

LAW AND PUBLIC SAFETY

DIVISION OF GAMING ENFORCEMENT

Gaming Equipment

Dice; Receipt; Storage; Inspections and Removal from Use

Proposed New Rule: N.J.A.C. 13:69E-1.16

Proposed Amendment: N.J.A.C. 13:69E-1.2

Authorized By: David Rebuck, Director, Division of Gaming Enforcement.

Authority: N.J.S.A. 5:12-69, 70, 76, and 100.

Calendar Reference: See Summary below for explanation of exception to calendar requirement.

Proposal Number: PRN 2013-080.

Submit written comments by July 19, 2013 to:

Lon E. Mamolen, Deputy Attorney General

Division of Gaming Enforcement

1300 Atlantic Avenue

Atlantic City, NJ 08401

The agency proposal follows:

Summary

Pursuant to N.J.A.C. 13:69E-1.2, whenever any gaming chips or plaques are taken from or returned to an approved storage area, at least two employees are required to be present, one of whom shall be a supervisor from the casino games department. The proposed amendment to N.J.A.C. 13:69E-1.2 enables the required supervisor to be from either the casino games department or security department.

Proposed new N.J.A.C. 13:69E-1.16 sets forth the procedures related to that dice a casino licensee is required to follow pertaining to their receipt, storage, inspections, and removal from use.

For decades casino licensees followed the predecessor Casino Control Commission rule at N.J.A.C. 19:46-1.16, which has since been repealed in conjunction with the recent adoption of the Division of Gaming Enforcement's (Division) rules at N.J.A.C. 13:69E. Like many of the predecessor Commission rules that were codified as Division rules, the proposed new rule should have been codified with the Division's adoption of that chapter. Therefore, the Division proposes new N.J.A.C. 13:69E-1.16.

This notice of proposal is not required to be referenced in a rulemaking calendar since a public comment period of 60 days is being provided. See N.J.A.C. 1:30-3.3(a)5.

Social Impact

The proposed new rule and amendment should have no social impact.

Economic Impact

The proposed amendment should have minimal economic impact, except to the extent that it affords a casino licensee with greater staffing flexibility assigned to gaming chip and plaque movements.

The proposed new rule should have no economic impact inasmuch as casino licensees have been operating under a like rule for more than 30 years.

Implementing the rules involve use of existing personnel to perform inspections and recordkeeping for dice and have only minimal economic impacts.

Federal Standards Statement

A Federal standards analysis is not required because the proposed new rule and amendment are authorized by the provisions of the Casino Control Act, N.J.S.A. 5:12-1 et seq., and are not subject to Federal law.

Jobs Impact

The proposed new rule and amendment will not have any impact on the number of jobs in the State of New Jersey.

Agriculture Industry Impact

The proposed new rule and amendment will have no impact on agriculture in New Jersey.

Regulatory Flexibility Statement

The proposed new rule and amendment will only affect the operations of New Jersey casino licensees, none of which qualifies as a "small business" as defined in the Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq., because these licensees all employ at least 100 full-time employees. Accordingly, a regulatory flexibility analysis is not required.

Housing Affordability Impact Analysis

The proposed new rule and amendment will have no impact on the affordability of housing in the State of New Jersey, nor will they evoke a change in the average costs associated with housing because they affect the receipt, storage, inspection, and removal from use of dice in the casinos in Atlantic City.

Smart Growth Development Impact Analysis

The proposed new rule and amendment will have no impact on housing production in Planning Areas 1 and 2, or within the designated centers, under the State Development and Redevelopment Plan in the State of New Jersey because they affect the receipt, storage, inspection, and removal from use of dice in the casinos in Atlantic City.

Full text of the proposal follows (additions indicated in boldface **thus**):

13:69E-1.2 Receipt of gaming chips or plaques from manufacturer or distributor; inventory, security, storage, and destruction of chips and plaques

(a) – (d) (No change.)

(e) Whenever any gaming chips or plaques are taken from or returned to an approved storage area, at least two employees shall be present, one of whom shall be a supervisor from the casino games **or security** department, and the following information shall be recorded in the chip inventory ledger together with the date and signatures of the employees involved:

1. – 5. (No change.)

(f) – (h) (No change.)

13:69E-1.16 Dice; receipt; storage; inspections; and removal from use

(a) When boxes of dice are received for use in the casino or casino simulcasting facility from the manufacturer or distributor thereof, at least two individuals, one of whom shall be from the casino games department and the other from the casino security department or casino accounting department, shall record on an inventory log as required in (b) below, the number of dice received. The individuals shall place boxes of dice in a locked cabinet in the cashiers' cage or within a primary or other secure storage area approved by the Division. Secure storage areas shall be used for the storage of surplus dice. Dice maintained in secure storage areas shall not be distributed to gaming pits or tables for use in gaming until the dice have been moved to a primary storage area.

(b) The casino licensee shall maintain a log for each approved storage area, to separately account for dice in accordance with the casino licensee's internal control procedures. The internal controls shall require the following:

1. A dice inventory system, which shall include, at a minimum, the recordation of the following:

i. Balance of dice on hand and their location;

ii. Dice received from the vendor;

iii. Dice removed from storage;

iv. Dice returned to storage;

v. Date of:

(1) Receipt from vendor;

(2) Removal from storage;

(3) Return to storage; or

(4) Physical inventory of dice; and

vi. Signatures of the casino games department and casino security and/or accounting department representatives participating in the transaction;

2. A reconciliation, on a daily basis, of the dice distributed, destroyed, and cancelled; returned to the storage area; in use on an open gaming table for more than 24 hours; and in dice reserve, if any; and

3. A physical inventory of the dice at least once every three months.

i. This inventory shall be performed by an individual with no incompatible functions and shall be verified to the balance of dice on hand as required in accordance with (b)1 above.

ii. Any discrepancies shall immediately be reported to the Division.

(c) All approved storage areas and pit stands used to store dice for more than one gaming day, other than the cashiers' cage, shall have two separate locks. The casino security department shall maintain one key and the casino games department or cashiers' cage shall maintain the other key; provided, however, that no person employed by the casino games department below the table games shift manager in the organization hierarchy shall have access to the casino games department key. Dice stored in a cabinet within the cashiers' cage shall be secured by a lock, the key to which shall be maintained by a table games shift manager or casino games supervisor thereof.

(d) When removing dice from the primary storage area, a representative of the casino games department, in the presence of a casino security officer, shall remove the appropriate number of dice. The representative of the casino games department shall be the table games shift manager or a casino games supervisor thereof, or an employee of the casino games department who reports directly to the shift manager, shall be required to be licensed as a casino key employee, and shall have no direct supervisory responsibilities over the operation and conduct of the table games in a pit during that gaming day. The table games shift manager or casino games supervisor thereof or the designated casino key employee shall distribute sufficient dice to the table games supervisor. Dice in the pit stand shall be placed in a locked compartment, the keys to which shall be in the possession of the table games supervisor or supervisor thereof. If dice are stored in the pit stand for more than one gaming day, the pit stand shall be equipped with a second lock, the key to which shall be maintained and controlled by the security department. The security lock on the pit stand shall be used whenever the pit is closed.

(e) All envelopes and containers used in this section for dice pre-inspected at the pit stand or in a primary storage area and for those collected by security shall be transparent. The envelopes or containers and the method used to seal them shall be designed or constructed so that any tampering shall be evident.

(f) All dice shall be inspected and distributed to the gaming tables in accordance with one of the following applicable alternatives:

1. Alternative No. 1: Distribution to and inspection at craps, mini-craps, mini-dice, automated craps, or sic bo tables shall be as follows:

i. The table games shift manager or casino games supervisor thereof and the casino security officer who removed the dice from the primary storage area shall distribute sufficient dice directly to the casino games supervisor in each pit, or place them in a locked compartment in the pit stand, the keys to which shall be in the possession of the casino games supervisor or a supervisor thereof;

ii. Immediately upon opening a table for gaming, the casino games supervisor shall distribute a set of dice to the table. At the time of receipt, a boxperson at each craps table and the floorperson at each sic bo, mini-dice, mini-craps, or automated craps table, in order to ensure that the dice are in a condition to assure fair play and otherwise conform to the Act and the rules of the Division, shall, in the presence of the dealer, inspect the dice given to him or her with a micrometer or any other approved instrument that performs the same function, a balancing caliper, a steel set square, and a magnet, which instruments shall be kept in a compartment at each craps table or pit stand and shall be at all times readily available for use by the Division;

iii. Following the inspection in (f)1ii above:

(1) For craps, the boxperson shall, in the presence of the dealer, place the dice in a cup on the table for use in gaming, and while the dice are at the table, they shall never be left unattended;

(2) For mini-craps, the floorperson shall, in the presence of the dealer, place the dice in a cup on the table for use in gaming, and while the dice are at the table, they shall never be left unattended; and

(3) For sic bo, mini-dice, and automated craps, the floorperson shall, in the presence of the dealer, place the required number of dice into the shaker and seal or lock the shaker. For sic bo, the floorperson shall then secure the sic bo shaker to the table in the presence of the dealer who observed the inspection. For mini-dice, the floorperson shall then give the sealed mini-dice shaker to the dealer, who shall be primarily responsible for the security of the shaker at all times while the shaker is available for use at the table; and

iv. The casino games supervisor shall place extra dice for dice reserve in the pit stand. Dice in the pit stand shall be placed in a locked compartment, the key to which shall be in the possession of the casino games supervisor or a supervisor thereof. No dice taken from this reserve shall be used for actual gaming until and unless inspected in accordance with (f)1ii above.

2. Alternative No. 2: Distribution to and inspection at the pit stand shall be as follows:

i. The table games shift manager or supervisor thereof and the casino security officer who removed the dice from the primary storage area shall distribute the

dice directly to the casino games supervisor identified in (f)2ii below, who will perform the inspection in each pit.

ii. The inspection of the dice at the pit stand shall be performed by:

(1) For craps and mini-craps, a boxperson or floorperson in the presence of another boxperson or floorperson, both of whom are assigned the responsibility of supervising the operation and conduct of a craps game; and

(2) For sic bo, mini-dice, automated craps, pai gow, pai gow poker, supreme pai gow, or asia poker, a floorperson, in the presence of another floorperson, both of whom are assigned the responsibility of supervising the operation and conduct of such games.

iii. To ensure that the dice are in a condition to assure fair play and otherwise conform to the Act and the rules of the Division, the dice shall be inspected with a micrometer or any other approved instrument that performs the same function, a balancing caliper, a steel set square, and a magnet, which instruments shall be kept at the pit stand and shall be at all times readily available for use by the Division. The inspection shall be performed on a flat surface, which allows the dice inspection to be observed through closed circuit television cameras and by any persons in the immediate vicinity of the pit stand.

iv. After completion of the inspection, the dice shall be distributed as follows:

(1) For craps and mini-craps, the boxperson or floorperson who inspected the dice shall, in the presence of the other boxperson or floorperson who observed the inspection, distribute such dice to the boxperson assigned at each craps table or to the floorperson assigned at each mini-craps table. The craps boxperson or the mini-

craps floorperson shall, in the presence of the dealer, place the dice in a cup on the table for use in gaming, and while the dice are at the table they shall never be left unattended;

(2) For sic bo, mini-dice, and automated craps, the floorperson who inspected the dice shall, in the presence of the other floorperson who observed the inspection, place the required number of dice into the shaker and seal or lock the shaker. For sic bo, the floorperson shall then secure the sic bo shaker to the table in the presence of the other floorperson who observed the inspection. For mini-dice, the floorperson shall then give the sealed mini-dice shaker to the dealer, who shall be primarily responsible for the security of the shaker at all times while the shaker is available for use at the table; and

(3) For pai gow, pai gow poker, supreme pai gow, or asia poker, the floorperson who inspected the dice shall, in the presence of the other floorperson who observed the inspection, distribute such dice directly to the dealer at each pai gow, pai gow poker, supreme pai gow, or asia poker table. The dealer shall immediately place the dice in the pai gow, pai gow poker, supreme pai gow, or asia poker shaker.

v. The casino games supervisor shall place extra sets of dice for dice reserve in the pit stand, as follows:

(1) Dice in the pit stand shall be placed in a locked compartment, the key to which shall be in the possession of the casino games supervisor or a supervisor thereof.

(2) Except as otherwise provided in (f)2vi and vii below, all dice taken from the reserve shall be reinspected by a casino games supervisor in the presence of another casino games supervisor in accordance with the inspection procedures set forth in (f)2ii and iii above, prior to their use for actual gaming.

vi. In accordance with (f)2v(2) above, previously inspected reserve dice may be used for gaming without being reinspected, if they are maintained in a locked compartment in the pit stand, the key for which shall be in the possession of the casino games supervisor or casino games supervisor thereof.

vii. In accordance with (f)2v(2) above and as an additional alternative to (f)2vi above, previously inspected reserve dice may be used for gaming without being reinspected, if they are maintained in a locked compartment in the pit stand in accordance with the following procedures:

(1) For craps and mini-craps, a set of at least five dice, after being inspected, shall be placed in a sealed envelope or container. A label that identifies the date of inspection and contains the signatures of those responsible for the inspection shall be attached to each envelope or container.

(2) For sic bo and mini-dice, the required number of dice, after being inspected, shall be placed in a sealed envelope or container or sealed or locked in a sic bo or mini-dice shaker. A label or seal that identifies the date of inspection and contains the signatures of those responsible for the inspection shall, respectively, be attached to each envelope or container or placed over the area that allows access to open the sic bo or mini-dice shaker.

(3) For pai gow, pai gow poker, supreme pai gow, and asia poker, a set of three dice, after being inspected, shall be placed in a sealed envelope or container. A label that identifies the date of inspection and contains the signatures of those responsible for the inspection shall be attached to each envelope or container.

(4) For automated craps, at least one set of two dice, after being inspected, shall be placed in a sealed envelope or container. A label that identifies the date of inspection and contains the signatures of those responsible for the inspection shall be attached to each envelope or container.

3. Alternative No. 3: Inspection in primary storage area and distribution to tables shall be as follows:

i. Inspection of dice for all table games in an approved primary storage area shall be performed by a casino games supervisor and a table games shift manager, in the presence of a casino security officer.

ii. The dice shall be inspected with a micrometer or any other approved instrument that performs the same function, a balancing caliper, a steel set square, and a magnet to ensure that the dice are in a condition to assure fair play and otherwise conform to the Act and the rules of the Division. These instruments shall be maintained in the storage area and shall be at all times readily available for use by the Division.

iii. After completion of the inspection, the person performing the inspection shall seal the dice as follows:

(1) For craps and mini-craps, after each set of at least five dice are inspected, they shall be placed in a sealed envelope or container; provided, however, that reserve dice may be placed in individual sealed envelopes or containers. A label that identifies the date of the inspection and contains the signatures of those responsible for the inspection shall be attached to each envelope or container;

(2) For sic bo and mini-dice, after each set of dice are inspected, they shall be sealed or locked in a manual shaker. A seal that identifies the date of the

inspection and contains the signatures of those responsible for the inspection shall then be placed over the area that allows access to open the shaker;

(3) For pai gow, pai gow poker, supreme pai gow, or asia poker, after each set of three dice are inspected, they shall be placed in a sealed envelope or container.

A label that identifies the date of the inspection and contains the signatures of those responsible for the inspection shall be attached to each envelope or container; and

(4) For automated craps, after at least one set of two dice are inspected they shall be placed in a sealed envelope or container; provided, however, that sets of reserve dice may be placed in individual sealed envelopes or containers. A label that identifies the date of the inspection and contains the signatures of those responsible for the inspection shall be attached to each envelope or container.

iv. At the beginning of each gaming day and at such other times as may be necessary, a table games shift manager or casino games supervisor thereof and a casino security officer shall distribute the dice as follows:

(1) For craps and mini-craps, the sealed envelopes or containers of dice shall be distributed to a casino games supervisor in each craps or mini-craps pit or placed in a locked compartment in the pit stand by the casino games supervisor. When the sealed dice are distributed to the craps or mini-craps table, a boxperson at each craps table or a floorperson at each mini-craps table, after assuring the seals are intact and free from tampering, shall open the sealed envelope or container, in the presence of the dealer, and place the dice in a cup on the table for use in gaming. While dice are on the table, they shall never be left unattended.

(2) For sic bo and mini-dice, the sealed manual shakers shall be distributed to the casino games supervisor supervising the game. For sic bo, the casino games supervisor shall then secure the manual sic bo shaker to the table. For mini-dice, the casino games supervisor shall give the sealed mini-dice shaker to the dealer who shall be primarily responsible for the security of the shaker at all times while the shaker is available for use at the table.

(3) For automated craps, pai gow, pai gow poker, supreme pai gow, or asia poker, the sealed envelope or container shall be distributed to a casino games supervisor in each automated craps, pai gow, pai gow poker, supreme pai gow, or asia poker pit or placed in a locked compartment in the pit stand. When the sealed dice are distributed to the automated craps, pai gow, pai gow poker, supreme pai gow, or asia poker table by the casino games supervisor, a floorperson, after assuring the seal and envelopes or containers are intact and free from tampering, shall open the sealed envelope or container, in the presence of the dealer, and place the dice in the automated craps, pai gow, pai gow poker, supreme pai gow, or asia poker shaker.

v. When the envelope or container or the seal is damaged, broken, or shows indication of tampering, the dice shall not be used for gaming activity unless the dice are reinspected as follows:

(1) For craps, mini-craps, automated craps, mini-dice, and sic bo, in accordance with the procedures in (f)1 or 2 above; and

(2) For pai gow, pai gow poker, supreme pai gow, or asia poker, in accordance with the procedures in (f)2 above.

vi. The casino games supervisor shall place extra dice for dice reserve in the pit stand. Dice in the pit stand shall be placed in a locked compartment, the key to which shall be in the possession of the casino games supervisor or supervisor thereof.

vii. A micrometer or any other approved instrument that performs the same function, a balancing caliper, a steel set square, and a magnet shall also be maintained in a locked compartment in each pit stand, and each such instrument shall be at all times readily available for use by the Division.

viii. Any primary storage area in which dice are inspected in accordance with this paragraph, shall be equipped with closed circuit television camera coverage capable of observing the entire inspection procedure.

(g) The casino licensee shall remove any dice at any time of the gaming day if there is any indication of tampering, flaws, or other defects that might affect the integrity or fairness of the game or at the request of the Division.

(h) At the end of each gaming day or at such other times as may be necessary, the casino games supervisor identified in (i) below shall visually inspect each die for evidence of tampering. Such evidence discovered at this time or at any other time shall be immediately reported to the security department and the Division. A security department member shall complete a two-part Discrepancy Report (Report) comprised of an original and duplicate, which along with the evidence, shall be retrieved by an agent of the Division. The original and duplicate shall contain at a minimum:

- 1. Date and shift of inspection;**

2. Name of casino games supervisor conducting the inspection. The inspection required by this subsection shall be performed by a casino games supervisor other than the one who originally inspected the dice;

3. Pit number, table number, and type of game;

4. Description (for example, shaved corners);

5. Signature of casino games supervisor conducting the inspection;

6. Signature of casino security representative taking custody of the die; and

7. The signature of the agent of the Division inspecting or accepting the die. The Division agent shall retain the original and return the duplicate to the security department.

A receipt shall be issued to the agent of the Division for any die retained by the Division.

The receipt shall be signed by the security representative releasing the die to the Division and the agent of the Division accepting the die. The receipt shall be retained with the security department copy of the Report. Any die not retained by the Division shall be destroyed in accordance with the licensee's destruction procedures.

(i) Any dice showing evidence of tampering shall be placed in a sealed envelope or container.

1. A label shall be attached to each envelope or container, which shall identify the table number, date, and time and shall be signed by a person assigned to directly operate and conduct the game at that table and a casino games supervisor assigned the responsibility for supervising the operation and conduct of such game.

2. The casino security officer taking custody of the dice and delivering the dice to the Division shall also sign the label.

(j) All other dice not showing evidence of tampering shall be put into envelopes or containers at this time.

1. A label shall be attached to each envelope or container which shall identify the table number, date, and time and shall be signed by the appropriate persons identified in (h) above.

2. The envelope or container shall be appropriately sealed and maintained within the pit until collection by a casino security officer.

(k) All extra dice in dice reserve that are to be destroyed or cancelled shall be placed in a sealed envelope or container, with a label attached to each envelope or container that identifies the date and time and is signed by the casino games supervisor.

(l) At the end of each gaming day or, in the alternative, at least once each gaming day at the same time each day, as designated by the casino licensee, and at such other times as may be necessary, a casino security officer shall collect and sign all envelopes or containers of used dice and any dice in dice reserve that are to be destroyed or cancelled and shall transport them to the casino security department for cancellation or destruction. No dice that have been placed in a cup or shaker for use in gaming shall remain on a table for more than 24 hours.

(m) At the end of each gaming day or, in the alternative, at least once each gaming day at the same time each day, as designated by the casino licensee and, and at such other times as may be necessary, a table games shift manager or casino games supervisor thereof may collect all extra dice in dice reserve.

1. If collected, dice shall be returned to the primary storage area; provided, however, that any dice that have not been inspected and sealed pursuant to the

requirements in (f)3 above (Alternative No. 3) shall, prior to use for actual gaming, be inspected as follows:

i. For craps, mini-craps, automated craps, mini-dice, or sic bo, in accordance with the requirements in (f)1 or 2 above; and

ii. For pai gow, pai gow poker, supreme pai gow, or asia poker, in accordance with the requirements in (f)2 above.

2. If not collected, all dice in dice reserve must be reinspected in accordance with (f)1, 2, or 3 above, prior to their use for gaming, except for those dice maintained in a locked compartment pursuant to (f)2v(1) or 3vi above.

(n) Other than dice retained for Division inspection, dice shall be cancelled or destroyed within 72 hours of collection by the security department. In addition, once dice retained as evidence by the Division are released to the security department, the dice shall immediately be destroyed or cancelled.

1. Destruction and cancellation of dice shall take place in a secure place, the location and physical characteristics of which shall be approved by the Division. The adequacy of the destruction and cancellation process shall be approved by the Division.

2. Destruction of dice shall be by shredding by the security department or a vendor approved by the Division.

3. Cancellation of dice by the security department shall be by drilling a circular hole of at least one fourth of an inch in diameter through the center of each die.