

in effect for some time as they were temporarily adopted in September of 2014, therefore, all Internet gaming operators should be in compliance as of the publication of this notice of proposal.

The proposed amendments also require certain types of training for employees of Internet gaming operators that interact with patrons. It is foreseeable that this training could have some costs associated with it, however, prior to authorizing Internet gaming it was represented to the Division by all Internet gaming operators that similar training is already done. The proposed amendments merely codify the practices that exist to ensure they remain in place to assist patrons.

Federal Standards Statement

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

Jobs Impact

The proposed amendments are not anticipated to have any impact on the number of jobs in the casino industry or the Internet gaming industry. There should be no measurable impact on jobs in the State of New Jersey.

Agriculture Industry Impact

The proposed amendments will have no impact on agriculture in New Jersey.

Regulatory Flexibility Statement

The proposed amendments will primarily affect the operations of New Jersey casino licensees, none of which qualifies as a "small business" as defined in the Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq. Accordingly, a regulatory flexibility analysis is not required for casino licensees or Internet gaming operators.

Housing Affordability Impact Analysis

The proposed amendments will have no impact on the affordability of housing in the State of New Jersey and not evoke a change in the average costs associated with housing because the amendments affect the regulation of casinos in Atlantic City and their Internet gaming operations in the State.

Smart Growth Development Impact Analysis

The proposed amendments will have no impact on smart growth or on housing production in Planning Areas 1 and 2, or within designated centers, under the State Development and Redevelopment Plan because they affect the regulation of casinos in Atlantic City and their Internet gaming operations in the State.

Full text of the proposal follows (additions indicated in boldface **thus**; deletions indicated in brackets [thus]):

SUBCHAPTER 1. GENERAL PROVISIONS

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

(a)-(k) (No Change.)

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

1.-13. (No change.)

14. Information to be displayed on a patron protection page. The patron protection page shall be accessible to a patron during a patron session. The patron protection page shall contain, at a minimum, the following:

i. (No change.)

ii. A direct link to the Council on Compulsive Gambling New Jersey, Inc. and one other organization based in the United States dedicated to helping people with potential gambling problems; **and**

iii. The following responsible gaming information:

(1) A clear statement of the Internet gaming operator's policy and commitment to responsible gaming;

(2) Information regarding the subjects in (l)14iii(2)(A) through (D) below, or a direct link to information regarding the following subjects, if available, from an organization based in the United States dedicated to helping people with potential gambling problems:

(A) Practical tips to stay within safe limits;

(B) Myths associated with gambling;

(C) Information regarding the risks associated with gambling; and

(D) The potential signs of a gambling problem;

[iii.] **(3)** (No change in text.)

iv.-xiii. (No change.)

(m)-(x) (No change.)

(y) All Internet gaming operators with employees who have direct contact with patrons via phone, e-mail, electronic chat, or other means, shall implement training for those employees, at the start of their employment and at regular intervals thereafter, addressing areas set forth in (y)1 through 3 below. If the training requirement under this subsection follows the standards set forth by the Council on Compulsive Gambling of New Jersey it shall be deemed sufficient.

1. Recognizing the nature and symptoms of problem gambling behavior and how to assist players in obtaining information regarding help for a gambling problem and self-exclusion programs;

2. Responding to patrons who may disclose that they have a gambling problem; and

3. Responding to reports from third parties, such as family members, about patrons who may have a gambling problem.

[(y)] **(z)** (No change in text.)

(a)

NEW JERSEY RACING COMMISSION

Casino Simulcasting

Proposed Readoption with Amendments: N.J.A.C. 13:72

Proposed New Rule: N.J.A.C. 13:72-2.12A

Authorized By: New Jersey Racing Commission, Frank Zanzuccki, Executive Director.

Authority: N.J.S.A. 5:5-30 and 5:12-191 et seq., in particular, 5:12-210.

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

Proposal Number: PRN 2015-070.

Submit written comments by August 14, 2015, to:

Judith A. Nason, Deputy Director

New Jersey Racing Commission

140 East Front Street

PO Box 088

Trenton, NJ 08625-0088

or e-mail: NJRCWebInfo@lps.state.nj.us

The agency proposal follows:

Summary

Pursuant to N.J.S.A. 52:14B-5.1, N.J.A.C. 13:72 is scheduled to expire May 22, 2015. Upon timely filing of this notice with the Office of Administrative Law, the expiration date of the current chapter is extended 180 days to November 18, 2015, pursuant to N.J.S.A. 52:14B-5.1.c(2). The current rules have been reviewed pursuant to Executive Order No. 66 (1978), and the New Jersey Racing Commission (Racing Commission) has found them to continue to be reasonable, necessary, and effective for the purposes for which they were originally promulgated, that is, to regulate the casino simulcasting industry. The Racing Commission, in past years, has acted to keep its rules governing casino simulcasting current. It has proposed various amendments to those rules on an ongoing basis, in response to industry concerns, concerns of the public, and as a result of evolving circumstances. The Racing Commission will continue to review its rules on a regular basis, proposing and adopting amendments as necessary, desirable, and as appropriate.

The rules proposed for re-adoption have had an advantageous impact on the regulation and conduct of casino simulcasting, industry participants, and racetrack permit holders. The proposed re-adoption contains nine subchapters, described as follows:

Subchapter 1, General Provisions, contains definitions applicable to terms used in Chapter 72 as they relate to casino simulcasting, as well as

a reference to the rules of the Racing Commission to which casino simulcasting facilities and associated vendors and persons are subject.

Subchapter 2, Conduct of Casino Simulcasting, contains rules of general applicability which govern the use of a hub facility, receipt of races from racetracks, the location of the simulcasting facility, the hours of operation, ticket claims, and the expiration of pari-mutuel tickets.

Subchapter 3, Casino Simulcasting Facility, establishes requirements for the actual wagering space, location, conduct of the internal function, and the operation of the casino simulcasting facility within the participating casino property.

Subchapter 4, Pari-Mutuel Pools, establishes requirements and conditions for the placement of pari-mutuel wagers, including acceptance of wagers, takeout, cancellation of tickets, refunds, display of wagering odds, and the closure or malfunction of equipment in or used by the casino simulcasting facility.

Subchapter 5, Licensing of Employees, contains the procedures and fees for licensure of employees of a casino simulcasting facility.

Subchapter 6, Licensing and Registration of Entities and Their Employees, requires all sending racetracks to be licensed or registered with the Racing Commission, as well as the licensure of manufacturers, suppliers, and repairers of simulcast wagering equipment, hub facilities and its employees, and any other enterprise transacting business with a casino licensee or hub facility.

Subchapter 7, Reconciliation with Sending Tracks and Payments to Racing Commission, sets forth requirements for the disbursement of funds derived from pari-mutuel wagering to sending tracks, the deposit of funds for outstanding pari-mutuel wagering tickets, and the transmission of underpays and other moneys due to the Racing Commission.

Subchapter 8, Race Information, requires casino simulcasting licensees to provide patrons with accurate race program information.

Subchapter 9, Supervisors of Mutuels and Verifiers, mandates the presence of a Supervisor of Mutuels at a hub facility and sets forth his or her duties.

The rules proposed for re-adoption provide various procedures, requirements, and conditions necessary for the orderly administration and conduct of the casino simulcasting industry and participants therein. The racing industry, with its allowance for wagering, is an industry which affects the public interest and thus requires strong regulation.

The Racing Commission is proposing the re-adoption of N.J.A.C. 13:72 with technical changes and substantive amendments necessary to conform this chapter to N.J.A.C. 13:69M, which was adopted by the Division of Gaming Enforcement (Division) on December 19, 2011, at 43 N.J.R. 3455(a). Effective February 1, 2011, the Legislature amended the Casino Control Act (Act) to authorize the Division to assume many regulatory responsibilities formerly held by the Casino Control Commission (CCC). See P.L. 2011, c. 19 (N.J.S.A. 5:12-1 et seq.). One such responsibility was to promulgate rules relating to the authorization of casino simulcasting pursuant to the Act. N.J.S.A. 5:12-210 provides that the "Division of Gaming Enforcement and the New Jersey Racing Commission shall individually and jointly promulgate and adopt any rules and regulations ... which are necessary to effectuate the purposes of" the Casino Simulcasting Act, N.J.S.A. 5:12-191 et seq. In accordance with this statutory authorization, the Division repealed the CCC's rules, formerly located at N.J.A.C. 19:55, and adopted new rules at N.J.A.C. 13:69M. In addition to minor technical changes reflecting the statutory amendments to the Act, the Division proposed several substantive changes. In this notice of proposed re-adoption with amendments of N.J.A.C. 13:72, the Racing Commission is proposing all of the technical and substantive changes made by the Division to ensure that the Commission's rules conform to those of the Division.

The majority of the proposed amendments are simply technical changes noting the transfer in jurisdiction from the CCC to the Division. Thus, the term "Commission" which was defined to mean the CCC in N.J.A.C. 13:72-1.1 has been deleted. "Division" is already defined in N.J.A.C. 13:72-1.1 to mean the Division of Gaming Enforcement. "Commission" has also been deleted elsewhere in N.J.A.C. 13:72-2.2, 2.4, 2.5, 2.6, 2.9, 3.1, 3.3, 3.4, 4.3, 4.4, 4.16, 5.1, 6.1, 6.3, 9.2, and 9.3 and replaced with "Division" to reflect the statutory transfer of authority from the CCC to Division.

The only substantive amendments being proposed are to conform the Racing Commission's rules to those rules, referenced above, adopted by the Division at N.J.A.C. 13:69M. Specifically, proposed changes have been made at N.J.A.C. 13:72-1.1 to the definitions of "off-time," "totalisator," and "credit voucher." The definitions of "off-time" and "totalisator" both reference "internal controls as approved by the Commission and Racing Commission." The definitions of both terms have been amended, consistent with their definitions in N.J.A.C. 13:69M-1.1, to remove the requirement that the referenced internal controls be approved by the CCC or its successor, the Division. The proposed amendment to the definition of "credit voucher" clarify that the rules in this chapter apply only to credit vouchers issued at a casino simulcasting facility.

N.J.A.C. 13:72-2.11(a) is proposed for amendment to allow for cross-property cashing and redemption of pari-mutuel tickets, meaning a simulcast wagering patron may obtain a pari-mutuel ticket from one casino simulcasting facility licensee and redeem that ticket with another casino simulcasting facility licensee in accordance with internal controls.

N.J.A.C. 13:72-2.11 has also been proposed for amendment to include two new subsections. N.J.A.C. 13:72-2.11(d) and (e) have been added and provide for a procedure to lock and unlock pari-mutuel tickets or credit vouchers on behalf of a patron in the event that a ticket or voucher is lost or stolen. As noted above, these subsections are added to conform with the Division's rules located at N.J.A.C. 13:69M. N.J.A.C. 13:72-2.11(d) provides that a casino licensee may, on behalf of a patron, request that the Supervisor of Mutuels authorize a lost or stolen ticket or credit voucher to be "locked." "Locking" a lost or stolen ticket or credit voucher precludes it from being cashed or redeemed until it is unlocked. This subsection also provides that locking a ticket or credit voucher will not delay or preclude its expiration, after which it can no longer be cashed.

Subsection (e) sets forth the procedures for locking and unlocking a ticket or credit voucher and the information required to be provided before a request will be considered. N.J.A.C. 13:72-2.11(e)1 requires that the licensee requesting the ticket or voucher to be locked or unlocked submit a form consisting of two sections to the Supervisor of Mutuels seeking to either lock or unlock the ticket or voucher. One section of the required form would be used to request that the ticket or voucher be locked and the second section would be used to request that the same ticket or voucher be unlocked. The proposed amendments also require that each casino licensee's internal controls be amended to reflect the requirements for either locking or unlocking a ticket or voucher. Paragraph (e)2 sets forth the minimum information required to request that a ticket or credit voucher is locked and, subsequently, unlocked.

N.J.A.C. 13:72-2.11(e)2i sets forth the minimum information necessary to submit a request to lock a ticket or credit voucher. The form must include, at a minimum, the date and time the lock request is made, the reason the request is being made, the date, time, and location where the ticket or credit voucher was issued, the ticket or credit voucher number, and the amount of the ticket or credit voucher. The form must also include the name and signature of the patron requesting the lock, the name and signature of the employee preparing the form, an indication whether the Supervisor of Mutuels approved or rejected the request, and the date of same. Finally, if the request to lock a ticket or credit voucher was approved by the Supervisor of Mutuels, the approval must contain the name of the Supervisor of Mutuels who approved the lock.

N.J.A.C. 13:72-2.11(e)2ii sets forth the minimum information necessary to submit a request to unlock a ticket or credit voucher. The form must include, at a minimum, the date and time the ticket or credit voucher is requested to be unlocked, the reason the request is being made (such as the lost or stolen ticket or credit voucher has been found or returned), the name and signature of the patron requesting the unlock of the ticket or credit voucher, the name and signature of the employee preparing the form, the name of the Supervisor of Mutuels approving the unlock and the date such approval was given.

Paragraph (e)3 designates the simulcast manager or supervisor as the employee who must complete the lock section of the form and submit it to the Supervisor of Mutuels by one of the transmission methods explicitly set forth in the rule. Upon receipt, the Supervisor of Mutuels will review the form and determine whether or not the form has been approved or rejected. Once notified, the simulcast manager or supervisor

shall note the decision of the Supervisor of Mutuels on the form as well as his or her name and the date of the decision. This paragraph also provides that if the Supervisor of Mutuels approves the request, he or she will instruct the hub to lock the ticket or credit voucher.

Paragraph (e)4 also designates the simulcast manager or supervisor as the employee who shall complete the unlock section of the form and submit it to the Supervisor of Mutuels by one of the transmission methods explicitly set forth in the rule. When requesting that a ticket or credit voucher is unlocked, the form must be accompanied by an Uncontested Pari-Mutuel Ticket or Credit Voucher Certification Form in the event the patron making the request is the same person who requested the lock, and, in the event the patron requesting the unlock is different from the patron who requested the lock, a Contested Pari-Mutuel Ticket or Credit Voucher Certification Form must be submitted with the unlock request. Upon receipt, the Supervisor of Mutuels will notify the casino licensee that the request has been approved and the ticket or credit voucher has been unlocked. Once notified, the simulcast manager or supervisor shall note the name of the Supervisor of Mutuels on the form as well as the date of notification by same. Finally, N.J.A.C. 13:72-2.11(e)5 requires the casino licensee to retain all completed request forms and accompanying Certification Forms for a period of one year from the date of the initial request. Proposed new N.J.A.C. 13:72-2.12(b) would require that, prior to the expiration of a pari-mutuel ticket, the data pertaining to the ticket's issuance shall not be removed from the totalisator. This change simply requires that all data relating to the ticket be maintained until after the ticket expires.

Finally, proposed new N.J.A.C. 13:72-2.12A, Expiration of Credit Vouchers, subsection (a) would require that all credit vouchers issued at a casino simulcasting facility shall expire one year after their date of issuance. Proposed N.J.A.C. 13:72-2.12A(a) would also require that notice of the one-year expiration of casino simulcasting credit vouchers be either prominently posted at each casino simulcasting facility or printed on the credit voucher itself. Proposed N.J.A.C. 13:72-2.12A(b), similar to the proposed amendment at N.J.A.C. 13:72-2.12(b), would require that the data pertaining to the issuance of a credit voucher at a casino simulcasting facility shall not be removed from the totalisator prior to the voucher's expiration.

N.J.A.C. 13:72-6.1 is proposed for amendment to remove the phrase "licensed, or determined to be exempt from licensure" and replace it with "registered." This amendment conforms the section with N.J.S.A. 5:12-92.c.

The Racing Commission has provided a 60-day comment period on this notice of proposal. Therefore, this notice is excepted from the rulemaking calendar requirement in accordance with N.J.A.C. 1:30-3.3(a)5.

Social Impact

Any social impact resulting from casino simulcasting wagering is due to the Legislature's decision to authorize the described activities, and not the implementation of these rules. The implementation of casino simulcasting under the Casino Simulcasting Act, N.J.S.A. 5:12-191 et seq., has had a beneficial social impact to the extent that one-half of one percent of all moneys wagered on casino simulcasting is deposited in the Casino Simulcasting Fund to be appropriated exclusively for services to benefit eligible senior citizens. Further, all gross revenues from authorized games which are conducted in casino simulcasting facilities are subject to the eight percent gross revenue tax for deposit into the Casino Revenue Fund, which funds are appropriated for programs to benefit eligible senior citizens and disabled residents.

Additionally, the proposed amendments conform the Racing Commission's rules regarding casino simulcasting to the casino simulcasting rules promulgated by the Division of Gaming Enforcement. This uniformity is required by N.J.S.A. 5:12-210 which provides that the Division and Racing Commission shall individually and jointly promulgate and adopt rules. Uniformity within highly regulated industries, such as casino simulcasting, is likely to have a positive social impact by further facilitating the public's trust in the integrity of the wagering process established by rule.

Economic Impact

Any economic impact resulting from casino simulcast wagering is due to the Legislature's decision to authorize the described activities, and not the implementation of these rules. Pursuant to the Casino Simulcasting Act, N.J.S.A. 5:12-191 et seq., one-half of one percent of all moneys wagered on casino simulcasting is deposited in the Casino Simulcasting Fund to be appropriated exclusively for services to benefit eligible senior citizens. Further, all gross revenues from authorized games which are conducted in casino simulcasting facilities are subject to the eight percent gross revenue tax for deposit into the Casino Revenue Fund, which funds are appropriated for programs to benefit eligible senior citizens and disabled residents. New Jersey racetracks and horsemen's groups share directly in the revenue from casino simulcasting and indirectly from the increased moneys for purses that result at live race meetings.

Additionally, the proposed amendments afford a casino simulcasting wagering patron some protection in the event a pari-mutuel ticket or credit voucher is lost or stolen by allowing a patron to request to "lock" a ticket until it is found or returned at which time it may be "unlocked." This protection, which is afforded up until the expiration date on the ticket or voucher, ensures that no one except the patron requesting the lock has the ability to unlock the ticket or voucher. This has a positive economic impact for a patron who finds or has returned a locked ticket or voucher prior to the expiration date. Moreover, affording a casino simulcasting wagering patron the ability to redeem a pari-mutuel ticket or credit voucher at any casino simulcasting facility authorized by the internal controls of the issuing casino simulcasting facility may have a positive economic impact on the patron by having more venues available in which to redeem a winning ticket or voucher.

Federal Standards Statement

A Federal standards analysis is not required because the rules proposed for readoption with amendments are authorized by the provisions of the Casino Simulcasting Act, N.J.S.A. 5:12-191 et seq., and are not subject to any Federal requirements or standards.

Jobs Impact

The rules proposed for readoption with amendments are not anticipated to create new jobs in the gaming industry or elsewhere except to the extent they may enable more efficient and cost-effective casino simulcasting operations. No job loss is anticipated as a result of the rules proposed for readoption with amendments.

Agriculture Industry Impact

The Racing Commission's rules governing horse racing set forth criteria related to the participation and qualification of horses to compete in New Jersey and will have a positive indirect impact on aspects of New Jersey's agriculture industry. Many horses which compete in racing in New Jersey are situated on farm lands in New Jersey, many of which farms are issued licenses by the Racing Commission. The availability of racing in this State, and the advantageous impact of the Racing Commission's rules toward insuring the integrity, fairness, and safe conduct of racing, indirectly serve to encourage the establishment of and maintenance of horse farms, as well as horse breeding facilities in New Jersey. Accordingly, while the rules proposed for readoption with amendments will not present any new impact to agriculture, it will result in continued benefits to the agriculture industry.

Regulatory Flexibility Analysis

With respect to casino licensees and applicants for a casino license, none of which qualifies as a small business under the Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq., no regulatory flexibility analysis is required because each casino employs substantially more than 100 people. Likewise, New Jersey racetrack permit holders and the operator of the licensed hub facility are not small businesses as defined in the Regulatory Flexibility Act and no regulatory flexibility analysis is required because they employ more than 100 people.

To the extent that the rules proposed for readoption with amendments have an impact on any small businesses, that impact is due to the Legislature's decision to implement casino simulcasting and not to the implementation of these rules.

The rules proposed for readoption with amendments would continue to require that suppliers, manufacturers, and repairers of simulcast wagering

equipment to a casino licensee or hub facility be licensed as gaming related casino service industries. The Racing Commission is unaware of any small business that currently would be affected by this requirement. However, even if it were, such licensure is required by the Casino Simulcasting Act to insure the integrity of simulcasting operations, and the Racing Commission cannot exempt small businesses from this requirement.

Other enterprises transacting business with a casino licensee or hub facility with respect to casino simulcasting, as well as sending tracks, have vendor registration forms filed with the Division. These vendor registrants are, for the most part, located outside of New Jersey. To the extent that the few registrants located in New Jersey are small businesses, no significant costs of compliance are involved since the vendor registration forms are filed by the casino licensee or hub facility on behalf of the enterprise. The only costs incurred by these vendors would result from them providing the required information for the filing of the vendor registration forms.

However, vendors of the hub facility are also subject to the licensing jurisdiction of the Racing Commission. Some of these vendors may be small businesses. However, since the hub facility houses the totalisator and generates the reports which are used to reconcile the simulcast wagers with sending tracks, conducts manual merges with sending tracks, locks the totalisator, and performs other integral functions, the licensing requirements imposed upon these vendors are vitally necessary to the integrity of casino simulcasting. Thus, it would not be feasible to provide exemptions from licensure or to establish differing licensure standards based upon the size of the business. It is not anticipated that any small businesses will have to employ professional services in order to comply with the rules proposed for readoption with amendments and any costs incurred by vendors potentially impacted are likely to be minimal.

Housing Affordability Impact Analysis

The rules proposed for readoption with amendments will have no impact on the affordability of housing in the State of New Jersey because they affect the regulation of casino simulcasting facilities.

Smart Growth Development Impact Analysis

The rules proposed for readoption with amendments will have no impact on housing production in Planning Areas 1 and 2, or within designated centers, under the State Development and Redevelopment Plan, because they affect the regulation of casino simulcasting facilities.

Full text of the rules proposed for readoption may be found in the New Jersey Administrative Code at N.J.A.C. 13:72.

Full text of the proposed amendments follows (additions indicated in boldface **thus**; deletions indicated in brackets [thus]):

SUBCHAPTER 1. GENERAL PROVISIONS

13:72-1.1 Definitions

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

...

["Commission" means the New Jersey Casino Control Commission.]

"Credit voucher" means a ticket issued by:

1. A pari-mutuel cashier **at a casino simulcasting facility** in exchange for cash, gaming chips, slot tokens, or coupons;
2. A credit voucher machine **at a casino simulcasting facility** in exchange for cash; or
3. A self-service pari-mutuel machine **at a casino simulcasting facility** as a simulcast payout or as the balance returnable after a simulcast wager has been placed.

...

"Off-time," [for the purposes of this chapter,] means when wagering is ceased prior to the start of a horse race by a signal transmitted from a sending track to the totalisator through which a casino simulcasting facility is conducting wagering or, in the event that the transmission of data from a sending track has been interrupted, by the totalisator in accordance with internal controls as approved by the [Commission and] Racing Commission.

...

"[Self service] **Self-service** pari-mutuel machine" means a mechanical, electrical, or other device connected to a totalisator which, upon the insertion of a credit voucher, coupon, or currency, or any combination thereof, and the selection of a permissible simulcast wager automatically issues a pari-mutuel ticket together with a credit voucher for any balance which may be due and which, upon the insertion of a winning or refunded pari-mutuel ticket, reads the ticket and automatically issues a credit voucher in the amount of the correct payout.

...

"Totalisator" means a computer which, among other things, directly or indirectly through one or more other totalisators, receives pari-mutuel wagering information, calculates payoffs for winning pari-mutuel tickets, generates reports with respect to such information, and automatically ceases wagering in accordance with internal controls as approved by the [Commission and] Racing Commission in the event that the transmission of data from a sending track has been interrupted.

SUBCHAPTER 2. CONDUCT OF CASINO SIMULCASTING

13:72-2.2 Hub facility

A casino licensee which conducts casino simulcasting shall, absent approval from the [Commission] **Division** and the Racing Commission to do otherwise, utilize a hub facility.

13:72-2.4 Receipt of races from out-of-State sending tracks

A casino licensee may, with the approval of the [Commission] **Division** and Racing Commission and subject to the provisions of the Casino Control Act, the Casino Simulcasting Act, and this chapter, conduct casino simulcasting on races from an out-of-State sending track which has been approved by the Racing Commission to participate in casino simulcasting. An out-of-State sending track which transmits any race to a casino simulcasting facility shall offer to transmit such race to all casino simulcasting facilities on the same terms.

13:72-2.5 Agreements with sending tracks

(a) Agreements for casino simulcasting between a casino licensee and a sending track shall be in writing and shall be filed with the Racing Commission[,] and with the [Commission] **Division** in accordance with the provisions of N.J.S.A. 5:12-104. Such agreements may be negotiated on behalf of casino licensees by an entity jointly established by casino licensees.

(b) Every agreement between a casino licensee and a sending track shall, in a manner consistent with the provisions of the Casino Simulcasting Act and this chapter, define, and provide for the distribution of, outstanding pari-mutuel tickets, and define, and provide for the allocation of losses in the event of, a minus pari-mutuel pool. Every such agreement shall also provide for manual merging in the event of a systems or communications failure and shall further set forth a procedure, acceptable to the [Commission] **Division** and Racing Commission, which shall be followed in the event that manual merging is not possible.

13:72-2.6 Conduct of authorized games in a **casino** simulcasting facility

A casino [license] **licensee** may, subject to the rules of the [Commission] **Division**, conduct any authorized game as defined by N.J.S.A. 5:12-5 or by rule of the [Commission] **Division**, other than slot machines, in a casino simulcasting facility.

13:72-2.9 Wagering limited to **casino** simulcasting facility

Wagering on simulcast horse[s] **rac**es within the premises of a casino licensee shall be conducted only in a casino simulcasting facility. However, pictures and sound of simulcast horse races may be shown in such other areas of the establishment as approved by the [Commission] **Division**.

13:72-2.11 Ticket claims

(a) Subject to the time limitations imposed by N.J.A.C. 13:72-2.12 **and 2.12A**, a winning pari-mutuel ticket or credit voucher purchased at a casino simulcasting facility shall be presented for cashing at a pari-mutuel window or a self-service pari-mutuel machine at that **casino simulcasting facility or at any casino simulcasting facility in accordance with internal controls**.

(b)-(c) (No change.)

(d) A casino licensee may request the Supervisor of Mutuels to authorize a lost or stolen ticket or credit voucher to be locked on behalf of a patron. Locking a ticket or credit voucher will not preclude the ticket or credit voucher from expiring, after which it can no longer be cashed.

(e) To lock or unlock a ticket or credit voucher, a casino licensee's internal controls shall include procedures which provide for the following:

1. The use of a two-section form to request the locking/unlocking of a ticket or credit voucher. One section of the form shall be completed to request the locking of a ticket or credit voucher, and the other section of the form shall be completed to request the unlocking of the same ticket or credit voucher.

2. The form shall be prepared by a simulcast supervisor or simulcast manager and shall include, at a minimum, the following:

i. To lock a ticket or credit voucher:

- (1) The date lock is requested;
- (2) The time lock is requested;
- (3) The reason for the request;
- (4) The issuance date of the ticket or credit voucher;
- (5) The issuance time of the ticket or credit voucher;
- (6) The ticket or credit voucher number;
- (7) The amount of the ticket or credit voucher;
- (8) The location from where the ticket or credit voucher was issued;
- (9) The patron name;
- (10) The patron signature;
- (11) The name of the employee preparing the form;
- (12) The signature of the employee preparing the form;
- (13) An indication that the lock has been approved or rejected;
- (14) The name of the Supervisor of Mutuels approving the lock;

and

(15) The date lock approved or rejected by the Racing Commission; and

ii. To unlock a ticket or credit voucher:

- (1) The date unlock is requested;
- (2) The time unlock is requested;
- (3) The reason for the request, such as ticket or credit voucher found;
- (4) The patron name;
- (5) The patron signature;
- (6) The name of the employee preparing the form;
- (7) The signature of the employee preparing the form;
- (8) The name of the Supervisor of Mutuels approving the unlock;

and

(9) The date unlock approved.

3. To request that a ticket or credit voucher be locked, a simulcast manager or supervisor shall complete the lock section of the form required in (e)1 and 2i above, and e-mail or fax the completed form to the Supervisor of Mutuels located at the hub facility. The Supervisor of Mutuels will review the form and notify the casino licensee that the request has been approved or denied. The simulcast supervisor or simulcast manager shall note the decision of the Supervisor of Mutuels on the form and record the Supervisor of Mutuels' name, and the date of the decision, on the form. If the Supervisor of Mutuels approves the request, the Supervisor of Mutuels will instruct the hub to lock the ticket or credit voucher.

4. To request that a ticket or credit voucher be unlocked, a simulcast manager or supervisor shall complete the form required in (e)1 and 2ii above, and e-mail or fax the completed form to the Supervisor of Mutuels located at the hub facility. As required by the Racing Commission, the request to unlock a ticket or credit voucher must be accompanied by either an Uncontested Pari-Mutuel Ticket or Credit Voucher Certification Form if the patron information is the same in the lock and unlock sections of the request, or a Contested Pari-Mutuel Ticket or Credit Voucher Certification Form if the patron information is different in the lock and unlock sections of the form. The Supervisor of Mutuels will notify the casino licensee that the ticket or credit voucher has been unlocked and that the

request has been approved. The simulcast manager or supervisor shall record the Supervisor of Mutuels' name and date of notification on the form.

5. All completed request forms and Uncontested Pari-Mutuel Ticket or Credit Voucher Certification Forms or Contested Pari-Mutuel Ticket or Credit Voucher Certification Forms shall be retained by the casino licensee for a period of one year from the date of the initial request.

13:72-2.12 Expiration of pari-mutuel tickets

(a) A pari-mutuel ticket shall be claimed within six months of the date of its sale, after which it becomes an outstanding pari-mutuel ticket to be paid to the Racing Commission and deposited in the Casino Simulcasting Special Fund for distribution in accordance with the provisions of the Casino Simulcasting Act. Notice of this expiration provision shall be prominently posted in a casino simulcasting facility or printed on the pari-mutuel tickets sold at the casino simulcasting facility.

(b) Prior to the expiration of an unredeemed ticket, data pertinent to its issuance shall not be removed from the totalisator.

13:72-2.12A Expiration of credit vouchers

(a) A credit voucher issued at a casino simulcasting facility shall be redeemed within one year of the date of its issuance, after which it is to be paid to the Racing Commission and deposited in the Casino Simulcasting Special Fund for distribution in accordance with the provisions of the Casino Simulcasting Act. Notice of this expiration provision shall be prominently posted in a casino simulcasting facility or printed on the credit voucher issued at the casino simulcasting facility.

(b) Prior to the expiration of a credit voucher issued at a casino simulcasting facility, data pertinent to its issuance shall not be removed from the totalisator.

SUBCHAPTER 3. CASINO SIMULCASTING FACILITY

13:72-3.1 Location

A casino simulcasting facility shall be one or more locations or rooms within an approved hotel operated by a casino licensee as approved by the [Commission] **Division** for the conduct of simulcasting.

13:72-3.3 Square footage requirements

(a) A casino licensee which wishes to conduct casino simulcasting shall establish and maintain a casino simulcasting facility of sufficient square footage to promote:

1.-2. (No change.)

3. Optimum security of the facility, which shall include the installation and maintenance of security and surveillance equipment, including closed circuit television equipment, according to specifications approved by the [Commission] **Division**. The [Commission and] **Division** shall have direct access to the system or its signal.

13:72-3.4 Satellite cage

A casino licensee which wishes to conduct casino simulcasting shall, unless otherwise approved by the [Commission] **Division**, establish and maintain a satellite cage in, or immediately adjacent to, its casino simulcasting facility.

SUBCHAPTER 4. PARI-MUTUEL POOLS

13:72-4.3 Transmission data line

A transmission data line shall be a dedicated line. There shall be a minimum of one backup line, which may be a dial-up line. In addition, each out-of-State sending track shall maintain a cellular phone in its totalisator room. The dedicated line requirement may be waived for good cause shown with the prior written approval of the [Commission] **Division** and Racing Commission.

13:72-4.4 Facsimile machines and telephone lines

A simulcast counter, hub facility, and the totalisator room at a sending track shall each contain a facsimile machine and a direct dial-up telephone line, the numbers of which shall be provided to the [Commission,] **Division** and Racing Commission.

13:72-4.16 Emergencies not covered by this chapter

In the event that an emergency arises with respect to simulcast wagering in a casino simulcasting facility which is not covered by this chapter and an immediate decision is necessary, the simulcast shift supervisor or above shall make a good faith effort to contact and consult with the Supervisor of Mutuels prior to taking action, and shall promptly render a written report regarding the incident to the [Commission,] Division and Racing Commission.

SUBCHAPTER 5. LICENSING OF EMPLOYEES

13:72-5.1 Employees of a casino simulcasting facility

All employees of a casino simulcasting facility shall be licensed pursuant to the Casino Control Act or registered in accordance with the rules of the [Commission] Division.

SUBCHAPTER 6. LICENSING AND REGISTRATION OF ENTITIES AND THEIR EMPLOYEES

13:72-6.1 Sending tracks

All sending tracks shall be [licensed, or determined to be exempt from licensure,] **registered** in accordance with the provisions of N.J.S.A. 5:12-[92c]92.c. [Any exemption of a sending track shall be subject to the conditions set forth in N.J.S.A. 5:12-92c, and each] **Each** sending track shall have on file with the [Commission] **Division** a vendor registration form, any updates to which shall be filed with the [Commission] **Division** within 10 days of the occurrence of any changes.

13:72-6.2 Simulcast wagering equipment

All manufacturers, suppliers, and repairers of simulcast wagering equipment, including totalisators, pari-mutuel machines, self-service pari-mutuel machines, and credit voucher machines, to casino licensees or hub facilities shall be licensed in accordance with the provisions of N.J.S.A. 5:12-[92a]92.a.

13:72-6.3 Hub facility

A hub facility shall be licensed in accordance with the provisions of N.J.S.A. 5:12-[92a]92.a, and all employees of the hub facility shall be licensed pursuant to the Casino Control Act or registered [with the Commission as if the hub facility were itself a casino licensee] **in accordance with the rules of the Division**. Additionally, a hub facility shall submit for [Commission] **Division** approval a jobs [compendium] **compendium** and descriptions of its security procedures and accounting controls. A hub facility and its employees, and vendors of a hub facility other than casino licensees, shall further be subject to the licensure jurisdiction of the Racing Commission.

SUBCHAPTER 9. SUPERVISORS OF MUTUELS AND VERIFIERS

13:72-9.2 Duties of Supervisor of Mutuels

(a) The duties of a Supervisor of Mutuels at the hub facility shall include:

- 1.-5. (No change.)
6. Preparing and submitting to the Racing Commission a daily summary result of the pari-mutuel operations, with copies to the [Commission and] Division;
7. Preparing and submitting to the Racing Commission a seven-day financial report and a seven-day comparative statistic report, with copies [of] to the [Commission and] Division;
8. (No change.)
9. Reporting all discrepancies and irregularities to the Racing Commission[,] **and** Division [and Commission].

13:72-9.3 Continued access to hub facility by Racing Commission

The Racing Commission, its employees, and agents shall at all times have access to the hub facility in order to maintain the integrity of horse racing and, together with the [Commission and] Division, to effectuate the purposes of the Casino Simulcasting Act.

(a)

JUVENILE JUSTICE COMMISSION

Transfer of Adjudicated Delinquents to the New Jersey Department of Corrections

Proposed Readoption with Amendments: N.J.A.C. 13:91

Authorized By: Executive Board of the Juvenile Justice Commission, by the Honorable John Jay Hoffman, Attorney General and Chair, Christopher Iu, Attorney General's Designee and Gary M. Lanigan, Commissioner, Department of Corrections.

Authority: N.J.S.A. 52:17B-170, 52:17B-171, and 52:17B-175.

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

Proposal Number: PRN 2015-067.

Submit written comments by August 14, 2015, either:

By mail to: John Wolff, Administrative Practice Officer
New Jersey Juvenile Justice Commission
1001 Spruce Street – Suite 202
Trenton, New Jersey 08638
or by e-mail to: Regulatory.Affairs@jjc.nj.gov

The agency proposal follows:

Summary

The New Jersey Juvenile Justice Commission (Commission) and the New Jersey Department of Corrections (DOC) are jointly proposing to readopt the rules at N.J.A.C. 13:91, with amendments. This chapter provides the procedure utilized to transfer certain adjudicated delinquents from the Commission to DOC. N.J.A.C. 13:91 was first adopted on an emergency basis, effective May 29, 1997. The chapter was readopted in compliance with the normal rulemaking requirements of the Administrative Procedure Act, N.J.S.A. 52:14B-1 et seq., effective August 18, 1997 (see 29 N.J.R. 2711(a) and 3733(b)). The rules subsequently were readopted with amendments, effective November 19, 2002 (see 34 N.J.R. 3198(a) and 4472(a)), and was readopted again effective May 15, 2008 (see 40 N.J.R. 97(a) and 3747(a)). Subchapter 2, Transfer, was renamed Transfer and Requirement for Transfer Hearing; and Subchapter 3, Transfer Hearing, was adopted as new rules, effective September 2, 2014 (see: 45 N.J.R. 1941(a) and 46 N.J.R. 1896(b)).

Pursuant to N.J.S.A. 52:14B-5.1, the rules in this chapter are scheduled to expire on May 15, 2015; in accordance with N.J.S.A. 52:14B-5.1.c(2), the submission of this notice of proposal to the Office of Administrative Law extends that expiration date 180 days to November 11, 2015. The Commission and DOC have reviewed these rules and determined them to be necessary, reasonable, and proper for the purpose for which they were originally promulgated.

The Commission is responsible for the custody and care of individuals who have been adjudicated delinquent in Family Court for offenses that if committed by an adult would constitute a crime. Adjudicated delinquents incarcerated in Commission facilities currently range in age from 13 to 23 years. Pursuant to N.J.S.A. 52:17B-175, an adjudicated delinquent may be transferred to the custody of the DOC when (i) the adjudicated delinquent demonstrates disruptive behavior and his or her continued presence in the Commission facility threatens the safety of either the adjudicated delinquent or others, or the ability of the Commission to operate the facility in a stable, safe, and orderly manner; (ii) when the maturity level and criminal sophistication of the adjudicated delinquent makes him or her inappropriate for Commission programs; or (iii) his or her continued presence in the Commission facility impedes the effective delivery of the programs, services, and sanctions. The DOC has the discretion to approve or disapprove all transfers.

N.J.S.A. 52:17B-175.e authorizes the transfer of adjudicated delinquents to adult facilities once they reach the age of 16, two years younger than is provided for in N.J.A.C. 13:91. The higher age threshold used in the rules is to ensure continued Federal funding of State and county programs under the Federal Juvenile Justice and Delinquency Prevention Act, P.L. 102-586, (JJDP). Federal regulations at 28 CFR 31.303, adopted pursuant to the provisions of the JJDP, condition