

## ARTICLE 6. LICENSING

### **5:12-80 General provisions**

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

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

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

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

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

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

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

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

L.1977, c. 110, § 80, eff. June 2, 1977.

Amended by:

L.1979, c. 282, § 17, eff. Jan. 9, 1980.

L.1981, c. 503, § 9, eff. Feb. 15, 1982.

L.1991, c. 182, § 20, eff. June 29, 1991.

L.1993, c. 292, § 12, eff. Dec. 21, 1993.

L.1995, c. 18, § 21, eff. Jan. 25, 1995.

L.2009, c. 36, § 6, eff. April 8, 2009.

L.2011, c. 19, § 44, eff. Feb. 1, 2011.

**5:12-80.1 Pilot program for issuance of additional types of casino licenses**

a. Notwithstanding the provisions of P.L.1977, c.110 (C.5:12-1 et seq.) to the contrary, the Casino Control Commission shall establish a pilot program under which it shall issue two additional types of casino licenses: a small-scale casino facility license and a staged casino facility license. The commission shall not issue a total of more than two licenses under the pilot program and at least one of the licenses issued shall be a staged casino facility license. Each small-scale casino facility and each staged casino facility licensed under this section shall be new construction, located within the Boardwalk casino zone, and shall originate on the beach block touching the Boardwalk, but may extend across the street.

b. An applicant may apply to the commission for a casino license to operate a small-scale casino facility consisting of not more than 24,000 square feet of casino space and not less than 200 qualified sleeping units, with additional casino space as may be approved by the commission in connection with the development of special amenities pursuant to section 2 of P.L.2010, c.115 (C.5:12-80.2).

c. An applicant may apply to the commission for a casino license to operate a staged casino facility which shall initially consist of not more than 34,000 square feet of casino space and not less than 200 qualified sleeping units, on the condition that within two years of the date of licensure the licensee shall begin an expansion of the facility to include not less than a total of 500 qualified sleeping units which shall be completed within five years of initial licensure. A staged casino facility licensee shall be deemed to have begun the expansion required by this subsection if the licensee has obtained all necessary permits, including a permit issued pursuant to the "Coastal Area Facility Review Act," P.L.1973, c.185 (C.13:19-1 et seq.), that are necessary for the commencement of site work and the construction of footings and foundations, and has begun site work, including grading,

footing and foundation work. A licensee shall be deemed to have completed the expansion of the facility upon receipt of a temporary or permanent certificate of occupancy for the qualified sleeping units. Upon the completion of 75% of the expansion of the facility, as certified by the project architect or engineer, such level of completion shall be deemed an addition of those sleeping units for purposes of calculating such licensee's maximum allowable casino space under section 83 of P.L.1977, c.110 (C.5:12-83), provided that, upon the completion of the expansion, for every 100 qualified sleeping units above the initial 200, the initial maximum of 34,000 square feet of casino space may be enlarged by 10,000 square feet, for a maximum of 54,000 square feet of casino space, except that any enlargement of the initial casino space undertaken during the period of staged casino licensure in connection with the development of special amenities as provided under section 2 of P.L.2010, c.115 (C.5:12-80.2) shall be counted toward the calculation of the maximum 54,000 square feet of casino space. Upon the completion of all of the additional qualified sleeping units the commission shall convert the licensee's license from a staged casino facility license to a standard casino license issued under P.L.1977, c.110 (C.5:12-1 et seq.).

d. An applicant for a small-scale casino facility license or a staged casino facility license shall submit a notice of the intent to proceed to the commission on such forms as the commission may provide which shall include a statement of intention to apply for either a small-scale casino facility license or a staged casino facility license, a description of the general elements of the project, a description of the financing and source of funds for the project, and a commitment to a minimum investment threshold that includes acquisition costs and hard and soft development costs. In addition, the applicant shall provide a bond, letter of credit or cash deposit in the amount of \$1,000,000 for the benefit of the State, which shall be forfeited upon the failure to commence or complete a project within the applicable time frames or refunded upon timely completion of the project, and upon the

issuance of a permit pursuant to the “Coastal Area Facility Review Act,” P.L.1973, c.185 (C.13:19-1 et seq.) and the commencement of site work, including grading, footing and foundation work, a cash deposit of \$1,000,000 to the State Treasurer, which shall be a non-refundable fee to be accessed by the City of Atlantic City and used to fund infrastructure improvements within the City of Atlantic City, provided that such improvements are related to the applicant’s project.

e. The commission shall require the holder of a small-scale casino facility license or a staged casino facility license to deposit annually an amount equal to 5% of gross revenues into a special non-lapsing fund to be administered by the State Treasurer. Funds deposited by the holder of a staged casino facility license shall be made available to the licensee for the purpose of expanding the facility as provided by this section. Funds deposited by the holder of a small-scale casino facility license shall be made available to the licensee for the purpose of expanding the number of qualified sleeping units at the facility. Funds that are not used for these purposes, within five years of initial licensure, shall be expended for the purpose of funding infrastructure improvements in the City of Atlantic City or made available for low interest loans for capital expenditures for existing casinos, including small-scale casino facilities and staged casino facilities, provided that neither the city, nor the existing casinos collectively, shall be eligible to receive more than 50% of the amount in the fund and provided that all funds received by the city or existing casinos shall be used for capital improvements in the Boardwalk casino zone as described in subsection a. of this section. In addition, if a staged casino facility licensee fails to expand the total number of sleeping units at the facility to at least 500 rooms within five years of initial licensure: the licensee’s casino space shall be reduced by 10,000 square feet until the number of sleeping units reaches 500; and the amount the licensee is required to deposit annually into the special non-lapsing fund pursuant to this section shall be increased

to 10% until the end of a period of five years or until the number of sleeping units reaches 500, whichever occurs first.

f. No more than two facilities shall be licensed pursuant to this section at the same time and at least one of the facilities shall be a staged casino facility. If at any time the commission is in receipt of more than two applications for licensure, the commission shall rank the applications according to criteria developed by the commission, including, without limitation, job preservation, job creation, immediacy of project development and neighborhood benefit, but shall give preference to applicants seeking licensure to operate a staged casino facility as provided herein.

g. The holder of a casino license issued pursuant to the provisions of P.L.1977, c.110 (C.5:12-1 et seq.) shall be eligible for licensure under this section to operate a small-scale casino on the behalf of a small-scale casino licensee.

h. The provisions of P.L.1977, c.110 (C.5:12-1 et seq.) shall apply to licensure under this section except to the extent that those provisions may be inconsistent with this section.

i. The commission shall require the holder of a license to establish a small-scale casino facility or a staged casino facility to establish and maintain an approved hotel that is in all respects a superior, first class facility of exceptional quality which will help restore Atlantic City as a resort, tourist and convention destination.

j. The commission shall also require the holder of a license to establish a small-scale casino facility or a staged casino facility to establish and maintain as part of its premises at least one first class restaurant and at least one entertainment venue. The type and quality of a restaurant or entertainment venue established by a licensee pursuant to this subsection shall be subject to the approval of the commission.

L.2010, c. 115, § 1, eff. Jan. 5, 2011.

**5:12-80.2 Increase of casino space by small-scale, staged casino facility;  
special amenities**

a. Notwithstanding the provisions of P.L.1977, c.110 (C.5:12-1 et seq.) to the contrary, a small-scale casino facility and a staged casino facility licensed pursuant to section 1 of P.L.2010, c.115 (C.5:12-80.1), may be permitted to increase its initial casino space by 10,000 square feet if the facility develops 40,000 square feet of special amenities at the casino facility, except that at no time during the period of small-scale casino licensure or staged casino licensure, as the case may be, shall the total casino space exceed 54,000 square feet, as herein provided.

b. As used in this section, “special amenities” may include, but may not be limited to, special and unique meeting and convention space, museum, exhibit space, sports and entertainment venues, spas, treatment facilities, retail space, and themed retail, dining and entertainment venues. Special amenities shall not include casino space, facilities directly related to the function of casino space, standard restaurant or retail space, or standard meeting and convention space.

c. Any small-scale casino facility or staged casino facility that is granted additional square footage of casino space in connection with the development of special amenities pursuant to this section shall be limited to a maximum of 54,000 square feet of total casino space during the period of small-scale casino licensure or staged casino licensure, as the case may be. With respect to the casino square footage of a staged casino facility that develops special amenities during the period of staged casino licensure, the maximum 54,000 square feet of total casino space established herein shall apply during the period of staged casino licensure, and shall be calculated toward the maximum 60,000 square feet of casino space limit established under section 83 of P.L.1977, c.110 (C.5:12-83) upon conversion of the

staged casino facility license to a standard casino license as provided under subsection c. of section 1 of P.L.2010, c.110 (C.5:12-80.1).

d. The provisions of this section shall not be interpreted to diminish or alter the requirements imposed under section 1 of P.L.2010, c.115 (C.5:12-80.1) for the construction of the specified number of qualified sleeping units by a small-scale casino facility licensee or a staged casino facility licensee.

e. The commission shall develop guidelines for small-scale casino licensees and staged casino licensees to follow concerning the types of special amenities that are qualified for the purposes of calculating the additional casino space provided for in this section.

L.2010, c. 115, § 2, eff. Jan. 5, 2011.

### **5:12-81 Statement of compliance**

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

(2) Any person who must be qualified pursuant to the "Casino Control Act," P.L.1977, c.110 (C.5:12-1 et seq.) in order to hold the securities of

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

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

as a casino key employee pursuant to the provisions of section 89 of P.L.1977, c.110 (C.5:12-89).

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

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

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

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

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

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

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

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

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

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

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

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

L.1977, c. 110, § 81. eff. June 2, 1977.

Amended by:

L.1978, c. 7, § 14, eff. Mar. 17, 1978.

L.1991, c. 182, § 21, eff. June 29, 1991.

L.1995, c. 18, § 22, eff. Jan. 25, 1995.

L.2002, c. 65, § 13, eff. Aug. 14, 2002.

L.2011, c. 19, § 45, eff. Feb. 1, 2011.

L.2012, c. 34, § 4, eff. Aug. 7, 2012.

### **5:12-82 Casino license - applicant eligibility**

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

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

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

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

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

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

(5) Any person who is an Internet gaming affiliate of an owner or operator of a licensed casino, and such person is to own or operate an Internet gaming system for such licensed casino.

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

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

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

(3) The commission shall require that any person or persons eligible to apply for a casino license organize itself or themselves into such form

or forms of business association as the commission shall deem necessary or desirable in the circumstances to carry out the policies of this act;

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

(5) As to agreements to lease an approved casino hotel or the land thereunder, unless it expressly and by formal vote for good cause determines otherwise, the commission shall require that each party thereto hold either a casino license or casino service industry enterprise license and that such an agreement shall include within its terms a buy-out provision conferring upon the casino licensee-lessee who controls the operation of the approved casino hotel the absolute right to purchase for an expressly set forth fixed sum the entire interest of the lessor or any person associated with the lessor in the approved casino hotel or the land thereunder in the event that said lessor or said person associated with the lessor is found by the commission or director, as the case may be, to be unsuitable to be associated with a casino enterprise;

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

(7) As to agreements for the management of a casino and, if applicable, the authorized games in a casino simulcasting facility, the commission shall require that each party thereto hold a casino license or a casino service industry enterprise license pursuant to subsection a. of section 92 of P.L.1977, c.110 (C.5:12-92), that the party thereto who is to manage the casino gaming operations own at least 10% of all outstanding equity securities

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

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

(9) Notwithstanding any other provision of P.L.1977, c.110 (C.5:12-1 et seq.) to the contrary, the commission may permit an agreement between a

casino licensee and a casino service industry enterprise licensed pursuant to the provisions of subsection a. of section 92 of P.L.1977, c.110 (C.5:12-92) for the conduct of casino simulcasting in a simulcasting facility or for the operation of a multi-casino progressive slot machine system, to provide for the payment to the casino service industry enterprise of an interest, percentage or share of the money derived from the casino licensee's share of proceeds from simulcast wagering activity or the operation of a multi-casino progressive slot machine system; and

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

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

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

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

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

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

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

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

(7) The corporation, if it is not a publicly traded corporation, shall file with the division and the commission such adopted corporate charter provisions as may be necessary to establish the right of the commission pursuant to subsection a. of section 105 of P.L.1977, c.110 (C.5:12-105) to disapprove transfers of securities, shares, and other interests in the applicant corporation; and, if it is a publicly traded corporation, provide in its corporate charter that any securities of such corporation are held subject to the condition that if a holder thereof is found to be disqualified pursuant to the provisions of this act, such holder shall dispose of his interest in the corporation; provided, however, that, notwithstanding the provisions of N.J.S.14A:7-12 and N.J.S.12A:8-101 et seq., nothing herein shall be deemed to require that any security of such corporation bear any legend to this effect;

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

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

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

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

e. No person shall be issued or be the holder of a casino license if the issuance or the holding results in undue economic concentration in Atlantic City casino operations by that person. For the purpose of this subsection, "undue economic concentration" means that a person would have such actual or potential domination of the casino gaming market in Atlantic City as to substantially impede or suppress competition among casino licensees or adversely impact the economic stability of the casino industry in Atlantic City. In determining whether the issuance or holding of a casino license by a person will result in undue economic concentration, the commission shall consider the following criteria:

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

The total number of licensed casinos in this State;

Total casino and casino simulcasting facility square footage;

Number of guest rooms;

Number of slot machines;

Number of table games;

Net revenue;

Table game win;

Slot machine win;

Table game drop;

Slot machine drop; and

Number of persons employed by the casino hotel;

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

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

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

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

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

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

(8) The barriers to entry into the casino industry, including the licensure requirements of this act, P.L.1977, c.110 (C.5:12-1 et seq.), and

whether the issuance or holding of a casino license by the person will operate as a barrier to new companies and individuals desiring to enter the market;

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

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

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

The commission shall, after conducting public hearings thereon, promulgate rules and regulations in accordance with the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) defining any additional criteria the commission will use in determining what constitutes undue economic concentration.

For the purpose of this subsection a person shall be considered the holder of a casino license if such license is issued to such person or if such license is held by any holding, intermediary or subsidiary company thereof, or by any person required to be qualified in conjunction with such casino license.

L.1977, c. 110, § 82, eff. June 2, 1977.

Amended by:

L.1978, c. 7, § 15, eff. Mar. 17, 1978.

L.1979, c. 282, § 18, eff. Jan. 9, 1980.

L.1987, c. 355, § 4, eff. Jan. 4, 1988.

L.1987, c. 410, § 6, eff. Jan. 14, 1988.

L.1991, c. 182, § 22, eff. June 29, 1991.

L.1993, c. 121, § 1, eff. May 27, 1993.

L.1995, c. 18, § 23, eff. Jan. 25, 1995.

L.1996, c. 84, § 3, eff. July 25, 1996.

L.2003, c. 116, § 1, eff. July 1, 2003.

L.2004, c. 184, § 6, eff. Dec. 22, 2004.

L.2009, c. 36, § 7, eff. April 8, 2009.

L.2011, c. 19, § 46, eff. Feb. 1, 2011.

L.2012, c. 34, § 5, eff. Aug. 7, 2012.

L.2013, c. 27, § 32, eff. Feb. 26, 2013.

### **5:12-83 Approved hotel**

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

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

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

c. A casino hotel shall include an approved hotel containing at least 500 qualifying sleeping units, as defined in section 27 of the "Casino Control Act," P.L.1977, c.110 (C.5:12-27), and a casino, the total square footage of which shall not exceed 60,000 square feet, except that for each additional 100 qualifying sleeping units above 500, the maximum amount of the casino space may be increased by 10,000 square feet, up to a maximum of 200,000 square feet of casino space. For the purpose of increasing casino space, an agreement approved by the commission for the addition of qualifying sleeping units within

two years after the commencement of gaming operations in the additional casino space shall be deemed an addition of those sleeping units, but if the agreement is not fulfilled due to conditions within the control of the casino licensee, the casino licensee shall close the additional casino space or any portion thereof as directed by the commission.

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

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

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

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

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

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

L.1977, c. 110, § 83, eff. June 2, 1977.

Amended by:

L.1979, c. 282, § 19, eff. Jan. 9, 1980.

L.1987, c. 352, § 1, eff. Jan. 4, 1988.

L.1991, c. 182, § 23, eff. June 29, 1991.

L.1992, c. 9, § 6, eff. May 19, 1992.

L.1993, c. 159, § 11, eff. June 20, 1993.

L.1993, c. 292, § 13, eff. Dec. 21, 1993.

L.1995, c. 18, § 24, eff. Jan. 25, 1995.

L.1996, c. 84, § 4, eff. July 25, 1996.

L.2002, c. 65, § 14, eff. Aug. 14, 2002.

L.2011, c. 19, § 47, eff. Feb. 1, 2011.

#### **5:12-84 Casino license - applicant requirements**

Any applicant for a casino license must produce information, documentation and assurances concerning the following qualification criteria:

a. Each applicant shall produce such information, documentation and assurances concerning financial background and resources as may be required to establish by clear and convincing evidence the financial stability, integrity and responsibility of the applicant, including but not limited to bank references, business and personal income and disbursement schedules, tax returns and other reports filed with governmental agencies, and business and personal accounting and check records and ledgers. In addition, each applicant shall, in writing, authorize the examination of all bank accounts and records as may be deemed necessary by the commission or the division. The commission or the division may consider any relevant evidence of financial stability; provided, however, it is presumed that a casino licensee or applicant is financially stable if it establishes by clear and convincing evidence that it meets each of the following standards:

(1) The ability to assure the financial integrity of casino operations by the maintenance of a casino bankroll or equivalent provisions adequate to pay winning wagers to casino patrons when due. A casino licensee or applicant shall be presumed to have met this standard if it maintains, on a

daily basis, a casino bankroll, or a casino bankroll and equivalent provisions, in an amount which is at least equal to the average daily minimum casino bankroll or equivalent provisions, calculated on a monthly basis, for the corresponding month in the previous year. For any casino licensee or applicant which has been in operation for less than a year, such amount shall be determined by the division based upon levels maintained by a comparable casino licensee;

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

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

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

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

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

c. Each applicant shall produce such information, documentation and assurances as may be required to establish by clear and convincing evidence the applicant's good character, honesty and integrity. Such information shall include, without limitation, information pertaining to family, habits, character, reputation, criminal and arrest record, business activities, financial affairs, and business, professional and personal associates, covering at least the 10-year period immediately preceding the filing of the application. Each applicant shall notify the commission and division of any civil judgments obtained against any such applicant pertaining to antitrust or security regulation laws of the federal government, of this State or of any other state, jurisdiction, province or country. In addition, each applicant shall produce letters of reference from law enforcement agencies having jurisdiction in the applicant's place of residence and principal place of business, which letters of reference shall indicate that such law enforcement agencies do not have any pertinent information concerning the applicant, or if such law enforcement agency does have information pertaining to the applicant, shall specify what the information is. If the applicant has conducted gaming operations in a jurisdiction which permits such activity, the applicant shall produce letters of reference from the gaming or casino enforcement or control agency which shall specify the experiences of such agency with the applicant, his associates, and his gaming operation;

provided, however, that if no such letters are received within 60 days of request therefor, the applicant may submit a statement under oath that he is or was during the period such activities were conducted in good standing with such gaming or casino enforcement or control agency.

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

e. Each applicant shall produce such information, documentation and assurances to establish the suitability of the casino and related facilities subject to subsection i. of section 83 of P.L.1977, c.110 (C.5:12-83) and that its proposed location will not adversely affect casino operations. Each applicant shall submit to the division an impact statement which shall include, without limitation, architectural and site plans which establish that the proposed facilities comply in all respects with the requirements of this act and the requirements of the master plan and zoning and planning ordinances of Atlantic City, without any use variance from the provisions thereof; a market impact study which analyzes the adequacy of the patron market and the effect of the proposal on such market and on the existing casino facilities licensed under this act; and an analysis of the effect of the proposal on the overall economic and competitive conditions of Atlantic City and the State of New Jersey.

f. For the purposes of this section, each applicant shall be responsible for the submission to the division of the name, address, fingerprints and written consent for a criminal history record background check to be performed for each person who must individually qualify in conjunction with the casino license application. The division is hereby authorized to

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

L.1977, c. 110, § 84, eff. June 2, 1977.

Amended by:

L.1979, c. 282, § 20, eff. Jan. 9, 1980.

L.1987, c. 352, § 2, eff. Jan. 4, 1988.

L.1987, c. 410, § 7, eff. Jan. 14, 1988.

L.1991, c. 182, § 25, eff. June 29, 1991.

L.1995, c. 18, § 25, eff. Jan. 25, 1995.

L.2003, c. 199, § 5, eff. Dec. 24, 2003.

L.2009, c. 36, § 8, eff. April 8, 2009.

L.2011, c. 19, § 48, eff. Feb. 1, 2011.

### **5:12-85 Additional requirements**

a. In addition to other information required by this act, a corporation or other form of business organization applying for a casino license shall provide the following information, in such form as may be established by regulation:

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

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

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

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

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

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

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

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

(8) Copies of all management and service contracts;

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

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

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

(1) If it is a corporation, register with the division and furnish the division with all the information required of a corporate licensee as specified in

subsection a. (1), (2) and (3) of this section and such other information as the division may require; or

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

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

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

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

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

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

h. Each applicant for or holder of a casino license, or any holding, intermediary and subsidiary company of an applicant for or holder of a casino license, and any affiliate thereof, and any other licensee, permit holder or vendor under P.L.1977, c.110 (C.5:12-1 et seq.), including but not limited to an applicant or holder of any license, permit, or other approval to conduct Internet gaming, or any Internet gaming affiliate in accordance with the regulations of the division, shall provide to the division on a quarterly basis the following information with respect to games conducted through the internet:

(1) The name of any person, entity or firm to 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;

(2) The amount or value of such payments, remuneration, benefit, or thing of value;

(3) The date on which such payments, remuneration, benefit, or thing of value were made; and

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

L.1977, c. 110, § 85, eff. June 2, 1977.

Amended by:

L.1979, c. 282, § 21, eff. Jan. 9, 1980.

L.1985, c. 350, § 3, eff. Jan. 6, 1986.

L.1987, c. 354, § 9, eff. Jan. 4, 1988.

L.1991, c. 182, § 26, eff. June 29, 1991.

L.2002, c. 65, § 15, eff. Aug. 14, 2002.

L.2009, c. 36, § 9, eff. April 8, 2009.

L.2011, c. 19, § 49, eff. Feb. 1, 2011.

L.2013, c. 27, § 11, eff. Feb. 26, 2013.

### **5:12-85.1 Qualifications for issuance of casino license**

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

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

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

person who in the opinion of the director has the ability to control or elect a majority of the board of directors of such holding, intermediary or subsidiary company; and (5) any other person who the director may consider appropriate for qualification.

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

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

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

g. An institutional investor holding either (1) under 25% of the equity securities of a casino licensee's holding or intermediary companies, or (2) debt securities of a casino licensee's holding or intermediary companies, or another subsidiary company of a casino licensee's holding or intermediary companies which is related in any way to the financing of the casino licensee, where the securities represent a percentage of the outstanding debt

of the company not exceeding 25%, or a percentage of any issue of the outstanding debt of the company not exceeding 50% unless the full issue is in the amount of \$150 million or less, shall be granted a waiver of qualification if such securities are those of a corporation, whether publicly traded or privately held, and its holdings of such securities were purchased for investment purposes only and it files a certified statement to the effect that it has no intention of influencing or affecting the affairs of the issuer, the casino licensee or its holding or intermediary companies; provided, however, that it shall be permitted to vote on matters put to the vote of the outstanding security holders. The director may grant a waiver of qualification to an institutional investor holding a higher percentage of such securities upon a showing of good cause and if the conditions specified above are met. Any institutional investor granted a waiver under this subsection which subsequently determines to influence or affect the affairs of the issuer shall provide not less than 30 days' notice of such intent and shall file with the division an application for qualification before taking any action that may influence or affect the affairs of the issuer; provided, however, that it shall be permitted to vote on matters put to the vote of the outstanding security holders. If an institutional investor changes its investment intent, or if the director finds reasonable cause to believe that the institutional investor may be found unqualified, no action other than divestiture shall be taken by such investor with respect to its security holdings until there has been compliance with the provisions of P.L.1987, c.409 (C.5:12-95.12 et seq.), including the execution of a trust agreement. The casino licensee and its relevant holding, intermediary or subsidiary company shall immediately notify the division of any information about, or actions of, an institutional investor holding its equity or debt securities where such information or action may impact upon the eligibility of such institutional investor for a waiver pursuant to this subsection.

h. If at any time the director finds that an institutional investor holding any security of a holding or intermediary company of a casino licensee, or, where relevant, of another subsidiary company of a holding or intermediary company of a casino licensee which is related in any way to the financing of the casino licensee, fails to comply with the terms of subsection f. of this section, or if at any time the director finds that, by reason of the extent or nature of its holdings, an institutional investor is in a position to exercise such a substantial impact upon the controlling interests of a licensee that qualification of the institutional investor is necessary to protect the public interest, the director may, in accordance with the provisions of subsections a. through e. of this section or subsections d. and e. of section 105 of P.L.1977, c.110 (C.5:12-105), take any necessary action to protect the public interest, including requiring such an institutional investor to be qualified pursuant to the provisions of the "Casino Control Act," P.L.1977, c.110 (C.5:12-1 et seq.).

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

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

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

L.2011, c. 19, § 50, eff. Feb. 1, 2011.

**5:12-85.2 Applicability of act**

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

L.2011, c. 19, § 51, eff. Feb. 1, 2011.

**5:12-86 Casino license-disqualification criteria**

The commission shall deny a casino license to any applicant who is disqualified on the basis of any of the following criteria:

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

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

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

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

all crimes of the first degree;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

N.J.S.2C:35-7.1 (distributing, dispensing or possessing a controlled dangerous substance or a controlled substance analog in proximity to public housing facilities, parks or buildings);

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

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

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

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

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

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

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

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

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

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

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

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

clear and convincing evidence does not justify automatic disqualification pursuant to this subsection and any conviction which has been the subject of a judicial order of expungement or sealing;

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

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

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

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

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

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

L.1977, c. 110, § 86, eff. June 2, 1977.

Amended by:

L.1979, c. 282, § 22, eff. Jan. 9, 1980.

L.1987, c. 354, § 10, eff. Jan. 4, 1988.

L.1991, c. 182, § 27, eff. June 29, 1991.

L.2011, c. 19, § 52, eff. Feb. 1, 2011.

**5:12-87 Investigation of applicants for casino licenses; report recommendation**

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

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

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

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

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

f. The commission shall fix the amount of the bond or bonds to be required under this section in such amounts as it may deem appropriate, by rules of uniform application. The bonds so furnished may be applied by the commission to the payment of any unpaid liability of the licensee under this act. The bond shall be furnished in cash or negotiable securities, by a

surety bond guaranteed by a satisfactory guarantor, or by an irrevocable letter of credit issued by a banking institution of this State acceptable to the commission. If furnished in cash or negotiable securities, the principal shall be placed without restriction at the disposal of the commission, but any income shall inure to the benefit of the licensee.

L.1977, c. 110, § 87, eff. June 2, 1977.

Amended by:

L.1978, c. 7, § 16, eff. Mar. 17, 1978.

L.1979, c. 282, § 23, eff. Jan. 9, 1980.

L.2011, c. 19, § 53, eff. Feb. 1, 2011.

#### **5:12-87.1 Submission of documentation, information by licensee**

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

L.2011, c. 19, § 54, eff. Feb. 1, 2011.

**5:12-88 Repealed by P.L.2011, c.19, § 133, effective February 1, 2011**

**5:12-89 Licensing of casino key employees**

a. No casino licensee or a holding or intermediary company of a casino licensee may employ any person as a casino key employee unless the person is the holder of a valid casino key employee license issued by the commission.

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

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

(2) Each applicant for a casino key employee license shall produce such information, documentation and assurances as may be required to establish by clear and convincing evidence the applicant's good character, honesty and integrity. Such information shall include, without limitation, data pertaining to family, habits, character, reputation, criminal and arrest record, business activities, financial affairs, and business,

professional and personal associates, covering at least the 10-year period immediately preceding the filing of the application. Each applicant shall notify the commission and the division of any civil judgments obtained against such applicant pertaining to antitrust or security regulation laws of the federal government, of this State or of any other state, jurisdiction, province or country. In addition, each applicant shall, upon request of the commission or the division, produce letters of reference from law enforcement agencies having jurisdiction in the applicant's place of residence and principal place of business, which letters of reference shall indicate that such law enforcement agencies do not have any pertinent information concerning the applicant, or if such law enforcement agency does have information pertaining to the applicant, shall specify what that information is. If the applicant has been associated with gaming or casino operations in any capacity, position or employment in a jurisdiction which permits such activity, the applicant shall, upon request of the commission or division, produce letters of reference from the gaming or casino enforcement or control agency, which shall specify the experience of such agency with the applicant, his associates and his participation in the gaming operations of that jurisdiction; provided, however, that if no such letters are received from the appropriate law enforcement agencies within 60 days of the applicant's request therefor, the applicant may submit a statement under oath that he is or was during the period such activities were conducted in good standing with such gaming or casino enforcement or control agency.

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

(4) Each applicant employed by a casino licensee shall be a resident of the State of New Jersey prior to the issuance of a casino key employee license; provided, however, that upon petition by the holder of a casino license, the commission may waive this residency requirement for any applicant whose particular position will require him to be employed outside the State; and provided further that no applicant employed by a holding or

intermediary company of a casino licensee shall be required to establish residency in this State.

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

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

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

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

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

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

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

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

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

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

L.1977, C. 110, § 89, eff. June 2, 1977.

Amended by:

L.1978, c. 7, § 17, eff. Oct. 1, 1978.

L.1979, c. 282, § 24, eff. Jan. 9, 1980.

L.1981, c. 195, § 1, eff. July 8, 1981.

L.1981, c. 503, § 10, eff. Jan. 12, 1982.

L.1983, c. 41, § 5, eff. Jan. 27, 1983.

L.1987, c. 354, § 12, eff. Jan. 4, 1988.

L.1987, c. 410, § 8, eff. Jan. 14, 1988.

L.1993, c. 292, § 14, eff. Dec. 21, 1993.

L.1995, c. 18, § 27, eff. Jan. 25, 1995.

L.2003, c. 199, § 6, eff. Dec. 24, 2003.

L.2009, c. 36, § 10, eff. April 8, 2009.

L.2011, c. 19, § 55, eff. Feb. 1, 2011.

**5:12-90 Repealed by P.L.2011, c.19, § 133, effective February 1, 2011**

**5:12-91 Registration of casino employees**

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

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

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

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

- (1) The nature and duties of the registrant's position;
- (2) The nature and seriousness of the offense or conduct;
- (3) The circumstances under which the offense or conduct occurred;

- (4) The date of the offense or conduct;
- (5) The age of the registrant when the offense or conduct was committed;
- (6) Whether the offense or conduct was an isolated or repeated incident;
- (7) Any social conditions which may have contributed to the offense or conduct;
- (8) Any evidence of rehabilitation, including good conduct in prison or in the community, counseling or psychiatric treatment received, acquisition of additional academic or vocational schooling, successful participation in correctional work-release programs, or the recommendation of persons who have or have had the registrant under their supervision.

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

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

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

L.1977, c. 110, § 91, eff. June 2, 1977.

Amended by:

L.1978, c. 7, § 19, eff. Oct. 1, 1978.

L.1979, c. 282, § 26, eff. Jan. 9, 1980.  
L.1980, c. 28, § 6, eff. May 20, 1980.  
L.1980, c. 161, § 1, eff. Dec. 1, 1980, oper. May 14, 1981.  
L.1981, c. 503, § 12, eff. Feb. 15, 1982.  
L.1987, c. 354, § 14, eff. Jan. 4, 1988.  
L.1991, c. 182, § 30, eff. June 29, 1991.  
L.1995, c. 18, § 29, eff. Jan. 25, 1995.  
L.2002, c. 65, § 16, eff. Aug. 14, 2002.  
L.2003, c. 199, § 8, eff. Dec. 24, 2003.  
L.2009, c. 36, § 12, eff. April 8, 2009, oper. July 7, 2009.  
L.2011, c. 19, § 56, eff. Feb. 1, 2011.

#### **5:12-91.1 Endorsement as multi-casino employee**

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

L.2011, c. 19, § 57, eff. Feb. 1, 2011.

#### **5:12-92 Licensing of casino service industry enterprises**

a. (1) Any business to be conducted with a casino applicant or licensee by a vendor offering goods or services which directly relate to casino or gaming activity or Internet gaming activity, including gaming equipment and simulcast wagering equipment manufacturers, suppliers, repairers, and independent testing laboratories, shall require licensure as a casino service industry enterprise in accordance with the provisions of this act prior to

conducting any business whatsoever with a casino applicant or licensee, its employees or agents; provided, however, that upon a showing of good cause by a casino applicant or licensee, the director may permit an applicant for a casino service industry enterprise license to conduct business transactions with such casino applicant or licensee prior to the licensure of that casino service industry enterprise applicant under this subsection for such periods as the division may establish by regulation. Companies providing services to casino licensees regarding Internet gaming shall, notwithstanding any other provision of P.L.1977, c.110 (C.5:12-1 et seq.), be responsible for the full cost of their licensure, including any investigative costs.

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

(3) Vendors providing goods and services to casino licensees or applicants ancillary to gaming, including, without limitation, junket enterprises

and junket representatives, and any person employed by a junket enterprise or junket representative in a managerial or supervisory position, non-casino applicants or licensees required to hold a casino hotel alcoholic beverage license pursuant to section 103 of P.L.1977, c.110 (C.5:12-103), lessors of casino property not required to hold a casino license pursuant to section 82 of P.L.1977, c.110 (C.5:12-82), and licensors of authorized games shall be required to be licensed as an ancillary casino service industry enterprise and shall comply with the standards set forth in paragraph (4) of subsection c. of this section.

b. Each casino service industry enterprise required to be licensed pursuant to paragraph (1) of subsection a. of this section, as well as its owners; management and supervisory personnel; and employees if such employees have responsibility for services to a casino applicant or licensee, must qualify under the standards, except residency, established for qualification of a casino key employee under this act.

c. (1) Any vendor that offers goods or services to a casino applicant or licensee that is not included in subsection a. of this section including, but not limited to casino site contractors and subcontractors, shopkeepers located within the approved hotels, gaming schools that possess slot machines for the purpose of instruction, and any non-supervisory employee of a junket enterprise licensed under paragraph (3) of subsection a. of this section, shall be required to register with the division in accordance with the regulations promulgated under this act, P.L.1977, c.110 (C.5:12-1 et seq.).

(2) Notwithstanding the provisions of paragraph (1) of this subsection, the director may, consistent with the public interest and the policies of this act, direct that individual vendors registered pursuant to paragraph (1) of this subsection be required to apply for either a casino service industry enterprise license pursuant to paragraph (1) of subsection a. of this section, or an ancillary casino service industry enterprise license pursuant to paragraph (3) of subsection a. of this section, as directed by the division,

including, without limitation, in-State and out-of-State sending tracks as defined in section 2 of the "Casino Simulcasting Act," P.L.1992, c.19 (C.5:12-192); shopkeepers located within the approved hotels; and gaming schools that possess slot machines for the purpose of instruction. The director may also order that any enterprise licensed as or required to be licensed as an ancillary casino service industry enterprise pursuant to paragraph (3) of subsection a. of this section be required to apply for a casino service industry enterprise license pursuant to paragraph (1) of subsection a. of this section. The director may also, in his discretion, order that an independent software contractor not otherwise required to be registered be either registered as a vendor pursuant to subsection c. of this section or be licensed pursuant to either paragraph (1) or (3) of subsection a. of this section.

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

(4) Each ancillary casino service industry enterprise required to be licensed pursuant to paragraph (3) of subsection a. of this section, as well as its owners, management and supervisory personnel, and employees if such employees have responsibility for services to a casino applicant or licensee, shall establish their good character, honesty and integrity by clear and convincing evidence and shall provide such financial information as may be required by the division. Any enterprise required to be licensed as an ancillary casino service industry enterprise pursuant to this section shall be permitted to transact business with a casino licensee upon filing of the appropriate vendor registration form and application for such licensure.

d. Any applicant, licensee or qualifier of a casino service industry enterprise license or of an ancillary casino service industry enterprise license under subsection a. of this section, and any vendor registrant under subsection c. of this section shall be disqualified in accordance with the criteria contained in section 86 of this act, except that no such ancillary casino service industry enterprise license under paragraph (3) of subsection a. of this section or vendor registration under subsection c. of this section shall be denied or

revoked if such vendor registrant can affirmatively demonstrate rehabilitation as provided in subsection d. of section 91 of P.L.1977, c.110 (C.5:12-91).

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

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

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

h. (1) Subsequent to the licensure of any entity pursuant to subsection a. of this section, including any finding of qualification as may be required as a condition of licensure, or the registration of any vendor pursuant to subsection c. of this section, the director may revoke, suspend, limit, or otherwise restrict the license, registration or qualification status upon a finding that the licensee, registrant or qualifier is disqualified on the basis of the criteria set forth in section 86 of P.L.1977, c.110 (C.5:12-86).

(2) A hearing prior to the suspension of any license, registration or qualification issued pursuant to this section shall be a limited proceeding at

which the division shall have the affirmative obligation to demonstrate that there is a reasonable possibility that the licensee, registrant or qualifier is disqualified on the basis of the criteria set forth in section 86 of P.L.1977, c.110 (C.5:12-86).

L.1977, c. 110, § 92, eff. June 2, 1977.

Amended by:

L.1978, c. 7, § 20, eff. Mar. 17, 1978.

L.1979, c. 282, § 27, eff. Jan. 9, 1980.

L.1980, c. 28, § 7, eff. May 20, 1980, oper. May 14, 1981.

L.1981, c. 195, § 3, eff. July 8, 1981.

L.1981, c. 503, § 13, eff. Jan. 12, 1982.

L.1982, c. 57, § 2, eff. July 6, 1982.

L.1987, c. 355, § 5, eff. Jan. 4, 1988.

L.1992, c. 9, § 92, eff. May 19, 1992.

L.1995, c. 18, § 30, eff. Jan. 25, 1995.

L.2001, c. 134, § 2, eff. June 29, 2001.

L.2002, c. 65, § 17, eff. Aug. 14, 2002.

L.2009, c. 36, § 13, eff. April 8, 2009.

L.2011, c. 19, § 58, eff. Feb. 1, 2011.

L.2012, c. 34, § 6, eff. Aug. 7, 2012.

L.2013, c. 27, § 12, eff. Feb. 26, 2013.

### **5:12-93 Registration of labor organizations**

a. Each labor organization, union or affiliate seeking to represent employees who are employed in a casino hotel, casino or casino simulcasting facility by a casino licensee shall register with the division biennially, and shall disclose such information to the division as the division may require, including the names of all affiliated organizations, pension and welfare systems and all officers and agents of such organizations and systems;

provided, however, that no labor organization, union, or affiliate shall be required to furnish such information to the extent such information is included in a report filed by any labor organization, union, or affiliate with the Secretary of Labor pursuant to 29 U.S.C. §431 et seq. or §1001 et seq. if a copy of such report, or of the portion thereof containing such information, is furnished to the division pursuant to the aforesaid federal provisions. The division may in its discretion exempt any labor organization, union, or affiliate from the registration requirements of this subsection where the division finds that such organization, union or affiliate is not the certified bargaining representative of any employee who is employed in a casino hotel, casino or casino simulcasting facility by a casino licensee, is not involved actively, directly or substantially in the control or direction of the representation of any such employee, and is not seeking to do so.

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

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

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

e. The division may maintain a civil action and proceed in a summary manner, without posting bond, against any person, including any labor

organization, union or affiliate, to compel compliance with this section, or to prevent any violations, the aiding and abetting thereof, or any attempt or conspiracy to violate this section.

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

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

L.1977, c. 110, § 93, eff. June 2, 1977.

Amended by:

L.1981, c. 503, § 14, eff. Feb. 15, 1982.

L.1987, c. 355, § 6, eff. Jan. 4, 1988.

L.1995, c. 18, § 31, eff. Jan. 25, 1995.

L.2002, c. 65, § 18, eff. Aug. 14, 2002.

L.2011, c. 19, § 59, eff. Feb. 1, 2011.

#### **5:12-94 Approval and denial of registrations and licenses other than casino licenses**

a. Upon the filing of an application for a casino key employee license required by this act, other than a casino license, and after submission of such supplemental information as the commission may require, the

commission shall request the division to conduct such investigation into the qualification of the applicant, and the commission shall conduct such hearings concerning the qualification of the applicant, in accordance with its regulations, as may be necessary to determine qualification for such license.

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

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

d. When the commission grants an application, the commission may limit or place such restrictions thereupon as it may deem necessary in the public interest.

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

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

g. After an application for a casino key employee license is submitted to the commission, final action of the commission shall be taken within 90

days after completion of all hearings and investigations and the receipt of all information required by the commission.

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

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

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

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

L.1977, c. 110, § 94, eff. June 2, 1977.

Amended by:

L.1979, c. 282, § 28, eff. Jan. 9, 1980.

L.1980, c. 28, § 8, eff. May 20, 1980, oper. May 14, 1981.

L.1981, c. 503, § 15, eff. Feb. 15, 1982.

L.1983, c. 41, § 6, eff. Jan. 27, 1983.

L.1987, c. 354, § 15, eff. Jan. 4, 1988.

L.1991, c. 182, § 31, eff. June 29, 1991.

L.1993, c. 292, § 16, eff. Dec. 21, 1993.

L.1995, c. 18, § 32, eff. Jan. 25, 1995.

L.2005, c. 31, § 2, eff. Feb. 17, 2005, oper. Apr. 30, 2005.

L.2009, c. 36, § 14, eff. April 8, 2009, oper. July 7, 2009.

L.2011, c. 19, § 60, eff. Feb. 1, 2011.

### **5:12-95 Renewal of licenses and registrations**

Subject to the power of the commission to deny, revoke or suspend any license or registration, any license other than a casino license or any registration may be renewed upon proper application for renewal and the payment of fees in accordance with the rules of the commission, but in no event later than the date of expiration of the current license or registration.

Notwithstanding the foregoing, in order to facilitate the efficient operation of the commission and the division, the commission shall have the authority, with the concurrence of the director of the division, to extend the period of any license other than a casino license, but in no event shall the expiration date be extended for more than two years.

L.1977, c. 110, § 95, eff. June 2, 1977.

Amended by:

L.1979, c. 282, § 29, eff. Jan. 9, 1980.

L.1987, c. 354, § 16, eff. Jan. 4, 1988.

L.2002, c. 65, § 19, eff. Aug. 14, 2002.