulations promulgated hereunder relating to the operation of its casino or, if applicable, its simulcasting facility, or both, including games, internal and accountancy controls and security;

(5) Assess such civil penalties as may be necessary to punish misconduct and to deter future violations, which penalties may not exceed \$20,000 in the case of any individual licensee or registrant, except that in the case of a casino licensee the penalty may not exceed \$100,000;

(6) Order restitution of any moneys or property unlawfully obtained or retained by a licensee or registrant;

(7) Enter a cease and desist order which specifies the conduct which is to be discontinued, altered or implemented by the licensee or registrant;

(8) Issue letters of reprimand or censure, which letters shall be made a permanent part of the file of each licensee or registrant so sanctioned; or

(9) Impose any or all of the foregoing sanctions in combination with each other.

b. The division's imposition of any fine, penalty, or sanction pursuant to this section shall be appealable to the commission, except that in no case shall the division's decision to enter into a settlement agreement which results in the imposition of a fine, penalty, sanction or any combination thereof be subject to review by the commission.

87. Section 130 of P.L.1977, c.110 (C.5:12-130) is amended to read as follows:

C.5:12-130 Impositions of sanctions – standards.

130. In considering appropriate sanctions in a particular case, the division shall consider:

a. The risk to the public and to the integrity of gaming operations created by the conduct of the licensee or registrant;

- b. The seriousness of the conduct of the licensee or registrant, and whether the conduct was purposeful and with knowledge that it was in contravention of the provisions of this act or regulations promulgated hereunder;
- c. Any justification or excuse for such conduct by the licensee or registrant;
- d. The prior history of the particular license or registrant involved with respect to gaming activity;
- e. The corrective action taken by the licensee or registrant to prevent future misconduct of a like nature from occurring; and
- f. In the case of a monetary penalty, the amount of the penalty in relation to the severity of the misconduct and the financial means of the licensee or registrant. The division may impose any schedule or terms of payment of such penalty as it may deem appropriate.
- g. It shall be no defense to disciplinary action before the division that an applicant, licensee, registrant, intermediary company, or holding company inadvertently, unintentionally, or unknowingly violated a provision of this act. Such factors shall only go to the degree of the penalty to be imposed by the division, and not to a finding of a violation itself.

88. Section 31 of P.L.1978, c.7 (C.5:12-130.1) is amended to read as follows:

C.5:12-130.1 Institution of conservatorship and appointment of conservators.

31. Institution of Conservatorship and Appointment of Conservators.

a. Notwithstanding any other provision of the Casino Control Act, (1) upon the revocation or denial of a casino license, or (2) upon, in the discretion of the commission, the suspension of a casino license or the suspension of an operation certificate for a period of in excess of 120 days, and notwithstanding the pendency of any appeal therefrom, the commission may appoint and constitute a conservator to, among other things, take over and into his possession and control all the property and business of the licensee relating to the casino and the approved hotel; provided, however, that this subsection shall not apply in any instance in which the casino in the casino hotel facility for which the casino license had been issued has not been, in fact, in operation and open to the public, and provided further that no person shall be appointed as conservator unless the commission is satisfied that he is individually qualified according to the standard applicable to casino key employees, except that casino experience shall not be necessary for qualification.

b. (Deleted by amendment, P.L.1987, c.410).

c. The commission may proceed in a conservatorship action in a summary manner or otherwise and shall have the power to appoint and remove one or more conservators and to enjoin the former or suspended licensee from exercising any of its privileges and franchises, from collecting or receiving any debts and from paying out, selling, assigning or transferring any of its property to other than a conservator, except as the commission may otherwise order. The commission shall have such further powers as shall be appropriate for the fulfillment of the purposes of this act.

d. Every conservator shall, before assuming his duties, execute and file a bond for the faithful performance of his duties payable to the commission in the office of the commission with such surety or sureties and in such form as the commission shall approve and in such amount as the commission shall prescribe.

e. When more than one conservator is appointed pursuant to this section, the provisions of this article applicable to one conservator shall be applicable to all; the debts and property

of the former or suspended licensee may be collected and received by any of them; and the powers and rights conferred upon them shall be exercised by a majority of them.

f. The commission shall require that the former or suspended licensee purchase liability insurance, in an amount determined by the commission, to protect a conservator from liability for any acts or omissions of the conservator occurring during the duration of the conservatorship which are reasonably related to, and within the scope of, the conservator's duties.

89. Section 133 of P.L.1977, c.110 (C.5:12-133) is amended to read as follows:

C.5:12-133 Severability and preemption.

133. a. If any clause, sentence, subparagraph, paragraph, subsection, section, article or other portion of this act or the application thereof to any person or circumstances shall be held to be invalid, such holding shall not affect, impair or invalidate the remainder of this act or the application of such portion held invalid to any other person or circumstances, but shall be confined in its operation to the clause, sentence, paragraph, subparagraph, subsection, section, article or other portion thereof directly involved in such holding or to the person or circumstance therein involved.

b. If any provision of this act is inconsistent with, in conflict with, or contrary to any other provision of law, such provision of this act shall prevail over such other provision and such other provision shall be deemed to be amended, superseded or repealed to the extent of such inconsistency or conflict. Notwithstanding the provisions of any other law to the contrary, no local government unit of this State may enact or enforce any ordinance or resolution conflicting with any provision of this act or with any policy of this State expressed or implied herein, whether by exclusion or inclusion. The commission shall have exclusive jurisdiction over all matters delegated to it or within the scope of its powers under the provisions of this act, and the division shall have exclusive jurisdiction over all matters delegated to it or within the scope of its powers under the provisions of this act.

90. 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 division 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 division 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 division 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.

91. Section 135 of P.L.1977, c.110 (C.5:12-135) is amended to read as follows:

C.5:12-135 Equal employment opportunity; enforcement by the division.

135. The division, in addition to and without limitation of other powers which it may have by law, shall have the following powers:

a. To investigate and determine the percentage of population of minority groups in the State or in areas thereof from which the work force for the licensee is or may be drawn;

b. To establish and promulgate such percentages as guidelines in determining the adequacy of affirmative-action programs submitted for approval pursuant to the provisions of section 134 of this act;

c. To impose such sanctions as may be necessary to accomplish the objectives of section 134;

d. To refer to the Attorney General or his designee circumstances which may constitute violation of the "Law Against Discrimination," P.L.1945, c.169 (C.10:5-1 et seq.);

e. To enforce in a court of law the provisions of section 134 or to join in or assist any enforcement proceeding initiated by any aggrieved person; and

f. To require the designation by a licensee of an equal employment officer to enforce the provisions of section 134 and this section and the regulations promulgated hereunder.

92. Section 136 of P.L.1977, c.110 (C.5:12-136) is amended to read as follows:

C.5:12-136 Facilities for the handicapped.

136. All hotels and other facilities of a casino licensee, which are public accommodations and are subject to the regulatory powers of the division under this act, shall be constructed or renovated to conform with the provisions of P.L.1971, c.269, as amended and supplemented (C.52:32-4 et seq.) relating to barrier-free design for providing facilities for the physically handicapped in public buildings, and the rules, regulations and codes thereunder promulgated.

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

C.5:12-139 Casino license fees.

139. Casino License Fees.

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

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

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

94. Section 141 of P.L.1977, c.110 (C.5:12-141) is amended to read as follows:

C.5:12-141 Fees for other than casino licenses.

141. Fees for Other Than Casino Licenses. The division shall, by regulation, establish fees for the investigation and consideration of applications for the issuance and renewal of registrations and licenses other than casino licenses, which fees shall be payable by the applicant, licensee or registrant.

95. Section 31 of P.L.2002, c.65 (C.5:12-141.1) is amended to read as follows:

C.5:12-141.1 Fees to recoup costs of the division or commission.

31. Fees to Recoup Costs of the Division or Commission. The division may, by regulation, establish fees to recoup the costs of services, equipment or other expenses that are rendered, utilized or incurred by the division or commission, including any unusual or out of pocket expenses directly related thereto, in response to requests arising under P.L.1977, c.110 (C.5:12-1 et seq.) that are unrelated to the investigation or consideration of the issuance or renewal of a registration or license.

96. Section 24 of P.L.2009, c.36 (C.5:12-141.2) is amended to read as follows:

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 division.

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 division, 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.

97. Section 143 of P.L.1977, c.110 (C.5:12-143) is amended to read as follows:

C.5:12-143 "Casino control fund."

143. a. There is hereby created and established in the Department of the Treasury a separate special account to be known as the "Casino Control Fund," into which shall be deposited all license fee revenues imposed by sections 94, 139, 140, 141, and 142 of this act.

b. Moneys in the Casino Control Fund shall be appropriated, notwithstanding the provisions of P.L.1976, c.67 (C.52:9H-5 et seq.), exclusively for the operating expenses of the commission and the division.

98. Section 144 of P.L.1977, c.110 (C.5:12-144) is amended to read as follows:

C.5:12-144 Tax on gross revenues.

144. a. There is hereby imposed an annual tax on gross revenues as defined in section 24 of this act in the amount of 8% of such gross revenues.

b. Commencing with the first annual tax return of a licensee for any calendar year beginning after December 31, 1978, and ending before January 1, 1984 and based upon a determination that in said return or any annual return for a calendar year during that period the gross revenue of a licensee in the calendar year upon which the tax is based exceeds the cumulative investments in this State of said licensee as of that year, such licensee shall make investments in an amount not less than 2% of the gross revenue for said calendar year within a period of five years from the end of said calendar year. Fifty percent of the investments required by this subsection as a result of any of the three annual tax returns commencing with the first annual tax return for any calendar year beginning after December 31, 1978 shall be made in the municipality in which the licensed premises are located, and 50% of such investments shall be made in any other municipality of this State. Twenty-five percent of the investments required by this subsection as a result of any annual tax return subsequent to the third such return in a series of returns the first of which is for a calendar year beginning after December 31, 1978 shall be made in the municipality in which the licensed premises are located, and 75% shall be made in any other municipality of this State.

All investments and cumulative investments made pursuant to this subsection shall be subject to a determination by the division as to the eligibility of such investments. In determining eligibility, the division shall consider the public interest, including the social and economic benefits to be derived from such investments for the people of this State.

c. For the purposes of this section, "investments" means equity investments in land and real property on which improvements are made and in real property improvements. For the purposes of this section, "cumulative investments" means investments in and debt financing of the licensed premises, plus other investments in and debt financing of land and real property on which improvements are made and real property improvements; provided, however, that the investments and debt financing not associated with the licensed premises have been subsequent to July 6, 1976. Real property and real property improvements sold or otherwise disposed of by the licensee shall not be included for the purposes of determining cumulative investments.

d. For the purposes of satisfying the amount of investments in any given year and of determining cumulative investments as of any given year, pursuant to subsection b., contributions of money or realty shall be included if the division determines that such contributions best serve the public interest and either (1) directly relate to the improvement, furtherance, and promotion of the tourist industry in this State through the planning, acquisition, construction, improvement, maintenance and operation of recreational, entertainment, and other facilities for the public, including, without limitation, a performing arts center, the beaches and shorefront of this State, and transportation facilities providing or enhancing service in resort areas of this State, or (2) directly relate to the improvement, furtherance, and promotion of the health and wellbeing of the people of this State through the planning, acquisition, construction, improvement, maintenance, and operation of a facility, project or program approved by the division.

e. In the event that the investments required in subsection b. of this section are not made within the time set forth herein, there shall be imposed an investment alternative tax in an amount equivalent to 2% of gross revenue, which tax shall be added to the tax determined under subsection a. of this section and shall be due and payable in accordance with section 148 of P.L.1977, c.110 (C.5:12-148). For the purposes of determining whether the investment alternative tax shall be paid, the State Treasurer shall certify, under such rules and regulations as he shall promulgate consistent with the provisions of this article, the amount of cumulative investments made by each licensee. In the event of the sale or other disposition of the licensed premises, any investment obligation imposed by subsection b. which is not satisfied shall be immediately deemed due and payable as investment alternative tax, and said amount shall constitute a lien upon the licensed premises until paid, together with interest at the rate specified in the "State Uniform Tax Procedure Law," Subtitle 9 of Title 54 of the Revised Statutes; provided, however, that the appointment of a conservator under section 31 of P.L.1978, c.7, shall not constitute a sale or other disposition of the licensed premises within the meaning of this subsection, and provided further, that if, in the judgment of the division, a sale or other disposition does not significantly affect the operations of a casino licensee with respect to such premises, the division may permit the investment obligation imposed on such licensee to continue under such conditions as the division may deem appropriate.

f. The division shall promulgate rules and regulations consistent with the provisions of this article as to the eligibility of the investments and cumulative investments required by this section.

g. The Casino Reinvestment Development Authority shall, simultaneous with the initial exercise of its general powers and responsibilities pursuant to section 39 of P.L.1984, c.218, assume and exercise all powers and responsibilities and make all determinations necessary to the administration of subsections b. through f. of section 144 of P.L.1977, c.110 (C.5:12-144) theretofore exercised or made by the division, including the resolution of all matters

then pending before the division. Subsequent to the initial exercise of its general powers and responsibilities by the Casino Reinvestment Development Authority, the division shall make no further determinations of eligibility under this section except as may be necessary to enable a licensee to satisfy an investment obligation which is due in calendar year 1984, and shall have no further responsibility for planning or redevelopment activity with regard to the use of reinvestment funds generated by either subsections b. through f. of section 144 of P.L.1977, c.110 (C.5:12-144) or subsection b. of section 3 of P.L.1984, c.218 (C.5:12-144.1). All determinations made in accordance with this section shall be final and subject only to alteration by a decision of a court.

h. Notwithstanding any other provision of this section to the contrary, any investment required by this section which has not been commenced by a licensee as of the effective date of this 1984 amendatory and supplementary act, other than an investment which is necessary to enable a licensee to satisfy an investment obligation which is due in calendar year 1984, may only be satisfied through the purchase of bonds of the Casino Reinvestment Development Authority issued pursuant to sections 14 and 15 of P.L.1984, c.218 (C.5:12-162, 5:12-163), except that the date by which the investment shall be made, and the amount of the investment or investment alternative tax obligation, shall be that set forth in subsections b. and e. of this section.

Notwithstanding the provisions of subsections b. and c. of this section, any investment obligation which is due in calendar year 1984 which has not been commenced or satisfied by December 31, 1984 may, at the option of the licensee and with the approval of the division, and in lieu of or in addition to making any other investment or contribution authorized by this section, be satisfied subsequent thereto by the purchase, or the agreement to make a purchase, of bonds of the Casino Reinvestment Development Authority. Any licensee desiring to exercise this option, with the approval of the division, shall transfer and entrust the necessary amount to the State Treasurer, who shall maintain the funds until the initial exercise by the Casino Reinvestment Development Authority of its general powers and responsibilities pursuant to section 39 of P.L.1984, c.218. Immediately subsequent to the initial exercise of its general powers and responsibilities by the Casino Reinvestment Development Authority, the State Treasurer shall transfer any such entrusted funds to the Casino Reinvestment Development Authority for the purchase of bonds by the licensee in amounts equivalent to the amount of the funds deposited by the licensee with the State Treasurer. Until he transfers the funds to the Casino Reinvestment Development Authority, the State Treasurer shall be authorized to invest and reinvest such funds through the Director of the Division of Investment, who shall make such investments in accordance with written directions of the State Treasurer, without regard to any other law relating to investments by the Director of the Division of Investment. Any interest earned on the funds while they are entrusted to the State Treasurer shall accrue to the licensee and the Casino Reinvestment Development Authority in the same proportion as if the funds were held and invested by the Casino Reinvestment Development Authority pursuant to subsection m. of section 13 of P.L.1984, c.218 (C.5:12-161).

The proceeds of all bond purchases made pursuant to this subsection shall be used exclusively to finance the rehabilitation, development, or construction of housing facilities in the city of Atlantic City for persons or families of low through middle income in accordance with the provisions of subsection f. of section 3 of P.L.1984, c.218 (C.5:12-144.1).

i. If a licensee has incurred an investment obligation which requires bonds to be purchased pursuant to the provisions of subsection h. of this section and the licensee purchases bonds of the Casino Reinvestment Development Authority issued pursuant to

sections 14 and 15 of P.L.1984, c.218 (C.5:12-162, 5:12-163) in satisfaction of that obligation no later than six months after the adoption by the Casino Reinvestment Development Authority of rules and regulations pursuant to subsection j. of section 3 of P.L.1984, c.218 (C.5:12-144.1), the licensee shall be entitled to a reduction of its investment obligation in an amount determined by the Casino Reinvestment Development Authority, taking into account a current market discount rate from the date of the purchase to the date the purchase would have been required to be made. Any purchase of bonds made pursuant to this subsection shall first be used to satisfy the licensee's most recently incurred investment obligation. That purchase of bonds shall not constitute a credit against the tax provided for in subsection a. of section 3 of this 1984 amendatory and supplementary act.

99. Section 3 of P.L.1984, c.218 (C.5:12-144.1) is amended to read as follows:

C.5:12-144.1 Imposition of investment alternative tax.

3. a. (1) Commencing with the first annual tax return of a licensee for any calendar year beginning after December 31, 1983, there is imposed an investment alternative tax on the gross revenues as defined in section 24 of P.L.1977, c.110 (C.5:12-24) of the licensee in the amount of 2.5% of those gross revenues. The tax imposed with respect to each calendar year shall be due and payable on the last day of April next following the end of the calendar year. The State Treasurer shall have a lien against the property constituting the casino of a licensee for the amount of any tax not paid when due. No tax shall be imposed, however, on the gross revenues received by a licensee during the first 12 months of the operation of any casino that commences operation after January 1, 1984, but prior to the effective date of this act, P.L.1996, c.118 (C.5:12-173.3a et al.).

(2) A licensee shall pay to the State Treasurer on or before the 15th day of the first, fourth, seventh, and 10th months of each year as partial payment of the investment alternative tax imposed pursuant to paragraph (1) of this subsection an amount equal to 1.25% of the estimated gross revenues for the three-month period immediately preceding the first day of those months. The moneys received shall be placed in an escrow account and shall be held until the licensee directs that the moneys be transferred to the Casino Reinvestment Development Authority for the purchase of bonds issued by or offered through the Casino Reinvestment Development Authority or pursuant to a contract for such a purchase, be made available to the licensee for a direct investment approved by the authority, or be transferred to the Casino Revenue Fund as partial payment of the investment alternative tax imposed pursuant to paragraph (1) of this subsection. Any interest derived from the moneys in the escrow account shall be paid or made available to the Casino Revenue Fund. If a licensee fails to pay the amount due or underpays by an unjustifiable amount, the division shall impose a fine of 5% of the amount due or of the underpayment, as the case may be, for each month or portion thereof the licensee is in default of payment, up to 25% of the amount in default. Any fine imposed shall be paid to the Casino Reinvestment Development Authority and shall be used for the purposes of this 1984 amendatory and supplementary act.

b. Each licensee shall be entitled to an investment tax credit against the tax imposed by subsection a. of this section, provided the licensee shall pay over the moneys required pursuant to section 5 of P.L.1993, c.159 (C.5:12-173.5): (1) for the first 10 years of a licensee's tax obligation, in an amount equal to twice the purchase price of bonds issued by the Casino Reinvestment Development Authority pursuant to sections 14 and 15 of this 1984 amendatory and supplementary act, purchased by the licensee, or twice the amount of the investments authorized in lieu thereof, and (2) for the remainder of a licensee's tax

obligation, in an amount equal to twice the purchase price of bonds issued by the Casino Reinvestment Development Authority pursuant to sections 14 and 15 of this 1984 amendatory and supplementary act, purchased by the licensee, or twice the amount of the investments authorized in lieu thereof, and twice the amount of investments made by a licensee in other approved eligible investments made pursuant to section 25 of this act. The Casino Reinvestment Development Authority shall have the power to enter into a contract or contracts with a licensee pursuant to which the Casino Reinvestment Development Authority agrees to issue and sell bonds to the licensee, and the licensee agrees to purchase the bonds issued by or offered through the Casino Reinvestment Development Authority, in annual purchase price amounts as will constitute a credit against at least 50% of the tax to become due in any future year or years. The contract may contain those terms and conditions relating to the terms of the bonds and to the issuance and sale of the bonds to the licensee as the Casino Reinvestment Development Authority shall deem necessary or desirable. The contract shall not be deemed to be in violation of section 104 of P.L.1977, c.110 (C.5:12-104). After the first 10 years of a licensee's investment alternative tax obligation, a licensee will have the option of entering into a contract with the Casino Reinvestment Development Authority to have its tax credit comprised of direct investments in approved eligible projects. These direct investments shall not comprise more than 50% of a licensee's eligible tax credit in any one year.

The entering of a contract pursuant to this section shall be sufficient to entitle a licensee to an investment tax credit for the appropriate tax year.

c. A contract entered into between a licensee and the Casino Reinvestment Development Authority may provide for a deferral of payment for and delivery of bonds required to be purchased and for a deferral from making approved eligible investments in any year, but no deferral shall occur more than two years consecutively. A deferral of payment for any bonds required to be purchased by a licensee and a deferral from making approved eligible investments may be granted by the Casino Reinvestment Development Authority only upon a determination by the Division of Gaming Enforcement that purchase of these bonds or making approved eligible investments would cause extreme financial hardship to the licensee and a determination by the Casino Reinvestment Development Authority that the deferral of the payment would not violate any covenant or agreement or impair any financial obligation of the Casino Reinvestment Development Authority. The contract may establish a late payment charge to be paid in the event of deferral or other late payment at a rate as shall be agreed to by the Casino Reinvestment Development Authority. If a deferral of purchase or investment is granted, the licensee shall be deemed to have made the purchase or investment at the time required by the contract, except that if the purchase is not made at the time to which the purchase or investment was deferred, then the licensee shall be deemed not to have made the purchase or investment. The Division of Gaming Enforcement shall adopt regulations establishing a uniform definition of extreme financial hardship applicable to all these contracts. If a licensee petitions the Casino Reinvestment Development Authority for a deferral, the Casino Reinvestment Development Authority shall give notice of that petition to the Division of Gaming Enforcement within three days of the filing of the petition. The Division of Gaming Enforcement shall render a decision within 60 days of notice as to whether the licensee has established extreme financial hardship. The Casino Reinvestment Development Authority shall render a decision as to the availability of the deferral within 10 days of the receipt by it of the decision of the Division of Gaming Enforcement and shall notify the Division of Gaming Enforcement of that decision. If a deferral is granted, the Casino Reinvestment Development Authority may determine whether the purchases or

investments shall be made in a lump sum, made over a period of years, or whether the period of obligation shall be extended an additional period of time equivalent to the period of time deferred.

d. The license of any licensee which has defaulted in its obligation to make any purchase of bonds or investment in any approved eligible project under a contract entered into pursuant to subsection b. of this section for a period of 90 days may be suspended by the Casino Control Commission upon report and recommendation of the division until that purchase is made or deferred in accordance with subsection b. of this section, or a fine or other penalty may be imposed upon the licensee by the commission. If the Casino Control Commission elects not to suspend the license of a licensee after the licensee has first defaulted in its obligation the division may instead impose some lesser penalty. In such event, if the licensee continues to be in default of its obligation after a period of 30 additional days and after any additional 30-day period, the division may impose another fine or penalty upon the licensee, and may again recommend that the commission suspend that licensee's license. The fine shall be 5% of the amount of the obligation owed for each month or portion thereof a licensee is in default, up to 25% of that obligation; shall be paid to the Casino Reinvestment Development Authority; and shall be used for the purposes of this 1984 amendatory and supplementary act.

e. A contract entered into by a licensee and the Casino Reinvestment Development Authority pursuant to subsection b. of this section may provide that after the first 10 years of a licensee's investment alternative tax obligation imposed by subsection a. of this section, the Casino Reinvestment Development Authority may repurchase bonds previously sold to the licensee, which were issued after the 10th year of a licensee's investment alternative tax obligation, by the Casino Reinvestment Development Authority, if the Casino Reinvestment Development Authority determines that the repurchase will not violate any agreement or covenant or impair any financial obligation of the Casino Reinvestment Development Authority and that the licensee will reinvest the proceeds of the resale in an eligible project approved by the Casino Reinvestment Development Authority.

f. (1) During the 50 years a licensee is obligated to pay an investment alternative tax pursuant to subsection k. of this section, the total of (a) the proceeds of all bonds purchased by a licensee from or through the Casino Reinvestment Development Authority and (b) all approved investments in eligible projects by a licensee shall be devoted to the financing of projects in the following areas and amounts:

Areas	Yrs. 1-3	Yrs. 4-5	Yrs. 6-10	Yrs. 11-15	Yrs. 16-20	Yrs. 21-25	Yrs. 26-30	Yrs. 31-35	Yrs. 36-50
a) Atlantic City	100%	90%	80%	50%	30%	20%			
b) South Jersey		8%	12%	28%	43%	45%		25%	50%
c) North Jersey		2%	8%	22%	27%	35%	35%	50%	50%
d) Atlantic City through the Atlantic City Fund							65%	25%	

except that, with respect to the obligations for calendar years 1994 through 1998, the amount allocated for the financing of projects in North Jersey from each casino licensee's obligation shall be the amount allocated for calendar year 1993, and the difference between that amount and the amount to be allocated to North Jersey, on the basis of the above schedule, from each casino licensee's obligations for calendar years 1994 through 1998 shall be paid into or credited to the Atlantic City Fund established by section 44 of P.L.1995, c.18 (C.5:12-161.1) and be devoted to the financing of projects in Atlantic City through that fund. For the purposes of this paragraph, "South Jersey" means the counties of Atlantic, Burlington,

Camden, Cape May, Cumberland, Gloucester, Mercer, Ocean, and Salem, except that "South Jersey" shall not include the City of Atlantic City; and "North Jersey" means the remaining 12 counties of the State. For the purposes of this 1984 amendatory and supplementary act, bond "proceeds" means all funds received from the sale of bonds and any funds generated or derived therefrom.

In the financing of projects outside Atlantic City, the Casino Reinvestment Development Authority shall give priority to the revitalization of the urban areas of this State in the ways specified in section 12 of this 1984 amendatory and supplementary act. Those areas shall include, but not be limited to, all municipalities qualifying for aid pursuant to P.L.1978, c.14 (C.52:27D-178 et seq.).

Within nine months from the effective date of this 1984 amendatory and supplementary act, the Casino Reinvestment Development Authority shall determine the allocation of projected available moneys to municipalities in South Jersey for the first seven years of their receipt of funds, giving priority to the revitalization of the urban areas of the region. Municipalities receiving such an allocation shall present to the Casino Reinvestment Development Authority for its approval comprehensive plans or projects for which the allocations shall be used. Any such comprehensive plan or project may be submitted to the Casino Reinvestment Development Authority for a determination of eligibility at any time prior to the year for which the funds are allocated, and the Casino Reinvestment Development Authority shall make a determination of eligibility of the plan or project within a reasonable amount of time. If the Casino Reinvestment Development Authority makes a positive determination of eligibility for any comprehensive plan or project, or combination of comprehensive plans or projects, for any municipality whose total cost exceeds the amount allocated to that municipality for the first seven years of the receipt of funds by South Jersey municipalities, the Casino Reinvestment Development Authority shall make available sufficient funds in subsequent years necessary to complete those plans or projects, or to complete that portion of the plan or project originally agreed to be funded through the Casino Reinvestment Development Authority, from funds received by the Casino Reinvestment Development Authority in the years following the seventh year of the receipt of funds by South Jersey municipalities. If the comprehensive plan or project is determined by the Casino Reinvestment Development Authority not to be an eligible plan or project, the municipality may submit any other comprehensive plan or project for a determination of eligibility. If, however, the municipality fails to receive a positive determination of eligibility for any comprehensive plan or project, or combination of comprehensive plans or projects, sufficient to exhaust the total allocation to that municipality for any year prior to April 30 of the following year for which the allocation was made, the allocation to that municipality for that year shall cease, and the Casino Reinvestment Development Authority may apply those excess funds to any other comprehensive plan or project in any other municipality in the region whose comprehensive plan or project has received a positive determination of eligibility by the Casino Reinvestment Development Authority.

Within 36 months from the effective date of this 1984 amendatory and supplementary act, the Casino Reinvestment Development Authority shall determine the allocation of projected available moneys to municipalities in North Jersey for the first five years of their receipt of funds, giving priority to the revitalization of the urban areas of the region. Municipalities receiving such an allocation shall present to the Casino Reinvestment Development Authority for its approval comprehensive plans or projects for which the allocations shall be used. Any such comprehensive plan or project may be submitted to the Casino Reinvestment Development Authority for a determination of eligibility at any time prior to the year for

which the funds are allocated, and the Casino Reinvestment Development Authority shall make a determination of eligibility of the plan or project within a reasonable amount of time. If the Casino Reinvestment Development Authority makes a positive determination of eligibility for any comprehensive plan or project, or combination of comprehensive plans or projects, for any municipality whose total cost exceeds the amount allocated to that municipality for the first five years of the receipt of funds by North Jersey municipalities, the Casino Reinvestment Development Authority shall make available sufficient funds in subsequent years necessary to complete those plans or projects, or to complete that portion of the plan or project originally agreed to be funded through the Casino Reinvestment Development Authority, from funds received by the Casino Reinvestment Development Authority in the years following the fifth year of the receipt of funds by North Jersey municipalities. If the comprehensive plan or project is determined by the Casino Reinvestment Development Authority not to be an eligible plan or project, the municipality may submit any other comprehensive plan or project for a determination of eligibility. If, however, the municipality fails to receive a positive determination of eligibility for any comprehensive plan or project, or combination of comprehensive plans or projects, sufficient to exhaust the total allocation to that municipality for any year prior to April 30 of the following year for which the allocation was made, the allocation to that municipality for that year shall cease, and the Casino Reinvestment Development Authority may apply those excess funds to any other comprehensive plan or project in any other municipality in the region whose comprehensive plan or project has received a positive determination of eligibility by the Casino Reinvestment Development Authority.

(2) Commencing with the first year in which a licensee incurs a tax obligation pursuant to this section, and for the period of two years thereafter, 100% of the proceeds of all bonds purchased by a licensee from the Casino Reinvestment Development Authority which are devoted to the financing of projects in the city of Atlantic City pursuant to paragraph (1) of this subsection shall be used exclusively to finance the rehabilitation, development, or construction of, or to provide mortgage financing of, housing facilities in the city of Atlantic City for persons or families of low through middle income, as defined in this subsection. For the purposes of this subsection, the "rehabilitation, development, or construction of housing facilities" shall include expenses attributable to site preparation, infrastructure needs and housing-related community facilities and services, including supporting commercial development. Commencing with the fourth year in which a licensee incurs a tax obligation pursuant to this subsection, 50% of the proceeds of all bonds purchased by a licensee from the Casino Reinvestment Development Authority which are devoted to the financing of projects in the city of Atlantic City shall be used exclusively to finance the rehabilitation, development, or construction of housing facilities in the city of Atlantic City for persons or families of low through middle income. Commencing with the 11th year in which a licensee incurs a tax obligation pursuant to this section, 50% of the annual aggregate of the proceeds of bonds purchased by a licensee from the Casino Reinvestment Development Authority which are devoted to the financing of projects in the city of Atlantic City and investments in approved eligible projects commenced by a licensee in the city of Atlantic City shall be used exclusively to finance the rehabilitation, development, or construction of, or to provide mortgage financing of, housing facilities in the city of Atlantic City for persons or families of low through middle income.

(3) The Legislature finds that it is necessary to provide for a balanced community and develop a comprehensive housing program. The Casino Reinvestment Development Authority shall determine the need for housing in the city of Atlantic City, in consultation

with the city of Atlantic City and specifically its zoning and planning boards. This shall include determining the types and classes of housing to be constructed and the number of units of each type and class of housing to be built. The Casino Reinvestment Development Authority shall give priority to the housing needs of the persons and their families residing in the city of Atlantic City in 1983 and continuing such residency through the effective date of this 1984 amendatory and supplementary act. The actual percentage of the proceeds of bonds and investments in approved eligible projects commenced by a licensee in the city of Atlantic City, which shall be used exclusively to finance the rehabilitation, development, or construction of, or to provide mortgage financing of, housing facilities in the city of Atlantic City for persons or families of low through middle income, shall be based upon the authority's determination of the need for housing in the city of Atlantic City conducted pursuant to this subsection. Once the housing needs of the persons residing in the city of Atlantic City in 1983 and continuing such residency through the effective date of this 1984 amendatory and supplementary act have been met, as determined by the Casino Reinvestment Development Authority pursuant to this subsection, any required percentages for such housing in the city of Atlantic City may, in its sole discretion, be waived by the Casino Reinvestment Development Authority. To aid the Casino Reinvestment Development Authority in making these determinations, the Casino Reinvestment Development Authority shall review the proposal for a housing redevelopment program and strategy for the city of Atlantic City approved and adopted by the Casino Control Commission and shall give priority to same and any other plan or project which is consistent with the standards of this subsection and is acceptable to the Casino Reinvestment Development Authority, pursuant to section 25 of this 1984 amendatory and supplementary act. The Casino Reinvestment Development Authority may determine whether the funds used to finance housing facilities in the city of Atlantic City for persons or families of low, moderate, median range, and middle income are derived from the proceeds of bonds purchased by a licensee from the Casino Reinvestment Development Authority to be devoted to the financing of projects in the city of Atlantic City, investments in approved eligible projects commenced by a licensee in the city of Atlantic City, or a combination of both. Any investment made by a licensee in excess of 100% of its eligible investment tax credit during the first three years and in excess of 50% thereafter in either the purchase of bonds or direct investments in approved eligible projects for low, moderate, median range, and middle income family housing facilities in the city of Atlantic City may be carried forward and credited against the licensee's obligation to make a 100% investment during the first three years and 50% thereafter in low, moderate, median range, and middle income family housing in any future year, with the approval of the Casino Reinvestment Development Authority. For the purposes of this act, "low income families" means families whose income does not exceed 50% of the median income of the area, with adjustments for smaller and larger families. "Moderate income families" means families whose income does not exceed 80% and is not less than 50% of the median income for the area, with adjustments for smaller and larger families. "Median range income families" means families whose income does not exceed 120% and is not less than 80% of the median income for the area, with adjustments for smaller and larger families. "Middle income families" means families whose income does not exceed 150% and not less than 120% of the median income for the area, with adjustments for smaller and larger families. "Median income" means an income defined as median within the Standard Metropolitan Statistical Area for Atlantic City by the United States Department of Housing and Urban Development.

In order to achieve a balanced community, the authority shall ensure that the development of housing for families of low and moderate income shall proceed at the same time as housing for families of median range and middle income, until such time as there is no longer a need for such facilities in the city of Atlantic City, as determined by the Casino Reinvestment Development Authority.

(4) Notwithstanding any other law or section to the contrary, particularly this subsection regarding the waiver of the required percentages for housing in the city of Atlantic City, subsection i. of section 14, and sections 26, 27, 28, 29, and 31 of this 1984 amendatory and supplementary act, nothing shall be implemented or waived by the Casino Reinvestment Development Authority which would reduce, impair, or prevent the fulfillment of the priorities established and contained in this subsection of this 1984 amendatory and supplementary act.

g. If a person is a licensee with regard to more than one approved hotel pursuant to section 82 of P.L.1977, c.110 (C.5:12-82), the person shall separately account for the gross revenues, the investment alternative tax obligations, and the investments for a tax credit against the investment alternative tax for each approved hotel, and the tax obligations of the licensee under this section shall be determined separately for each approved hotel. The licensee may apportion investments between its approved hotels; provided that no amount of investment shall be credited more than once. If a licensee receives the prior approval of the Casino Reinvestment Development Authority, the licensee may make eligible investments in excess of the investments necessary to receive a tax credit against the investment alternative tax for a given calendar year, and the licensee may carry forward this excess investment and have it credited to its next investment alternative tax obligation. If the Casino Reinvestment Development Authority approves of such excess investment and approves the carry forward of this excess investment, and a licensee elects to purchase bonds of the Casino Reinvestment Development Authority or makes direct investments in approved eligible projects in excess of the investments necessary to receive a tax credit against the investment alternative tax for its current obligation, the licensee shall be entitled to a reduction of the amount of investments necessary in future years, which amount shall be determined annually by the Casino Reinvestment Development Authority, taking into account a current market discount rate from the date of the purchase or investment to the date the purchase or investment would have been required to be made.

h. Each casino licensee shall prepare and file, in a form prescribed by the Casino Reinvestment Development Authority, an annual return reporting that financial information as shall be deemed necessary by the Casino Reinvestment Development Authority to carry out the provisions of this act. This return shall be filed with the Casino Reinvestment Development Authority and the Division of Gaming Enforcement on or before April 30 following the calendar year on which the return is based. The Division of Gaming Enforcement shall verify to the Casino Reinvestment Development Authority the information contained in the report, to the fullest extent possible. Nothing in this subsection shall be deemed to affect the due dates for making any investment or paying any tax under this section.

i. Any purchase by a licensee of bonds issued by or offered through the Casino Reinvestment Development Authority pursuant to sections 14 and 15 of this act and subsection b. of this section and all approved eligible investments made by a licensee pursuant to section 25 of this act and subsection b. of this section are to be considered investments and not taxes owed or grants to the State or any political subdivision thereof. As such, a licensee shall have the possibility of the return of principal and a return on the capital

invested as with other investments. Investors in the bonds issued by or offered through the Casino Reinvestment Development Authority shall be provided with an opinion from a recognized financial rating agency or a financial advisory firm with national standing that each loan of bond proceeds by the Casino Reinvestment Development Authority has the minimum characteristics of an investment, in that a degree of assurance exists that interest and principal payments can be made and other terms of the proposed investment be maintained over the period of the investment, and that the loan of the bond proceeds would qualify for a bond rating of "C" or better. If an opinion cannot be obtained from a recognized financial rating agency or a financial advisory firm with national standing, an opinion shall be obtained from an expert financial analyst with national standing, selected and hired by the Casino Reinvestment Development Authority. In order to achieve a balanced portfolio, assure the viability of the authority and the projects, facilities and programs undertaken pursuant to this 1984 amendatory and supplementary act, no more than 25% of the total investments made by or through the Casino Reinvestment Development Authority with the proceeds of bonds generated in each year shall be investments which would qualify for a bond rating of "C," unless all holders of obligations in each year agree to waive the 25% limit for that year. Nothing herein shall be interpreted as limiting the Casino Reinvestment Development Authority from taking any steps it deems appropriate to protect the characteristics of its investment in projects or any other investments from not being real investments with a prospect for the return of principal and a return on the capital invested. Anything contained in this section shall not be considered a guarantee by the State or any political subdivision thereof of any return of principal or interest, but any purchase by a licensee of bonds or approved eligible investments made by a licensee pursuant to this act shall be at the risk of the licensee. A licensee or the licensees purchasing an issue of bonds issued by the Casino Reinvestment Development Authority in any given year may arrange, at their option, for those bonds or the investments, made by or through the Casino Reinvestment Development Authority with the proceeds of those bonds, to be insured. The cost of any such insurance purchased by a licensee or licensees shall be paid by the licensee or licensees desiring such insurance.

j. The Casino Reinvestment Development Authority shall promulgate rules and regulations deemed necessary to carry out the purposes of this section.

k. The obligation of a licensee to pay an investment alternative tax pursuant to subsection a. of this section, including a casino licensee subject to the provisions of section 13 of P.L.2001, c.221 (C.5:12-173.21), shall end for each licensed facility operated by the licensee 50 years after any investment alternative tax obligation is first incurred in connection with each licensed facility operated by the licensee, unless extended in connection with a deferral granted by the Casino Reinvestment Development Authority pursuant to subsection c. of this section.

l. Within 90 days of the effective date of this act, P.L.2004, c.129, the State Treasurer shall certify the amounts that were invested pursuant to this section in South Jersey, as defined in subsection f. of this section, for projects located in the City of Atlantic City. Notwithstanding subsection f. of this section, beginning in State fiscal year 2005, the amount of (a) proceeds of all bonds purchased by a licensee from or through the Casino Reinvestment Development Authority and (b) all approved investments in eligible projects by a licensee devoted pursuant to subsection f., shall not exceed the amount devoted for those purposes in State fiscal year 2004. Any amounts in excess of the amounts devoted in State fiscal year 2004, after fulfilling all fund reservations, bonding and contractual obligations, shall be devoted to the financing of projects in South Jersey. For the purpose of

this section, "South Jersey" means the counties of Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Mercer, Ocean, and Salem, except that the term shall not include the City of Atlantic City. The provisions of this subsection shall terminate when excess amounts devoted to the financing of projects in South Jersey equal the amount certified by the State Treasurer.

100. Section 2 of P.L.2008, c.12 (C.5:12-144.2) is amended to read as follows:

C.5:12-144.2 Annual deduction from gross revenue relative to promotional gaming credits.

2. a. A casino licensee shall receive an annual deduction from the gross revenue taxed pursuant to subsection a. of section 144 of P.L.1977, c.110 (C.5:12-144) in an amount equal to either (1) the promotional gaming credits reported by that licensee in its annual tax return or (2) such other portion of the promotional gaming credits reported by all casino licensees as the division may allocate to a particular licensee to reflect that licensee's pro rata share of the costs of the 2008 agreement executed between the New Jersey Sports and Exposition Authority and the Casino Association of New Jersey for the benefit of the horse racing industry.

b. Casino licensees shall be allowed a deduction from gross revenues for a tax year pursuant to subsection a. of this section for the total value of promotional gaming credits redeemed by patrons at all licensed casinos for that tax year in excess of \$90,000,000. For the first tax year in which this act becomes operative pursuant to section 3 of this act, P.L.2008, c.12, the division shall reduce the \$90,000,000 deduction threshold for that tax year in proportion to the part of the tax year that has elapsed prior to that operative date.

c. The division shall establish, by regulation, procedures and standards for allocating the deduction established pursuant to this section to reflect each licensee's pro rata share of the costs of the 2008 agreement executed between the New Jersey Sports and Exposition Authority and the Casino Association of New Jersey for the benefit of the horse racing industry and procedures and standards for each licensee to take the deduction established pursuant to this section to reflect those deductions that exceed the costs of the 2008 agreement. Such regulations shall include standards for the allocation of the \$90,000,000 deduction threshold established in subsection b. of this section, the timing of the application of deductions, and all other matters related to the provisions of this section.

d. (1) The division shall establish, by regulation, procedures to ensure that the promotional gaming credit deduction established pursuant to this section does not result in a negative fiscal impact to the Casino Revenue Fund. If necessary, the division may reduce the value of the available deduction to eliminate any negative fiscal impact to the Casino Revenue Fund attributable solely to the deduction and not to other economic or other factors that cause a negative fiscal impact to the Casino Revenue Fund.

(2) For the purposes of this subsection, "negative fiscal impact to the Casino Revenue Fund" shall mean that the amount generated from taxation of promotional gaming credits falls below the level generated in calendar year 2007.

101. 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 division 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 division 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 division 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 division 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.

102. Section 6 of P.L.2003, c.116 (C.5:12-145.8) is amended to read as follows:

C.5:12-145.8 Fee of \$3.00 imposed daily on occupied hotel rooms in casino hotel facility.

6. Notwithstanding the provisions of any other law to the contrary and in addition to any other tax or fee imposed by law, there is imposed a fee of \$3.00 per day on each hotel room in a casino hotel facility that is occupied by a guest, for consideration or as a complimentary item. This section shall be administered by the Department of the Treasury and the amounts generated by this section shall be paid to the State Treasurer for deposit in the Casino Revenue Fund established pursuant to section 145 of P.L.1977, c.110 (C.5:12-145) in State fiscal years 2004 through 2006. Beginning in State fiscal year 2007 and thereafter, \$1.00 of the fee shall be deposited by the State Treasurer into a special fund established and held by the State Treasurer and made available for the exclusive use of the Casino Reinvestment Development Authority established pursuant to section 5 of P.L.1984, c.218 (C.5:12-153) for its purposes pursuant to law, as approved by the membership of the authority, subject to the provisions of subsection e. of section 5 of P.L.2004, c.129 (C.5:12-173.22a). Beginning in State fiscal year 2007 and thereafter, the portion of the proceeds of \$2.00 of the fee necessary to carry out the purpose of subsections a. through c. of section 5 of P.L.2004, c.129 (C.5:12-

173.22a) shall be deposited by the State Treasurer into a special fund established and held by the State Treasurer and made available for the exclusive use of the authority to carry out that purpose, and the remaining proceeds of the \$2.00 fee shall be deposited by the State Treasurer into the Casino Revenue Fund.

103. Section 146 of P.L.1977, c.110 (C.5:12-146) is amended to read as follows:

C.5:12-146 In lieu tax.

146. a. Any casino licensee whose licensed premises are located in an area which has been declared, by the Department of Community Affairs and the division, to be a blighted area, or an area endangered by blight, may, for a period of not more than 25 years, enter into a written agreement with the Department of the Treasury, which agreement shall, with respect to real property held for use as a licensed casino hotel, provide for the payment of taxes to the tax collector of the municipality, in lieu of full local real property tax payments, in an amount to be computed by the sum of the following amounts, payable at the time specified by law for the payment of local property taxes:

(1) An annual amount equal to 2% of the cost of the real property investment. For the purposes of this section, "cost of the real property investment" means only the actual cost or fair market value of direct labor and all materials used in the construction, expansion, or rehabilitation of all buildings, structures, and facilities at the project site, including the costs, if any, of land acquisition and land preparation, provision of access roads, utilities, drainage facilities, and parking facilities, together with architectural, engineering, legal, surveying, testing, and contractors' fees associated with the project; provided, however, that the applicant shall cause such costs to be certified and verified to the Department of the Treasury by an independent certified public accountant, following the completion of the investment in the project; and provided further, however, that upon execution of an agreement pursuant to this section, only real property improvements made after July 6, 1976 shall be subject to the provisions herein; plus

(2) An amount equivalent to the difference between an amount that would have been payable as property taxes under the full local property tax rate and the amount calculated pursuant to subsection a.(1) of this section, which shall be payable from such profits, if any, as hereinafter defined in section 147, as shall remain after deducting therefrom interest and principal paid on mortgage loans applicable to the real property held for use as a licensed casino hotel. The total payments provided by this section shall not exceed the full local property taxes normally payable for the year.

b. At the time an applicant applies for a license under this act, he shall determine whether to exercise the option to pay in lieu taxes under this section or whether the property of the applicant shall be subject to the normal real property taxes of the municipality. This determination having been made and approved, the method selected may not be changed or altered during the term of the agreement.

c. Upon the filing of a certification by the State Treasurer in any year that an agreement has been entered into pursuant to this section, the in lieu tax provisions of this section shall be applicable with respect to the ensuing tax years.

104. Section 147 of P.L.1977, c.110 (C.5:12-147) is amended to read as follows:

C.5:12-147 Profits.

147. a. For the purposes of the application of the provisions of section 146 of this act, "profits" referred to in section 146 a.(2) for any year means total profits from cumulative investments in Atlantic City. In computing profits under this section, a licensee shall deduct from the gross income of cumulative investments in Atlantic City all operating expenses in accordance with generally accepted accounting principles. There shall be included in said operating expenses (1) all annual payments pursuant to section 146 a.(1) of this act; (2) property taxes in said municipality not subject to section 146; and (3) an annual amount sufficient to amortize in equal annual installments the total cost of the investment over the life of the improvements, which in no case shall be less than 25 years in the case of real property. There shall not be included in said operating expenses or in any other account (1) depreciation or obsolescence; (2) interest on debt; (3) taxes on income; (4) losses on bad debt instruments from gaming operations in excess of the lesser of such instruments actually uncollected or 4% of gross revenues; or (5) salaries, bonuses and other compensation paid, directly or indirectly, to directors, partners, officers, stockholders or other persons having any proprietary or ownership interest in the licensee.

b. In any year during which gross income exceeds cumulative investments as defined in section 144 d. hereof, 50% of the profits, as herein defined, which exceed the amount equivalent to 20% of the cumulative investments in the municipality of a licensee who shall have entered into an agreement pursuant to the provisions of section 146 hereof for such year shall be retained in a separate interest-bearing account maintained by the Treasurer, which account shall be designated "Special Casino Retention Account." All amounts retained in such account with respect to a licensee for any year may be recaptured by the licensee, provided that (1) the average annual gross income for the tax year and the two immediately preceding years is less than the cumulative investments of the licensee in casino, hotel, or other facilities in the municipality or State; or (2) the licensee, within 5 years of the date its annual tax return under this act is due, shall make cumulative investments in such municipality which shall cause the total of such investments to exceed the average annual gross income for the tax year and the 2 immediately preceding years, and which are equal to or greater than the amount of profits, as herein defined, retained in such account for the tax year.

c. In the event such licensee fails to make cumulative investments within the time specified as required for recapture of profits under this section, the profits retained in the Special Casino Retention Account shall be remitted to the Treasurer for deposit to the credit of the Casino Revenue Fund.

d. For the purposes of this section, each annual return of such licensee shall reflect the profits, if appropriate, determined on the basis of the immediately preceding calendar year. The division shall make rules and regulations for the determination of profits under the provisions of this section.

105. Section 148 of P.L.1977, c.110 (C.5:12-148) is amended to read as follows:

C.5:12-148 Payment of taxes.

148. a. The tax imposed under section 144 hereof shall be due and payable annually on or before the 15th day of March and shall be based upon gross revenues derived during the previous calendar year. A licensee shall file its first return and shall report gross revenues from the time it commenced operations and ending on the last day of said calendar year. Such report shall be filed with the Director of the Division of Taxation in the Department of the Treasury on or before the following March 15.

b. Any other law to the contrary notwithstanding, any business conducted by an individual, partnership, or corporation or any other entity, or any combination thereof, holding a license pursuant to this act shall, in addition to all other taxes imposed by this act, file a consolidated corporation business tax return pursuant to P.L.1945, c.162 (C.54:10A-1 et seq.) and pay the taxes indicated thereon. The director of the Division of Taxation shall issue such rules and regulations and design such tax forms as shall be necessary to carry into effect the provisions of this act.

106. 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 Director of the Division of Taxation in the Department of the Treasury, in consultation with the Division of Gaming Enforcement, shall administer the tax imposed pursuant to this section. The tax imposed by this section, and any interest or penalties imposed by the Director of the Division of Taxation 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 Director of the Division of Taxation may permit or require returns to be made covering other periods and upon any dates as the Director of the Division of Taxation may specify. In addition, the Director of the Division of Taxation may require payments of tax liability to the State Treasurer at any intervals and based upon any classifications as the Director of the Division of Taxation may designate. In prescribing any other periods to be covered by the return or intervals or classifications for payment of tax liability, the Director of the Division of Taxation 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 Director of the Division of Taxation 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).

107. Section 5 of P.L.2003, c.116 (C.5:12-148.3) is amended to read as follows:

C.5:12-148.3 Tax of 7.5% imposed on certain adjusted net income of casino licensees.

5. a. In State fiscal years 2004 through 2006, a tax at the rate of 7.5% is imposed on the adjusted net income of a casino licensee in calendar year 2002, determined pursuant to information provided by casino licensees to the commission pursuant to regulations promulgated in accordance with subsection n. of section 70 of P.L.1977, c.110 (C.5:12-70) and published on April 2, 2003 in the commission's statement of casino licensee income for the twelve-month period ending on December 31, 2002, without regard to subsequent adjustment to such filing. For a casino licensee that was not in operation in calendar year 2002, the amount of the tax shall be 7.5% of its adjusted net income in State fiscal year 2004, as filed by the licensee with the commission pursuant to regulations promulgated in accordance with subsection n. of section 70 of P.L.1977, c.110 (C.5:12-70). As used in this section, "adjusted net income" means annual net income plus management fees.

The aggregate amount of tax imposed by this section shall not exceed \$10 million annually for a holder of more than one casino license, and for each casino licensee the tax imposed by this section shall not be less than \$350,000 annually.

b. The Director of the Division of Taxation in the Department of the Treasury shall collect and administer the tax imposed pursuant to this section. In carrying out the provisions of this section, the Director of the Division of Taxation shall have all of the powers granted in P.L.1945, c.162 (C.54:10A-1 et seq.). For a casino licensee that was in operation in calendar year 2002, the tax shall be due and payable to the State Treasurer in four equal payments on September 15, December 15, March 15, and June 15 of each State fiscal year. For a casino licensee that was not in operation in calendar year 2002, the tax in State fiscal year 2004 shall be due and payable to the State Treasurer in four quarterly estimated payments on the basis of adjusted net income in the current quarter, and the licensee shall file an annual return for State fiscal year 2004 no later than October 15, 2004. In State fiscal years 2005 and 2006 for such casino licensee, the tax shall be due and payable to the State Treasurer in four equal payments on September 15, December 15, March 15 and June 15.

c. The tax imposed by this section, and any interest or penalties collected by the Director of the Division of Taxation in the Department of the Treasury 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. The Director of the Division of Taxation in the Department of the Treasury shall certify annually on September 30 of each year the amount of tax required to be paid pursuant to this section. The Director of the Division of Taxation may promulgate such rules and regulations as the Director of the Division of Taxation determines are necessary to effectuate the provisions of this section.

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

f. The tax imposed under this section shall be governed by the provisions of the "State Uniform Tax Procedure Law," R.S.54:48-1 et seq.

108. Section 149 of P.L.1977, c.110 (C.5:12-149) is amended to read as follows:

C.5:12-149 Determination of tax liability.

149. Determination of Tax Liability. The Division of Taxation may perform audits of the books and records of a casino licensee, at such times and intervals as it deems appropriate, for the purpose of determining the sufficiency of tax payments. If a return or deposit required by section 145 with regard to obligations imposed by subsection a. of section 144 of P.L.1977, c.110 (C.5:12-144) is not filed or paid, or if a return or deposit when filed or paid is determined by the Division of Taxation to be incorrect or insufficient with or without an audit, the amount of tax or deposit due shall be determined by the Division of Taxation. Notice of such determination shall be given to the licensee liable for the payment of the tax or deposit. Such determination shall finally and irrevocably fix the tax unless the person against whom it is assessed, within 30 days after receiving notice of such determination, shall apply to the Division of Taxation for a hearing in accordance with the regulations of the Division of Taxation.

109. Section 150 of P.L.1977, c.110 (C.5:12-150) is amended to read as follows:

C.5:12-150 Penalties.

150. Penalties. a. Any licensee who shall fail to file his return when due or to pay any tax or deposit when the same becomes due, as herein provided, shall be subject to such penalties and interest as provided in the "State Uniform Tax Procedure Law," Subtitle 9 of Title 54 of the Revised Statutes. If the Division of Taxation determines that the failure to comply with any provision of this Article was excusable under the circumstances, the Division of Taxation may remit such part or all of the penalty as shall be appropriate under such circumstances.

b. Any person failing to file a return, failing to pay the tax or deposit, or filing or causing to be filed, or making or causing to be made, or giving or causing to be given any return, certificate, affidavit, representation, information, testimony or statement required or authorized by this act, or rules or regulations adopted hereunder which is willfully false, or failing to keep any records required by this act or rules and regulations adopted hereunder, shall, in addition to any other penalties herein or elsewhere prescribed, be guilty of a crime of the fourth degree and subject to the penalties therefor, except that the amount of a fine may be up to \$100,000.00.

c. Except as to those determinations required to be made by the Division of Taxation pursuant to section 149 of P.L.1977, c.110 (C.5:12-149), the certificate of the State Treasurer to the effect that a tax or deposit has not been paid, that a return has not been filed, that information has not been supplied, or that inaccurate information has been supplied pursuant to the provisions of this act or rules or regulations adopted hereunder, shall be presumptive evidence thereof.

d. If any part of any underpayment of tax required to be shown on a return is due to fraud, there shall be added to the tax an amount equal to 50% of the underpayment.

110. Section 151 of P.L.1977, c.110 (C.5:12-151) is amended to read as follows:

C.5:12-151 Forms.

151. In addition to the other powers granted by this act, the Division of Taxation is hereby authorized and empowered to promulgate and distribute all forms and returns necessary to the implementation of this act.

111. Section 4 of P.L.1985, c.539 (C.5:12-186) is amended to read as follows:

C.5:12-186 Minority, women's business contracts.

4. a. Notwithstanding the provisions of any law, rule or regulation to the contrary, every casino licensee shall establish goals of expending at least 5% of the dollar value of its contracts for goods and services with minority and women's business enterprises by the end of the third year following the receipt of a casino license, and 10% of the dollar value of its contracts for goods and services with minority and women's business enterprises by the end of the sixth year following the receipt of a casino license; and each such licensee shall have a goal of expending 15% of the dollar value of its contracts for goods and services with minority and women's business enterprises by the end of the 10th year following the receipt of a casino license. Each casino licensee shall be required to demonstrate annually that the requirements of this act have been met by submitting a report which shall include the total dollar value of contracts awarded for goods or services and the percentage thereof awarded to minority and women's business enterprises.

As used in this section, "goods and services" shall not include (1) utilities and taxes; (2) financing costs, such as mortgages, loans or any other type of debt; (3) medical insurance; (4) dues and fees to the Atlantic City Casino Association; (5) fees and payments to a parent or affiliated company of the casino licensee other than those that represent fees and payments for goods and services supplied by non-affiliated persons through an affiliated company for the use or benefit of the casino licensee; and (6) rents paid for real property and any payments constituting the price of an interest in real property as a result of a real estate transaction.

b. A casino licensee shall make a good faith effort to meet the requirements of this section and shall annually demonstrate to the division that such an effort was made.

c. A casino licensee may fulfill no more than 70% of its obligation or part of it under this act by requiring a vendor to set aside a portion of his contract for minority or women's business enterprises. Upon request, the licensee shall provide the division with proof of the amount of the set-aside.

112. Section 5 of P.L.1985, c.539 (C.5:12-187) is amended to read as follows:

C.5:12-187 Bus business set aside.

5. a. Every casino licensee shall establish goals of expending at least 5% of the dollar value of its bus business with minority and women's business enterprises by the end of the third year following the receipt of a casino license, and 10% of the dollar value of its bus business with minority and women's business enterprises by the end of the sixth year following the receipt of a casino license; and each such licensee shall have a goal of expending 15% of the dollar value of its bus business with minority and women's business enterprises by the end of the 10th year following the receipt of a casino license. Each casino licensee shall be required to demonstrate annually that the requirements of this act have been met by submitting a report which shall include the total bus business expended and the percentage thereof awarded to minority and women's business enterprises.

b. A casino licensee shall make a good faith effort to meet the requirements of this section.

113. Section 7 of P.L.1987, c.137 (C.5:12-187.1) is amended to read as follows:

C.5:12-187.1 Penalties for violations.

7. If the division determines that the provisions of sections 4 and 5 of P.L.1985, c.539 (C.5:12-186 and C.5:12-187) relating to expenditures and assignments to minority and women's business enterprises have not been met by a licensee, the division may recommend to the commission the suspension or revocation of the casino license, and the commission may, in its discretion, revoke or suspend the license, or the division may fine or impose appropriate conditions on the licensee, to ensure that the goals for expenditures and assignments to minority and women's business enterprises are met; except that if a determination is made that a casino licensee has failed to demonstrate compliance with the provisions of sections 4 and 5 of P.L.1985, c.539 (C.5:12-186 and C.5:12-187), a casino licensee will have 90 days from the date of the determination of noncompliance within which to comply with the provisions of those sections.

114. Section 8 of P.L.1985, c.539 (C.5:12-190) is amended to read as follows:

C.5:12-190 Additional regulations.

8. The Division of Development for Small Businesses and Women's and Minority Businesses and the Division of Gaming Enforcement shall develop such other regulations as may be necessary to interpret and implement the provisions of this act.

115. Section 3 of P.L.1992, c.19 (C.5:12-193) is amended to read as follows:

C.5:12-193 Casino simulcasting permitted.

193. It shall be lawful for a casino to conduct casino simulcasting with any in-State sending track and with any out-of-State sending track in accordance with the provisions of this act, the applicable regulations of the New Jersey Racing Commission and the Division of Gaming Enforcement and any joint regulations of these commissions promulgated pursuant to this act.

116. Section 4 of P.L.1992, c.19 (C.5:12-194) is amended to read as follows:

C.5:12-194 Establishment of casino simulcasting facility.

194. a. (1) A casino licensee which wishes to conduct casino simulcasting shall establish a simulcasting facility as part of the casino hotel. The simulcasting facility may be adjacent to, but shall not be part of, any room or location in which casino gaming is conducted pursuant to the provisions of P.L.1977, c.110 (C.5:12-1 et seq.). The simulcasting facility shall conform to all requirements concerning square footage, equipment, security measures and related matters which the Division of Gaming Enforcement shall by regulation prescribe. The space required for the establishment of a simulcasting facility shall not reduce the space authorized for casino gaming activities as specified in section 83 of P.L.1977, c.110 (C.5:12-83). The cost of establishing, maintaining and operating a simulcasting facility shall be the sole responsibility of the casino licensee.

(2) Wagering on simulcast horse races shall be conducted only in the simulcasting facility, which shall be open and operated whenever simulcast horse races are being transmitted to the casino hotel during permitted hours of casino operation.

(3) Any authorized game, as defined in section 5 of P.L.1977, c.110 (C.5:12-5), other than slot machines may be conducted in a simulcasting facility subject to the rules and regulations of the Division of Gaming Enforcement.

(4) The security measures for a simulcasting facility shall include the installation by the casino licensee of a closed circuit television system according to specifications approved by the Division of Gaming Enforcement. The Casino Control Commission and the Division of Gaming Enforcement shall have access to the system or its signal in accordance with regulations of the commission.

b. All persons engaged directly in wagering-related activities conducted by a casino licensee in a simulcasting facility, whether employed by the casino licensee or by a person or entity conducting casino simulcasting in the simulcasting facility pursuant to an agreement with the casino licensee and all other employees of the casino licensee or of the person or entity conducting casino simulcasting who are working in the simulcasting facility, shall be licensed or registered in accordance with regulations of the Casino Control Commission or the Division of Gaming Enforcement.

Any employee at the Atlantic City Race Course or Garden State Park on or after June 12, 1992, who loses employment with that racetrack as a direct result of the implementation of casino simulcasting and who has been licensed by the New Jersey Racing Commission for five consecutive years immediately preceding the loss of employment shall be given first preference for employment whenever any comparable position becomes available in any casino simulcasting facility, provided the person is qualified pursuant to this subsection. If a casino licensee enters into an agreement with a person or entity for the conduct of casino simulcasting in its simulcasting facility, the agreement shall include the requirement that such first preference in employment shall be given by the person or entity with respect to employment in the simulcasting facility.

c. A casino licensee which establishes a simulcasting facility and conducts casino simulcasting shall, as a condition of continued operation of casino simulcasting, receive all live races which are transmitted by in-State sending tracks.

d. Agreements between a casino licensee and an in-State or out-of-State sending track for casino simulcasting shall be in writing and shall be filed with the New Jersey Racing Commission and with the Division of Gaming Enforcement in accordance with section 104 of P.L.1977, c.110 (C.5:12-104).

e. If wagering at casinos on sports events is authorized by the voters of this State and by enabling legislation enacted by the Legislature, and if a casino licensee conducts such wagering and casino simulcasting, the two activities shall be conducted in the same area, in accordance with such regulations as the Division of Gaming Enforcement shall prescribe with respect to wagering on sports events and in accordance with this act and such regulations as may be adopted pursuant to section 3 of this act with respect to casino simulcasting.

117. 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.

199. 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 Division of Gaming Enforcement, 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

Division of Gaming Enforcement 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.

118. Section 20 of P.L.1992, c.19 (C.5:12-210) is amended to read as follows:

C.5:12-210 Rules, regulations.

20. The Division of Gaming Enforcement and the New Jersey Racing Commission shall individually and jointly promulgate and adopt any rules and regulations, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), which are necessary to effectuate the purposes of P.L.1992, c.19 (C.5:12-191 et seq.).

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

C.5:12-211 Continuance of casino, simulcast operations during certain states of emergency; violations, fines.

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

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

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

120. Section 5 of P.L.2008, c.23 (C.5:12-212) is amended to read as follows:

C.5:12-212 Division approval of internal controls prior to state of emergency.

5. In order for a casino licensee to conduct casino and simulcast operations during a state of emergency as authorized in section 4 of P.L.2008, c.23 (C.5:12-211), it shall create, maintain, and file with the division internal controls prior to the state of emergency, which shall become effective only during the state of emergency, that contain, without limitation:

a. Procedures for the casino licensee and its employees to report any violation of a statute or regulation to the casino licensee's chief legal officer and audit committee executive, who shall report any such violations to the Governor immediately and to the commission and division when the state of emergency ceases.

b. Procedures for the casino licensee to engage a certified public accountant to perform the following functions during the state of emergency:

(1) Act in the capacity of the division whenever the presence of an employee of the division is normally required to perform an activity;

(2) Perform any other functions in accordance with instructions issued by the division prior to the state of emergency; and

(3) Maintain a written record of all activity performed.

c. Procedures for the surveillance department of the casino licensee to record any activity that involves the participation of the certified public accountant and to provide the recordings to the division when the state of emergency ceases.

d. Procedures for providing any evidence of tampering or cheating that occurs during the state of emergency to the certified public accountant, who shall preserve such evidence for the division.

e. Procedures to ensure that a designee of the casino licensee's chief legal officer is available at all times to receive any complaint from the public relating to the conduct of casino operations. Any such patron complaint shall be forwarded to the chief legal officer, who shall promptly file it with the division when the state of emergency ceases.

f. Procedures for withholding the payment of slot machine jackpots greater than \$75,000 during the state of emergency, which shall be posted in the casino advising patrons of the temporary jackpot payout procedures. Such procedures shall include, without limitation, issuance of a written receipt to the winning patron and withholding payment of the jackpot until the state of emergency ceases and the division has had the opportunity to inspect the slot machine on which the jackpot was won.

g. Procedures for staffing both the surveillance and casino security departments with at least one additional officer at all times during the state of emergency.

121. Section 6 of P.L.2008, c.23 (C.5:12-213) is amended to read as follows:

C.5:12-213 Prohibitions relative to operation during state of emergency.

6. During any state of emergency, as defined in section 23 of P.L.2011, c.19 (C.5:12-45.3), a casino licensee shall not:

a. Amend or seek permission to amend: (1) any submission required by section 99 of P.L.1977, c.110 (C.5:12-99); or (2) its operation certificate.

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

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

d. Perform any modification to any casino computer system or multi-casino progressive slot system, except in the event of an emergency that, in the opinion of its chief gaming executive and the director of its Management Information Systems department, could affect the integrity of casino or simulcasting operations or the collection and certification of gross revenue.

e. Perform an adjustment to the amount on the progressive meter of any slot machine; provided, however, notwithstanding any division regulation to the contrary, if a casino licensee reasonably believes a progressive meter is displaying an incorrect amount, it may take the progressive slot machine out of service until the state of emergency ceases.

f. Conduct any gaming tournament or other activity that requires division approval, unless the tournament or activity has been approved by the division prior to the commencement of the state of emergency.

122. Section 7 of P.L.2008, c.23 (C.5:12-214) is amended to read as follows:

C.5:12-214 Restriction of transfer of property.

7. During any state of emergency, no transfer of property shall occur that would otherwise require the issuance of interim casino authorization pursuant to section 3 of P.L.1987, c.409 (C.5:12-95.12) prior to such transfer.

123. Section 8 of P.L.2008, c.23 (C.5:12-215) is amended to read as follows:

C.5:12-215 Calculation of certain time periods.

8. In the event a state of emergency is declared that prevents employees of the commission and the division from performing their normal duties, the duration of the state of emergency shall not be included in the calculation of the time period required by any law, rule or regulation for:

a. Action by the Casino Control Commission or the Division of Gaming Enforcement on any pending application; and

b. The filing of any application or other required submission with the Casino Control Commission or the Division of Gaming Enforcement by any person.

124. Section 55 of P.L.1977, c.110 (C.5:12-55) is amended to read as follows:

C.5:12-55 Division of gaming enforcement.

55. Division of gaming enforcement. There is hereby established in the Department of Law and Public Safety the Division of Gaming Enforcement. The division shall be under the immediate supervision of a director who shall also be sworn as an Assistant Attorney General and who shall administer the work of the division under the direction and supervision of the Attorney General. The director shall be appointed by the Governor, with the advice and consent of the Senate, and shall serve during the term of office of the Governor, except that the first director shall be appointed for a term of 2 years. The director may be removed from office by the Attorney General for cause upon notice and opportunity to be heard.

The director and any employee or agent of the division shall be subject to the duty to appear and testify and to removal from his office, position or employment in accordance with the provisions of P.L.1970, c.72 (C.2A:81-17.2a et seq.). The Attorney General shall be responsible for the exercise of the duties and powers assigned to the division.

The division shall be located in Atlantic City, except that the division may maintain a secondary satellite office in Trenton, which shall not be the primary office, if deemed necessary for the effective performance of its duties and responsibilities.

If, as a result of the transfer of duties and responsibilities from the Casino Control Commission to the division in accordance with P.L.2011, c.19 (C.5:12-6.1 et al.), the division needs to employ an individual to fill a position, former employees of the commission who performed the duties of the position to be filled shall be given a one-time right of first refusal offer of employment with the division, and such employees may be

removed by the division for cause or if deemed unqualified to hold the position, notwithstanding any other provision of law to the contrary.

C.5:12-54.1 Restrictions on certain contributions.

125. A member of the Casino Control Commission and any employee of the commission holding a supervisory or policy-making management position, and the Director of the Division of Gaming Enforcement and any employee of the division holding a supervisory or policy-making management position, shall not make any contribution as that term is defined in "The New Jersey Campaign Contributions and Expenditures Reporting Act," P.L.1973, c.83 (C.19:44A-1 et seq.).

126. Section 115 of P.L.1977, c.110 (C.5:12-115) is amended to read as follows:

C.5:12-115 Cheating games and devices in a licensed casino; penalty.

115. Cheating Games and Devices in a Licensed Casino; Penalty. a. It shall be unlawful:

(1) Knowingly to conduct, carry on, operate, deal or allow to be conducted, carried on, operated or dealt any cheating or thieving game or device; or

(2) Knowingly to deal, conduct, carry on, operate or expose for play any game or games played with cards, dice or any mechanical device, or any combination of games or devices, which have in any manner been marked or tampered with, or placed in a condition, or operated in a manner, the result of which tends to deceive the public or tends to alter the normal random selection of characteristics or the normal chance of the game which could determine or alter the result of the game.

b. It shall be unlawful knowingly to use or possess any marked cards, loaded dice, plugged or tampered with machines or devices.

c. Any person who violates this section is guilty of a crime of the fourth degree and subject to the penalties therefor, except that the amount of a fine may be up to \$50,000, and in the case of a person other than a natural person, the amount of a fine may be up to \$200,000.

127. Section 116 of P.L.1977, c.110 (C.5:12-116) is amended to read as follows:

C.5:12-116 Unlawful possession of device, equipment or other material illegally manufactured, distributed, sold or serviced.

116. Unlawful possession of device, equipment or other material illegally manufactured, distributed, sold or serviced. Any person who possesses any device, equipment or material which he knows has been manufactured, distributed, sold, tampered with or serviced in violation of the provisions of this act is guilty of a crime of the fourth degree and subject to the penalties therefor, except that the amount of a fine may be up to \$50,000, and in the case of a person other than a natural person, the amount of a fine may be up to \$200,000.

128. Section 117 of P.L.1977, c.110 (C.5:12-117) is amended to read as follows:

C.5:12-117 Employment without license or registration; penalty.

117. Employment Without License or Registration; Penalty. a. Any person who, without obtaining the requisite license or registration as provided in this act, works or is employed in a position whose duties would require licensing or registration under the provisions of this act is guilty of a crime of the fourth degree and subject to the penalties therefor, except that

the amount of a fine may be up to \$20,000, and in the case of a person other than a natural person, the amount of a fine may be up to \$100,000.

b. Any person who employs or continues to employ an individual not duly licensed or registered under the provisions of this act in a position whose duties require a license or registration under the provisions of this act is guilty of a crime of the fourth degree and subject to the penalties therefor, except that the amount of a fine may be up to \$20,000, and in the case of a person other than a natural person, the amount of a fine may be up to \$100,000.

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

d. Any person violating the provisions of subsection 101e. of this act shall be guilty of a crime of the third degree, and shall be subject to the penalties therefor, except that the amount of a fine may be up to \$50,000. Any licensee permitting or allowing such a violation shall also be punishable under this subsection, in addition to any other sanctions the commission may impose.

129. Section 120 of P.L.1977, c.110 (C.5:12-120) is amended to read as follows:

C.5:12-120 Prohibited political contributions; penalty.

120. Prohibited Political Contributions; Penalty. Any person who makes or causes to be made a political contribution prohibited by the provisions of this act is guilty of a crime of the fourth degree and subject to the penalties therefor, except that the amount of a fine may be up to \$200,000, and in the case of a person other than a natural person, the amount of a fine may be up to \$500,000.

130. Section 126 of P.L.1977, c.110 (C.5:12-126) is amended to read as follows:

C.5:12-126 Prohibited activities.

126. a. It shall be unlawful for any person who has received any income derived, directly or indirectly, from a pattern of racketeering activity or through collection of an unlawful debt in which such person has participated as a principal within the meaning of N.J.S.2A:85-14 to use or invest, directly or indirectly, any part of such income, or the proceeds of such income, in acquisition of any interest in, or the establishment or operation of, any enterprise which is engaged in or the activities of which affect casino gaming operations or ancillary industries which do business with any casino licensee. A purchase of securities on the open market for purposes of investment, and without the intention of controlling or participating in the control of the issuer or of assisting another to do so, shall not be unlawful under this subsection, provided that the sum total of the securities of the issuer held by the purchaser, the members of his family, and his or their accomplices in any pattern of racketeering activity or in the collection of an unlawful debt does not amount in the aggregate to one percent of the outstanding securities of any one class, or does not, either in law or in fact, empower the holders thereof to elect one or more directors of the issuer.

b. It shall be unlawful for any person through a pattern of racketeering activity or through collection of an unlawful debt to acquire or maintain, directly or indirectly, any interest in or control of any enterprise which is engaged in, or the activities of which affect, casino gaming operations or ancillary industries which do business with any casino licensee.

c. It shall be unlawful for any person employed by or associated with any enterprise engaged in, or the activities of which affect, casino gaming operations or ancillary industries which do business with any casino licensee, to conduct or participate, directly or indirectly,

in the conduct of such enterprise's affairs through a pattern of racketeering activity or collection of unlawful debt.

d. It shall be unlawful for any person to conspire to violate any of the provisions of subsection a., b., or c. of this section.

e. Any person who violates any provision of this section shall be fined not more than \$100,000 or imprisoned not more than twenty years or both and shall forfeit to the State (1) any interest he has acquired or maintained in violation of this section and (2) any interest in, security of, claim against, or property or contractual right of any kind affording a source of influence over any enterprise which he has established, operated, controlled, conducted, or participated in the conduct of, in violation of this section.

f. In any action brought by the Attorney General under this section, the Superior Court shall have jurisdiction to enter such restraining orders or prohibitions, or to take such other actions, including, but not limited to, the acceptance of satisfactory performance bonds, in connection with any property or other interest subject to forfeiture under this section, as it shall deem proper.

g. Upon conviction of a person under this section, the court shall authorize the Attorney General to seize all property or other interest declared forfeited under this section upon such terms and conditions as the court shall deem proper. If a property right or other interest is not exercisable or transferable for value by the State, it shall expire and shall not revert to the convicted person.

131. Section 4 of P.L.1978, c.7 (C.5:12-14.4) is amended to read as follows:

C.5:12-14.4 "Debt."

4. "Debt" -- Any legal liability, whether matured or unmatured, liquidated or unliquidated, absolute, fixed or contingent, including debt convertible into an equity security which has not yet been so converted, and any other debt carrying any warrant or right to subscribe to or purchase an equity security which warrant or right has not yet been exercised.

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

C.5:12-18 "Equity security."

18. "Equity security" -- (a) Any voting stock of a corporation, or similar security; (b) any security which has been converted, with or without consideration, into such a security, or carrying any warrant or right to subscribe to or purchase such a security which warrant or right has been exercised; or (c) any security having a direct or indirect participation in the profits of the issuer. The holder of a security described in subsection (b) of this section shall not be required to qualify as a holder of an equity security prior to any such conversion or exercise of any such warrant or rights.

Repealer.

133. The following sections are repealed:

Section 6 of P.L.1995, c.18 (C.5:12-11.1);

Section 38 of P.L.1977, c.110 (C.5:12-38);

Section 64 of P.L.1977, c.110 (C.5:12-64);

Section 65 of P.L.1977, c.110 (C.5:12-65);

Section 67 of P.L.1977, c.110 (C.5:12-67);

Section 88 of P.L.1977, c.110 (C.5:12-88);

Section 90 of P.L.1977, c.110 (C.5:12-90); and  
Section 3 of P.L.2003, c.116 (C.5:12-148.1).

134. This act shall take effect immediately and the orderly transition of responsibilities and functions from the Casino Control Commission to the Division of Gaming Enforcement shall take place for 90 days following the effective date, provided, however, that the division and commission may take such anticipatory action as is necessary to effectuate the provisions of this act. Any completed applications properly filed with or submitted to the commission which are pending on the effective date of this act over which the division is accorded authority pursuant to the provisions of this act shall be deemed to have been properly filed with or submitted to the division, provided that any application for a license, which license by effect of this act is no longer required, shall be treated as a registration.

Approved February 1, 2011.