

ARTICLE 15. STATE OF EMERGENCY OPERATIONS

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

In the event that a state of emergency is declared due to the failure to enact a general appropriation law by the deadline prescribed by Article VIII, Section II, paragraph 2 of the New Jersey Constitution, that prevents inspectors, agents, or other employees of the commission and the division from performing their normal duties, a casino licensee may continue to conduct casino and simulcast operations for a period not to exceed seven calendar days, notwithstanding that the inspectors, agents or other 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Governor shall have the authority to summarily suspend the license of that casino or employee until such time as it is rescinded by the Governor, or the state of emergency ceases and the commission or the division, as appropriate, is able to address the matter.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 its approved internal control procedures, 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.

L.2008, c. 23, § 4, eff. June 27, 2008.

5:12-212 Commission approval of internal controls prior to state of emergency

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 obtain commission approval of 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 approved by the commission, which procedures shall provide sufficient safeguards to ensure that the public's interest in the integrity of casino operations is served, and shall include but not be limited to a criminal history record background check to be conducted in accordance with the authority provided under paragraph (5) of subsection b. of section 89 of P.L.1977, c.110 (C.5:12-89), to perform the following functions during the state of emergency:

(1) Act in the capacity of the commission whenever the presence of an inspector, agent or employee of the commission is normally required to perform an activity including, without limitation, the collection and counting of gross revenue;

(2) Perform any other functions in accordance with instructions issued by the commission 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 commission 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 commission and 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 commission 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.

L.2008, c. 23, § 5, eff. June 27, 2008.

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

During any period of operations authorized by section 4 of P.L.2008, c.23 (C.5:12-211), 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. Modify the configuration of its gaming floor or the gaming assets located thereon in any manner whatsoever.
- c. Perform any activity that requires a pre-inspection by the commission to ensure that surveillance camera coverage is adequate.
- 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 commission 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 commission approval, unless the tournament or activity has been approved by the commission prior to the commencement of the state of emergency.

L.2008, c. 23, § 6, eff. June 27, 2008.

5:12-214 Restriction of transfer of property

During any period of operations authorized by section 4 of P.L.2008, c.23 (C.5:12-211), 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.

L.2008, c. 23, § 7, eff. June 27, 2008.

5:12-215 Calculation of certain time periods

In the event a state of emergency is declared due to the failure to enact a general appropriation law by the deadline prescribed by Article VIII, Section II, paragraph 2 of the New Jersey Constitution, the 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 or submission; 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.

L.2008, c. 23, § 8, eff. June 27, 2008.

5:12-216 Adoption of regulations

Notwithstanding any provision of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) to the contrary, the Casino Control Commission may adopt immediately upon filing with the Office of Administrative Law such regulations as the commission deems necessary to implement the provisions of this act, which shall be effective for a period not to exceed 270 days following enactment of P.L.2008, c.23, and may thereafter be amended, adopted, or readopted by the commission in accordance with the requirements of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.).

L.2008, c. 23, § 9, eff. June 27, 2008.

5:12-217 Effective date

This act shall take effect immediately and shall continue in full force and effect unless superseded by constitutional amendment.

L.2008, c. 23, § 11, eff. June 27, 2008.