

1. Alarm systems for any emergency exit from the casino floor or casino simulcasting facility, as required pursuant to N.J.A.C. 19:43-6.2(a)3;
2. Alarm systems for the casino cage, its ancillary office space and any related casino vault, as required pursuant to N.J.A.C. 19:45-1.14(c)2;
3. Alarm systems for any master coin bank located outside the casino cage, as required pursuant to N.J.A.C. 19:45-1.14(d);
4. Alarmed emergency exit door(s) for the casino cage, as required by N.J.A.C. 19:45-1.14(c)3iii;
5. Alarmed doors to casino vaults signaling the closed circuit television system, as required by N.J.A.C. 19:45-1.14(f)3;
6. Alarmed doors to count rooms signaling the monitoring rooms and the casino security department, as required pursuant to N.J.A.C. 19:45-1.32(b)2;
7. Alarm systems providing for a continuous visual signal whenever any access door to the count room is open, as required pursuant to N.J.A.C. 19:45-1.32(e);
8. Alarm systems for any slot cashier window in a slot booth, as required pursuant to N.J.A.C. 19:45-1.34(c);
9. Alarm systems for separate work stations within a keno booth or satellite keno booth, as required pursuant to N.J.A.C. 19:45-1.47(c)1i and (f); and
10. Alarm systems for keno work stations in keno lockers, as required pursuant to N.J.A.C. 19:45-1.47(g)1.

New Rule, R.1999 d.361, effective November 1, 1999.

See: 30 N.J.R. 3765(a), 31 N.J.R. 3529(a).

Amended by R.2000 d.445, effective November 6, 2000.

See: 31 N.J.R. 3245(a), 32 N.J.R. 4004(a).

Added new (a); recodified former (a) as (b).

Amended by R.2001 d.381, effective October 15, 2001.

See: 33 N.J.R. 1874(a), 33 N.J.R. 3673(a).

Added a new (b) and recodified former (b) as (c).

Amended by R.2001 d.402, effective November 5, 2001.

See: 33 N.J.R. 2633(a), 33 N.J.R. 3762(a).

In (a)11, substituted "a computer that controls a progressive payout wager system" for "the supercontroller and CPU disk drive for the progressive meter".

19:45-1.45 Signature

(a) Signatures shall:

1. Comply with either of the following requirements:
 - i. Be, at a minimum, the signer's first initial, last name and Commission license number, written by the

signer, and be immediately adjacent to or above the clearly printed or preprinted title of the signer; or

- ii. Be the employee's identification number or other computer identification code issued to the employee by the casino licensee, if the document to be signed is authorized by the Commission to be generated by computer, and such method of signature is approved or required by the Commission;

2. Signify that the signer has prepared forms, records, and documents and/or authorized, observed, and/or participated in a transaction to a sufficient extent to attest to the accuracy of the information recorded thereon, in conformity with this regulation and the casino licensee's system of internal accounting control; and

3. Signify that the signer required by this chapter to count or observe gaming chips and plaques has counted or observed the count of such chips and plaques and such count was made by breaking down stacks of chips to the extent necessary.

(b) Signature records shall be prepared for each person required by the rules of the Commission to sign records and documents and shall include specimens of signatures, titles of signers and the date the signature was obtained. Such signature records shall be filed alphabetically by last name either on a company-wide or departmental basis. The signature records shall be adjusted on a timely basis to reflect changes of personnel.

(c) Signature records shall be securely stored in the accounting department.

(d) This section shall apply to any signature required in a casino licensee's approved system of internal procedures and administrative and accounting controls, including, without limitation, procedures required by N.J.A.C. 19:46.

Amended by R.1981 d.272, effective August 6, 1981.

See: 13 N.J.R. 47(c), 13 N.J.R. 541(a).

(a)4: delete "except in counts required under sections 19:45-1.21, 19:45-1.30 and 19:45-1.31 of this regulation".

(b): delete "or initial forms" after "regulation to sign", and delete "and initials" after "specimens of signatures".

Amended by R.1988 d.468, effective October 3, 1988.

See: 20 N.J.R. 1069(a), 20 N.J.R. 2468(a).

Added (d).

Amended by R.1994 d.223, effective May 2, 1994.

See: 26 N.J.R. 912(b), 26 N.J.R. 1853(a).

Amended by R.1995 d.372, effective July 17, 1995.

See: 27 N.J.R. 1533(a), 27 N.J.R. 2707(a).

19:45-1.46 Procedure for control of coupon redemption and other complimentary distribution programs

(a) For the purposes of this chapter, a complimentary distribution program is a contest or promotion pursuant to which complimentary services or items are provided directly or indirectly by a casino licensee to the public without regard to the identity or level of gaming activity of the individual recipients. The procedures contained in (c) through (t) below shall apply to casino licensees offering coupon redemption complimentary distribution programs which entitle patrons to use match play coupons or progressive wager coupons or to redeem coupons for complimentary cash, gaming chips, slot tokens or simulcast wagers issued in connection with bus and other complimentary distribution programs. No match play coupons, progressive wager coupons, complimentary cash, gaming chips or slot tokens may be distributed, or complimentary simulcast wagers accepted, by a casino licensee under any coupon redemption complimentary distribution program that does not comply with the requirements of this section. Detailed procedures controlling complimentary distribution programs regulated by (c) through (t) below shall be prepared prior to implementation and maintained by the casino accounting department.

(b) Detailed procedures controlling all complimentary distribution programs entitling patrons to complimentary cash or slot tokens not regulated by (a) above shall be prepared prior to implementation of the programs and shall be maintained by the casino accounting department. Complimentary items or services, including cash, slot tokens or simulcast wagers, distributed through programs regulated by this subsection shall be reported in accordance with the procedures contained in (m) and (o) below.

(c) Each coupon or part thereof issued by a casino licensee directly or through an authorized vendor shall only be redeemable for a specific amount of cash, gaming chips, slot tokens or simulcast wagers.

(d) All coupons issued pursuant to this section shall contain a serial number and each series of coupons shall be issued in sequential order. Each coupon shall be printed with a description of what is being offered, the location where which it may be redeemed, and either a statement specifying the date on which the coupon becomes invalid or some other means to indicate the date when a coupon becomes invalid. If a coupon is of a type that is devisable into sections or is multipart, each such separate part or copy shall contain the information required by this subsection.

(e) The provisions of this subsection and (f) through (h) and (k) below shall only apply to coupons that will be distributed directly to patrons by a casino licensee. Coupons received by a casino licensee from a manufacturer or distributor or produced internally by the casino licensee pursuant to (t) below shall be opened and examined by at least one member of the accounting department. Any

deviations between the invoice or control listing accompanying the coupons, the purchase or requisition order, and the actual coupons received shall be reported promptly to the supervisor of the casino accounting department or to a higher authority in a direct reporting line and the Internal Audit Department.

1. Upon examination of the coupons received, the casino licensee shall cause to be recorded in a Coupon Control Ledger the type and quantity of coupons received, the date of such receipt, the beginning serial number, the ending serial number, the new quantity of unissued coupons on hand, the purchase order or requisition number, any deviations between the number of coupons ordered and received and the signature of any individual who examined such coupons.

2. All unissued coupons shall be stored in a secured and locked area, controlled by an accounting department supervisor.

3. A representative from the accounting department shall prepare a monthly inventory of unissued coupons. Any deviations between the coupon inventory and the Coupon Control Ledger shall be reported to the Casino Controller or to a higher in a direct reporting line.

4. For purposes of this section, "accounting department" shall be deemed to refer to any accounting personnel employed by the casino licensee who report in a direct line to the supervisor of the casino accounting department.

(f) A representative of the casino licensee shall estimate the number of coupons needed by shift each day. An accounting department representative shall obtain the quantity of coupons to be issued. If a date indicating when the coupon becomes invalid is not preprinted thereon, the accounting department representative shall affix a stamp indicating the date the coupon becomes invalid or shall issue color coded coupons indicating the date that the coupons become invalid. The following, at a minimum, shall be recorded in the Coupon Control Ledger:

1. The date the coupons were issued;
2. The type of coupons issued;
3. The beginning serial number of the coupons issued;
4. The ending serial number of the coupons issued;
5. The quantity issued and the quantity remaining; and
6. The signatures of the accounting department representative issuing the coupons and such other department's representative receiving the coupons.

(g) The casino licensee shall require unused coupons obtained from the accounting department representative to be stored in a locked cabinet until they are distributed to patrons. Any coupons remaining unused at the end of a shift shall either be returned to the accounting department for receipt and redistribution or kept for use by the following shift provided accountability between shifts is maintained. All expired coupons must be returned to the accounting department on a daily basis. Any coupons that are not used by the date indicated on the coupons when they become invalid shall be voided when returned to the accounting department.

(h) Documentation, as required by the casino licensee, shall be prepared by a representative of the casino licensee for the distribution of coupons to patrons. The documentation shall have the following information, at a minimum, recorded on it:

1. The date and time or shift of preparation;
2. The type of coupons used;
3. The beginning serial number of the coupons used;
4. The ending serial number of the coupons used;
5. The total number of coupons used;
6. Independent verification of the number of people receiving the coupons, e.g., bus driver's manifest;
7. The total number of coupons remaining for use by the next shift or returned to the accounting department; and
8. The signature(s) of the casino licensee's representative who distributed the coupons.

(i) A coupon redeemable for gaming chips, a match play coupon and a progressive wager coupon shall be designed and printed so that the denomination and type of the coupon is clearly visible from the closed circuit television system when accepted or being wagered at a gaming table and when deposited in a drop box. A match play coupon shall contain an area designated for the placement thereon of the required gaming chips, which area shall be located on the coupon so as not to obscure or interfere with visibility of the type and denomination of the coupon. No casino licensee shall issue or use a match play coupon or a progressive wager coupon for gaming purposes until a sample coupon has been submitted to and approved by the Commission.

(j) Coupons shall be redeemed in the following manner:

1. Coupons redeemable for coin, currency or slot tokens shall be redeemed by changepersons or at the slot or keno booths, the cashier's cage, or at any other location within the casino hotel facility approved by the Commission in a casino licensee's internal control submission. A changeperson, slot cashier or general cage cashier shall accept the coupons in exchange for the stated amount of cash or slot tokens, or a keno writer shall accept the coupons in exchange for the stated amount of cash or keno ticket, and shall cancel the coupons upon acceptance. A coupon redeemable for currency may also be redeemed by slot attendants, who shall accept the coupon in exchange for the stated amount of currency and shall cancel the coupons upon acceptance. Cancellation of coupons by changepersons and slot attendants shall be in a manner that will permit subsequent identification of the individual who accepted and canceled the coupon.

i. Redeemed coupons shall be maintained by the slot or general cashier or keno writer and shall be exchanged with the Main or Master Coin Bank at the conclusion of gaming activity each day, at a minimum.

ii. Notwithstanding the above, an automated coupon redemption machine or bill changer may be utilized to accept coupons provided that the acceptance of coupons by an automated coupon redemption machine complies with this section and N.J.A.C. 19:45-1.46A or the acceptance of coupons by a bill changer complies with this section and N.J.A.C. 19:45-1.46B. If coupons are mailed to a patron pursuant to (q) or (r) below, an automated coupon redemption machine or bill changer may be used for redemption only if these devices have the capability to perform and document the verification required by (q)5 below and to verify and document the identity of the patron as required by (q)6 below.

2. Coupons redeemable for simulcast wagers shall only be accepted by casino pari-mutuel cashiers at the simulcast counter in exchange for the simulcast wagers stated on the coupons. Cancellation of coupons by casino pari-mutuel cashiers shall be in a manner that permits subsequent identification of the individual who accepted and canceled the coupon. Redeemed coupons shall be maintained by the casino pari-mutuel cashier, or in the simulcast vault, and shall be exchanged with the Main Bank for a like amount of cash not less frequently than at the conclusion of each day.

3. A coupon redeemable for gaming chips shall be redeemed only:

i. At a gaming table and only by a dealer or boxperson, who shall, in accordance with N.J.A.C. 19:45-1.18, accept the coupon in exchange for the stated amount of gaming chips and shall deposit the coupon into the drop box upon acceptance; or

ii. By a chipperson, who shall accept the coupon only from a patron seated at a poker table at which a game is in progress, in exchange for the stated amount of gaming chips and shall cancel the coupon upon acceptance. The coupon shall be cancelled in a manner that will permit subsequent identification of the individual who accepted and cancelled the coupon. The cancelled coupons shall be exchanged with the main bank at the conclusion of the chipperson's shift, at a minimum.

4. A match play coupon shall be redeemed only at a gaming table which offers an authorized game in which patrons wager only against the house and, except for the Pass and Don't Pass wagers in craps and the Red, Black, Odd, Even, 1-18, 19-36, 1st 12, 2nd 12, and 3rd 12 wagers in roulette, which has an individual betting area for each player on the gaming table layout. Such a coupon shall be redeemed only by a dealer, and only if accompanied by the proper amount of gaming chips required by the coupon. The dealer shall, in accordance with N.J.A.C. 19:45-1.18, accept the coupon as part of the patron's wager and deposit the coupon into the drop box after the wager is won or lost.

5. A progressive wager coupon shall be redeemed only at an authorized game offering progressive payout wagers pursuant to N.J.A.C. 19:45-1.39B. Such a coupon shall be redeemed only by a dealer. The dealer shall, in accordance with N.J.A.C. 19:45-1.18, redeem the progressive wager coupon by placing a chip from the table inventory container that is equal in value to the progressive wager coupon into the progressive wager acceptor device and depositing the progressive wager coupon immediately into the drop box.

(k) When unused and expired coupons are returned to the Accounting Department, a representative of the accounting department shall record the following information in the Coupon Control Ledger:

1. The date the coupons were returned;
2. The type of coupons returned;
3. The beginning serial number of the coupons returned;
4. The ending serial number of the coupons returned;
5. The quantity returned and the quantity remaining; and
6. The signatures of the accounting department representative receiving the returned unused coupons and such other department's representative returning the unused coupons.

(l) All documentation, unused coupons, voided coupons, coupons returned by the post office, and redeemed coupons maintained in conformity with (g), (h), (i) and (j) above and

(q) and (r) below shall be forwarded on a daily basis to the accounting department where they shall be:

1. Reviewed for propriety of signatures on documentation and for proper cancellation of all coupons;
2. Recounted and examined for proper calculation, summarization and recording on documentation, including, without limitation, the Master Game Report and the Slot Cash Storage Box Report;
3. Reconciled by:
 - i. Total number of coupons given to representatives of the department making distribution to patrons, returned for reissuance, distributed to patrons, voided, returned by the post office and redeemed; or
 - ii. Total number of coupons mailed by an authorized vendor, returned by the post office and redeemed;
4. Subsequently recorded; and
5. Maintained and controlled by the accounting department until destruction of the coupons is approved by the Commission.

(m) Each casino licensee shall:

1. Prepare a quarterly report for all programs regulated by (a) above, which shall list, by type of coupon, the total number of coupons used, the total number of coupons redeemed, the total value of the complimentary cash, gaming chips, slot tokens, match play coupons, progressive wager coupons or simulcast wagers given to patrons in redemption of coupons and any liability to patrons remaining on unredeemed coupons, which report shall be made available upon request by the Commission or Division; and
2. Prepare a quarterly report for all programs regulated by (b) above, which shall list, by program offered during the quarter, a description of the complimentary items and services provided, the total number of persons receiving complimentary items or services, the total dollar amount of complimentary items or services provided, and the names of all persons receiving a complimentary item or service in a dollar amount greater than \$1,000. Such report shall be made available upon request by the Commission or Division.

(n) The report shall be signed by the Casino Controller, or a higher authority in a direct reporting line, indicating that no material discrepancies were noted for the period covered by the report or if a material discrepancy is noted it shall be explained in detail.

(o) In addition to the reports required in (m) above, the casino licensee shall accumulate both the dollar amount of and the number of persons redeeming coupons pursuant to (a) above, and the dollar amount of and the number of persons receiving complimentary items or services pursuant to (b) above, and shall include this information on the

quarterly complimentary report required by N.J.A.C. 19:45-1.9. Complimentary items or services, including match play coupons and progressive wager coupons, cash, gaming chips, slot tokens and simulcast wagers, distributed through programs regulated by this section shall not be subject to the daily complimentary reporting requirements imposed pursuant to N.J.A.C. 19:45-1.9.

(p) Prize tokens shall not be distributed as complimentary services or items pursuant to this section.

(q) A casino licensee that intends to mail coupons regulated by (a) above directly to its patrons shall not be required to comply with the requirements of (h) above but shall be required to include the following additional procedures, at a minimum, in its internal controls:

1. The casino licensee shall prepare and maintain in its computer system, for the time period during which the coupon is valid, a list of each patron to whom a coupon shall be mailed, which list shall include, at a minimum, the following information:

- i. The patron name;
- ii. The patron address;
- iii. The patron identification number;
- iv. The coupon denomination;
- v. The coupon expiration date; and

vi. A unique coupon serial number which shall include a method of identifying the casino licensee issuing the coupon.

2. Each coupon issued pursuant to this subsection shall include a bar code or magnetic strip that will enable the casino licensee's computer system to identify the information required by (q)1 above.

3. The information required by (q)1 above shall be provided to the accounting department, which shall maintain this information for purposes of the reconciliation required by (l) above.

4. The envelopes used to mail the coupons shall include the casino licensee's address as the return address and shall request the return of the envelope to the sender if not deliverable to the addresses. The return of any coupon by the post office shall be recorded by the casino licensee in its computer system.

5. Prior to the redemption of a coupon issued pursuant to this subsection or upon electronic cancellation pursuant to (s) below, the casino licensee shall be required to verify the validity of the coupon by comparing the information maintained in its computer system pursuant to (q)1 above or a control number, which is derived from the patron's identification number and the coupon's serial number, with the information or control number recorded in the coupon's bar code or magnetic strip. This verification of the information required in (q)1 above may be performed electronically. The casino licensee shall not redeem the coupon unless the casino licensee also confirms that:

- i. The coupon has not expired; and
- ii. The coupon has not been previously redeemed.

6. Prior to redemption of any coupon with a value of more than \$100.00 issued pursuant to this subsection, the casino licensee shall be required to verify the identity of the patron in order to confirm that he or she is the person to whom the coupon was mailed.

7. All coupons issued pursuant to this subsection shall be redeemed in accordance with (j) above and shall be electronically canceled in the casino licensee's computer system immediately upon redemption or in accordance with (s) below so as to preclude subsequent redemption of the same coupon. On a daily basis, a report shall be generated of all coupons that are electronically canceled. This report shall contain, at a minimum, a list of the serial numbers of the canceled coupons and shall be forwarded, on a daily basis, to the accounting department for purposes of the reconciliation required by (l) above.

(r) Any casino licensee that intends to authorize a vendor to print and mail coupons regulated by (a) above directly to the casino licensee's patrons shall be required to comply with the provisions of (q)1 through 7 above and shall include the following additional procedures, at a minimum, in its internal controls:

1. The casino licensee shall provide the vendor via electronic or magnetic tape medium a list of the information required by (q)1 above for each patron to whom a coupon shall be mailed.

2. The vendor shall print coupons only for the patrons authorized by the casino licensee pursuant to (r)1 above. Within 48 hours of mailing any coupons, the vendor shall provide documentation to the casino licensee's accounting department regarding the coupons that were printed and mailed. This documentation shall include the serial numbers of the coupons that were printed and mailed and a representation, signed by an officer or partner of the vendor, that only the coupons requested by the casino licensee were printed and mailed and that any misprints were destroyed.

3. The vendor may include material other than the coupon in the mailing if authorized by the casino licensee.

4. The casino licensee shall develop procedures for reconciling the total number of coupons authorized for issuance by the casino licensee pursuant to (r)1 above to the total number of coupons mailed by the vendor, returned by the post office and redeemed by patrons and shall calculate the daily outstanding liability of the casino licensee for unredeemed coupons issued pursuant to this subsection.

(s) Notwithstanding (q)5 and 7 above, a casino licensee may accept a coupon which has been mailed to a patron without first verifying its validity and without immediately canceling the coupon electronically in the computer system if:

1. The value of the coupon is 100.00 or less;
2. The coupon is redeemed by a general cashier, dealer at a gaming table, slot attendant, changeperson, chipperson or slot cashier;
3. The general cashier, dealer, slot attendant, changeperson, chipperson or slot cashier verifies the expiration date contained on the coupon and confirms the coupon has not expired;
4. The coupon is physically canceled in some manner and physically segregated and secured until verified and electronically canceled; and
5. The coupon is verified in the computer system, pursuant to (q)1 and 5 above, and electronically canceled in the system within eight hours of acceptance; provided, however, that a coupon accepted by a dealer at a gaming table and deposited into that table's drop box may be verified and canceled when the drop box is removed from the table and taken to the count room.

(t) A casino licensee may, through its MIS department or any other department as approved by the Commission, internally manufacture or print coupons that are governed by (a) above provided that internal controls governing the production and subsequent reconciliation of such coupons are submitted to and approved by the Commission.

Amended by R.1982 d.170, effective June 7, 1982 (operative July 15, 1982).

See: 14 N.J.R. 203(a), 14 N.J.R. 582(b).

Amended by R.1982 d.293, effective September 7, 1982.

See: 14 N.J.R. 559(a), 14 N.J.R. 983(b).

Added new (b).

Amended by R.1984 d.623, effective January 21, 1985.

See: 16 N.J.R. 2075(b), 17 N.J.R. 211(b).

(i) substantially amended.

Petition for Rulemaking: To provide limitations on the extent of complimentary reporting required for promotional prizes and awards.

See: 19 N.J.R. 1578(c).

Amended by R.1988 d.209, effective May 16, 1988.

See: 19 N.J.R. 1975(b), 20 N.J.R. 1102(a).

Substantially amended.

Petition for Rulemaking: To allow the use of coupon cashing machines for the redemption of complimentary cash or slot tokens.

See: 21 N.J.R. 1750(b).

Experimental 90-day implementation pursuant to N.J.S.A. 5:12-69(e), (P.L. 1987 c.354), 5:12-70(f) and 5:12-100(e), effective August 27, 1990 (expires November 25, 1990).

See: 22 N.J.R. 2542(a).

Temporary Amendment of accounting and internal controls pursuant to the automated coupon redemption machine experiment. Also affects New Rule N.J.A.C. 19:45-1.46A.

See: 22 N.J.R. 3638(c).

Amended by R.1991 d.152, effective March 18, 1991.

See: 22 N.J.R. 3708(b), 23 N.J.R. 885(a).

In (i), added automated coupon redemption machine provision.

Amended by R.1992 d.501, effective December 21, 1992.

See: 24 N.J.R. 3254(a), 24 N.J.R. 4575(a).

In (l)1: specified filing of a quarterly report.

In (l)2: specified preparation of a monthly report. Added text that report shall be available upon request by the Commission or Division.

In (n): deleted "monthly" describing report.

Amended by R.1993 d.37, effective January 19, 1993.

See: 24 N.J.R. 3695(a), 25 N.J.R. 348(b).

Simulcast provisions added.

Amended by R.1993 d.75, effective February 16, 1993.

See: 24 N.J.R. 2536(a), 24 N.J.R. 4243(a), 25 N.J.R. 717(a).

In (a), added gaming chips and other complimentary distribution programs. Added (i).

Recodified (i)-(n) as (j)-(o).

Amended by R.1993 d.144, effective April 5, 1993.

See 24 N.J.R. 2692(b), 25 N.J.R. 1520(a).

In (a) and (b): added text regarding complimentary distribution program.

In (n): revised N.J.A.C. citation.

Amended by R.1993 d.145, effective April 5, 1993.

See 24 N.J.R. 4505(a), 25 N.J.R. 1521(a).

In (l)2: increased dollar amount to \$500.00 from \$100.00.

Amended by R.1993 d.319, effective July 6, 1993.

See: 25 N.J.R. 1673(a), 25 N.J.R. 2911(a).

Amended by R.1993 d.492, effective October 4, 1993.

See: 25 N.J.R. 3107(b), 25 N.J.R. 4618(a).

Administrative Correction.

See: 25 N.J.R. 5943(c).

Amended by R.1994 d.69, effective February 7, 1994.

See: 25 N.J.R. 4471(a), 26 N.J.R. 829(a).

Amended by R.1994 d.137, effective March 21, 1994.

See: 25 N.J.R. 5902(a), 26 N.J.R. 1373(b).

Amended by R.1994 d.298, effective June 20, 1994.

See: 26 N.J.R. 1441(a), 26 N.J.R. 2594(b).

Amended by R.1994 d.504, effective October 3, 1994.

See: 26 N.J.R. 2872(a), 26 N.J.R. 3253(a), 26 N.J.R. 4089(a).

Amended by R.1994 d.575, effective November 21, 1994.

See: 26 N.J.R. 1322(a), 26 N.J.R. 4640(a).

Amended by R.1995 d.285, effective June 5, 1995.

See: 26 N.J.R. 2218(a), 27 N.J.R. 2254(a).

Amended by R.1995 d.468, effective August 21, 1995.

See: 27 N.J.R. 2124(a), 27 N.J.R. 3223(a).

Required procedures for controlling complimentary distribution programs.

Amended by R.1996 d.12, effective January 2, 1996.

See: 27 N.J.R. 3771(a), 28 N.J.R. 180(b).

In (m)2 substituted "\$1,000" for "\$500.00".

Amended by R.1996 d.160, effective March 18, 1996.

See: 28 N.J.R. 75(a), 28 N.J.R. 1559(a).

Amended by R.1996 d.562, effective December 2, 1996.

See: 28 N.J.R. 3900(a), 28 N.J.R. 5082(a).

Amended by R.1997 d.111, effective March 3, 1997.

See: 28 N.J.R. 5064(a), 29 N.J.R. 793(a).

Changed requirements for coupon serial numbers and procedures for redeeming coupons; and added (q) through (t).

Amended by R.1997 d.423, effective October 6, 1997.

See: 28 N.J.R. 4181(b), 29 N.J.R. 4304(b).

In (j)4, inserted reference to the roulette wagers.

Amended by R.1997 d.426, effective October 6, 1997.

See: 29 N.J.R. 3209(a), 29 N.J.R. 4307(a).

In (s)2 and 3, inserted "slot attendant, changeperson".

Amended by R.1997 d.448, effective October 20, 1997.

See: 29 N.J.R. 3202(a), 29 N.J.R. 4561(a).

In (m)2, in the first sentence, deleted "equal to or" preceding "greater than \$1,000".

Amended by R.1998 d.81, effective February 2, 1998.

See: 29 N.J.R. 5058(b), 30 N.J.R. 566(b).

In (s)1, substituted "100.00 or less" for "less than \$100.00"; in (s)2, added "dealer at a gaming table"; in (s)3, added "dealer"; and in (s)5, added language regarding time limit of verifying and canceling a coupon accepted by a dealer.

Amended by R.1998 d.525, effective November 2, 1998.

See: 30 N.J.R. 2613(a), 30 N.J.R. 3972(a).

In (s)5, substituted "eight hours" for "four hours" following "in the system within".

Amended by R.1999 d.379, effective November 1, 1999.

See: 30 N.J.R. 4147(b), 31 N.J.R. 3527(a).

In (j), rewrote 3; and in (s), inserted references to chippersons in 2 and 3.

Amended by R.2001 d.4, effective January 2, 2001.

See: 32 N.J.R. 3215(a), 33 N.J.R. 62(b).

Rewrote (j)1.

Administrative correction.

See: 34 N.J.R. 2802(a).

19:45-1.46A Procedures and requirements for use of an automated coupon redemption machine

(a) All coupons utilized with or accepted by an automated coupon redemption machine shall be accounted for and controlled pursuant to N.J.A.C. 19:45-1.46 unless otherwise authorized by the Commission.

(b) All coupons accepted by an automated coupon redemption machine shall have encoded thereon, in addition to the requirements of N.J.A.C. 19:45-1.46(d), a bar code which contains the dollar value of the coupon and a unique code or other security measure as approved by the Commission, that is readable only by the automated coupon redemption machine to ensure that the coupon is valid.

(c) Each automated coupon redemption machine shall have the capability of establishing the validity of the coupon by comparing the unique code programmed into the machine to the bar code on the coupon referenced in (b) above. Each automated coupon redemption machine shall also have the capability to read the dollar value of the bar coded coupon.

(d) The method or methods utilized to comply with the requirements referenced in (c) above shall be submitted to and approved by the Commission.

(e) Each automated coupon redemption machine shall, at a minimum, accumulate the following data on a meter or a computer generated tape:

1. The total amount of currency, coin or slot tokens dispensed by the automated coupon redemption machine; and
2. The total dollar amount of coupons accepted by the automated coupon redemption machine.

(f) Automated coupon redemption machines may be located on or immediately adjacent to the casino floor, provided that closed circuit television coverage of all automated coupon redemption machines is provided, pursuant to N.J.A.C. 19:45-1.10 and 1.11. Each automated coupon redemption machine shall have imprinted, affixed or impressed on the outside of the machine a unique asset identification number. Each automated coupon redemption machine shall contain a lockable coupon storage box which retains the coupons accepted by the machine. Each coupon storage box located inside the machine shall also have imprinted, affixed or impressed thereon the asset identification number of the corresponding machine.

(g) Each automated coupon redemption machine shall have, at a minimum, the following:

1. One lock securing the compartment housing the coupon storage box and one lock securing the coupon storage box within the compartment, the keys to which shall be different from each other. Such keys shall be controlled by two separate departments or by different employees of the slot department;

2. One lock securing the currency dispensing compartment housing the currency cassettes, the key to which shall be controlled by the slot department;

3. One lock securing the compartment housing the coin storage container, the key to which shall be controlled by the slot department; and

4. One lock securing the contents of the coupon storage box, the key to which shall be different from the keys referenced in (g)1 through 3 above. Such key shall be controlled by an employee of the slot department other than the employee(s) controlling the keys referenced in (g)1 through 3 above.

(h) At least once each gaming day, a slot cashier shall remove the coupons accepted by the automatic coupon redemption machine. Any currency, coin or slot tokens removed from the automated coupon redemption machine during the removal of coupons or during any other time shall be placed in a secured container, as approved by the Commission, with the automated coupon redemption machine asset identification number attached or recorded thereon. Upon removal of the coupons and/or currency, coins or slot tokens from the automated coupon redemption machine, a serially prenumbered three-part form, at a minimum, shall be prepared by the slot cashier. Each series of forms shall be used in a sequential order, and the series numbers of all forms received by a casino shall be accounted for by employees with no incompatible functions. All original, duplicate and triplicate void forms shall be marked "VOID" and shall require the signature of the preparer. The following copies shall contain, at a minimum, the following information:

1. The original and the duplicate and triplicate copies of the form shall contain, at a minimum, the following information:
 - i. The date and time of preparation;
 - ii. The denomination of the automated coupon redemption machine;
 - iii. The automated coupon redemption machine asset identification number;
 - iv. The total amount of currency, coin or slot tokens appearing on the meter or computer generated tape as dispensed by the automated coupon redemption machine;
 - v. The total dollar amount of coupons or the converted value of coupons appearing on the meter or computer generated tape as accepted by the automated coupon redemption machine; and
 - vi. The signature of the slot cashier who removed the coupons and/or currency, coin or slot tokens from the automated coupon redemption machine.

2. The original form shall contain the following information in addition to the information in (h)1 above:

(e) A casino security department employee shall be required to escort the keno supervisor or supervisor thereof, main bank cashier, master coin bank cashier or cage supervisor and the envelope or container if the credit is with the main bank or master coin bank. Once at the main bank or master coin bank, the casino security department employee shall sign the original keno credit slip as evidence of his or her escort of the funds.

(f) Upon receipt of the envelope or container, the receiving individual, if different from the individual who verified the credit in (d) above, shall count the contents and compare the amount counted to the total recorded on the keno credit slip. If the contents and the recorded totals agree, the receiving individual shall sign the original and maintain it for subsequent forwarding to the accounting department at the end of the gaming day or deposit it into a locked accounting box.

New Rule, R.1995 d.285, effective June 5, 1995.
See: 27 N.J.R. 2218(a), 27 N.J.R. 2254(a).
Amended by R.1998 d.164, effective April 6, 1998.
See: 29 N.J.R. 2632(a), 30 N.J.R. 1304(a).
Inserted references to keno runners throughout.

19:45-1.51 Keno computer system

(a) Each casino licensee shall submit for approval the internal control procedures governing the security and control of its keno computer system. Such internal controls shall, without limitation, include:

1. System access restrictions which shall, at a minimum, preclude multiple log-ons by the same individual;
2. Hardware and software controls;
3. A description of the information that shall be contained on all storage media, including, but not limited to, hard disk drives;
4. Floppy disc controls;
5. Override policies and restrictions;
6. Adequate documentation of keno tickets and payoff information; and
7. Backup and recovery procedures.

(b) The keno computer system shall have the capability of generating a hard (paper) copy of each keno transaction. Each keno transaction shall be identified with a unique identification number for the individual who performed said transaction. The identification number for each employee shall be different than that employee's computer password code.

(c) Each keno computer system shall:

1. Record the information identified by (a)3 above as it occurs and in a redundant manner as approved by the Commission, which shall permit a complete and prompt

recovery of all information in the event of any malfunction; and

2. Immediately inform the casino licensee of any malfunction, in a manner approved by the Commission.

(d) Following any malfunction of a keno computer system, the casino licensee shall immediately notify the Commission and Division, and shall not utilize the system until the malfunction has been successfully repaired. Notwithstanding the foregoing, the Commission may permit a casino licensee to utilize the system prior to it being successfully repaired, for a period not to exceed 48 hours, provided that:

1. The malfunction is limited to a single storage media device, such as a hard disk drive;
2. In addition to the malfunctioning storage media device, the keno computer system contains a backup storage media device not utilized in the normal operation of the system, which backup device shall immediately and automatically replace the malfunctioning device, to permit a complete and prompt recovery of all information in the event of an additional malfunction; and
3. Continued use of the malfunctioning system would not limit the ability to perform a complete and prompt recovery of all information, and would not otherwise harm or affect the normal operation of the keno game.

(e) At any time, a representative of the Commission may count the contents of a selected keno drawer and compare that count to the computer-generated reports.

New Rule, R.1995 d.285, effective June 5, 1995.
See: 27 N.J.R. 2218(a), 27 N.J.R. 2254(a).
Amended by R.2001 d.218, effective July 2, 2001.
See: 33 N.J.R. 1173(a), 33 N.J.R. 2283(a).

In (a), inserted a new 3 and recodified former 3 through 6 as 4 through 7; inserted new (c) and (d) and recodified former (c) as (e).

19:45-1.52 Payment of table game progressive payout wagers

(a) Whenever a patron wins a table game progressive payout pursuant to N.J.A.C. 19:45-1.39B, the casino licensee may either:

1. Pay the wager from the gaming chips in the table inventory container;
2. Issue a receipt to the patron which may be exchanged for payment at the cashiers' cage; or
3. Bring the payment to the patron at the table from the cashiers' cage.

(b) If the casino licensee elects to pay the wager pursuant to either (a)2 or 3 above, the casino licensee shall submit for review and approval internal control procedures governing the payment to the patron. At a minimum, the procedures shall provide for the following:

1. Documentation prepared by a floorperson or super-visor thereof which records the configuration of the winning hand and the amount of the payment, with a copy deposited into the drop box attached to the table and a copy given to the patron;

2. A multi-part form which is prepared by the general cashier or cage supervisor which documents the issuance of the payment to the patron or a casino security department representative for transportation to the patron;

3. Procedures of the casino accounting department for verifying the payment of the table game progressive payment which shall include verifying the meter readings required by N.J.A.C. 19:45-1.39B; and

4. Procedures for the adjustment to the Master Game Report and the proper reporting of table game win/loss.

(c) All forms used for the payment of table game progressive payouts shall be serially prenumbered forms, each series of which shall be used in sequential order, with the series of numbers of all forms received by the casino being accounted for by employees independent of the cashiers' cage and the table games department. All voided forms shall be marked "VOID" and shall require the signature of the preparer.

(d) All forms used for the payment of table game progressive payouts shall be clearly identified as forms used for such purpose.

(e) All table game progressive payments shall be made in the presence of a casino supervisor.

(f) Prior to the payment of a table game progressive payout, a casino supervisor shall record the amount on the progressive meter in a manner as approved by the Commission.

New Rule, R.1995 d.430, effective August 7, 1995.
See: 27 N.J.R. 1767(b), 27 N.J.R. 2967(a).

19:45-1.53 Accounting controls for chippersons and chip carts

(a) A chipperson shall commence his or her shift with an imprest inventory of gaming chips and currency known as a "chipperson inventory." No casino licensee shall cause or permit coin, currency, coupons, gaming chips or slot tokens to be added to, or coin, currency or gaming chips to be removed from, the chip inventory during the gaming day except:

1. In an even exchange with a chipperson by a patron seated at a poker table while a game is in progress;

2. In order to make change for such a patron purchasing gaming chips; or

3. In receipt of a coupon from such a patron in exchange for gaming chips, in conformity with N.J.A.C. 19:45-1.46(j).

(b) The chipperson inventory shall be placed and kept in a lockable cart approved by the Commission, known as a "chip cart." For a given shift, each chipperson shall have his or her own chip cart, and no other person shall operate from the chip cart of that chipperson. When not in use, all chip carts shall be stored in a segregated and secure area approved by the Commission.

(c) The keys to the chip carts shall be maintained and controlled either by the accounting department or the security department, in a secure place approved by the Commission. Each key shall be signed-in and signed-out in accordance with procedures approved by the Commission.

(d) Each casino licensee shall develop internal control procedures for the accounting and reconciliation of all chipperson inventories used each gaming day. These procedures shall include the documentation used by the chip bank in issuing the inventories, the documentation used by the main bank in receiving the inventories, the verification of each inventory by a cage supervisor, and the reporting of any overage or shortage, provided that any shortages of \$250.00 or more must also be reported immediately to the casino licensee's casino controller, the Commission and the Division. Copies of all documentation and reports shall be forwarded to casino accounting on a daily basis.

New Rule, R.1999 d.379, effective November 1, 1999.
See: 30 N.J.R. 4147(b), 31 N.J.R. 3527(a).

19:45-1.54 Gaming vouchers; physical characteristics; procedures for issuance and redemption

(a) In conjunction with, or in lieu of, the requirements of N.J.A.C. 19:45-1.36 for a hopper and either a slot drop bucket or slot drop box, a casino licensee may issue a gaming voucher to automatically pay a jackpot or the amount on a credit meter, which voucher shall be dispensed automatically from a slot machine to a patron, provided that:

1. The slot machine satisfies the requirements of N.J.A.C. 19:45-1.37(b)5 and (e)4, and such slot machine is connected to a computerized gaming voucher system ("system") that satisfies the requirements of N.J.A.C. 19:45-1.55;

2. The design specifications of the gaming voucher are submitted to and approved by the Commission prior to issuance, which specifications shall comply with the requirements of (b) below;

3. Each gaming voucher is redeemable only in accordance with the requirements of (c) through (e) below and shall not expire, provided, however, that nothing shall preclude a casino licensee from restricting the redemption location for a gaming voucher after a specified period of time, above a specified value, or both, in accordance with approved internal controls, provided that adequate written notice explaining the restriction or restrictions, as approved by the Commission, is provided to patrons in accordance with (b)7 below;

4. No gaming voucher shall result in a deduction from gross revenue unless the voucher is redeemed, the system is used to verify the validity of the serial number and value of the voucher, which verification shall be performed upon redemption except as provided in (d)6 below, and the voucher is forwarded to and accepted by the casino accounting department in accordance with the requirements of this section.

5. In addition to the requirements of (a)4 above, no gaming voucher redeemed at a slot machine shall result in a deduction from gross revenue unless the gaming voucher is counted in the count room in accordance with the requirements of N.J.A.C. 19:45-1.33; and

6. The casino licensee has approved internal controls in accordance with the requirements of this chapter.

(b) Each gaming voucher shall be designed and manufactured with sufficient graphics or other security measures, so as to permit, to the greatest extent possible, the proper verification of the voucher. Notwithstanding the forgoing, each gaming voucher shall contain, at a minimum, the following information:

1. The name or trade name of the casino licensee, and if the casino licensee is affiliated with a casino in any other jurisdiction with an identical or similar name or trade name, the words "Atlantic City" or "New Jersey";

2. The date and time of issuance;

3. The value of the voucher, in both numbers and words;

4. A unique serial number, which shall be automatically generated by the system in accordance with the requirements of N.J.A.C. 19:45-1.55(e)1 and shall include a method of identifying the casino licensee issuing the voucher;

5. The asset number of the slot machine dispensing the voucher;

6. At least one anti-counterfeiting measure, which shall appear on one or both sides of the voucher;

7. The locations where the voucher may be redeemed and any restriction regarding redemption in accordance with (a)3 above; and

8. A bar code or magnetic strip which shall enable the system to identify the numeric information in (b)1 through 5 above when the voucher is subsequently presented for redemption.

(c) Each gaming voucher shall be redeemed by a patron for a specific value of cash, a casino check of that casino licensee in the amount of the gaming voucher surrendered, gaming voucher credits, or slot tokens, which value shall not exceed \$10,000. Notwithstanding the forgoing, a casino licensee shall not permit a gaming voucher that is presented

for redemption to be redeemed if it knows, or reasonably should know, that:

1. The gaming voucher is materially different from the sample of the gaming voucher approved by the Commission pursuant to this section;

2. The gaming voucher was previously redeemed; or

3. The gaming voucher was printed as a test gaming voucher in accordance with the provisions of (d)9 below.

(d) Prior to issuing a gaming voucher, each casino licensee shall establish a system of internal controls for the issuance and redemption of gaming vouchers, which internal controls shall be submitted to the Commission for approval and shall, at a minimum, provide for the following:

1. Upon the presentation of a gaming voucher for redemption, the general cashier, slot cashier, or slot machine shall use the system to verify the validity of the serial number and value of the voucher, and if valid, the system shall immediately cancel the voucher electronically and permit the redemption of such voucher for the value printed thereon;

i. At the end of each shift, gaming vouchers presented for redemption to a general cashier or slot cashier shall be transferred to the cashier's cage or count room separately from all other inventory items in accordance with internal controls approved by the Commission; and

ii. Gaming vouchers presented for redemption at a slot machine shall be transported to the count room in accordance with the requirements of N.J.A.C. 19:45-1.42;

2. The casino licensee shall maintain a record of all transactions in the system for a period of time specified in the casino licensee's internal controls, which period shall not be less than 90 days from the date of the transaction, provided that any such records removed from the system after 90 days shall be stored and controlled in a manner approved by the Commission;

3. Notwithstanding (d)2 above, the casino licensee shall maintain an "unredeemed gaming voucher record" of the information required by (b)1 through 5 above for gaming vouchers that have been issued but not yet redeemed, which record shall be stored in the system for a period of time specified in the casino licensee's internal controls, which period shall not be less than two years from the date of issuance of the voucher, provided that:

i. Any unredeemed gaming voucher record removed from the system after two years shall be stored and controlled in a manner approved by the Commission;

ii. Prior to the redemption of a gaming voucher, the complete serial number of the unredeemed voucher shall only be available to the system;

iii. The redemption of any gaming voucher for which the unredeemed gaming voucher record is not stored in the system shall not result in a deduction from gross revenue, unless the casino licensee has approved internal controls which require that, prior to redemption, the unredeemed gaming voucher record be reloaded into the system, and the validity of the serial number and value of the voucher be subsequently verified by the system; and

iv. After the redemption of a gaming voucher for which the unredeemed gaming voucher record has been reloaded into the system, the unredeemed gaming voucher record shall be immediately canceled electronically and the gaming voucher redeemed for the value printed thereon;

4. At the end of each gaming day, the system shall generate reports, as approved by the Commission, which reports shall be provided to the casino accounting department, either directly by the system or through the MIS department, for purposes of the reconciliation required by (g) below and shall contain the following information, at a minimum:

i. All gaming vouchers that have been issued by each slot machine, including at a minimum, the asset number of the slot machine and the value, date and time of issuance of each voucher;

ii. All gaming vouchers that have been redeemed and canceled by each redemption location, including at a minimum, the asset number of the slot machine or location if other than a slot machine, the serial number, value, date and time of redemption of each voucher, the total value of all gaming vouchers redeemed at slot machines, and the total value of all gaming vouchers redeemed at locations other than slot machines;

iii. The unredeemed liability for gaming vouchers;

iv. If the system is approved to record meter readings in accordance with the provisions of N.J.A.C. 19:45-1.42(o), the readings of the slot machine meters required pursuant to N.J.A.C. 19:45-1.37(b)5 and (e)4, and a comparison of such readings to the number and value of issued and redeemed gaming vouchers, as applicable; and

v. Exception reports and audit logs;

5. In accordance with the requirements of N.J.A.C. 19:46-1.20(f), the casino licensee shall immediately report to the Commission and the Division, using a three-part form, at a minimum, any evidence that a gaming voucher has been counterfeited, tampered with, or altered in any way which would affect the integrity, fairness, reliability or suitability of the voucher;

6. Notwithstanding the requirements of (d)1 above, if the system is inoperable rendering it unable to determine the validity of a gaming voucher, a casino licensee may redeem a gaming voucher without first verifying its validity and without immediately canceling the voucher electronically in the system, provided that:

i. The value of the voucher is \$500.00 or less;

ii. The voucher is redeemed by a general cashier or slot cashier or above, at a location approved in accordance with the requirements of N.J.A.C. 19:45-1.55;

iii. The voucher is physically canceled in a manner required by the casino licensee's approved internal controls and physically segregated and secured until verified and electronically canceled;

iv. The voucher is verified in the system, pursuant to (d)1 above, and electronically canceled in the system as soon as reasonably practicable upon availability of the system;

v. The casino licensee shall compute and record on a report the total number and value of all such vouchers redeemed during each cashier's shift; and

vi. The redemption of such voucher shall not result in a deduction from gross revenue if the voucher is determined to be counterfeit or otherwise invalid, or if the system is unable to subsequently verify the serial number and value of the voucher;

7. Notwithstanding the requirements of (d)1 above, upon presentation of a gaming voucher for redemption at a slot machine, the total value of which voucher cannot be completely converted into an equivalent value of coins or slot tokens that matches the denomination of the coin or slot token which that slot machine is designed to accept in order to activate play, the slot machine shall perform one of the following procedures, as specified in the casino licensee's approved internal controls:

i. Automatically issue a new gaming voucher containing the value that cannot be completely converted, either immediately or upon the patron's request; or

ii. Not redeem the gaming voucher and immediately return the voucher to the patron;

8. Any casino licensee that issues a gaming voucher in lieu of equipping a slot machine with a hopper shall have approved internal controls to preclude the generation of a Hopper Fill in accordance with the provisions of N.J.A.C. 19:45-1.41 for such slot machine, and to identify slot machines with a hopper separately from those without a hopper to ensure the proper collection, recordation, and reconciliation of gross revenue; and

9. Any casino licensee that utilizes a system or a slot machine that does not print a test gaming voucher that is visually distinguishable from a valid gaming voucher whenever the slot machine is tested on the casino floor by a slot attendant, slot mechanic, or slot supervisor shall have approved internal controls for the issuance of test currency to a slot attendant, slot mechanic, or slot supervisor from the Cashier's Cage and the return and reconciliation of such test currency and any gaming vouchers printed during the testing process.

(e) Notwithstanding the requirements of (d) above, if a patron requests by mail to redeem a gaming voucher in any value, the casino licensee may effectuate such redemption, however, only by a cage supervisor as defined in N.J.A.C. 19:45-1.1, in accordance with the casino licensee's approved internal controls, which shall include, at a minimum, the following:

1. Procedures for using the system to verify the validity of the serial number and value of the voucher, which, if valid, shall be immediately canceled electronically by the system; and
2. Procedures for the issuance of a casino check containing the value of the voucher.

(f) Nothing in this section shall preclude a casino licensee from issuing a cash complimentary in accordance with the provisions of N.J.A.C. 19:45-1.9 to a patron in accordance with internal controls approved by the Commission for the value printed on a gaming voucher that is not otherwise redeemable in accordance with the requirements of this section.

(g) All gaming vouchers redeemed at locations other than slot machines shall be transferred to the casino accounting department on a daily basis in a manner approved by the Commission. Prior to accepting a transfer of gaming vouchers, a casino accounting representative shall perform a piece count of all vouchers being transferred, record the results of such count on a document as approved by the Commission, and sign the document attesting to the accuracy of the information recorded thereon. All gaming vouchers redeemed by bill changers and counted in the count room in accordance with N.J.A.C. 19:45-1.33 shall be forwarded to the casino accounting department upon conclusion of the count process. Casino accounting department representatives with no incompatible functions shall perform, at a minimum, the following:

1. On a daily basis:
 - i. Review for the propriety of signatures and all other information on gaming voucher documentation as required in accordance with the provisions of this chapter;
 - ii. Compare gaming voucher system reports to gaming vouchers received in accordance with (g) above to

ensure proper electronic cancellation of gaming vouchers;

iii. Calculate the unredeemed liability for gaming vouchers, such as by reconciling the total number and value of redeemed gaming vouchers to the total number and value of gaming vouchers issued through the use of system reports generated in accordance with the requirements of (d)4iii above, unless the system performs the calculation in a manner approved by the Commission;

iv. Reconcile the serial number and value of no less than 10 percent of all gaming vouchers redeemed at locations other than slot machines to the system report(s) generated pursuant to (d)4 above, or alternatively, a sample of all such gaming vouchers selected at random, to a required statistical confidence level of 98 percent with a precision of plus or minus two percent, provided that the procedures for selecting the sample size and for assuring a proper selection of the sample are submitted to and approved by the Commission;

v. Complete the Slot Win Report for the recordation of all gaming voucher revenue and deductions for gaming vouchers redeemed in accordance with the following:

(1) Gaming voucher revenue shall be the greater of the value of gaming vouchers redeemed, as recorded on the gaming voucher system report required by (d)4ii above, or the value of gaming vouchers counted in the count room, as recorded on the Slot Cash Storage Box Report;

(2) Deductions for gaming voucher redemptions shall be the lesser of the value of gaming vouchers redeemed, as recorded on the gaming voucher system report required by (d)4ii above, or the total of the value of gaming vouchers counted in the count room, as recorded on the Slot Cash Storage Box Report, plus the value of gaming vouchers transferred in accordance with (g) above; and

(3) No adjustment shall be made to the amounts recorded on the Slot Win Report in accordance with (1) and (2) above unless the reason for the adjustment is adequately documented and explained to the satisfaction of the Commission and the amount of the adjustment is determined by the Commission to be necessary in order to accurately report the casino licensee's gross revenue; and

vi. Attach or file with the Slot Win Report for the applicable gaming day any system reports and other items approved in the casino licensee's internal controls as supporting documentation;

2. On a weekly basis:

i. Compare the readings of the slot machine meters required pursuant to N.J.A.C. 19:45-1.37(b)5 and (e)4

to the number and value of issued and redeemed gaming vouchers, as applicable; and

ii. Review exception reports and audit logs;

3. Sign each system report or item reviewed in accordance with internal controls approved pursuant to (g), (g)1, and (g)2 above, attesting to the accuracy of the information recorded thereon; and

4. Maintain and control redeemed gaming vouchers until destruction in accordance with the requirements of N.J.A.C. 19:45-1.8.

(h) No adjustment to the value of any gaming voucher shall be made without the approval of the Commission.

New Rule, R.2003 d.4, effective January 6, 2003.
See: 34 N.J.R. 2012(a), 35 N.J.R. 259(a).

19:45-1.55 Computerized gaming voucher systems; required procedures

(a) In order to issue or redeem gaming vouchers in accordance with the procedures at N.J.A.C. 19:45-1.54, a casino licensee shall operate a computerized gaming voucher system ("system") which satisfies the requirements of this section. Each slot machine and redemption location other than a slot machine that redeems gaming vouchers shall be connected to such a system, provided that no slot machine or other redemption location may be connected to, or disconnected from, such a system without approved internal controls and prior written approval of the Commission to connect or disconnect each slot machine and other redemption location.

(b) All aspects of a system, including all hardware and software utilized therein, shall be subject to testing by the Division pursuant to N.J.A.C. 19:46-1.28 and review and approval by the Commission prior to the implementation of the system by the casino licensee and following implementation, prior to any changes thereto.

(c) Each system shall perform the following functions, at a minimum, in order to control logical access to the system:

1. Generate daily monitoring logs of user access, security incidents and unusual transactions, and immediately notify the MIS department of critical security incidents and unusual transactions in a manner approved by the Commissioner;

2. Be capable of assigning rights and privileges to each user, including:

i. Allowance for the secure administration of a unique system account for each user to provide an adequate segregation of duties; and

ii. Contain adequate password parameters such as lockout, minimum length, and expiration interval;

3. Use appropriate access permissions to restrict unauthorized users from viewing, changing or deleting critical files and directories; and

4. Utilize encryption for files and directories containing critical or sensitive data, which at a minimum shall include the unredeemed gaming voucher record. Notwithstanding the foregoing, in lieu of utilizing encryption for files and directories containing critical or sensitive data, the system shall be designed to permit, and the casino licensee shall implement, internal controls approved by the Commission to restrict users from viewing the contents of such files and directories, which internal controls shall, at a minimum, provide for the following:

i. The effective segregation of duties and responsibilities with regard to the system in the MIS department; and

ii. The automatic monitoring and recording by the system of access by any person to such files and directories.

(d) Each system shall perform the following functions, at a minimum, in order to control system operations:

1. Generate daily monitoring logs and alert messages for system performance, hardware problems, and software errors;

2. Authenticate the identity of a slot machine or other redemption location from which a transmission of data is received;

3. Ensure that all data sent through a transmission is completely and accurately received;

4. Detect the presence of corrupt or lost data packets and, as necessary, reject the transmission; and

5. Utilize an appropriate cryptographic system, such as public/private key encryption, for all critical transmissions of data, such as transmissions that include a gaming voucher serial number, slot machine meter information, or any other information used in the calculation or verification of gross revenue.

(e) Each system shall perform the following functions, at a minimum, in order to control the integrity of data:

1. Generate a unique serial number for each gaming voucher, with a portion of the serial number comprised of randomly generated numbers, symbols or characters, as approved by the Commission, or by such other method as approved by the Commission, which numbers, symbols or characters shall be constructed in a manner so as to prevent a person from being able to predict the composition of any other serial number generated by the system;

2. Validate the data type and format of all inputs to critical fields and reject any corrupt data;

3. Provide for the automatic and independent recodation of critical data upon gaming voucher generation and redemption, including at a minimum, the information specified in N.J.A.C. 19:45-1.54(b)1 through 5;

4. Provide for verification of the information contained on a gaming voucher presented for redemption and the unredeemed gaming voucher record to a source that separately records and maintains transaction data, such as an automated transaction log, or such other compensating procedure as approved by the Commission, which procedure shall:

i. Independently verify the accuracy of the gaming voucher serial number and value prior to redeeming the gaming voucher; and

ii. Not be used to satisfy any other requirements of this chapter; and

5. Segregate all security critical system programs, files and directories from all other programs and files and directories contained in the system.

(f) Each system shall be equipped with the following, at a minimum, in order to address continuity:

1. Data redundancy, such as disk mirroring, which writes a complete and duplicate copy of all data on the primary disk to a secondary disk as it occurs, to permit a complete and prompt recovery of all information in the event of any malfunction;

2. Environmental protection, such as an uninterruptible power supply, and fireproof and waterproof materials designed to protect critical hardware from a natural disaster; and

3. A backup capability, which enables the casino licensee to create, in accordance with procedures approved pursuant to (h)10 below, periodic backup copies of files and data on a removable storage device, such as magnetic tape, which shall be separate from the devices required in accordance with (f)1 above.

(g) Each system shall immediately inform the casino licensee of any malfunction, in a manner approved by the Commission. Following any malfunction of a system, the casino licensee shall immediately notify the Commission and Division, and shall not utilize the system until the malfunction has been successfully repaired. Notwithstanding the foregoing, the Commission may permit a casino licensee to utilize the system prior to it being successfully repaired, for a period not to exceed 72 hours, provided that:

1. The malfunction is limited to a single storage media device, such as a hard disk drive;

2. In addition to the malfunctioning storage media device, the system contains a backup storage media device not utilized in the normal operation of the system, which backup device shall immediately and automatically replace the malfunctioning device, to permit a complete and

prompt recovery of all information in the event of an additional malfunction; and

3. Continued use of the malfunctioning system would not inhibit the ability to perform a complete and prompt recovery of all information, and would not otherwise harm or affect the normal operation of the system.

(h) Prior to implementing a system, each casino licensee shall establish a system of internal controls which addresses the integrity, security and control of its system which internal controls shall be submitted to the Commission for approval and shall, at a minimum, provide for the following:

1. Documentation of the system design and layout in both narrative and diagrammatic formats, user manuals, and a list of all configurable options and settings;

2. Copies of all documents generated in accordance with the requirements of (c)1 and (d)1 above;

3. Procedures for assigning a slot machine's asset number and identifying other redemption locations in the system, and enabling and disabling voucher capabilities for such slot machines and redemption locations;

4. Procedures for issuance, modification, and termination of a unique system account for each user in accordance with the requirements of (c)2i above;

5. Constraints used to configure and maintain user passwords in accordance with the requirements of (c)2ii above;

6. Procedures for restricting special rights and privileges, such as "administrator" and override capabilities, in accordance with the requirements of (c)3 above;

7. The duties and responsibilities of the MIS, internal audit, slot and casino accounting departments, respectively, and the level of access for each position with regard to the system, in accordance with the requirements of (c)3 above;

8. Identification of all software files and directories, the location and a description of each, and the reports generated from such files, which software files, directories, and locations shall not be changed except in accordance with the provisions of (i) below;

9. A description of physical controls on all critical hardware such as locks and surveillance, including the location and security of each piece of equipment as approved by the Commission;

10. Procedures for the backup and timely recovery of critical data and failure analysis, in accordance with the requirements of (f)3 above;

11. Logs used to document and maintain the details of any hardware and software modifications upon implementation, which modifications shall be first approved in accordance with the provisions of (i) below and thereafter

performed in accordance with the requirements of (j) below; and

12. Procedures for reviewing the system's operation and, the adequacy and effectiveness of policies and procedures.

(i) Prior to implementing any programming change, upgrade, or hardware addition or replacement to an existing system, the casino licensee shall provide at least 72 hours advanced written notice to the Commission and Division in accordance with the requirements of this subsection, except that the Commission may permit a casino licensee to change or upgrade non-critical software files or directories or hardware, as recommended by the Division and specifically identified in the casino licensee's approved internal controls, provided that written notice in accordance with the requirements of this subsection shall be filed within 24 hours following the change. Any written notice filed by a casino licensee in accordance with this subsection shall include, without limitation, the following:

1. A description of the reasons for the proposed modification;
2. A list of the computer components and programs or versions to be modified or replaced;
3. A description of any screens, menus, reports, operating processes, configurable options, or settings that will be affected;
4. The method to be used to complete the proposed modification;
5. Date that the proposed modification will be installed and the estimated time for completion;
6. Name, title, and employer of the person(s) to perform the installation;
7. A diagrammatic representation of the proposed hardware design change;
8. Restriction on "update" access to the production code to the person implementing the modification; and

9. Procedures to ensure that user and operator manuals are updated to reflect changes in policies and procedures resulting from the proposed modification.

(j) Subject to any testing required pursuant to N.J.A.C. 19:46-1.28 and approval by the Commission upon receipt of the notification required by (i) above, modifications to the system shall be installed in the presence of an employee of the MIS department with no incompatible functions and a Commission inspector. Following completion of the modification, the casino licensee shall generate a record detailing the modification on the system or, if the system does not have the capability of generating such a record, such other record as may be required by the Commission. In the event the Commission determines that testing is required after the modification, the Commission shall establish the terms and conditions of such a test.

(k) In order to obtain a determination from the Commission that a system, as installed and configured by a casino licensee, can accurately perform the functions set forth in (c) through (f) above, the casino licensee shall, without limitation, perform the following:

1. Submit certifications from the manager of its MIS department and a qualifier of the company that manufactured the system, both initially and following any changes to the gaming voucher system as approved pursuant to N.J.A.C. 19:46-1.20, stating that the system, as installed and configured by the casino licensee, can accurately perform the functions set forth in (c) through (f) above;
2. Successfully complete a minimum 60-day test of the system under terms and conditions established by the Commission;
3. Have approved internal controls as required by (h) above; and
4. Provide access to the system to the Commission and Division in a manner and from such locations as approved by the Commission and Division.

New Rule, R.2003 d.4, effective January 6, 2003.
See: 34 N.J.R. 2012(a), 35 N.J.R. 259(a).

(b) Prior to paying a progressive payout hand, the dealer shall:

1. Verify that the hand is a winning hand;
2. Verify that the appropriate light on the acceptor device has been illuminated; and
3. Have a casino supervisor validate the progressive payout pursuant to approved internal control procedures.

(c) Any winning progressive payout wager shall be paid irrespective of the rank of the hand of the dealer or even if the dealer does not have a qualifying hand or has a higher ranking hand.

19:47-16.12 Payout odds; rate of progression; payout limitation

(a) The payout odds for winning wagers at caribbean stud poker printed on any layout or in any brochure or other publication distributed by a casino licensee shall be stated through the use of the word "to" or "win," and no odds shall be stated through the use of the word "for."

(b) A casino licensee shall pay out winning ante wagers at payout odds of 1 to 1.

(c) Subject to the payout limitation in (d) below, a casino licensee shall pay off each winning wager at the game of caribbean stud poker at no less than the odds listed below:

Wager	Payout Odds
Royal Flush	100 to 1
Straight Flush	50 to 1
Four-of-a-kind	20 to 1
Full House	7 to 1
Flush	5 to 1
Straight	4 to 1
Three-of-a-kind	3 to 1
Two Pair	2 to 1
One Pair or less	1 to 1

(d) Notwithstanding the payout odds in (c) above, the payout limit on each bet wager for any hand shall be no less than \$5,000 or the maximum amount that one patron could win per round when betting the minimum permissible wager, whichever is greater.

(e) A casino licensee shall payout winning progressive payouts at no less than the amounts listed below:

Hand	Payout
Royal Flush	100 percent of progressive jackpot
Straight Flush	Either 10 percent of progressive jackpot or \$5,000, as designated in the casino licensee's approved system of internal controls
Four-of-a-kind	\$500.00
Full House	\$100.00
Flush	\$ 50.00

(f) The rate of progression for the progressive meter used for the progressive payouts in (e) above shall be no less than 70 percent. The initial and reset amount shall be established by each casino licensee and approved pursuant to N.J.A.C. 19:45-1.39B.

(g) Winning progressive payout hands shall be paid in accordance with the amount on the meter when it is the player's turn to be paid in accordance with N.J.A.C. 19:47-16.11; provided, however, if more than one player at a table has a royal flush progressive payout hand, each player shall share equally in the amount on the progressive meter when the first player with a royal flush is to be paid.

Amended by R.2001 d.89, effective March 19, 2001.

See: 33 N.J.R. 26(a), 33 N.J.R. 1019(a).

Rewrote (d).

19:47-16.13 Irregularities

(a) If a hole card is exposed prior to the dealer announcing "No more bets" pursuant to N.J.A.C. 19:47-16.7, all hands shall be void.

(b) A card that is found face up in the shoe or the deck while the cards are being dealt shall not be used in the game and shall be placed in the discard rack. If more than one card is found face up in the shoe or the deck during the dealing of the cards, all hands shall be void and the cards shall be reshuffled.

(c) A card drawn in error without its face being exposed shall be used as though it was the next card from the shoe or the deck.

(d) If any player is dealt an incorrect number of cards, that player's hand shall be void. If the dealer is dealt four cards of the five card hand, the dealer shall deal an additional card to complete the hand. Any other misdeal to the dealer shall result in all hands being void and the cards shall be reshuffled.

(e) If an automated card shuffling device is being used and the device jams, stops shuffling during a shuffle, or fails to complete a shuffle cycle, the cards shall be reshuffled in accordance with procedures approved by the Commission.

(f) If an automated dealing shoe is being used and the device jams, stops dealing cards, or fails to deal all cards during a round of play, the round of play shall be void and the cards shall be removed from the device and reshuffled with any cards already dealt, in accordance with procedures approved by the Commission.

(g) Any automated card shuffling device or automated dealing shoe shall be removed from a gaming table before any other method of shuffling or dealing may be utilized at that table.

SUBCHAPTER 17. DOUBLE DOWN STUD

19:47-17.1 Definitions

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

“Double down wager” means an additional wager made by a player, in an amount not to exceed the amount of the player’s original wager, after all cards for the round of play have been dealt but before the dealer exposes the hole card.

“Hand” means the five card stud hand formed for each player by combining the single card dealt to the player and the four cards dealt in front of the dealer.

“Hole card” means the card which has been dealt face down to the dealer.

“Push” means a tie, as defined in N.J.A.C. 19:47-17.10.

“Rank” or “ranking” means the relative position of a card or group of cards as set forth in N.J.A.C. 19:47-17.5.

“Round of play” or “round” means one complete cycle of play during all players then playing at the table have been dealt a hand, have wagered upon it, and have had their wagers paid off or collected in accordance with the rules of this subchapter.

“Suit” means one of the four categories of cards: diamond, spade, club or heart.