

Below please find a document merging the text of both the soon to be published Adoption Notice for Internet gaming regulations and the Temporary Adoption for Internet gaming. All sections impacted by the Internet gaming regulations have been included to give context to the amendments, including those that only tangentially impact the conduct of Internet gaming. The crux of the rules pertaining to Internet gaming is found in Chapter O.

Finally, please note that the attached document itself will not appear in the NJ Register. This document does not indicate specifically what amendments have been made, whether deletion or new text. However, it accurately represents how the regulations will look at the conclusion of this round of rulemaking.

CHAPTER 69A
APPLICATIONS

SUBCHAPTER 5. FORMS

13:69A-5.19 Internet Gaming Permit Application

(a) An Internet Gaming Permit Application (IGPA) shall be in a format prescribed by the Division and include the following:

1. The date of filing;
2. The name of the casino licensee or applicant for casino licensee;
3. The name, title, and telephone number of the contact person;
4. Whether the application is for an initial application or renewal; and
5. The signature of an authorized officer of the applicant.

(b) A renewal of an IGPA shall be filed 60 days prior to the expiration of a licensee's current Internet gaming permit.

(c) An IGPA and any renewal thereof shall be filed, accompanied by the appropriate fee, with the Division's Intake Unit.

13:69A-7.17 Disclosure requirements for legal, consulting, and lobbying services related to Internet gaming

(a) Pursuant to section 85h of the Act, each entity or person who is an applicant for or holder of any license, registration, permit, or qualification shall provide an Internet Gaming Disclosure Statement to the Division no later than December 31, 2013 and quarterly thereafter. Each new applicant for any licensee, registration, permit, or qualification shall file an initial Internet Gaming Disclosure Statement with their application and quarterly thereafter.

(b) The initial Internet Gaming Disclosure Statement shall disclose the required information from July 1, 2009 through the date of the initial statement. The statement shall include the following information:

1. The name of any person, entity, or firm to whom or from whom any payment, remuneration, or other benefit or thing of value has been made or conferred for professional services, including, but not limited to legal, consulting, and lobbying services;

i. For each such person, entity, or firm identified in (a)1 above:

(1) The amount of value of such payment(s), remuneration, benefit, or thing of value;

(2) The date on which such payment(s), remuneration, benefit, or thing of value were made or received; and

(3) The reason or purpose for the procurement of such services.

(c) Quarterly Internet Gaming Disclosure Statements required pursuant to this section shall be due no later than 15 days following the end of each calendar quarter in accordance with the following schedule:

First Quarter	April 15
Second Quarter	July 15
Third Quarter	October 15
Fourth Quarter	January 15

13:69A-9.4 Casino license fees

(a) For the purposes of this section, the following words and terms shall have the meanings herein ascribed to them unless a different meaning clearly appears from the context:

1. "Casino license" means a plenary casino license issued under Section 87 of the Act;

2. "Licensed casino facility" means a casino hotel facility as to which a casino license has been issued to authorized gaming operations;

3. "Casino operator" means a casino licensee is designated as the primary obligor for payment of gross revenues taxes and Internet gaming revenue taxes in accordance with N.J.A.C. 13:69L;

4. "Internet gaming permit fee" means the total fee that is required by the Act and this subchapter to be paid prior to issuance or renewal of an Internet gaming permit;

5. "Initial license fee" or "issuance fee" means the total fee, which is required by the Act and this sub-chapter to be paid prior to consideration or issuance of a plenary casino license to an unlicensed applicant and which is based upon the cost of investigating and considering the application; and

6. "Responsible Internet Gaming Fee" means the total fee that is required by the Act and this subchapter to be paid annually to the Department of Human Services and allocated pursuant to N.J.S.A. 5:12-95.29d.

(b) No application for the issuance or retention of a casino license or an Internet gaming permit shall be accepted for filing by the Division unless a nonrefundable deposit of \$ 100,000 shall first have been paid in full for each application. For a casino license, such deposit shall be applied to the initial license fee or retention fee. For the issuance or renewal of an Internet gaming permit, such deposit shall be applied to the initial permit fee or renewal fee.

(c) No casino license shall be issued unless the applicant shall first have paid in full an issuance fee of not less than \$ 200,000. No initial Internet gaming permit shall be issued unless the applicant shall first have paid in full a permit fee of not less than \$ 400,000 and a Responsible Internet Gaming Fee

of \$ 250,000. No Internet gaming permit shall be renewed unless the permit holder shall first have paid a renewal fee of not less than \$ 250,000 and an annual Responsible Internet Gaming Fee of \$ 250,000. The Responsible Internet Gaming Fee shall be deposited into the State General Fund pursuant to the Act.

(d) Each applicant, licensee, or permit holder shall be required to pay for the efforts of the Division and the Commission on matters directly related to the applicant, licensee, or permit holder at hourly rates to be set by the Division in accordance with this subsection, and to reimburse any unusual costs or out-of-pocket expenses incurred by the Division or the Commission in regard to such matters.

1. Prior to the start of each fiscal year, the Division shall determine the hourly fee rates to be paid by licensees, applicants, and permit holders pursuant to this subchapter. These rates shall be based upon the hourly costs of services provided by Division professional staff and the Commission professional staff during the fiscal year, as estimated from the projected fiscal year budget for the Division and the Commission.

2. The projected hourly fee rates established pursuant to (d)1 above may be adjusted by the Division during the fiscal year based upon the final fiscal year budget approved for the Division and the Commission by the Legislature.

3. Notice of the hourly fee rates established pursuant to (d)1 above shall be published in the New Jersey Register.

(e) A licensed casino facility shall be required to pay a share of the amount of any liability of the Casino Control Fund existing as of the close of business on June 30 of each fiscal year. The share for each licensed casino facility shall be the amount which bears the same proportion to the total liability of all licensees as the proportion which that licensed casino facility's average daily authorized casino room and casino simulcasting facility square footage bears to the total average daily authorized casino room and casino simulcasting facility square footage for all licensed casino facilities. For purposes of this calculation any part of a calendar day shall be considered a full day. Any days during which a necessary casino license or operation certificate for a licensed casino facility has been suspended shall also be counted in determining the share of such facility. Further, the operation of the facility by a conservator or trustee shall be deemed continued operation

by the casino operator for these purposes. The obligation to pay the assessed share of a licensed casino facility shall be that of the casino operator; provided, however, that if a change of casino operators occurs during the fiscal year, each such operator shall be liable for an amount of the share apportioned according to the time during which each operator functioned. Any share calculated in accordance with this section shall be paid in full by December 31 of the year following the fiscal year. The Division may estimate from time to time during the fiscal year the share for each licensed casino facility incurred to that time and require payment of such estimated share on a monthly or other periodic basis during the fiscal year.

13:69A-9.8 Casino service industry enterprise license fee

(a) In accordance with subsections 92a and b of the Act, all casino service industry enterprises offering goods and services that directly relate to casino, simulcast wagering, gaming activity, or Internet gaming activity, including gaming equipment manufacturers, suppliers, and 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 meet the standards established for casino key employees in order to be licensed. Such a license shall be issued with subsequent resubmissions not later than every five years thereafter. In addition, in accordance with subsection 92c(2) of the Act, and at the direction of the Director, all casino service industry enterprise applicants or licensees required to hold a casino hotel alcoholic beverage license shall meet the standards established for casino key employees.

(b) In order to recover the cost of the investigation and consideration of license applications by enterprises engaged in these industries, other than enterprises engaged in Internet gaming activity, the initial license application and issuance fee for a casino service industry enterprise license, with the exception of an applicant or licensee of a casino hotel alcoholic beverage license, shall be assessed as follows:

1. A minimum application charge of \$ 5,000 shall be due at the time of application;

2. An additional application charge of \$ 5,000 shall be due when the total number of hours of Division professional staff time expended on matters directly related to the applicant exceeds 333 hours;

3. An additional application charge of \$ 5,000 shall be due when the total number of hours of Division professional staff time expended on matters directly related to the applicant exceeds 667 hours;

4. An additional application charge, at an hourly rate to be set by the Division in accordance with N.J.A.C. 13:69A-9.4(d), shall be due and payable upon demand by the Division for each hour of Division professional staff time that is expended on matters directly related to the applicant that is in excess of 1,000 total hours; and

5. Payment for all unusual or out-of-pocket expenses incurred by the Division for matters directly related to the processing and investigation of the application.

(c) Persons or entities providing services to casino licensees regarding Internet gaming shall be responsible for the full cost of their licensure, including any investigative costs, at the hourly rate set by the Division pursuant to N.J.A.C. 13:69A-9.4(d).

(d) In order to recover costs for monitoring compliance with the Act and the rules of the Division and for assuring the continued fitness of enterprises engaged in casino service industries, the fee for the retention of a casino service industry enterprise license, other than enterprises engaged in Internet gaming activity, shall be assessed in accordance with (b) above.

(e) Any enterprise required to apply for the issuance or retention of a casino service industry enterprise license, other than enterprises engaged in Internet gaming activity, may request an installment plan for payment of the application fee. The Division shall propose a payment plan for the applicant, which shall include, if the applicant chooses to accept the payment plan, an additional fee of \$ 100.00 for the cost of processing the payment plan.

CHAPTER 69C CASINO LICENSEES

SUBCHAPTER 10. REQUIREMENTS FOR DOING BUSINESS WITH VENDORS

13:69C-10.2 Maintaining agreements; filing of agreements

(a) Pursuant to N.J.S.A. 5:12-104b, each casino licensee or applicant shall be required to maintain a fully signed copy of every written agreement and records with respect to any unwritten agreement, which provide, at a minimum, the terms thereof, the parties thereto and a description of the goods or services provided regarding the following, whether or not the casino licensee or applicant is a party to such agreement and whether or not the agreement provides for the exchange of direct compensation:

1. The realty of the casino hotel or related facility, including construction, maintenance, renovation, expansion or demolition;
2. Any person doing business with or for the benefit of the casino licensee or applicant; or
3. Any person doing business on the premises of the casino hotel.

(b) Each casino licensee or applicant shall submit a copy of any written agreement or a precise written description of any unwritten agreement for which records are maintained pursuant to (a) above upon oral or written request from the Division based upon a determination that such filing is necessary to protect the public interest and accomplish the policies of the Act.

(c) A written agreement between a casino licensee holding an Internet gaming permit and a casino service industry enterprise licensed pursuant to section 92a of the Act, or an eligible applicant for such a license, in connection with the conduct of Internet gaming that provides for a percentage of the casino licensee's Internet gaming gross revenue to be paid to the casino service industry enterprise licensee shall be filed with and approved by the Division.

CHAPTER 69D

GAMING OPERATION ACCOUNTING CONTROLS AND STANDARDS

SUBCHAPTER 1. GENERAL PROVISIONS

13:69D-1.6 Standard financial and statistical reports

(a) Each casino licensee, unless specifically exempted by the Division, shall file monthly, quarterly, and annual reports of financial and statistical data. The data may be used by the Division to evaluate the financial position and operating

performance of individual licensees and compile information regarding the performance and trends of the industry in the State of New Jersey.

(b) The Division shall periodically prescribe a set of standard reporting forms and instructions to be used by each licensee in filing the monthly, quarterly and annual reports.

(c) Annual reports to the Division shall be based on a calendar year, beginning January 1, and ending December 31. Quarterly reports shall be based on calendar quarters ending March 31, June 30, September 30, and December 31. Monthly reports shall be based on calendar months.

(d) The reports shall be attested to by the Chief Executive Officer, Chief Gaming Executive, Chief Financial Officer, Treasurer, Financial Director, Controller, or their functional equivalent.

(e) Each report to the Division shall be electronically filed not later than the required filing date, unless specific approval for an extension is granted to the licensee by the Division. Requests for a filing extension must be submitted to and approved by the Division in writing prior to the required filing date. Any filing date that falls on a Saturday, Sunday, or Federal or State holiday shall be extended until the next business day.

1. Monthly gross revenue reports and Internet gaming gross revenue tax returns shall be due not later than 9:00 A.M. on the 10th calendar day following the end of the month.

2. All quarterly reports for the quarters ended March 31, June 30, and September 30 shall be due not later than the 15th calendar day of the second month following the end of the quarter.

3. All quarterly reports for the quarter ended December 31 shall be due not later than March 31 of the following year.

4. All annual reports shall be due not later than March 31 of the following year.

(f) In the event of a license termination, change in business entity or material change in ownership, the Division may at its discretion require the filing of an interim monthly, quarterly or annual report, as of the date of occurrence of the event. The

filing due date shall be the later of 30 calendar days after notification to the licensee or 30 calendar days after the date of occurrence of the event, unless an extension is granted in accordance with (e) above.

(g) In those circumstances where the licensee is not currently an active operator of an establishment, or portion thereof, the Division may either revise or eliminate the standard reports to be filed by the licensee.

(h) Any adjustments resulting from the annual audit required in N.J.A.C. 13:69D-1.7 shall be recorded in the accounting records of the year to which the adjustment relates. In the event the adjustments were not reflected in the licensees' quarterly report for the quarter ended December 31 and the Division concludes the adjustments are significant, a revised quarterly report for the quarter ended December 31 may be required from the licensee. The revised filing shall be due within 30 calendar days after notification to the licensee, unless an extension is granted in accordance with (e) above.

(i) Licensees shall report to the Division essential details of any loans, borrowings, installment contracts, guarantees, leases or capital contributions no later than 10 days after the end of the month in which the transaction or event occurs.

13:69D-1.11 Casino licensee's organization

(a) Each casino licensee's system of internal controls shall include tables of organization. Each casino licensee shall be permitted, except as otherwise provided in this section and [N.J.A.C. 13:69K-1.4](#), to tailor its organizational structure to meet its own needs, policies or management philosophy. The proposed organizational structure of each casino licensee may be implemented upon the filing of the system of internal controls and shall comply with the criteria listed below, which criteria are designed to maintain the integrity of all casino operations. Each casino licensee's tables of organization shall provide for:

1. A system of personnel and chain of command which permits management and supervisory personnel to be held accountable for actions or omissions within their areas of responsibility;
2. The segregation of incompatible functions so that no employee is in a position both to commit an error or to perpetrate a fraud and to conceal the error or fraud in the normal course of his or her duties;

3. Primary and secondary supervisory positions which permit the authorization or supervision of necessary transactions at all relevant times; and

4. Areas of responsibility which are not so extensive as to be impractical for one person to monitor.

(b) In addition to satisfying the requirements of (a) above, each casino licensee's system of internal controls shall include, at a minimum, the following departments and supervisory positions. Each of the departments and supervisors required or authorized by this section (a "mandatory" department or supervisor) shall cooperate with, yet perform independently of, all other mandatory departments and supervisors of the casino licensee. Mandatory departments and supervisory positions are as follows:

1. A surveillance department supervised by a person referred to in this section as the director of surveillance. The director of surveillance shall be subject to the reporting requirements specified in (c) below. The surveillance department monitoring room shall be supervised by a casino key employee who shall be present in the room at all times or, if not present, be within immediate contact and at a known location on the premises. The surveillance department shall be responsible for, without limitation, the following:

i. The clandestine surveillance of the operation and conduct of the table games and bill changers;

ii. The clandestine surveillance of the operation of the slot machines and bill changers;

iii. The clandestine surveillance of the operation of the casino simulcasting facility;

iv. The clandestine surveillance of the operation of automated coupon redemption machines, automated gaming voucher machines and automated jackpot payout machines;

v. The clandestine surveillance of the operation of the cashiers' cage and satellite cages;

vi. The audio-video recording of activities in the count rooms;

vii. The detection of cheating, theft, embezzlement, and other

illegal activities in the casino, casino simulcasting facility, count rooms, slot booths, and cashiers' cage;

viii. The detection of the presence in the establishment of any person who is required to be excluded pursuant to [N.J.S.A. 5:12-71](#) or [N.J.A.C. 13:69G-1.7](#), who is self-excluded pursuant to [N.J.S.A. 5:12-71.2](#), or who may be excluded or ejected pursuant to [N.J.S.A. 5:12-71.1](#), or of any person who is prohibited from entering a casino or a casino simulcasting facility pursuant to [N.J.S.A. 5:12-119a](#);

ix. The video recording of illegal and unusual activities monitored;

x. Providing timely notification to appropriate supervisors and the Division upon detecting, and also upon commencing video or audio recording of, any person who is engaging in or attempting to engage in, or who is reasonably suspected of cheating, theft, embezzlement, or other illegal activities, including those activities prohibited in Article 9 of the Act;

xi. Providing timely notification to appropriate supervisors and Division upon detecting, and also upon commencing video or audio recording of, any person who is required to be excluded pursuant to [N.J.S.A. 5:12-71](#), [N.J.S.A. 5:12-71.2](#) or [N.J.A.C. 13:69G-1.7](#), or who may be excluded or ejected pursuant to [N.J.S.A. 5:12-71.1](#), or any person who is prohibited from entering a casino or a casino simulcasting facility pursuant to [N.J.S.A. 5:12-119\(a\)](#);

xii. The communication in writing to the supervisor of the credit department of accurate and verifiable information which may be relevant in determining a patron's credit worthiness;

xiii. The clandestine surveillance of all keno gaming and operations on the casino floor and in the casino simulcasting facility and of any keno booths and satellite keno booths located in public keno areas;

xiv. The clandestine surveillance of equipment used in conjunction with the operation of an electronic account based wagering system pursuant to [N.J.A.C. 13:69E-1.37A](#) and a gaming voucher system pursuant to [N.J.A.C. 13:69E-1.55](#);

xv. The clandestine surveillance of the operation of computer monitoring rooms for multi-casino progressive slot systems;

xvi. The installation, maintenance and repair of CCTV system

equipment used by the surveillance department;

xvii. CCTV system access to the Division, to the monitoring room and, if applicable, other locations approved by the Division;

xviii. Any certification required in conjunction with a relocation or reconfiguration of the casino floor to the effect that the responsibilities set forth in (b)li through xvii above continue to be met; and

xix. The maintenance of a current surveillance submission, as a condition to the commencement and continuation of gaming operations, detailing minimum standards and the manner in which the responsibilities set forth in (b)li through xvii above shall be met, such submission and any amendments thereto to be approved by the Division upon a determination that it conforms to the requirements of the Act and provides adequate and effective controls over the operations of the surveillance department;

2. An internal audit department, which may perform functions and fulfill responsibilities for multiple but affiliated casino licensees, supervised by a person, who shall be located in New Jersey, referred to in this section as an audit department executive. The audit department executive shall be subject to the reporting requirements specified in (c) below. The internal audit department shall be responsible for, without limitation, the following:

i. The review and appraisal of the adequacy of internal control;

ii. The compliance with internal control procedures;

iii. The reporting to the Division of instances of noncompliance with the system of internal control;

iv. The reporting to the Division of any material weaknesses in the system of internal control;

v. The recommendation of procedures to eliminate any material weaknesses in the system of internal control; and

vi. A quarterly review of information technology (IT) data security of the gaming systems if the casino offers Internet or mobile gaming;

3. An IT department comprised of at a minimum an IT department manager, IT security officer, and, if the licensee offers Internet and mobile gaming, an Internet and mobile games manager, all of whom shall be located in New Jersey and licensed as a casino key employee.

i. The IT department manager shall be responsible for the integrity of all data, as well as the quality, reliability, and accuracy of all computer systems and software used by the casino licensee in the conduct of casino and casino simulcasting facility operations, whether such data and software are located within or outside the casino hotel facility, including, without limitation, specification of appropriate computer software, hardware, and procedures for security, physical integrity, audit, and maintenance of:

ii. The IT security officer shall report to the IT department manager and be responsible for:

(1) Maintaining access codes and other computer security controls used to insure appropriately limited access to computer software and data;

(2) Reviewing logs of user access, security incidents, and unusual transactions;

(3) Coordinating the development of the licensee's information security policies, standards and procedures;

(4) Coordinating the development of an education and training program on information security and privacy matters for employees and other authorized users;

(5) Ensuring compliance with all State and federal information security policies and regulations;

(6) Preparing and maintaining security related reports and data;

(7) Working with internal and external audit to ensure all findings are addressed in a timely and effective manner;

(8) Developing and implementing an Incident Reporting and Response System to address security breaches, policy violations and complaints from external parties;

(9) Serving as the official contact for information security and data privacy issues, including reporting to law enforcement;

(10) Developing and implementing an ongoing risk assessment program that targets information security and privacy matters by identifying methods for vulnerability detection and remediation, and overseeing the testing of those methods; and

(11) Remain current with the latest IT security and privacy legislation, regulations, advisories, alerts and vulnerabilities to ensure the licensee's security program and security software is effective.

iii. The Internet and/or mobile gaming manager shall report to the IT department manager, or other department manager as approved by the Division, and be responsible for ensuring the proper operation and integrity of Internet and/or mobile gaming and reviewing all reports of suspicious behavior;

4. A casino games department supervised by a person referred to in this section as a casino manager. The casino games department shall be responsible for the operation and conduct of all authorized games and bill changers in a casino and casino simulcasting facility. A casino licensee may choose, in its discretion, to:

i. Operate and conduct the game of poker separately from all other casino games, in which event the operation and conduct of poker shall be supervised by a casino key employee;

ii. Make the casino games department responsible for the operation and conduct of the simulcast counter;

iii. Make the casino games department responsible for the supervision of slot cashiers in accordance with the provisions of (e) below provided that the casino licensee does not establish an independent slot department pursuant to (b)4v below;

iv. Make the casino games department responsible for the supervision of changepersons;

v. Establish an independent slot department that:

(1) Shall be supervised by a person referred to herein as a slot department manager;

(2) Shall be responsible for the operation of all slot machines and bill changers;

(3) May be responsible for the supervision of slot cashiers in accordance with the provisions of (e) below;

(4) May be responsible for the supervision of changepersons;

(5) May be responsible for the operation and conduct of the game of keno; and

(6) May be responsible for the operation and conduct of the simulcast counter; or

vi. Establish an independent keno department that:

(1) Shall be supervised by a person referred to herein as a keno manager;

(2) Shall be responsible for the operation and conduct of the game of keno; and

(3) May be responsible for the operation and conduct of either the simulcast counter or an independent slot machine cage department established pursuant to (b)7ii below, but not both;

5. A security department supervised by a person referred to in this section as a director of security. The security department shall be responsible for the overall security of the establishment including, without limitation, the following:

i. The enforcement of the law;

ii. The physical safety of patrons in the establishment;

iii. The physical safety of personnel employed by the establishment;

iv. The physical safeguarding of assets transported to and from the casino, casino simulcasting facility, slot, and cashiers' cage departments, and the immediate notification to the Division of any incident that has compromised the safeguarding of such assets;

v. The protection of the patrons' and the establishment's property from illegal activities;

vi. The detainment, for a reasonable period of time, of each individual as to whom there is probable cause to believe has

engaged in or is engaging in conduct that violates N.J.S.A. 5:12-113 through 116, inclusive, N.J.S.A. 5:12-119 as it relates to underage gambling, or N.J.S.A. 33:1-81 pursuant to section 103d of P.L. 1977, c. 110 (N.J.S.A. 5:12-103), for the purpose of notifying law enforcement or Division authorities;

vii. The control and maintenance of a system for the issuance of temporary credentials and vendor access credentials;

viii. The recordation of any and all unusual occurrences within the casino and casino simulcasting facility for which the assignment of a security department employee is made. Each incident, without regard to materiality, shall be assigned a sequential number and shall be recorded in an unalterable format which shall include:

- (1) The assignment number;
- (2) The date;
- (3) The time;
- (4) The nature of the incident;
- (5) The person involved in the incident; and
- (6) The security department employee assigned;

ix. The communication in writing to the supervisor of the credit department of accurate and verifiable information which may be relevant in determining a patron's credit worthiness;

x. The identification and removal of any person who is required to be excluded pursuant to N.J.S.A. 5:12-71, N.J.S.A. 5:12-71.2, or N.J.A.C. 13:69G-1.7, or who may be excluded or ejected pursuant to N.J.S.A. 5:12-71.1, or of any person, other than those who are to be detained pursuant to (b)5vi above, who is prohibited from entering a casino or a casino simulcasting facility pursuant to N.J.S.A. 5:12-119a; and

xi. The performance of all duties and responsibilities in accordance with the procedures and controls pursuant to N.J.A.C. 13:69D-1.3(a)3; and

6. A casino accounting department supervised by a person referred to in this section as a controller. The controller shall be responsible for all casino and casino simulcasting

facility accounting control functions including, without limitation, the preparation and control of records and data, the control of stored data, the control of unused forms, the accounting for and comparison of operational data and forms, and the control and supervision of the cashiers' cage, any satellite cages, the soft count room, and the hard count room. The soft count room and hard count room shall each be supervised by a casino key employee, who shall be responsible for the supervision of the soft count or hard count in accordance with [N.J.A.C. 13:69D-1.33](#) and [1.43](#), respectively. A casino licensee that operates more than one casino room within its casino hotel facility may be required to maintain a separate main cage in each casino room. A casino key employee referred to herein as a cage manager shall supervise the main cage and any satellite cages within the casino room. The cage manager shall report to the controller and shall be responsible for the control and supervision of cage and slot cashiers, casino clerks and the cage functions set forth in [N.J.A.C. 13:69D-1.14](#) and [1.15](#). If a casino licensee elects to operate one or more satellite cages, each satellite cage shall be supervised by a casino cage supervisor who shall report to a cage manager. A casino licensee may choose, in its discretion, as to each cashier's cage in its casino hotel facility, to:

i. Separate the cashiers' cage into independent operations for table games and slot machines. If a casino licensee elects to operate a separate table games cage and slot machine cage:

(1) The provisions of [N.J.A.C. 13:69D-1.14\(i\)](#) shall not apply (that is, the casino licensee shall be required to have a master coin bank);

(2) Each independent cage operation shall be supervised by a cage manager and each cage manager shall report to the controller;

(3) The cage manager for the independent slot machine cage shall be responsible for the supervision of the master coin bank, slot cashiers and coin impressment personnel; and

(4) The cage manager for the independent table games cage shall be responsible for all cashiers' cage functions not included in (b)6i(3) above;

ii. Operate an independent slot machine cage as a separate department. If an independent slot machine cage is operated as a separate department:

(1) The slot machine cage department shall comply with the provisions of (b)6i(1) and (3) above;

(2) The cage manager of the slot machine cage department shall report to a casino key employee;

(3) The slot machine cage department may be responsible for the supervision of changepersons; and

(4) The slot machine cage department may be responsible for the operation and conduct of either the simulcast counter or the game of keno, but not both;

iii. Make the casino accounting department responsible for the supervision of changepersons; or

iv. Make the casino accounting department responsible for the operation and conduct of the simulcast counter.

(c) The supervisors of the surveillance and internal audit departments required by (b) above shall comply with the following reporting requirements:

1. Each supervisor shall report directly to the chief gaming executive of the casino licensee regarding administrative matters and daily operations; provided, however, a casino licensee may allow each of these supervisors to report directly to a management executive of the licensee other than the chief gaming executive if that executive reports directly to the chief gaming executive.

2. Each supervisor shall report directly to one of the following persons or entities regarding matters of policy, purpose, responsibility, and authority. The hiring, termination, and salary of each supervisor shall also be controlled by one of the following persons or entities:

i. The independent audit committee of the casino licensee's board of directors;

ii. The independent audit committee of the board of directors of any holding company of the casino licensee which has absolute authority to direct the operations of the casino licensee;

iii. The senior surveillance or internal audit executive of any holding company included in (c)2ii above if such executive

reports directly to the independent audit committee of the board of directors of the holding company; or

iv. For casino licensees or holding companies which are not corporate entities, the non-corporate equivalent of any of the persons or entities listed in (c)2i through iii above.

3. For purposes of this subsection, the independent audit committee shall be comprised of three or more members; provided, however, that the independent audit committee may be comprised of less than three members upon a showing of good cause to the Division.

(d) The casino licensee's personnel shall be trained in all internal and accounting control practices and procedures relevant to each employee's individual function.

(e) A casino licensee may choose to make the slot department responsible for the supervision of slot cashiers provided the casino licensee complies with either of the provisions below:

1. A slot cashier shall be prohibited from participating in any transaction that involves the acceptance, issuance, recordation or accounting of assets that affect the determination of gross revenue; or

2. Slot department operations shall be conducted as follows:

i. The casino licensee shall utilize a computerized slot monitoring system that, at a minimum, automatically records the slot machine asset number, date, time, and dollar amount whenever a hand-paid jackpot or hopper fill takes place;

ii. Each slot machine on the casino floor shall be connected electronically to the computerized slot monitoring system and each jackpot payout slip and hopper fill slip shall be computer generated pursuant to [N.J.A.C. 13:69D-1.40](#) and [1.41](#), respectively;

iii. The security features of the computerized slot monitoring system shall, at a minimum, prohibit the deletion, creation or modification of any information required by (e)2i above, unless a permanent record is created that sets forth:

(1) The original information;

(2) Any modification to the original information;

(3) The identity of the employee making the modification; and

(4) If applicable, the identity of each employee authorizing the modification;

iv. The computerized slot monitoring system shall be capable of generating a daily report that contains, at a minimum, the information required by (e)2i and iii above, which report shall be used by the casino accounting department to verify the number and dollar amount of hand-paid jackpots and hopper fills and shall only be available to the casino accounting department until such verifications have been completed;

v. Any modification of \$ 100.00 or more to the original amount recorded on a computerized jackpot payout slip or hopper fill slip shall be authorized by two employees of the department that is responsible for the operation of the casino licensee's slot machines and bill changers, and at least one of the two employees shall be in a position of equal or greater authority than the individual who initially requested the jackpot payout slip or hopper fill;

vi. The master coin bank and coin impressment personnel of the casino licensee shall be supervised by the casino accounting department; and

vii. The internal controls of the casino licensee shall specify the manner in which the department that is responsible for the operation of the casino licensee's slot machines and bill changers shall interact with the computerized slot monitoring system including, without limitation, access to system menus, the establishment of slot machine profile parameters, and the ability of the department to access, delete, create or modify information contained in the slot monitoring system.

(f) A casino licensee may designate and assign more than one person to serve jointly as the manager of a department within the licensed facility. Each person serving as a joint manager of a department within the licensed facility shall be individually and jointly accountable and responsible for the operations of that department.

(g) Each department required or permitted by this section shall be supervised at all times by at least one casino key employee.

(h) In the event of a vacancy in the chief executive officer

position, the chief gaming executive position required by N.J.A.C. 13:69D-1.1, the equal opportunity officer position required by N.J.A.C. 13:69K-1.4 or in any department supervisor position required or permitted by this section:

1. The casino licensee shall notify the Division no later than five days from the date of the vacancy. Such notice shall be in writing and shall indicate, without limitation, the following information:

i. The vacant position;

ii. The date on which the position became vacant; and

iii. The date on which it is anticipated that the vacancy will be filled on a permanent basis;

2. The casino licensee shall designate a person to assume the duties and responsibilities of the vacant position no later than 30 days from the date of vacancy. Such person may assume the duties and responsibilities of the vacant position on a temporary basis, provided that:

i. Such person does not function as the department supervisor for any department required by this section;

ii. Such person's areas of responsibility will not be so extensive as to be impractical for one person to monitor;

iii. The chief executive officer or the chief legal officer of the licensee shall assume the responsibilities of the equal opportunity officer until such position is filled on a permanent basis; and

iv. Such position shall be filled on a permanent basis within 120 days of the original date of vacancy;

3. Within five days of filling any vacancy pursuant to (h)2 above, the casino licensee shall notify the Division thereof. Such notices shall be in writing and shall indicate, without limitation, the following:

i. The position;

ii. The name of the person designated;

iii. The date that the vacancy was filled; and

iv. An indication of whether the position has been filled on a temporary or permanent basis; and

4. All notices required by this subsection shall be directed to the Division.

13:69D-1.24 Procedure for acceptance, accounting for, withdrawal and refund of patron deposits

(a) Whenever a patron requests a casino licensee to hold his or her cash or non-cash items (for example, cash equivalent, casino check, casino affiliate check, annuity jackpot trust check, complimentary cash gift, chips, plaques, slot tokens, prize tokens, wire transfer, electronic fund transfer, gaming voucher, and electronic credits) authorized to be accepted pursuant to the Division's rules for subsequent use, the patron shall:

1. Deliver the cash or non-cash item, to a general cashier who shall deposit the cash or non-cash item for credit to a patron deposit account established for that patron pursuant to this section; or

2. Transfer funds from the patron's Internet or mobile gaming account established pursuant to N.J.A.C. 13:690-1.3 in accordance with approved internal controls.

(b) If a casino licensee issues manual patron deposit withdrawals to a patron and allows the patron to participate in electronic account wagering, the casino licensee shall maintain two separate patron deposit accounts, one account strictly for the use of deposits associated with counter check and slot counter check withdrawals and Internet or mobile gaming account withdrawals and a second account strictly for the use of electronic account based wagering. The casino licensee shall be prohibited from commingling the accounts or allowing transfers between the accounts.

(c) Prior to accepting a deposit at the cashiers' cage, a general cage cashier shall:

1. Verify the patron's identity in accordance with [N.J.A.C. 13:69D-1.5A](#);

2. Prepare a computerized patron deposit account file for each patron in accordance with the casino licensee's internal controls. Such file shall include, at a minimum, the following:

- i. The name of the patron;
- ii. The method of identification used to verify the identity of the patron;
- iii. The date, type and amount of each deposit initially accepted from the patron;
- iv. The date and amount of each withdrawal by the patron; and

3. If a manual patron deposit account is prepared, provide the deposit documentation to the check bank cashier who shall prepare a manual file.

(d) A general cashier accepting a deposit at the cashiers' cage shall prepare a Patron Deposit Form evidencing such receipt.

Patron Deposit Forms shall be two-part and serially prenumbered. Each series of Patron Deposit Forms shall be used in sequential order and the series number of all Patron Deposit Forms shall be accounted for by employees with no incompatible functions. The Patron Deposit Form shall include, at a minimum, the following information:

1. The name of the patron;
2. The total amount of the deposit stated in numbers and words;
3. The date and time;
4. The type(s) of item(s) accepted for deposit; and
5. The signature of the general cashier.

(e) When a Patron Deposit form is voided, the original and duplicate shall be marked "VOID" and shall require the signature of the preparer.

(f) After preparation of the Patron Deposit Form, the general cashier shall obtain the patron's signature on the duplicate copy and shall distribute the original and copies in the following manner:

1. The original shall be given to the patron as evidence of the amount placed on deposit with the casino licensee; and
2. The duplicate shall be maintained by the general cashier as part of his or her imprest inventory.

(g) After supplying information required by the casino licensee to verify his or her identity, a patron shall be allowed to withdraw all or a portion of the deposit for gaming activity as follows:

1. With Counter Checks or Slot Counter Checks in accordance with N.J.A.C. 13:69D-1.25;
2. For use in account based wagering in accordance with N.J.A.C.13:69D-1.37 or Internet or mobile gaming pursuant to N.J.A.C. 13:690.

(h) The patron's deposit balance shall be immediately reduced by amounts equal to the Counter Checks issued in the pit, Slot Counter Checks issued in the slot area or at the casino cage, amounts electronically issued through an approved electronic account based wagering system or amounts transferred to an Internet or mobile gaming account.

(i) A patron may request a refund of the remaining balance of his or her funds on deposit by:

1. Sending the casino licensee a signed written request for a refund together; or
2. Appearing personally at the cashiers' cage, a satellite cage or slot booth.

(j) Upon receiving a request for a refund, a cashier shall verify the identity of the patron and the balance remaining in the patron's account. Upon completing the verifications and prior to disbursing the refund, the cashier shall prepare refund documentation which may include a Slot Counter Check prepared in accordance with (i) above. The documentation shall include the following information:

1. The date and time of preparation;
2. The amount refunded;
3. The type(s) of refund made (cash, casino check, wire transfer, or electronic fund transfer);
4. Whether the refund was requested in person or in writing;
5. The patron's name and, if the patron personally appears, his

or her signature; and

6. The signature of the cashier preparing such documentation.

(k) If a casino licensee has prepared manual deposits and/or withdrawals, the information shall be entered into the computer system by a check bank cashier when the system becomes operable. The computer system shall record the date and time the information was entered and the identification of the check bank cashier entering the information.

(l) A casino licensee shall maintain a computerized log of all patron deposit transactions. The log shall include, at a minimum, the following:

1. The balance of the patron deposits on hand in the cashiers' cage at the beginning of each shift;

2. For each patron deposit received and withdrawn:

i. The date and time of the transaction;

ii. The transaction number;

iii. The name and account number of the patron;

iv. The amount;

v. The transaction location; and

vi. The type(s) of item(s) deposited, withdrawn or expired; and

3. The balance of the patron deposits on hand in the cashiers' cage at the end of each shift.

(m) The balance of the patron deposits on hand in the cashiers' cage at the end of each shift shall be recorded as an outstanding liability and accounted for by a check cashier.

CHAPTER 69G EXCLUSION OF PERSONS

SUBCHAPTER 1. PERSONS REQUIRED TO BE EXCLUDED

13:69G-1.1 Definitions

The following words and terms, when used in this chapter, shall have the following meanings unless the context clearly indicates otherwise.

"Candidate" means any person whose name is included in a petition to place such person on the exclusion list pursuant to section 71 of the Act and this chapter.

"Career or professional offender" means 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.

"Cheat" means any person whose act or acts in any jurisdiction would constitute any offense under sections 95.27, 95.28, 113, 114, and 115 of the Act, if prosecuted under New Jersey law.

"Excluded person" means any person who has been placed upon the list by preliminary or final order of the Division and who, pursuant to section 71 of the Act and this chapter, is required to be excluded or ejected from a casino hotel facility or from participating in Internet gaming.

"List or exclusion list" means a list of names of persons who, pursuant to section 71 of the Act and the Division's rules, are required to be excluded or ejected from casino hotel facilities or prohibited from Internet gaming.

"Occupational manner or context" means the systematic planning, administration, management, or execution of an activity for financial gain.

13:69G-1.2 Maintenance and distribution of list

(a) The Division shall maintain a list of persons to be excluded or ejected from a licensed casino establishment or prohibited from Internet gaming.

(b) The list shall be open to public inspection and shall be distributed to every casino licensee within this State, which shall acknowledge receipt thereof in writing.

(c) Each casino licensee shall have the responsibility to distribute copies of the list to its employees. Any additions, deletions, or other updates to the list shall be distributed by each casino licensee to its employees within two business days

of the casino licensee's receipt of such updates from the Division.

13:69G-1.3 Criteria for exclusion

(a) The exclusion list may include any person who meets any of the following criteria:

1. A career or professional offender whose presence in a licensed casino establishment would be inimical to the interest of the State of New Jersey or of licensed gaming therein;
2. An associate of a career or professional offender whose association is such that his or her presence in a licensed casino establishment would be inimical to the interest of the State of New Jersey or of licensed gaming therein;
3. Any person who has 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 of incarceration, or who has been convicted of any crime or offense involving moral turpitude, and whose presence in a licensed casino establishment would be inimical to the interest of the State of New Jersey or of licensed gaming therein;
4. Any person whose presence in a licensed casino establishment would be inimical to the interest of the State of New Jersey or licensed gaming therein, including, but not limited to:
 - i. Cheats;
 - ii. Persons whose privileges for licensure have been revoked;
 - iii. Persons who pose a threat to the safety of the patrons or employees of a casino licensee;
 - iv. Persons with a documented history of conduct involving the undue disruption of the gaming operations of casino licensees; and
 - v. Persons subject to an order of the Superior Court of New Jersey excluding such persons from all casino hotel facilities; or
5. Any person whose participation in licensed Internet gaming would be inimical to the interest of the State of New Jersey or licensed gaming therein.

(b) For purposes of (a) above:

1. A person's presence may be considered "inimical to the interest of the State of New Jersey or of licensed gaming therein" if known attributes of such person's character and background:

i. Are incompatible with the maintenance of public confidence and trust in the credibility, integrity and stability of licensed casino gaming;

ii. Could reasonably be expected to impair the public perception of, and confidence in, the strict regulatory process created by the Act; or

iii. Would create or enhance a risk of the fact or appearance of unsuitable, unfair or illegal practices, methods or activities in the conduct of gaming or in the business or financial arrangements incidental thereto.

2. A finding of inimicality may be based upon the following:

i. The nature and notoriety of the attributes of character or background of the person;

ii. The history and nature of the involvement of the person with licensed casino gaming in New Jersey or any other jurisdiction, or with any particular casino licensee or licensees or any related company thereof;

iii. The nature and frequency of any contacts or associations of the person with any casino licensee or licensees, or with any employees or agents thereof; or

iv. Any other factor reasonably related to the maintenance of public confidence in the efficacy of the regulatory process and the integrity of gaming operations, the casino industry and its employees.

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

13:69G-1.5 Procedure for entry of names

(a) The Division may place a person on the exclusion list upon:

1. Commencement of an action in accordance with the procedures set forth at N.J.A.C. 13:69B-4; or
2. Receipt of an order of the Superior Court of New Jersey excluding such person from all casino hotel facilities. The Division shall consider such action forthwith upon receipt of the court order, with at least 15 days notice to such person by certified mail at his or her last known address.

(b) An action to exclude an individual shall be commenced with a petition which shall be served upon the respondent by certified mail at his or her last known address. Upon receipt of the petition, a respondent shall have 20 days within which to request a hearing.

(c) The Division may, in its discretion, seek to preliminarily place the respondent on the list of excluded persons.

1. Preliminary placement on the list shall be supported by reliable documentary or other evidence which establishes a reasonable possibility that the candidate satisfies any of the criteria for exclusion.

2. Upon receipt of the petition seeking preliminary placement, the respondent shall have 10 days within which to request a hearing.

3. The preliminary placement of a candidate on the exclusion list pursuant to section 71 of the Act, N.J.A.C. 13:69B-4, and this chapter shall have the effect of requiring the exclusion or ejection of the excluded person from any casino hotel facility and requiring the prohibition of the excluded person from participation in Internet gaming.

(d) Should a respondent fail to timely request a hearing, an order for placement on the exclusion list may be entered.

13:69G-1.7 Duty of casino licensee

(a) A casino licensee shall exclude or eject the following persons from its casino hotel facility and prohibit such persons from participation in Internet gaming:

1. Any excluded person; or
2. Any person known to the casino licensee to satisfy the criteria for exclusion set forth in section 71 of the Act and N.J.A.C. 13:69G-1.3(a).

(b) If an excluded person enters, attempts to enter, or is in a casino hotel facility and is recognized by the casino licensee, or if an excluded person participates or attempts to participate in Internet gaming, the casino licensee shall immediately notify the Division of such fact.

(c) It shall be the continuing duty of a casino licensee to inform the Division in writing of the names of persons it believes are appropriate for placement on the exclusion list.

SUBCHAPTER 2. SELF-EXCLUSION

13:69G-2.1 Definitions

The following words and terms, when used in this subchapter, shall have the following meanings unless the context clearly indicates otherwise.

"Internet self-exclusion list" means a list of names of persons who are required to be prohibited from Internet gaming.

"Self-excluded person" means any person whose name is included, at his or her own request, on the self-exclusion list maintained by the Division.

"Self-exclusion list" means a list of names of persons who, pursuant to this subchapter, have voluntarily agreed to be excluded from all gaming activities and to be prohibited from collecting any winnings or recovering any losses at all licensed casinos and simulcasting facilities.

13:69G-2.2 Request for self-exclusion and Internet self-exclusion

(a) Any person may have his or her name placed on the self-exclusion list or Internet self-exclusion list by submitting a request in the form and manner required by this section.

(b) Any person requesting placement on the self-exclusion list shall submit, in person, a completed request for self-exclusion as required in (c) below. The request shall be delivered to either the Identification Unit of the Division located at the

Arcade Building, Tennessee Avenue and the Boardwalk, in Atlantic City, or to the Trenton office of the Division of Gaming Enforcement located at 140 East Front Street. The Division may designate other locations for submission of completed requests for self-exclusion in accordance with this subchapter, which locations may be designated on a temporary basis. Any person submitting a self-exclusion request shall be required to present valid identification credentials containing his or her signature and either a photograph or a general physical description. Any person requesting self-exclusion pursuant to this subchapter shall be required to have his or her photograph taken by the Division upon submission of the request.

(c) Any person requesting placement on the Internet self-exclusion list shall submit through his or her Internet gaming account using strong authentication as defined in N.J.A.C. 13:690-1.1 or other means approved by the Division, a completed request for Internet self-exclusion as required in (d) below. Notwithstanding the above, if a person requests to be placed on the Internet self-exclusion list for life such request shall be made in person at a location designated by the Division.

(d) A request for self-exclusion or Internet self-exclusion shall be in a form prescribed by the Division, which form shall include:

1. The following identifying information concerning the person submitting the request:

i. The name, including any aliases or nicknames;

ii. The date of birth;

iii. The address of current residence;

iv. The telephone number of current residence; and

v. The Social Security Number, which information is voluntarily provided in accordance with section 7 of the Privacy Act, 5 U.S.C. § 552a; and

vi. For self-exclusion, a physical description of the person, including height, weight, gender, hair color, eye color, and any other physical characteristic that may assist in the identification of the person;

2. The length of self-exclusion or Internet self-exclusion, as applicable, requested by the person:

i. One year;

ii. Five years; or

iii. Lifetime;

3. A waiver and release, which shall release and forever discharge the State of New Jersey, the Division, and its employees and agents, and all casino licensees and their employees and agents from any liability to the person requesting self-exclusion or Internet self-exclusion, as applicable, and his or her heirs, administrators, executors, and assigns for any harm, monetary or otherwise, which may arise out of or by reason of any act or omission relating to the request for self-exclusion or Internet self-exclusion, as applicable, or request for removal from the self-exclusion list or Internet self-exclusion list, including:

i. Its processing or enforcement;

ii. The failure of a casino licensee to withhold gaming privileges from, or restore gaming privileges to, a self-excluded person;

iii. Permitting a self-excluded person to engage in gaming activity in a licensed casino or simulcasting facility while on the list of self-excluded persons;

iv. Permitting an Internet self-excluded person to engage in Internet gaming activity while on the list of Internet gaming self-excluded persons; and

v. Disclosure of the information contained in the self-exclusion or Internet self-exclusion request or list, except for a willfully unlawful disclosure of such information;

4. For self-exclusion:

i. The signature of the person submitting the request indicating acknowledgment of the following statement:

"I am voluntarily requesting exclusion from all gaming activities at all New Jersey licensed casinos and simulcasting facilities because I am a problem gambler. I certify that the

information that I have provided above is true and accurate, and that I have read and understand and agree to the waiver and release included with this request for self-exclusion. I am aware that my signature below authorizes the Division of Gaming Enforcement to direct all New Jersey casino licensees to restrict my gaming activities in accordance with this request and, unless I have requested to be excluded for life, until such time as the Division removes my name from the self-exclusion list in response to my written request to terminate my voluntary self-exclusion. I am aware and agree that during any period of self-exclusion any money or thing of value seized from me, or owed to me by, a casino licensee shall be subject to forfeiture.";

ii. The type of identification credentials examined containing the signature of the person requesting self-exclusion, and whether said credentials included a photograph or general physical description of the person; and

iii. The signature of a Division employee authorized to accept such request, indicating that the signature of the person on the request for self-exclusion appears to agree with that contained on his or her identification credentials and that any photograph or physical description of the person appears to agree with his or her actual appearance.

5. For Internet self-exclusion:

i. The Internet gaming system shall provide a link within the patron's Internet gaming account to an Internet self-exclusion application form and provide his or her acknowledgment of the following statement: "I am voluntarily requesting exclusion from all New Jersey Internet gaming because I am a problem Internet gambler. I certify that the information I have provided is true and accurate, and that I have read and understand and agree to the waiver and release included with this request for Internet self-exclusion. I am aware that my digital signature authorizes the Division of Gaming Enforcement to direct all New Jersey casino licensees to restrict my Internet gaming in accordance with this request and until such time as the Division removes my name from the Internet self-exclusion list in response to my request to terminate my voluntary Internet self-exclusion. I am aware and agree that during any period of Internet self-exclusion any money or thing of value seized from me, or owed to me by, a casino licensee shall be subject to forfeiture."; and

ii. The Division shall confirm the patron's request to be placed on the Internet gaming self-exclusion list.

13:69G-2.3 Self-exclusion list; Internet self-exclusion list

(a) The Division shall maintain the official self-exclusion list and Internet self-exclusion list and shall notify each casino licensee of any addition to or deletion from the lists by transmitting a notice directly to each casino licensee.

(b) Each casino licensee shall maintain its own copy of each list and shall establish procedures to ensure that its copy of each list is updated. All appropriate employees and agents of the casino licensee notified of any addition to or deletion from either self-exclusion list shall update the lists accordingly. For the official self-exclusion list changes shall be made within five business days after the day the notice is transmitted pursuant to (a) above. For the Internet self-exclusion list changes shall be made within 24 hours after the notice is transmitted pursuant to (a) above, and any remaining balance in the patron's Internet gaming account balance shall be refunded pursuant to the licensee's internal controls. The notice provided by the Division shall include the name and date of birth of any person whose name shall be removed from the applicable list and the following information concerning any person whose name shall be added to the applicable list:

1. The name, including any aliases or nicknames;
2. The date of birth;
3. The address of current residence;
4. The telephone number of current residence;
5. The Social Security number, if voluntarily provided by the person requesting self-exclusion or Internet self-exclusion;
6. If applicable, a physical description of the person, including height, weight, gender, hair color, eye color, and any other physical characteristic that may assist in the identification of the person; and
7. If applicable, a copy of the photograph taken by the Division pursuant to N.J.A.C. 13:69G-2.2(b).

(c) Information furnished to or obtained by the Division pursuant to this subchapter shall be deemed confidential and not be disclosed except in accordance with this subchapter and N.J.A.C. 13:69-4.

(d) No casino licensee or employee or agent thereof shall disclose the name of, or any information about, any person who has requested self-exclusion or Internet self-exclusion to anyone other than employees and agents of the casino licensee whose duties and functions require access to such information. Notwithstanding the foregoing, a casino licensee may disclose the name of and information about a self-excluded or Internet self-excluded person to appropriate employees of other casino licensees in Atlantic City for the purpose of alerting other casino licensees that a self-excluded or Internet self-excluded person has tried to gamble or obtain gaming related privileges or benefits in the casino licensee's casino or simulcasting facility, or Internet gaming site.

13:69G-2.4 Duties of casino licensee

(a) For self-excluded patrons, a casino licensee shall establish procedures that are designed, to the greatest extent practicable, to:

1. Permit appropriate employees of the casino licensee to identify a self-excluded person when present in a casino or simulcasting facility and, upon such identification, notify:

- i. Those employees of the casino licensee designated to monitor the presence of self-excluded persons; and

- ii. Designated representatives of the Division;

2. Refuse wagers from and deny any gaming privileges to any self-excluded person;

3. Deny casino credit, check cashing privileges, player club membership, complimentary goods and services, junket participation and other similar privileges and benefits to any self-excluded person;

4. Ensure that self-excluded persons do not receive, either from the casino licensee or any agent thereof, junket solicitations, targeted mailings, telemarketing promotions, player club materials or other promotional materials relating to gaming

activities at its licensed casino or simulcasting facility; and

5. Enforce the provisions of N.J.A.C. 13:69G-2.3(d).

(b) For Internet self-excluded patrons, a casino licensee shall establish procedures that are designed, to the greatest extent practicable, to:

1. Ensure that self-excluded persons do not receive, either from the casino licensee or any agent thereof, junket solicitations, targeted mailings, telemarketing promotions, player club materials, or other promotional materials relating to Internet gaming; and

2. Enforce the provisions of N.J.A.C. 13:69G-2.3(d).

(c) Without limitation of the requirements imposed by (a) above, each casino licensee shall, upon notification that a person has been added to or deleted from the self-exclusion list, comply with all relevant provisions of N.J.A.C. 13:69D-1.27A as if such person has also been added to or deleted from the list of persons who have requested suspension of their credit privileges pursuant to that section.

(d) Each casino licensee shall maintain on file a current copy of its internal control procedures established pursuant to N.J.A.C. 13:69G-2.3(b) and (a) and (b) above.

13:69G-3.2 Prohibited person; forfeiture of winnings

(a) If a casino licensee detects, or is notified of, the presence of a patron suspected of being a prohibited person, who had engaged or is engaging in gaming activity, such casino licensee shall verify, using reasonable measures, that the patron is a prohibited person and the basis for the person's prohibition. If the person is unable to establish that he or she is not underage, the person shall be presumed to be a prohibited person for the purposes of this section.

(b) Upon verification of a prohibited status, the casino licensee shall:

1. Remove the prohibited person from the gaming floor or immediately prohibit access to the person's Internet gaming account, as applicable;

2. Seize from such person any winnings or things of value obtained from engaging in a gaming transaction as follows:

i. Confiscate all gaming chips, gaming plaques, slot machine tokens and gaming vouchers;

ii. Process any slot machine jackpot obtained by the prohibited person pursuant to [N.J.A.C. 13:69D-1.40](#) through [1.40F](#), depending upon the type of jackpot obtained;

iii. Cash out any cashable credits remaining on a slot machine credit meter or automated table game credit meter and confiscate the gaming voucher that is issued as payment thereof; and

iv. Obtain control and physical possession of any other form of winnings or things of value not specifically enumerated and obtained by or owed to the prohibited person as a result of engaging in any type of gaming transaction; and

3. Deliver any winnings or things of value obtained from a prohibited person pursuant to (b)2 above to the cashiers' cage, where they shall be converted into cash, maintained separately and designated as funds that are subject to forfeiture.

(c) A casino licensee shall prepare a multipart form known as a Payout Receipt and Notice of Forfeiture, which shall include, without limitation, the information in (c)1 through 6 below. The Payout Receipt and Notice of Forfeiture shall be signed and attested to by: the prohibited person, unless the person refuses to sign or is unknown; the casino employee delivering the winnings or things of value to the cashiers' cage; and the cashiers' cage employee who received the winnings or things of value. For Internet or mobile gaming, a casino licensee shall issue a Payout Receipt and Notice of Forfeiture to the patron via electronic or regular mail.

1. The total value and a detailed description of winnings or things of value that were seized;

2. The date of the incident;

3. The name of the prohibited person, if known, and basis for determining the person is a prohibited person;

4. The street and mailing address of the prohibited person, if known, at which he or she may be noticed regarding any future proceedings;

5. The location (table type and number, slot machine asset number, keno window, etc.) where the prohibited person was engaged in a gaming transaction or identification of Internet or mobile wagering session; and

6. Notice to the prohibited person that a proceeding may be brought by the Division seeking forfeiture of the winnings or things of value seized, that he or she has the right to be heard in any such proceeding and that failure to respond to a forfeiture complaint will result in the waiver of their right to be heard.

(d) The original Payout Receipt and Notice of Forfeiture prepared and signed as required in (c) above shall be maintained in the cashiers' cage. Copies of the document shall be provided to the prohibited person, the casino accounting department and filed with the Division, which filing may be made electronically.

(e) All funds maintained separately and designated as subject to forfeiture pursuant to (a)4 above shall be held by the casino licensee until further order of the Division or upon notice from the Division that they may be released.

(f) Pursuant to N.J.S.A. 5:12-71.3, any things of value seized from a prohibited person shall be subject to forfeiture on complaint of the Division, following notice to the prohibited person and an opportunity to be heard. A failure to respond to a forfeiture complaint will result in the waiver of their right to be heard.

(g) The internal controls of a casino licensee shall contain procedures for processing any winnings or things of value confiscated or withheld from a prohibited person as if the winnings or things of value were paid and reported in accordance with normal procedures applicable to such payouts. Such procedures shall include, however, such modification to forms or additional documentation as is necessary to record and report the payout as a payout confiscated or withheld from a prohibited person. This documentation shall be compared by the casino accounting department at the end of the gaming day to the copy of the Payout Receipt and Notice of Forfeiture. Any winnings or things of value confiscated or withheld from a prohibited person that are paid and reported in accordance with the normal procedures applicable to such payouts, as modified in this section, shall be deducted in the calculation of gross revenue

as if the winnings or things of value were actually paid to the prohibited person.

(h) The Division may file a complaint requesting forfeiture of the winnings or things of value and shall notice the prohibited person via personal service or regular mail sent to the address contained on the Payout Receipt and Notice of Forfeiture form of the forfeiture complaint and the prohibited person's right to a hearing.

(i) If the prohibited person wishes to contest the forfeiture complaint, the person shall request a hearing in writing with the Division within 15 days of the date of the notice of the forfeiture complaint. If no response is filed by the prohibited person within 15 days of the date of the notice of the forfeiture complaint, the winnings or things of value shall be ordered forfeited and shall be disposed of pursuant to N.J.S.A. 5:12-71.3.

CHAPTER 69J

PERSONS DOING BUSINESS WITH CASINO LICENSEES

SUBCHAPTER 1. GENERAL PROVISIONS

13:69J-1.1 Definitions

(a) The following words and terms, when used in this chapter, shall have the following meanings unless the context clearly indicates otherwise.

"Gaming equipment" means any mechanical, electrical, or electronic contrivance or machine used in connection with gaming or any game and includes, without limitation, roulette wheels, big six wheels, slot machines, multi-player slot machine systems, slot tokens, prize tokens, cards, dice, chips, plaques, match play coupons, card dealing shoes, drop boxes, and other devices, machines, equipment, items, or articles determined by the Division to be so utilized in gaming as to require licensing of the manufacturers, distributors, or servicers, or as to require Division approval in order to contribute to the integrity of the gaming industry or to facilitate the operation of the Division. "Gaming equipment" shall also include a computer network of both interstate and intrastate interoperable packet switched data networks and the hardware, software, or systems associated therewith, used in connection with Internet gaming or the conduct of any game conducted through the Internet.

"Gaming equipment distributor" means any person who distributes, sells, supplies or markets gaming equipment.

"Gaming equipment industry" means gaming equipment manufacturers, gaming equipment distributors and gaming equipment servicers.

"Gaming equipment manufacturer" means any person who manufactures, produces or assembles gaming equipment.

"Gaming equipment servicer or repairer" means any person who provides maintenance, service or repair of gaming equipment or devices, machines, equipment, items, or articles governed by N.J.A.C. 13:69J-1.2(b) in any manner which has the capacity to affect the outcome of the play of an authorized game or simulcast wagering or the calculation, storage, collection, or control of gross revenue.

"Gaming school" means any person, including a governmental agency, that offers or proposes to offer any course in a specific subject area of gaming or dealing techniques.

"Governmental agency" means any office, department, division, bureau, board, commission, agency, authority, institution, or like governmental entity of the State of New Jersey or a political subdivision thereof or of any other state or political entity of the United States.

"Inside director" means a director of a casino service industry enterprise applicant or licensee or holding or intermediary enterprise company thereof who is also an officer or employee of the applicant or licensee or the holding or intermediary company of which he or she is director.

"Outside directors" means any director other than an inside director.

"Sales representative" means any person owning an interest in, employed by or representing a casino service industry enterprise licensed in accordance with sections 92a and b of the Act, who solicits the goods and services or business thereof.

"Security business" or "casino security service" means any non-governmental enterprise providing physical security services to a casino, a casino licensee, to an approved hotel or to any premises located within a casino hotel complex.

(b) The following words and terms, when used in this chapter, shall have the meanings set forth in the relevant provisions of the Casino Control Act, N.J.S.A. 5:12-1 et seq., except that any reference contained therein to an applicant for or holder of a casino license shall instead be read to refer to an applicant for or holder of a casino service industry enterprise license:

"Holding company" (as defined at N.J.S.A. 5:12-26).

"Intermediary company" (as defined at N.J.S.A. 5:12-28).

13:69J-1.2 Gaming-related casino service industry enterprise license requirements

(a) No enterprise shall provide goods or services directly related to casino, simulcast wagering, gaming activity, or Internet wagering activity to, or otherwise transact business directly related to casino, simulcast wagering, gaming activity, or Internet wagering activity with, a casino applicant or licensee, its employees or agents unless licensed in accordance with N.J.S.A. 5:12-92a and b.

(b) In determining whether an enterprise shall be licensed pursuant to this section, the Division shall consider, without limitation, whether the enterprise satisfies one or more of the following criteria:

1. Whether the enterprise manufactures, supplies, or distributes devices, machines, equipment, items, or articles that:

i. Are specifically designed for use in the operation of a casino or casino simulcasting facility;

ii. Are needed to conduct an authorized game or simulcast wagering;

iii. Have the capacity to affect the outcome of the play of an authorized game or simulcast wagering;

iv. Have the capacity to affect the calculation, storage, collection, or control of gross revenue; or

v. Directly relate to Internet gaming activity including the supplying of software or systems;

2. Whether the enterprise is a gaming equipment servicer or repairer;
3. Whether the enterprise provides services directly related to the operation, regulation, or management of a casino or casino simulcasting facility;
4. Whether the enterprise manages, controls, or administers Internet games or wagers associated with such games; or
5. Whether the enterprise provides such other goods or services determined by the Division to be so utilized in or incident to gaming, casino or simulcast wagering activity as to require licensing in order to contribute to the public confidence and trust in the credibility and integrity of the gaming industry in New Jersey.

(c) Enterprises required to be licensed in accordance with N.J.S.A. 5:12-92a and b and (a) above shall include, without limitation, the following:

1. Manufacturers, suppliers, distributors, servicers and repairers of roulette wheels, big six wheels, slot machines, multi-player slot machine systems, cards, dice, gaming chips, gaming plaques, slot tokens, prize tokens, dealing shoes, drop boxes, computerized gaming monitoring systems, totalisators, pari-mutuel machines, self-service pari-mutuel machines and credit voucher machines;
2. Casino credit reporting services, casino simulcasting hub facilities, and suppliers of casino security services;
3. Junket enterprises and junket representatives, and any person employed by a junket enterprise or junket representative in a managerial or supervisory position; and
4. Companies providing Internet gaming software or systems, vendors who manage, control, or administer games and associated wagers conducted through the Internet, and providers of customer lists of persons who have placed wagers through the Internet.

(d) Junket enterprises, junket representatives, and enterprises providing other services including, but not limited to, payment processing and related money-transmitting services with direct contact with patrons' casino gaming accounts or the Internet gaming system itself, customer identity, age verification, and geo-location verification used in the conduct of Internet and

mobile gaming, regardless of any such enterprise's contractual relationship with an Internet gaming permit holder, shall be licensed as an ancillary casino service industry enterprise.

(e) Enterprises providing services including, but not limited to, telecommunications that are not specifically designed for Internet gaming and patron interaction shall register as a vendor with the Division.

(f) The Division may require any entity vendor registered pursuant to (e) above to apply for either a casino service industry enterprise license or an ancillary casino service industry enterprise license, if such application for either is deemed to be consistent with the public interest and policies of the Act. The Division, in its discretion, may also require any ancillary casino service industry enterprise licensee, including those licensed under (d) above, to be licensed as a casino service industry enterprise.

CHAPTER 69L TAXES

SUBCHAPTER 1. GROSS REVENUE TAX; INTERNET GAMING GROSS REVENUE TAX

13:69L-1.1 Description of taxes

(a) Subsection 144a of the Act imposes an annual tax on gross revenue, as defined in section 24 of the Act, in the amount of eight percent of such gross revenues.

(b) Section 95.19 of the Act imposes an annual tax on gross revenue from Internet gaming, as defined in section 28.2 of the Act, in the amount of 15 percent of such gross revenues.

13:69L-1.2 Definitions

The following words and terms, when used in this subchapter, shall have the following meanings unless the context clearly indicates otherwise.

"Casino licensee" or "licensed casino" includes the holder of a casino license or interim casino authorization.

"Casino management agreement" means a written agreement between one or more casino licensees and another casino licensee whereby the latter agrees to provide complete management of a casino in

accordance with section 82 of the Act.

"Casino management licensee" means a casino licensee which provides complete management of a casino pursuant to a casino management agreement, as defined in this section.

"Casino operator" means:

1. Where there is no casino management agreement with regard to the casino hotel facility, the casino operator shall be the casino licensee that is responsible for submitting and maintaining the internal controls required by section 99 of the Act;
2. Where there is a casino management agreement with regard to the casino hotel facility, the casino operator shall be the casino management licensee, if said licensee has supplied capital at risk in the gaming operations of the casino. If the casino management licensee has supplied none of the capital at risk in the gaming operations of the casino, the casino operator shall be the licensee designated in paragraph 1 of this definition, as though no casino management agreement existed; or
3. For the purpose of Internet gaming gross revenue tax, an "Internet gaming affiliate" as defined in the Act shall be considered a casino operator.

"Casino Revenue Fund" means a separate special account established in the Department of the Treasury for deposit of all revenue from the tax imposed by subsection 144a of the Act, the tax imposed by section 95.19 of the Act, the investment alternative taxes imposed by subsections 144e and 144.1a of the Act, any interest earned pursuant to paragraph 2 of subsection 144.1a or section 145.1 of the Act and any penalties payable to the Casino Revenue Fund pursuant to section 145 of the Act.

"Division" means the Division of Gaming Enforcement.

"Division of Taxation" means the State agency authorized to collect the gross revenue tax on gaming operations.

"Eligible promotional gaming credit" means any promotional gaming credit that is wagered in the casino or through an authorized Internet gaming system of a casino operator during a calendar year in excess of \$ 90 million, which is to be prorated over the calendar year at a rate of \$ 7.5 million per month.

"Lease" or "lease agreement" means a written agreement for the lease of the approved hotel in accordance with section 82 of the Act, including any such lease which is capitalized under generally accepted accounting principles.

"Promotional gaming credit" means a slot machine credit or other item approved by the Division that is issued by a casino operator to a patron for the purpose of enabling the placement of a wager at a slot machine in its casino or through an authorized Internet gaming system. The slot machine credit or other item shall be non-cashable unless an alternative form of slot machine credit has been approved by the Division. No such credit shall be reported as a promotional gaming credit by a casino operator unless the casino operator can establish that the credit was:

1. Issued by the casino operator; and
2. Received from a patron as a wager at a slot machine in its casino on or after August 14, 2008.

"Proportionate share" means the value of the promotional gaming credits wagered in the casino of a particular casino operator during a tax year or portion thereof compared pro rata to the value of the promotional gaming credits wagered in the casinos of all casino operators during the same tax year or portion thereof, expressed as a percentage. For example, if \$ 15 million in promotional gaming credits are wagered in the casino of a particular casino operator during a tax year, and \$ 100 million in promotional gaming credits are wagered in the casinos of all casino operators during the same tax year, the proportionate share of that particular casino operator would be 15 percent.

13:69L-1.3 Tax year

The tax year shall be the calendar year. In the year in which a casino operator commences gaming operations, the tax year for that casino operator shall begin with the commencement of operations and terminate on the last gaming day of the current calendar year.

13:69L-1.4 Tax payer

(a) The obligation to file returns and reports and to pay the gross revenue tax, the Internet gaming gross revenue tax, and any investment alternative taxes shall be upon the casino operator who shall be primarily liable therefor. In the event of

a transfer of operations to a different casino operator, the transferor-operator will be obligated to file a return and to pay all taxes based upon the revenues derived by the said transferor during the tax year in which the transfer occurred. The appointment of a conservator under the Act shall not be deemed a transfer to a different casino operator but, for the duration of the conservatorship, the conservator shall file all returns and pay all taxes on behalf of the former or suspended casino licensee who shall remain primarily liable therefor.

(b) In accordance with section 82 of the Act, each casino licensee which is a party to either a casino management agreement or a lease with the casino operator, shall be individually and severally liable for any acts, omissions and violations by the casino operator regarding the taxation obligations imposed by the Act regardless of actual knowledge of such act, omission or violation and notwithstanding any provision of such agreement or lease to the contrary.

(c) In the event of a sale or other transfer by the casino operator of its interest in the licensed premises to another casino licensee, the transferee shall be liable for any default by the former casino operator in its taxation obligations with respect to the licensed premises. The liability of the transferee shall not, however, release any other party from potential liability.

(d) Nothing in this section shall be construed to limit the authority of the Division of Taxation or the Division to enforce any tax obligation by way of a lien against the property of a taxpayer or otherwise as provided by the "State Tax Uniform Procedure Law," Subtitle 9 of Title 54 of the Revised Statutes, by the Act or by any other applicable law.

13:69L-1.5 Payment of taxes

(a) In accordance with subsection 148a of the Act, the gross revenue tax shall be due and payable annually on or before the 15th calendar day of March except that if the 15th calendar day of March is a Saturday, Sunday or legal holiday, the due date shall be advanced to the next regular business day. The gross revenue tax shall be based upon the gross revenue derived by the casino operator during the previous tax year.

(b) The annual nature of the gross revenue tax notwithstanding, the casino operator shall make weekly deposits of the tax at such times, under such conditions, and in such depositories as

shall be prescribed by the Division of Taxation pursuant to subsection 145b of the Act, provided that deposits for a given week shall be made no later than the Monday of the succeeding week. If such Monday is a legal holiday, the deposit shall be made on the next business day. In the event that the week for which the weekly deposit is being made includes gaming days from two calendar months, the casino operator shall deposit and report separately, the amount of the deposit attributable to the gaming days of each month. The deposits shall be deposited to the credit of the Casino Revenue Fund. The amount of gross revenue upon which the weekly tax payment is based shall be filed with the Division concurrently with the payment to the State Treasurer.

(c) The amount of the required gross revenue tax weekly deposit for a given week shall be determined by subtracting the total amount of deposits made by the casino operator in the current tax year up to and including the week preceding the given week from the total tax liability incurred by the casino operator for the current tax year. The total tax liability for the current tax year shall be based upon the gross revenue derived by the casino operator from the commencement of the current tax year to the end of the gaming day which commenced on the Friday of the given week. Any casino operator that estimates slot machine drop pursuant to N.J.A.C. 13:69L-1.7(c) shall include a weekly slot machine drop estimate, calculated in accordance with methodology approved pursuant to that subsection, in each weekly tax deposit required by this section.

(d) The amount of gross revenue tax deposits required for a given month shall be the amount determined by subtracting the total amount of deposits made by the casino operator in the current tax year up to and including the month preceding the given month from the total tax liability incurred by the casino operator for the current tax year. The total tax liability for the current tax year shall be based upon the gross revenue derived by the casino operator from the commencement of the tax year to the end of the gaming day which commenced on the last calendar day of the given month.

(e) In the event that the total amount of gross revenue tax deposits made for the entire tax year is determined to be less than the annual tax liability for the entire year, the casino operator shall remit the requisite additional payment to the Division of Taxation. In the event that the total amount of such deposits is determined to be greater than the annual gross revenue tax liability, the casino operator may reduce the amount

of its weekly deposits in the succeeding tax year by the amount of the overpayment, provided, however, that the casino operator shall not claim any such credit against deposits unless the Division of Taxation first certifies the existence and amount of the overpayment. Nothing in this section shall limit any authority of the Division of Taxation under sections 149 and 150 of the Act and the "State Tax Uniform Procedure Law," Section 9 of Title 54 of the Revised Statutes, including the authority to determine the insufficiency of any gross revenue tax deposit or deposits, to require payments of penalties and interest or to allow or disallow any claim for refund due to overpayment of taxes.

(f) The Internet gaming gross revenue tax for each month shall be due and payable monthly on or before the 10th calendar day of the next month in such depository as shall be prescribed by the Division except that if the 10th calendar day is a Saturday, Sunday, or legal holiday, the due date shall be advanced to the next regular business day.

(g) Nothing in this section shall limit the authority of the Division under the "State Tax Uniform Procedure Law," Section 9 of Title 54 of the Revised Statutes, to require payments of penalties and interest on the insufficiency of any Internet gaming gross revenue tax deposit or to allow or disallow any claim for refund due to an overpayment of such taxes. Interest shall be calculated from the date the tax was originally due through the actual date of payment provided, however, that if the deficiency is paid within 10 business days from the date of the Division's tax deficiency notice, interest shall be calculated through the date of such notice.

13:69L-1.6 Computation of taxes

(a) The gross revenue tax shall be eight percent of gross revenue. The gross revenue for the tax year, or portion thereof, shall be the amount obtained from the following calculation: the total of all sums for the tax year, or portion thereof, that are actually received by a casino operator from its gaming operations, which sums include, but are not limited to, cash, slot tokens, prize tokens counted at face value pursuant to N.J.A.C. 13:69D-1.41, the value of electronic credits withdrawn from patron accounts pursuant to N.J.A.C. 13:69D-1.37, checks received by a casino operator pursuant to N.J.S.A. 5:12-101, whether collected or not, gaming vouchers and coupons counted pursuant to N.J.A.C. 13:69D-1.33 and documents evidencing credit

and debit card chip transactions processed pursuant to N.J.A.C. 13:69D-1.18A regardless of validity, less only the total of all sums paid out as winnings to patrons.

(b) Nothing in this section shall be construed to limit the authority of the Division of Taxation to re-determine the amount of gross revenue tax liability or to require adjustments or corrections to the accounts of the casino operator.

(c) The amount of the required weekly deposit for a given week shall be determined by subtracting the total amount of deposits made by the casino operator in the current tax year up to and including the week preceding the given week from the total tax liability incurred by the casino operator for the current tax year. The total tax liability for the current tax year shall be based upon the gross revenue derived by the casino operator from the commencement of the current tax year to the end of the gaming day which commenced on the Friday of the given week. Any casino operator that estimates slot machine drop pursuant to N.J.A.C. 13:69L-1.7(c) shall include a weekly slot machine drop estimate, calculated in accordance with methodology approved pursuant to that subsection, in each weekly tax deposit required by this section.

(d) For purposes of calculating the tax on gross revenue pursuant to (a) above, a casino operator shall be entitled to a deduction from gross revenue for the value of eligible promotional gaming credits allocable to the casino operator in accordance with N.J.A.C. 13:69L-1.11.

(e) The Internet gaming gross revenue tax shall be 15 percent. The Internet gaming gross revenue for the tax year, or portion thereof, shall be the amount obtained from the total of all sums received by a casino licensee from Internet gaming operations, less only the total of all sums actually paid out as winnings to patrons.

(f) Nothing in this section shall be construed to limit the authority of the Division to re-determine the amount of Internet gaming gross revenue tax liability or to require adjustments or corrections to the accounts of the casino operator.

13:69L-1.7 Return and reports

(a) The casino operator shall file with the Division of Taxation an annual tax return for purposes of the gross revenue tax. The

return shall be filed no later than March 15 following the tax year. Filing of the annual tax return shall satisfy the reporting of gross revenue requirement imposed by subsection 148a of the Act. The annual tax return shall be made on a form promulgated and distributed by the Division of Taxation pursuant to section 151 of the Act.

(b) On or before the 10th calendar day of each month, the casino operator shall file a monthly gross revenue report with the Division, and a monthly gross revenue tax return with the Division of Taxation, which shall reflect the amount of gross revenue derived during the preceding month, the amount of tax deposits required for that month, the amount of gross revenue derived during the year to the end of the preceding month, and the tax liability for the year calculated to the end of the preceding month.

1. The monthly gross revenue report shall be on a form promulgated and distributed by the Division, pursuant to section 145 of the Act.

2. The monthly gross revenue tax return shall be on a form promulgated by the Division of Taxation, and shall be filed and paid by electronic means.

(c) For purposes of the monthly gross revenue reports required in (b)1 above and the monthly gross revenue tax return required in (b)2 above, the casino operator may estimate slot machine drop provided that:

1. Such estimates are calculated through an approved system of reading and recording slot machine meters pursuant to N.J.A.C. 13:69D-1.42(s);

2. Such estimates are calculated in accordance with methodology approved by the Division;

3. The approved methodology is utilized for each monthly gross revenue report, except that the casino operator may discontinue use of such methodology upon 30 days prior written notice to the Division and with prior Division approval; and

4. The casino operator complies with the requirements of N.J.A.C. 13:69L-1.5(c).

(d) The casino operator shall file with the Division a summary report of the Internet gross gaming revenue for each weekly

period of Saturday through Friday no later than the Monday of the succeeding week. If such Monday is a legal holiday, the summary report shall be made on the next business day. In the event that the weekly period includes gaming days from two calendar months, the casino operator shall report separately the amount of revenue attributable to the gaming days of each month.

(e) On or before the 10th calendar day of each month, the casino operator shall file a monthly Internet gaming gross revenue tax return with the Division which shall reflect the amount of gross revenue derived during the preceding month and the associated tax paid.

13:69L-1.8 Examination of accounts and records

(a) The Division may perform audits of the books and records of a casino licensee, at such times and intervals as it deems appropriate, in order to certify gross revenue and Internet gaming gross revenue.

(b) The casino operator shall permit duly authorized representatives of the Division to examine the operator's accounts and records for the purpose of certifying gross revenue and Internet gaming gross revenue. In the event that any records or documents deemed pertinent by a Division examiner are in the possession of another licensee or entity, the casino operator shall be responsible for making those records or documents available to the examiner. Further, the casino operator shall be individually and severally liable for any relevant accounts, records or documents maintained or required to be maintained by any other licensee or entity with regard to the casino.

(c) The gross revenue certification process may incorporate audit work performed by a casino operator's internal audit department provided that:

1. Such audit work is conducted in accordance with minimum standard internal audit procedures which have been submitted to and approved by the Division, including, at a minimum, a detailed description of the audit tests to be performed;

2. The casino operator submits to the Division by January 31 of each year an annual audit plan specifying the scheduled audit dates for that upcoming calendar year; and

3. The casino operator submits to the Division, no later than March 15 of each year, copies of all internal audit reports and

any other reports directly relating to the reporting of gross revenue for the preceding tax year.

(d) The Division shall notify the casino operator of any gross revenue or Internet gaming gross revenue tax deficiencies disclosed during the gross revenue certification process.

13:69L-1.11 Deduction for promotional gaming credits

(a) A casino operator shall be entitled to a deduction from gross revenue in an amount equal to its proportionate share of the eligible promotional gaming credits wagered in the casinos of all casino operators or through the licensee's Internet gaming system during the tax year.

(b) On or before the third calendar day of each month, each casino operator shall report to the Division the value of the promotional gaming credits that were wagered in its casino or through the licensee's Internet gaming system during the preceding month. Upon timely receipt of this information, the Division shall, on or before the seventh calendar day after month-end, make available to all casino operators the industry promotional gaming credit information, including the value of promotional gaming credits wagered and the value of eligible promotional gaming credits allocable to each casino operator for deduction from gross revenue.

(c) In accordance with the information provided by the Division pursuant to (b) above, each casino operator shall be entitled, in its monthly gross revenue report and monthly gross revenue tax return, to deduct from its gross revenue the value of eligible promotional gaming credits allocated by the Division to such casino operator.

(d) Any increase or decrease in the value of eligible promotional gaming credits from the previous month shall be reported on the next weekly tax transfer made in accordance with N.J.A.C. 13:69L-1.5.

CHAPTER 690 INTERNET AND MOBILE GAMING

SUBCHAPTER 1. GENERAL PROVISIONS

13:690-1.1 Definitions

The following words and terms, when used in this chapter, shall have the following meanings unless the context clearly indicates otherwise:

"Authentication process" means a method used by a system to verify the validity of software. Such method requires the calculation of an output digest, which is compared to a secure embedded value. The output digest shall be of 128-bit complexity, at a minimum. Software shall be deemed to have been authenticated if the calculated digest equals the secure embedded value.

"Authorized Internet or mobile game" means any game authorized by the Division for use with an Internet or mobile gaming system.

"Client terminal" means any device that is used to interact with a gaming system for the purpose of conducting server-based gaming activity.

"Data warehouse" means a system of one or more servers located in New Jersey for the purpose of storing transactions received from the primary gaming equipment.

"Dormant account" means an Internet gaming account, which has had no patron initiated activity for a period of one year.

"Funds on game" means the sum of pending wagers and funds transferred to a game not yet wagered.

"Game server" means the server that contains game software and control programs.

"Gaming system" means either a server-based gaming system, an Internet gaming system, a mobile gaming system, or table game simulcasting system.

"Internet gaming" means the placing of wagers through a server-based gaming system with a casino licensee at a casino located in Atlantic City using a computer network of both Federal and non-Federal interoperable packet switched data networks through which the casino licensee may offer authorized Internet games to a patron who has established an Internet gaming account with the casino licensee.

"Internet gaming account" means an account established by a casino licensee that a patron shall use for the deposit and withdrawal of funds used for Internet wagering.

"Internet gaming intermediary" means an independent entity approved by the Division to offer Internet gaming and affiliated with an Internet gaming operator. The customer accounts of such intermediaries shall be owned by the Internet gaming permit holder."

"Internet gaming manager" means a person licensed as a casino key employee responsible for the operations of internet gaming.

"Internet gaming operator" means a party or parties permitted by the Division to operate an Internet gaming system.

"Internet gaming system" means all hardware, software, and communications that comprise a type of server-based gaming system for the purpose of offering authorized Internet games.

"Mobile gaming" means the placing of wagers with a casino licensee through a server-based gaming system at a casino located in Atlantic City using a computer network through which the casino licensee may offer authorized games to individuals who have established a wagering account with the casino licensee and who are physically present within the property boundaries of an approved hotel facility.

"Mobile gaming account" means an account established by a casino licensee that a patron may use for the deposit and withdrawal of funds used for mobile wagering.

"Mobile gaming operator" or "mobile operator" means a party or parties licensed by the Division to operate a mobile gaming system.

"Mobile gaming system" means all hardware, software, and communications that comprise a a type of server-based gaming system for the purpose of offering electronic versions of authorized casino games to be played on client terminals within the property boundaries of an approved casino facility.

"Multi-factor authentication" means a type of strong authentication which uses two of the following to verify a patron's identity:

1. Information known only to the patron, such as a password, pattern or answers to challenge questions;
2. An item possessed by a patron such as an electronic token, physical token or an identification card; or

3. A patron's biometric data, such as fingerprints, facial or voice recognition.

"Patron session" means a period of time when a patron is logged on to an Internet or mobile gaming system.

"Peer-to-peer gaming" means all gaming activity, such as poker, where patrons are competing against each other.

"Pending Wager Account" means the account maintained by a server based gaming system that holds the total balance of all wagers pending disposition and all other funds attributable to uncompleted games.

"Primary gaming equipment" means all hardware, software, and other technology or equipment of any kind determined by the Division to be necessary for the conduct of an authorized Internet game on the premises of a casino hotel within the territorial limits of Atlantic City.

"Secure transaction file" means a file that contains data, which is unalterable or cannot be modified without detection.

"Server-based gaming" means all gaming activity conducted via a client terminal where the outcome of a game is determined by a random number generator (RNG) maintained on a server or a dealer-verified outcome from a simulcast table game.

"Server-based gaming system" means all hardware, software, and communications that comprise a system utilized for the purpose of offering electronic versions of authorized casino games where material aspects of game functionality occur at the server level.

"Suspended account" means an Internet or mobile gaming account that has been temporarily disabled from engaging in wagering activity.

"Strong authentication" means a method which has been demonstrated to the satisfaction of the Division to effectively provide higher security than a user name and password alone.

"Table game simulcasting system" means all hardware, software, and communications that comprise a system used to simulcast table games.

13:690-1.2 General requirements for Internet and mobile gaming

(a) Internet or mobile gaming shall only be engaged in by patrons who have established an Internet or mobile gaming account.

(b) The message "If you or someone you know has a gambling problem and wants help, call 1-800-Gambler" shall be displayed prominently within the Internet or mobile log on screen and a command to display this message on the log off screen shall be transmitted whenever the system detects a log off.

(c) When a patron logs on to an Internet or mobile gaming system, the system shall display the date and time of the patron's previous log on.

(d) If a patron has suspended his or her account a casino licensee shall not send gaming-related electronic mail to such patron while the account is suspended.

(e) The Internet or mobile gaming system shall employ a mechanism to detect the physical location of a patron upon logging into the gaming system and as frequently as specified in the Internet gaming permit holder's approved submission. If the system detects that the physical location of the patron is in an area unauthorized for Internet or mobile gaming, the system shall not accept wagers until such time that the patron is in an authorized location as follows:

1. Mobile gaming shall only occur within the property boundaries of an approved casino hotel facility. For purposes of this chapter, the approved casino hotel facility shall include any area located within the property boundaries of the casino hotel facility, including any recreation area or swimming pool, where mobile gaming devices may be used by patrons, but excluding parking garages or parking areas. A mobile gaming system shall disable all gaming activity on a client terminal whenever it is removed from the property boundaries; and

2. Internet gaming shall only occur within the State of New Jersey, unless the conduct of such gaming is not inconsistent with federal law, law of the jurisdiction, including any foreign nation, in which the participating patron is located, or such gaming activity is conducted pursuant to a reciprocal agreement to which this State is a party that is not inconsistent with federal law.

(f) A client terminal used for Internet or mobile gaming shall not contain patron account information or game logic that determines the outcome of any game.

(g) Client terminal software used for Internet or mobile gaming shall not contain unauthorized data collection, file extraction, malware, or any other feature that compromises the integrity of the client terminal or the data contained therein.

(h) Software utilized for Internet or mobile gaming shall either:

1. Continuously display the current time in the time zone where the game server is physically located and the time elapsed while in the current patron session; or

2. Cause a pop-up notification, at least every half-hour, to be prominently displayed on the client terminal advising the patron of the current time and the amount of time elapsed since his or her log on.

(i) A casino licensee offering Internet wagering shall have an Internet gaming manager responsible for the operation and integrity of Internet gaming and reviewing all reports of suspicious behavior. A casino licensee offering mobile wagering shall have a mobile gaming manager responsible for ensuring the operation and integrity of mobile gaming and reviewing all reports of suspicious behavior. The Internet or mobile gaming manager shall be a key employee, however nothing shall preclude a casino licensee from having one key employee perform the functions of both the Internet and mobile gaming managers. The Internet and mobile gaming manager(s) shall immediately notify the Division upon detecting any person participating in Internet or mobile wagering who is:

1. Engaging in or attempting to engage in, or who is reasonably suspected of cheating, theft, embezzlement, collusion, money laundering, or any other illegal activities, including those activities prohibited in Article 9 of the Act;

2. Required to be excluded pursuant to N.J.S.A. 5:12-71, 5:12-71.2, or any person who is prohibited from entering a casino or a casino simulcasting facility pursuant to N.J.S.A. 5:12-119(a); or

3. Prohibited by the casino licensee from Internet wagering.

(j) A licensee shall file with the Division, internal controls for all aspects of Internet and mobile gaming operations prior to implementation and any time a change is made thereafter. The internal controls shall include detailed procedures for system security, operations, accounting, and reporting of problem gamblers.

(k) A casino licensee offering Internet or mobile gaming shall describe in its internal controls the method for securely issuing, modifying, and resetting a patron's account password, Personal Identification Number (PIN), or other approved security feature, where applicable. Such method shall include at a minimum:

1. Proof of identification, if in person;
2. The correct response to two or more challenge questions; or
3. Strong authentication; and
4. Notification to the patron following any modification via electronic or regular mail, text message, or other method approved by the Division.

(l) All terms and conditions for Internet or mobile gaming shall be included as an appendix to the internal controls of the licensee addressing all aspects of the operation, including the following:

1. Name of the party or parties with whom the patron is entering into a contractual relationship, including any licensee;
2. Patron's consent to have the licensee confirm the patron's age and identity;
3. Rules and obligations applicable to the patron other than rules of the game including, but not limited to:
 - i. Prohibition from allowing any other person to access or use his or her Internet or mobile gaming account;
 - ii. Prohibition from engaging in Internet or mobile wagering activity, unless they are physically present in New Jersey;
 - iii. Consent to the monitoring and recording by the operator and/or the Division of any wagering communications and geographic location information;

- iv. Consent to the jurisdiction of the State of New Jersey to resolve any disputes arising out of Internet or mobile gaming; and
- v. Prohibited from utilizing automated computerized software or other equivalent mechanism, such as a "bot," to engage in play.
- 4. Full explanation of all fees and charges imposed upon a patron related to gaming transactions;
- 5. Availability of account statements detailing patron account activity;
- 6. Privacy policies, including information access;
- 7. Legal age policy, including a statement that it is a criminal offense to allow a person who is under the age of 21 to participate in Internet or mobile wagering;
- 8. Notification that if the patron's Internet gaming account remains dormant for a period of one year any funds remaining on deposit and any pending wagers shall be forfeited;
- 9. Patron's right to set responsible gaming limits and to self-exclude;
- 10. Patron's right to suspend his or her account for a period of no less than 72 hours;
- 11. Actions that will be taken in the event a patron becomes disconnected from the Internet or mobile gaming system during game play;
- 12. Notice that a malfunction voids all pays;
- 13. Estimated time period for withdrawal of funds from Internet or mobile account; and
- 14. Information to be displayed on a patron protection page. The patron protection page shall be accessible to a patron during a patron session. The patron protection page shall contain, at a minimum, the following:
 - i. A prominent message, which states "If you or someone you know has a gambling problem and wants help, call 1-800-Gambler";

- ii. A direct link to the Council on Compulsive Gambling New Jersey, Inc. and one other organization based in the United States dedicated to helping people with potential gambling problems;
- iii. Rules governing self-imposed responsible gaming limits;
- iv. Method for changing or retrieving a password or other approved access security feature and the ability to choose "strong authentication" log in protection;
- v. Method for filing a complaint with the licensee;
- vi. Method for filing with the Division an unresolved complaint after all reasonable means to resolve the complaint with the licensee have been exhausted utilizing the Internet Dispute Form on the Division's website;
- vii. Method for obtaining a copy of the terms and conditions agreed to when establishing an Internet or mobile gaming account;
- viii. Method for the patron to obtain account and game history from the licensee;
- ix. Notification that underage gambling is a criminal offense and that anyone who facilitates someone under the age of 21 to gamble has committed a criminal offense and shall be prohibited from Internet gaming;
- x. Notification that the patron is responsible to configure his or her client terminal's auto-lock feature to protect the client terminal from unauthorized use;
- xi. Notification that a patron is prohibited from allowing any other person to access or use his or her Internet or mobile gaming account;
- xii. Notification of Federal prohibitions and restrictions regarding Internet gaming, specifically, any limitations upon Internet gaming as set forth in 18 U.S.C. §§ 1084 et seq. (The Wire Act) and 31 U.S.C. §§ 3163 through 3167 (UIEGA). The notice shall explicitly state that it is a Federal offense for persons physically located outside of New Jersey to engage in Internet wagering through a New Jersey casino, unless explicitly authorized by the Division; and

xiii. Notification that for mobile gaming if the mobile device is removed from the property boundaries of the casino hotel facility the connection will be terminated.

(m) Whenever the terms and conditions that apply to Internet or mobile gaming are changed, the licensee shall require a patron to acknowledge acceptance of such change. Unless otherwise authorized by the Division, the patron's acknowledgement shall be date and time stamped by the Internet or mobile gaming system, as applicable.

(n) A casino operator's primary gaming equipment used to conduct Internet or mobile gaming shall be located, with the prior approval of the Division, in a restricted area on the premises of the casino hotel within the territorial limits of Atlantic City, New Jersey. Subject to Division approval, a casino operator may use backup equipment located in a restricted area on the premises of a casino hotel facility within the territorial limits of Atlantic City to conduct Internet gaming for a time period not to exceed 60 days unless otherwise authorized by the Division.

(o) Internet or mobile gaming systems shall require a patron after 15 minutes of user inactivity, as measured by the Internet or mobile gaming system to re-enter his or her username and password.

(p) A casino licensee offering Internet or mobile gaming shall comply with all Federal requirements including, but not limited to, suspicious activity reporting and W2-G reporting.

(q) Each casino licensee offering Internet gaming shall perform an annual system integrity and security assessment conducted by an independent professional selected by the licensee, subject to the approval of the Division. The independent professional's report on the assessment shall be submitted to the Division annually and shall include:

1. Scope of review;
2. Name and company affiliation of the individual(s) who conducted the assessment;
3. Date of the assessment;
4. Findings;

5. Recommended corrective action, if applicable; and

6. Casino licensee's response to the findings and recommended corrective action.

(r) A casino licensee shall investigate each patron complaint related to Internet gaming and provide a response to the patron within five calendar days. For complaints related to patron accounts, game outcomes and/or illegal activity a copy of the complaint and licensee's response including all relevant documentation shall be provided to the Division. All other complaints and responses related to Internet gaming (e.g., password problems, online chat disputes and technical matters) shall be provided biweekly or with such frequency approved by the Division.

(s) An Internet or mobile gaming system may offer games that do not require a wager or payment from a patron's Internet gaming account to patrons who have not exceeded any daily time-based limit, provided that the games comply with the following requirements:

1. Any game substantially similar to a game approved by the Division shall utilize a payout percentage equal to or less than the lowest payout percentage of the approved game;

2. Any game not substantially similar to a game approved by the Division shall prominently display the following prior to the start of the game and during game play:

i. The game is offered for entertainment purposes only;

ii. The game is not approved by the Division; and

iii. The game outcomes may not be representative of those for a Division approved game;

3. Any game that can be played without logging into an Internet gaming account shall:

i. Require the patron to verify that he or she is 21 years of age or older prior to beginning play; and

ii. Not offer an award or thing of value;

4. Any game offering an award or anything of value shall not be offered to patrons under the age of 21;

5. A history of game play for all games played by a patron while logged into his or her Internet gaming account shall be maintained for responsible gaming purposes; and

6. Games traditionally played on social networks that may require a payment for certain game features (social games) shall not be fundable or accessible from a patron's Internet gaming account.

(t) An Internet or mobile gaming system shall not induce a patron to continue placing wagers when play is in session, when the patron attempts to end a session, or when the patron wins or loses a bet.

(u) If a patron is prohibited from engaging in Internet wagering because a casino licensee suspects fraud, cheating, or irresponsible gaming behavior, the casino licensee shall notify the Division within 24 hours. The Division shall advise all other casino licensees of the patron's prohibited status. If applicable, a casino licensee shall suspend the Internet gaming account of that patron and prohibit such patron from creating an Internet gaming account.

(v) An Internet or mobile gaming system shall allow patrons to access a player protection page at all times while logged into their Internet or mobile gaming account. The player protection page shall include all features listed in (l)14 above.

(w) All employees of an Internet gaming operator who perform activities such as Internet casino accounting, patron identification and verification, problem gaming detection, anti-money laundering detection, fraud prevention or other similar functions requiring access to confidential patron account or gaming system information shall be physically present in New Jersey.

(x) Internet gaming operators and related vendors shall be prohibited from retaining patron account information without the expressed written consent of the Internet gaming permit holder.

(y) The authorization to conduct Internet gaming shall expire on (seven years from the effective date of this chapter).

13:690-1.3 Internet or mobile gaming accounts

(a) Prior to engaging in Internet or mobile gaming, a patron shall establish an Internet or mobile gaming account. The Internet or mobile gaming system shall be required to display a message stating that those casino key employees and casino employees prohibited from wagering in any casino or simulcasting facility in the State shall not be permitted to establish an Internet or mobile account.

(b) In order to establish an Internet or mobile gaming account, a casino licensee shall:

1. Create an electronic patron file, which shall include at a minimum:

i. Patron's legal name;

ii. Patron's date of birth;

iii. Entire or last four digits of the patron's Social Security number, if voluntarily provided, or equivalent for a foreign patron such as a passport or taxpayer identification number;

iv. Patron's Internet and/or mobile account number;

v. Patron's address;

vi. Patron's electronic mail address;

vii. Patron's telephone number;

viii. Any other information collected from the patron used to verify his or her identity

ix. The method used to verify the patron's identity; and

x. Date of verification.

2. Encrypt all of the following information contained in an electronic patron file:

i. Patron's Social Security number or equivalent for a foreign patron such as a passport or taxpayer identification number;

ii. Patron's passwords and/or PINs; and

iii. Credit card numbers, bank account numbers or other personal financial information.

3. Verify the patron's identity in accordance with:

i. N.J.A.C. 13:69D-1.5A and, in addition, record the document number of the government issued credential examined; or

ii. Other methodology for remote multi-sourced authentication, which may include third-party and governmental databases, as approved by the Division.

4. Require the patron to establish a PIN, challenge questions, and either a password or other access security feature as approved by the Division, provided that, if a patron uses a password it shall consist of eight or more characters and include a combination consisting of letters, symbols, and numbers;

5. Verify that the patron is of the legal age of 21, not self-excluded, on the exclusion list, or otherwise prohibited from participation in gaming;

6. Record the patron's acceptance of the licensee's terms and conditions to participate in Internet or mobile gaming;

7. Record the patron's certification that the information provided to the operator by the individual who registered is accurate;

8. Record the patron's acknowledgement that the legal age for Internet or mobile gaming is 21 and that he or she is prohibited from allowing any other person to access or use his or her Internet or mobile gaming account; and

9. Notify the patron of the establishment of the account via electronic mail or regular mail.

(c) A patron shall have only one Internet or mobile gaming account for each Internet gaming intermediary. Each Internet or mobile gaming account shall be:

1. Non-transferable;

2. Unique to the patron who establishes the account; and

3. Distinct from any other account number that the patron may have established with the casino licensee.

(d) A patron's Internet or mobile gaming account may be funded through the use of:

1. A patron's deposit account pursuant to N.J.A.C. 13:69D-1.24;
2. A patron's credit or debit card;
3. A patron's reloadable prepaid card, which has been verified as being issued to the patron and is non-transferable;
4. Cash complimentaries, promotional credits, or bonus credits;
5. Winnings;
6. Adjustments made by the licensee with documented notification to the patron; or
7. Any other means approved by the Division.

(e) Prior to any withdrawal, if a patron used a credit or debit card to fund an Internet or mobile gaming account, any remaining balance in the account up to the amount of the deposit shall be refunded to the patron's credit or debit card account used to fund the Internet or mobile gaming account provided that a credit or debit card issuer permits the return of a withdrawal from an Internet or mobile gaming account funded by the credit or debit card of the issuer.

(f) Funds may be withdrawn from a patron's Internet or mobile gaming account for the following:

1. The funding of game play;
2. Cash-out at the cashier's cage immediately upon patron request;
3. A cash-out transfer to a patron's deposit account established pursuant to N.J.A.C. 13:69D-1.24;
4. A cash-out transfer to a patron's reloadable prepaid cash card, which has been verified as being issued to the patron and is non-transferable;

5. Adjustments made by the licensee with documented notification to the patron;

6. Cash-out transfers directly to the patron's individual account with a bank or other financial institution (banking account) provided that the licensee verifies the validity of the account with the financial institution; or

7. Any other means approved by the Division.

(g) A casino licensee shall not permit a patron to transfer funds to another patron.

(h) All adjustments to patron accounts shall be authorized by supervisory personnel as described in the licensee's internal controls.

(i) Internet or mobile gaming systems shall provide an account statement with account details to a patron on demand, which shall include detailed account activity for at least the six months preceding twenty-four hours prior to the request. In addition an Internet or mobile gaming system shall, upon request, be capable of providing a summary statement of all patron activity during the past year. Information to be provided on the summary statement shall include at a minimum, the following:

1. Deposits to the Internet or mobile gaming account;
2. Withdrawals from the Internet or mobile gaming account;
3. Win or loss;
4. The beginning and ending account balances; and
5. The self-imposed responsible gaming limit history, if applicable.

(j) A casino licensee shall maintain a New Jersey bank account separate from all other operating accounts to ensure the security of funds held in patron Internet gaming accounts. The balance maintained in this account shall be greater than or equal to the sum of the daily ending cashable balance of all patron Internet gaming accounts, funds on game and pending withdrawals. A casino licensee shall have unfettered access to all patron Internet gaming account and transaction data to

ensure the amount held in its independent account is sufficient. The casino controller or above shall file a monthly attestation with the Division that the funds have been safeguarded pursuant to this subsection.

(k) Patron funds held in an Internet gaming account shall not be automatically transferred by a casino licensee nor shall a casino licensee be permitted to require a patron to transfer funds from his or her Internet gaming account in order to circumvent the requirements of (i) above.

(l) A casino licensee shall periodically reverify a patron's identification upon reasonable suspicion that the patron's identification has been compromised.

13:690-1.4 Internet or mobile gaming system standards and operational controls

(a) An Internet or mobile gaming system shall utilize sufficient security to ensure patron access is appropriately limited to the account holder. Unless otherwise authorized by the Division, security measures shall include at a minimum:

1. A Username;
2. Password of sufficient length and complexity to ensure its effectiveness; and
3. Upon account creation the option for users to choose "strong authentication" log in protection; and
4. Electronic notification to the patron's registered e-mail address, cellular phone or other device each time an Internet or mobile gaming account is accessed provided however that a patron may opt out of such notification.

(b) An Internet or mobile gaming system shall be designed with a methodology approved by the Division to ensure secure communications between a client terminal and the Internet or mobile gaming system.

(c) An Internet or mobile gaming system shall be designed to detect and report:

1. Suspicious behavior, such as cheating, theft, embezzlement, collusion, money laundering, or any other illegal activities; and

2. Excluded persons pursuant to N.J.S.A. 5:12-71, 5:12-71.2, or any person who is prohibited from entering a casino or a casino simulcasting facility pursuant to N.J.S.A. 5:12-119(a).

(d) Patron account access information shall not be permanently stored on client terminals used with a mobile gaming system. Such information shall be masked after entry, encrypted immediately after entry is complete, and may be temporarily stored or buffered during patron entry provided that the buffer is automatically cleared as follows:

1. After the patron confirms that the account access entry is complete; or
2. If the patron fails to complete the account access entry within one minute.

(e) Unless otherwise approved by the Division, an Internet and mobile gaming system shall associate a patron's account with a single client terminal during each patron session.

(f) Each patron session shall have a unique identifier assigned by the Internet or mobile gaming system.

(g) The Internet and mobile gaming system shall immediately terminate a patron session whenever:

1. Required by the Division or licensee;
2. The patron ends a session;
3. The patron fails any authentication during a game or patron session; or
4. A system error impacts game play.

(h) Internet and mobile gaming systems shall employ a mechanism that can detect and prevent any patron initiated wagering or withdrawal activity that would result in a negative balance of an Internet and mobile gaming account.

(i) Internet and mobile gaming systems shall disable a patron's account after three failed log in attempts and require strong authentication to recover or reset a password or username.

(j) Internet and mobile gaming systems shall employ a mechanism that places an Internet or mobile gaming account in a suspended mode:

1. When requested by the patron for a specified period of time, which shall not be less than 72 hours;

2. When required by the Division; or

3. When initiated by a licensee that has evidence that indicates:

i. Illegal activity;

ii. A negative patron account balance; or

iii. A violation of the terms of service has taken place on an authorized patron's Internet or mobile gaming account.

(k) When an Internet or mobile gaming account is in a suspended mode the system shall:

1. Prevent the patron from engaging in Internet or mobile gaming;

2. Prevent the patron from depositing funds;

3. Prevent the patron from withdrawing funds from his or her Internet or mobile gaming account, unless the suspended mode was initiated by the patron;

4. Prevent the patron from making changes to his or her Internet or mobile gaming account;

5. Prevent the removal of the Internet or mobile gaming account from the gaming system; and

6. Prominently display to the authorized patron that the account is in a suspended mode, the restrictions placed on the account, and any further course of action needed to remove the suspended mode.

(l) A licensee shall notify the Internet or mobile wagering account holder via electronic mail, regular mail, or other method approved by the Division, whenever his or her account has been closed or placed in a suspended mode. Such notification

shall include the restrictions placed on the account and any further course of action needed to remove the restriction.

(m) A suspended account may be restored:

1. Upon expiration of the time period established by the patron;
2. When permission is granted by the Division; or
3. When the licensee has lifted the suspended status.

(n) An Internet or mobile gaming system shall be capable of allowing a patron to establish the following responsible gaming limits. Any decrease to these limits shall be effective no later than the patron's next log in. Any increase to these limits shall become effective only after the time period of the previous limit has expired and the patron reaffirms the requested increase.

1. A deposit limit shall be offered on a daily, weekly and monthly basis and shall specify the maximum amount of money a patron may deposit into his or her Internet gaming account during a particular period of time.
2. A spend limit shall be offered on a daily, weekly and monthly basis and shall specify the maximum amount of patron deposits that may be put at risk during a particular period of time.
3. A time-based limit shall be offered on a daily basis and shall specify the maximum amount of time, measured hourly from the patron's log in to log of, a patron may spend playing on an Internet gaming system, provided, however, that if the time-based limit is reached a patron will be permitted to complete any round of play, or active or prepaid tournament.

(o) An Internet or mobile gaming system shall implement automated procedures to identify and prevent the following persons from placing a wager:

1. Persons under the age of 21;
2. Persons on the self-exclusion list;
3. Persons on the Internet self-exclusion list;
4. Persons on the exclusion list;

5. Patrons who have had their account closed;
6. Patrons who have had their account suspended; and
7. Patrons who have exceeded their spend or time-based limit.

(p) An Internet or mobile gaming system shall provide a patron with the ability to view the outcome and subsequent account balance changes for the previous game, including a game completed subsequent to an outage (for example, network disconnection or client terminal malfunction).

(q) Unless otherwise approved by the Division, a record of all bonus and promotional wagering offers related to Internet gaming shall be maintained in an electronic file that is readily available to the Division. All bonus and promotional wagering offers shall be stated in clear and unambiguous terms and shall be readily accessible by the patron. Offer terms and the record of all offers shall include at a minimum:

1. The date and time presented;
2. The date and time the offer is active and expires; and
3. Patron eligibility and redemption requirements.

(r) Manual adjustments by a casino licensee to Internet or mobile gaming data shall only be made by a software application approved by the Division.

(s) When a patron's lifetime deposits exceed \$ 2,500, the Internet or mobile gaming system shall immediately prevent any wagering until the patron acknowledges the following:

1. The patron has met the Division's gaming deposit threshold of \$ 2,500;
2. The patron has the capability to establish responsible gaming limits or close his or her account; and
3. The availability of 1-800-GAMBLER.

(t) The acknowledgement prescribed in (s) above shall be required on an annual basis thereafter.

13:690-1.5 Server-based gaming system; server-based games (table games, slot machines, and peer to peer)

(a) A server-based gaming system shall:

1. Comply with N.J.A.C. 13:69D-2;
2. Ensure continued operation in the event of a temporary power failure via an Uninterrupted Power Supply (UPS);
3. Maintain the integrity of the hardware, software, and data contained therein in the event of a shutdown;
4. Ensure the system recovers to the state it was in prior to any system outage;
5. Have physical and logical controls, as appropriate, to ensure that only authorized hardware components are connected to the system;
6. Ensure only approved client terminal software is used to conduct gaming activity;
7. Ensure that client terminals meet minimum compatibility requirements in order to conduct gaming activity; and
8. Be designed with a method for the Division to approve all game software installations before the game software may be offered to patrons.

(b) Any software used in server-based gaming shall be designed with a method to permit the validation of software using a Gaming Authentication Tool (GAT) or other method approved by the Division.

(c) A server-based gaming system shall perform an authentication process on all control programs on demand and at least once every 24 hours.

(d) Server-based gaming systems shall provide a mechanism to notify the operator whenever an authentication process has failed. The operator shall immediately cease operation of the software and immediately notify the Division.

(e) Client terminals used with a server-based gaming system may be installed in a fixed location in the casino hotel facility as approved by the Division, and may be configured to offer multiple and simultaneous wagering opportunities to patrons. The

Division may require such location to be used in the calculation of casino floor space.

(f) A server-based gaming system shall be designed with a methodology approved by the Division to ensure secure communications between a client terminal and a server-based gaming system.

(g) Server-based gaming systems shall notify patrons, via the client terminal, of software that is scheduled for or ordered to be removed by the Division. Unless otherwise authorized by the Division, the system shall:

1. Immediately disable a game, which has been ordered to be removed by the Division; or
2. Notify the patron that the game will be removed at the conclusion of the round of play.

(h) A server-based gaming system shall be designed with a method to automatically identify potential collusion or cheating activity and shall provide a method for a patron to report such activity to the licensee.

(i) Server-based gaming systems shall provide a patron with the ability to view the outcome and subsequent account balance changes for the previous game including a game completed subsequent to an outage (for example, network disconnection or client terminal malfunction).

(j) The following information shall be readily available through a client terminal before a patron begins play on an Internet or mobile gaming system and at all times during play, where applicable:

1. Sufficient information to identify the specific game selected;
2. Game play and payout rules, which shall not rely on sound to convey their meaning; and
3. All charges imposed on patrons, such as fees, rake, and vigorish.

(k) Server-based gaming systems with client terminals that utilize a bill changer or are connected to a gaming voucher system shall:

1. Be permitted exclusively on approved casino floor space;
2. Comply with all applicable Division rules governing slot machines and electronic table games; and
3. Provide for revenue reporting separately as server-based games on the Slot Win Report pursuant to N.J.A.C. 13:69D-1.43A.

(l) Game play shall be initiated only after a patron has affirmatively placed a wager and activated play. No auto play feature shall be permitted in game software unless authorized by the Division.

(m) Unless otherwise authorized by the Division, all server-based table games shall:

1. Accurately represent the layout and equipment used to play its corresponding authorized non-electronic table game including, when applicable, wagering areas, cards, dice, or tiles;
2. Function in accordance with approved rules for its corresponding authorized non-electronic table game;
3. Function as approved by the Division pursuant to the software submission process;
4. Conspicuously indicate minimum and maximum wagers; and
5. Contain help screens that provide information and rules regarding approved variations, such as the number of decks used, special odds, and supplemental wagers.

(n) Server-based table games may be designed to permit a patron to occupy more than one betting position at an individual game, provided that same option is available in its authorized non-electronic version.

(o) All server-based slot machine games shall comply with standards established by N.J.A.C. 13:69E-1.28A and 1.28G.

(p) Server-based games shall operate in accordance with rules submitted to and approved by the Division, which describe procedures in case of patron disconnection from the network server during a game in accordance with the following:

1. Where no patron input is required to complete the game, the game shall produce the final outcome as determined by the RNG and the patron's account shall be updated accordingly;

2. For single patron games, where patron input is required to complete the game, the game shall:

i. Upon subsequent activation, return the patron to the game state immediately prior to the interruption and allow the patron to complete the game; or

ii. After an approved period of time, cancel the game resulting in either the forfeiture of the patron's wager or the return of funds to the patron in accordance with a methodology approved by the Division; or

iii. Make a selection on behalf of the patron in order to complete the game; and

3. For games with multiple patrons, where the result is affected by the time to respond to a game event, such as poker or blackjack, the game shall, after an approved period of time:

i. Cancel the patron's option to play resulting in either the forfeiture of the patron's wager or the return of the patron's wager in accordance with a methodology approved by the Division; or

ii. Make a selection on behalf of the patron in order to complete the game.

(q) Unless otherwise authorized by the Division, server-based table game software used to conduct peer-to-peer gaming, such as poker, shall:

1. Be prohibited from utilizing automated computerized patrons to compete with patrons; and

2. Provide a patron the option to be randomly assigned to a table where all patrons have been selected at random.

(r) Unless otherwise authorized by the Division, server-based table games with multiple patrons, where the result is affected by the time to respond to a game event, such as poker or blackjack, shall be designed with a game recall feature which allows the patron to recall the last five game outcomes and

associated wagers. The game recall information shall be viewable from the client terminal.

(s) A server-based gaming system utilizing an approved data warehouse shall be designed to securely transmit a copy of all transactions received from a server-based gaming system's primary gaming equipment to the data warehouse. The data stored in the data warehouse shall be owned by the Internet gaming permit holder.

(t) Equipment used by a server-based gaming system for the sole purpose of restoring data following a disaster shall be located in the State of New Jersey.

(u) All wagers pending disposition under (p)2i above shall be held in a Pending Wager Account.

13:690-1.6 Table game simulcasting

(a) A casino licensee shall obtain Division approval to simulcast authorized table games.

(b) Table game simulcasting shall utilize a simulcast control server for the purpose of recording all wagering activity and game results. The simulcast control server shall:

1. Provide the patron with real time visual access to the live game being played;
2. Prevent anyone from accessing the wagering outcome prior to finalizing a wager;
3. Record dealer-verified game results before posting; and
4. Be equipped with a mechanism to void game results, if necessary.

(c) Information about wagering conducted during table game simulcasting shall be provided to a patron in real time and shall include all game play information that would normally be available from the table game equivalent. Such information shall include at a minimum:

1. The table number and location;
2. The table minimum and maximum wagers;

3. The number of decks used, if applicable;
4. Dealer actions, if applicable;
5. The amount wagered;
6. The game outcome;
7. Vigorish amount, if applicable;
8. Payout odds, where applicable; and
9. The amount won or lost.

(d) The following information shall be readily available through a client terminal before a patron begins play on an Internet or mobile gaming system and at all times during play, where applicable:

1. Sufficient information to identify the specific game selected;
2. Game play and payout rules, which shall not rely on sound to convey their meaning; and
3. All charges imposed on the patron, such as fees and vigorish, when applicable.

13:690-1.7 Communications standards for gaming systems

(a) All gaming systems authorized by this chapter shall be designed to ensure the integrity and confidentiality of all patron communications and ensure the proper identification of the sender and receiver of all communications. If communications are performed across a public or third-party network, the system shall either encrypt the data packets or utilize a secure communications protocol to ensure the integrity and confidentiality of the transmission.

(b) Wireless communications between the authenticator device and the authentication server shall be encrypted using a robust method such as IPsec, WPA2, or other method approved by the Division.

(c) A licensee shall mask the service set identification (SSID) of the gaming system network to ensure that it is unavailable to the general public.

(d) All communications that contain patron account numbers, user identification, or passwords and PINs shall utilize a secure method of transfer (for example, 128-bit key encryption) approved by the Division.

(e) Only devices authorized by the Division shall be permitted to establish communications between a client terminal and a gaming system.

(f) Server-based gaming systems shall maintain an internal clock that reflects the current date and time that shall be used to be synchronize the time and date between all components that comprise the gaming system. The system date and time shall be visible to the patron when logged on.

13:690-1.8 Mandatory gaming system logging

(a) Gaming systems shall employ a mechanism capable of maintaining a separate copy of all of the information required to be logged in this section on a separate and independent logging device capable of being administered by an employee with no incompatible function. If the gaming system can be configured such that any logged data is contained in a secure transaction file, a separate logging device is not required.

(b) Gaming systems shall provide a mechanism for the Division to query and export, in a format required by the Division, all gaming system data.

(c) Gaming systems shall electronically log the date and time any Internet or mobile gaming account is created or terminated (Account Creation Log).

(d) A gaming system shall maintain all information necessary to recreate patron game play and account activity during each patron session, including any identity or location verifications, for a period of no less than ten years.

(e) Unless otherwise authorized by the Division, when software is installed on or removed from a gaming system, such action shall be recorded in a secure electronic log (Software Installation/Removal Log), which shall include:

1. The date and time of the action;
2. The identification of the software; and

3. The identity of the person performing the action.

(f) Unless otherwise authorized by the Division, when a change in the availability of game software is made on a gaming system, the change shall be recorded in a secure electronic log (Game Availability Log), which shall include:

1. The date and time of the change;
2. The identification of the software; and
3. The identity of the person performing the change.

(g) Unless otherwise exempted by the Division, a gaming system shall record all promotional offers (Promotions Log) issued through the system. Such log shall provide the information necessary to audit compliance with the terms and conditions of current and previous offers.

(h) Results of all authentication attempts shall be retained in an electronic log (Authentication Log) and accessible for a period of 90 days.

(i) All adjustments to gaming system data made using stored procedures shall be recorded in an electronic log (Adjustments Log), which lists:

1. The date and time;
2. The identification and user ID of user performing the action;
3. A description of the event or action taken; and
4. The initial and ending values of any data altered as a part of the event or action performed.

13:690-1.9 Required gaming system reports; reconciliation; test accounts

(a) The system shall be designed to generate reports as specified by the Division that shall include at a minimum:

1. The report title;
2. The version number of the current system software and report definition;

3. The date or time period of activity, or description "as of" a point in time;
4. The date and time the report was generated;
5. Page numbering, indicating the current page and total number of pages;
6. Subtotals and grand totals as required by the Division;
7. A description of any filters applied to the data presented in the document;
8. Column and row titles, if applicable; and
9. The name of the casino licensee.

(b) All required reports shall be generated by the system, even if the period specified contains no data to be presented. The report generated shall indicate all required information and contain an indication of "No Activity" or similar message if no data appears for the period specified.

(c) Gaming systems shall provide a mechanism to export the data generated for any report to a format approved by the Division.

(d) An Internet gaming system and a mobile gaming system shall generate the following daily reports, at a minimum, for each gaming day in order to calculate the taxable revenue:

1. A Patron Account Summary Report, which shall include transaction information for each patron account for the following categories as follows:

- i. Beginning balance;
- ii. Total amount of deposits;
- iii. Total amount of non-cashable bonuses deposited;
- iv. Total amount of non-cashable bonuses wagered;
- v. Total amount of non-cashable bonuses expired;
- vi. Total amount of transfers to games;

- vii. Total amount of transfers from games;
- viii. Total amount of withdrawals;
- ix. Total amount of funds on game at the beginning of the gaming day (the amount of pending wagers at the end of the prior gaming day);
- x. Total amount of funds on game at the end of the gaming day (the amount of pending wagers plus funds transferred to a game but not yet wagered);
- xi. Win or loss, calculated as the amount of transfers to games and beginning funds on game less the amount of transfers from games and ending funds on game; and
- xii. Ending balance;

2. A Wagering Summary Report, which shall include the following game activity by authorized game and poker variation as applicable:

- i. Total amounts wagered (Coin in);
- ii. Total amounts won (Coin out);
- iii. Total tournament entry or participation fees;
- iv. Rake of vigorish, if not included in ii. above; and
- v. Win/loss calculated as the net of the total amounts wagered and total amounts won plus tournament entry or participation fees and rake or vigorish.

3. A Non-cashable Promotional Account Balance Report which shall include the ending non-cashable promotional balance in each patron account.

(e) A casino licensee shall utilize the Wagering Summary Report to calculate mobile gaming gross revenue and Internet gaming gross revenue on a daily basis for reporting purposes. In addition, the casino licensee shall:

- 1. Prepare a Variance Report documenting the win/loss amounts from the Patron Account and Wagering Summary Reports;
- 2. Calculate the variance between the two amounts;

3. Document the reason for the variance; and

4. Report a manual adjustment to increase revenue by the amount of the variance whenever the total of the Patron Account Summary Report is greater than the total of the Wagering Summary Report, unless the reason for the variance as documented in (e)3 above is sufficient to support a determination that revenue was properly reported.

(f) In lieu of (e) above, a licensee may accumulate the daily Variance Report information on a monthly Variance Report in a manner described in the licensee's internal controls.

(g) A gaming system shall generate, on a daily basis commencing one year after the creation of the first Internet or mobile gaming account, a Dormant Account Report, which shall list all patron accounts including the Pending Wager Account that have had no activity for a period of one year. The report shall include:

1. The patron name and account number;
2. The date of the last transaction; and
3. The account balance.

(h) No voids of completed wagering transactions shall occur without Division approval.

(i) A gaming system shall generate a Performance Report, which compares the theoretical Return to Patron (RTP) as defined in N.J.A.C. 13:69D-1.1 to the actual RTP of each game offered by a gaming system. The report shall also provide the total number of rounds of play for each game and shall be generated and reviewed monthly by the licensee to evaluate the performance of all games offered to the public. The Performance Report shall include the data required by this subsection from the first day Internet gaming was offered to the date of the report.

(j) A gaming system shall generate a Patron Account Adjustments Report, which shall be reviewed by the licensee on a daily basis to evaluate the legitimacy of patron account adjustments. Unless otherwise authorized by the Division, the report shall at a minimum include:

1. The patron's name;

2. An account number;
3. The date and time of the adjustment;
4. The person who performed the adjustment;
5. The reason for the adjustment; and
6. The amount of the adjustment.

(k) An Internet gaming system shall generate a report on a weekly basis identifying potential problem gamblers, including those patrons who self-report. The casino licensee shall review the report and document any action taken.

(l) An Internet gaming system shall be capable of generating a Pending Transaction Account Report which shall include and separately itemize all pending transactions for each patron account, including but not limited to, funds on game and deposits and withdrawals not yet cleared.

(m) In accordance with internal controls approved by the Division, a casino licensee shall periodically submit to the Division a copy of the bank statement that reflects the balance of the restricted account maintained to protect patron funds required pursuant N.J.A.C. 13:690-1.3(j).

(n) Internet gaming operators may establish test accounts to be used to test the various components and operation of an Internet gaming system in accordance with internal controls which address the following, at a minimum:

1. Procedures for the issuance of funds used for testing, including the identification of who is authorized to issue the funds and the maximum amount of funds that may be issued;
2. Each test account shall be used by only one person and a record of all test accounts including when they are active and who they are issued to and that person's employer shall be maintained;
3. Procedures for the auditing of testing activity by the Internet gaming permit holder shall ensure the accountability of funds used for testing and testing activity has no negative impact on gross revenue;

4. The ability to withdraw funds from a test account without the Division's prior approval shall be disabled by the Internet gaming system;

5. Any wagering on test accounts shall be conducted within the boundaries of the State of New Jersey; and

6. For testing of peer-to-peer games:

i. An employee may utilize multiple test accounts; and

ii. Test account play shall be conducted without the participation of patrons.

SUBCHAPTER 2. INTERNET GAMING RECIPROCAL AGREEMENTS

13:690-2.1 Reciprocal agreements; prohibition of Internet gaming in establishments that do not hold an Internet gaming permit

13:690-2.1 Reciprocal agreements; prohibition of Internet gaming in establishments that do not hold an Internet gaming permit

(a) The Division may authorize a permit holder in New Jersey to participate in Internet gaming with patrons located in jurisdictions outside New Jersey pursuant to a reciprocal agreement that has been entered into by the State of New Jersey, if the Division determines that such wagering is not inconsistent with federal law or the law of the jurisdiction in which any such person is located or such wagering is conducted.

(b) No organization or commercial enterprise, other than a casino located in Atlantic City or its Internet gaming affiliate that has been issued a permit to conduct Internet gaming and has located all of its equipment used to conduct Internet gaming, including computers, servers, monitoring rooms, and hubs, in Atlantic City, shall make its premises available for placing wagers at casinos using the Internet or advertise that its premises may be used for such purpose.

(c) An organization or commercial enterprise that is determined by the Division to have violated the provisions of this section shall be subject to a penalty of \$ 1,000 per patron per day for making its premises available for placing wagers at casinos

using the Internet and of \$ 10,000 per violation for advertising that its premises may be used for such purpose.