

CHAPTER 45

ACCOUNTING AND INTERNAL CONTROLS

Authority

N.J.S.A. 5:12-63(c) and (f), 5:12-69, 5:12-70(g),
(j), (l), (m), (n); 5:12-99 and 5:12-101.

Source and Effective Date

R.1993 d.147, effective March 5, 1993.
See: 25 N.J.R. 277(a), 25 N.J.R. 1519(a).

Executive Order No. 66(1978) Expiration Date

Chapter 45, Accounting and Internal Controls, expires on August 15, 1997.

Chapter Historical Note

All provisions of this chapter became effective May 25, 1978 as R.1978 d.178. See: 10 N.J.R. 212(a), 10 N.J.R. 306(d).

1975 Revisions: Amendments became effective June 19, 1975 as R.1975 d.172. See: 7 N.J.R. 343(a).

1978 Revisions: Amendments became effective August 22, 1978 as R.1979 d.336. See: 11 N.J.R. 307(a), 11 N.J.R. 530(d).

1980 Revisions: Amendments became effective on November 18, 1980 as R.1980 d.504. See: 12 N.J.R. 447(b), 13 N.J.R. 48(a).

1981 Revisions: Amendments became effective August 16, 1981 as R.1981 d.272. See: 13 N.J.R. 47(c), 13 N.J.R. 628(a), 13 N.J.R. 541(a). Further amendments became effective September 10, 1981 as R.1981 d.272. Further amendments became effective October 13, 1981 as R.1981 d.437. See: 13 N.J.R. 534(b), 13 N.J.R. 848(b). See: 13 N.J.R. 47(c), 13 N.J.R. 628(a). Further amendments became effective November 16, 1981 as R.1981 d.437. See: 13 N.J.R. 534(b), 13 N.J.R. 848(b).

1982 Revisions: Amendments became effective June 7, 1982 as R.1982 d.171. See: 13 N.J.R. 534(b), 14 N.J.R. 582(a). Further amendments became effective June 21, 1982 as R.1982 d.189. See: 14 N.J.R. 381(a), 14 N.J.R. 664(c). Further amendments became effective July 6, 1982 as R.1982 d.206. See: 13 N.J.R. 534(b), 14 N.J.R. 710(d). Further amendments became effective June 7, 1982 (operative July 15, 1982), as R.1982 d.171. See: 13 N.J.R. 534(b), 14 N.J.R. 582(a), 14 N.J.R. 848(b). Further amendments became effective June 21, 1982, as R.1982 d.189. See: 14 N.J.R. 381(a), 14 N.J.R. 664(c). Further amendments became effective September 7, 1982 as R.1982 d.293. See: 14 N.J.R. 559(a), 14 N.J.R. 983(b). Further amendments became effective October 4, 1982 as R.1982 d.329. See: 14 N.J.R. 708(a), 14 N.J.R. 1101(c).

1983 Revisions: Amendments became effective March 29, 1983 as R.1983 d.112. See: 15 N.J.R. 257(a), 15 N.J.R. 627(b). This chapter was readopted pursuant to Executive Order 66(1978) effective April 7, 1983 as R.1983 d.125. See: 15 N.J.R. 240(a), 15 N.J.R. 699(a). Amendments became effective June 30, 1983 as R.1983 d.239. See: 14 N.J.R. 1052(a), 15 N.J.R. 1040(b). Further amendments became effective August 1, 1983 as R.1983 d.300. See: 14 N.J.R. 1053(a), 15 N.J.R. 1259(a).

1984 Revisions: Amendments became effective April 16, 1984 as R.1984 d.135. See: 16 N.J.R. 361(a), 16 N.J.R. 927(a).

1985 Revisions: Amendments became effective January 21, 1985 as R.1985 d.623. See: 16 N.J.R. 2075(b), 17 N.J.R. 211(b). Further amendments became effective January 21, 1985 (operative September 30, 1985) as R.1984 d.624. See: 16 N.J.R. 2076(a), 17 N.J.R. 212(a), 17 N.J.R. 1917(b). Further amendments became effective February 19, 1985 as R.1985 d.41. See: 16 N.J.R. 3302(b), 17 N.J.R. 480(c).

Further amendments became effective February 19, 1985 as R.1985 d.41. See: 16 N.J.R. 3302(b), 17 N.J.R. 480(c). Further amendments became effective May 20, 1985 (operative December 1, 1985) as R.1985 d.229. See: 17 N.J.R. 181(a), 17 N.J.R. 1327(a). Further amendments became effective October 7, 1985 (operative December 1, 1985) as R.1985 d.493. See: 17 N.J.R. 1254(a), 17 N.J.R. 2456(a).

1986 Revisions: Amendments became effective February 18, 1986 (operative March 1, 1986) as R.1986 d.36. See: 17 N.J.R. 2970(a), 18 N.J.R. 428(b). April 7, 1986 as R.1986 d.77. See: 17 N.J.R. 2245(a), 18 N.J.R. 706(b). Further amendments became effective June 16, 1986 as R.1986 d.212. See: 17 N.J.R. 2969(a), 18 N.J.R. 1312(a). Further amendments became effective July 7, 1986 as R.1986 d.240. See: 17 N.J.R. 2747(a), 18 N.J.R. 1402(c). Further amendments became effective August 4, 1986 as R.1986 d.308. See: 18 N.J.R. 1096(a), 18 N.J.R. 1614(b). Further amendments became effective September 8, 1986 as R.1986 d.365. See: 18 N.J.R. 935(b), 18 N.J.R. 1839(b). Further amendments became effective October 6, 1986 as R.1986 d.302. See: 18 N.J.R. 2005(a), 19 N.J.R. 1321(a).

1987 Revisions: Amendments became effective July 6, 1987 (operative November 1, 1987) as R.1987 d.277. See: 18 N.J.R. 1929(a), 19 N.J.R. 1237(a), 19 N.J.R. 1656(a). July 20, 1987 as R.1987 d.302. See: 18 N.J.R. 2005(a), 19 N.J.R. 1321(a). Further amendments became effective October 5, 1987 as R.1987 d.395. See: 19 N.J.R. 54(b), 19 N.J.R. 1826(b). Further amendments became effective November 2, 1987 as R.1987 d.428. See: 19 N.J.R. 923(a), 19 N.J.R. 2065(a). Further amendments became effective November 16, 1987 as R.1987 d.457. See: 19 N.J.R. 1290(a), 19 N.J.R. 2202(a).

1988 Revisions: Amendments became effective January 19, 1988 as R.1988 d.34. See: 19 N.J.R. 1890(a), 20 N.J.R. 205(a). This chapter was readopted pursuant to the Executive Order 66(1978) as R.1988 d.178, effective March 24, 1988. See: 20 N.J.R. 382(a), 20 N.J.R. 930(a).

Petition for Rulemaking: proposing new rule, N.J.A.C. 19:45-1.26A, regarding the redemption of checks and counterchecks by authorized agents for casino licensees. See: 21 N.J.R. 3677(b).

1993 Revisions: Pursuant to Executive Order No. 66, Chapter 45 was readopted by R.1993 d.147. See: Source and Effective Date. Per Casino Control Commission request, a chapter expiration date of August 15, 1997, has been set, rather than the five-year expiration date pursuant to Executive Order No. 66(1987).

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SUBCHAPTER 1. GENERAL PROVISIONS

19:45-1.1 Definitions

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

"Asset number" means a unique number permanently assigned to a slot machine and a slot cash storage box for purposes of tracking that machine and storage box while owned by a casino licensee.

"Automated coupon redemption machine" means any mechanical, electrical or other device which operates independently of a slot machine and which, upon insertion of a valid casino coupon or currency, dispenses an amount of coin or slot tokens equivalent to the face value of the coupon or currency, and which immediately upon exchange cancels the coupon.

"Bank" is defined in N.J.A.C. 19:45-1.25.

"Cage cashier" is defined in N.J.A.C. 19:45-1.15.

"Cage supervisor" means any person holding a license and position endorsement as required by the casino licensee's approved jobs compendium which allows that person to supervise personnel and functions within the cashiers' cage.

"Cash" means currency or coin.

"Cash equivalents" means:

1. Certified checks, cashiers checks, treasurers checks, recognized travelers checks or recognized money orders, any of which are made payable to the casino licensee, "bearer" or "cash";

2. Certified checks, cashiers checks, treasurers checks or recognized money orders, any of which are made payable to the presenting patron and endorsed in blank, provided, however, that no such instrument shall be accepted as a cash equivalent if the instrument was originally made payable to any person other than the presenting patron; and

3. Recognized credit cards presented pursuant to N.J.A.C. 19:45-1.25(i).

"Cash equivalent value of any merchandise or thing of value" is defined in N.J.A.C. 19:45-1.40A.

"Cashiers' cage" is defined in N.J.A.C. 19:45-1.14.

"Casino Accounting Department" (accounting department) is defined in N.J.A.C. 19:45-1.11.

"Casino clerk (Pit clerk)" is defined in N.J.A.C. 19:45-1.12.

"Casino supervisor" means a person employed in the operation of a casino or of the authorized games in a casino simulcasting facility in a supervisory capacity or empowered to make discretionary decisions which regulate casino operations, including but not limited to, boxpersons, floorpersons, pit bosses, poker shift supervisors, casino shift managers, the assistant casino manager, and the casino manager.

"Check" is defined in N.J.A.C. 19:45-1.25.

"Check credit slip" is defined in N.J.A.C. 19:45-1.25.

"Checking account" is defined in N.J.A.C. 19:45-1.25.

"Chief executive officer" means the natural person located at a casino hotel facility who is ultimately responsible for the daily conduct of an applicant's or casino licensee's hotel and gaming business, regardless of the applicant's or casino licensee's form of business association or the particular title which the person holds.

"Closer" means the original of the Table Inventory Slip upon which each table inventory is recorded at the end of each shift.

"Coin vault" is defined in N.J.A.C. 19:45-1.14.

"Commission inspector" means any authorized representative of the Commission.

"Compensation" means direct or indirect payments for services performed including, but not limited to, salary, wages, bonuses, deferred payments, and overtime and premium payments.

"Complimentary distribution program" is defined in N.J.A.C. 19:45-1.46.

"Complimentary services or items" is defined in N.J.A.C. 19:45-1.9.

"Counter Check" is defined in N.J.A.C. 19:45-1.25.

"Coupon" means a document which is issued in accordance with the coupon redemption and complimentary distribution programs in N.J.A.C. 19:45-1.46(a), and includes a match play coupon.

"Credit Slip" is known as a "Credit" and is defined in N.J.A.C. 19:45-1.23.

"Drop box" is defined in N.J.A.C. 19:45-1.16.

"Fill Slip" is known as a "Fill" and is defined in N.J.A.C. 19:45-1.22.

"Gaming chips and plaques" is defined in N.J.A.C. 19:46-1.1 and 19:46-1.2, respectively, of the Gaming Equipment Regulation.

"Handle" means the total amount of coins or currency placed into a slot machine by a patron to play a slot machine.

"Hopper fill" is defined in N.J.A.C. 19:45-1.41.

"Hopper storage area" is defined in N.J.A.C. 19:45-1.36A.

"Identification Credentials" means a valid credit card, driver license, passport or other form of identification credential which contains, at a minimum, the patron's signature. A personal reference does not constitute an identification credential.

"Imprest basis" means the basis on which cashiers' cage and slot booth funds are replenished from time to time in exactly the amount of the net of expenditures made from the funds and amounts received. A review is made by a higher authority of the propriety of the expenditures before the replenishment.

"Incompatible function" means a function, for accounting control purposes, that places any person or department, in a position to both perpetrate and conceal errors or irregularities in the normal course of his duties. Anyone recording transactions and having access to assets ordinarily is in a position to perpetrate errors or irregularities. Persons may have incompatible functions if such persons are members of departments which have supervisors not independent of each other.

"Jackpot" means any money, merchandise or thing of value to be paid to a patron as the result of a specific combination(s) of characters indicated on a slot machine.

"Jackpot Payout Receipt" is defined in N.J.A.C. 19:45-1.40.

"Jackpot Payout Slip" is defined in N.J.A.C. 19:45-1.40.

"Manufacturer's serial number" means a unique number permanently assigned to a slot machine manufacturer for identification and control purposes.

"Master coin bank cashier" is defined in N.J.A.C. 19:45-1.15.

"Master Game Report (Stiff Sheet)" means a record of the computation of the win or loss or, for the game of poker, the poker revenue, for each gaming table, each game, and each shift.

"Match play coupon" means a coupon with a fixed, stated value that is issued, utilized and redeemed pursuant to N.J.A.C. 19:45-1.18 and 1.46, and the stated value of which, when presented by a patron with gaming chips which are equal in value to the stated value of the coupon, is included in the amount of the patron's wager in determining the payout on any winning bet at an authorized game.

"Opener" means the duplicate copy of the table inventory slip upon which each table inventory is recorded at the end of each shift and serves as the record of each table inventory at the beginning of the next succeeding shift.

"Pari-mutuel window net" means the total amount of credit vouchers issued and wagers placed on simulcast horse races at a pari-mutuel window less the total amount of simulcast payouts at the same pari-mutuel window. Pari-mutuel window net shall be calculated by the totalisator.

"Patron cash deposit" means an amount of cash, cash equivalents, complimentary cash gifts, slot tokens, prize tokens, gaming chips or plaques deposited with a casino licensee by a patron for his or her subsequent use pursuant to N.J.A.C. 19:45-1.24.

"Patron check" means a Counter Check, a Slot Counter Check or a replacement check.

"Payout" is defined in N.J.A.C. 19:45-1.40 and 19:45-1.40A.

"Poker revenue" means the total amount of rake charged to patrons at the poker tables pursuant to N.J.A.C. 19:47-14.14. The poker revenue is determined by adding the amount of cash, coupons, the amount recorded on the Closer, the totals of amounts recorded on the Credits and issuance copies of Counter Checks removed from a drop box, and subtracting the amount on the Opener and the total of amounts recorded on Fills removed from a drop box.

"Propriety" means the quality of being proper; conforming to sections of this chapter.

"Rake" is defined in N.J.A.C. 19:47-14.1.

"Replacement check" is defined in N.J.A.C. 19:45-1.26.

"Request for Fill" is defined in N.J.A.C. 19:45-1.22.

"Request for Credit" is defined in N.J.A.C. 19:45-1.23.

"Request for Jackpot Payout Slip" is defined in N.J.A.C. 19:45-1.40.

"Returned check" is defined in N.J.A.C. 19:45-1.29.

"Security department member" means any person employed by a casino licensee or its agent to provide physical security in an establishment.

"Shift" means the regular, daily work period of a group of employees administering and supervising the operation of table games, slot machines, simulcast counter, and cashiers' cage, working in relay with another such succeeding or preceding group of employees or specific times, as approved by the Commission, during the day that all drop boxes attached to gaming tables are removed, expeditiously transported to the count room, and replaced with empty ones.

"Signature" is defined in N.J.A.C. 19:45-1.45.

"Simulcast count sheet" is defined in N.J.A.C. 19:45-1.15A(b).

"Simulcast handle" means the amount of currency, coin, gaming chips, slot tokens and coupons wagered by patrons on a simulcast horse race, less the value of cancelled or refunded tickets.

"Slot booth" is defined in N.J.A.C. 19:45-1.34.

"Slot cashier" is defined in N.J.A.C. 19:45-1.35.

"Slot cash storage box" is defined in N.J.A.C. 19:45-1.16.

"Slot counter check" is defined in N.J.A.C. 19:45-1.25A.

"Slot drop bucket" is defined in N.J.A.C. 19:45-1.36.

"Slot drop box" is defined in N.J.A.C. 19:45-1.36.

"Slot machine drop" means the amount of coins and slot tokens in a slot drop bucket or a slot drop box, and the amount of cash and coupons in a slot cash storage box.

"Slot Machine Win" means the amount determined by subtracting the hopper fills, other than initial hopper fills and initial fills of hopper storage areas, and cash payouts pursuant to N.J.A.C. 19:45-1.40 from the slot machine drop.

"Table game drop" means the sum of the total amount of currency, coin and coupons, and the total amounts recorded on issuance copies of Counter Checks removed from a drop box.

"Table game win or loss" means the amount of gaming chips and plaques and cash won from patrons at gaming tables other than poker tables less the amount of gaming chips, plaques and coins won by patrons at gaming tables other than poker tables. The table game win or loss is determined by adding the amount of cash, coupons, the amount recorded on the Closer, the totals of amounts recorded on the Credits, and issuance copies of Counter Checks removed from a drop box, and subtracting the amount recorded on the Opener and the total of amounts recorded on Fills removed from a drop box.

"Theoretical slot machine payout percentage" means the sum of the number of coins expected to be paid by a slot machine automatically and the number of coins expected to be paid manually as a result of jackpots divided by the expected number of coins to be played in a slot machine.

"Travel Disbursement Voucher" is defined in N.J.A.C. 19:45-1.9A.

"Verbalize" means to orally express something in words.

"Wire transfer" means a transfer of funds by means of the Federal Reserve Bank wire system in accordance with the requirements of 12 CFR 210.25 et seq. and the Commission's rules.

Amended by R.1981 d.437, effective November 16, 1981.

See: 13 N.J.R. 534(b), 13 N.J.R. 848(b).

"Cash equivalent" and "identification credentials" added.

Amended by R.1983 d.112, effective March 29, 1983.

See: 15 N.J.R. 257(a), 15 N.J.R. 627(b).

Originally filed as an emergency adoption (R.1983 d.37) on January 27, 1983. Readopted as R.1983 d.112. Added "or items" to definition of "complimentary services." Deleted definition of junket.

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

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

Added the word "coupons" to the definition "change person".

Amended by R.1985 d.41, effective February 19, 1985.

See: 16 N.J.R. 3302(b), 17 N.J.R. 480(c).

"Cash equivalent" substantially amended.

Amended by R.1986 d.77, effective April 7, 1986.

See: 17 N.J.R. 2245(a), 18 N.J.R. 706(b).

Added definition "casino check".

Amended by R.1987 d.302, effective July 20, 1987.

See: 18 N.J.R. 2005(a), 19 N.J.R. 1321(a).

Definitions amended.

Petition for Rulemaking: Slot machine bill changer system.

See: 19 N.J.R. 1110(a).

Amended by R.1988 d.34, effective January 19, 1988.

See: 19 N.J.R. 1890(a), 20 N.J.R. 205(a).

Deleted definition for "Affiliate".

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 April 11, 1988 (expires July 10, 1988).

See: 20 N.J.R. 769(a).

Amended by: R.1988 d.387, effective August 15, 1988.

See: 20 N.J.R. 765(a), 20 N.J.R. 769(a), 20 N.J.R. 2090(a).

Amended by R.1989 d.233, effective May 1, 1989.

See: 20 N.J.R. 3012(a), 21 N.J.R. 1152(b).

Added definitions for "cage supervisor" and "wire transfer".

Amended by R.1989 d.611, effective December 18, 1989.

See: 21 N.J.R. 2953(a), 21 N.J.R. 3931(b).

Added "Travel Disbursement Voucher".

Amended by R.1990 d.2, effective January 2, 1990.

See: 21 N.J.R. 2954(a), 22 N.J.R. 63(a).

In "Casino check": stylistic changes, adding phrase "or for winnings ... payoffs."

In "Slot machine": deleted language regarding a special token to be exchanged for merchandise or thing of value.

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.

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).

Added "Automated coupon redemption machine" and "change machine".

Amended by R.1991 d.229, effective May 6, 1991.

See: 22 N.J.R. 3205(a), 23 N.J.R. 1455(a).

Added definitions of "master coin bank cashier," "slot cashier" and "slot counter check."

Amended by R.1991 d.230, effective May 6, 1991.

See: 22 N.J.R. 3325(a), 23 N.J.R. 1461(a).

Added definitions: "Asset number," "Location number" and "Manufacturer's serial number."

Amended by R.1991 d.301, effective June 17, 1991.

See: 23 N.J.R. 191(a), 23 N.J.R. 1963(b).

Added definitions for "bank," "check," and "checking account" with N.J.A.C. references.

Amended by R.1991 d.381, effective August 5, 1991.

See: 23 N.J.R. 1302(a), 23 N.J.R. 2323(a).

Added definition of "Chief executive officer".

Amended by R.1992 d.233, effective June 1, 1992.

See: 23 N.J.R. 3085(a), 24 N.J.R. 2078(a).

Added definition of "coin vault."

Amended by R.1992 d.360, effective September 21, 1992.

See: 24 N.J.R. 2137(a), 24 N.J.R. 3336(a).

Hopper storage area provisions added.

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).

Added definition of "coupon"; amended definition of "Table game drop".

Administrative correction to definition of "slot counter check."

See: 25 N.J.R. 1519(b).

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

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

Added definition of complimentary distribution program.

Amended by R.1993 d.318, effective July 6, 1993 (operative October 15, 1993).

See: 25 N.J.R. 1503(b), 25 N.J.R. 2908(a).

Amended by R.1993 d.491, effective October 4, 1993.

See: 25 N.J.R. 2227(b), 25 N.J.R. 4615(a).

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

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

Amended by R.1994 d.31, effective January 18, 1994.

See: 25 N.J.R. 4866(a), 26 N.J.R. 486(a).

Amended by R.1994 d.33, effective January 18, 1994 (operative February 22, 1994).

See: 25 N.J.R. 4737(a), 26 N.J.R. 489(a).

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.141, effective March 21, 1994.

See: 25 N.J.R. 5906(a), 26 N.J.R. 1380(a).

Amended by R.1994 d.265, effective June 6, 1994.

See: 25 N.J.R. 5893(a), 26 N.J.R. 2463(a).

Temporary Amendment: Caribbean Stud Poker.

See: 26 N.J.R. 3464(a).

Amended by R.1994 d.471, effective September 19, 1994.

See: 26 N.J.R. 2212(a), 26 N.J.R. 3891(c).

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).

Temporary Amendment: Double Down Stud.

See: 26 N.J.R. 4445(a).

Administrative Correction.

See: 27 N.J.R. 382(a).

Amended by R.1995 d.40, effective January 17, 1995.

See: 26 N.J.R. 3825(a), 27 N.J.R. 382(b).

19:45-1.1A Gaming day

(a) The "gaming day" for a casino licensee on a calendar day which has not been approved for extended hours of operation pursuant to N.J.S.A. 5:12-97(a) shall commence at 10:00 A.M. or the actual time when the casino opens to the public, whichever is later, and shall terminate:

1. At 4:00 A.M. on the next calendar day, if the next calendar day is a weekday which is not a holiday;
2. At 6:00 A.M. on the next calendar day, if the next calendar day is a Saturday, Sunday or State or Federal holiday;
3. In accordance with (b) below, if the next calendar day has been approved by the Commission for extended hours of casino operation pursuant to N.J.S.A. 5:12-97(a); or
4. When the casino actually closes if such time is earlier than the time specified in (a)1 through 3 above.

(b) The "gaming day" for a casino licensee on a calendar day which has been approved for extended hours of operation pursuant to N.J.S.A. 5:12-97(a) shall commence and terminate, and the end of the gaming day for the previous calendar day shall terminate, at those times set forth in the approved system of internal procedures and administrative and accounting controls of each casino licensee. Each casino licensee may establish a gaming day for slot machines which is different from its gaming day for table games; provided, however, that no gaming day shall be longer than 24 hours.

New Rule, R.1992 d.110, effective March 2, 1992.
See: 23 N.J.R. 3243(a), 24 N.J.R. 858(c).

19:45-1.2 Accounting records

(a) Each casino licensee shall maintain complete, accurate, and legible records of all transactions pertaining to the revenues and costs for each establishment.

(b) General accounting records shall be maintained on a double entry system of accounting with transactions recorded on the accrual basis. Detailed, supporting, subsidiary records sufficient to meet the requirements of (c) below shall also be maintained in accordance with the requirements of this chapter.

1. The Commission shall periodically prescribe a uniform chart of accounts and accounting classification in order to insure consistency, comparability, and effective disclosure of financial information.

i. The chart of accounts shall provide the classifications necessary to prepare the standard financial statements required by N.J.A.C. 19:45-1.6.

ii. The prescribed chart of accounts shall be the minimum level of detail to be maintained for each accounting classification by the licensee.

iii. The licensee shall not use other than the prescribed chart of accounts but may, with the permission of the Commission, expand the level of detail for some or all accounting classifications and/or alter the account numbering system. In such instances, the licensee shall provide to the Commission, upon request, a cross-reference from the licensee's to the prescribed chart of accounts.

(c) The detailed, supporting, and subsidiary records shall include, but not necessarily be limited to:

1. Records of all patron checks initially accepted by the licensee, deposited by the licensee, returned to the licensee as "uncollected", and ultimately written-off as uncollectible.

2. Statistical game records to reflect drop and win amounts or, for the game of poker, the poker revenue, by table for each game, by each shift.

3. Records supporting the accumulation of the costs and number of persons, by category of service, for regulated complimentary services.

4. Records of all investments, advances, loans and receivable balances, other than patron checks, due to the establishment.

5. Records related to investments in property and equipment. The records shall identify the investments made under section 144 of the Casino Control Act as an alternative to the additional two percent tax on gross revenues. Such investments must be approved by the Commission as to their eligibility.

6. Records which identify the handle, payout, win amounts and percentages, theoretical win amounts and percentages, and differences between theoretical and actual win amounts and percentages, for each slot machine on a week-to-date, month-to-date, and year-to-date basis.

7. Records of all loans and other amounts payable by the establishment.

8. Records which identify the purchase, receipt, and destruction of gaming chips and plaques.

9. Records provided for in the system of internal accounting controls submitted to the Commission pursuant to the Casino Control Act.

10. Records used by the casino licensee to reconcile simulcast wagers with sending tracks pursuant to N.J.A.C. 19:55-7.1, calculate outstanding pari-mutuel tickets pursuant to N.J.A.C. 19:55-7.2 and calculate payments to the Racing Commission pursuant to N.J.A.C. 19:55-7.3.

Amended by R.1985 d.51, effective February 19, 1985.
See: 16 N.J.R. 3303(a), 17 N.J.R. 481(a).

(d)-(e) deleted.

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 (c)3.

Amended by R.1992 d.499, effective December 21, 1992.
See: 24 N.J.R. 2692(b), 24 N.J.R. 4570(a).

In (c)3, deleted description of minimum records to be maintained for complimentary and recodified text, with changes, as N.J.A.C. 19:45-1.9(e).

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 at (c)10.

Amended by R.1994 d.141, effective March 21, 1994.
See: 25 N.J.R. 5906(a), 26 N.J.R. 1380(a).

19:45-1.3 Licensee's system of internal controls

(a) Each casino licensee shall submit to the Commission and Division a description of its system of internal procedures and administrative and accounting controls in accordance with section 99 of the Act. Such submission shall be made at least 60 days before gaming operations are to commence, unless otherwise directed by the Commission. Each such submission shall contain both narrative and diagrammatic representations of the internal control system to be utilized by the licensee and shall include, without limitation, the following:

1. Administrative controls which include, without limitation, the procedures and records that are concerned with the decision making processes leading to management's authorization of transactions;

2. Accounting controls which have as their primary objectives the safeguarding of assets and the reliability of financial records and are consequently designed to provide reasonable assurance that:

- i. Transactions are executed in accordance with management's general and specific authorization;

- ii. Transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles and N.J.A.C. 19:45-1.6, and to maintain accountability for assets;

- iii. Access to assets is permitted only in accordance with management authorization; and

- iv. The recorded accountability for assets is compared with existing assets at reasonable intervals and appropriate action is taken with respect to any differences; and

3. Procedures and controls for ensuring, through the use of the casino security department, that the casino and casino simulcasting facility are constantly secure during normal operations and any emergencies due to malfunctioning equipment, loss of power, any natural disaster or any other cause.

(b) The Commission shall review each submission required by (a) above and with the advice of the Division shall determine whether it conforms to the requirements of the Act and the Commission's rules and whether the system submitted provides adequate and effective controls for the operations of the casino licensee. If the Commission finds any insufficiencies, it shall specify such insufficiencies in writing to the casino licensee, which shall make appropriate alterations. When the Commission determines a submission to be adequate in all respects, it shall so notify the casino licensee. No casino licensee shall commence gaming operations unless and until its system of internal controls is approved by the Commission.

(c) Each casino licensee shall submit to the Commission and the Division any changes to its system of internal

procedures and administrative and accounting controls previously determined by the Commission in (b) above to be adequate in all respects at least 60 days before the changes are to become effective, unless otherwise directed by the Commission. The proposed changes may be approved or disapproved by the Commission consistent with the standards contained in (b) above. No casino licensee shall alter its internal controls unless and until such changes are approved. However, the Commission shall make a determination concerning a submission for changes in previously submitted control plans no later than 60 days following receipt of the changes unless the Commission and the casino licensee agree to extend the period for making such a determination. If there is no determination made within 60 days and there is no agreement to extend the period for making such a determination, then the changes shall be deemed to be approved.

(d) The submission required by (a) above shall be accompanied by a report of an independent certified public accountant licensed to practice in New Jersey stating that the submitted system conforms in all respects to the standards of internal control set forth in the Act and the Commission's rules or in what respects the system does not conform.

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

See: 13 N.J.R. 47(c), 13 N.J.R. 628(a), 541(a).

Amended by R.1982 d.189, effective June 21, 1982.

See: 14 N.J.R. 381(a), 14 N.J.R. 664(c).

Amended by R.1989 d.457, effective September 5, 1989.

See: 21 N.J.R. 1506(a), 21 N.J.R. 2808(c).

Changes to submission schedule from 90 days to 120 days before gaming commences and Commission determination to be made within 90 days, reflects changes to Casino Control Act.

Amended by R.1991 d.381, effective August 5, 1991.

See: 23 N.J.R. 1302(a), 23 N.J.R. 2323(a).

In (a): reduced mandatory maximum application period for internal control submissions from 120 to 60 days.

Added (a)1-2. In (b): stylistic revisions.

In (c): reduced time frames for submission of any changes to licensee's system of internal procedures, as well as time frame for determination regarding changes.

Amended by R.1994 d.265, effective June 6, 1994.

See: 25 N.J.R. 5893(a), 26 N.J.R. 2463(a).

19:45-1.4 Records regarding ownership

(a) In addition to other records and information required by this regulation, each casino licensee shall maintain the following records regarding the equity structure and owners:

1. If a corporation:

- i. A certified copy of articles of incorporation and any amendments thereto;

- ii. A copy of by-laws and amendments thereto;

- iii. A current list of officers and directors;

- iv. Minutes of all meetings of stockholders and directors;

- v. A current list of all stockholders and stockholders of affiliates, including their names and the names of beneficial owners of shares held in street or other name

where any beneficial owner has a beneficial interest in two percent or more of the outstanding shares of any class, addresses, and the number of shares held by each and the date acquired;

- vi. A complete record of all transfers of stock;
- vii. A record of amounts paid to the corporation for issuance of stock and other capital contributions and dates thereof;
- viii. A record, by stockholder, of all dividends distributed by the corporation; and
- ix. A record of all salaries, wages, and other remuneration (including prerequisites), direct and indirect, paid during the calendar or fiscal year, by the corporation, to all officers, directors, and stockholders with an ownership interest at any time during the calendar or fiscal year, equal to or greater than five percent of the outstanding capital stock of any class of stock.

2. If a partnership:

- i. A schedule showing the amounts and dates of capital contributions, the names and addresses of the contributors, and percentage of interest in net assets, profits, and losses held by each;
- ii. A record of the withdrawal of partnership funds or assets;
- iii. A record of salaries, wages, and other remuneration (including prerequisites), direct and indirect, paid to each partner during the calendar or fiscal year; and
- iv. A copy of the partnership agreement and certificate of limited partnership, if applicable.

3. If a sole proprietorship:

- i. A schedule showing the name and address of the proprietor and the amount and date of his original investment;
- ii. A record of dates and amounts of subsequent additions to the original investment and withdrawals therefrom; and
- iii. A record of salaries, wages, and other remuneration (including prerequisites), direct or indirect, paid to the proprietor during the calendar or fiscal year.

(b) All records regarding ownership shall be located on the premises of the establishment, unless a specific exemption is allowed to the licensee by the Commission.

(c) Each casino licensee or applicant shall, upon request by the Commission or Division, provide a list of all record holders of any or all classes of publicly traded securities issued by any holding company or by any other affiliated entity which is required to qualify as a financial source pursuant to subsection 84b of the Act.

Amended by R.1992 d.500, effective December 21, 1992.

See: 24 N.J.R. 3225(a), 24 N.J.R. 4563(a).

Added (c).

Amended by R.1993 d.126, effective March 15, 1993.

See: 25 N.J.R. 63(a), 25 N.J.R. 1229(c).

In (c): added text regarding publicly traded securities and reference to subsection 84b of the Act.

19:45-1.5 Forms, records and documents

(a) All information required by this chapter to be placed on any form, record, or document and in stored data shall be recorded on such form, record, or document and in stored data in ink or other permanent form.

(b) Whenever duplicate or triplicate copies are required of a form, record, or document:

1. The original, duplicate, and triplicate copies shall be color coded and have the name of the recipient originally receiving a copy preprinted on the bottom of that copy so as to differentiate one from the other;

2. If the casino licensee prepares more copies than required by this chapter and the forms, records, and documents are required to be inserted in a locked dispenser, the last copy shall remain in a continuous, unbroken form in the dispenser; and

3. Whenever under this chapter, forms or serial numbers are required to be accounted for or copies of forms are required to be compared for agreement and exceptions are noted, such exceptions shall be reported immediately in writing to the internal audit department, the Commission, and the Division for investigation.

(c) Unless otherwise specified in this chapter or exempted by the Commission, all forms, records, documents, and stored data required to be prepared, maintained, and controlled by this chapter shall:

1. Be in a form prescribed or authorized by the Commission; and

2. Have the name of the establishment and the title of the form, record, document, and stored data imprinted or preprinted thereon or therein.

(d) Nothing in this chapter shall be construed as prohibiting or discouraging a casino licensee from preparing more copies of any form, record, or document than that prescribed by this chapter.

As amended, R.1985 d.51, effective February 19, 1985.

See: 16 N.J.R. 3303(a), 17 N.J.R. 481(a).

(c)3-4 deleted.

19:45-1.6 Standard financial and statistical reports

(a) Each casino licensee, unless specifically exempted by the Commission, shall file monthly, quarterly, and annual reports of financial and statistical data. The data may be used by the Commission to evaluate the financial position and operating performance of individual licensees and compile information regarding the performance and trends of the industry in the State of New Jersey.

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

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

(d) The reports shall be signed by the Chief Executive Officer, Financial Vice President, Treasurer, or Controller if the casino operator is a corporation, by a general partner, or the Financial Director if the operator is a partnership, by the Chief Executive Officer if the operator is any other form of business association, or by the proprietor if the operator is a sole proprietorship.

(e) Each report of the Commission shall be received or postmarked not later than the required filing date unless specific approval for an extension is granted to the licensee by the Commission. Requests for a filing extension must be submitted to the Commission in writing prior to the required filing date.

1. Monthly reports shall be due not later than the 10th calendar day following the end of the month.

2. Quarterly reports shall be due not later than the 15th calendar day of the second month following the end of the quarter.

3. Annual reports shall be due not later than the 15th calendar day of the third month following the end of the year.

(f) In the event of a license termination, change in business entity, or material change in ownership, the Commission may at its discretion require the filing of an interim annual or quarterly report, as of the date of occurrence of the event. Any such request shall be made in writing to the licensee. The filing due date shall be the later of 30 calendar days after notification to the licensee or 30 calendar days after the date of occurrence of the event, unless an extension is granted in accordance with (e) above.

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

(h) Any adjustments resulting from the annual audit required in N.J.A.C. 19:45-1.7 shall be recorded in the accounting records of the year to which the adjustment relates. In the event the adjustments were not reflected in the licensee's annual report and the Commission concludes the adjustments are significant, a revised annual report may be required from the licensee. The revised filing shall be due within 30 calendar days after written notification to the

licensee, unless an extension is granted in accordance with (e) above.

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

(j) Copies of all financial statements and statistical reports required to be filed with the Commission shall be furnished by the licensee to the Division.

As amended, R.1984 d.135, effective August 16, 1984.

See: 16 N.J.R. 361(a), 16 N.J.R. 927(a).

(c): delete alternative basis for quarterly reports.

19:45-1.7 Annual audit and other reports

(a) Each casino licensee, unless specifically exempted by the Commission, shall, at its own expense, cause its annual financial statements to be audited in accordance with generally accepted auditing standards by an independent certified public accountant licensed to practice in the State of New Jersey.

(b) The annual financial statement shall be prepared on a comparative basis for the current and prior calendar year, and shall present financial position and results of operations in conformity with generally accepted accounting principles.

(c) The financial statements required by this section shall include a footnote reconciling and explaining any differences between the financial statements included in the casino licensee's annual report, filed in conformity with N.J.A.C. 19:45-1.6, and the audited financial statements. Such footnote shall, at a minimum, disclose the effect of such adjustments on:

1. Revenues from the casino and authorized games in the casino simulcasting facility;
2. Casino simulcasting revenues;
3. Revenues net of complimentary services;
4. Total costs and expenses;
5. Income before extraordinary items; and
6. Net income.

(d) Two copies of the audited financial statements, together with the report thereon of the casino licensee's independent certified public accountant, shall be filed with the Commission and the Division not later than April 30 following the end of the calendar year.

(e) Each licensee shall require its independent certified public accountant to render the following additional reports:

1. Report on material weaknesses in internal accounting control. Whenever in the opinion of the independent certified public accountant there exists no material weak-

nesses in internal accounting control, the report shall so state.

2. Report expressing the opinion of the independent certified public accountant that based on his examination of the financial statements the licensee has followed, in all material respects during the period covered by his examination, the system of internal accounting control approved by the Commission. Whenever in the opinion of the independent certified public accountant the licensee has deviated from the system of internal accounting control approved by the Commission or the accounts, records, and control procedures examined are not maintained by the licensee in accordance with the Casino Control Act and this chapter, the report shall enumerate such deviations, regardless of materiality, and such areas of the system no longer considered effective, and shall make recommendations regarding improvements in the system of internal accounting control.

3. The licensee shall prepare a written response to the independent certified public accountant's reports required by (e) 1 and 2 above. The response shall indicate, in detail, the corrective actions taken. Such response shall be submitted to the Commission and Division within 90 days from receipt of the independent certified public accountant's reports.

(f) In accordance with the requirements of section 146 of the Casino Control Act, each licensee who has made a decision to pay the in lieu taxes prescribed by that section on his licensed premises and whose decision has been approved by the Commission shall file with the Department of the Treasury, not later than 90 days following the completion of the project, a schedule which details by major classification, the costs incurred in the project. Accompanying the schedule shall be a report expressing the opinion of the licensee's independent certified public accountant that such costs are presented fairly in such schedule.

(g) Two copies of the reports required by (e) above, and two copies of any other reports on internal accounting control, administrative controls, or other matters relative to the licensee's accounting or operating procedures rendered by the licensee's independent certified public accountant, shall be filed with the Commission and the Division by the licensee by April 30 following the end of the calendar year or upon receipt, whichever is earlier.

(h) If the casino licensee or any of its affiliates is publicly held, the licensee or the affiliate shall submit five copies to the Commission and one copy to the Division of any report, including, but not limited to, forms S-1, 8-K, 10-Q, 10-K, proxy or information statements and all registration statements, required to be filed by such licensee or affiliates with the Securities and Exchange Commission or other domestic or foreign securities regulatory agency, at the time of filing with such commission or agency.

(i) If an independent certified public accountant who was previously engaged as the principal accountant to audit the casino licensee's financial statements resigns or is dismissed as the casino licensee's principal accountant, or another independent certified public accountant is engaged as principal accountant, the casino licensee shall file a report with the Commission and the Division within 10 days following the end of the month in which such event occurs, setting forth the following:

1. The date of such resignation, dismissal or engagement.

2. Whether in connection with the audits of the two most recent years preceding such resignation, dismissal, or engagement there were any disagreements with the former accountant on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, which disagreements if not resolved to the satisfaction of the former accountant would have caused him to make reference in connection with his report to the subject matter of disagreement, including a description of each such disagreement. The disagreements to be reported include those resolved and those not resolved.

3. Whether the principal accountant's report on the financial statements for any of the past two years contained an adverse opinion or disclaimer of opinion or was qualified. The nature of such adverse opinion, disclaimer of opinion, or qualification shall be described.

4. The casino licensee shall request the former accountant to furnish to the casino licensee a letter addressed to the Commission, with a copy furnished to the Division, stating whether he agrees with the statements made by the casino licensee in response to (i) of this section. Such letter shall be filed with the Commission as an exhibit to the report required by (i) of this section.

Amended by R.1981 d.272, effective September 10, 1981.

See: 13 N.J.R. 47(c), 13 N.J.R. 628(a).

Amended by R.1991 d.470, effective September 16, 1991.

See: 23 N.J.R. 2006(a), 23 N.J.R. 2868(b).

In subsections (b), (d) and (g), deleted "fiscal" from text to update rule.

Amended by R.1992 d.500, effective December 21, 1992.

See: 24 N.J.R. 3225(a), 24 N.J.R. 4563(a).

In (h), added copy requirements, including proxy and registration statements.

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 at (c)1 and 2.

19:45-1.8 Retention, storage and destruction of books, records and documents

(a) All original books, records and documents pertaining to the casino licensee's operations and approved hotel shall be:

1. Prepared and maintained in a complete, accurate and legible form;

2. Retained on the site of the approved hotel building or at another secure location approved in accordance with (d) below for the time period specified in (c) below;

3. Held immediately available for inspection by agents of the Commission and Division during all hours of operation;

4. Organized and indexed in such a manner so as to provide immediate accessibility to agents of the Commission and Division; and

5. Destroyed only after:

i. Expiration of the minimum retention period specified in (c) below, except that the Commission may, upon the written petition of any casino licensee and for good cause shown, permit such destruction at an earlier date; and

ii. Written notice to the Commission and Division in accordance with (f) below.

(b) For the purposes of this section, "books, records and documents" shall be defined as any book, record or document pertaining to, prepared in or generated by the operation of a casino, a casino simulcasting facility or an approved hotel including, but not limited to, all forms, reports, accounting records, ledgers, subsidiary records, computer generated data, internal audit records, correspondence and personnel records. This definition shall apply without regard to the medium through which the record is generated or maintained, for example, paper, magnetic media or encoded disk.

(c) All original books, records and documents shall be retained by a casino licensee in accordance with the following schedules. For purposes of this subsection, "original books, records or documents" shall not include copies of originals, except for copies which contain original comments or notations or parts of multi-part forms.

1. The following original books, records and documents shall be retained indefinitely unless destruction is requested by the casino licensee and approved by the Commission:

i. Corporate records required by N.J.A.C. 19:45-1.4;

ii. Records of corporate investigations and due diligence procedures;

iii. Casino employee personnel files;

iv. Records of hours worked by persons employed in gaming-related positions, in an abstract or other readily accessible format; and

v. A record of any original book, record or document destroyed, identifying the particular book, record or document, the period of retention and the date of destruction.

2. The following original books, records and documents shall be retained by a casino licensee for a minimum of five years:

i. All gaming-related documents, including, without limitation, casino cage documents; patron gaming records; records concerning junkets; and records concerning gaming-related casino service industries;

ii. Hotel-related documents which pertain to the purchasing department and accounts payable department; accounts receivable documents from store rentals and travel wholesalers; petty cash documentation and general ledgers and supporting journals; and

iii. Any other original book, record or document not otherwise specified in this subsection.

3. The following original books, records and documents shall be retained by a casino licensee for a minimum of three years:

i. Hotel income audit documents, including, without limitation, telephone call records and charges, register tapes, room service checks and laundry charges;

ii. Non-gaming hotel-related documents, including, without limitation, records concerning hotel guests; records concerning banquets; food and beverage documents; records of retail stores, accounts receivable and other records of transactions in which the casino licensee is a vendor; advertising records; and entertainment records;

iii. Files and workpapers used to prepare budgets;

iv. Payroll records, except as provided in (c)1 above;

v. Signature cards of terminated employees;

vi. Marketing department records;

vii. Security incident reports;

viii. Insurance department records relating to guest claims and copies of arrest records;

ix. Credit union records;

x. Records generated by the mailroom; and

xi. Any gaming-related document for which the casino licensee can demonstrate that the information contained thereon is duplicative or less than that recorded on another document retained in accordance with (c)1 and 2 above.

4. The following original books, records and documents shall be retained by a casino licensee for a minimum of one year:

i. Surveillance department visitor logs;

ii. Complimentary settled guest checks;

iii. Card and dice transaction and inventory reports;

iv. Returned check aging reports, except for year-end reports;

v. Coin bag tags, provided that the information contained thereon is duplicative or less than that recorded on another document;

vi. Emergency drop box approval forms; and

vii. With the exception of cashed pari-mutuel tickets and credit vouchers, the original books, records and documents related to the revenues and expenses of casino simulcasting, including, but not limited to, all reports generated by the totalisator and all records maintained in accordance with N.J.A.C. 19:45-1.2(c)10, shall be retained by a casino licensee or a hub facility for a minimum of one year.

5. The following original books, records and documents shall be retained by a casino licensee for a minimum of six months:

i. Coupons entitling patrons to cash, slot tokens, gaming chips or plaques or simulcasting wagers, or match play coupons, including unused, voided and redeemed coupons;

ii. The following hotel income audit documents: Cashier reports, room tally reports, over/short reports, rate variations and missing check reports;

iii. Documents relating to promotions, such as entry forms and game tickets;

iv. Load count arrival forms;

v. Credit card settled guest checks pertaining to restaurant and bar charges;

vi. Room charge settled guest checks pertaining to restaurant and bar charges;

vii. Credit card vouchers used to settle guest checks in restaurants and bars;

viii. Guest check control sheets used to control the issuance and return of guest checks to cashiers, bartenders and food servers;

ix. Credit applications with unused lines of credit;

x. Hotel cashier envelopes;

xi. Surveillance employee duty logs, VCR/tape logs, and equipment malfunction reports; and

xii. Zeroed-out countercheck envelopes.

6. Cashed pari-mutuel tickets and credit vouchers shall be retained by a casino licensee for a minimum of 30 days from the date on which they are cashed, cancelled or refunded in the casino licensee's casino simulcasting facility.

7. The following original books, records and documents do not have to be retained by a casino licensee for any minimum period of time, but may be destroyed only upon notice in accordance with (f) and (g) below:

i. Any form required by Commission rules that is blank or unused, unless otherwise specified by this section;

ii. Any original book, record or document that has been copied and stored on a microfilm, microfiche or other media system approved by the Commission.

8. The following original books, records and documents do not have to be retained by a casino licensee for any minimum period of time, and may be destroyed without notice otherwise required by (f) below:

i. Parking ticket stubs;

ii. Coat check tickets;

iii. Housekeeping reports;

iv. Maintenance department records;

v. Patron mailing lists;

vi. Blank entry forms;

vii. Bellman and baggage forms;

viii. Cash settled guest checks;

ix. Food credit and complimentary beverage coupons;

x. Drink chits;

xi. Food and beverage order slips;

xii. Bottle sales slips;

xiii. Showroom starter slips;

xiv. Communication department records;

xv. Unsolicited resumes or letters requesting employment;

xvi. Register tapes, provided that the information contained thereon is duplicative or less than that recorded on another document retained in accordance with (c)3 above;

xvii. Survey questionnaires regarding service in the casino hotel; and

xviii. Any form not required by the Commission regulations that is blank or unused, unless otherwise specified by this section.

(d) A casino licensee may petition the Commission at any time for approval of a facility off the site of the approved hotel building to be used to generate or store original books, records and documents. Such petition shall include:

1. A detailed description of the proposed off-site facility, including security and fire safety systems; and

2. The procedures pursuant to which Commission and Division agents will be able to gain access to the original books, records and documents retained at the off-site facility.

(e) A casino licensee may petition the Commission for approval of a microfilm, microfiche or other suitable media system for the copying and storage of original books, records and documents. Such a system shall be approved if it contains the following elements to the satisfaction of the Commission:

1. A system that provides for the processing, preservation and maintenance of books, records and documents in a form which makes them readily available for review and copying on the site of the approved hotel building or other site approved by the Commission;

2. A system of inspection and quality control which ensures that microfilm, microfiche or other media when displayed on a reader (viewer) or reproduced on paper exhibit a high degree of legibility and readability;

3. A reader-printer available for use by the Commission or Division on the site of the approved hotel building or other site approved by the Commission which permits the ready location, reading and reproduction of any book, record or document being stored on microfilm, microfiche or other media; and

4. A detailed index of all microfilmed, microfiche or other stored data maintained and arranged in such a manner as to permit the immediate location of any particular book, record or document.

(f) A casino licensee shall notify the Commission and the Division in writing at least 15 days prior to the scheduled destruction of any original book, record or document. Such notice shall list each type of book, record and document scheduled for destruction, including a description sufficient to identify the books, records and documents included; the retention period; and the date of destruction. Each casino licensee shall retain this record of destruction in accordance with (c)1 above.

(g) The Commission or the Division may prohibit the destruction of any original book, record or document by so notifying the casino licensee in writing within 15 days of the receipt of notice of destruction pursuant to (f) above. Such original book, record or document may thereafter be destroyed only upon notice from the Commission or Division, or by order of the Commission upon the petition of the casino licensee or by the Commission on its own initiative.

(h) The casino licensee may utilize the services of a disposal company for the destruction of any books, records or documents except those related to credit. Any cash complimentary coupons to be destroyed by a disposal company shall be cancelled with a void stamp, hole punch or similar device, or must contain a clearly marked expiration date which has expired.

(i) Nothing herein shall be construed as relieving a casino licensee from meeting any obligation to prepare or maintain any book, record or document required by any other Federal, state or local governmental body, authority or agency.

Amended by R.1983 d.112, effective March 29, 1983.

See: 15 N.J.R. 257(a), 15 N.J.R. 627(b).

Originally filed as an emergency adoption (R.1983 d.37) on January 27, 1983. Readopted as R.1983 d.112. Repealed section on junkets which are now codified at N.J.A.C. 19:49.

New Rule, R.1985 d.51, effective February 19, 1985.

See: 16 N.J.R. 3303(a), 17 N.J.R. 481(a).

Amended by R.1992 d.361, effective September 21, 1992.

See: 24 N.J.R. 2348(b), 24 N.J.R. 3332(a).

Revised to meet statutory changes regarding records retention, storage and destruction. Eliminate current petition process for records destruction and off-site record generation or storage. In (a)2: revised text to reference new text at (c) and (d). Added (a)5. At (b): added final sentence regarding the medium. Added new subsection (c). Recodified (c) as new (d), deleting existing (d). Deleted existing (c)1, recodifying (c)2 as new (c)1 and recodifying existing (c)5 as (c)2, with no change in text. Deleted existing (f) and added (f)-(h), recodifying existing (g) as (i), with no change in text.

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.110, effective March 1, 1993.

See: 24 N.J.R. 3694(b), 25 N.J.R. 1008(b).

Record retention schedule revised at (c).

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.138, effective March 21, 1994.

See: 25 N.J.R. 5905(a), 26 N.J.R. 1376(a).

19:45-1.9 Complimentary services or items

(a) A complimentary service or item is a service or item provided directly or indirectly by a licensee at no cost or at a reduced price.

(b) No casino licensee may offer or provide any complimentary services, gifts, cash or other items of value to any person except as authorized by N.J.S.A. 5:12-102(m). Each casino licensee shall, pursuant to the provisions of N.J.S.A. 5:12-99a(2) and N.J.A.C. 19:45-1.3, prepare and maintain internal controls for the authorization and issuance of complimentary services and items, including cash and noncash gifts issued pursuant to N.J.S.A. 5:12-102(m) and N.J.A.C. 19:45-1.9B. Such internal controls shall include, without limitation, the procedures by which the casino licensee delegates to its employees the authority to approve the issuance of complimentary services and items and the procedures by which conditions or limits, if any, which may apply to such authority are established and modified, including limits based on relationships between the authorizer and recipient, and shall further include effective provisions for audit purposes. Notwithstanding the provisions of N.J.A.C. 19:45-1.3, a casino licensee shall submit the internal controls, or any changes thereto, required by this section to the Commission and Division at least 15 days prior to their implementation. Such internal controls shall be deemed approved by the Commission 15 days after submission unless the casino licensee is notified in writing to the contrary. Notwithstanding the foregoing:

1. Internal controls for complimentary distribution programs shall be subject to the requirements of N.J.A.C. 19:45-1.46;

2. Internal controls for transportation expense reimbursement programs shall be subject to the requirements of N.J.A.C. 19:45-1.9A; and

3. Nothing herein shall be deemed to require a casino licensee to identify in its submission the terms or conditions pursuant to which a complimentary service or item may be granted, except as otherwise provided in (f)3 below, or to obtain Commission approval of any limits or conditions which may be placed on the authority of its employees to approve or issue complimentary services or items, except as otherwise provided in N.J.A.C. 19:45-1.9B; provided, however, that each casino licensee shall be required to maintain a written record of all such terms, limits or conditions and the specific employees to whom they apply.

(c) All complimentary services or items shall be recorded as follows:

1. A complimentary service or item provided directly to patrons in the normal course of a licensee's business shall be recorded at an amount based upon the full retail price normally charged for such service or item by the licensee;

2. A complimentary service or item not offered for sale to patrons in the normal course of a licensee's business but provided directly by the licensee shall be recorded at an amount based upon the actual cost to the licensee of providing such service or item;

3. A complimentary service or item provided directly or indirectly to a patron on behalf of a licensee by a third party not affiliated with the licensee shall be recorded at an amount based upon the actual cost to the licensee of having the third party provide such service or item;

4. A complimentary service or item provided directly or indirectly to a patron on behalf of a licensee by a third party who is affiliated with the licensee shall be recorded by the licensee in accordance with the provisions of this section as if the affiliated third party were the licensee.

(d) The licensee shall accumulate both the dollar amount of and number of persons provided with each category of complimentary services or items.

1. A quarterly report shall be filed with the Commission regarding the complimentary services or items provided.

2. The complimentary services shall, at a minimum, be separated into categories for rooms, food, beverage, travel and other services.

(e) Each casino licensee shall record, on a daily basis, the name of each person provided with complimentary services or items, the category of service or item provided, the value (as calculated in accordance with (c) above) of the services or items provided to such person, and the person authorizing the issuance of such services or items. A copy of this record shall be submitted to the Division's office located on the casino premises no later than two days subsequent to its preparation. Excepted from this requirement are the individual names of persons authorizing or receiving:

1. Each noncash complimentary service or item which has a value (as calculated in accordance with (c) above) of \$100.00 or less; and

2. Any complimentary service or item, including a cash or noncash gift, which is issued pursuant to:

i. A table game or slot machine complimentary incentive program regulated by (f) below;

ii. A complimentary program for invited guests regulated by (g) below;

iii. A direct mass marketing complimentary program regulated by (h) below; or

iv. A complimentary distribution program regulated by N.J.A.C. 19:45-1.46.

(f) Any complimentary service or item, including a complimentary cash or noncash gift, which is issued to a patron as part of a table game or slot machine complimentary incentive program shall be subject to the requirements of N.J.A.C. 19:45-1.46 and this subsection and shall not be included on the daily complimentary report required by (e) above or subject to the annual limitation on cash complementaries established by N.J.A.C. 19:45-1.9B(g) if:

1. The program is submitted to and approved by the Commission in accordance with the requirements of N.J.A.C. 19:45-1.46 as if the program were a complimentary distribution program;

2. The program is open to participation by all members of the public;

3. Each participant in the program is issued complementaries in accordance with a predetermined schedule as a result of his or her table game or slot play, which schedule shall, with regard to cash complementaries, be based on and shall not exceed:

i. The theoretical win of the casino licensee from each participant or the participant's actual loss as reasonably determined from data maintained pursuant to the approved internal controls for the complimentary incentive program; or

ii. As to slot play only, a fixed percentage of the player's handle as reasonably determined from data maintained pursuant to the approved internal controls for the complimentary incentive program, which percentage may differ for different denominations of slot machines, but shall not exceed six percent for any denomination of slot machine; and

4. A record is maintained of the name of each participant who receives a complimentary service or item as a result of his or her participation in the program, the amount of each complimentary and the type of complimentary, which record shall be made available to the Division upon request in the format used by the casino licensee.

(g) Any complimentary service or item, including a complimentary cash or noncash gift, which is issued to a patron as part of a complimentary program for invited guests shall be subject to the requirements of N.J.A.C. 19:45-1.46 and this subsection and shall not be included on the daily complimentary report required by (e) above or subject to the annual limitation on cash complementaries established by N.J.A.C. 19:45-1.9B(g) if:

1. The program is submitted to and approved by the Commission in accordance with the requirements of N.J.A.C. 19:45-1.46 as if the program were a complimentary distribution program;

2. The program is open to participation by invited guests only and there are at least 25 participants;

3. The program involves a contest of chance or skill which is used to determine the distribution of the complementaries to the participants;

4. The recipient of any cash complimentary issued as part of the program will not have received more than \$100,000 in cash complementaries from complimentary programs for invited guests conducted by the casino licensee, including the current program, during the previous 12 month period; provided, however, that such limitation shall not preclude a recipient from receiving more than \$100,000 in cash complementaries through participation in complimentary programs for invited guests conducted by that casino licensee during the previous 12 month period if any cash complementaries issued in excess of \$100,000 are otherwise authorized by N.J.A.C. 19:45-1.9B(g) and are recorded in accordance with the requirements of that section; and

5. A record is maintained of the name of each participant in the program who receives a complimentary service or item as a result of his or her participation, the amount of each complimentary and the type of complimentary, which record shall be made available to the Division upon request.

(h) Any complimentary service or item, including a complimentary cash or noncash gift, which is issued to a patron

as part of a direct mass marketing complimentary program shall be subject to the requirements of N.J.A.C. 19:45-1.46 and this subsection and shall not be included on the daily complimentary report required by (e) above or subject to the annual limitation on cash complementaries established by N.J.A.C. 19:45-1.9B(g) if:

1. The program is submitted to and approved by the Commission in accordance with the requirements of N.J.A.C. 19:45-1.46 as if the program were a complimentary distribution program; provided, however, that detailed procedures controlling a direct mass marketing complimentary program which is subject to the provisions of N.J.A.C. 19:45-1.46(b) and which includes complimentary cash, slot tokens or simulcast wagering shall not have to be submitted to the Commission 15 days prior to implementation of the program, but may instead be prepared prior to implementation of the program and maintained as an accounting record by the casino licensee if:

i. The casino licensee has previously submitted and the Commission has previously approved generic internal control procedures governing direct mass marketing complimentary programs; and

ii. No material element of the direct mass marketing complimentary program varies from the generic internal control procedures previously approved by the Commission;

2. The complimentary services or items offered pursuant to the program do not exceed \$100.00 per person per day and are offered to at least 500 persons within 30 days from the implementation of the program;

3. A record, which shall be available to the Division upon request, is maintained identifying:

i. The date the program was implemented;

ii. The value and type of the complimentary services or items offered pursuant to the program;

iii. The number of persons to whom the complimentary services or items were offered and the date that the offer was made;

iv. The source of the names of the persons to whom the complimentary services or items were offered; and

v. If the casino licensee has possession of the data, the names and addresses of the persons to whom cash complementaries were offered, which data shall be maintained in accordance with the requirements of N.J.A.C. 19:45-1.8(c)5.

(i) Prize tokens shall not be offered or provided as a complimentary service or item.

Amended by R.1983 d.112, effective March 29, 1983.

See: 15 N.J.R. 257(a), 15 N.J.R. 627(b).

Originally filed as an emergency adoption (R.1983 d.37) on January 27, 1983. Readopted as R.1983 d.112. Deleted old (a) and (b) and

added new (a) and (b) and added "or items" to "complimentary services".

Amended by R.1989 d.187, effective April 3, 1989.

See: 20 N.J.R. 2644(a), 21 N.J.R. 933(b).

At (c)2., separate category of "entertainment" added.

Amended by R.1989 d.611, effective December 18, 1989.

See: 21 N.J.R. 2953(a), 21 N.J.R. 3931(b).

Added new (b), redesignated existing (b)-(c) as (c)-(d).

Amended by R.1992 d.499, effective December 21, 1992.

See: 24 N.J.R. 2692(b), 24 N.J.R. 4570(a).

In (b), added requirements for internal controls pursuant to N.J.S.A. 5:12-99(a)2 and N.J.A.C. 19:45-1.3; added (b)1, 2 and 3. In (d), added "or items"; in (d)2, also added "cash gift, noncash gift". Added (e).

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

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

In (e)1: amended amount to be \$100.00, increased from \$50.00.

Added new subsection (f) regarding complimentaries.

Amended by R.1993 d.494, effective October 4, 1993.

See: 25 N.J.R. 3108(a), 25 N.J.R. 4619(a).

Amended by R.1994 d.34, effective January 18, 1994.

See: 25 N.J.R. 4871(b), 26 N.J.R. 491(a).

Amended by R.1994 d.139, effective March 21, 1994.

See: 26 N.J.R. 113(a), 26 N.J.R. 1377(a).

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.1995 d.77, effective February 6, 1995.

See: 26 N.J.R. 4173(b), 27 N.J.R. 549(a).

19:45-1.9A Procedures for transportation expense reimbursements

(a) All transportation expense reimbursement transactions, except as otherwise provided in (h) below, shall be performed at the casino cage.

(b) Whenever a patron requests a casino licensee to reimburse transportation expenses, a Travel Disbursement Voucher ("Voucher") shall be prepared. Vouchers shall be maintained in a secure location approved by the Commission. Access to Vouchers, prior to use, shall be restricted to those individuals authorized by the licensee to approve such disbursements. Prior to the transportation expense reimbursement, an individual authorized to approve the disbursement shall examine the original tickets, invoices or receipts presented by the patron in support of the request for valid transportation expense reimbursement. Such tickets, invoices or receipts shall:

1. Contain the actual cost of transportation for which reimbursement is sought;
2. Be dated within 30 days of the request for reimbursement; provided, however, reimbursements may be made for tickets, invoices or receipts which are dated more than 30 days but no more than 180 days prior to the date of request for reimbursement if an explanation is included on the Voucher as to why presentation was delayed.
3. Be in the name of the requesting patron, provided, however, that the tickets, invoices or receipts may be in the name of a person accompanying said patron, or contain no name if the amount of reimbursement is \$250.00 or less, as long as an explanation thereof is noted on the Voucher; and

4. State a destination of Atlantic City; provided, however, if the destination indicated on the ticket, invoice or receipt is a location other than Atlantic City, or if no destination is indicated, the requesting patron or the casino licensee shall provide other documentation as evidence of that patron's presence in Atlantic City during the trip in which the expenses were incurred.

(c) Vouchers shall be, at a minimum, a two-part, serially prenumbered form, and each series of Vouchers shall be used in sequential order. The series numbers of all Voucher forms received by a casino shall be accounted for by employees with no incompatible functions. All original and duplicate voided Voucher forms shall be marked "VOID" and shall require the signature of the preparer and the reason for voiding.

(d) Vouchers shall be manually prepared or computer generated and shall contain, at a minimum, the following information:

1. The date and time of preparation;
2. The patron's name and address;
3. A description of the transportation expense incurred (that is, airfare, helicopter, limousine, etc.);
4. The amount approved for reimbursement, which amount shall not exceed the actual cost of transportation recorded on the ticket, invoice or receipt;
5. The ticket, invoice or receipt number or an indication that such number is not available, the date of issuance and the issuer of the ticket, invoice or receipt;
6. The signature of the authorizer;
7. The method of payment and, if payment is by check, the check number;
8. The type of identification credentials examined containing the patron's signature and whether said credentials included a photograph or general physical description of the patron, or the personal attestation by the authorizer as to the identity of the patron, or the general cashier's verification that the signature of the patron on the Voucher appears to agree with the signature in the patron's credit file;
9. The signature of the general cashier; and
10. The patron's signature, indicating acknowledgment of the following statement which shall be included on the Voucher: "I affirm that the expenses for which I am seeking reimbursement are supported by genuine tickets, invoices or receipts which I (have provided) (will provide) to (insert name of licensee) and I have not received reimbursement for these expenses from any other source. I am aware that this Voucher is required to be prepared by the regulations of the Casino Control Commission and I may be subject to civil or criminal liability if any material information provided by me is willfully false."

(e) A list shall be maintained in the casino cage of the names and titles of those individuals authorized to approve Vouchers. A copy of this list shall be submitted to the Commission and Division as it is updated.

(f) After examination of the original tickets, invoices or receipts, the authorizer shall record the information noted in (d)1 through (d)5 above, sign the Voucher and present the original and duplicate copy of the Voucher as well as the original tickets, invoices or receipts and any other additional documentation provided in accordance with (b)4 above to the general cashier.

(g) The general cashier shall:

1. Verify the requesting patron's identity in accordance with (d)8 above and record such method of verification on the Voucher;

2. Cancel the original tickets, invoices or receipts in such a manner to prevent subsequent reimbursement and obtain a copy of the original tickets, invoices or receipts, including such cancellation marking, and a copy of any other additional documentation provided in accordance with (b)4 above;

3. Sign the Voucher;

4. Obtain the patron's signature on the original copy of the Voucher;

5. Record the method of payment in accordance with (d)7 above on the Voucher and return the cancelled original tickets, invoices or receipts, and any other additional documentation provided in accordance with (b)4 above, and corresponding reimbursement funds by cash or check to the patron;

6. Attach the copy of the original tickets, invoices or receipts, cancelled in accordance with (g)2 above, and a copy of any other additional documentation provided in accordance with (b)4 above, to the original Voucher;

7. Place the duplicate copy of the Voucher in a locked accounting box to be picked up on a daily basis by accounting personnel with no incompatible functions; and

8. Retain the original Voucher with the attached documentation for closeout purposes and subsequent forwarding, on a daily basis, to accounting for matching and agreement with the duplicate.

(h) If a transportation expense reimbursement transaction cannot be completed at the casino cage due to the unavailability of required information or documentation, a casino licensee may perform a transportation expense reimbursement transaction by mail by complying with the requirements of (a) through (g) above except as otherwise modified below:

1. The authorizer shall record the date of request for reimbursement and the information noted in (d)2 above

on the Voucher, and present the partially completed Voucher to the general cashier.

2. The general cashier shall obtain the patron's signature on the Voucher, verify the requesting patron's identity in accordance with (d)8 above, stamp the term "mail in" on the Voucher and sign the Voucher. Any partially completed Voucher shall be maintained by the casino licensee in a secure location within the casino cage, and shall be processed as soon as all required information or documentation is available.

3. The authorizer, upon receipt of all information and documentation required to complete the Voucher in accordance with (d) above, shall obtain the partially completed Voucher from the general cashier, and shall:

i. Record the information noted in (d)1 and (d)3 through (d)5 above;

ii. Sign the Voucher; and

iii. Present the original and duplicate Voucher, and original ticket, invoice, receipt or other documents to the general cashier.

4. The general cashier shall complete the Voucher in accordance with (g) above and sign the Voucher; provided, however, that the general cashier shall attach the cancelled ticket, invoice, receipt or any other additional documentation provided in accordance with (b)4 above, to the original Voucher, and shall return such documentation to the patron upon request; and the general cashier shall mail the corresponding reimbursement check to the requesting patron.

5. Any partially completed Voucher which is not completed within 60 days from the date of request for reimbursement shall be voided in accordance with (c) above.

(i) In the event that a casino licensee learns that a patron whom it has reimbursed for travel expenses has also been reimbursed for such travel expenses by another licensee, or by the issuer of the original ticket, invoice or receipt relied upon by the licensee in authorizing the travel expense reimbursement, the licensee shall immediately notify the Division.

New Rule, R.1989 d.611, effective December 18, 1989.

See: 21 N.J.R. 2953(a), 21 N.J.R. 3931(b).

Petition for Rulemaking: Transportation Expense Reimbursements.

See: 22 N.J.R. 2367(a).

Petition for Rulemaking: Transportation Expense Reimbursements.

See: 22 N.J.R. 3407(d).

Amended by R.1990 d.605, effective December 17, 1990.

See: 22 N.J.R. 2913(a), 22 N.J.R. 3764(a).

Provided for transportation expense reimbursement transaction by mail.

Administrative Correction to (d)10.

See: 23 N.J.R. 315(a).

Amended by R.1991 d.183, effective April 1, 1991.

See: 22 N.J.R. 3710(a), 23 N.J.R. 1025(a).

In (b)3: added text regarding "... tickets, invoices or receipts ..." and added provision that they may "contain no name if the reimbursement is \$250.00 or less."

19:45-1.9B Procedures for complimentary cash and noncash gifts

(a) No casino licensee shall offer or provide, either directly or indirectly, any complimentary cash or noncash gift to any person or his or her guests except in accordance with the provisions of N.J.S.A. 5:12-102m and this section. For the purposes of this section, "complimentary cash or non-cash gift" does not refer to any complimentary service or item which is provided pursuant to N.J.S.A. 5:12-102m(1) through (3), N.J.A.C. 19:45-1.9(f), 19:45-1.9(h) or 19:45-1.46. Complimentary cash gifts shall include, without limitation:

1. Public relations payments made for the purpose of resolving complaints by or disputes with casino patrons;
2. Travel or walk money payments made for the purpose of enabling a patron to return home;
3. Slot tokens issued to any person; provided, however, that prize tokens shall not be offered or provided as a complimentary service or item;
4. Cash complementaries issued to patrons as a result of actual gaming activity;
5. Cash complementaries issued to participants in complimentary programs for invited guests regulated by N.J.A.C. 19:45-1.9(g), except as otherwise provided in this section; and
6. Match play coupons.

(b) Except as otherwise provided in N.J.A.C. 19:45-1.9(e), all complimentary cash and noncash gifts provided by a casino licensee shall be recorded in accordance with the provisions of N.J.A.C. 19:45-1.9(e). If a complimentary cash or noncash gift has a value of \$500.00 or more, the casino licensee shall also:

1. Record the address of the recipient;
2. Verify the identity of the recipient by an examination of identification credentials which contain a photograph or physical description of the recipient or by a personal attestation by the authorizer of the gift, which may include an attestation made after a telephone call to the recipient of the gift; and
3. Record the method of verification.

(c) All complimentary cash gifts shall be disbursed directly to the patron by a general cashier at the cashiers' cage after receipt of appropriate documentation or in any other manner approved by the Commission in a casino licensee's internal control submission.

(d) Notwithstanding the provisions of N.J.A.C. 19:45-1.9(b), no casino licensee shall permit any employee to authorize the issuance of a complimentary cash or non-cash gift with a value of \$10,000 or more unless the employee is licensed and functioning as a casino key employee and the authorization is co-signed by a second employee licensed and functioning as a casino key employee.

(e) If a casino licensee provides complimentary cash and noncash gifts worth \$2,000 or more to a person or his or her guests within any five day period, the casino licensee shall record the reason why such gifts were provided and maintain such records available for inspection by the Commission or Division upon request. Such reasons may include, without limitation, the participation of the person in a complimentary program for invited guests conducted pursuant to N.J.A.C. 19:45-1.9(g) or information concerning the person's player rating, which rating shall be based upon the actual amount and frequency of play by the person as recorded in the casino licensee's player rating system.

(f) Each casino licensee shall submit to the Division a report listing each person who has received \$2,000 or more in complimentary cash and noncash gifts within any five day period ending during the preceding month. Such report shall be filed by the last business day of the following month and shall include the total amount of complimentary cash or noncash gifts provided to each such person.

(g) No casino licensee shall provide to any patron, during any 12-month period, complimentary cash gifts which exceed the greater of:

1. The casino licensee's theoretical win from that patron during that same 12-month period, as reasonably determined from data contained in the player rating system of the casino licensee; provided, however, that each casino licensee shall include in its procedures developed in accordance with N.J.A.C. 19:45-1.9(b), the mathematical formula by which it calculates its theoretical win from the information contained in its player rating system; or
2. The actual gaming losses of the patron to that casino licensee during that same 12-month period as reasonably determined from data contained in the player rating system of the casino licensee; or
3. \$25,000.

(h) Notwithstanding the provisions of (g) above, complimentary cash gifts which are provided to persons pursuant to complimentary incentive programs regulated by N.J.A.C. 19:45-1.9(f), complimentary programs for invited guests regulated by N.J.A.C. 19:45-1.9(g), direct mass marketing complimentary programs regulated by N.J.A.C. 19:45-1.9(h) or complimentary distribution programs regulated by N.J.A.C. 19:45-1.46 shall be governed by any limitations contained in those respective rules and shall not be subject to the annual limits specified in (g) above. Additionally, match play coupons shall not be subject to the annual limitations specified in (g) above.

(i) Each casino licensee which purchases a noncash gift for the direct or indirect benefit of a patron shall require the vendor from which the gift is purchased to deliver the gift directly to the casino licensee or the patron. The casino licensee shall also require the vendor to pay to the casino licensee directly any refund or cash balance generated by the return or exchange of the gift by the patron or any representative of the patron.

(j) If a noncash gift to be purchased from a vendor by a casino licensee for the direct or indirect benefit of a patron has a purchase price of \$1,000 or more, the purchase shall be authorized by a written agreement or purchase order, a copy of which shall be maintained by the casino licensee in its files for inspection upon request, and shall include a provision in substantially the following form:

"Pursuant to the requirements of New Jersey law, the seller agrees not to effect any transaction with (name of the patron), directly or indirectly, involving the item(s) purchased pursuant to this purchase agreement after delivery without the express written approval of (the casino licensee). If the seller violates this condition of purchase, the seller agrees that this purchase agreement shall be null and void, and the seller further agrees to return the full purchase price of the item(s) purchased pursuant to this purchase agreement to (the casino licensee) as liquidated damages."

(k) Notwithstanding any other provisions of this section, a casino licensee which intends to provide a complimentary cash gift to a patron in accordance with the requirements of N.J.S.A. 5:12-102m and this chapter may, upon receipt of a written request from the patron and in accordance with internal controls approved by the Commission, credit the cash complimentary directly to:

1. The payment of any outstanding Counter Checks or Slot Counter Checks issued by the patron and held by that casino licensee in accordance with the provisions of N.J.A.C. 19:45-1.26, 1.27 and 1.28;
2. The payment of any returned checks issued by the patron and held by that casino licensee in accordance with the provisions of N.J.A.C. 19:45-1.29; or
3. The establishment or enhancement of a cash deposit held for the benefit of the patron in accordance with the provisions of N.J.A.C. 19:45-1.24.

(l) The written request required pursuant to (k) above shall be attached to documentation of the cash complimentary gift maintained by the casino licensee pursuant to its approved internal controls.

1. The written request shall include, at a minimum, the following:
 - i. The date of the request;
 - ii. The name and address of the patron;
 - iii. Instructions as to the use to which the cash complimentary is to be credited; and
 - iv. The signature of the patron.

2. Prior to the crediting of any complimentary cash gift to the payment of an outstanding counter check, slot counter check or returned check, the general cashier or check cashier shall verify that the signature of the patron on the request agrees with the signature of the patron in the credit file.

New Rule, R.1992 d.499, effective December 21, 1992.

See: 24 N.J.R. 2692(b), 24 N.J.R. 4570(a).

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

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

In (b): added reference to N.J.A.C. 19:45-1.9(f).

In (g): added phrase "greater of" introducing (g)1 and new (g)2 and 3.

Amended by R.1993 d.494, effective October 4, 1993.

See: 25 N.J.R. 3108(a), 25 N.J.R. 4619(a).

Amended by R.1994 d.34, effective January 18, 1994.

See: 25 N.J.R. 4871(b), 26 N.J.R. 491(a).

Amended by R.1994 d.139, effective March 21, 1994.

See: 26 N.J.R. 113(a), 26 N.J.R. 1377(a).

Amended by R.1994 d.471, effective September 19, 1994.

See: 26 N.J.R. 2212(a), 26 N.J.R. 3891(c).

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.1995 d.254, effective May 15, 1995.

See: 27 N.J.R. 848(a), 27 N.J.R. 2011(b).

19:45-1.9C Alternative reporting procedures; accessible complimentary database

(a) A casino licensee which records all information concerning complimentary services or items which is required by N.J.A.C. 19:45-1.9 or 1.9B in a computer database which is accessible by the Commission and Division from remote locations and conforms to standards established and approved by the Commission pursuant to this section shall be exempt from filing all reports required pursuant to N.J.A.C. 19:45-1.9(e), 1.9B(b), and 1.9B(f).

(b) The structure and accessibility of the complimentary database shall be subject to review and approval by the Commission and such submission shall include, without limitation, the following:

1. A complete description of the computer hardware, file formats and software products to be used;
2. The hours of the day and the days of the week, if any, that the database will be inaccessible on a routine basis due to system maintenance or other technical reasons;
3. The procedures by which the Division and, if requested, the Commission will be able to read and copy data files, both current and stored; and
4. Security procedures for database access and secondary data dissemination.

New Rule, R.1993 d.145, effective April 5, 1993.

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

19:45-1.10 Closed circuit television system; surveillance department control; surveillance department restrictions

(a) Each casino licensee shall install in its establishment a closed circuit television (CCTV) system according to specifications herein and shall provide timely access, on the licensee's premises, to the system or its signal by the Commission or the Division upon request. Each casino licensee, and each member of its surveillance department, shall timely comply with a request from the Commission or the Division

for the licensee to perform, at a minimum, any of the following:

1. Display on the monitors in the monitoring room or the Commission inspection booth any event capable of being monitored on the CCTV system; and

2. Make a video and, if applicable, audio recording of, and take a still photograph of, any event capable of being monitored on the CCTV system.

i. The casino licensee shall preserve and store each such recording or photograph in accordance with the directions of the Commission or the Division.

ii. The Commission and the Division shall have unfettered access to each recording or photograph and, upon the request of either, the casino licensee and its personnel shall be denied access thereto.

(b) The closed circuit television system shall include, but need not be limited to, the following:

1. Light sensitive cameras with zoom, scan, and tilt capabilities to effectively and clandestinely monitor in detail and from various vantage points, the following:

i. The gaming conducted at each gaming table in the casino and casino simulcasting facility and the activities in the casino and casino simulcasting facility pits;

ii. The gaming conducted at the slot machines in the casino;

iii. The operations conducted at and in the cashiers' cage and each office ancillary thereto;

iv. The operations conducted at and in the slot booths;

v. The operations conducted at automated coupon redemption machines;

vi. The operations conducted in the simulcast counter.

vii. The count processes conducted in the count rooms in conformity with N.J.A.C. 19:45-1.33 and 19:45-1.43;

viii. The movement of cash, gaming chips and plaques, drop boxes, slot cash storage boxes, slot drop boxes, and slot drop buckets in the establishment;

ix. The entrances and exits to the casino, casino simulcasting facility and the count rooms; and

x. Such other areas as the Commission designates.

2. Video units for taping the closed-circuit signal produced by any camera of the system. At a minimum, each such unit shall:

i. Be capable of superimposing the time and date of the recording on each video tape used with the unit; and

ii. Enable the operator of the unit, through the use of a meter, counter or other device, or by a method approved by the Commission, to identify the point on such tape at which a particular event was recorded;

3. Audio capability in the soft count room;

4. One or more monitoring rooms in the establishment which, through the surveillance department employees or agents assigned thereto by the casino licensee, shall constantly monitor the activities in the casino, the casino simulcasting facility and elsewhere in the establishment where CCTV coverage is available, and which:

i. May be used as necessary by the inspectors and agents of the Commission and Division; and

ii. Each such room shall contain, as required by the Commission, adequate equipment and supplies for the effective performance of the activities to be conducted therein; and

5. All closed circuit cameras shall be equipped with lenses of sufficient magnification to allow the operator to clearly distinguish the value of the gaming chips and playing cards.

(c) Adequate lighting shall be present in all areas, including gaming tables and pits, where closed circuit camera coverage is required to enable clear camera coverage. The coverage shall be of sufficient quality to produce clear video tape and still picture reproductions.

(d) Each casino licensee shall maintain a surveillance log of all surveillance activities in the monitor room. The log shall be maintained by monitor room personnel and shall be stored securely, in a manner approved by the Commission, within the surveillance department in accordance with the retention schedule set forth in N.J.A.C. 19:45-1.8(c)2iii. At a minimum, the following information shall be recorded in a surveillance log:

1. Date and time each surveillance commenced;

2. The name and license credential number of each person who initiates, performs, or supervises the surveillance;

3. Reason for surveillance, including the name, if known, alias or description of each individual being monitored, and a brief description of the activity in which the person being monitored is engaging;

4. The times at which each video or audio tape recording is commenced and terminated;

5. The time at which each suspected criminal offense is observed, along with a notation of the reading on the meter, counter or device specified in (b)2ii above that identifies the point on the video tape at which such offense was recorded;

6. Time of termination of surveillance;

7. Summary of the results of the surveillance; and

8. A complete description of the time, date and, if known, the cause of any equipment or camera malfunctions, and the time at which the security department was apprised of the malfunction in accordance with the casino licensee's internal controls submitted pursuant to N.J.A.C. 19:45-1.3(a)3.

(e) The surveillance log shall be available for inspection at any time by Commission or Division agents.

(f) All closed circuit T.V. tapes which are determined by Commission or Division agents to be of potential evidentiary value shall be stored pursuant to Commission or Division directives.

(g) Surveillance department employees or agents of the licensee assigned to monitor the activities shall be independent of all other departments. In addition to any other restrictions contained in the Act and the rules promulgated thereunder, no present or former surveillance department employee shall accept employment as a casino key employee or casino employee with the same casino hotel or prospective casino hotel in which the surveillance department employee was previously employed or within any other casino hotel or prospective casino hotel whose surveillance department is under the operational control of the same person who controlled the surveillance department in which the surveillance department employee had been previously employed, unless one year has passed since the former surveillance department employee worked in the surveillance department. Notwithstanding the foregoing, the Commission may, upon the filing of a written petition, waive this restriction and permit the employment of a present or former surveillance department employee in a particular position after consideration of the following factors:

1. Whether the former surveillance department employee will be employed in a department or area of operation that the surveillance department does not monitor;

2. Whether the surveillance and security systems of the casino licensee will not be jeopardized or compromised by the employment of the former surveillance department employee in the particular position; and

3. Whether the former surveillance department employee's knowledge of the procedures of the surveillance department would not facilitate the commission by any person of irregularities or illegal acts or the concealment of any such actions or errors.

(h) Entrances to the closed circuit television monitoring rooms shall not be visible from the casino area or casino simulcasting facility.

(i) Each casino licensee shall prominently display a notice in each of its monitoring rooms that advises those present in the room that a casino licensee and its employees are obligated to cooperate with the Commission and the Division, and which notes with particularity those items enumerated in (a) above.

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 April 11, 1988 (expires July 10, 1988).

See: 20 N.J.R. 769(a).

Amended by R.1988 d.387, effective August 15, 1988.

See: 20 N.J.R. 765(a), 20 N.J.R. 769(a), 20 N.J.R. 2090(a).

Added text to (b)1vi "slot cash storage boxes".

Amended by R.1991 d.381, effective August 5, 1991.

See: 23 N.J.R. 1302(a), 23 N.J.R. 2323(a).

Added "surveillance department" requirements.

In (g): added surveillance department employee provisions.

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.142, effective April 5, 1993.

See: 24 N.J.R. 278(a), 25 N.J.R. 1522(a).

Added surveillance department to title. Added new (b)1v.

Amended by R.1993 d.318, effective July 6, 1993 (operative October 15, 1993).

See: 25 N.J.R. 1503(b), 25 N.J.R. 2908(a).

Amended by R.1994 d.265, effective June 6, 1994.

See: 25 N.J.R. 5893(a), 26 N.J.R. 2463(a).

Amended by R.1995 d.231, effective May 1, 1995.

See: 27 N.J.R. 654(a), 27 N.J.R. 1815(a).

19:45-1.11 Casino licensee's organization

(a) Each casino licensee's system of internal controls shall, in accordance with the provisions of N.J.A.C. 19:45-1.11A, include tables of organization. Each casino licensee shall be permitted, except as otherwise provided in this section and N.J.A.C. 19:53-1.13, to tailor its organizational structure to meet the needs or policies of its own particular management philosophy. The proposed organizational structure of each casino licensee shall be approved by the Commission in the absence of a conflict between the organizational structure and the criteria listed below, which criteria are designed to maintain the integrity of casino and casino simulcasting facility operations. Each casino licensee's tables of organization shall provide for:

1. A system of personnel and chain of command which permits management and supervisory personnel to be held accountable for actions or omissions within their areas of responsibility;

2. The segregation of incompatible functions so that no employee is in a position both to commit an error or to perpetrate a fraud and to conceal the error or fraud in the normal course of his or her duties;

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

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

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

1. A surveillance department supervised by a casino key employee holding a license endorsed with the position of director of surveillance. The supervisor of the surveillance department shall be subject to the reporting requirements specified in (c) below. The surveillance department shall be responsible for, without limitation, the following:

- i. The clandestine surveillance of the operation and conduct of the table games;
- ii. The clandestine surveillance of the operation of the slot machines and bill changers;
- iii. The clandestine surveillance of the operation of the casino simulcasting facility;
- iv. The clandestine surveillance of the operation of automated coupon redemption machines;
- v. The clandestine surveillance of the operation of the cashiers' cage;
- vi. The audio-video taping of activities in the count rooms;
- vii. The detection of cheating, theft, embezzlement, and other illegal activities in the casino, casino simulcasting facility, count rooms, slot booths, and cashiers' cage;
- viii. The detection of the presence in the establishment of any person who is required to be excluded pursuant to N.J.S.A. 5:12-71 or N.J.A.C. 19:48-1.7, or who may be excluded or ejected pursuant to N.J.S.A. 5:12-71.1, or of any person who is prohibited from entering a casino or a casino simulcasting facility pursuant to N.J.S.A. 5:12-119a;
- ix. The video taping of illegal and unusual activities monitored;

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

xi. Providing timely notification to appropriate supervisors, the Commission and the Division upon detecting, and also upon commencing video or audio recording of, any person who is required to be excluded pursuant to N.J.S.A. 5:12-71 or N.J.A.C. 19:48-1.7, or who may be excluded or ejected pursuant to N.J.S.A. 5:12-71.1, or any person who is prohibited from entering a casino or a casino simulcasting facility pursuant to N.J.S.A. 5:12-119a; and

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

2. An internal audit department supervised by a casino key employee holding a license endorsed with the position of audit department executive. The supervisor of the internal audit department shall be subject to the reporting requirements specified in (c) below. The internal audit department shall be responsible for, without limitation, the following:

- i. The review and appraisal of the adequacy of internal control;
- ii. The compliance with internal control procedures;
- iii. The reporting of instances of noncompliance with the system of internal control;
- iv. The reporting of any material weaknesses in the system of internal control; and
- v. The recommendation of procedures to eliminate any material weaknesses in the system of internal control.

3. A management information system ("MIS") department supervised by a casino key employee holding a license endorsed with the position of executive employee. The MIS department shall be responsible for the quality, reliability and accuracy of all computer systems used by the casino licensee in the conduct of casino and casino simulcasting facility operations including, without limitation, specification of appropriate computer software, hardware, and procedures for security, physical integrity, audit, and maintenance of:

- i. Access codes and other data-related security controls used to insure appropriately limited access to computers and the system-wide reliability of data;
- ii. Computer tapes, disks, or other electronic storage media containing data relevant to casino operations; and
- iii. Computer hardware, communications equipment and software used in the conduct of casino operations.

4. A table games department supervised by a casino key employee holding a license endorsed with the position of casino manager. The table games department may be responsible for the operation and conduct of the simulcast counter and shall be responsible for the operation and conduct of the following games.

- i. Craps;
- ii. Blackjack;
- iii. Baccarat;
- iv. Roulette;
- v. Big six;
- vi. Minibaccarat;
- vii. Red dog;
- viii. Sic bo;
- ix. Pai gow;
- x. Pai gow poker; and
- xi. Poker, except as otherwise authorized by (g) below.

5. A slot department supervised by a casino key employee holding a license endorsed with the position of slot department manager. The slot department shall be responsible for the operation of the slot machines and bill changers.

6. A credit department supervised by a casino key employee holding a license endorsed with the position of credit manager. The credit department shall be responsible for the credit function including, without limitation, the following:

- i. The verification of patron credit references;
- ii. The establishment of patron credit limits;
- iii. The maintenance, review and update of the patron's credit files; and
- iv. The communication in writing of the names and addresses of patrons with newly approved credit limits to the supervisors of the security and surveillance departments on a daily basis in accordance with the casino licensee's approved procedures.

7. A security department supervised by a casino key employee holding a license endorsed with the position of director of security. The security department shall be responsible for the overall security of the establishment including, without limitation, the following:

- i. The enforcement of the law;
- ii. The physical safety of patrons in the establishment;
- iii. The physical safety of personnel employed by the establishment;

iv. The physical safeguarding of assets transported to and from the casino, casino simulcasting facility, slot, and cashiers' cage departments;

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

vi. The detainment of each individual as to whom there is probable cause to believe that he or she has engaged in or is engaging in conduct that violates N.J.S.A. 5:12-113 through 116, inclusive, for the purpose of notifying law enforcement or Commission authorities;

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

viii. The recordation of any and all unusual occurrences within the casino and casino simulcasting facility for which the assignment of a security department employee is made. Each incident, without regard to materiality, shall be assigned a sequential number and, at a minimum, the following information shall be recorded in indelible ink in a bound, laboratory-type notebook from which pages cannot be removed and each side of each page of which is sequentially numbered:

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

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

x. The identification and removal of any person who is required to be excluded pursuant to N.J.S.A. 5:12-71 or N.J.A.C. 19:48-1.7, or who may be excluded or ejected pursuant to N.J.S.A. 5:12-71.1, or of any person who is prohibited from entering a casino or a casino simulcasting facility pursuant to N.J.S.A. 5:12-119a; and

xi. The performance of all duties and responsibilities in accordance with the procedures and controls submitted and approved pursuant to N.J.A.C. 19:45-1.3(a)(3).

8. A casino accounting department supervised by a casino key employee holding a license endorsed with the position of controller. The supervisor of the casino accounting department may be responsible for the operation and conduct of the simulcast counter and, except as otherwise provided in (b)9 below, shall also be responsible

for the control and supervision of the cashier's cage and any satellite cages. The casino accounting department shall be responsible for, without limitation, the following:

- i. Accounting controls;
- ii. The preparation and control of records and data;
- iii. The control of stored data, the supply of unused forms, and the accounting for and comparing of forms used in operating the casino and casino simulcasting facility; and
- iv. The cashier's cage, which shall be supervised by a casino key employee holding a license endorsed with the position of cage manager. The supervisor of the cashier's cage shall report to the supervisor of the casino accounting department and shall be responsible for the control and supervision of cage and slot cashiers, changepersons and casino clerks. The cashiers' cage may be separated into independent operations for table games and slot machines. If a casino licensee elects to operate both a table games cage and a slot machine cage, each independent cage operation shall be supervised by a casino key employee holding a license endorsed with the position of cage manager and each cage manager shall report to the supervisor of the casino accounting department. The supervisor of an independent slot machine cage shall be responsible for the supervision of the master coin bank, slot cashiers, changepersons and coin impressment personnel. The supervisor of an independent table games cage shall be responsible for all remaining cashiers' cage functions. If a casino licensee elects to operate one or more satellite cages, each satellite cage shall be supervised by a casino key employee holding a license whose endorsement shall depend upon the functions performed by the satellite cage. The cashiers' cage shall be responsible for, without limitation, the following:

- (1) The custody of currency, coin, patron checks, gaming chips and plaques, and documents and records normally associated with the operation of a cashiers' cage;

- (2) The approval, exchange, redemption, and consolidation of patron checks received for the purposes of gaming;

- (3) The receipt, distribution, and redemption of gaming chips and plaques; and

- (4) Such other functions normally associated with the operation of a cashiers' cage.

9. Notwithstanding (b)8 above, a casino licensee which elects to operate independent table game and slot machine cages may, in its discretion, operate the independent slot machine cage as a separate department. If an independent slot machine cage is operated as a separate department, the supervisor of the slot machine cage department shall report to a casino key employee approved by the Commission. The supervisor of a slot machine cage department shall be responsible for the supervision of the master coin bank, slot cashiers, changepersons and coin impressment personnel.

10. A casino licensee which elects to conduct casino simulcasting shall operate a simulcast counter supervised by a casino key employee designated as simulcast counter manager, who shall perform the functions set forth in N.J.A.C. 19:45-1.12(h)3.

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

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

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

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

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

- iii. The senior surveillance or internal audit executive of any holding company included in (c)2ii above if such executive reports directly to the independent audit committee of the board of directors of the holding company; or

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

(d) Each casino licensee shall designate compliance officers in conformity with the following:

1. The compliance officers shall:

- i. Have the authority to direct the personnel in each department to comply with the Act, this chapter, and the directives of the Commission and Division; and

- ii. Be available in the establishment at all times.

2. The names of personnel designated as compliance officers shall be filed with the Commission and Division on a schedule that indicates the time each such officer will be on duty in the establishment. Any changes of the names of the compliance officers or the time such officers will be on duty shall be immediately reported, in writing, to the Commission and Division.

(e) The casino licensee's personnel shall be trained in all internal and accounting control practices and procedures relevant to each employee's individual function. Special instructional programs shall be developed by the casino licensee in addition to any on-the-job instruction sufficient to enable all members of the departments required by this section to be thoroughly conversant and knowledgeable with the appropriate and required manner of performance of all transactions relating to their functions. A written description of all instructional and on-the-job training to be and being provided shall be submitted to the Commission for review.

(f) Functions described in this section shall be performed only by persons holding the appropriate license and position endorsement required by the casino licensee's approved jobs compendium to perform such functions, or by persons holding the appropriate license and position endorsement to supervise persons performing such functions, subject to the limitations imposed by (a) above.

(g) Notwithstanding the provisions of (b)4 above and N.J.A.C. 19:45-1.12, a casino licensee may operate and conduct the game of poker separately from the other table games. If a casino licensee elects to operate the game of poker as its own unit, the operation and conduct of poker shall be the responsibility of a casino key employee holding a license endorsement approved by the Commission. The supervisor of the poker unit shall report directly to the casino manager or to a casino key employee in a direct reporting line above the casino manager as approved by the Commission.

Amended by R.1984 d.624, effective January 21, 1985.
See: 16 N.J.R. 2076(a), 17 N.J.R. 212(a).

Section substantially amended.

Amended by R.1986 d.212, effective June 16, 1986.
See: 17 N.J.R. 2969(a), 18 N.J.R. 1312(a).

(c)2 substantially amended.

Amended by R.1986 d.308, effective August 4, 1986.
See: 18 N.J.R. 1096(a), 18 N.J.R. 1614(b).

(c)4vi added.

Petition for Rulemaking: Casino organization.
See: 20 N.J.R. 1002(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 April 11, 1988 (expires July 10, 1988).

See: 20 N.J.R. 769(a).

Amended by: R.1988 d.387, effective August 15, 1988.

See: 20 N.J.R. 765(a), 20 N.J.R. 769(a), 20 N.J.R. 2090(a).

Added "or her" and "bill changers".

Amended by R.1990, d.222, effective May 7, 1990.

See: 21 N.J.R. 3446(a), 22 N.J.R. 1380(b).

In (c)7: added text to specify staff to whom the director of security shall report.

Amended by R.1991 d.381, effective August 5, 1991.

See: 23 N.J.R. 1302(a), 23 N.J.R. 2323(a).

General revision to organization rules, restructuring subsection of text. Text amended to reflect new structuring of departments and responsibilities. Deleted existing subsection (a), recodifying (b)-(g) as (a)-(f). Added (a)1-4 as new text. Deleted existing (c)2 and recodified (c)3 as (b)2. Revised (b)9 with new text regarding supervisor of the cashiers' cage. Added new (c)1-2 and new text to new subsection (f).

Amended by R.1991 d.532, effective November 4, 1991.

See: 23 N.J.R. 2231(a), 23 N.J.R. 3348(a).

Added "red dog" game to (b)4vii.

Amended by R.1991 d.616, effective December 16, 1991.

See: 23 N.J.R. 2922(a), 23 N.J.R. 3820(b).

Added new (b)4viii, sic bo.

Amended by R.1992 d.151, effective April 6, 1992.

See: 23 N.J.R. 3434(a), 24 N.J.R. 1376(a).

Added new text to (b)3 regarding a MIS system.

Amended by R.1992 d.406, effective October 19, 1992.

See: 24 N.J.R. 569(a), 24 N.J.R. 1517(a), 24 N.J.R. 3742(a).

Pai gow poker provisions added.

Amended by R.1992 d.411, effective October 19, 1992.

See: 24 N.J.R. 558(a), 24 N.J.R. 3753(a).

Pai gow added.

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.1994 d.141, effective March 21, 1994.

See: 25 N.J.R. 5906(a), 26 N.J.R. 1380(a).

Amended by R.1994 d.221, effective May 2, 1994.

See: 26 N.J.R. 784(a), 26 N.J.R. 1852(a).

Amended by R.1994 d.265, effective June 6, 1994.

See: 25 N.J.R. 5893(a), 26 N.J.R. 2463(a).

Temporary Amendment: Double Down Stud.

See: 26 N.J.R. 4445(a).

Case Notes

Casino Control Act does not confer private cause of action in favor of losing players. *Miller v. Zoby*, 250 N.J.Super. 568, 595 A.2d 1104 (A.D.1991).

Credit transaction may not be bifurcated with casino personnel receiving payment of counter check at off-site location and counter check then being released when funds are received at cashiers' cage. *Petition of Adamar of New Jersey, Inc.*, 222 N.J.Super. 464, 537 A.2d 704 (A.D.1988).

Commission need not accept relationship between casino applicant and parent company in licensing determination; licensing requirement of "meaningful contribution" to training program invalid as vague and as improper rulemaking. *In re Application of Playboy-Elsinore Associates*, 203 N.J.Super. 477 (App.Div.1985).

No "state action" involved in search of casino patron and drug seizure; implication of exclusionary rule. *State v. Sanders*, 185 N.J.Super. 258 (App.Div.1982).

Violations; corporate responsibility; penalties. *Div. of Gaming Enforcement v. Sterr*, 8 N.J.A.R. 449 (1986).

19:45-1.11A Jobs compendium submission

(a) Each casino licensee and applicant for a casino license shall, pursuant to N.J.S.A. 5:12-70(j) and 99a(2) and (3), prepare and maintain a jobs compendium consistent with the requirements of this section detailing job descriptions and lines of authority for all personnel engaged in the operation of the hotel and casino. Unless otherwise directed by the Commission, a jobs compendium shall be submitted to the Commission for approval at least six months prior to the projected date of issuance of a certificate of operation. The Commission shall review each jobs compendium and shall determine whether the job descriptions and tables of organization contained therein conform to the licensing or registration and chain-of-command requirements of the Act and the Commission's regulations. If the Commission finds any insufficiencies, it shall specify the same in writing to the casino licensee or applicant, who shall make appropriate alterations. When the Commission determines a submission to be adequate with respect to licensing or

registration and chain-of-command, it shall notify the casino licensee or applicant accordingly. No casino licensee shall commence gaming operations unless and until its jobs compendium is approved by the Commission.

(b) A jobs compendium shall include the following sections, in the order listed:

1. An alphabetical table of contents listing the position title and job code for each job description included in (b)3 below and the page number on which the corresponding job description may be found;

2. A table of organization for each department and division illustrating by position title direct and indirect lines of authority within the department or division. Each page of a table of organization shall specify the following:

- i. The date of its submission;
- ii. The date of the previously submitted table of organization which it supersedes; and
- iii. A unique title or other identifying designation for that table of organization.

3. A description of each employee position which accurately corresponds to the position title as listed in the table of organization and as listed in the table of contents. Each position description shall be listed on a separate page, organized by departments or divisions, and shall include, at a minimum, the following:

- i. Position title and corresponding department;
- ii. Salary range;
- iii. Job duties and responsibilities;
- iv. Detailed descriptions of experiential or educational requirements;
- v. Projected number of employees in the position;
- vi. Equal employment opportunity class or subclass;
- vii. Proposed registration or license endorsement consistent with the requirements of the Act and the Commission's rules;
- viii. The date of submission of each employee position job description and the date of any prior job description it supersedes; and
- ix. The date of submission and page number of each table of organization on which the employee position title is included.

(c) Except as otherwise provided in (d) below, any proposed amendment to a previously approved jobs compendium shall be submitted to and approved by the Commission before such amendment is implemented by the casino licensee. Unless otherwise directed by the Commission, any amendment required to be preapproved pursuant to this subsection shall be submitted to the Commission at least 60 days prior to the proposed effective date of the amendment and shall contain, at a minimum:

1. A detailed cover letter listing by department each position title to which modifications are being proposed and a brief summary of all changes which are being proposed to the jobs compendium since the last amendment was submitted, including instructions regarding any changes in page numbers; and

2. The actual text of the proposed changes to the information required by (b) above contained on pages which may be used to substitute for those sections of the jobs compendium previously approved by the Commission.

(d) The following amendments to an approved jobs compendium may be implemented without the prior approval of the Commission, provided that the amendments are immediately recorded in the jobs compendium maintained by the casino licensee on its premises and a summary of each amendment and the date of implementation with corresponding job descriptions is filed with the Commission no later than five business days subsequent to the date of implementation:

1. Amendments to casino hotel registrant position descriptions for positions which report to casino hotel employee registrant position titles. Such amendments may be implemented by a casino licensee without the prior approval of the Commission; provided, however, this subsection shall not apply to casino hotel employee registrant position titles which are departmental or divisional supervisory positions;
2. Amendments to individual job descriptions required by (b)3ix above;
3. Amendments to position titles;
4. Revised page numbers;
5. Amendments to job codes required by (b)1 above;
6. Amendments to the experiential or educational requirements of (b)3iv above;
7. Cost of living salary increases; and
8. Amendments to the projected number of employees in any position other than casino key employee position titles.

(e) Notwithstanding any other requirement of this section, each casino shall submit a complete and up-to-date jobs compendium to the Commission 18 months after its receipt of a certificate of operation and every two years thereafter, unless otherwise directed by the Commission.

(f) Whenever required by this section, a casino licensee shall file three copies of a jobs compendium and three copies of an amendment to a jobs compendium with the Commission. A casino license applicant shall file four copies of a jobs compendium with the Commission and one copy with the Division. Each copy shall be in a format prescribed by the Commission, including a cover indicating the name of the casino licensee or applicant, the date of the submission and the label "Jobs Compendium Submission" or "Jobs Compendium Amendment" as appropriate.

New Rule, R.1986 d.240, effective July 7, 1986.

See: 17 N.J.R. 2747(a), 18 N.J.R. 1402(c).

Petition for Rulemaking: Job descriptions.

See: 20 N.J.R. 1002(c).

Amended by R.1989 d.169, effective March 20, 1989.

See: 20 N.J.R. 3120(b), 21 N.J.R. 780(a).

(b)2: deleted requirement concerning number of persons employed and added "date of submission" language. (b)3: added "at a minimum" to "Each job description ..." and deleted iv and v. Existing vi through x redesignated iv through viii; added ix. (c)1: added "changes in page numbers" requirement; in (c)2, (b) above was (b)3 above. Added new (d) and changed existing (d) to (d)1, with changes; added (d)2.

Amended by R.1990 d.523, effective November 5, 1990.

See: 22 N.J.R. 2253(a), 22 N.J.R. 3391(b).

Deleted requirement that a casino licensee file job compendium with Division of Gaming Enforcement.

Administrative Correction to section heading.

See: 25 N.J.R. April 5, 1993.

Amended by R.1994 d.140, effective March 21, 1994.

See: 26 N.J.R. 114(a), 26 N.J.R. 1379(a).

19:45-1.12 Personnel assigned to the operation and conduct of gaming and slot machines

(a) Each casino licensee shall be required to employ the personnel herein described in the operation of its casino and casino simulcasting facility, regardless of the position titles assigned to such personnel by the casino licensee in its approved jobs compendium. Functions described in this section shall be performed only by persons holding the appropriate license and position endorsement required by the casino licensee's approved jobs compendium to perform such functions, or by persons holding the appropriate license and position endorsement required by the casino licensee's approved jobs compendium to supervise persons performing such functions, subject to the limitations imposed by N.J.A.C. 19:45-1.11(a). Each casino licensee shall at all times maintain a level of staffing which ensures the proper operation and effective supervision of all table games in the casino and casino simulcasting facility.

(b) The following personnel shall be used to operate the table games in an establishment:

1. Casino clerk shall be the person located at a desk in the pit to prepare documentation required for the operation of table games including, without limitation, Requests for Fills, Requests for Credits, and Counter Checks.

2. Dealers shall be the persons assigned to each craps, baccarat, blackjack, roulette, minibaccarat, red dog, sic bo, big six, pai gow, pai gow poker and poker table to directly operate and conduct the game.

3. Stickperson shall be the dealer assigned to each craps table to control the dice and may be responsible for the proposition wagers made at the craps table.

4. Boxperson shall be the first level supervisor assigned the responsibility of directly participating in and supervising the operation and conduct of the craps game.

5. Floorperson shall be the second level supervisor assigned the responsibility for directly supervising the

operation and conduct of a craps game, and the first level supervisor assigned the responsibility for directly supervising the operation and conduct of a baccarat, blackjack, roulette, sic bo, minibaccarat, red dog, pai gow, pai gow poker, big six or poker game.

6. Pit boss shall be the third level supervisor assigned the responsibility for the overall supervision of the operation and conduct of a craps game and the second level supervisor assigned the responsibility for the overall supervision of the operation and conduct of a blackjack, roulette, minibaccarat, big six, sic bo, red dog, pai gow, pai gow poker or baccarat game.

7. Poker shift supervisor shall be licensed as a casino key employee and shall be the supervisor assigned and present during a shift with the responsibility for directly supervising all activities related to the operation and conduct of poker. Nothing in this section shall be deemed to preclude the poker shift supervisor from having other responsibilities as may be approved by the Commission pursuant to the standards set forth in N.J.A.C. 19:45-1.11(a).

8. Casino shift manager shall be the supervisor assigned to each shift with the responsibility for the supervision of table games conducted in the casino and casino simulcasting facility. In the absence of the casino manager and the assistant casino manager, should the establishment have an assistant casino manager, the casino shift manager shall have the authority of a casino manager.

9. Casino manager shall be the executive assigned the responsibility and authority for the supervision and management of the overall operation of casino licensee's table games including, without limitation, the hiring and terminating of all casino personnel, and the creation of high employee morale and good customer relations, all in accordance with the policies and practices established by the casino licensee's board of directors or non-corporate equivalent.

(c) Each casino licensee shall maintain the following standard levels of staffing:

1. One casino clerk shall be assigned to not more than 24 gaming tables;

2. One dealer shall be assigned to each blackjack, roulette, minibaccarat, sic bo, red dog, pai gow, pai gow poker, big six and poker table;

3. Three dealers shall be assigned to each craps and baccarat table;

4. One boxperson shall be assigned to each craps game;

5. One floorperson shall supervise:
 - i. Not more than four blackjack, roulette, pai gow poker, minibaccarat, sic bo, red dog or big six tables, or any combination thereof; or

- ii. Not more than two craps tables; or
- iii. Not more than one baccarat or pai gow table; or

iv. Not more than eight poker tables or, if no floorperson assigned to poker by a casino licensee has any responsibilities for seating players, not more than ten tables.

6. One pit boss shall supervise not more than 16 gaming tables.

(d) Notwithstanding the provision of (c)5 above, if a casino licensee has six or less poker tables opened for gaming activity, no floorperson shall be required and the tables may be supervised by the poker shift supervisor. Once the casino licensee has opened seven or more poker tables for gaming activity, in addition to the poker shift supervisor required by (b)7 above, one floorperson shall be assigned pursuant to the provisions of c(5)iv above.

(e) Notwithstanding the provisions of (c) above, a casino licensee may implement a plan for revised supervision by floorpersons or pit bosses. In any plan for revised supervision:

1. One floorperson may supervise not more than six blackjack, roulette, minibaccarat, sic bo, red dog or big six tables, or any combination thereof; and

2. One pit boss may supervise not more than 24 gaming tables.

(f) The casino manager or shift manager shall notify the Commission and the Division no later than 24 hours in advance of implementing or changing any plan for revised supervision, provided, however, that notice may be provided less than 24 hours in advance in circumstances which are emergent or may otherwise not reasonably be anticipated. Such notice shall include, without limitation, the following information:

1. The pit number and configuration of any pit affected;

2. The type, location and table number of any table affected;

3. The standard staffing level required for the gaming table or tables and the proposed variance therefrom;

4. The start date and time, and the duration, of the revised supervision; and

5. The basis for the decision to revise the number of supervisory personnel, which shall include any relevant factors which demonstrate that proper operation and effective supervision of the affected gaming tables will be maintained, including, as applicable, a showing:

i. That the revised supervision is justified by a reduced volume of play at the specified times and gaming tables in the casino or casino simulcasting facility;

ii. That the particular dealers or supervisors assigned to the affected tables possess a degree of skill and experience indicative of sufficient ability to operate the affected tables with revised supervision, in which case a record of the personnel assigned to such tables during the period of revised supervision shall be maintained;

iii. That a reduced number of gaming tables will be operating in the affected pits, which are in a configuration to ensure proper supervision and operation; or

iv. Any other facts or circumstances which establish that a revision in the number of supervisory personnel is appropriate.

(g) The Commission may, at any time upon 12 hours notice, direct that the plan for revised supervision shall be terminated and that the licensee shall maintain standard staffing levels as defined in (c) above.

(h) The following personnel shall be used to operate the slot department in an establishment:

1. Slot mechanics shall be the persons assigned the responsibility for repairing and maintaining slot machines and bill changers in proper operating condition and participating in the filling of payout reserve containers.

2. Slot attendants shall be the persons assigned the responsibility for the operation of slot machines and bill changers, including, but not limited to, participating in manual jackpot payouts and filling payout reserve containers. At the discretion of the casino licensee, slot attendants may also accept currency and coupons from patrons in exchange for currency obtained from an imprest fund issued by the cashiers' cage or the master coin bank in accordance with internal control procedures approved by the Commission.

3. Slot supervisors shall be the first level supervisors assigned the responsibility for directly supervising the operation of slot machines and bill changers.

4. Slot shift manager shall be the second level supervisor with the responsibility for the overall supervision of the slot machine and bill changer operation for each shift. In the absence of the slot department manager, the slot shift manager shall have the authority of the slot department manager.

5. Slot department manager shall be the executive assigned the responsibility and authority for the supervision and management of the overall operation of the casino licensee's slot machines and bill changers including, without limitation, the hiring and terminating of all slot department personnel and the creation of high employee morale and good customer relations, all in accordance with the policies and practices established by the casino licensee's board of directors or non-corporate equivalent.

(i) The following personnel of the casino accounting or table games department shall, at a minimum, be used to operate a simulcast counter in a casino simulcasting facility:

1. Casino pari-mutuel cashiers shall be licensed as casino employees and shall be assigned the responsibility of generating, and issuing to patrons, pari-mutuel tickets and credit vouchers, making simulcast payouts to patrons, and redeeming credit vouchers for patrons;

2. Simulcast counter shift supervisor shall be licensed as a casino key employee and shall be the first level supervisor assigned the responsibility for directly supervising the operation and conduct of the simulcast counter;

3. Simulcast counter manager shall be licensed as a casino key employee and shall be the executive assigned the responsibility and authority for the supervision and management of the overall operations of the simulcast counter, including without limitation, the hiring and termination of all simulcast counter personnel and the creation of high employee morale and good customer relations, all in accordance with the policies and practices established by the casino licensee's board of directors or non-corporate equivalent.

(j) Nothing in this section shall be construed to limit a casino licensee from utilizing personnel in addition to those described herein nor shall anything in this section be construed to limit the discretion of the Commission to order the utilization of additional personnel by the casino licensee necessary for the proper conduct and effective supervision of gaming in an establishment.

Amended by R.1982 d.206, effective July 6, 1982.

See: 13 N.J.R. 534(b), 14 N.J.R. 710(d).

Added 10 to (a).

Amended by R.1986 d.308, effective August 4, 1986.

See: 18 N.J.R. 1096(a), 18 N.J.R. 1614(b).

(a)5iv added.

Amended by R.1987 d.395, effective October 5, 1987.

See: 19 N.J.R. 54(b), 19 N.J.R. 1826(b).

Added text to (a)5iv "or a combination ..."

Petition for Rulemaking: Personnel assignments.

See: 20 N.J.R. 1002(c).

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 April 11, 1988 (expires July 10, 1988).

See: 20 N.J.R. 769(a).

Amended by: R.1988 d.387, effective August 15, 1988.

See: 20 N.J.R. 765(a), 20 N.J.R. 2090(a).

Added "and bill changers".

Amended by R.1989 d.169, effective March 20, 1989.

See: 20 N.J.R. 3120(b); 21 N.J.R. 780(a).

(a)7: added assistant casino manager proviso; deleted (a)8 and renumbered existing 9 and 10 as 8 and 9. In (d), added "appropriate license and position endorsement required by ... jobs compendium" language.

Amended by R.1990 d.323, effective July 2, 1990.

See: 21 N.J.R. 3080(a), 22 N.J.R. 2039(a).

Revised (a)6i to elaborate on supervisory duties of the pit boss.

Amended by R.1991 d.381, effective August 5, 1991.

See: 23 N.J.R. 1302(a), 23 N.J.R. 2323(a).

Added new subsection (a), recodifying (a)-(c) as (b)-(d); deleted (d).

Stylistic revisions throughout new subsection (c).

Amended by R.1991 d.532, effective November 4, 1991.

See: 23 N.J.R. 2231(a), 23 N.J.R. 3348(a).

Added "red dog" game to (b)2; (b)5ii; (b)5iv; and (b)6i-ii.

Amended by R.1991 d.615, effective December 16, 1991.

See: 23 N.J.R. 2922(a), 23 N.J.R. 3820(b).

Revised (b)2, added Sic bo.

Amended by R.1992 d.120, effective March 16, 1992.

See: 24 N.J.R. 56(a), 24 N.J.R. 972(a).

Revised (b)5 regarding first level supervisor responsibilities, deleting (b)5i-iii structurally. Added new (c)-(g), recodifying existing (c)-(d) as (h)-(i). In (g), added expiration date of September 16, 1992 for (d), (e) and (f).

Amended by R.1992 d.334, effective September 8, 1992.

See: 24 N.J.R. 2136(a), 24 N.J.R. 3098(b).

Moved "baccarat" to (c)3 from (c)2 to correct text to conform with provisions that three dealers be present for baccarat.

Amended by R.1992 d.335, effective September 8, 1992.

See: 24 N.J.R. 1249(b), 24 N.J.R. 3098(c).

Moved language from subsection (d) to end of subsection (a) regarding staffing level requirements.

Deleted (g), which had set a September 16, 1992 expiration date for subsections (d), (e) and (f).

Notice of Temporary Adoption of New Rules and Amendments.

See: 24 N.J.R. 1517(a).

New rules and amendments for the game of pai gow poker.

Amended by R.1992 d.406, effective October 19, 1992.

See: 24 N.J.R. 569(a), 24 N.J.R. 3742(a).

Pai gow poker provisions added on permanent basis.

Amended by R.1992 d.411, effective October 19, 1992.

See: 24 N.J.R. 558(a), 24 N.J.R. 3753(a).

Pai gow added.

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.

Administrative Correction.

See: 25 N.J.R. 2507(a).

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.1994 d.141, effective March 21, 1994.

See: 25 N.J.R. 5906(a), 26 N.J.R. 1380(a).

Temporary Amendment: Double Down Stud.

See: 26 N.J.R. 4445(a).

Amended by R.1995 d.11, effective January 3, 1995.

See: 26 N.J.R. 4174(a), 27 N.J.R. 144(a).

Case Notes

Examination of casino clerk responsibilities. Playboy-Elsinore Associates v. Strauss, 189 N.J.Super. 185 (Law Div.1983).

19:45-1.12A Personnel assigned to the operation and conduct of low limit table games

(a) Notwithstanding the provisions of N.J.A.C. 19:45-1.12 or any other Commission rule to the contrary, a casino licensee may offer table games which do not meet the minimum staffing requirements of N.J.A.C. 19:45-1.12 provided that:

1. The maximum wager on such table games shall be \$25.00;

2. The minimum wager on such table games shall be no higher than \$5.00; and

3. The casino licensee has received Commission approval of its low limit table games submission in accordance with (b) below.

(b) Each casino licensee may request Commission approval to operate low limit table games pursuant to this section by filing a submission at least 30 days before the

operation of such table games is to commence or before changes in a previous submission are to become effective, unless otherwise permitted by the Commission. Each such submission shall contain, without limitation, the following information:

1. A floor plan of the casino and casino simulcasting facility showing the type, location and configuration of all low limit table games proposed by the casino licensee and all other table games located within the same pit as a low limit table game;

2. The minimum staffing requirements proposed by the casino licensee for the low limit table games, the pits within which they are located and an explanation of any differences between the proposal and the requirements of N.J.A.C. 19:45-1.12; and

3. Any proposed amendments to the casino licensee's accounting and internal control submission which are necessary to enable the casino licensee to comply with the requirements of the regulations as a result of a reduction in the number of supervisory personnel or dealers involved in the operation of low limit table games.

(c) In explaining why a reduced staffing requirement is sufficient for its low limit table games, a casino licensee may justify its proposal in any way it deems appropriate including, without limitation, the elimination of the availability of credit at such tables.

New Rule, R.1992 d.89, effective February 18, 1992.

See: 23 N.J.R. 3250(a), 24 N.J.R. 649(a).

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.630, effective December 6, 1993.

See: 25 N.J.R. 3953(a), 25 N.J.R. 5521(a).

19:45-1.13 Firearms; possession within casino or casino simulcasting facility

(a) No person, including the security department members, shall possess or be permitted to possess any pistol or firearm within a casino or casino simulcasting facility without the express written approval of the Commission provided that employees and agents of the Division may possess such pistols or firearms at the discretion of the director of the Division.

(b) To obtain approval for the possession of a pistol or firearm within a casino or casino simulcasting facility, a person shall be required to demonstrate that:

1. He has received an adequate course of training in the possession and use of such pistol or firearm;

2. He is the holder of a valid license for the possession of such pistol or firearm; and

3. There is a compelling need for the possession of such pistol or firearm within the casino or casino simulcasting facility.

(c) Each casino licensee shall cause to be posted in a conspicuous location at each entrance to the casino and casino simulcasting facility a sign that may be easily read stating: "By law, no person shall possess any pistol or firearm within the casino or casino simulcasting facility without the express written permission of the Casino Control Commission."

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.

19:45-1.14 Cashiers' cage; satellite cages; master coin bank; coin vaults

(a) Each establishment shall have on or immediately adjacent to the gaming floor a physical structure known as a cashiers' cage ("cage") to house the cashiers and to serve as the central location in the casino for the following:

1. The custody of the cage inventory comprising currency including patrons' deposits, coin, patron checks, gaming chips and plaques, and of forms, documents, and records normally associated with the operation of a cage;

2. The approval, exchange, redemption, and consolidation of patron checks received for the purposes of gambling in conformity with this chapter;

3. The receipt, distribution, and redemption of gaming chips and plaques in conformity with this chapter;

4. The issuance, receipt and reconciliation of imprest funds used by slot attendants in the acceptance of currency and coupons from patrons in exchange for currency in conformity with this chapter; and

5. Such other functions normally associated with the operation of a cage.

(b) Each establishment shall have within the cage or in such other area as approved by the Commission a physical structure known as a master coin bank to house master coin bank cashiers. The master coin bank shall be designed and constructed to provide maximum security for the materials housed therein and the activities performed therein and serve as the central location in the casino for the following:

1. The custody of currency, coin, prize tokens, slot tokens, forms, documents and records normally generated or utilized by master coin bank cashiers, slot cashiers, changepersons, and slot attendants;

2. The exchange of currency, coin, coupons, prize tokens and slot tokens for supporting documentation;

3. The responsibility for the overall reconciliation of all documentation generated by master coin bank cashiers, slot cashiers, changepersons, and slot attendants;

4. The receipt of coin and slot tokens from the hard count room in conformity with this chapter; and

5. Such other functions normally associated with the operation of the master coin bank.

(c) The cage shall be designed and constructed to provide maximum security for the materials housed therein and the activities performed therein; such design and construction shall be, at a minimum, as effective as the following:

1. Fully enclosed except for openings through which materials such as gaming chips and plaques, slot tokens and prize tokens, patron checks, cash, records, and documents can be passed to service the public, gaming tables, and slot booths;

2. Manually triggered silent alarm systems for the cage, its ancillary office space and any related casino vault, which systems shall be connected directly to the monitoring rooms of the closed circuit television system, the security department office, and the Division office;

3. Double door entry and exit system that will not permit a person to pass through the second door until the first door is securely locked. In addition:

- i. The first door adjacent to the casino floor of the double door entry and exit system shall be controlled by the casino security department. The second door of the double door entry and exit system shall be controlled by the cashiers' cage;

- ii. The system shall have closed circuit television coverage which shall be monitored by the casino security department or surveillance department;

- iii. Any entrance to the cage that is not a double door entry and exit system shall be an alarmed emergency exit door only.

4. Separate locks on each door of the double door entry and exit system, the keys to which shall be different from each other.

(d) Each master coin bank located outside the cage shall meet all the requirements of (c) above.

(e) Each establishment may have separate areas for the storage of coin, prize tokens and slot tokens ("coin vaults") in locations outside the cage or master coin bank, as approved by the Commission.

(f) Each coin vault shall be designed, constructed and operated to provide maximum security for the materials housed and activities performed therein, and shall include at least the following:

1. A fully enclosed room, located in an area not open to the public;

2. A metal door with one key that shall be maintained and controlled by the casino accounting department, which shall establish a sign-in and sign-out procedure for removal and replacement of that key;

3. An alarm device that signals the monitors of the casino licensee's closed circuit television system and the

Division's on-site office whenever the door to the coin vault is opened; and

4. Closed circuit television cameras capable of accurate visual monitoring and taping of any activities in the coin vault.

(g) Each establishment may also have one or more "satellite cages" separate and apart from the cashiers' cage, but in or adjacent to the casino or casino simulcasting facility, established to maximize security, efficient operations, or patron convenience and comfort and designed and constructed in accordance with N.J.A.C. 19:45-1.14(c). Subject to Commission approval, a satellite cage may perform any or all of the functions of the cashiers' cage. The functions which are conducted in a satellite cage shall be subject to the applicable accounting controls set forth in this chapter.

(h) Each casino licensee shall file with the Commission and Division the names of all persons authorized to enter the cage, any satellite cages, the master coin bank and any coin vaults; all persons possessing the combination or keys to the locks securing the entrance to the cage, any satellite cages, master coin bank and coin vaults; as well as all persons possessing the ability to operate alarm systems for the cage, any satellite cages, master coin bank and coin vaults.

Amended by R.1991 d.229, effective May 6, 1991.

See: 22 N.J.R. 3205(a), 23 N.J.R. 1455(a).

Added new subsection (b), recodify existing (b)-(c) as (c)-(d). Recodified existing (d) as new (e), adding text regarding master coin bank. Amended by R.1992 d.233, effective June 1, 1992.

See: 23 N.J.R. 3085(a), 24 N.J.R. 2078(a).

Deleted existing subsection (c) and recodified existing (d) and (e) with no change in text. Added new subsections (d)-(f) and recodified existing subsection (e) as new subsection (g), adding references to coin vaults to text.

Amended by R.1992 d.358, effective September 21, 1992.

See: 24 N.J.R. 2136(b), 24 N.J.R. 3335(a).

Coin vaults may have single lock, in place of double locks.

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

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

Satellite cage requirements added at (b).

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.1994 d.265, effective June 6, 1994.

See: 25 N.J.R. 5893(a), 26 N.J.R. 2463(a).

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).

19:45-1.14A Simulcast counter

(a) The casino simulcasting facility shall contain a physical structure known as a simulcast counter to house the casino pari-mutuel cashiers and to serve as the central location in the casino simulcasting facility for the following:

1. The custody of the simulcast counter inventory including, without limitation, currency and coin and the forms and documents normally associated with the operation of a simulcast counter;

2. The receipt of currency, coin, gaming chips, coupons and slot tokens for simulcast wagering; and

3. Such other functions normally associated with the operation of a simulcast counter.

(b) The simulcast counter shall be designed and constructed to provide maximum security for the materials housed therein and the activities performed therein; such design and construction shall, at a minimum, include the following:

1. One or more numbered pari-mutuel windows, each of which shall contain a pari-mutuel machine and a cashier's drawer, in which shall be deposited all currency, coins, gaming chips, slot tokens, coupons and duplicate slips evidencing exchanges with the cashiers' cage, satellite cage or simulcast vault, or a self-service pari-mutuel machine;

2. A work area containing at least one remote management console ("RMC") and terminal to generate reports on pari-mutuel wagering, which shall be used only by the simulcast shift supervisor or above, and casino pari-mutuel cashiers, who shall only be allowed access under the direct supervision of the simulcast supervisor or above; and

3. A simulcast vault, which shall be secured by a lock, the key to which shall be maintained and controlled by the simulcast shift supervisor or above, and which shall contain a supply of currency and coin under the control of a simulcast shift supervisor or above to be utilized for the pari-mutuel window inventories and to replenish the pari-mutuel window inventories, when necessary.

(c) The simulcast counter may be contiguous to a satellite cage, with ingress and egress thereto, provided that the simulcast counter and satellite cage are otherwise physically and functionally segregated.

(d) A casino simulcasting facility may contain one or more ancillary simulcast counters to house casino pari-mutuel cashiers. An ancillary simulcast counter shall comply with all of the provisions of N.J.A.C. 19:55-4.4 and (a) and (b) above; provided however, that the requirements of a separate facsimile machine, direct dial-up telephone line, RMC, simulcast vault and simulcast shift supervisor for the ancillary simulcast counter, or any of them, may be waived if, considering, among any other relevant factors, the number of pari-mutuel windows in the ancillary simulcast counter, the proximity of the ancillary simulcast counter to the simulcast counter, and the span of authority and responsibility of the supervisor, the Commission determines that any such requirement is not necessary to the maintenance of adequate supervision of the simulcast wagering operations.

New Rule, R.1993 d.37, effective January 19, 1993.

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

Amended by R.1994 d.33, effective January 18, 1994 (operative February 22, 1994).

See: 25 N.J.R. 4737(a), 26 N.J.R. 489(a).

19:45-1.15 Accounting controls for the cashiers' cage, satellite cages, master coin bank and coin vault

(a) The assets for which the general cashiers are responsible shall be maintained on an imprest basis. At the end of each shift, the cashiers assigned to the outgoing shift shall record on a Cashiers' Count Sheet the face value of each cage inventory item counted and the total of the opening and closing cage inventories and shall reconcile the total closing inventory with the total opening inventory.

(b) At the opening of every shift, in addition to the imprest funds normally maintained by the general cashiers, each casino licensee shall have on hand in the cage or readily available thereto, a reserve cash bankroll in a minimum amount approved by the Commission.

(c) The cashiers' cage and any satellite cage shall be physically segregated by personnel and function as follows:

1. General cashiers shall operate with individual imprest inventories of cash and, at the discretion of the casino licensee, slot tokens, and such cashiers' functions shall include, but are not limited to, the following:

i. Receive cash, cash equivalents, patron checks, gaming chips, complimentary cash gifts, casino checks, slot tokens and gaming plaques from patrons for check consolidations, total or partial redemptions or substitutions;

ii. Receive gaming chips, slot tokens and prize tokens from patrons in exchange for cash;

iii. Receive cash, traveler's checks and other cash equivalents from patrons in exchange for currency, slot tokens or coin;

iv. Receive gaming checks for non-gaming purposes from patrons in exchange for cash;

v. Receive cash, cash equivalents, slot tokens, prize tokens and gaming chips from patrons in exchange for Customer Deposit Forms;

vi. Receive gaming plaques from patrons in exchange for cash or Customer Deposit Forms in accordance with an approved system of accounting as required by N.J.A.C. 19:46-1.2(e);

vii. Receive Customer Deposit Forms from patrons in exchange for cash or slot tokens;

viii. Receive coupons from patrons in exchange for currency, slot tokens or coin, in conformity with N.J.A.C. 19:45-1.46(j).

ix. Receive checks from check cashiers to be returned to patrons for check redemptions, partial redemptions, consolidations or substitutions;

x. Receive Wire Transfer Acknowledgment Forms in accordance with N.J.A.C. 19:45-1.24A for the purpose of completing Customer Deposit Forms;

- xi. Receive from check, chip bank, master coin bank and reserve cash cashiers documentation with signatures thereon, required to be prepared for the effective segregation of functions in the cashiers' cage;
 - xii. Receive Voucher forms in accordance with N.J.A.C. 19:45-1.9A for the processing of travel expense reimbursements;
 - xiii. Exchange Slot Counter Checks in accordance with N.J.A.C. 19:45-1.25A;
 - xiv. Prepare Jackpot Payout Slips in accordance with N.J.A.C. 19:45-1.40; and
 - xv. Receive slot tokens from, and transmit slot tokens and prize tokens to, the master coin bank in exchanges supported by proper documentation.
2. Check cashiers (also known as "check bank cashiers") shall not have access to cash, gaming chips and plaques and such cashiers' functions shall include, but are not limited to, the following:
- i. Receive the original and redemption copies of Counter Checks and Slot Counter Checks;
 - ii. Receive from general cashiers checks accepted for total or partial Counter Check and Slot Counter Check redemptions;
 - iii. Receive checks from general cashiers for Counter Check and Slot Counter Check consolidations;
 - iv. Receive personal checks from general cashiers for Counter Check and Slot Counter Check substitutions;
 - v. Prepare bank deposit slips or supporting documentation for checks to be deposited;
 - vi. Receive Wire Transfer Acknowledgment Forms in accordance with N.J.A.C. 19:45-1.24A for the purpose of redeeming Counter Checks and Slot Counter Checks or accepting payment on returned Counter Checks and Slot Counter Checks; and
 - vii. Receive from general, chip bank and reserve cash cashiers documentation with signatures thereon, required for the effective segregation of functions in the cashiers' cage.
3. Chip bank cashiers shall not have access to currency or cash equivalents, but shall operate with a limited inventory of \$0.50 and \$0.25 cent coins which may only be used to facilitate odds payoffs or vigorish bets. Such cashiers' functions shall include, but are not limited to, the following:
- i. Receive gaming chips and coin removed from gaming tables from a security department member in exchange for the issuance of a Credit;
 - ii. Receive gaming plaques removed from gaming tables from a security department member in exchange

for the issuance of a Credit in accordance with an approved system of accounting as required by N.J.A.C. 19:46-1.2(e);

iii. Receive Requests for Fills in exchange for the issuance of a Fill, the disbursal of gaming chips and coin to a security department member and the disbursal of gaming plaques to a security department member in accordance with an approved system of accounting as required by N.J.A.C. 19:46-1.2(e);

iv. Receive chips from the general cashiers and main bank cashiers in exchange for proper documentation; and

v. Receive from general, check bank and reserve cash cashiers documentation with signatures thereon, required for the effective segregation of functions in the cashiers' cage;

4. Reserve cash ("main bank") cashiers' functions shall include, but are not limited to, the following:

i. Receive cash, cash equivalents, issuance copies of Slot Counter Checks, original copies of Jackpot Payout Slips, personal checks received for non-gaming purposes, slot tokens, prize tokens, gaming chips and plaques from general cashiers in exchange for cash;

ii. Receive cash from the coin and currency count rooms;

iii. Receive checks and supporting documentation from check cashiers for deposit if such deposit is not made by the check cashier;

iv. Prepare the overall cage reconciliation and accounting records;

v. Prepare the daily bank deposit for cash and checks;

vi. Issue, receive and reconcile imprest funds used by slot attendants;

vii. Exchange currency for coupons and currency from slot attendants;

viii. Receive from general, chip and check bank cashiers, documentation with signatures thereon, required to be prepared for the effective segregation of functions in the cashiers' cage;

ix. Be responsible for the reserve cash bankroll; and

x. Receive gaming chips, slot tokens and coupons from the simulcast vault or casino pari-mutuel cashiers;

5. Master coin bank cashiers' functions shall include, but are not limited to, the following:

i. Receive currency, coin, slot tokens, prize tokens, gaming chips, and coupons from slot cashiers in exchange for proper documentation;

ii. Receive coin and slot tokens from the hard count room;

iii. Provide slot cashiers with currency, coin, prize tokens and slot tokens in exchange for proper documentation;

iv. Issue, receive and reconcile imprest funds used by slot attendants;

v. Exchange currency for coupons and currency from slot attendants;

vi. Prepare the daily bank deposit of excess cash;

vii. Prepare Jackpot Payout Slips in accordance with N.J.A.C. 19:45-1.40; and

viii. Receive slot tokens and prize tokens from, and transmit slot tokens to, general cashiers in exchanges supported by proper documentation.

(d) Signatures attesting to the accuracy of the information contained on the Cashiers' Count Sheet shall be, at a minimum, of the following cashiers after preparation of the Cashiers' Count Sheet:

1. The general cashiers assigned to the incoming and outgoing shifts;
2. The check cashiers assigned to the incoming and outgoing shifts;
3. The chip bank cashiers assigned to the incoming and outgoing shifts;
4. The reserve cash cashiers assigned to the incoming and outgoing shifts;
5. The master coin bank cashiers assigned to the incoming and outgoing shifts; and
6. The slot cashiers assigned to the incoming and outgoing shifts.

(e) At the end of each gaming day, at a minimum, a copy of the Cashiers' Count Sheets and related documentation shall be forwarded to the accounting department for agreement of opening and closing inventories, agreement of amounts thereon to other forms, records, and documents required by this chapter, agreement of transportation reimbursement disbursements with supporting documentation and recording of transactions.

(f) Coin vaults authorized pursuant to N.J.A.C. 19:45-1.14(e) shall be under the control of the casino accounting department. The storage of coin, prize tokens or slot tokens in, or the removal of coin, prize tokens or slot tokens from, any coin vaults shall be properly documented, and the amount of coin, prize tokens and slot tokens in each coin vault shall be reconciled at the end of each gaming day.

Amended by R.1982 d.171, effective June 7, 1982 (operative, July 15, 1982).

See: 13 N.J.R. 534(b), 14 N.J.R. 582(a) or 848(b).

(b)lvii added and vii and viii renumbered as viii and ix.

Amended by R.1982 d.329, effective October 4, 1982.

See: 14 N.J.R. 708(a), 14 N.J.R. 1101(c).

Added new vi to (b) and recodified old vi-ix as vii-x. Added new ii to (b)3 and recodified old ii as new iii and added disbursement of gaming plaques.

Amended by R.1989 d.233, effective May 1, 1989.

See: 20 N.J.R. 3012(a), 21 N.J.R. 1152(b).

Added new subparagraph x to (b)1 and recodified old x as xi.

Added new subparagraph vi to (b)2 and recodified old vi as vii. Amended by R.1989 d.611, effective December 18, 1989.

See: 21 N.J.R. 2953(a), 21 N.J.R. 3931(b).

Added (b)lxii; in (d), added "agreement of transportation reimbursement disbursements . . . documentation".

Amended by R.1991 d.229, effective May 6, 1991.

See: 22 N.J.R. 3205(a), 23 N.J.R. 1455(a).

Added new (b)lxiii; new (b)5 and (c)5-6. Added references to "Slot Counter Checks" throughout.

Amended by R.1992 d.110, effective March 2, 1992.

See: 23 N.J.R. 3243(a), 24 N.J.R. 858(c).

In (d): Stylistic revisions.

Amended by R.1992 d.233, effective June 1, 1992.

See: 23 N.J.R. 3085(a), 24 N.J.R. 2078(a).

Added new subsection (b), recodifying existing (b) as (c) and adding text as (e)4vii. Recodified existing (c)-(d) as (d)-(e), with no change in text. Added new subsection (f).

Amended by R.1992 d.258, effective June 15, 1992.

See: 24 N.J.R. 932(a), 24 N.J.R. 2296(b).

In (b)1, added new lxiv. In (b)4i, added "original copies of Jackpot Payout Slips" to text. In (b)5, added new 5v.

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

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

Satellite cage added; simulcast provisions added.

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

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

Temporary Amendment: Caribbean Stud Poker.

See: 26 N.J.R. 3464(a).

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).

Temporary Amendment: Double Down Stud.

See: 26 N.J.R. 4445(a).

Amended by R.1995 d.40, effective January 17, 1995.

See: 26 N.J.R. 3825(a), 27 N.J.R. 382(b).

Case Notes

Casino Control Act does not confer private cause of action in favor of losing players. *Miller v. Zoby*, 250 N.J.Super. 568, 595 A.2d 1104 (A.D.1991).

Credit transaction may not be bifurcated with casino personnel receiving payment of counter check at off-site location and counter check then being released when funds are received at cashiers' cage. *Petition of Adamar of New Jersey, Inc.*, 222 N.J.Super. 464, 537 A.2d 704 (A.D.1988).

Regulatory purpose to require all credit transactions be administered through cashier's cage: regulation requiring casino clerk to conduct credit transactions valid. *Playboy-Elsinore Associates v. Strauss*, 189 N.J.Super. 185 (Law Div.1983).

19:45-1.15A Accounting controls within the simulcast counter

(a) Whenever a casino pari-mutuel cashier begins a shift, he or she shall commence with an amount of currency and coin to be known as the "simulcast inventory," and no casino simulcasting facility shall cause or permit currency, coin, gaming chips, slot tokens or coupons to be added to, or removed from, such simulcast inventory during such shift except:

1. In collection of simulcast wagers;

2. In collection for the issuance of credit vouchers;
3. In payment of winning or properly cancelled or refunded pari-mutuel tickets;
4. In payment for credit vouchers; or
5. In exchanges with the cashiers' cage, a satellite cage or simulcast vault.

(b) A "simulcast count sheet" shall be completed and signed by the simulcast shift supervisor at the simulcast vault and the following information, at a minimum, shall be recorded thereon at the commencement of a shift:

1. The date, time and shift of preparation;
2. The denomination of currency and coin in the simulcast inventory issued to the casino pari-mutuel cashier;
3. The total amount of each denomination of currency and coin in the simulcast inventory issued to the casino pari-mutuel cashier;
4. The pari-mutuel window number to which the casino pari-mutuel cashier is assigned; and
5. The signature of the simulcast shift supervisor in the simulcast vault.

(c) The casino pari-mutuel cashier assigned to the pari-mutuel window shall count the simulcast inventory in the presence of the simulcast shift supervisor at the simulcast vault and shall agree the count to the simulcast count sheet. The casino pari-mutuel cashier shall sign the count sheet attesting to the accuracy of the information recorded thereon.

(d) The simulcast inventory shall be placed in a cashier's drawer and transported directly from the simulcast vault to the appropriate pari-mutuel window by the casino pari-mutuel cashier.

(e) At the conclusion of a casino pari-mutuel cashier's shift, the cashier's drawer and its contents shall be transported directly to a designated area in the simulcast counter, where the casino pari-mutuel cashier shall count the contents of the drawer and record the following information, at a minimum, on the simulcast count sheet:

1. The date, time and shift of preparation;
2. The denomination of currency, coin, gaming chips, slot tokens and coupons in the drawer;
3. The total amount of each denomination of currency, coin, gaming chips, slot tokens and coupons in the drawer;
4. The total of any exchanges;
5. The total amount in the drawer; and
6. The signature of the casino pari-mutuel cashier;

(f) The simulcast shift supervisor shall compare the pari-mutuel window net for the shift as generated by the terminal and if it agrees with the simulcast count sheet total plus the simulcast inventory, shall agree the count to the simulcast count sheet and sign the simulcast count sheet attesting to the accuracy.

(g) If the pari-mutuel window net for the shift as generated by the RMC does not agree with the simulcast count sheet total plus the simulcast inventory, the simulcast shift supervisor shall record any overage or shortage. If the count does not agree, the casino pari-mutuel cashier and the simulcast shift supervisor shall attempt to determine the cause of the discrepancy in the count. If the discrepancy cannot be resolved by the casino pari-mutuel cashier and the simulcast shift supervisor, such discrepancy shall immediately be reported to the simulcast counter manager, or casino accounting department supervisor in charge at such time, the security department and the Division verbally. If the discrepancy is \$250.00 or more, a security department member will then complete the standard security report in writing, as approved by the Division, and immediately forward a copy to the Commission and the Division.

New Rule, R.1993 d.37, effective January 19, 1993.
See: 24 N.J.R. 3695(a), 25 N.J.R. 348(b).

19:45-1.16 Drop boxes and slot cash storage boxes

(a) Each gaming table in a casino or casino simulcasting facility shall have attached to it a secure metal container known as a "drop box" in which shall be deposited all cash, coupons exchanged at the gaming table for gaming chips and plaques, match play coupons, issuance copies of Counter Checks exchanged at the gaming table for gaming chips and plaques, duplicate Fill and Credit Slips, Requests for Credit forms, Requests for Fill forms, and Table Inventory forms. Each drop box shall have:

1. Two separate locks securing the contents placed into the drop box, the keys to which shall be different from each other;
2. A separate lock securing the drop box to the gaming table, the key to which shall be different from each of the keys to locks securing the contents of the drop box;
3. A slot opening through which currency, coins, coupons, forms, records, and documents can be inserted into the drop box;
4. A mechanical device that will automatically close and lock the slot opening upon removal of the drop box from the gaming table; and
5. Permanently imprinted or impressed thereon, and clearly visible from a distance of 20 feet, a number corresponding to a permanent number on the gaming table to which it is attached and a marking to indicate game and shift, except that emergency drop boxes may be maintained without such number or marking, provided the word "emergency" is permanently imprinted or im-

pressed thereon and, when put into use, are temporarily marked with the number of the gaming table and identification of the game and shift, and provided further, that the casino licensee obtains the express written approval of the Commission before placing an emergency drop box into use.

(b) Each bill changer in a casino shall have contained in it a secure metal container known as a "slot cash storage box" in which shall be deposited all cash and coupons inserted into the bill changer. Each slot cash storage box shall:

1. Have two separate locks securing the contents of the slot cash storage box, the keys to which shall be different from each other, and shall also comply with the requirements of N.J.A.C. 19:45-1.36;

2. Have a slot opening through which currency and coupons can be inserted into the slot cash storage box;

3. Have a mechanical arrangement or device that prohibits removal of currency and coupons from the slot opening whenever the slot cash storage box is removed from the bill changer;

4. Be fully enclosed, except for such openings as may be required for the operation of the bill changer or the slot cash storage box; provided, however, that the location and size of such openings shall not affect the security of the slot cash storage box, its contents or the bill changer, and shall be approved by the Commission and the Division; and

5. Have an asset number, at least two inches in height, permanently imprinted, affixed or impressed on the outside of the slot cash storage box which corresponds to the asset number of the slot machine to which the bill changer has been attached. In lieu of the asset number, a casino licensee may develop and maintain, with prior Commission approval, a system for assigning a unique identification number to its slot cash storage boxes, which system ensures that each slot cash storage box can readily be identified, either manually or by computer, when in use with, attached to, and removed from a particular bill changer. Each such unique identification number shall be at least two inches in height and shall be permanently imprinted, affixed or impressed on the outside of each slot cash storage box that does not otherwise bear an asset number. In addition, emergency slot cash storage boxes may be maintained without such numbers, provided the word "emergency" is permanently imprinted, affixed or impressed thereon, and when put into use, are temporarily marked with the asset number of the slot machine to which the bill changer is attached, and provided further, that the casino obtains the express written approval of the Commission before placing an emergency slot cash storage box into use.

(c) The key utilized to unlock the drop boxes from the gaming tables shall be maintained and controlled by the security department.

(d) The key to one of the locks securing the contents of a drop box and to one of the locks securing the contents of a slot cash storage box shall be maintained and controlled by the accounting department. The key to the second lock securing the contents of the drop boxes and slot cash storage boxes shall be maintained and controlled by Commission inspectors.

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 April 11, 1988 (expires July 10, 1988).

See: 20 N.J.R. 769(a).

Amended by: R.1988 d.387, effective August 15, 1988.

See: 20 N.J.R. 765(a), 20 N.J.R. 769(a), 20 N.J.R. 2090(a).

Merged (b) in (a); added new (b) and amended (c) and (d), concerning slot cash storage boxes.

Amended by R.1991 d.230, effective May 6, 1991.

See: 22 N.J.R. 3325(a), 23 N.J.R. 1461(a).

In (b)4: added "asset" to define number.

Amended by R.1992 d.359, effective September 21, 1992.

See: 24 N.J.R. 1472(b), 24 N.J.R. 3335(b).

Requirement for separate compartment for cash box eliminated, under specified circumstances.

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

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

Simulcast provision added.

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

See: 24 N.J.R. 2536(a), 24 N.J.R. 4343(a), 25 N.J.R. 717(a).

In (a), added coupons exchanged at the gaming table for chips and plaques. In (a)3, added coupons. In (a)5 and (b)5, deleted "inspector".

Amended by R.1993 d.143, effective April 5, 1993.

See: 25 N.J.R. 279(a), 25 N.J.R. 1523(a).

In (b)5, added new text regarding a system of assigning unique identification numbers to its slot cash storage boxes, in lieu of asset numbers.

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).

19:45-1.17 Drop boxes, transportation to and from gaming tables; slot cash storage boxes, transportation to and from bill changers; storage

(a) Each casino licensee shall place on file with the Commission and the Division a schedule setting forth the specific times at which the drop boxes will be brought to or removed from the gaming tables and slot cash storage boxes will be brought to or removed from the bill changers. Each casino licensee shall also maintain and make available to the Commission and the Division upon request, the names and license numbers of all employees participating in the transportation of such drop boxes and slot cash storage boxes. No drop box shall be brought to or removed from any gaming table and no slot cash storage box shall be brought to or removed from any bill changer at other than the time specified in such schedule except with the express written approval of a Commission inspector.

(b) All drop boxes removed from the gaming tables shall be transported directly to and secured in the count room by one security department member and one casino supervisor, at a minimum.

(c) All slot cash storage boxes removed from bill changers shall be transported directly to and secured in the count room by a Commission inspector, security department member and a member of the casino accounting department, at a minimum; provided however, that a slot cash storage box removed from a bill changer in order to service the bill changer may be temporarily stored in the corresponding double-locked base of the slot machine (the compartment of the slot machine containing the slot drop bucket or slot drop box) attached to the bill changer, and shall be replaced and relocked in the bill changer when the repairs are completed. If the repairs cannot be completed and the slot cash storage box cannot be replaced in the bill changer by the end of the repair person's shift, or if the bill changer must be removed from the casino floor, the slot cash storage box shall be removed from the locked slot compartment and transported to the count room in accordance with N.J.A.C. 19:45-1.38.

(d) Except as provided in (e) below, all drop boxes not attached to a gaming table and all slot cash storage boxes not contained in a bill changer, including emergency drop boxes and emergency slot cash storage boxes which are not actively in use, shall be stored in the count room or other secure area outside the count room approved by the Commission, in an enclosed storage cabinet or trolley and secured in such cabinet or trolley by a separately keyed, double locking system. The key to one lock shall be maintained and controlled by the security department and the key to the second lock shall be maintained and controlled by a Commission inspector.

(e) Drop boxes, when not in use during a shift, may be stored on the gaming tables provided that there is adequate security as approved by the Commission. If adequate security is not provided during this time, the drop boxes shall be stored as required in (d) above.

Petition for Rulemaking: To construct and utilize storage cabinets outside of the count room for the purpose of storing empty unused emergency drop boxes.

See: 19 N.J.R. 664(b).

Petition for Rulemaking: Slot machine bill changer system.

See: 19 N.J.R. 1110(a).

Amended by R.1987 d.457, effective November 16, 1987.

See: 19 N.J.R. 1290(a), 19 N.J.R. 2202(a).

Added text to (c) "except emergency drop boxes which are not actively in use"; and "Emergency drop boxes ..." and added text in (d) "except that emergency ...".

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 April 11, 1988 (expires July 10, 1988).

See: 20 N.J.R. 769(a).

Amended by R.1988 d.387, effective August 15, 1988.

See: 20 N.J.R. 765(a), 20 N.J.R. 769(a), 20 N.J.R. 2090(a).

Added text referring to slot cash storage boxes and transportation to and from bill changers.

Amended by R.1992 d.359, effective September 21, 1992.

See: 24 N.J.R. 1472(b), 24 N.J.R. 3335(b).

Employee names and license numbers to be maintained on any transport of drop boxes or slot cash storage boxes.

Petition for Rulemaking: To repeal requirement that a Commission inspector be part of the team of persons who collect slot cash storage boxes from bill changers.

See: 25 N.J.R. 1783(b).

Amended by R.1994 d.297, effective June 20, 1994.

See: 26 N.J.R. 1440(a), 26 N.J.R. 2594(a).

Amended by R.1994 d.422, effective August 15, 1994.

See: 26 N.J.R. 2213(a), 26 N.J.R. 3464(b).

Amended by R.1994 d.574, effective November 21, 1994.

See: 26 N.J.R. 3606(b), 26 N.J.R. 4639(a).

19:45-1.18 Procedure for accepting cash and coupons at gaming tables

(a) Whenever cash or a coupon is presented by a patron at a gaming table for exchange for gaming chips or plaques:

1. The cash or coupon shall be spread on the top of the gaming table by the dealer or boxperson accepting it in full view of the patron who presented it and the casino supervisor assigned to such gaming table;

2. The amount of the cash or coupon shall be verbalized by the dealer or boxperson accepting it in a tone of voice calculated to be heard by the patron who presented it and the casino supervisor assigned to such gaming table; and

3. Immediately after an equivalent amount of gaming chips or plaques has been given to the patron, the cash or coupon shall be taken from the top of the gaming table and placed by the dealer or boxperson into the drop box attached to the gaming table.

(b) Whenever a match play coupon and an equivalent amount of gaming chips are presented as a wager by a patron, pursuant to N.J.A.C. 19:45-1.46(j)4, at an authorized game in which a match play coupon may be used:

1. The coupon shall be placed underneath the gaming chips in the patron's betting area, or in craps, underneath the gaming chips for the patron's wager on the Pass or Don't Pass Line, in such a way that the type and value of the coupon is visible at all times;

2. Only one match play coupon may be used with the wager;

3. If the wager wins, it shall be paid in accordance with the terms and conditions of the coupon; and

4. Whether the wager wins or loses, the coupon shall be deposited by the dealer into the drop box attached to the gaming table at the time the winning wager is paid or the losing wager is collected.

(c) A casino licensee may, in its discretion, require a coupon to be cancelled upon acceptance by the dealer or boxperson, in a manner approved by the Commission, so as to preclude its subsequent use.

Amended by R.1981 d.437, effective November 16, 1981.

See: 13 N.J.R. 534(b), 13 N.J.R. 848(b).

(a)3: added "except . . . denominations."

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 "coupon". Added (b).

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).

Administrative Correction.

See: 26 N.J.R. 4788(a).

19:45-1.19 Acceptance of tips or gratuities from patrons

(a) No casino key employee or boxperson, floorperson, or any other casino employee who serves in a supervisory position shall solicit or accept, and no other casino employee shall solicit, any tip or gratuity from any player or patron of the casino or casino simulcasting facility where he or she is employed. The casino licensee shall not permit any practices prohibited by (a) of this section.

(b) All tips and gratuities allowed dealers in the casino and casino simulcasting facility shall be:

1. Immediately deposited in a transparent locked box reserved for that purpose. If non-value chips are received at a roulette or pokette table, the marker button indicating their specific value shall not be removed until after a dealer, in the presence of a casino supervisor, has expeditiously converted them into value chips which shall then be immediately deposited in a transparent locked box reserved for that purpose;

2. Accounted for; and

3. Placed in a common pool for distribution pro rata among all dealers with the distribution based upon the number of hours each dealer has worked.

(c) All tips and gratuities allowed casino pari-mutuel cashiers shall be:

1. Immediately deposited in a transparent locked box reserved for that purpose;

2. Accounted for; and

3. Placed in a pool for distribution pro rata among the casino pari-mutuel cashiers with the distribution based upon the number of hours each cashier has worked.

(d) Upon receipt from a patron of a tip or gratuity, a dealer or casino pari-mutuel cashier assigned to the gaming table or pari-mutuel window shall extend his or her arm in an overt motion, and deposit such tip or gratuity in the locked box reserved for such purpose.

(e) In determining the number of hours which an employee has worked for purposes of tip pool distribution, a casino licensee may, in its discretion, establish standards for distribution which include hours of vacation time, personal leave time or any other authorized leave of absence in the number of hours worked by each employee. Any such standards shall apply uniformly to all employees, except that the casino licensee may establish different standards for full-time or part-time employees.

Amended by R.1984 d.624, effective January 21, 1985.

See: 16 N.J.R. 2076(a), 17 N.J.R. 212(a).

Substituted "boxperson, floorperson" for "boxman, floorman".

Amended by R.1992 d.453, effective November 16, 1992.

See: 24 N.J.R. 2140(a), 24 N.J.R. 4279(b).

In (b)1, added reference to pokette; deleted text regarding receptacle attached to rim of roulette wheel; stipulated "casino" supervisor and changed "are immediately deposited" to "shall then be immediately deposited".

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

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

Simulcast and tips to pari-mutuel cashiers provisions added.

Amended by R.1993 d.320, effective July 6, 1993.

See: 25 N.J.R. 1674(a), 25 N.J.R. 2913(a).

19:45-1.20 Table inventories

(a) Whenever a gaming table in a casino or casino simulcasting facility is opened for gaming, operations shall commence with an amount of gaming chips, coins and plaques to be known as the "table inventory" and no casino licensee shall cause or permit gaming chips, coins or plaques to be added to, or removed from, such table inventory during the gaming day except:

1. In exchange for cash, coupons, or issuance copies of Counter checks presented by casino patrons in conformity with the provisions of N.J.A.C. 19:45-1.18 and 1.25;

2. In payment of winning wagers and collection of losing wagers made at such gaming table;

3. In exchange for gaming chips or plaques received from a patron having an equal aggregate face value;

4. In conformity with the Fill and Credit Slip procedures described in N.J.A.C. 19:45-1.22 and 1.23;

5. In conformity with N.J.A.C. 19:47-3.3 and 7.3, coin may be used for the purpose of marking baccarat vigorish; and

6. In conformity with N.J.A.C. 19:47-14.14, the rake collected from patrons playing the game of poker shall always be placed in the table inventory container.

(b) Whenever a gaming table is not open for gaming activity, the table inventory and the Table Inventory Slip prepared in conformity with the procedures set forth in N.J.A.C. 19:45-1.31 shall be stored in a separate, locked clear container which shall be clearly marked on the outside with the game and the gaming table number to which it corresponds. The information on the Table Inventory Slip shall be visible from the outside of the container. All containers shall be stored either in the cashiers' cage or secured to the gaming table, provided that there is adequate security, as approved by the Commission.

(c) The keys to the locked containers containing the table inventories shall be maintained and controlled by the casino department in a secure place and shall at no time be made accessible to any cashiers' cage personnel or to any person responsible for transporting such table inventories to or from the gaming tables.

Amended by R.1989 d.97, effective February 21, 1989.

See: 20 N.J.R. 2647(b), 21 N.J.R. 460(a).

Added (a)5.

Amended by R.1992 d.110, effective March 2, 1992.

See: 23 N.J.R. 3243(a), 24 N.J.R. 858(c).

In (b): added "Whenever ... gaming activity, the ..." to beginning of subsection.

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), 25 N.J.R. 717(a).

In (a)1, added "coupons".

Amended by R.1994 d.141, effective March 21, 1994.

See: 25 N.J.R. 5906(a), 26 N.J.R. 1380(a).

Temporary Amendment: Caribbean Stud Poker.

See: 26 N.J.R. 3464(a).

19:45-1.21 Procedure for opening tables for gaming

(a) Whenever gaming tables are to be opened for gaming activity, the locked container with the table inventory and the Table Inventory Slip, if not already attached to the gaming tables, shall be transported directly from the cashiers' cage to the gaming table by a security department member.

(b) Immediately prior to opening the gaming table for gaming, the casino supervisor assigned to such table shall unlock the container after assuring that it is the proper container for that table.

(c) The dealer or boxman assigned to the gaming table shall count the contents of the container in the presence of the casino supervisor assigned to such table and shall agree the count to the Opener removed from the container.

(d) Signatures attesting to the accuracy of the information recorded on the Opener shall be placed on such Opener by the dealer or boxman assigned to the table and the casino supervisor that observed the dealer or boxman count the contents of the container.

(e) Any discrepancy between the amount of gaming chips, coins, and plaques counted and the amount of the gaming chips, coins and plaques recorded on the Opener shall immediately be reported to the casino manager, assistant casino manager, or casino shift manager in charge at such time, the security department and Commission inspector verbally. Security will then complete the standard security report in writing, as approved by the Division, and immediately forward a copy to the Commission inspector and the Division.

(f) After the count of the contents of the container and the signing of the Opener, such slip shall be immediately deposited in the drop box attached to the gaming table by the dealer or boxman after the opening of such table.

19:45-1.22 Procedure for distributing gaming chips, coins and plaques to gaming tables

(a) A Request for Fill ("Request") shall be prepared by a casino supervisor, or a casino clerk, to authorize the preparation of a Fill Slip ("Fill") for the distribution of gaming chips, coins and plaques to gaming tables. The Request shall be a two-part form, at a minimum, and access to the Request shall, prior to use, be restricted to casino supervisors and casino clerks.

(b) On the original and duplicate Request, the following information, at a minimum, shall be recorded:

1. The date and time, or shift, of preparation;
2. The denomination of gaming chips, coins and plaques to be distributed to the gaming tables;
3. The total amount of each denomination of gaming chips, coins and plaques to be distributed to the gaming tables;
4. The game and table number to which the gaming chips, coins and plaques are to be distributed; and
5. The signature of the casino supervisor.

(c) After preparation of the Request the original copy of such Request shall be transported directly to the cashiers' cage.

(d) The duplicate copy of the Request shall be placed by the dealer or boxman in public view on the gaming table to which the gaming chips, coins and plaques are to be received. Such duplicate Request shall not be removed until the chips, coins and plaques are received at which time the Request and Fill are deposited in the drop box.

(e) If Fills are computer prepared and the input data required for preparation of a Fill is entered by, and ability to input is restricted to a casino supervisor and a casino clerk, and the printing of the Fill, which shall be in the cashiers' cage, is a direct result of such input, (a), (b), (c), and (d) above, may be ignored.

(f) A Fill shall be prepared by a chip bank cashier or, if computer prepared, by a chip bank cashier, a casino supervisor, or a casino clerk whenever gaming chips, coins and plaques are distributed to the gaming tables from the cashiers' cage.

(g) Fills shall be serially prenumbered forms, each series of Fills shall be used in sequential order, and the series numbers of all Fills received by a casino shall be accounted for by employees with no incompatible functions. All original and duplicate void Fills shall be marked "VOID" and shall require the signature of the preparer.

(h) For establishments in which fills are manually prepared, the following procedures and requirements shall be observed:

1. Each series of Fills shall be a three-part form, at a minimum, and shall be inserted in a locked dispenser that will permit an individual slip in the series and its copies to be written upon simultaneously while still locked in the

dispensers, and that will discharge the original and duplicate while the triplicate remains in a continuous, unbroken form in the dispenser.

2. Access to the triplicates shall be maintained and controlled at all times by employees responsible for controlling and accounting for the unused supply of fills, placing fills in the dispenser, and removing from the dispensers, each day, the triplicates remaining therein. These employees have no incompatible functions.

(i) For establishments in which Fills are computer-prepared, each series of Fills shall be a two-part form, at a minimum, and shall be inserted in a printer that will: simultaneously print an original and a duplicate and store, in machine-readable form, all information printed on the original and duplicate. The stored data shall not be susceptible to change or removal by any personnel after preparation of a Fill.

(j) On original, duplicate, and triplicate copies of the Fill, or in stored data, the preparer shall record, at a minimum, the following information:

1. The denomination of the gaming chips, coins and plaques being distributed;
2. The total amount of each denomination of gaming chips, coins and plaques being distributed;
3. The total amount of all denominations of gaming chips, coins and plaques being distributed;
4. The game and table number to which the gaming chips, coins and plaques are being distributed;
5. The date and shift during which the distribution of gaming chips, coins and plaques occurs; and
6. The signature of the preparer or, if computer prepared, the identification code of the preparer.

(k) The time of preparation of the Fill shall be recorded at a minimum, on the original and duplicate upon preparation.

(l) All gaming chips, coins and plaques distributed to the gaming tables from the cashiers cage shall be transported to the gaming tables from the cashiers' cage by a security department member who shall agree the Request to the Fill and sign the original copy of the Request, maintained at the cashiers' cage, before transporting the gaming chips, coins and plaques and the original and duplicate copies of the Fill for signatures.

(m) Signatures attesting to the accuracy of the information contained on the Fills shall be, at a minimum, of the following personnel at the following times:

1. The original and the duplicate:
 - i. The chip bank cashier upon preparation;

ii. The security department member transporting the gaming chips, coins and plaques to the gaming table upon receipt from the cashier of gaming chips, coins and plaques to be transported;

iii. The dealer or boxman assigned to the gaming table upon receipt at such table from the security department member of gaming chips, coins and plaques at such table; and

iv. The casino supervisor assigned to the gaming table upon receipt of the gaming chips, coins and plaques at such table.

(n) Upon meeting the signature requirements as described in (m) above, the security department member that transported the gaming chips, coins and plaques and the original and duplicate copies of the Fill to the table shall observe the immediate placement by the dealer or boxman of the duplicate Fill and the duplicate Request in the drop box attached to the gaming table to which the gaming chips, coins and plaques were transported and return or observe the return of the original Fill to the chip bank where the original Fill and Request shall be maintained together and controlled by employees independent of the casino department.

(o) The original and duplicate void Fills, the original Request, and the original Fill, maintained and controlled in conformity with (n) above, shall be forwarded using one of the following alternatives:

1. Alternative I: Forwarded to the count team for agreement with the duplicate Fill and duplicate Request removed from the drop box after which the original and duplicate Request and the original and duplicate Fill shall be forwarded to the accounting department for agreement, on a daily basis, with the triplicate or stored data.

2. Alternative II: Forwarded to the accounting department for agreement, on a daily basis, with the duplicate Fill and duplicate Request removed from the drop box and the triplicate or stored data.

19:45-1.23 Procedure for removing gaming chips, coins and plaques from gaming tables

(a) A Request for Credit ("Request") shall be prepared by a casino supervisor, or a casino clerk, to authorize the preparation of a Credit Slip ("Credit") for the removal of gaming chips, coins and plaques from gaming tables to the cashiers' cage. The Request shall be a two-part form, at a minimum, and access to such form shall, prior to use, be restricted to casino supervisors and casino clerks.

(b) On the original and the duplicate Request, the following information, at a minimum, shall be recorded:

1. The date and time, or shift, of preparation;
2. The denomination of gaming chips, coins and plaques to be removed from the gaming table;

3. The total amount of each denomination of gaming chips, coins and plaques to be removed from the gaming table;

4. The game and table number from which the gaming chips, coins and plaques are to be removed; and

5. The signature of the casino supervisor and dealer or boxman assigned to the gaming table from which the gaming chips, coins and plaques are to be removed.

(c) Immediately upon preparation of a Request and transfer of gaming chips, coins and plaques to a security department member, a casino supervisor shall obtain on the duplicate the signature of the security department member to which the gaming chips and plaques were transferred and the dealer or boxman shall place the duplicate Request in public view on the gaming table from which the gaming chips, coins and plaques were removed and such Request shall not be removed until a Credit is received from the chip bank at which time the Request and Credit are deposited in the drop box.

(d) The original Request shall be transported directly to the cashiers' cage by the security department member who shall at the same time transport the gaming chips, coins and plaques removed from the gaming table.

(e) A Credit shall be prepared by a chip bank cashier or, if computer prepared, by a chip bank cashier, a casino supervisor, or a casino clerk whenever gaming chips, coins and plaques are returned from the gaming tables to the cashiers' cage.

(f) Credits shall be serially prenumbered forms, each series of Credits shall be used in sequential order, and the series numbers of all Credits received by a casino shall be accounted for by employees with no incompatible functions. All original and duplicate void Credits shall be marked "VOID" and shall require the signature of the preparer.

(g) For establishments in which Credits are manually prepared, the following procedures and requirements shall be observed:

1. Each series of Credits shall be a three-part form, at a minimum, and shall be inserted in a locked dispenser that will permit an individual slip in the series and its copies to be written upon simultaneously while still locked in the dispenser, and that will discharge the original and duplicate while the triplicate remains in a continuous, unbroken form in the dispenser.

2. Access to the triplicates shall be maintained and controlled at all times by employees responsible for controlling and accounting for the unused supply of Credits, placing Credits in the dispensers, and removing from the dispensers, each day, the triplicates remaining therein. These employees shall have no incompatible functions.

(h) For establishments in which Credits are computer prepared, each series of Credits shall be a two-part form, at a minimum, and shall be inserted in a printer that will: simultaneously print an original and a duplicate and store, in machine-readable form, all information printed on the original and duplicate; and discharge in the cashiers' cage the original and duplicate. The stored data shall not be susceptible to change or removal by any personnel after preparation of a Credit.

(i) On originals, duplicates, and triplicates, or in stored data, the preparer shall record, at a minimum, the following information:

1. The denomination of the gaming chips, coins and plaques being returned;

2. The total amount of each denomination of gaming chips, coins and plaques being returned;

3. The total amount of all denominations of gaming chips, coins and plaques being returned;

4. The game and table number from which the gaming chips, coins and plaques are being returned;

5. The date and shift during which the removal of gaming chips, coins and plaques occurs; and

6. The signature of the preparer or, if computer prepared, the identification code of the preparer.

(j) The time of preparation of the Credit shall be recorded, at a minimum, on the original and duplicate upon preparation.

(k) Signatures attesting to the accuracy of the information contained on the Credits shall be, at a minimum, of the following personnel at the following times:

1. The original and the duplicate:

i. The chip bank cashier upon preparation;

ii. The security department member returning the gaming chips, coins and plaques to the cashier's cage;

iii. The dealer or boxman assigned to the gaming table upon receipt at such table from the security department member; and

iv. The casino supervisor assigned to the gaming table upon receipt at such table.

(l) Upon meeting the signature requirements as described in (k) above, the security department member returning the original and duplicate copies of the Credit to the gaming table or the pit clerk receiving the original and duplicate copies of the credit at the gaming table, through a pneumatic tube system, shall observe the immediate placement by the dealer or boxman of the duplicate Credit and Request in the drop box attached to the gaming table from which the gaming chips, coins and plaques were removed. The security department member or the pit clerk shall

expeditiously return the original Credit to the chip bank where the original Credit and Request shall be maintained and controlled by employees independent of the casino department.

(m) The original and duplicate of void Credits and the original Request and Credit, maintained and controlled in conformity with (l) above, shall be forwarded using one of the following alternatives:

1. Alternative I: Forwarded to the count team for agreement with the duplicate Credit and the duplicate Request removed from the drop box, after which the Requests and the original and duplicate Credit shall be forwarded to the accounting department for agreement, on a daily basis, with the triplicate or stored data.

2. Alternative II: Forwarded to the accounting department for agreement, on a daily basis, with the duplicate Credit and the Request removed from the drop box and the triplicate or stored data.

19:45-1.24 Procedure for acceptance, accounting for and redemption of patron cash deposits

(a) Whenever a patron requests a casino licensee to hold his or her cash, cash equivalents, complimentary cash gifts, slot tokens, prize tokens, gaming chips or plaques for subsequent use, the patron shall deliver the cash, cash equivalents, complimentary cash gifts, slot tokens, prize tokens, gaming chips or plaques to a general cashier who, after converting any of those non-cash items into cash, shall deposit the cash for credit to the patron cash deposit account established for that patron pursuant to this section.

(b) A file for each patron shall be prepared manually or by computer prior to the acceptance of a cash deposit from a patron by a general cage cashier and such file shall include, at a minimum, the following:

1. The name of the patron;
2. The date and amount of each cash deposit initially accepted from the patron;
3. The date and amount of each check initially accepted from the patron, as a draw against a cash deposit;
4. The date and amount of each cash deposit redemption.

(c) All information recorded on the customer deposit file shall be in accordance with the licensee's system of internal accounting controls submitted to the Commission.

(d) A general cashier accepting a deposit shall prepare a Customer Deposit Form and other necessary documentation evidencing such receipt.

(e) Customer Deposit Forms shall be serially prenumbered, each series of Customer Deposit Forms shall be used in sequential order, and the series numbers of all Customer Deposit Forms shall be accounted for by employees with no incompatible functions. All original, and duplicate void Customer Deposit Forms shall be marked "VOID" and shall require the signature of the preparer.

(f) For establishments in which Customer Deposit Forms are manually prepared, a prenumbered two-part form, at a minimum, shall be used.

(g) For establishments in which Customer Deposit Forms are computer-prepared, each series of Customer Deposit Forms shall be a two-part form, at a minimum, and shall be inserted in a printer that will: simultaneously print an original and duplicate and store, in machine readable form, all information printed on the original and duplicate. The stored data shall not be susceptible to change or removal by any personnel after preparation of a Customer Deposit Form.

(h) On the original and duplicate of the Customer Deposit Form, or in stored data, the general cashier shall record, at a minimum, the following information:

1. The name of the patron making the deposit;
2. The total amount being deposited (numerical total and written amount);
3. The date of deposit;
4. The signature of the general cashier or, if computer prepared, the identification code of the general cashier;
5. Nature of the amount received (cash, cash equivalents, complimentary cash gifts, chips, plaques, slot tokens, prize tokens or wire transfer.)

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

1. Original copy—given to the patron as evidence of the amount held on deposit by the casino;
2. Duplicate copy—forwarded along with any other necessary documentation to the check cashier who shall maintain the documents.

(j) A patron shall be allowed to use the deposit by supplying information required by the casino to verify his or her identification.

1. The pit clerk, general cashier or slot cashier shall ascertain, from the cashiers' cage, the amount of the patron deposit available and request the amount the patron wishes to use against this balance. The pit clerk shall prepare a Counter Check in compliance with N.J.A.C. 19:45-1.25 or a general cashier or slot cashier shall prepare a Slot Counter Check in compliance with N.J.A.C. 19:45-1.25A with the exception that the words "Customer Deposit Withdrawal" shall be recorded on the Counter Check or Slot Counter Check in place of the name of the patron's bank.

(k) Distribution of the Counter Checks shall comply with N.J.A.C. 19:45-1.25 and distribution of Slot Counter Checks shall comply with N.J.A.C. 19:45-1.25A.

(l) The patron's deposit balance shall be immediately reduced by amounts equal to the Counter Checks issued in the pit or Slot Counter Checks issued in the slot area or at the casino cage.

(m) A patron may obtain a refund of his or her deposit or any unused portion of a deposit by requesting the refund from a general cashier and returning his or her copy of the Customer Deposit Form. The general cashier shall verify the customer's identification and shall:

1. Verify the unused balance with the check cashier;
2. Have the patron sign the original of the Customer Deposit Form;
3. Prepare necessary documentation evidencing such refund, which documentation may include a counter check or any other document which contains the following information:
 - i. Date and shift of preparation;
 - ii. Amount refunded;
 - iii. Type of refund made (cash, check or wire transfer);
 - iv. Patron's name; and
 - v. Signature of the general cashier preparing such documentation.

(n) The general cashier shall forward the original Customer Deposit Form along with any other necessary documentation to the Check Cashier who shall compare the patron's signatures and maintain the documents.

(o) The check cashier shall return the original copies of the Counter Check(s) to the general cashier who shall return it to the patron and refund the unused balance of the deposit to the patron at which time the general cashier shall maintain the original copy of the Customer Deposit Form along with any other necessary documentation to evidence such refund.

(p) A log of all customer deposits received and returned, shall be prepared manually or by computer on a daily basis, by check cashiers and such log shall include, at a minimum, the following:

1. The balance of the Customer Deposits on hand in the cashiers' cage at the beginning of each shift;
2. For Customer Deposits received and refunded:
 - i. The date of the Customer Deposit or refund;
 - ii. Customer Deposit Number;
 - iii. The name of the patron; and

iv. The amount of the Customer Deposit or refund.

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

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

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

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

(b): new text substituted for old.

(b)-(p) renumbered as (c)-(q) without change in text. Amended by R.1981 d.437 effective November 16, 1981.

See: 13 N.J.R. 534(b), 13 N.J.R. 848(b).

Amended by R.1982 d.189, effective June 21, 1982.

See: 14 N.J.R. 381(a), 14 N.J.R. 664(c).

(b)1: deleted "accompanied ... credentials".

Petition for Rulemaking: Acceptance of cash equivalents.

See: 20 N.J.R. 824(b).

Amended by R.1989 d.233, effective May 1, 1989.

See: 20 N.J.R. 3012(a), 21 N.J.R. 1152(b).

Added "wire transfer" to (h)5 and (m)3.

Amended by R.1991 d.229, effective May 6, 1991.

See: 22 N.J.R. 3205(a), 23 N.J.R. 1455(a).

In subsections (j) and (k), added references to "Slot Counter Checks in compliance with N.J.A.C. 19:45-1.25A." In (l), added text regarding issuance of Slot Counter Checks.

Amended by R.1992 d.234, effective June 1, 1992.

See: 24 N.J.R. 933(a), 24 N.J.R. 2079(a).

At (m)3: added new text qualifying that documentation may include "a counter check or any other document which contains the following information ..."

Amended by R.1994 d.471, effective September 19, 1994.

See: 26 N.J.R. 2212(a), 26 N.J.R. 3891(c).

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).

Case Notes

Taxpayer did not realize income when gambling debt was forgiven. *Zarin v. C.I.R.*, 1990, 916 F.2d 110.

Casino Control Act does not confer private cause of action in favor of losing players. *Miller v. Zoby*, 250 N.J.Super. 568, 595 A.2d 1104 (A.D.1991).

19:45-1.24A Procedures for accepting, verifying and accounting for wire transfers; wire transfer fees

(a) A casino licensee may, in accordance with the rules of the Commission, accept a wire transfer of funds to enable the following:

1. Establishment of a cash deposit pursuant to N.J.S.A. 5:12-101b and N.J.A.C. 19:45-1.24;
2. Redemption of an outstanding Counter Check or Slot Counter Check pursuant to N.J.S.A. 5:12-101c and N.J.A.C. 19:45-1.26 and 1.27; or
3. Payment of a returned Counter Check or Slot Counter Check pursuant to N.J.S.A. 5:12-101e and N.J.A.C. 19:45-1.29.

(b) Any wire transfer of funds authorized by this section shall be transferred to and deposited in the casino licensee's

approved operating account in a New Jersey bank. The casino licensee shall require its bank to notify the casino licensee of the receipt and deposit of the wire transfer by transmitting the information required in (c)2 through 6 below by one or more of the following methods:

1. Direct telephone notification between the casino licensee's bank and a cage employee, which notification shall be recorded in the Wire Transfer Log in accordance with (c)6 below;

2. Direct hard copy (printed) communication sent by the casino licensee's bank to the casino licensee, which document shall be dated, time-stamped and signed by the cage employee receiving the notification, and forwarded to the accounting department as supporting documentation in accordance with (g) below; or

3. Direct computer access by the casino licensee to the wire transfer transaction as it is credited to its operating account at its bank, which transaction shall be printed from the computer screen and dated, time-stamped and signed by the cage employee receiving the notification, and forwarded to the accounting department as supporting documentation in accordance with (g) below.

(c) Upon notification in accordance with (b) above that a wire transfer of funds has been credited to the casino licensee's operating account, the cage employee who received the notice shall record, at a minimum, the following information in the notification section of a Wire Transfer Log maintained in the main bank of the cashiers' cage:

1. A sequential wire transfer number which shall be generated by the casino licensee;

2. The date and time of the notification;

3. The name of the casino licensee's bank to which the funds were transferred;

4. The actual amount of funds transferred to the operating account of the casino licensee, stated in numbers and words;

5. The name of the patron for whose benefit the funds were transferred;

6. The method authorized under (b) above by which the casino licensee was notified of the receipt of the wire transfer and, if by telephone, the name and title of the person at the casino licensee's bank who made the telephone call; and

7. The signature of the cage employee receiving and recording the information required by this subsection.

(d) Upon completion of the notification section of the Wire Transfer Log required by (c) above, a cage supervisor other than the cage employee who received and recorded notification of the wire transfer shall verify receipt of the wire transfer by telephone contact with a previously identified authorized employee of the casino licensee's bank. The cage supervisor verifying the wire transfer shall confirm the information recorded in the Wire Transfer Log pursuant to (c)2 through 6 above, and shall record the following in the verification section of the Wire Transfer Log:

1. The name and title of the authorized employee at the casino licensee's bank who confirmed the information;

2. The date and time of verification; and

3. The signature of the cage supervisor verifying receipt of the wire transfer and the information recorded pursuant to (c) above.

(e) Upon verification of the wire transfer and completion of the Wire Transfer Log, the general cashier of the casino licensee shall be deemed, for purposes of compliance with the Commission's rules, to have received cash at the general cashiers' cage in an amount equal to the actual amount of funds transferred to the operating account of the casino licensee.

(f) Upon determining the purpose for the wire transfer, a cage supervisor shall prepare a Wire Transfer Acknowledgment Form, a two-part form containing, at a minimum, the following information:

1. The wire transfer number;

2. The date of the wire transfer;

3. The actual amount of funds received pursuant to the wire transfer, stated in numbers and words;

4. The name of the patron;

5. The purpose for the wire transfer (cash deposit; redemption; payment of returned Counter Check or Slot Counter Check);

6. The signature of the preparer; and

7. The signature of either:

i. The check bank cashier, if the funds are to be used for Counter Check or Slot Counter Check redemption or the payment of a returned Counter Check or Slot Counter Check; or

ii. The general cashier, if the funds are to be used for a cash deposit.

(g) Upon completion of the information required by (f)1 through 6 above, the cage supervisor who prepared the form shall obtain the signature required by (f)7 above on both copies of the Wire Transfer Acknowledgment Form, transmit the duplicate copy and any supporting documentation to the accounting department, and forward the original Wire Transfer Acknowledgment Form to:

1. The check bank cashier, if the funds are to be used for Counter Check or Slot Counter Check redemption or the payment of a returned Counter Check or Slot Counter Check, who shall:

i. Post the amount of the funds to the patron's credit account;

ii. If appropriate, return the redeemed Counter Check or Slot Counter Check to the patron;

iii. Forward to the accounting department the original Wire Transfer Acknowledgment Form for comparison to the duplicate; and

iv. Forward to the accounting department the redemption copy of any Counter Check redeemed, in accordance with the requirements of N.J.A.C. 19:45-1.25 or Slot Counter Check redeemed, in accordance with the requirements of N.J.A.C. 19:45-1.25A; or

2. The general cashier, if the funds are to be used to establish a cash deposit, who shall:

i. Prepare a customer deposit file in accordance with the provisions of N.J.A.C. 19:45-1.24;

ii. Prepare a Customer Deposit Form in accordance with the provisions of N.J.A.C. 19:45-1.24, except that prior to the release to the patron of any funds credited to a cash deposit file by means of a wire transfer, the general cashier shall examine the patron's identification credentials or verify that the patron's signature on the Customer Deposit Form and the patron's physical description agree with the information recorded in the patron's credit file pursuant to N.J.A.C. 19:45-1.27, to insure that the patron is the patron recorded on the Wire Transfer Acknowledgment Form, and shall maintain documentation supporting that examination; and

iii. Forward to the accounting department the original Wire Transfer Acknowledgment Form for comparison to the duplicate.

(h) At the end of the month, a copy of the Wire Transfer Log shall be forwarded to the accounting department and reconciled with all Wire Transfer Acknowledgment Forms prepared during that month.

(i) Upon the receipt and processing of a wire transfer of funds in accordance with the provisions of this section, a casino licensee may, in its discretion, credit to the patron's account the amount of any wire transfer fees charged against the original amount of the wire transfer, provided that:

1. The credit shall be limited to the lesser of \$250.00 or the actual amount of the wire transfer fees charged by any financial institution involved in the wiring of the funds;

2. The purpose of the wire transfer is to enable a transaction identified in (a)2 or 3 above and the credit is applied toward the completion of that transaction;

3. The credit is authorized and recorded by the casino licensee pursuant to internal controls approved by the Commission, which internal controls shall, at a minimum, include:

i. The creation of a record identifying the date and the amount of the credit and the sequential wire trans-

fer number of the wire transfer for which the credit is being issued; and

ii. The recording of the credit as a balancing item on the main bank summary.

(j) Notwithstanding any other provision of this chapter, the amount of a credit of wire transfer fees authorized by (i) above need not be included in determining the amount of cash complimentarys which may be issued to a patron pursuant to N.J.A.C. 19:45-1.9B.

New Rule, R.1989 d.233, effective May 1, 1989.

See: 20 N.J.R. 3012(a), 21 N.J.R. 1152(b).

Petition for Rulemaking: requesting amendment to permit casino licensee to accept a transfer which specifies either patron's name or patron's casino identification number.

See: 22 N.J.R. 565(d).

Amended by R.1991 d.229, effective May 6, 1991.

See: 22 N.J.R. 3205(a), 23 N.J.R. 1455(a).

Added references to "Slot Counter Checks" throughout section.

Amended by R.1994 d.472, effective September 19, 1994.

See: 26 N.J.R. 2215(a), 26 N.J.R. 3892(a).

Amended by R.1994 d.472, effective September 19, 1994.

See: 26 N.J.R. 2215(a), 26 N.J.R. 3892(a).

Amended by R.1994 d.542, effective November 7, 1994.

See: 26 N.J.R. 3140(a), 26 N.J.R. 4445(b).

19:45-1.24B Procedure for sending funds by wire transfer

(a) Whenever a patron requests a casino licensee to send funds by wire transfer to a financial institution on behalf of the patron, the patron shall present to the general cashier the cash, cash equivalents, casino check, chips, plaques, slot tokens or prize tokens representing the amount sought to be transferred, or, in the case of a cash deposit, request that the unused balance of the cash deposit be transferred. In the case of a cash deposit, the procedures set forth in N.J.A.C. 19:45-1.24 for redemption of a cash deposit shall be observed.

(b) The general cashier shall obtain from the reserve cash cashier a Wire Transfer Request Form, a four-part serially prenumbered form, and shall record thereon, at a minimum, the information required by (b)1 through (b)7 below:

1. The name of the patron;

2. The date of the transaction;

3. The amount of funds to be wire transferred, stated in numbers and in words;

4. The source of funds to be transferred (cash, cash equivalent, casino check, chips, plaques, slot tokens, prize tokens or cash deposit);

5. The name and address of the financial institution to which the funds will be transferred and the account number to which the funds will be credited;

6. The signature of the patron;

7. The signature of the general cashier; and

8. The signature of the reserve cash cashier.

(c) Prior to obtaining the patron's signature on the Wire Transfer Request Form, the general cashier shall examine the patron's identification credentials and shall maintain documentation supporting that examination.

(d) After securing the patron's signature, the general cashier shall present the Wire Transfer Request Form to the reserve cash cashier, who shall sign the form and retain the original and duplicate copy. The general cashier shall retain the triplicate copy of the form and shall give the patron the quadruplicate copy of the form as evidence of the wire transfer request.

(e) The reserve cash cashier shall immediately forward the original Wire Transfer Request Form to the accounting department as authorization to effect the transfer, and shall retain the duplicate copy for agreement with the triplicate copy held by the general cashier. At the end of the gaming day, and upon agreement of the duplicate and triplicate copies of the Wire Transfer Request Form, the reserve cash cashier shall forward both copies of the form to the accounting department.

(f) Upon receipt of the original Wire Transfer Request Form, the accounting department shall contact the casino licensee's bank in New Jersey to authorize the wire transfer of the funds and shall either:

1. Record on the original Wire Transfer Request Form:

- i. The name and title of the person contacted at the casino licensee's bank;
- ii. The date and time that the wire transfer was authorized; and
- iii. The signature of the accounting department employee authorizing the wire transfer; or

2. If the wire transfer is authorized by means of a direct computer link between the casino licensee and its bank, print a copy of the wire transfer authorization from the computer screen which shall:

- i. Comply with the requirements of (f)1ii and iii above; and
- ii. Be attached to the original Wire Transfer Request Form.

(g) At the end of the gaming day, the accounting department shall compare the duplicate and triplicate copies of the Wire Transfer Request Form to the original.

New Rule, R.1989 d.233, effective May 1, 1989.

See: 20 N.J.R. 3012(a), 21 N.J.R. 1152(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).

19:45-1.25 Procedure for exchange of checks submitted by gaming or simulcast wagering patrons; repurchase of cash equivalents

(a) Except as otherwise provided in this section, no casino licensee or any person licensed under the Casino Control Act, and no person acting on behalf of or under any arrangement with a casino licensee or other person licensed under the Casino Control Act, shall:

1. Cash any check, make any loan, or otherwise provide or allow to any person any credit or advance of anything of value or which represents value to enable any person to take part in gaming or simulcast wagering activity as a player; or

2. Release or discharge any debt which is uncollectible, either in whole or in part, which represents any losses incurred by any player in gaming or simulcast wagering activity without maintaining a written record of the deposit, check return and collection efforts as required by N.J.A.C. 19:45-1.28 and 19:45-1.29; or

3. Make any loan which represents any losses incurred by any player in gaming or simulcast wagering activity without receiving from said player in exchange therefore, a check in the amount of said loan, which check shall conform with the Casino Control Act and these regulations.

(b) No casino licensee or any person licensed under the Act, and no person acting on behalf of or under any arrangement with a casino licensee or other person licensed under the Act, may accept a check, other than a recognized travelers' check or other cash equivalent, from any person to enable such person to take part in gaming or simulcast wagering activity as a player, or may give cash or cash equivalents in exchange for such check unless the requirements of this section and N.J.A.C. 19:45-1.26, 19:45-1.27, 19:45-1.28, and 19:45-1.29 concerning check cashing, redeeming, consolidating, collecting and recording procedures are observed by the casino licensee and its employees and agents. For purposes of this chapter, the term "check" when used in connection with an exchange, redemption, substitution or consolidation by a patron shall mean any draft drawn by the patron which is a "cash item" as defined in Regulation J of the Board of Governors of the Federal Reserve System, 12 C.F.R. 210.2(e), and which is drawn on an account maintained in a "depository institution" as defined in Section 19(b) of the Federal Reserve Act, 12 U.S.C. § 461(b), including share drafts and drafts drawn on negotiable order of withdrawal accounts or similar accounts; the term "checking account" shall mean any account on which a "check" is drawn; and the term "bank" shall include any "depository institution" as defined in 12 U.S.C. § 461(b). For purposes of this chapter, a check received from a person by cage cashiers may be presumed by the casino licensee not to be exchanged to enable such person to take part in gaming activity as a player, if the casino licensee shall cause to be posted at each general cashier station in the cashiers' cage a conspicuous sign that reads:

"By law, personal checks cannot be exchanged for currency or coin to be used for gaming or simulcasting wagering purposes."

(c) All checks sought to be exchanged in a casino by a patron shall be:

1. Drawn on a bank and payable on demand;
2. Drawn for a specific amount;
3. Made payable to the casino licensee; and
4. Currently dated, but not post dated.

(d) All checks sought to be exchanged at the cashiers' cage shall be:

1. Presented directly to the general cashier who shall:
 - i. Restrictively endorse the check "for deposit only" to the casino licensee's bank account;
 - ii. Initial the check;
 - iii. Date and time stamp the check;
 - iv. Record the junket number, if applicable;
 - v. Immediately exchange the check for currency and coin in an amount equal to the amount for which the check is drawn, not to exceed two hundred dollars (\$200.00) per patron per day, if such check is exchanged for the purpose of nongaming; and
 - vi. Forward redemption, consolidation and substitution checks to the Check Cashier and all non-gaming checks to the main bank cashier.

(e) Cash equivalents and casino checks, as defined in N.J.A.C. 19:45-1.1, shall only be accepted at the cashiers' cage by general cashiers.

1. Prior to the acceptance of any cash equivalent from a patron, the general cashier shall determine the validity of such cash equivalent by performing the necessary verification for each type of cash equivalent and such other procedures as may be required by the issuer of such cash equivalent. Prior to the acceptance of any casino check from a patron, the general cashier shall comply with the requirements of (f) below.

2. In order to ensure the patron's identity, prior to the acceptance of a cash equivalent made payable to a presenting patron or of a casino check issued pursuant to N.J.S.A. 5:12-101(g), the general cashier shall be required to examine that patron's identification credentials or verify that the patron's signature recorded on the cash equivalent or casino check and the patron's physical description agree with the information recorded in the patron's credit file prepared pursuant to N.J.A.C. 19:45-1.27. Each casino licensee shall maintain documentation supporting that examination or verification.

3. Any cash equivalent other than a travelers check or credit card and any casino check which is accepted from a patron by a general cashier shall be:

i. Endorsed in blank by the patron (but in the case of a cash equivalent, only if the cash equivalent is made payable to the presenting patron); and

ii. Except as otherwise provided in (e)4ii below, restrictively endorsed "For Deposit Only" to the bank account of the casino licensee immediately upon acceptance by the general cashier and deposited no later than the next banking day following the date of the transaction.

4. A casino licensee may, in its discretion, allow a patron who has exchanged a cash equivalent (other than a travelers check or credit card) for currency, coin or a Customer Deposit Form to repurchase the cash equivalent for an equal amount of cash, gaming chips, plaques or slot tokens prior to the deposit of the cash equivalent by the casino licensee. If a casino licensee agrees to provide a patron with this repurchase option, the general cashier shall, prior to acceptance of the cash equivalent:

i. Immediately determine the validity of the cash equivalent by performing the verification required in (e)1 above; and

ii. In lieu of complying with the requirements of (e)3ii above, comply with the approved internal control procedures of the casino licensee for the processing of such transactions, which procedures shall include, at a minimum, the following:

(1) The creation of an audit trail which shall assure that no single employee is in a position to convert the cash equivalent to his or her personal use without detection;

(2) The establishment of a definite time limit on the repurchase rights of the patron, which time limit shall be no later than the end of the fifth calendar day following the date of acceptance of the cash equivalent; and

(3) Upon expiration of the time limit required by (e)4ii(2) above, the immediate restrictive endorsement of the cash equivalent "For Deposit Only" to the bank account of the casino licensee, and the deposit of the cash equivalent by no later than the next banking day.

(f) Prior to the acceptance of any casino check from a patron, a general cashier shall determine the validity of such casino check by contacting the New Jersey casino licensee which issued the check and shall verify the following information:

1. The date of the check;
2. The check number;
3. The name of the payee appearing on the check;

4. The amount of the check; and
5. That the check represents:
 - i. The return of a patron's deposit money;
 - ii. The redemption of the casino licensee's gaming chips; or
 - iii. The winnings from slot machine payoffs; or
 - iv. The winnings from simulcast wagering.

(g) Each casino licensee shall maintain a casino check log.

1. The general cashier of the casino licensee accepting a casino check shall document the verifications performed in (f) above in the casino check log and shall record the name of the cashier providing such information and the date and time the information was obtained. In addition, the general cashier shall record his or her name and license number in the log.

2. A general cashier of the New Jersey casino which issued the casino check shall provide the information required by (f) above to the casino licensee accepting such check, and shall indicate that verification was requested by notating in the casino check log the following information:

- i. The date and time of the request;
- ii. The name of the casino requesting the information;
- iii. The name of the general cage cashier making the request;
- iv. The check number;
- v. The date of the check;
- vi. The name of the payee appearing on the check; and
- vii. The reason for the check as either:
 - (1) The return of a patron's deposit money;
 - (2) The redemption of the casino licensee's gaming chips;
 - (3) The winnings from slot machine payoffs; or
 - (4) The winnings from simulcast wagering.

(h) Prior to acceptance of a travelers check from a patron, the general cashier shall verify its validity by:

1. Requiring the patron to countersign the travelers check in his or her presence;
2. Comparing the countersignature with the original signature on the travelers check;
3. Examining the travelers check for any other signs of tampering, forgery or alteration; and

4. Performing any other procedures which the issuer of the travelers check requires in order to indemnify the acceptor against loss.

(i) A person may obtain cash at the cashiers' cage or slot booth to be used for gaming purposes by presenting a recognized credit card to a general cashier or slot cashier. Prior to the issuance of cash to a person, the general cashier or slot cashier shall verify through the recognized credit card company the validity of the person's credit card or shall verify through a recognized electronic funds transfer company which, in turn, verifies through the credit card company the validity of the person's credit card and shall obtain approval for the amount of cash the person has requested. The general cashier or slot cashier shall then prepare such documentation as required by the casino licensee to evidence such transactions and to balance the imprest fund prior to the issuance of the cash.

(j) The following procedures and requirements over Counter Checks shall be observed:

1. Counter Checks shall be serially prenumbered forms; each series of Counter Checks shall be used in sequential order, and the series numbers of all Counter Checks received by a casino licensee shall be accounted for by employees with no incompatible functions. The original and all copies of void Counter Checks shall be marked "VOID" and shall require the signature of the casino clerk.

2. For establishments in which Counter Checks are manually prepared:

i. Each series of Counter Checks shall be a five-part form, at a minimum, which consists of an original, a redemption copy, an accounting copy, an issuance copy and acknowledgment copy and shall be attached in a book that will permit an individual slip in the series and its copies to be written upon simultaneously, while still contained in the book, and that will allow the removal of the original and all duplicate copies.

ii. Access to the Counter Checks shall be maintained and controlled at all times by the casino clerks responsible for controlling of and accounting for the unused supply of Counter Checks, and the preparation of Counter Checks for a patron's signature.

3. For establishments in which Counter Checks are computer prepared, each series of Counter Checks shall be a four-part form, at a minimum, which consists of an original, a redemption copy, an issuance copy and accounting copy and shall be inserted in a printer that will: simultaneously print an original and duplicates and store, in machine readable form, all information printed on the original and duplicates; and discharge the original and duplicates. The stored data shall not be susceptible to change or removal by any personnel after preparation of a Counter Check.

(k) For each Counter Check exchanged at a gaming table, the casino clerk shall:

1. Verify the patron's identity by either:

i. Obtaining the patron's signature, on a form, which signature shall be compared to the original signature, or a computer generated facsimile thereof, contained within the patron's credit file. The casino clerk shall sign the form indicating that the signature of the patron on the form appears to agree with the signature on his credit file. Such form shall be attached to the accounting copy of the Counter Check exchanged by the patron prior to forwarding it to the accounting department in conformity with (p) below.

(1) After the patron's identity has been verified by the casino clerk as required above, the requirements for subsequent verification of the patron's identity during the same shift and in the same gaming pit may be satisfied by that casino clerk signing a form attesting to the patron's identity before each subsequent Counter Check is exchanged. The form shall include the patron's name and the serial number of the initial Counter Check exchanged by the patron. Such form shall be attached to the accounting copy of the Counter Check prior to forwarding it to the accounting department in conformity with (p) below; or

ii. Obtaining the attestation of a casino supervisor as to the identity of the patron. The casino supervisor shall sign a form attesting to the patron's identity and shall record his license number thereon. Such form shall be attached to the accounting copy of the Counter Check exchanged by the patron prior to forwarding it to the accounting department in conformity with (p) below.

2. Determine the patron's remaining credit limit from the cashiers' cage.

3. Prepare the Counter Check for a patron's signature by recording, at a minimum, on the face of the original and all duplicates of the Counter Check, with the exception of the acknowledgment copy which shall only have recorded on it the game and table number, or in stored data, the following information:

i. The name of the patron exchanging the Counter Check;

ii. The name of the patron's bank (required on the original copy only);

iii. The current date and time;

iv. The amount of the Counter Check expressed in numerals;

v. The game and table number;

vi. The signature of the casino supervisor authorizing acceptance of the check; and

vii. The signature of the preparer or, if computer prepared, the identification code of the preparer.

4. Place an impression on the back of the original Counter Check a restrictive endorsement "for deposit only" to the casino licensee's bank account.

5. Present the original and all duplicate copies of the Counter Check to the patron for signature.

6. Receive the signed Counter Check directly from the patron; the issuance copy, which is the equivalent of a Check Credit Slip, of the Counter Check shall be immediately and directly given to the dealer or boxman. In no instance shall the chips or plaques be given to the patron prior to the receipt of the issuance copy of the Counter Check by the dealer or boxman.

i. The original, redemption, and acknowledgment copies of the Counter Check shall be expeditiously transported to the cashiers' cage where the original and redemption copies shall be maintained and controlled by the Check Bank Cashier;

ii. The accounting copy of the Counter Check shall be maintained and controlled at all times by the casino clerk; and

iii. The issuance copy of the Counter Check shall be deposited by the dealer or boxman in the drop box immediately after the issuance of chips or plaques to the patron.

(l) For establishments in which the Chip Bank Cashier receives the original, redemption and acknowledgment copies of the Counter Check the Chip Bank Cashier shall sign and time stamp the acknowledgment copy of the Counter Check and expeditiously return it to the casino clerk via a security department member or pneumatic tube system and shall transfer the original and redemption copies of the Counter Check to the Check Cashier in return for properly signed documentation.

(m) For establishments in which the Check Cashier receives the original, redemption and acknowledgment copies of the Counter Check directly from the casino clerk, whether through the use of the pneumatic tube system or transported by a security department member the Check Cashier shall:

1. Sign and time stamp the acknowledgment copy and shall transmit it to the casino clerk via a security department member or pneumatic tube system, and shall maintain the original and redemption copies of the Counter Check.

(n) The acknowledgment copy of the Counter Check returned to the casino clerk shall be agreed to the accounting copy and maintained and controlled by the casino clerk.

(o) If the total amount of chips or plaques possessed by a patron exceeds \$500, the casino licensee shall request the

patron to apply all chips or plaques in his possession to the redemption of Counter Checks or Slot Counter Checks exchanged for purposes of gaming prior to exchanging such chips or plaques for cash or prior to departing from the casino or casino simulcasting facility areas.

(p) At the end of each gaming day, at a minimum, the following procedures and requirements shall be observed:

1. The original and all copies of void Counter Checks and the accounting and acknowledgment copies of the Counter Check shall be forwarded by a representative of the accounting or security department to the accounting department for agreement, on a daily basis, with the issuance copy of the Counter Check removed from the drop box or stored data.

2. The redemption copy of a Counter Check maintained and controlled in conformity with (k)6i above shall be forwarded to the accounting department subsequent to the redemption, consolidation or deposit of the original Counter Check for agreement with the accounting and issuance copies of the Counter Check or stored data.

Amended by R.1981 d.437, effective November 16, 1981.

See: 13 N.J.R. 534(b), 13 N.J.R. 848(b).

(d)iv.: Added \$200.00 check limit per patron per day.

Added (e) and (f); renumbered (e)-(k) as (g)-(m).

Amended by R.1984 d.624, effective January 21, 1985 (operative September 30, 1985).

See: 16 N.J.R. 2076(a), 17 N.J.R. 212(a), 17 N.J.R. 1917(b).

(h) and (l) substantially amended.

Operative date changed from July 20, 1985.

Amended by R.1985 d.41, effective February 19, 1985.

See: 16 N.J.R. 3302(b), 17 N.J.R. 480(c).

(e) amended.

Amended by R.1986 d.77, effective April 7, 1986.

See: 17 N.J.R. 2245(a), 18 N.J.R. 706(b).

New (f)-(h) added; old (f)-(m) now (i)-(p).

Petition for Rulemaking: Verification procedures to be followed by the Casino prior to the acceptance of recognized travelers checks from a casino patron.

See: 20 N.J.R. 1489(a).

Amended by R.1988 d.304, effective July 5, 1988.

See: 20 N.J.R. 51(a), 20 N.J.R. 1572(a).

Added (e)1 concerning cashing of travelers checks.

Amended by R.1990 d.2, effective January 2, 1990.

See: 21 N.J.R. 2954(a), 22 N.J.R. 63(a).

In (f)5: deleted "either" from phrase and added new 5iii.

Amended by R.1991 d.229, effective May 6, 1991.

See: 22 N.J.R. 3205(a), 23 N.J.R. 1455(a).

In (j)3, revised text read "accounting" copy; in (o), added "Slot Counter Checks."

Amended by R.1991 d.231, effective May 6, 1991.

See: 22 N.J.R. 3711(a), 23 N.J.R. 1463(a).

In (e): added text providing casino licensees with an additional method to verify patron identification."

Amended by R.1991 d.300, effective June 17, 1991.

See: 23 N.J.R. 397(a), 23 N.J.R. 1964(a).

In (i): added options of slot booth and slot cashier.

Amended by R.1991 d.301, effective June 17, 1991.

See: 23 N.J.R. 191(a), 23 N.J.R. 1963(b).

In (b): added rule text to describe expanded check exchanges procedures.

Amended by R.1992 d.13, effective January 6, 1992.

See: 23 N.J.R. 3087(a), 24 N.J.R. 110(a).

Added new (h)7iii; winnings from slot machine payoffs.

Amended by R.1992 d.110, effective March 2, 1992.

See: 23 N.J.R. 3243(a), 24 N.J.R. 858(c).

In (d)1.v.: added text defining "day" as used in subparagraph; in (p): stylistic revisions.

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.

Temporary Amendment: Caribbean Stud Poker.

See: 26 N.J.R. 3464(a).

Amended by R.1994 d.473, effective September 19, 1994.

See: 26 N.J.R. 2216(a), 26 N.J.R. 3893(a).

Administrative Correction.

See: 26 N.J.R. 4216(a).

Temporary Amendment: Double Down Stud.

See: 26 N.J.R. 4445(a).

Case Notes

Regulation requiring on back of original countercheck a restrictive endorsement "for deposit only" to casino licensee's bank account does not require depository bank's name. *GNOC, Corp. v. Endico, C.A.2 (N.Y.)*1989, 876 F.2d 1076.

Taxpayer did not realize income when gambling debt was forgiven. *Zarin v. C.I.R.*, 1990, 916 F.2d 110.

Credit transaction may not be bifurcated with casino personnel receiving payment of counter check at off-site location and counter check then being released when funds are received at cashiers' cage. *Petition of Adamar of New Jersey, Inc.*, 222 N.J.Super. 464, 537 A.2d 704 (A.D.1988).

Commission did not violate procedural due process when it considered regulations not cited in complaint. *Adamar of New Jersey, Inc. v. State, Dept. of Law and Public Safety, Div. of Gaming Enforcement*, 250 N.J.Super. 275, 593 A.2d 1237 (A.D.1991).

Casino operator's write-off of patron's indebtedness as bad debt without reasonable attempt to collect was properly disallowed. *Adamar of New Jersey, Inc. v. State, Dept. of Law and Public Safety, Div. of Gaming Enforcement*, 250 N.J.Super. 275, 593 A.2d 1237 (A.D.1991).

Casino Control Act does not confer private cause of action in favor of losing players. *Miller v. Zoby*, 250 N.J.Super. 568, 595 A.2d 1104 (A.D.1991).

Common-law contract defenses of incapacity, duress, and unconscionability exist, in action to have casino markers declared void. *Lomona-co v. Sands Hotel Casino and Country Club*, 259 N.J.Super. 523, 614 A.2d 634 (L.1992).

Former regulation concerning procedure for casino clerk exchange of counter checks at gaming tables valid. *Playboy-Elsinore Associates v. Strauss*, 189 N.J.Super. 185 (Law Div.1983).

Check not dated. *Resorts Intern. Hotel, Inc. v. Salomone*, 178 N.J.Super. 598, 429 A.2d 1078 (App. Div., 1981).

19:45-1.25A Procedure for exchange of slot counter checks by slot patrons

(a) A casino licensee may offer credit to slot patrons pursuant to N.J.A.C. 19:45-1.27. Slot Counter Checks may be prepared by slot cashiers at slot booths and coin redemption locations and by general cashiers at the cashiers' cage in exchange for which patrons may receive any combination of coin, currency or slot tokens. For casino licensees which issue credit to slot players, the following procedures and requirements over Slot Counter Checks shall be observed:

1. Slot Counter Checks shall be serially prenumbered forms. Each series of Slot Counter Checks shall be used in sequential order; however, nothing in this subsection shall preclude a casino licensee from issuing Slot Counter Checks from the same numbering sequence used for the issuance of Counter Checks pursuant to N.J.A.C. 19:45-1.25. The series numbers of all Slot Counter Checks shall be accounted for by employees with no incompatible functions.

i. The original and all copies of voided Slot Counter Checks shall be marked "VOID" and shall require the signature of the preparer.

2. For establishments in which Slot Counter Checks are manually prepared:

i. Each series of Slot Counter Checks shall be a five-part form, at a minimum, which consists of an original, a redemption copy, an accounting copy, an issuance copy and acknowledgement copy and shall be attached in a book that will permit an individual slip in the series and its copies to be written upon simultaneously, while still contained in the book, and that will allow the removal of the original and all duplicate copies.

ii. Access to the Slot Counter Checks shall be maintained and controlled at all times by the general cashier or slot cashier responsible for control of and accounting for the unused supply of Slot Counter Checks, and the preparation of Slot Counter Checks for a patron's signature.

3. For establishment in which Slot Counter Checks are computer prepared, each series of Slot Counter Checks shall be a four-part form, at a minimum, which consists of an original, a redemption copy, an issuance copy and accounting copy and shall be inserted in a printer that will: simultaneously print an original and duplicates; store, in machine readable form, all information printed on the original and duplicates; and discharge the original and duplicates. The stored data shall not be susceptible to change or removal by any personnel after preparation of a Slot Counter Check.

(b) For each Slot Counter Check exchanged, in accordance with (a) above, the general cashier or slot cashier shall:

1. Verify the patron's identity by either:

i. Obtaining, at a minimum, the amount of the requested Slot Counter Check and the patron's signature on a form, which signature shall be compared to the original signature, or a computer generated facsimile thereof, contained within the patron's credit file. The general cashier or slot cashier shall sign the form indicating that the signature of the patron on the form appears to agree with the signature on his or her credit file. Such form shall be attached to the accounting copy of the Slot Counter Check exchanged by the

patron and deposited into a locked accounting box for forwarding to the accounting department in conformity with (h) below.

(1) After the patron's identity has been verified by the general cashier or slot cashier as required above, the requirements for subsequent verification of the patron's identity may be satisfied by that general cashier or slot cashier signing a form attesting to the patron's identity before each subsequent Slot Counter Check is exchanged. The form shall include the patron's name and the serial number of the initial Slot Counter Check exchanged by the patron. Such form shall be attached to the accounting copy of the Slot Counter Check and deposited into a locked accounting box for forwarding to the accounting department in conformity with (h) below; or

ii. Obtaining the attestation of a slot supervisor as to the identity of the patron. The slot supervisor shall sign a form attesting to the patron's identity and shall record his or her license number thereon and the amount requested by the patron. Such form shall be attached to the accounting copy of the Slot Counter Check exchanged by the patron and deposited into a locked accounting box for forwarding to the accounting department in conformity with (h) below;

2. Determine the patron's remaining credit limit either from a check bank cashier or from a computer terminal located in an area as approved by the Commission;

3. Prepare the Slot Counter Check for the patron's signature by recording, at a minimum, on the face of the original and all duplicates of the Slot Counter Check, with the exception of the acknowledgement copy which shall only have recorded on it the location of preparation, or in stored data, the following information:

i. The name of the patron exchanging the Slot Counter Check;

ii. The name of the patron's bank (required on the original copy only);

iii. The current date and time;

iv. The amount of the Slot Counter Check expressed in numerals;

v. The location of preparation of the Slot Counter Check;

vi. The signature of the cage supervisor or slot supervisor verifying that the Slot Counter Check was prepared for the correct amount and for the correct individual per the information recorded on the form referenced in (b)1 above; and

vii. The signature of the preparer or, if computer prepared, the identification code of the preparer;

4. Place an impression on the back of the original Slot Counter Check a restrictive endorsement "for deposit only" to the casino licensee's bank account;

5. Present the original and all duplicate copies of Slot Counter Check to the patron for signature;

6. Receive the signed original and all duplicate copies of the Slot Counter Check directly from the patron. The general cashier or slot cashier shall, if verification occurs in accordance with (b)1i above, compare the patron's signature on the signed Slot Counter Check to the form referenced in (b)1 above and sign the form referenced in (b)1 above if the signatures appear to agree. In no instance shall currency, coin or slot tokens be given to the patron prior to the receipt of the signed copy of the Slot Counter Check by the general cashier or slot cashier. Distribution of the Slot Counter Check copies shall be as follows:

i. The issuance copy of the Slot Counter Check, which shall serve as documentation of the exchange of currency, coin or slot tokens for the Slot Counter Check and shall be maintained by the general cashier or slot cashier in his or her imprest fund immediately after the issuance of currency, coin or slot tokens to the patron.

ii. The original, redemption, and acknowledgement copies of the Slot Counter Check, if not issued by the general cashier, shall be expeditiously transported to the cashiers' cage by a security department member or via a pneumatic tube system where the original and redemption copies shall be maintained and controlled by the check bank cashier. If the Slot Counter Check was issued by a general cashier, the general cashier shall expeditiously transport the original, redemption and acknowledgement copies of the Slot Counter Check to the check bank cashier where the original and redemption copies shall be maintained. The acknowledgement copy shall be returned to the general cashier or slot cashier in accordance with either (d) or (e) below; and

iii. The accounting copy of the Slot Counter Check shall be attached to the form referenced in (b)1 above by the general cashier or slot cashier and deposited into a locked accounting box for forwarding to the accounting department in conformity with (h) below.

(c) Nothing in this section shall preclude a casino licensee from issuing a Slot Counter Check to a patron directly at a slot machine, provided the casino licensee follows the procedures and requirements established below:

1. A slot supervisor shall obtain, at a minimum, the amount of the requested Slot Counter Check and the patron's signature, on a two-part form ("Request"), and transport both copies of the Request directly to the general cashier or slot cashier. The general cashier or slot cashier shall compare the patron's signature pursuant to (b)1i above.

2. Once the patron's signature has been verified in accordance with (b)1 above, the general cashier or slot cashier shall prepare the Slot Counter Check in accordance with (b)2, (b)3i through v and (b)4 above.

3. The general cashier or slot cashier shall obtain the signature of the slot supervisor responsible for obtaining the information on the Request referenced in (c)1 above on the Slot Counter Check. The general cashier or slot cashier shall sign the Slot Counter Check as the preparer of the Slot Counter Check, and present the original and all duplicate copies of the Slot Counter Check and the original and duplicate copy of the Request, and the currency, coin, and/or slot tokens in the amount of the Slot Counter Check to an accounting department representative with no incompatible functions.

4. The accounting department representative, with no incompatible functions, shall verify the currency, coin and/or slot tokens against the amount recorded on the Slot Counter Check and the Request. If in agreement, the accounting department representative shall sign the original and duplicate copy of the Request and return the duplicate copy of the Request to the general cashier or slot cashier.

5. The general cashier or slot cashier shall retain the duplicate copy of the Request as evidence of the funds and Slot Counter Check being received by the accounting department representative.

6. Once the currency, coin and/or slot tokens has been verified in accordance with (c)4 above, the funds shall be secured in a sealed envelope or container along with the original and all copies of the Slot Counter Check and the original Request for transportation to the patron by the accounting department representative in the presence of the slot supervisor referenced in (c)1 above.

7. The accounting department representative shall present the original and all duplicate copies of the Slot Counter Check to the patron for signature.

8. Upon receiving the signed original and all duplicate copies of the Slot Counter Check directly from the patron, the accounting department representative shall verify the patron's signature on the Slot Counter Check against the patron's signature on the original Request. If in agreement, the funds shall be immediately given to the patron. In no instance shall the funds be given to the patron prior to the receipt of the signed Slot Counter Check from the patron.

9. Once the patron has received the funds, the slot supervisor referenced in (c)1 above shall sign the back of the accounting copy of the Slot Counter Check as a witness to the transfer of funds to the patron in exchange for the signed Slot Counter Check from the patron. The slot supervisor shall immediately deposit the accounting copy of the Slot Counter Check with the original Request in a locked accounting box for forwarding to the accounting department in conformity with (h) below.

10. The accounting department representative shall immediately return the original, redemption, acknowledgement (manual mode only) and issuance copies of the Slot Counter Check to the general cashier or slot cashier who issued the funds. The general cashier or slot cashier shall attach the duplicate of the Request to the issuance copy of the Slot Counter Check and shall maintain them in his or her imprest fund for forwarding to the main bank or master coin bank at the end of their shift.

i. The original, redemption and acknowledgement (manual mode only) copies of the Slot Counter Check, if not issued by the general cashier, shall be expeditiously transported to the cashiers' cage by a security department member or via a pneumatic tube system where the original and redemption copies shall be maintained and controlled by the check bank cashier. If the Slot Counter Check was issued by a general cashier, the general cashier shall expeditiously transport the original, redemption and acknowledgement copies of the Slot Counter Check to the check bank cashier where the original and redemption copies shall be maintained and controlled by the check bank cashier. The acknowledgement copy shall be returned to the general cashier or slot cashier in accordance with either (d) or (e) below.

(d) For establishments in which the chip bank cashier receives the original, redemption and acknowledgement copies of the Slot Counter Check, the chip bank cashier shall sign and time stamp the acknowledgement copy of the Slot Counter Check and expeditiously return it to the general cashier or slot cashier via a security department member or pneumatic tube system and shall transfer the original and redemption copies of the Slot Counter Check to the check bank cashier in return for properly signed documentation.

(e) For establishments in which the check bank cashier receives the original, redemption and acknowledgement copies of the Slot Counter Check directly from the general cashier or slot cashier, whether directly through the use of the pneumatic tube system or transported by a security department member, the check bank cashier shall:

1. Sign and time stamp the acknowledgement copy and shall transmit it to the general cashier directly or to the slot cashier via a security department member or pneumatic tube system, and shall maintain the original and redemption copies of the Slot Counter Check.

(f) If there is no acknowledgement copy, the check bank cashier shall be responsible for consummating the transaction in the computer upon receipt of the original and redemption copies of the Slot Counter Check.

(g) Once the acknowledgement copy of the Slot Counter Check has been returned to the general cashier or slot cashier, it shall be attached to the issuance copy of the Slot Counter Check and forwarded to the main bank or master coin bank at the end of the cashier's shift.

(h) At the end of the gaming activity each day, at a minimum, the following procedures and requirements shall be observed:

1. The original and all copies of voided Slot Counter Checks and the accounting copy of the Slot Counter Check shall be picked up by a representative of the accounting department with no incompatible functions and returned to the accounting department for agreement, on a daily basis, with the issuance and acknowledgement copies of the Slot Counter Check received from the general cashiers or slot cashiers.

2. The redemption copy of a Slot Counter Check maintained and controlled in conformity with (b)6ii and (c)10i above shall be forwarded to the accounting department subsequent to the redemption, consolidation or deposit of the original Slot Counter Check for agreement with the accounting and issuance copies of the Slot Counter Check or stored data.

New Rule, R.1991 d.229, effective May 6, 1991.

See: 22 N.J.R. 3205(a), 23 N.J.R. 1455(a).

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).

19:45-1.26 Substitution, redemption and consolidation of patron checks

(a) The drawer of an undeposited Counter Check or Slot Counter Check may use a personal check to substitute for or partially redeem such Counter Check or Slot Counter Check or to consolidate two or more undeposited Counter Checks or Slot Counter Checks if the personal check is drawn on an account which has been verified pursuant to N.J.A.C. 19:45-1.27, complies with the requirements of N.J.A.C. 19:45-1.25(b) and (c); and is deposited or redeemed in accordance with the requirements of N.J.S.A. 5:12-101 and this chapter.

1. For purposes of this chapter, a personal check which is used by a drawer in a substitution, partial redemption or consolidation transaction shall be referred to as a "replacement check."

2. The drawer of an undeposited replacement check may use another replacement check in a substitution, consolidation or partial redemption transaction involving the original replacement check.

(b) The drawer of an undeposited patron check may redeem it:

1. In its entirety by exchanging cash, cash equivalents, complimentary cash gifts, casino checks, slot tokens, gaming chips or gaming plaques in an amount equal to the amount of the patron check being redeemed; or

2. In part by exchanging:

i. Another patron check in a lesser amount; and

ii. Cash, cash equivalents, complimentary cash gifts, casino checks, slot tokens, gaming chips or gaming plaques in an amount which equals the difference between the amount of the check exchanged in (b)2i above and the amount of the patron check being partially redeemed.

(c) If a drawer has more than one undeposited patron check outstanding, such checks shall be redeemed in reverse chronological order (the most recently dated patron check shall always be redeemed first).

1. If more than one patron check bears the same date, the drawer may choose the order in which to redeem the identically dated checks.

2. If, pursuant to its internal controls, a casino licensee does not require a patron check used in a substitution, consolidation or partial redemption transaction to be dated with the date of the initial patron check being substituted, consolidated or partially redeemed, then the date of the initial patron check, and not the date of the replacement, consolidation or partial redemption check, shall be used to determine the order in which outstanding patron checks shall be redeemed.

(d) The drawer of a patron check may consolidate some or all undeposited patron checks by exchanging another patron check in an amount equal to the total amount of the outstanding patron checks being consolidated.

(e) All consolidations, total or partial redemptions or substitutions of patron checks by gaming patrons shall be made by general cashiers' at the cashiers' cage. Consolidation, redemption or substitution of personal checks exchanged for non-gaming purposes pursuant to N.J.A.C. 19:45-1.25(d)1v shall not be allowed.

(f) No casino licensee or any other person licensed under the Act, or any other person acting on behalf of or under any arrangement with a casino licensee or other person licensed under the Act, shall accept any patron check in redemption, consolidation or substitution of any patron check for the purpose of avoiding or delaying the deposit of a patron check in a bank for collection or payment within the time periods specified in N.J.A.C. 19:45-1.28.

(g) Upon completion of a redemption, consolidation or substitution transaction pursuant to this section, the general cashier shall return any original patron check being redeemed, consolidated or substituted to the drawer in accordance with the requirements in (h) below. If the redemption, consolidation or substitution of a patron check is accomplished by the acceptance of another patron check, the general cashier accepting the new patron check shall date and time stamp the new check, place his or her initials on the new check, and record on the new check the serial number of any Counter Check, Slot Counter Check or replacement check being redeemed, consolidated or substituted. The new patron check shall be dated with the date of the initial patron check being redeemed, consolidated or substituted unless the internal controls of the casino licensee include an independent procedure to ensure that the date of the initial patron check shall be used to determine the date by which the new patron check shall be redeemed or deposited pursuant to N.J.A.C. 19:45-1.28.

(h) Any original patron check which may be returned to the drawer pursuant to this section or N.J.A.C. 19:45-1.26A shall be returned directly to the drawer by one of the following methods:

1. If the drawer personally appears at the cashiers' cage and requests the return of the check, the general cashier shall:

i. Obtain the original patron check from the check bank cashier;

ii. Verify the identity of the drawer through signature comparison, examination of identification credentials, comparison of the drawer's actual appearance to the physical description in the drawer's credit file or personal attestation by a cage or casino supervisor as to the identity of the drawer; and

iii. Return the original patron check to the drawer contemporaneously with the request.

2. If the drawer requests, either orally or in writing, that one, some or all of his or her patron checks be returned by mail, the casino licensee shall maintain a record of the specific terms of any oral request or a copy of the written request in the credit file of the drawer and the check bank cashier shall:

i. Obtain the original patron check; and

ii. Present the original patron check to a cage supervisor who shall direct a casino accounting department employee, as authorized in the casino licensee's internal controls, to mail the patron check by ordinary mail to only the address of the drawer's current residence as indicated in his or her credit file pursuant to N.J.A.C. 19:45-1.27; provided, however, that the patron check may be returned by ordinary mail to any other address requested by the drawer for which the drawer certifies, in a writing comparable to N.J.A.C. 19:45-1.27(a)11, that the address information is accurate and for which the casino licensee maintains in the credit file a record of the request and the certification, and a log of the details of each patron check so mailed.

Amended by R.1984 d.624, effective January 21, 1985.

See: 16 N.J.R. 2076(a), 17 N.J.R. 212(a).

(a) substantially amended.

Amended by R.1991 d.229, effective May 6, 1991.

See: 22 N.J.R. 3205(a), 23 N.J.R. 1455(a).

Added reference to "Slot Counter Checks" throughout section.

Amended by R.1994 d.471, effective September 19, 1994.

See: 26 N.J.R. 2212(a), 26 N.J.R. 3891(c).

Amended by R.1995 d.40, effective January 17, 1995.

See: 26 N.J.R. 3825(a), 27 N.J.R. 382(b).

Case Notes

Credit transaction may not be bifurcated with casino personnel receiving payment of counter check at off-site location and counter check then being released when funds are received at cashiers' cage. Petition of Adamar of New Jersey, Inc., 222 N.J.Super. 464, 537 A.2d 704 (A.D.1988).

19:45-1.26A Acceptance of payments toward outstanding patron checks

(a) A casino licensee may, in its discretion, permit the drawer of an undeposited patron check or any person acting for the benefit of such drawer to deposit cash, cash equivalents, casino checks, slot tokens, gaming chips or gaming plaques with a general cashier for the purpose of having such payment applied to the total or partial redemption of the patron check by the drawer pursuant to N.J.A.C. 19:45-1.26.

(b) Prior to a casino licensee accepting payments pursuant to (a) above, the casino licensee shall establish a system of internal controls for such transactions, which internal controls shall, at a minimum, provide for:

1. A method of documenting or recording the receipt of each such payment, which method shall include, without limitation, the following:

- i. The names of the drawer and the person making the payment;
- ii. All significant details concerning the transaction;
- iii. The signatures of the person making the payment and the general cashier accepting the payment; and
- iv. The issuance of a receipt to the person making the payment;

2. The maintenance of the general cashier's imprest inventory; and

3. The notation in the drawer's credit account of the receipt of the payment.

(c) If any payments received by a casino licensee pursuant to this section entitle the drawer of a patron check to redeem the original patron check in its entirety, or if any such payments received in conjunction with the submission of a new patron check by the drawer in a lesser amount entitle the drawer of a patron check to redeem the original patron check in part, the casino licensee shall return the original patron check to the drawer in accordance with the provisions of N.J.A.C. 19:45-1.26.

(d) If the drawer of a patron check fails to redeem it prior to the date on which the patron check must be deposited pursuant to N.J.A.C. 19:45-1.28, the casino licensee shall deposit the patron check regardless whether any payment has been received pursuant to the provisions of this section. The casino licensee, after timely depositing the patron check and allowing a commercially reasonable time for the patron check to clear in accordance with its internal controls established pursuant to N.J.A.C. 19:45-1.28(f), shall apply any payments received pursuant to this section in accordance with the following priorities:

1. If the casino licensee has any returned checks issued by the drawer which have not been completely

satisfied, the payments shall be applied to such obligations;

2. If the casino licensee, after all obligations of the drawer described in (d)1 above have been completely satisfied, possesses any outstanding patron checks issued by the drawer which have not been deposited or cleared in accordance with the requirements of N.J.A.C. 19:45-1.28, the casino licensee shall hold the payments until all outstanding patron checks of the drawer have cleared; or

3. If the casino licensee does not have any unpaid returned checks or outstanding patron checks issued by the drawer, the payments shall be returned immediately to the drawer unless the drawer has orally or in writing instructed the casino licensee to retain the payments in a cash deposit account and the casino licensee maintains in the credit file a record of the specific terms of those instructions, including a copy of any written instructions.

(e) Any payment received pursuant to this section that the drawer directs be deposited in a cash deposit account pursuant to (d)3 above shall be deposited by the casino licensee in accordance with the requirements of N.J.A.C. 19:45-1.24 except that, if the drawer is not present in the casino hotel:

1. The Customer Deposit Form may be prepared without the patron's signature on the duplicate copy;

2. The original of the Customer Deposit Form shall be mailed to the drawer in accordance with N.J.A.C. 19:45-1.26(h)2; and

3. After the payment is deposited in the patron cash deposit account, it shall only be used by or refunded to the drawer in accordance with N.J.A.C. 19:45-1.24 and, if applicable, N.J.A.C. 19:45-1.24B.

(f) If a patron check is dishonored by the drawer's bank upon presentation for payment and returned to the casino licensee, any payments received pursuant to this section, including payments that have been transferred to a patron cash deposit account pursuant to (d)3 above, that have not been returned to the drawer shall be used to reduce the amount to be collected from the drawer or to be deemed uncollectible pursuant to the provisions of N.J.A.C. 19:45-1.29.

(g) Except as otherwise provided in this section, any payment authorized by this section shall be made for the sole benefit of the drawer. No junket representative, junket enterprise or employee or agent of a junket enterprise shall, and no casino licensee or employee or agent of a casino licensee shall, except as specifically authorized by the rules of the Commission, make a payment for the benefit of the drawer of a patron check pursuant to this section. No casino licensee, or employee or agent thereof, shall require the drawer of a patron check to make, or to have some other person make, the payments authorized by this section

as a pre-condition to initially approving or subsequently increasing a credit limit for the drawer or for any other reason whatsoever.

New Rule, R.1995 d.40, effective January 17, 1995.
See: 26 N.J.R. 3825(a), 27 N.J.R. 382(b).

19:45-1.27 Procedures for granting credit, and recording checks exchanged, redeemed or consolidated

(a) A credit file for each patron shall be prepared by a general cage cashier or credit department representative with no incompatible functions either manually or by computer prior to the casino licensee's approval of a patron's credit limit. All patron credit limits and changes thereto shall be supported by the information contained in the credit file. Such file shall contain a credit application form upon which shall be recorded, at a minimum, the following information provided by the patron:

1. The patron's name;
2. The address of the patron's residence;
3. The number of years at that address;
4. The telephone number at the patron's residence;
5. Employment information including:
 - i. The name of the patron's employer, or an indication of self employment or retirement;
 - ii. Type of business;
 - iii. The patron's position;
 - iv. Number of years employed;
 - v. The patron's business address; and
 - vi. The patron's business telephone number.
6. Banking information including:
 - i. The name and location of the patron's bank; and
 - ii. The account number of the patron's personal checking account upon which the patron is individually authorized to draw and upon which all Counter Checks, Slot Counter Checks and all checks used for substitution, redemption or consolidation will be drawn. Checking accounts of sole proprietorships shall be considered as personal checking accounts. Partnership or corporate checking accounts shall not be considered personal checking accounts.
7. The credit limit requested by the patron;
8. The name of each casino where the patron has a casino credit limit;
9. The approximate amount of all other outstanding indebtedness;
10. The amount and source of income and assets in support of the requested credit limit; and

11. The patron's signature indicating acknowledgment of the following statement, which shall be included at the bottom of every credit application form containing the information required to be submitted by the patron pursuant to this subsection: "I certify that I have reviewed all of the information provided above and that it is true and accurate. I authorize (insert the name of the casino licensee) to conduct such investigations pertaining to the above information as it deems necessary for the approval of my credit limit. I am aware that this application is required to be prepared by the regulations of the Casino Control Commission and I may be subject to civil or criminal liability if any material information provided by me is willfully false."

(b) A general cage cashier or credit department representative with no incompatible functions shall record the following information in the credit file prior to the casino licensee's approval of a patron's credit limit:

1. A physical description of the patron which shall include, but not be limited to, the following:
 - i. Date of birth;
 - ii. Height;
 - iii. Weight;
 - iv. Hair color; and
 - v. Eye color.
2. The type of identification credentials examined containing the patron's signature and whether said credentials included a photograph or general physical description of the patron; and
3. The signature of the general cage cashier or credit department representative with no incompatible functions indicating that the signature of the patron in the credit file appears to agree with the signature on the identification credentials presented by the patron and that the physical description of the patron appears to agree with the patron's actual appearance. The date and time of the signature of the general cage cashier or credit department representative with no incompatible functions shall be recorded either mechanically or manually contemporaneously with the transaction.

(c) Prior to the casino licensee's approval of the patron's credit limit, a credit department representative with no incompatible functions shall:

1. Verify the address of the patron's residence;
2. Verify the patron's current casino credit limits and outstanding balances which shall include the following:
 - i. The date the patron's credit account was established;
 - ii. The amount of the current approved credit limit at each casino; and

iii. The current balance and status of the patron's credit account at each casino including checks deposited by New Jersey casino licensees that have not yet cleared the bank and derogatory information. ("Derogatory" is defined as patron credit accounts partially or completely uncollectible, checks returned unpaid by the patron's bank, settlements, liens, judgments, and any other credit problems of the patron);

3. Verify the patron's outstanding indebtedness;

4. Verify the patron's personal checking account information which shall include, but not be limited to, the following:

- i. Type of account (personal or sole proprietorship);
- ii. Account number;
- iii. Date the account was opened;
- iv. Average balance of the account for the last twelve months, if available (if this information is not available, then this shall be noted in the credit file);
- v. Current balance in the account if available (if this information is not available then this shall be noted in the credit file);
- vi. Whether the patron can sign individually on the account;
- vii. Name and title of the person supplying the information; and

5. Verify that the patron's name is not designated on the master list of persons who have voluntarily requested suspension of credit privileges pursuant to N.J.A.C. 19:45-1.27A.

(d) All verifications performed by the credit department in (c) above together with accurate and verifiable information received from the security and surveillance departments pursuant to N.J.A.C. 19:45-1.11(c) shall be recorded in the credit file and accompanied by the signature of the credit department representative who performed the required verifications or filed the relevant information. The date and time of the signature of the credit department representative shall be recorded either mechanically or manually contemporaneously with the transaction. The casino licensee's credit department shall fulfill the requirements of (c) above as follows:

1. Verification of the address of the patron's residence, as required by (c)1 above, shall be satisfied by confirming the patron's address with a credit bureau or bank. If neither of these sources has the patron's address on file or will not provide the information, the licensee may use an alternative source which shall not include any identification credentials required in (b) above or other documentation presented by the patron at the casino. The casino shall record the source of verification and the method by which such verification was performed in the

patron's credit file. Verification of the patron's address may be performed telephonically.

2. Verification of the patron's current casino credit limits and outstanding balances, as required by (c)2 above, shall be performed through a casino credit bureau and, if appropriate, through direct contact with other casinos. The casino licensee shall record the source of verification and the method by which such verification was performed in the patron's credit file. If no casino credit information relating to the patron is available from these sources, this shall be noted in the patron's credit file. The verification may be performed telephonically prior to the credit approval provided the casino licensee requests written documentation of all such information as soon as possible and includes such written documentation in the patron's credit file. All requests for written documentation shall be maintained in the patron's credit file until such documentation is obtained.

3. Verification of the patron's outstanding indebtedness, as required by (c)3 above, shall be performed by contacting a consumer credit bureau which is reasonably likely to possess information concerning the patron, to the extent such consumer credit bureau is available, and a casino credit bureau to determine whether the applicant has any liabilities or if there is any derogatory information concerning the applicant's credit history. Such contact shall be considered a verification of the outstanding indebtedness provided by the patron. If such contact is not immediately possible, the casino licensee may use an alternative source which has made the required contact. The casino licensee shall record the source of verification and the method by which such verification was performed in the patron's credit file. If either one or both of these credit bureaus do not have information relating to a patron's outstanding indebtedness this shall be recorded in the patron's credit file. The verification may be performed telephonically prior to the credit approval provided the casino licensee requests written documentation of all information obtained as soon as possible and includes such written documentation in the patron's credit file. All requests for written documentation shall be maintained in the patron's credit file until such documentation is obtained.

4. Verification of the patron's personal checking account information, as required by (c)4 above, shall be performed by the casino licensee or a bank verification service directly with the patron's bank. A bank verification service utilized by a casino licensee may make use of another bank verification service to make direct communication with the patron's bank. If such information is not immediately available, the casino licensee may use an alternative source. The casino licensee shall record the source of the verification and the method by which each verification was performed in the patron's credit file. The verification may be performed telephonically prior to the credit approval provided the casino licensee or bank verification service requests written documentation of all

information obtained as soon as possible and such written documentation is included in the patron's credit file. All requests for written documentation shall be maintained in the patron's credit file until such documentation is obtained. No bank verification service may be used by a casino licensee or another bank verification service to perform the verifications required by this section unless the bank verification service has filed a completed application for an appropriate casino service industry license under N.J.S.A. 5:12-92 and N.J.A.C. 19:43. If a bank verification service is used as a primary source of verification, either directly by a casino licensee or by another bank verification service, each service and the licensee shall, in addition to complying with any other requirement imposed by this section, record the date that the patron's personal checking account information was obtained from the bank by the service.

(e) Any New Jersey casino licensee requesting information from another New Jersey casino licensee concerning a credit patron shall represent to the requested casino licensee that the patron has a credit line or has applied for credit and shall provide the patron's name, address of the patron's residence and the name and location of the patron's bank. Upon receipt of this information, the requested New Jersey casino licensee shall be required to furnish to the requesting New Jersey casino any information in its possession concerning a patron as required by (c) above.

(f) The credit limit, and any changes thereto, must be approved by any one or more of the individuals holding the job positions of credit manager, assistant credit manager, credit shift manager, credit executive, or a casino key employee in a direct reporting line above the casino manager or a credit committee composed of casino key employees which may approve credit as a group but whose members may not approve credit individually unless such person is included in the job positions referenced above. The approval shall be recorded in the credit file and shall include:

1. Any other information used to support the credit limit and any changes thereto, including the source of the information, if such information is not otherwise recorded pursuant to this section;
2. A brief summary of the key factors relied upon in approving or reducing the requested credit limit and any changes thereto;
3. The reason credit was approved if derogatory information was obtained during the verification process; and
4. The signature of the employee approving the credit limit. The date and time of the signature shall be recorded either mechanically or manually contemporaneously with the transaction.

(g) Prior to approving a credit limit increase, a representative of the casino licensee's credit department shall:

1. Obtain a written request from the patron which shall include:
 - i. Date and time of the patron's request;
 - ii. Amount of credit limit increase requested by the patron; and
 - iii. Signature of the patron.
2. Verify the patron's current casino credit limits and outstanding balances, as required by (c)2ii and (c)2iii above, unless such verification has been performed earlier that same gaming day;
3. Verify the patron's outstanding indebtedness and personal checking account information, as required by (c)3 and (c)4 above, unless such procedures have been performed within the previous six months;
4. Consider the patron's player rating based on a continuing evaluation of the amount and frequency of play subsequent to the patron's initial receipt of credit. The patron's player rating shall be readily available to representatives of the casino licensee's credit department prior to their approving a patron's request for a credit limit increase.
5. For table game play, the information for the patron's player rating shall be recorded on a player rating form by casino department supervisors or put directly into the licensee's computer system pursuant to an approved submission and shall include, but not be limited to, the following:
 - i. Patron's name;
 - ii. Game and table number;
 - iii. Average bet;
 - iv. Approximate length of time played;
 - v. Rating as determined by supervisor or approved computer system;
 - vi. Signature and license number of the casino supervisor responsible for providing the patron's player rating information; and
 - vii. Date of observations.
6. For slot play, the information for the patron's player rating shall be recorded on a player rating form by slot department supervisors, or put directly into the casino licensee's computer system pursuant to an approved submission, or generated by insertion of a card, by a patron, into a card reader attached to a slot machine. Such ratings shall include, but not be limited to, the following:
 - i. The patron's name;
 - ii. A designation indicating it is for slots;
 - iii. The rating as determined by a supervisor or an approved computer system;

iv. The signature and license number of the slot supervisor responsible for providing the patron's player rating information; if manually prepared; and

v. The date of play.

7. Include the information and documentation required by (g)1 through 3 above and the patron's player rating indicated at the time the credit increase is approved in the patron's credit file.

(h) Credit limit increases may be approved without performing the requirements of (g)2 and (g)3 above if the increases are temporary and are noted as being for this trip only (TTO) in the credit file. Temporary increases shall be limited to two during any thirty day period and the total amount of the temporary increases during that period shall not exceed ten percent of the currently approved credit limit.

(i) The casino licensee's credit department shall:

1. Comply with the requirements of either 2 or 3 below whenever:

i. A patron's credit file has been inactive for a six month period; or

ii. A patron has failed to completely pay off his credit balance at least once within a six month period; or

iii. A check is returned to any casino by a patron's bank; or

iv. Any information is received by a casino licensee's credit department which reflects negatively on the patron's continued creditworthiness; or

v. The information in the patron's credit file, as required by (c)1 through (c)4 above, has not been verified for a 12-month period.

2. Reverify the patron's address, current casino credit limits, outstanding balances, outstanding indebtedness, and personal checking account information, as required by (c)1 through (c)4 above.

3. Suspend the patron's credit privileges. If a patron's credit privileges have been suspended, the procedures required by (c)1 through (c)4 above shall be performed before that patron's credit privileges are reinstated; provided, however, if the suspension is the result of the requirement of 1.iii. above, the casino licensee may alternatively reinstate the patron's credit privileges by complying with the requirements of (j) below.

4. Verify the information required by (a)2 and (a)6 above, in accordance with the procedures in (d) above, whenever the casino licensee has reason to believe that this information has changed.

(j) Any patron having a check returned to any casino unpaid by the patron's bank shall have his credit privileges suspended at all New Jersey casino licensees until such time as the returned check has been paid in full or the reason for the derogatory information has been satisfactorily explained. All derogatory information concerning a patron's credit account shall be reported by each casino licensee on a daily basis to a casino credit bureau used by New Jersey casino licensees. Each New Jersey casino licensee shall request written documentation of any derogatory information pertaining to its patrons to be reported to that casino licensee on a daily basis by a casino credit bureau used by New Jersey casino licensees. All documentation obtained from the casino credit bureau shall be maintained in the patron's credit file. Any casino licensee desiring to continue the patron's credit privileges on the basis of a satisfactory explanation having been obtained for the returned check may do so if the licensee records the explanation for its decision in the credit file before accepting any further checks from the patron along with the signature of the credit department representative accepting the explanation.

(k) All transactions affecting a patron's outstanding indebtedness to the casino licensee shall be recorded in chronological order in the patron's credit file and credit transactions shall be segregated from the safekeeping deposit transactions. The following information shall be included:

1. The date, amount and check number of each Counter Check or Slot Counter Check initially accepted from the patron;

2. The date, amount and check number of each consolidation check and the check numbers of the checks returned to the patron;

3. The date, method, amount and check number of each redemption transaction and the check number of the redeemed check returned to the patron;

4. The date, amount and check number of each substitution transaction and the check number of the check returned to the patron;

5. The date, amount and check number of each check deposited;

6. The date, amount and check number of each check returned to the casino licensee by the patron's bank and the reason for its return;

7. The outstanding balance after each transaction; and

8. The date, amount and check number of any checks which have been partially or completely written off by the casino licensee and a brief explanation of the reason for such write off.

(l) A log of all Counter Checks and Slot Counter Checks exchanged and of all checks received for redemption, consolidation or substitution shall be prepared, manually or by computer, on a daily basis, by check cashiers and such log shall include, at a minimum, the following:

1. The balance of the checks on hand in the cashier's cage at the beginning of each shift;

2. For checks initially accepted and for checks received for consolidation, redemption or substitution;

i. The date of the check;

ii. The name of the drawer of the check;

iii. The amount of the check;

iv. The Counter Check or Slot Counter Check serial number(s) for Counter Check(s) and Slot Counter Check(s) received; and

v. An indication as to whether the check was initially accepted or received in a redemption, consolidation or substitution.

3. For checks deposited, redeemed by patrons for cash, cash equivalents, complimentary cash gifts, gaming chips and plaques, or any combination thereof, consolidated or replaced:

i. The date on which the check was deposited, redeemed, consolidated or replaced;

ii. The name of the drawer of the check;

iii. The amount of the check;

iv. The Counter Check and Slot Counter Check serial number(s) for Counter Check(s) and Slot Counter Check(s) deposited, redeemed, consolidated or replaced; and

v. An indication as to whether the check was deposited, redeemed, consolidated or replaced.

4. The balance of the checks on hand in the cashiers' cage at the end of each shift.

(m) A list of all Counter Checks and Slot Counter Checks on hand, and of all checks received for redemption, consolidation or substitution shall be prepared, manually or by computer, on a monthly basis, at a minimum, and shall include the following:

1. The date of the check;

2. The name of the drawer of the check;

3. The amount of the check; and

4. The Counter Check and Slot Counter Check serial number(s) for Counter Check(s) and Slot Counter Checks received.

(n) At the end of each gaming day, at a minimum, the following procedures shall be performed:

1. The daily total of the amounts of checks initially recorded as described in (l) 2 above shall be agreed to the daily total of Counter Checks and Slot Counter Checks issued;

2. The daily total of the checks indicated as deposited on the log required by (l) 3 above shall be agreed by employees with no incompatible functions to the bank deposit slips corresponding to such check; and

3. The balance required by (l) 4 above shall be agreed to the total of the checks on hand in the cashiers' cage.

(o) All information recorded in the credit file shall be in accordance with the licensee's system of internal accounting control submitted to the Commission.

Amended by R.1981 d.437, eff. November 16, 1981.

See: 13 N.J.R. 534(b), 13 N.J.R. 848(b).

(d)7 added.

Renumbered 7-14 as 8-15 without change in text.

New Rule, R.1985 d.229, effective May 20, 1985 (operative December 1, 1985).

See: 17 N.J.R. 181(a), 17 N.J.R. 1327(a).

Old section "Procedure for recording checks exchanged, redeemed or consolidated" has been repealed and this new rule adopted.

Correction: (a)8—"and the amount of the credit limit and outstanding balance" was not deleted in adoption.

See: 17 N.J.R. 1673(c).

Amended by R.1985 d.493, effective October 7, 1985 (operative December 1, 1985).

See: 17 N.J.R. 1254(a), 17 N.J.R. 2456(a).

New subsection (i); (k)8; and (p).

Extension of operative date: Operative date for R.1985 d.229 and d.493 has been extended to March 1, 1986.

See: 17 N.J.R. 2914(c).

Petition for rulemaking: Petitioner filed request for amendments to section.

See: 18 N.J.R. 114(b).

Amended by R.1986 d.36, effective February 18, 1986 (operative March 1, 1986).

See: 17 N.J.R. 2970(a), 18 N.J.R. 428(b).

(p) substantially amended.

Amended by R.1986 d.365, effective September 8, 1986.

See: 18 N.J.R. 935(b), 18 N.J.R. 1839(b).

Substantially amended (d).

Amended by R.1990 d.362, effective August 6, 1990.

See: 22 N.J.R. 162(a), 22 N.J.R. 2342(d).

In (d)4, added bank verification service may use another verification service to communicate with patron's bank.

Amended by R.1991 d.229, effective May 6, 1991.

See: 22 N.J.R. 3205(a), 23 N.J.R. 1455(a).

In (g), revised text to add new paragraph 5, beginning with "For table game play . . ."; Added new paragraph 6 and recodified existing 5 and new 7. Added reference to "Slot Counter Checks" throughout section.

Amended by R.1992 d.110, effective March 2, 1992.

See: 23 N.J.R. 3243(a), 24 N.J.R. 858(c).

In (n): stylistic revisions.

Amended by R.1992 d.153, effective April 6, 1992.

See: 23 N.J.R. 3434(b), 24 N.J.R. 1377(a).

Added new (c)5 regarding patron's name verification.

Amended by R.1992 d.157, effective April 6, 1992.

See: 24 N.J.R. 178(a), 24 N.J.R. 1378(a).

Added new subparagraph (i)4. Deleted subsection (p), because of expiration of 1986 phase-in period.

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

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

"Casino licensee" substituted for "casino" and "licensee."

Amended by R.1994 d.222, effective May 2, 1994.

See: 26 N.J.R. 912(a), 26 N.J.R. 1852(b).

Amended by R.1994 d.471, effective September 19, 1994.

See: 26 N.J.R. 2212(a), 26 N.J.R. 3891(c).

Case Notes

Commission did not violate procedural due process when it considered regulations not cited in complaint. *Adamar of New Jersey, Inc. v. State, Dept. of Law and Public Safety, Div. of Gaming Enforcement*, 250 N.J.Super. 275, 593 A.2d 1237 (A.D.1991).

Extending credit to patron in substantial debt to casino and to other casinos violated regulations. *Adamar of New Jersey, Inc. v. State, Dept. of Law and Public Safety, Div. of Gaming Enforcement*, 250 N.J.Super. 275, 593 A.2d 1237 (A.D.1991).

Casino operator violated regulation by failing to explain in patron's credit file why credit was extended despite receipt of derogatory information. *Adamar of New Jersey, Inc. v. State, Dept. of Law and Public Safety, Div. of Gaming Enforcement*, 250 N.J.Super. 275, 593 A.2d 1237 (A.D.1991).

Casino operator violated regulation by sending debt collection statements directly to its vice-president instead of to patron and failing to report immediately checks returned for insufficient funds. *Adamar of New Jersey, Inc. v. State, Dept. of Law and Public Safety, Div. of Gaming Enforcement*, 250 N.J.Super. 275, 593 A.2d 1237 (A.D.1991).

Casino operator violated regulations by reinstating patron's credit despite derogatory information. *Adamar of New Jersey, Inc. v. State, Dept. of Law and Public Safety, Div. of Gaming Enforcement*, 250 N.J.Super. 275, 593 A.2d 1237 (A.D.1991).

Casino Control Act does not confer private cause of action in favor of losing players. *Miller v. Zoby*, 250 N.J.Super. 568, 595 A.2d 1104 (A.D.1991).

Former regulation contained no bar to extension of personal credit line by casino against a corporate account; no evidence of casino bad faith through regulatory violation as regulation in effect at time of transaction not violated. *Schaps v. Bally's Park Place, Inc.*, 58 B.R. 581 (E.D.Pa.1986).

19:45-1.27A Patron request for suspension of credit privileges

(a) Any person may voluntarily suspend his or her credit privileges at all licensed casinos by submitting a written request to the Commission in accordance with this section.

1. Such request may be submitted in person at the offices of the Casino Control Commission, Employee License Information Unit, Arcade Building, 2nd Floor, Tennessee Avenue and the Boardwalk, Atlantic City, New Jersey, or at the Commission inspector's booth at any licensed casino. Any person requesting suspension of credit privileges in person shall present valid identification credentials containing the person's signature and either a photograph or a general description of that person.

2. Such request may also be submitted by mail addressed to the Director of the Compliance Division, Casino Control Commission, Arcade Building, Tennessee Avenue and the Boardwalk, Atlantic City, New Jersey 08401. Any request for suspension of credit privileges which is submitted by mail shall be signed before a notary public or other person empowered by law to take oaths and shall contain a certificate of acknowledgement by such notary public or other person attesting to the identity of the person making the request.

(b) A request for suspension of credit privileges shall be in a form prescribed by the Commission, which shall include the following:

1. The name of the person requesting suspension of credit privileges;
2. The address of the person's residence;
3. The person's date of birth;
4. The name of each licensed casino where the person currently has an approved line of credit;
5. The signature of the person requesting suspension of credit privileges, indicating acknowledgment of the following statement: "I certify that the information which I have provided above is true and accurate. I am aware that my signature below authorizes the Casino Control Commission to direct all New Jersey casino licensees to suspend my credit privileges for a minimum period of 30 days from the date of this request and indefinitely thereafter, until such time as I submit a written request to the Commission for the reinstatement of any such credit privileges";
6. If the request for suspension of credit privileges is made in person:

- i. The type of identification credentials examined containing the person's signature, and whether said credentials included a photograph or general description of the person; and
- ii. The signature of a Commission employee authorized to accept such request, indicating that the signature of the person requesting suspension of credit privileges appears to agree with that contained on his or her identification credentials and that any physical description or photograph of the person appears to agree with his or her actual appearance; and

7. If the request for suspension of credit privileges is made by mail, a certificate of acknowledgement executed by a notary public or other person empowered by law to take oaths attesting to the identity of the person who is making the request for suspension of credit privileges.

(c) The Commission shall maintain an updated master list of all persons who have requested suspension of credit privileges pursuant to this section, and shall notify the credit department of each casino licensee in writing of any additions to or deletions from the list. The casino licensee shall date and time stamp any such notice immediately upon receipt.

1. Each casino licensee shall suspend the credit privileges of any listed person, effective immediately upon receipt of notice that such person's name has been added to the list.
2. An updated master list of persons who have requested suspension of credit privileges shall be maintained by the credit department of each licensed casino.

3. Each casino licensee shall note any suspension or reinstatement of credit privileges pursuant to this section in any existing credit file for the affected patron, including the following:

i. A copy of any applicable Commission notice of the suspension or reinstatement of credit privileges; and

ii. The date, time and signature of the credit department representative making the suspension or reinstatement entry in the credit file.

(d) Any person whose credit privileges have been suspended pursuant to this section may, no sooner than 30 days after the request for suspension of credit privileges, request reinstatement of his or her credit privileges by submitting a written request to the Commission in accordance with the procedures specified in (a)1 and 2 above.

1. Such request shall be in a form prescribed by the Commission, which shall include the following:

i. The information specified in (b)1, 2, 3, 4, 6 and 7 above; and

ii. The signature of the person requesting reinstatement of credit privileges, indicating acknowledgment of the following statement: "I certify that the information which I have provided above is true and accurate. I am aware that my signature below constitutes a revocation of my previous request for suspension of credit privileges, and authorizes the Casino Control Commission to permit any New Jersey casino licensee to reinstate my credit privileges."

2. The Commission shall delete such person's name from the list established pursuant to (c) above, and so notify the credit department of each casino licensee, no later than three days from submission of the written request for reinstatement of credit privileges. The casino licensee shall date and time stamp any such notice immediately upon receipt.

3. Upon receipt of notice that such person's name has been deleted from the list, a casino licensee may reinstate such person's credit upon reverification of the information required by N.J.A.C. 19:45-1.27(c), or may extend credit to such person in accordance with the procedures set forth in N.J.A.C. 19:45-1.27.

(e) Information furnished to or obtained by the Commission pursuant to this section shall be deemed confidential, and shall not be disclosed except in accordance with this section and N.J.A.C. 19:40-4. No casino licensee shall divulge that any person's name is designated on the master list maintained pursuant to subsection 101(j) of the Act and this section, other than to authorized credit department employees or other casino personnel whose duties and functions require access to such information.

1. If, in the ordinary course of business, a casino licensee is requested to provide information regarding the status of the patron's credit account, the casino licensee shall not disclose any information other than to identify the credit account as voluntarily suspended.

New Rule, R.1992 d.153, effective April 6, 1992.

See: 23 N.J.R. 3434(b), 24 N.J.R. 1377(a).

Amended by R.1995 d.232, effective May 1, 1995.

See: 27 N.J.R. 655(a), 27 N.J.R. 1816(a).

19:45-1.28 Procedure for depositing checks received from gaming patrons

(a) All checks, unless redeemed or consolidated prior to the time requirements herein, received from gaming patrons in conformity with N.J.A.C. 19:45-1.25 shall be deposited in the casino licensee's bank account in accordance with the casino licensee's normal business practice, and such practice must be submitted in writing to both the Commission and Division, but in no event later than:

1. The banking day after the date of the check for a non-gaming check;

2. Seven calendar days after the date of the check for a check in an amount of \$1,000 or less;

3. Fourteen calendar days after the date of the check for a check in an amount greater than \$1,000 but less than or equal to \$5,000; or

4. Forty-five calendar days after the date of the check for a check in an amount greater than \$5,000.

(b) All checks received for consolidation in conformity with N.J.A.C. 19:45-1.26 shall be deposited in the casino licensee's bank account within:

1. Seven calendar days after the date of the initial check for a consolidating check where the consolidating check is in an amount of \$1,000 or less;

2. Fourteen calendar days after the date of the initial check for a consolidating check where the consolidating check is in an amount greater than \$1,000 but less than or equal to \$5,000; or

3. Forty-five calendar days after the date of the initial check for a consolidating check where the consolidating check is in an amount greater than \$5,000.

(c) All checks received as part of a redemption in conformity with N.J.A.C. 19:45-1.26 shall be deposited in the casino licensee's bank account within:

1. Seven calendar days after the date of the initial check if the initial check is in an amount of \$1,000 or less;

2. Fourteen calendar days after the date of the initial check if the initial check is in an amount greater than \$1,000 but less than or equal to \$5,000; or

3. Forty-five calendar days after the date of the initial check if the initial check accepted is in an amount greater than \$5,000.

(d) In computing a time period prescribed by this section, the last day of the period shall be included unless it is a Saturday, Sunday, or a State or Federal holiday, in which event the time period shall run until the next business day.

(e) In the event of a series of consolidation or redemption transactions with a patron, the initial check shall be the earliest dated check returned to the patron in the first of the series of consolidation or redemption transactions.

(f) Any check deposited into a bank will not be considered clear until a reasonable time has been allowed for such check to clear the bank. The licensee must submit to the Commission and Division the time allotted for checks to clear the bank.

Amended by R.1989 d.434, effective August 21, 1989.

See: 21 N.J.R. 1288(a), 21 N.J.R. 2530(b).

In all sections: reduced deposit times for unredeemed counterchecks and changed deposit times from "banking days" to "calendar days."

In (a)2-4, (b)1-3 and (c)1-3 changed amounts in following manner:

Changed amount from "less than \$1,000" to "\$1,000 to less;"

Changed "of at least \$1,000" to "greater than \$1,000," and deleted "\$2,500" and replaced with "equal to \$5,000;"

Changed "Ninety banking days" to "Forty-five calendar days" and changed "of \$2,500 or more" to "greater than \$5,000."

Added new (d) and recodified (d) and (e) as (e) and (f).

Case Notes

Check not deposited within seven banking days from date of transaction. Resorts Intern. Hotel, Inc. v. Salomone, 178 N.J.Super. 598, 429 A.2d 1078, (App.Div., 1981).

19:45-1.29 Procedure for collecting and recording checks returned to the casino after deposit

(a) All dishonored checks returned by a bank ("returned checks") after deposit shall be returned directly to, and controlled by, accounting department employees and shall have no incompatible functions.

(b) No person other than one licensed in a separate collection section within the accounting department as a casino key employee or as a casino employee, and one who has no incompatible functions may engage in efforts to collect returned checks except that an attorney-at-law representing a casino licensee may bring action for such collection. Any verbal or written communication with patrons regarding collection efforts shall be documented in the collection section.

(c) Continuous records of all returned checks shall be maintained by accounting department employees with no incompatible functions. Such records shall include, at a minimum, the following:

1. The date of the check;
2. The name and address of the drawer of the check;
3. The amount of the check;

4. The date(s) the check was dishonored;

5. The Counter Check or Slot Counter Check serial number for Counter Checks or Slot Counter Checks; and

6. The date(s) and amount(s) of any collections received on the check after being returned by a bank, including the date(s) and amount(s) of any complimentary cash gifts applied as payment on the check after being returned by a bank.

(d) A check dishonored by a bank may be immediately redeposited if there is sufficient reason to believe the check will be honored the second time.

(e) Statements shall be sent to patrons, by accounting department employees with no incompatible functions, immediately upon initial receipt of a returned check or immediately upon receipt of a check returned for a second time if the check was immediately redeposited pursuant to (d) above, and on a quarterly basis thereafter until collection efforts are discontinued and such statements shall include, but not be limited to, the following:

1. The name and address of the drawer;
2. The date of the check;
3. The amount of the check; and
4. The date(s) and amount(s) of any collections received on the check after being returned by the bank.

(f) Patrons to whom statements are sent shall be advised of a return address and department to which replies shall be sent.

(g) Employees with no incompatible functions shall receive directly and shall initially record all collections.

(h) Copies of statements and other documents supporting collection efforts shall be maintained and controlled by accounting department employees.

(i) A record of all collection efforts shall be recorded and maintained by the collection area within the accounting department.

(j) After reasonable collection efforts, returned checks may be considered uncollectible for accounting purposes and charged to the casino licensee's allowance for uncollectible patron's checks. A check which is unenforceable pursuant to section 101 of the Act shall not be charged to the allowance account for the purpose of computing the maximum provision allowed pursuant to section 24 of the Act. Any patron's indebtedness, in excess of \$1,000, may only be considered uncollectible for accounting purposes and charged to the allowance for uncollectible patron's checks account after the following information has been included in the patron's credit file:

1. Documentation by two or more of the casino licensee's collection department employees evidencing independent efforts to collect the patron's outstanding check(s) and the reason why such collection efforts were unsuccessful; and/or

2. A letter from an attorney representing the casino documenting the efforts to collect the patron's outstanding checks and the reasons why such collection efforts were unsuccessful or were not pursued further.

(k) Listings of uncollectible checks shall be approved in writing by, at a minimum, the chief executive officer, a casino key employee approved by the Commission and the controller. All such uncollectible checks and listings shall be maintained and controlled by accounting department employees. A continuous trial balance of all uncollectible checks shall be maintained by employees of the accounting department. The continuous trial balance shall be adjusted for any subsequent collections.

Amended by R.1981 d.437, eff. November 16, 1981.

See: 13 N.J.R. 534(b), 13 N.J.R. 848(b).

(b): added "in a separate ... department," and "any verbal ... section."

(i): added.

Renumbered (i) as (j) without change in text.

Amended by R.1984 d.624, effective January 21, 1985.

See: 16 N.J.R. 2076(a), 17 N.J.R. 212(a).

(j) substantially amended; (k) added.

Petition for Rulemaking: Procedure for collecting and recording checks returned to the casino after deposit.

See: 19 N.J.R. 664(b).

Amended by R.1991 d.229, effective May 6, 1991.

See: 22 N.J.R. 3205(a), 23 N.J.R. 1455(a).

In (c)5: added "Slot Counter Check" to text.

Amended by R.1994 d.65, effective February 7, 1994.

See: 25 N.J.R. 5114(a), 26 N.J.R. 826(a).

Amended by R.1994 d.471, effective September 19, 1994.

See: 26 N.J.R. 2212(a), 26 N.J.R. 3891(c).

Case Notes

Commission did not violate procedural due process when it considered regulations not cited in complaint. *Adamar of New Jersey, Inc. v. State, Dept. of Law and Public Safety, Div. of Gaming Enforcement*, 250 N.J.Super. 275, 593 A.2d 1237 (A.D.1991).

Extending credit to patron in substantial debt to casino and to other casinos violated regulations. *Adamar of New Jersey, Inc. v. State, Dept. of Law and Public Safety, Div. of Gaming Enforcement*, 250 N.J.Super. 275, 593 A.2d 1237 (A.D.1991).

Casino operator violated regulation by sending debt collection statements directly to its vice-president instead of to patron and failing to report immediately patron's checks returned for insufficient funds. *Adamar of New Jersey, Inc. v. State, Dept. of Law and Public Safety, Div. of Gaming Enforcement*, 250 N.J.Super. 275, 593 A.2d 1237 (A.D.1991).

19:45-1.30 Procedure for shift changes at gaming tables

(a) Whenever gaming tables are to remain open for gaming activity at the conclusion of a shift, the gaming chips, coins and plaques remaining at the gaming tables at the time of the shift change shall be counted by either the dealer or boxman assigned to the outgoing shift and the dealer or boxman assigned to the incoming shift or the dealer or boxman assigned to the gaming table at the time of a drop box shift change which does not necessarily coincide with an employee shift change. The count shall be observed by the casino supervisor assigned to the gaming table of the outgoing shift or the casino supervisor assigned to the table game at the time of the drop box shift change.

(b) The gaming chips, coins and plaques counted shall be recorded on Table Inventory Slips by the casino supervisor assigned to the gaming table of the outgoing shift or the casino supervisor assigned to the gaming table at the time of a drop box shift change.

(c) Table Inventory Slips shall be two-part forms, at a minimum, and on the original of the slip ("Closer") and the duplicate of the slip ("Opener"), the casino supervisor shall record the following:

1. The date and identification of the shift ended;
2. The game and table number;
3. The total value of each denomination of gaming chips, coins and plaques remaining at the gaming table; and
4. The total value of all denominations of gaming chips, coins and plaques remaining at the gaming table.

(d) Signature attesting to the accuracy of the information recorded on the Table Inventory Slips shall be of either the dealer or boxman and the casino supervisor assigned to the incoming and the outgoing shifts of the dealer or boxman and the casino supervisor assigned to the gaming tables at the time of a drop box shift change.

(e) Upon meeting the signature requirements as described in (d) above, the Closer shall be deposited in the drop box that is attached to the gaming table immediately prior to the change of shift and the Opener shall be deposited in drop box that is attached to the gaming table immediately following the change of shift.

19:45-1.31 Procedure for closing gaming tables

(a) Whenever gaming activity at a gaming table is concluded, the gaming chips, coins and plaques remaining at the gaming table shall be counted by the dealer or boxman assigned to the gaming table and observed by a casino supervisor assigned to the gaming table.

(b) The gaming chips, coins and plaques counted shall be recorded on a Table Inventory Slip by the casino supervisor assigned to the gaming table.

(c) The Table Inventory Slips shall be two-part forms, at a minimum, and on the original copy of the slip ("Closer") and the duplicate of the slip ("Opener"), the casino supervisor shall record the following:

1. The date and identification of the shift ended;
2. The game and table number;
3. The total value of each denomination of gaming chips, coins and plaques remaining at the gaming table; and
4. The total value of all denominations of gaming chips, coins and plaques remaining at the gaming table.

(d) Signatures attesting to the accuracy of the information recorded on the Table Inventory Slips at the time of closing gaming table shall be of the dealer or boxman and the casino supervisor assigned to the gaming table who observed the dealer or boxman count the contents of the Table Inventory.

(e) Upon meeting the signature requirements described in (d) above, the Closer shall be deposited in the drop box attached to the gaming table immediately prior to the closing of the table.

(f) Upon meeting the signature requirements described in (d) above, the Opener and the gaming chips and plaques remaining at the table shall be placed in the container specified in N.J.A.C. 19:45-1.20, after which the container shall be locked and either transported directly to the cashiers' cage by a security department member or secured to the gaming table provided that there is adequate security, as approved by the Commission. If the locked containers are transported to the cashiers' cage, a cage cashier shall determine that all locked containers have been returned, or if the locked containers are secured to the gaming table, a casino representative shall account for all the locked containers.

Amended by R.1981 d.437, effective November 16, 1981.

See: 13 N.J.R. 534(b), 13 N.J.R. 848(b).

(f): "commission" was "chairman".

Amended by R.1992 d.110, effective March 2, 1992.

See: 23 N.J.R. 3243(a), 24 N.J.R. 858(c).

In (a): stylistic revisions; In (f): recodified subsection (g) as part of subsection (f), deleting phrase "At the end of each gaming day ...".

19:45-1.32 Count room; characteristics

(a) Except as provided in (d) below, each casino licensee shall have immediately adjacent to the cashier's cage a room, to be known as the "count room," specifically designated, designed and used for counting the contents of drop boxes, slot cash storage boxes, slot drop buckets and slot drop boxes.

(b) The count room shall be designed and constructed to provide maximum security for the materials housed therein and for the activities conducted therein. Each casino licensee shall design and construct a count room with, at a minimum, the following security measures:

1. A metal door installed on each entrance and exit;
2. Each entrance and exit door shall be equipped with:
 - i. Two separate locks;
 - ii. An alarm device, approved by the Commission, which audibly signals the monitoring rooms required by N.J.A.C. 19:45-1.10, the casino security department and the Division's office in the approved hotel whenever a door to the count room is opened at times other than those times for which the casino licensee has provided prior notice pursuant to N.J.A.C. 19:45-1.33(b) or 1.43(b); and

iii. A light system, approved by the Commission, which illuminates one or more lights in the monitoring rooms required by N.J.A.C. 19:45-1.10, in the Division's office in the approved hotel, at each count room door, and at such other locations as the Commission may require, for purposes of maintaining constant surveillance on whether each count room door is open or closed;

3. Each lock required by (b)2i above shall be controlled by a key which is different from:

- i. The key to the other lock on that door;
- ii. The keys to the locks securing the contents of each drop box, slot cash storage box, and slot drop box; and
- iii. The keys to the locks of each slot drop bucket compartment;

4. The key to one of the locks required by (b)2i above shall be maintained and controlled by the casino security department in a secure area within the casino security department, access to which may be gained only by a security supervisor, and the key to the other lock shall be maintained and controlled by a Commission inspector; and

5. The casino security department shall establish a sign-out procedure for all keys removed from the security department.

(c) Located within the count room shall be:

1. A table constructed of clear glass or similar material for the emptying, counting, and recording of the contents of drop boxes and slot cash storage boxes which shall be known as the "count table";

2. Closed circuit television cameras and microphone wired to monitoring rooms capable of, but not limited to, the following:

- i. Effective and detailed audio-video monitoring of the entire count process;
- ii. Effective, detailed video-monitoring of the interior of the count room, including storage cabinets or trolleys used to store drop boxes and slot cash storage boxes; and
- iii. Audio-video taping of the entire count process and any other activities in the count room.

(d) Each casino licensee may count the contents of slot drop buckets and slot drop boxes in a different room, to be known as the "hard count room," from that used for counting the contents of drop boxes and slot cash storage boxes, in which event the latter room shall be known as the "soft count room." In all other respects the hard count room shall comply with the requirements of this section, except that the hard count room need not contain the audio equipment required by (c)2i and (c)2iii above. In addition,

the hard count room shall contain a fixed-door type or hand-held metal detector to inspect all persons exiting the hard count room.

(e) In addition to the light system required by (b)2iii above, each hard count room shall contain a separate light system or other device approved by the Commission which shall provide a continuous visual signal at the count room door, the Commission booth and such other locations as the Commission may require whenever any access door to the count room is open while the system is activated. The light system or device shall:

1. Maintain the visual signal until the system is reset or deactivated; and
2. Be designed so as to permit its activation, deactivation or resetting only by the Commission.

Petition for Rulemaking: Slot machine bill changer system.

See: 19 N.J.R. 1110(a).

Amended by R.1987 d.277, effective July 6, 1987 (operative November 1, 1987).

See: 18 N.J.R. 1929(a), 19 N.J.R. 1237(a), 19 N.J.R. 1656(a).

Added text in (d) "In addition, the . . . the count room." Correction deferred operative date from September 1, 1987 to November 1, 1987. 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 April 11, 1988 (expires July 10, 1988).

See: 20 N.J.R. 769(a).

Amended by R.1988 d.387, effective August 15, 1988.

See: 20 N.J.R. 765(a), 20 N.J.R. 769(a), 20 N.J.R. 2090(a).

Added slot cash storage boxes.

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

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

"Casino" changed to "casino licensee."

Amended by R.1993 d.318, effective July 6, 1993 (operative October 15, 1993).

See: 25 N.J.R. 1503(b), 25 N.J.R. 2908(a).

Amended by R.1993 d.493, effective October 4, 1993.

See: 25 N.J.R. 2855(a), 25 N.J.R. 4622(a).

Amended by R.1994 d.265, effective June 6, 1994.

See: 25 N.J.R. 5893(a), 26 N.J.R. 2463(a).

19:45-1.33 Procedure for opening, counting and recording contents of drop boxes and slot cash storage boxes

(a) The contents of the drop boxes and slot cash storage boxes shall be counted and recorded in the count room in conformity with this section.

(b) Each casino licensee shall place on file with the Commission and the Division the specific times during which the contents of drop boxes removed from gaming tables and contents of slot cash storage boxes are to be counted and recorded, which, at a minimum, shall be once each gaming day for drop boxes. Slot cash storage boxes shall be removed from bill changers in accordance with N.J.A.C. 19:45-1.42(a) and shall be counted and recorded, at a minimum, once a week.

(c) The opening, counting and recording of the contents of drop boxes and slot cash storage boxes shall be performed in the presence of a Commission inspector by at least three employees with no incompatible functions ("count team"). To gain entrance to the count room, the Commission inspector shall present an official identification card containing his or her photograph issued by the Commission.

(d) All persons present in the count room during the counting process, except representatives of the Commission and the Division, shall wear as outer garments, only a full-length, one-piece pocketless garment with openings only for the arms, feet, and neck.

(e) No person shall:

1. Carry a pocketbook or other container unless it is transparent; or

2. Remove his hands from or return them to a position on or above the count table unless the backs and palms of his hands are first held straight out and exposed to the view of other members of the count team and the closed circuit television camera.

(f) Immediately prior to opening the drop boxes or slot cash storage boxes, the doors to the count room shall be securely locked and, except as required by (i)1 below, no person shall be permitted to enter or leave the count room, except during normal work break or in an emergency, until the entire counting, recording, and verification process is completed. During a work break or in the event of an emergency, or to permit slot cash storage boxes to be secured in the count room for the count of the contents, the counting and recording process shall be discontinued unless the appropriate number of personnel as described in (c) above is present.

(g) Immediately prior to the commencement of the count, one count team member shall notify the person assigned to the closed circuit television monitoring station in the establishment that the count is about to begin, after which such person shall make an audio-video recording, with the time and date inserted thereon, of the entire counting process which shall be retained by the surveillance department for at least five days from the date of recording unless otherwise directed by the Commission or the Division.

(h) Procedures and requirements for conducting the count shall be as follows:

1. As each drop box or slot cash storage box is placed on the count table, one count team member shall verbalize, in a tone of voice to be heard by all persons present and to be recorded by the audio recording device, the game, table number, and shift marked thereon for drop boxes, or the asset or unique identification number marked thereon for slot cash storage boxes;

2. In full view of the closed circuit television cameras located in the count room, the contents of each drop box or slot cash storage box shall be emptied on the count table and either manually counted separately on the count table or counted on a currency or coupon counting machine which has been approved by the Commission and is located in a conspicuous location on, near or adjacent to the count table;

3. Immediately after the contents of a drop box or slot cash storage box are emptied onto the count table, the inside of the drop box or slot cash storage box shall be held up to the full view of a closed circuit television camera and shall be shown to at least one other count team member and the Commission inspector to assure all contents of the drop box or slot cash storage box have been removed, after which the drop box or slot cash storage box shall be locked and placed in the storage area for drop boxes or slot cash storage boxes;

4. The contents of each drop box or slot cash storage box shall be segregated by a count team member into separate stacks on the count table by each denomination of coin, currency and coupon, and by type of form, record or document, except that the Commission may permit the utilization of a machine to sort currency or coupons automatically by denomination;

5. Each denomination of coin, currency and coupon shall be counted separately by one count team member who shall place individual bills, coins and coupons of the same denomination on the count table in full view of a closed circuit television camera, after which the coin, currency and coupons shall be counted by a second count team member who is unaware of the result of the original count and who, after completing this count, shall confirm the accuracy of the total, either verbally or in writing, with that reached by the first count team member, except that the Commission may permit a casino licensee to perform aggregate counts by denomination of all currency and coupons collected in substitution of the second count by drop box or slot cash storage box, if the Commission is satisfied that the original counts are being performed automatically by a machine that counts and automatically records the amount of currency or coupons, and that the accuracy of the machine has been suitably tested and proven. The Commission will permit the utilization of currency and coupon counting machines if prior to the start of the count, in the presence of a Commission inspector, the count room supervisor shall:

i. Verify that the counting machine has a zero balance on its terminal unit display panel and has a receipt printed which denotes "-0- cash or coupons on hand" and "-0- notes or coupons in machine," or some other means to indicate that the machine has been cleared of all currency and coupons.

ii. Visually check the counting machine to be sure there are no bills or coupons remaining in the various compartments of the machine.

iii. Supervise a count team member who shall randomly select a drop box or slot cash storage box and place the entire contents of the drop box or slot cash storage box into the first counting machine, which shall count the currency or coupons by denomination and produce a print out of the total amount of currency or coupons by denomination. Any soiled or off-sorted bills or coupons shall be re-fed into the machine and manual adjustments made to the total. Coins or tokens shall also cause manual adjustments to be made to the total. The total as recorded on the counting machine and any adjustments thereto shall not be shown to anyone until completion of the final verification process.

iv. Supervise a second count team member, independent of the team member performing the initial count by machine, who shall manually count and summarize the currency and coupons of the drop box or slot cash storage box counted in (h)5iii above. The total shall be posted and maintained separately from the total posted in (h)5iii above. This total shall not be shown to anyone until completion of the final verification process.

v. Supervise the second count team member passing the currency or coupons to a count team member, who is unaware of the results of the manual count. The count team member shall count the contents of the drop box slot cash storage box counted in (h)5iii above using a second counting machine. Such machine shall produce a printout of the total amount of currency or coupons contained in the drop box or slot cash storage box. Any soiled or off-sorted bills or coupons shall be re-fed into the machine and manual adjustments made to the total. Coins or tokens shall also cause manual adjustments to be made to the total. The total as recorded on the counting machine and any adjustments thereto shall not be shown to anyone until completion of the final verification process.

vi. Following the completion of the test procedures, compare the totals from the test receipts of both counting machines, as computed in (h)5iii and (h)5v, to the manual total computed in (h)5iv. If the three totals compared above are in agreement, the count room supervisor will sign and date the test receipts and forward them to the Accounting Department at the end of the count process.

vii. If the three totals do not agree, appropriate repairs shall be made to the counting machine and the procedures in (h)5i through (h)5vi shall be repeated until all totals are in agreement. The Commission shall not permit the counting machine to be used until these totals are in agreement.

6. Any coupon deposited in a drop box or a slot cash storage box shall be counted and included as gross revenue pursuant to N.J.S.A. 5:12-24, without regard to the validity of the coupon.

7. Any coupon which has not already been cancelled upon acceptance or during the count shall be cancelled prior to the conclusion of the count, in a manner approved by the Commission.

8. As the contents of each drop box are counted, one count team member shall record on a Master Game Report or supporting documents, by game, table number, and shift, the following information:

- i. The amount of each denomination of currency counted;
- ii. The amount of all denominations of currency counted;
- iii. The amount of coin counted;
- iv. The total amount of currency and coin counted;
- v. The total amount of each denomination of coupon;
- vi. The total amount of all denominations of coupons;
- vii. The amount of the Opener;
- viii. The amount of the Closer;
- ix. The serial number and amount of each Counter Check;
- x. The amount of all Counter Checks counted;
- xi. The serial number and amount of each Fill;
- xii. The amount of all Fills;
- xiii. The serial number and amount of each Credit;
- xiv. The amount of all Credits; and
- xv. The table game win or loss or, for poker, the poker revenue.

9. After the contents of each drop box are counted and recorded, one member of the count team shall record by game and shift on the Master Game Report, the total amount of currency, coin and coupons, Table Inventory Slips, Counter Checks, Fills, and Credits counted, and win or loss, together with such additional information as may be required on the Master Game Report by the Commission or the casino licensee.

10. Notwithstanding the requirements of (h)8 and (h)9 above, if the casino licensee's system of internal controls provides for the recording on the Master Game Report or supporting documents of Fills, Credits, Counter Checks and Table Inventory Slips by cage cashiers prior to commencement of the count, a count team member shall compare for agreement the totals of the amounts recorded thereon to the Fills, Credits, Counter Checks and Table Inventory Slips removed from the drop boxes.

11. As the contents of each slot cash storage box are counted, one count team member shall record on the Slot Cash Storage Box Report or supporting documentation the following information:

- i. The asset number of the bill changer to which the slot cash storage box contents correspond or, if a casino licensee utilizes slot cash storage boxes with a unique identification number, the number shall be recorded along with the asset number of the slot machine;
- ii. The amount of each denomination of currency counted;
- iii. The amount of all denominations of currency counted;
- iv. The total amount of currency counted for each slot machine denomination;
- v. The total dollar amount of each denomination of coupon;
- vi. The total dollar amount of all denominations of coupons; and
- vii. Any additional information as may be required on the Slot Cash Storage Box Report by the Commission.

12. Notwithstanding the requirements of (h)8, 9 and 11 above, if the casino licensee's system of internal controls provides for the count team functions to be comprised only if counting and recording currency, coin and coupons, accounting department employees shall perform all other counting, recording and comparing duties required by this section.

13. After preparation of the Master Game Report or Slot Cash Storage Box Report, each count team member shall sign the reports attesting to the accuracy of the information recorded thereon.

(i) At the conclusion of the count:

1. All cash and coupons shall be immediately presented in the count room by a count team member to a reserve cash cashier who, prior to having access to the information recorded on the Master Game Report or the Slot Cash Storage Box Report and in the presence of a count team member and the Commission inspector, shall recount, either manually or mechanically, the cash and coupons presented, and attest by signature on the Master Game Report and Slot Cash Storage Box Report, if applicable, the amounts of cash and coupons counted, after which the Commission inspector shall sign the reports evidencing his or her presence during the count and the fact that both the cashier and count team have agreed on the total amounts of cash and coupons counted.

2. The Master Game Report, after signing, and the Requests for Fills, the Fills, the Requests for Credits, the Credits, the issuance copies of the Counter Checks, the Table Inventory Slips and coupons removed from drop boxes shall be transported directly to the accounting department and shall not be available to any cashiers' cage personnel. All coupons shall be received and processed by the accounting department in the manner set forth in N.J.A.C. 19:45-1.46(l).

3. The Slot Cash Storage Box Report, after signing, and any coupons removed from the slot cash storage boxes shall be transported directly to the accounting department and shall not be available to any cashiers' cage personnel. The Accounting Department shall record the figures from the Slot Cash Storage Box Report on the Slot Win Report and calculate the total drop for that gaming day. All coupons shall be received and processed by the accounting department in the manner set forth in N.J.A.C. 19:45-1.46(l).

4. If the casino licensee's system of internal control does not provide for the forwarding from the cashiers' cage of the originals of the Fills, Credits, Requests for Credits, and the Requests for Fills, and the issuance copies of the Counter Checks, directly to the accounting department, the originals of all such slips recorded, or to be recorded, on the Master Game Report shall be transported from the count room directly to the accounting department.

(j) The originals and copies of the Master Game Report, the Slot Cash Storage Box Report, Counter Checks, Requests for Fills, Fills, Request for Credits, Credits, Table Inventory Slips and the test receipts from the currency counting equipment shall, on a daily basis, in the accounting department be:

1. Compared for agreement with each other, on a test basis if the originals are received from the count room, by persons with no recording responsibilities and, if applicable, to triplicates or stored data;
2. Reviewed for the appropriate number and propriety of signatures on a tests basis;
3. Accounted for by series numbers, if applicable;
4. Tested for proper calculation, summarization, and recording;
5. Subsequently recorded; and
6. Maintained and controlled by the accounting department as a permanent accounting record.

Amended by R.1981 d.437, effective November 16, 1981.
See: 13 N.J.R. 534(b), 13 N.J.R. 848(b).

(j)1: added "if the originals ... room."

Amended by R.1985 d.495, effective October 7, 1985.

See: 17 N.J.R. 1752(a), 17 N.J.R. 2457(a).

Subsection (h) substantially amended.

Petition for Rulemaking. Request amendment to subsection (b).

See: 18 N.J.R. 1966(a).

Petition for Rulemaking: Slot machine bill changer system.

See: 19 N.J.R. 1110(a).

Amended by R.1987 d.428, effective November 2, 1987.

See: 19 N.J.R. 923(a), 19 N.J.R. 2065(a).

Added text to (h)5; and added text to (j) "and the test receipts from the currency counting equipment".

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 April 11, 1988 (expires July 10, 1988).

See: 20 N.J.R. 769(a).

Amended by: R.1988 d.387, effective August 15, 1988.

See: 20 N.J.R. 765(a), 20 N.J.R. 769(a), 20 N.J.R. 2090(a).

Substantially amended to include procedure for opening slot cash storage boxes.

Amended by R.1991 d.230, effective May 6, 1991.

See: 22 N.J.R. 3325(a), 23 N.J.R. 1461(a).

In (h)1: changed "casino" number to "asset" number.

Amended by R.1992 d.110, effective March 2, 1992.

See: 23 N.J.R. 3243(a), 24 N.J.R. 858(c).

In (i)3: added "gaming" to describe day.

Amended by R.1992 d.475, effective December 7, 1992.

See: 24 N.J.R. 3253(a), 24 N.J.R. 4418(a).

In (h)9: changed "casino number" to "asset number".

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 (h)2, added in full view of the closed circuit television camera located in the court room. Throughout (h), added "coupon". In (h), added 6 and 7; 6-11 recodified as 8-13. In 8, added v and vi. In (i)2, added coupons to be processed pursuant to 19:45-1.46(l).

Amended by R.1993 d.143, effective April 5, 1993.

See 25 N.J.R. 279(a), 25 N.J.R. 1523(a).

In (h)1 and 9i, added new text regarding the utilization of a unique identification number.

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.141, effective March 21, 1994.

See: 25 N.J.R. 5906(a), 26 N.J.R. 1380(a).

19:45-1.34 Slot booths

(a) Each establishment may have on or immediately adjacent to the gaming floor one or more physical structures, each to be known as a slot booth, to house one or more slot cashiers and to serve as the central location in the casino or, when there are multiple slot booths, in that portion of the casino, for the following:

1. The custody of the slot booth inventory comprising currency, coin, slot tokens, forms, documents, and records normally associated with the operation of a slot booth;
2. The exchange by patrons of coin for currency or slot tokens;
3. The exchange by patrons of currency for coin or slot tokens;
4. The exchange by patrons of gaming chips, prize tokens or slot tokens for currency, slot tokens or coin;
5. The exchange by patrons of coupons for currency, coin or slot tokens in conformity with N.J.A.C. 19:45-1.46(j);
6. The exchange by patrons of signed Slot Counter Checks for currency, coin or slot tokens, or any combination thereof, in conformity with N.J.A.C. 19:45-1.25A;
7. The issuance of Hopper Fills in conformity with N.J.A.C. 19:45-1.41;
8. The issuance of Payouts in conformity with N.J.A.C. 19:45-1.40; and

9. The issuance of coin or slot tokens to automated coupon redemption machines in exchange for proper documentation; and

10. The issuance of cash to patrons upon the presentation of a recognized credit card in accordance with N.J.A.C. 19:45-1.25(i);

11. The exchange with the master coin bank of any coin, currency, slot tokens, prize tokens, chips, plaques, issuance copies of Slot Counter Checks and documentation and the related preparation of a Slot Booth Exchange Slip, which shall be a two-part, serially prenumbered form signed by the master coin bank cashier, slot cashier, and the security department member responsible for transporting the funds. Except for the exchanging of coin, currency, prize tokens and slot tokens with changepersons, the slot booth shall not be allowed to obtain coin, currency, prize tokens or slot tokens, from other than patrons, through exchange or otherwise, from any source other than the master coin bank or a coin vault approved pursuant to N.J.A.C. 19:45-1.14(e). An exchange with the master coin bank or coin vault must be accompanied by a Slot Booth Exchange Slip or by a Fill Slip authorizing the distribution of coins, prize tokens or slot tokens to the slot booth. An exchange with a changeperson must be documented in accordance with procedures approved by the Commission.

(b) Each slot booth shall be designed and constructed to provide at all times maximum security for the materials housed therein and for the activities performed therein. At a minimum, each slot cashier window shall be equipped with an electrical system, approved by the Commission, which enables a slot cashier or other authorized person in the booth to transmit a signal that is audibly and visually reproduced in each of the following locations whenever an emergency exists:

1. The monitoring rooms required by N.J.A.C. 19:45-1.10;
2. The casino security department of the casino licensee; and
3. The Division's office in the casino hotel.

Amended by R.1982 d.171, effective June 7, 1982 (operative July 15, 1982).

See: 13 N.J.R. 534(b), 14 N.J.R. 582(a).

(a)5 added; (a)5-7 renumbered as 6-8.

Petition for Rulemaking: Request amendment to subsection (a).

See: 18 N.J.R. 1966(a).

Amended by R.1988 d.224, effective May 16, 1988.

See: 20 N.J.R. 516(a), 20 N.J.R. 1099(c).

Subsection (a) substantially amended.

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.

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 (a), added 9.

Amended by R.1991 d.229, effective May 6, 1991.

See: 22 N.J.R. 3205(a), 23 N.J.R. 1455(a).

In (a): added new paragraph 7, recodifying existing 7.-10. as 8.-11., with no change in text.

Amended by R.1991 d.300, effective June 17, 1991.

See: 23 N.J.R. 397(a), 23 N.J.R. 1964(a).

Added new (a)10, recodifying 10-11 as 11-12.

Administrative Correction.

See: N.J.R. July 15, 1991.

Amended by R.1992 d.110, effective March 2, 1992.

See: 23 N.J.R. 3243(a), 24 N.J.R. 858(c).

In (b): revised text to "... at all times ..." from "during gaming activity ...".

Deleted subsection (c) regarding slot booth construction.

Amended by R.1992 d.233, effective June 1, 1992.

See: 23 N.J.R. 3085(a), 24 N.J.R. 2078(a).

In (a)12, added reference to "master coin break" and N.J.A.C. 19:45-1.14(e) regarding an approved coin vault.

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

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

Amended by R.1994 d.265, effective June 6, 1994.

See: 25 N.J.R. 5893(a), 26 N.J.R. 2463(a).

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).

19:45-1.35 Accounting controls for slot booths and change machines

(a) The assets for which slot cashiers are responsible shall be supplied from the cashiers' cage. Each slot cashier shall operate with an individual imprest inventory. At the end of each shift, the slot cashier assigned to the outgoing shift shall record on a Slot Cashiers' Count Sheet the face value of each slot booth inventory item counted and the total opening and closing slot booth inventories and shall reconcile the total closing inventory with the total opening inventory.

(b) Signatures attesting to the accuracy of the information contained on the Slot Cashiers' Count sheet shall be, at a minimum, of the following cashiers after preparation of the Slot Cashiers' Count sheet:

1. The cashier assigned to the outgoing shift; and
2. The cashier assigned to the incoming shift.

(c) At the end of each gaming day, at a minimum, a copy of the Slot Cashiers' Count Sheets for the previous gaming day shall be forwarded to the accounting department for agreement of opening and closing inventories, agreement of amount thereon to other records and documents required by this regulation, and recording of transactions.

(d) The slot booth inventory may be used to supply changepersons with an imprest inventory of coin, currency and slot tokens, provided that such inventory shall only be used to accept any combination of currency, coin, gaming chips, slot tokens, prize tokens or coupons presented by a patron in exchange for an equivalent amount of any combination of currency, coin or slot tokens. The slot booth inventory may also be used to provide a changeperson with coin, currency and slot tokens in exchange for an equal amount of any combination of coin, currency, coupons, prize tokens or gaming chips. The exchange of coupons shall be in accordance with N.J.A.C. 19:45-1.46(j). If a changeperson's inventory is obtained from a location other than a slot booth, the location and the procedures for the issuance and maintenance of the inventory shall be approved by the Commission.

(e) The slot booth inventory may be used to supply automated coupon redemption machines with an imprest inventory of coin or slot tokens.

(f) Change machines shall be governed by the accounting and internal control procedures required by this section, which shall be submitted to the Commission for review and approval.

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

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

(d) amended.

Petition for Rulemaking: Request amendment to subsection (a).

See: 18 N.J.R. 1966(a).

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.

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).

Added (e).

Amended by R.1992 d.110, effective March 2, 1992.

See: 23 N.J.R. 3243(a), 24 N.J.R. 858(c).

In (c): revised text to read, "At the end of each gaming day, at a minimum . . ."

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

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

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).

19:45-1.36 Slot machines and bill changers; coin and slot token containers; slot cash storage boxes; entry authorization logs

(a) Each slot machine located in a casino shall have the following coin, prize token or slot token containers:

1. At least one but no more than two containers, each to be known as a payout reserve container ("hopper"), in which coins, prize tokens or slot tokens are retained by the slot machine to automatically pay jackpots or to dispense change as directed by a bill changer connected to the slot machine; provided, however, that:

- i. Coins or slot tokens shall be retained in a separate hopper, known as an "all-purpose hopper," that is designed to accept coin or slot tokens of the same denomination, and only such coin or slot tokens, upon insertion thereof into the slot machine's coin acceptor, and that is capable of paying out or dispensing only coin or slot tokens of the same denomination as jackpots or as change; provided, however, that any coins or slot tokens that are accepted by the coin acceptor and that exceed the capacity of the hopper shall be diverted to the slot drop bucket, and if applicable, the slot drop box;

- ii. Prize tokens shall be retained only in a separate hopper, known as a "payout-only hopper," that is capable of retaining and making jackpot payouts only of prize tokens of the same denomination, and that is incapable of making change or of accepting any coin or slot token upon insertion thereof into the slot machine's coin acceptor, which shall divert coins or slot tokens that it has accepted to the slot drop bucket or any applicable slot drop box;

- iii. No slot machine shall have more than one all-purpose hopper unless each hopper accepts the same denomination of coin or slot token;

- iv. Notwithstanding (a)1ii above, coins or slot tokens of the same denomination that are placed in a payout-only hopper exclusively through hopper fills may be retained in that hopper to make payouts to winning patrons, subject to the Division's inspection and the Commission's approval of the machine as part of the review of that machine and of the internal controls therefor;

- v. Unless both hoppers on slot machines with multiple hoppers either each contain the same denomination of coin, slot tokens or prize tokens, or are connected to win meters that satisfy the requirements of N.J.A.C. 19:45-1.37(b)4i and 19:46-1.26(c)5i or 19:45-1.37(b)4ii and 19:46-1.26(c)5ii, each automatic pay jackpot of coins, slot tokens or prize tokens that is made from a multiple hopper slot machine on a round of play shall be paid out only on the round of play when the winning combination is hit and only from one, but not both, of the machine's hoppers for any winning combination that is hit on that round, and no casino licensee shall offer or provide a jackpot at such slot machine that will be paid out from both hoppers for any winning combination that is hit on the same round; and

- vi. Prize tokens shall not be placed in or retained by a payout-only hopper that retains coins or slot tokens pursuant to (a)1iv above;

2. A container, known as a slot drop bucket or slot drop box, to collect coins or slot tokens that are retained by the slot machine and are not used to make change or automatic jackpot payouts. Each slot drop bucket or slot drop box shall be identified by a number which corresponds to the asset number of the slot machine, and which is permanently imprinted on or affixed to the outside of the slot drop bucket or slot drop box in numerals at least two inches high; and

3. On those slot machines to which a bill changer is attached, a container known as a slot cash storage box, in which currency and coupons accepted by the bill changer are retained.

(b) A slot drop bucket shall be housed in a locked compartment separate from any other compartment of the slot machine. The compartment shall have two locks, the keys to which shall be different from each other and from the keys utilized to secure all other compartments of the slot machine. One key to the compartment shall be maintained and controlled by a Commission inspector. The second key to the compartment shall be maintained and controlled by the casino security department in a secure area within that department, access to which may be gained only by a casino security department supervisor.

(c) A slot drop box shall have:

1. A slotted opening through which coins and slot tokens can be deposited;
2. A device that will automatically close and lock the slotted opening upon removal of the slot drop box from the slot machine; and
3. Two separate locks securing the contents of the slot drop box, the keys to which shall be different from each other. The key to one of the locks shall be maintained and controlled by a Commission inspector. The key to the second lock, which shall also be different from the keys utilized to secure the compartments of the slot machine and the slot drop box, shall be maintained and controlled by the accounting department in a secure area within that department, access to which may be gained only by a supervisor in that department.

(d) A slot drop box shall be housed in a locked compartment separate from any other compartment of the slot machine. The area in which the slot drop box is located shall be secured by two separate locks, the design, location and operation of which shall be approved by the Commission, and the keys to which shall be different from each other. The key to one of the locks securing this area shall be maintained and controlled by a Commission inspector. The key to the second lock, which shall also be different from the keys utilized to secure any other compartments of the slot machine and the contents of the slot drop box, shall be maintained and controlled by the casino security department in a secure area within that department, and access to the key may be gained only by a supervisor in that department.

(e) Any slot machine equipped to accept slot tokens in denominations of \$25.00 or more shall:

1. Be opened only by a slot department supervisor or a supervisor thereof; and
2. Utilize a slot drop box, rather than a slot drop bucket.

(f) The area in which the slot cash storage box is located shall be secured by two separate locks, the design, location, and operation of which shall be approved by the Commission, and the keys to which shall be different from each other.

(g) The key to one of the locks securing the area where the slot cash storage box is located shall be maintained and controlled by a Commission inspector. The key to the second lock to such area, which key shall also be different from the keys securing the contents of the slot cash storage box, shall be maintained and controlled by the casino security department or the slot department in a secure area within that department. Access to the key may be gained only by a supervisor in that department, provided, however, that if the slot department controls the key, the supervisor of the slot department may issue the key to a casino security department supervisor, who may give it to appropriate casino security department personnel only for the purpose of participating in the transportation of slot cash storage boxes, pursuant to N.J.A.C. 19:45-1.17.

(h) Keys to each slot machine, or any device connected thereto which may affect the operation of the slot machine, with the exception of the keys to the compartments housing the slot drop bucket and to the locks securing the areas where the slot cash storage box and slot drop box are located, shall be maintained in a secure place and controlled by the slot department. Keys to slot machines equipped to accept slot tokens in denominations of \$25.00 or more shall be maintained and controlled by the slot department in a secure area within that department, access to which may be gained only by a supervisor in that department.

(i) Any key removed from a department's secure area pursuant to (b), (c), (d), (g) or (h) above, shall be returned no later than the end of the shift of the department member to whom the key was issued, and the department shall establish a sign-out and sign-in procedure approved by the Commission for all such keys removed.

(j) Unless a computer which automatically records the information specified in (j)1, 2, and 3 below is connected to the slot machines in the casino, the following entry authorization logs shall be maintained by the casino licensee:

1. Whenever it is required that a slot machine or any device connected thereto which may affect the operation of the slot machine be opened, with the exception of a bill changer, certain information shall be recorded on a form to be entitled "Machine Entry Authorization Log." The information shall include, at a minimum, the date, time, purpose of opening the machine or device, and the signature of the authorized employee opening the machine or device. The Machine Entry Authorization Log shall be maintained in the slot machine and shall have recorded thereon a sequential number and a manufacturer's serial number or the asset number of that slot machine.

2. Whenever it is required that a progressive controller not housed within the cabinet of a slot machine be opened, the information specified in (j)1 above shall be recorded on a form to be entitled "Progressive Entry Authorization Log." The Progressive Entry Authorization Log shall be maintained in the progressive unit and shall have recorded thereon a sequential number and serial number of the progressive controller.

3. With the exception of the transportation of slot cash storage boxes, pursuant to N.J.A.C. 19:45-1.17(a), whenever it is required that a bill changer, other than a separate slot cash storage box compartment, be opened, certain information shall be recorded on a form to be entitled "Bill Changer Log." The information shall include, at a minimum, the date, time, purpose of opening the bill changer, and the signature of the authorized employee opening the bill changer. The Bill Changer Log shall be maintained in the bill changer and shall have recorded thereon a sequential number and the serial number or asset number of the bill changer. If the bill changer is contained completely within the cabinet of a slot machine and there is no separate access to the bill changer unit, the information may be recorded on the Machine Entry Authorization Log required by (j)1 above, provided that any information that concerns the opening of the bill changer may be distinguished from any other information that concerns the opening of the slot machine or any other device connected thereto.

Amended by R.1983 d.239, effective June 30, 1983.

See: 14 N.J.R. 1052(a), 15 N.J.R. 1040(b).

Deleted requirements in (d)1, that only slot machines or attendants had to sign the Machine Entry Authorization Log.

Petition for Rulemaking: Slot machine bill changer system.

See: 19 N.J.R. 1110(a).

Amended by R.1988 d.224, effective May 16, 1988.

See: 20 N.J.R. 516(a), 20 N.J.R. 1099(c).

Substantially amended.

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 April 11, 1988 (expires July 10, 1988).

See: 20 N.J.R. 769(a).

Amended by: R.1988 d.387, effective August 15, 1988.

See: 20 N.J.R. 765(a), 20 N.J.R. 769(a), 20 N.J.R. 2090(a).

Added bill changers and slot token containers and keys for slot storage box compartments.

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

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

Sequentially number "machine entry authorization logs" and require preparation and maintenance of "progressive entry authorization logs".

Amended by R.1991 d.230, effective May 6, 1991.

See: 22 N.J.R. 3325(a), 23 N.J.R. 1461(a).

In (a)2 and (g)1, 3: revised text to read "asset" and "manufacturer's serial" number.

Amended by R.1992 d.359, effective September 21, 1992.

See: 24 N.J.R. 1472(b), 24 N.J.R. 3335(b).

Requirement for separate locked compartment for slot cash storage box eliminated, under specified circumstances.

Amended by R.1993 d.318, effective July 6, 1993 (operative October 15, 1993).

See: 25 N.J.R. 1503(b), 25 N.J.R. 2908(a).

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.474, effective September 19, 1994.

See: 26 N.J.R. 2217(a), 26 N.J.R. 3894(a).

Administrative Correction.

See: 26 N.J.R. 4788(a).

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).

19:45-1.36A Slot machines; hopper storage areas

(a) A hopper storage area may be used in connection with the operation of the slot machine, for the purpose of temporarily storing coins, prize tokens or slot tokens that are to be deposited only into the slot machine's hopper that

corresponds with the coin or type of token stored in the hopper storage area.

(b) A hopper storage area shall be a secure compartment located adjacent to, but separate from, any compartment of its corresponding slot machine, or the drop bucket compartment of such slot machine, and shall:

1. Be constructed so as to provide maximum security for the coins or tokens stored in it;

2. Be secured by two separate locks, the keys to which shall be different from each other. One of the keys, which may be the same as the key which opens the slot machine corresponding to that hopper storage area, shall be maintained and controlled by the slot department. The other key, which shall be different from the key securing the corresponding slot machine, shall be maintained and controlled by the casino security department, in a secure area within that department, and access to that key may be gained only by a supervisor in that department. Removal of the key from this area may be undertaken only for use and return no later than the end of the shift of the department member to whom the key was issued, and upon the approval of a supervisor of that department, and entry of the following information into a log:

- i. The signature of the department member to whom the key was issued;

- ii. The signature of the supervisor authorizing such issuance;

- iii. The date and time issued; and

- iv. The date and time replaced; and

3. Include a device that indicates when the door of the hopper storage area is open.

(c) Hopper storage areas shall be filled and utilized in accordance with the procedures in N.J.A.C. 19:45-1.41 and a casino licensee's system of internal controls.

New Rule, R.1992 d.360, effective September 21, 1992.

See: 24 N.J.R. 2137(a), 24 N.J.R. 3336(a).

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).

19:45-1.37 Slot machines and bill changers; identification; signs; meters

(a) Unless otherwise authorized by the Commission, each slot machine in a casino shall have the following identifying features:

1. A manufacturer's serial number affixed to the outside of the slot machine cabinet in a location as approved by the Commission.

2. An asset number, at least two inches in height, permanently imprinted, affixed or impressed on the outside of the machine;

3. A display located conspicuously on the front of the slot machine that automatically illuminates when a player has won a jackpot not paid automatically and totally by the slot machine and which advises the player to see an attendant to receive full payment;

4. A display on the front of the slot machine that provides fair notice of the following:

i. The rules of play, character combinations which will award payouts and the related payouts;

ii. If the slot machine offers a payout of merchandise or some other thing of value, a clear description of the merchandise or thing of value including its cash equivalent value (unless the payout is an annuity jackpot), the dates the merchandise or thing of value will be offered if the casino licensee establishes a time limit for offering the merchandise or thing of value as provided in N.J.A.C. 19:45-1.40A, and the availability or unavailability to the patron of the optional cash equivalent value authorized by N.J.A.C. 19:45-1.40A(m). The display need only contain the name or a brief description of the merchandise or thing of value offered, provided that a sign containing all of the information specified in (a)4ii above shall be displayed in a location near the slot machine as approved by the Commission;

iii. If the slot machine offers a progressive jackpot, the dates the progressive jackpot will be offered and the payout limit, if the casino licensee establishes a time limit or payout limit as provided in N.J.A.C. 19:45-1.39. If no time limit or payout limit is established, the display shall state that the casino licensee reserves the right to change or discontinue the progressive slot machine upon 30 days notice. The display need not contain this information provided that a sign which does contain this information shall be displayed in a location near the slot machine as approved by the Commission;

iv. If the slot machine is equipped with a payout-only hopper, a statement either that:

(1) Any prize tokens that are paid out as a jackpot from that hopper cannot be used to activate play at any slot machine; or

(2) Any coins or slot tokens that are paid out from that hopper cannot be used to activate play at that slot machine; and

v. If the slot machine is equipped with multiple hoppers and has the win meter permitted by (b)4ii below and N.J.A.C. 19:46-1.26(c)5, a statement, approved by the Commission in consultation with the Division, that reasonably explains to patrons the information disclosed by the win meter.

5. A mechanical, electrical, or electronic device that automatically precludes a player from operating the slot machine after a jackpot requiring a manual payout and requires an attendant to reactivate the machine;

6. A light on the pedestal above the slot machine that automatically illuminates when the door to the slot machine or any device connected which may affect the operation of the slot machine is opened; and

7. A location number, at least two inches in height, affixed to the outside of the machine and visible to the casino licensee's closed circuit camera coverage system.

(b) Unless otherwise authorized by the Commission, each slot machine in a casino shall be equipped with the following:

1. A mechanical, electrical or electronic device, to be known as an "in-meter" that continuously and automatically counts the number of coins or slot tokens placed by patrons into the machine for the purpose of activating play;

2. A mechanical, electrical or electronic device, to be known as a "drop meter," that continuously and automatically counts the number of coins or slot tokens that are dropped into the machine's slot drop bucket or slot drop box;

3. For each hopper in a slot machine, a separate mechanical, electrical or electronic device, to be known as a "jackpot meter," that continuously and automatically counts, for that hopper only, the number of coins, prize tokens or slot tokens that are automatically paid by the machine from the corresponding hopper and that displays the aggregate number so counted; provided, however, that:

i. In lieu of the jackpot meter for a payout-only hopper displaying the aggregate number of coins, slot tokens or prize tokens paid out from that hopper, each casino licensee that uses a slot machine which is capable of converting the number of coins, slot tokens or prize tokens paid out from a payout-only hopper into the equivalent number of coins or slot tokens that match the denomination of the coin or slot token which that slot machine is designed to accept in order to activate play (the "machine denomination equivalent"), may, in accordance with internal controls approved by the Commission, set the jackpot meter connected to each payout-only hopper in that slot machine to continuously and automatically count and display the aggregate number of coins, slot tokens or prize tokens paid out from that hopper by its machine denomination equivalent (for example, the jackpot meter on a 25¢ slot machine may display the payout of one \$3.00 prize token as the payout of "12" quarters); and

ii. Each slot machine with multiple hoppers may have a single jackpot meter to count and display the aggregate number of coins, slot tokens or prize tokens paid out from that machine's hoppers provided that:

(1) Each hopper is connected to that meter;

(2) The jackpot meter counts and displays, in accordance with (b)3i above, the aggregate number of coins, slot tokens or prize tokens paid out from a payout-only hopper by its machine denomination equivalent; and

(3) Each payout-only hopper has a separate jackpot meter, to be known as a "payout-only jackpot meter," that counts and displays the aggregate number of coins, slot tokens or prize tokens actually paid out from that hopper only; and

4. A mechanical, electrical or electronic device, to be known as a "win meter," visible from the front of the machine, that, upon a player hitting a winning combination, advises the player of the number of coins, prize tokens or slot tokens for that round that have been paid to the player by the machine from the corresponding hopper; provided, however, that multiple win meters, as provided in (b)4i or ii below after approval of the casino licensee's internal controls therefor, shall be used on each multiple hopper slot machine whenever one or more winning combinations that are hit on the same round of play at that machine entitle the winning player to automatically receive coins, slot tokens or prize tokens from both hoppers and each hopper contains a different denomination of coins, slot tokens or prize tokens, as follows:

i. A separate win meter for each hopper that, for the round in which a winning combination is hit, advises the winning player of the actual number of coins, slot tokens or prize tokens won from that hopper only; or

ii. A win meter to which each hopper is connected that advises the winning player of the aggregate number of coins, slot tokens or prize tokens won that round from both hoppers after first converting the aggregate number of any coins, slot tokens or prize tokens won on that round from a payout-only hopper into its machine denomination equivalent, and a separate win meter, to be known as a "payout-only win meter," connected to each payout-only hopper that advises the player of the number of coins, slot tokens or prize tokens actually won on that round from the corresponding hopper only (for example, a win meter on a multiple hopper 25¢ slot machine may, pursuant to this paragraph, record the payout, on the same round of play, of one \$3.00 prize token and two quarters as the payout of "14" quarters, provided there is a separate payout-only win meter advising the player that one prize token was paid out).

(c) Unless otherwise authorized by the Commission each slot machine which does not totally and automatically pay the full amount of a jackpot to a patron shall be equipped with a mechanical, electrical or electronic device to be known as a "manual jackpot meter" that continuously and automatically records a pulse(s) for a predetermined number of coins or slot tokens that are to be paid manually.

(d) Unless otherwise authorized by the Commission, each slot machine that accepts currency shall have meters that accomplish the objectives set forth in (b) and (c) above.

(e) Unless otherwise authorized by the Commission, each slot machine that has an attached bill changer shall also be equipped with mechanical, electrical or electronic devices as follows:

1. A "change meter," that continuously and automatically counts the number of coins or slot tokens that are vended from the slot machine's all-purpose hopper to make change, whether for currency or coupons;

2. A number of "bill meters," that continuously, automatically and separately count, for each denomination of currency accepted by the bill changer, the actual number of bills accepted by the bill changer; and

3. If the attached bill changer can accept coupons but does not contain the coupon meters identified in N.J.A.C. 19:45-1.46B:

i. A "numerical coupon meter" that continuously, automatically and separately counts the total number of all coupons accepted by the bill changer; and

ii. A "value coupon meter" that continuously, automatically and separately counts the total dollar value of all coupons accepted by the bill changer.

(f) All meters described in this section and in N.J.A.C. 19:46-1.26 shall be placed in a position so that the numbers thereon can be read and recorded without opening the slot machine.

(g) Each casino licensee shall set each of its slot machines to pay out, at a minimum, 83 percent of the amount of coins, currency or slot tokens that are placed by patrons into that slot machine and shall maintain a record of each slot machine setting and theoretical payout percentage. No payout of any merchandise or thing of value or payment of cash in lieu of any merchandise or thing of value pursuant to N.J.A.C. 19:45-1.40A shall be included in determining whether a slot machine meets the 83 percent minimum payout requirement.

(h) Each slot machine in a casino shall have such test connections as may be specified by the Division and approved by the Commission for the on-site inspection, examination, and testing of such machine.

(i) Each slot machine in a casino shall have devices, equipment, features and capabilities as may be required by the Commission for that particular model of slot machine after the prototype model is tested and examined by the Division.

Amended by R.1987 d.302, effective July 20, 1987.

See: 18 N.J.R. 2005(a), 19 N.J.R. 1321(a).

(a)4 and (f) substantially amended.

Petition for Rulemaking: Slot machine bill changer machine.

See: 19 N.J.R. 1110(a).
 Amended by R.1988 d.224, effective May 16, 1988.
 See: 20 N.J.R. 516(a), 20 N.J.R. 1099(c).
 Substantially amended.
 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 April 11, 1988 (expires July 10, 1988).
 See: 20 N.J.R. 769(a).
 Amended by: R.1988 d.387, effective August 15, 1988.
 See: 20 N.J.R. 765(a), 20 N.J.R. 769(a), 20 N.J.R. 2090(a).
 Added (e) bill changers attached to slot machines.
 Correction: At (b)2., the word "slot" added before "tokens" and "gaming" deleted. N.J.A.C. reference corrected.
 See: 21 N.J.R. 933(a).
 Notice of Receipt of Petition for Rulemaking in (a).
 See: 23 N.J.R. March 18, 1991.
 Amended by R.1991 d.230, effective May 6, 1991.
 See: 22 N.J.R. 3325(a), 23 N.J.R. 1461(a).
 Added new (a)7; revised (a)1 to specify placement of manufacturer's serial number.
 Amended by R.1992 d.58, effective February 3, 1992.
 See: 23 N.J.R. 1306(a), 24 N.J.R. 487(a).
 Allowed casinos to establish time limits of not less than 30 days for the offering of progressive and merchandise jackpot.
 Amended by R.1992 d.210, effective May 18, 1992.
 See: 24 N.J.R. 58(a), 24 N.J.R. 1906(a).
 Deleted requirement at existing (e)2 regarding the "cash box meter".
 Recodified existing (e)3 as new (e)2.
 Amended by R.1993 d.319, effective July 6, 1993 (operative October 15, 1993).
 See: 25 N.J.R. 1503(b), 25 N.J.R. 2908(a).
 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.504, effective October 3, 1994.
 See: 26 N.J.R. 2872(a), 26 N.J.R. 3253(a), 26 N.J.R. 4089(a).

19:45-1.38 Slot machines and bill changers; location; movements

(a) Each casino licensee shall file with the Commission a floor plan of the casino which identifies each slot machine and bill changer on the casino floor by a location number in accordance with N.J.A.C. 19:45-1.37(a)7. Any alterations to such floor plan shall not become effective until approved in writing by a Commission inspector. A revised floor plan containing such alterations shall be filed with the Commission within 24 hours of the alteration.

(b) No slot machine or bill changer shall be removed from, or returned to, a location in the casino or moved from one location to another without the prior written approval of the Commission.

(c) Once a slot machine or bill changer has been placed in the casino, all movements of that machine and/or bill changer from or to a location shall be recorded by a slot department member in a machine movement log which shall include the following:

1. The manufacturer's serial number and the asset number of the moved slot machine and/or bill changer;
2. The date and time of movement of the slot machine and/or bill changer;
3. The location from which the slot machine and/or bill changer was moved;

4. The location to which the slot machine and/or bill changer was moved; and

5. The signatures of the slot shift manager and the lead technician verifying the movement of the slot machine and/or bill changer.

(d) Prior to removing a slot machine from the gaming floor:

1. The machine's slot drop bucket or slot drop box shall be removed and transported to the count room;

2. All meters shall be read and recorded in conformity with the procedures set forth in N.J.A.C. 19:45-1.42; and

3. Any coins or slot tokens in any of the slot machine's hoppers or in the corresponding hopper storage area shall be removed, transported, and counted with the slot drop bucket or slot drop box; provided, however, that a slot machine may be removed from the casino with coins or slot tokens contained therein so long as:

i. Removal of the coins or the slot tokens, or any combination thereof, is precluded by mechanical or electrical difficulty;

ii. The casino licensee records in a slot machine movement log whether coins or slot tokens remain in the slot machine that is removed from the casino, and also records in that log the nature of the mechanical or electrical difficulty, the date and time that the coins or slot tokens are removed from the slot machine and transported to the count room, the date and time that the slot machine is removed from the casino, and the date and time that the slot machine is opened; and

iii. The removal and transportation to the count room of the coins or slot tokens is completed immediately after the slot machine is opened; and

4. Any prize tokens in a payout-only hopper or in a corresponding hopper storage area shall be removed, transported and counted in accordance with procedures and internal controls submitted to and approved by the Commission pursuant to N.J.A.C. 19:45-1.3.

(e) Prior to removing a bill changer from the gaming floor, the slot cash storage box shall be removed and transported to the count room and all meters except the cash box meter shall be read and recorded in conformity with the procedures set forth in N.J.A.C. 19:45-1.42. A bill changer may be removed from the casino with currency or coupons contained therein when removal of the slot cash storage box is precluded by mechanical or electrical difficulty. If currency or coupons remain in a bill changer when it is removed from the casino, this fact and the date and time that the slot cash storage box or, if necessary, currency or coupons are removed from the bill changer and transported to the count room shall be recorded in the machine movement log.

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 April 11, 1988 (expires July 10, 1988).

See: 20 N.J.R. 769(a).

Amended by: R.1988 d.387, effective August 15, 1988.

See: 20 N.J.R. 765(a), 20 N.J.R. 769(a), 20 N.J.R. 2090(a).

Added location and movements of slot machines.

Amended by R.1991 d.230, effective May 6, 1991.

See: 22 N.J.R. 3325(a), 23 N.J.R. 1461(a).

In (a)1: added N.J.A.C. reference for location number; in (c)1: added "asset" to define number.

Amended by R.1992 d.121, effective March 16, 1992.

See: 23 N.J.R. 2920(a), 24 N.J.R. 974(a).

Rule text amended to eliminate requirement the Commission Inspector sign the machine movement log approving movement of individual slot machines and/or bill changers. Deleted (c)5, recodifying existing 6 as new (c)5, with text changes.

Amended by R.1992 d.360, effective September 21, 1992.

See: 24 N.J.R. 2137(a), 24 N.J.R. 3336(a).

Hopper storage area provisions added.

Administrative Correction to (c)4.

See: 25 N.J.R. April 5, 1993.

Amended by R.1993 d.319, effective July 6, 1993 (operative October 15, 1993).

See: 25 N.J.R. 1503(b), 25 N.J.R. 2908(a).

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.504, effective October 3, 1994.

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

19:45-1.39 Progressive slot machines

(a) This section shall apply to any slot machine with a "progressive meter(s)" that increases as the machine is played.

(b) Unless otherwise authorized by the Commission, each progressive machine in a casino shall have the following identifying features:

1. A mechanical, electrical or electronic device, to be known as a "progressive meter(s)", visible from the front of the machine which increments at a set rate of progression with coins placed into the machine, and which advises the player of the amount which can be won if the progressive jackpot combination appears;

2. A mechanical, electrical or electronic device, to be known as a "progressive jackpot meter" that is visible without opening the door and that continuously and automatically records the number of times a progressive jackpot is hit;

3. A separate key and key switch to reset the "progressive meter(s)" or such other separate reset mechanism as may be approved by the Commission;

4. A separate key locking the compartment housing the progressive meter(s) or other means by which to preclude any unauthorized alterations to the progressive meters.

(c) Unless otherwise authorized by the Commission, each progressive slot machine connected to a common progressive display unit shall:

1. Be the same denomination and have the same probability of hitting the combination that will award the

progressive jackpot as every other machine connected to such display unit;

2. Require that the same number of coins be inserted to entitle the player to a chance at winning the progressive jackpot and each coin shall increment the meter(s) by the same rate of progression as every other machine connected to such display unit; and

3. Have its microprocessor or other control unit that controls the common display unit housed in a location which would allow dual key control of the Commission and the casino licensee, or with such other key controls as the Commission may approve.

(d) Every casino seeking to utilize a progressive slot machine connected to a common progressive display unit shall submit to the Commission for approval the location and manner of installing the common progressive display unit.

(e) No progressive slot machine shall be placed on the casino floor until the casino licensee has submitted to the Commission and the Commission has approved the following:

1. The initial and reset amounts at which the "progressive meter(s)" will be set;
2. The proposed system for controlling the keys and access codes to these machines; and
3. The proposed rate of progression for each machine;

(f) No progressive meter(s) shall be turned back to a lesser amount unless:

1. The amount indicated has been actually paid to a winning patron;
2. The progressive jackpot amount won by the patron has been recorded in accordance with an approved system of internal controls;
3. The time limit for the progressive jackpot established pursuant to (i) below has expired; or
4. The change is necessitated by a slot machine or meter(s) malfunction, in which case an explanation must be entered on the Progressive Slot Summary required in (k) below and the Commission inspector must preapprove the resetting in writing.

(g) Once an amount appears on a progressive meter(s), the probability of hitting the combination that will award the progressive jackpot may not be decreased unless the progressive jackpot has been won by a patron or the time limit for offering the progressive jackpot established pursuant to (i) below has expired.

(h) If the "progressive meter(s)" progresses without a payout until the meter(s) return to zero because of digital limitations on the meter(s), some means must be utilized to

clearly advise the patrons of the value of the undisplayed digit.

(i) A casino licensee may, at any time, establish a time limit of not less than 30 days for the offering of a progressive jackpot by providing notice of the time limit in accordance with N.J.A.C. 19:45-1.37(a)4. Upon the expiration of such time limit, the casino licensee may reduce the amount on the progressive jackpot meter, remove the progressive slot machine from the gaming floor, or decrease the probability of hitting the combination that will award the progressive jackpot. A casino licensee may also establish a payout limit for a progressive jackpot by providing notice of the payout limit in accordance with N.J.A.C. 19:45-1.37(a)4 prior to the time the payout limit is registered on the progressive meter.

(j) Slot machines which are linked to offer the same progressive jackpot shall have the same probability of hitting the combination that will award that jackpot, provided, however, that the probability may vary among such machines when necessary to enable a casino licensee to institute a change in the probability which is otherwise permitted by this section, if the change is completed expeditiously in accordance with procedures that have been filed with and approved by the Commission.

(k) The amount indicated on the "progressive meter(s)" and "in meter" on each slot machine shall be recorded on a Progressive Slot Summary, at a minimum, once each gaming day and each summary shall be signed by the preparer. Supporting documents shall be maintained to explain any reduction in the registered amount from the previous entry and shall indicate the date, asset number of the slot machine, and the amount of the reduction.

(l) Except as otherwise authorized by this section, a progressive slot machine removed from the gaming floor shall be returned to or replaced on the gaming floor within five gaming days. The amount on the progressive meter(s) on the returned or replacement machine shall not be less than the amount on the progressive meter(s) at the time of removal. If the machine is not returned or replaced, then the progressive meter(s) amount at the time of removal shall, within five days of the slot machine's removal, be added to a slot machine approved by the Commission which machine offers the same or a greater probability of winning the progressive jackpot, and accepts a denomination of coin or slot token not greater than the denomination accepted by the slot machine which was removed. Any time limit for the offering of a progressive jackpot shall be extended by the number of days during which the progressive jackpot was not offered as the result of any action taken by a casino licensee pursuant to this subsection.

(m) Progressive slot machines may have payout-only hoppers from which prize tokens may be paid as jackpots; provided, however, that prize tokens shall not be available as a payout on a winning progressive jackpot combination.

Amended by R.1981 d.437, effective November 16, 1981.

See: 13 N.J.R. 534(b), 13 N.J.R. 848(b).

Section substantially amended.

Amended by R.1983 d.300, effective August 1, 1983.

See: 14 N.J.R. 1053(a), 15 N.J.R. 1259(a).

In (f), added requirement that jackpot amount has been recorded with a system of internal controls.

Notice of Receipt of petition for rulemaking: Progressive slot machines.

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

Administrative Correction.

See: 23 N.J.R. 714(b).

Amended by R.1991 d.230, effective May 6, 1991.

See: 22 N.J.R. 3325(a), 23 N.J.R. 1461(a).

In (j): added "asset" to define number.

Amended by R.1992 d.58, effective February 3, 1992.

See: 23 N.J.R. 1306(a), 24 N.J.R. 487(a).

Allows casinos to establish time limit of not less than 30 days for offering of a progressive jackpot.

Administrative Correction to (f)4.

See: 24 N.J.R. 649(b).

Amended by R.1992 d.110, effective March 2, 1992.

See: 23 N.J.R. 3243(a), 24 N.J.R. 858(c).

In (k) and (l): added "gaming" to describe day.

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).

19:45-1.39A Progressive slot machines interconnected in more than one casino

(a) Two or more casino licensees may, with the prior approval of the Commission, operate a multi-casino progressive slot system in which certain progressive slot machines are interconnected in the participating casinos.

(b) Any multi-casino progressive slot system approved by the Commission shall be operated in accordance with all relevant requirements of the Act and the Commission's regulations governing casino licensees and the conduct of gaming. Any casino licensee seeking approval to participate in a multi-casino progressive slot system shall submit for Commission approval a system of accounting and internal controls specifying the manner in which participating casino licensees will satisfy the requirements of the Act and the Commission's regulations concerning the operation of slot machines.

(c) A casino licensee may, with the prior approval of the Commission, designate one or more casino key employees to represent the interests of the casino licensee in the operation and control of a multi-casino progressive slot system. Any designated representative shall only be permitted to exercise the duties and responsibilities he or she is authorized to perform for the casino licensee pursuant to N.J.A.C. 19:45-1.11; provided, however, a designated representative may also communicate information and directions concerning the operation and control of the system to or from other employees of the casino licensee who are authorized to exercise responsibility for such matters.

19:45-1.39A: Experimental 90-day implementation of new rule, pursuant to N.J.S.A. 5:12-69(e), 5:12-70(f), (l) and (m), effective March 23, 1990 (expires June 21, 1990).

See: 22 N.J.R. 841(a).

New Rule, R.1990 d.238, effective May 7, 1990.

See: 22 N.J.R. 624(a), 22 N.J.R. 1381(a).

19:45-1.39B

19:45-1.39B: Experimental 270-day implementation of new rule, pursuant to N.J.S.A. 5:12-5, 69(e), 70(f), 99(a) and 100, effective August 22, 1994 (expires May 19, 1995).
See: 26 N.J.R. 3464(a).

19:45-1.40 Jackpot payouts of cash or slot tokens that are not paid directly from the slot machine

(a) Whenever a patron wins a jackpot of coins or slot tokens that is not totally and automatically paid directly from the slot machine, a Request for Jackpot Payout Slip ("Request") shall be prepared after the preparer observes the combinations on the slot machine and determines the appropriate amount of the payout, based on the winning combinations. If the manual jackpot is less than \$10,000, the preparer of the Request shall be a slot attendant or a slot attendant supervisor. If the manual jackpot is \$10,000 or more, the preparer of the Request shall be a slot attendant supervisor. The Request shall be, at a minimum, a one-part form or the information required on it maintained in stored data, access to which, prior to use or input, shall be restricted to slot attendants and slot attendant supervisors.

(b) The following information, at a minimum, shall be on the Request or maintained in stored data:

1. The date and time of the jackpot;
2. The asset number of the slot machine on which the jackpot was registered;
3. The winning combination of characters constituting the jackpot;
4. The amount to be paid to the winning patron;
5. The method of payment requested by the patron (cash, slot tokens or casino check);
6. The signature or identification code of the preparer; and
7. The following additional signatures or identification codes shall be required if the slot machine or the progressive meter is reset prior to the patron being paid or if payment is made directly to the patron by a slot cashier, master coin bank cashier or general cashier:

i. The signature or identification code of the casino security department member attesting to the characters constituting the jackpot and the amount to be paid to the winning patron; and

ii. The signature or identification code of the slot shift manager attesting to the characters constituting the jackpot and the amount to be paid to the winning patron when the jackpot amount is \$25,000 or more.

(c) Following preparation, the Request shall be immediately transported by the preparer or the information maintained in stored data shall be available to a slot booth, the master coin bank or the cashiers' cage where it will serve to

authorize the preparation of a Jackpot Payout Slip ("Pay-out") by a slot cashier, master coin bank cashier or general cashier.

(d) If the winning patron will not be paid before the slot machine or progressive meter is reset, the preparer of the Request required by (a) above shall also prepare a Jackpot Payout Receipt ("Receipt"). The Receipt shall be, at a minimum, a two-part form, and shall contain the following information:

1. The date and time of the jackpot;
2. The asset number of the slot machine on which the jackpot was registered;
3. The winning combination of characters constituting the jackpot;
4. The amount to be paid to the winning patron stated in numbers and in words;
5. The signature of the winning patron on the original form only; and
6. The signature of the preparer indicating that the information on the Receipt is correct and agrees with the information on the Request or as maintained in the stored data required by (a) above.

(e) Upon preparation, the Receipt shall be distributed as follows:

1. The original shall be immediately delivered to the slot cashier, master coin bank cashier or general cashier by the preparer or a casino security department member along with the Request if manually generated in accordance with (c) above; and

2. The duplicate shall be immediately presented to the winning patron who shall be required to present the duplicate Receipt before being paid the jackpot in accordance with the procedures set forth in this section.

(f) Payouts shall be serially prenumbered forms, each series of which shall be used in sequential order, and the series of numbers of all Payouts received by a casino shall be accounted for by employees independent of the cashiers' cage and the slot department. All original and duplicate void Payouts shall be marked "VOID" and shall require the signature of the preparer. Notwithstanding the above, a serially prenumbered combined jackpot payout hopper fill form may be utilized in conjunction with N.J.A.C. 19:45-1.41(b), as approved by the Commission, provided that the combined form shall be used in a manner which otherwise complies with the procedures and requirements established by this section.

(g) For establishments in which Payouts are manually prepared, the following procedures and requirements shall be observed:

1. Each series of Payouts shall be a three-part form, at a minimum, and shall be inserted in a locked dispenser that will permit an individual slip in the series and its copies to be written upon simultaneously while still locked in the dispenser, and that will discharge the original and duplicate while the triplicate remains in a continuous, unbroken form in the dispenser; and

2. Access to the triplicates shall be maintained and controlled at all times by employees responsible for controlling and accounting for the unused supply of Payouts, placing Payouts in the dispensers, and removing from the dispensers each day the triplicates remaining therein. These employees shall have no incompatible functions.

(h) For establishments in which Payouts are computer prepared, each series of Payouts shall be a two-part form, at a minimum, and shall be inserted in a printer that will: simultaneously print an original and a duplicate and store, in a machine-readable form, all information printed on the original and duplicate, other than the serial number of any casino check issued to the patron who won the jackpot for which the slip was prepared; and discharge the original and duplicate. The stored data shall not be susceptible to change or removal by any personnel after preparation of a Payout.

(i) On Payout originals, duplicates, triplicates, or in stored data, the preparer shall record, or if computerized, the printer shall print, at a minimum, the following information:

1. The asset number of the slot machine on which the jackpot was registered;
2. The winning combination of characters constituting the jackpot;
3. The date on which the jackpot occurred;
4. The amount to be paid from cashiers' cage, master coin bank or slot booth funds;
5. The location from which the amount is to be paid; and
6. The signature or, if computer prepared, identification code of the preparer.

(j) The time of preparation of the payment and the serial number of any casino check issued incident to the jackpot payment shall be recorded, at a minimum, on the original and duplicate upon preparation of the Payout.

(k) All cash or slot tokens paid or any casino check issued to a patron as a result of winning a jackpot shall be:

1. Distributed by the slot cashier, general cashier or master coin bank cashier directly to the patron in accordance with the procedures in (l) below; or
2. Disbursed by a slot cashier, general cashier or master coin bank cashier to:

i. A slot attendant or slot attendant supervisor, if the manual jackpot is less than \$10,000 or to a slot attendant supervisor if the manual jackpot is \$10,000 or more who shall transport the cash, slot tokens or casino check directly to the patron in accordance with (m) below; or

ii. A casino security department member who shall transport the cash, slot tokens or casino check to a slot attendant or slot attendant supervisor if the manual jackpot is less than \$10,000 or to a slot attendant supervisor if the manual jackpot is \$10,000 or more for payment to the patron in accordance with (m) below.

(l) Whenever the winning patron is paid directly by the slot cashier, general cashier or master coin bank cashier, the following procedures shall be followed:

1. The cashier shall prepare or generate a Payout in accordance with (i) and (j) above;

2. If a casino security department member has not signed the Request, the cashier shall summon a casino security department member and provide him or her with the Request. The casino security department member shall proceed to the slot machine identified on the Request and shall verify that the winning characters on the slot machine and the amount to be paid match those which appear on the Request and sign the Request. If the jackpot amount is \$25,000 or more, a slot shift manager shall similarly verify that the winning characters of the slot machine and the amount to be paid match those which appear on the Request and sign the Request. The Request shall then be immediately returned to the cashier by the casino security department member;

3. After the cashier determines that all required signatures verifying the characters of the slot machine and the amount to be paid have been placed on the Request, if the amount being paid is less than \$10,000, the cashier shall pay the winning patron in the presence of the casino security department member and the slot attendant or slot attendant supervisor who signed the Request in accordance with this section, or if the amount being paid is \$10,000 or more but less than \$25,000, the cashier shall pay the winning patron in the presence of the casino security department member and the slot attendant supervisor who signed the Request in accordance with this section. If the amount being paid by the cashier is \$25,000 or more, the cashier shall pay the winning patron in the presence of the casino security department member, the slot attendant supervisor, and the slot shift manager who signed the Request in accordance with this section. All casino personnel required by this section to witness the payment shall sign the duplicate Payout attesting to the accuracy of the information on the Payout and the disbursement of the payment to the patron;

4. If a Receipt was issued and all the required verifications of the characters were completed in accordance with (b) above, the cashier shall summon a casino security department member and a slot attendant or slot attendant supervisor if the manual jackpot is less than \$10,000, a casino security department member and slot attendant supervisor if the manual jackpot is \$10,000 or more and if the jackpot is \$25,000 or more, a slot shift manager shall also be summoned. The patron shall be required to present the duplicate Receipt to the cashier and sign it in his or her presence in order to receive payment. The cashier shall compare the duplicate Receipt to the original Receipt and, if in agreement, make the payment to the winning patron. All casino personnel required by this section to witness the payment shall sign the duplicate Payout attesting to the accuracy of the information on the Payout and the disbursement of the payment to the patron;

5. Once payment has been made and all required signatures obtained, the cashier shall give the duplicate Payout to the casino security department member, who shall as expeditiously as possible deposit it into a locked accounting box at the casino security podium or other location as approved by the Commission; and

6. The cashier shall attach the Request, if applicable, and the original and duplicate Receipt, if applicable, to the original Payout. If the disbursement is made from a slot booth all forms shall be forwarded by the end of the gaming day to the master coin bank for reimbursement. If the disbursement is made from the cashiers' cage, all forms shall be forwarded by the end of the gaming day to the main bank for reimbursement.

(m) Whenever a winning patron will be paid by a slot attendant or slot attendant supervisor, the following procedures shall be followed:

1. The slot cashier, general cashier or master coin bank cashier shall prepare or generate a Payout in accordance with (i) or (j) above;

2. The cashier shall disburse the cash, slot tokens or casino check to the slot attendant or slot attendant supervisor. The casino employee receiving the payment shall verify the amount to be paid to the patron and sign the original and duplicate Payout attesting to the accuracy of the information on the Payout and the receipt of the payment from the cashier. The cashier shall retain the original Payout and the duplicate Payout shall be transported with the payment by the casino employee;

3. If a casino security department member has not signed the Request, the slot attendant or slot attendant supervisor shall provide the duplicate Payout to the casino security department member who shall verify that the winning characters of the slot machine and the amount to be paid match those which appear on the duplicate Payout. If the jackpot amount is \$25,000 or more and the slot shift manager has not signed the Request, the slot

shift manager shall similarly verify that the winning characters of the slot machine and the amount to be paid match those which appear on the duplicate Payout;

4. Once the verifications required by (m)3 above have been completed, if the payment is less than \$10,000, the slot attendant or slot attendant supervisor shall pay the winning patron in the presence of the casino security department member who verified the winning characters and the amount to be paid, if the payment is \$10,000 or more but less than \$25,000, the payment shall be made by a slot attendant supervisor in the presence of the casino security department member who verified the winning characters and the amount to be paid, and if the payment is \$25,000 or more, the payment shall be made in the presence of the casino security department member and the slot shift manager who verified the winning characters and the amount to be paid. Once the patron has been paid, all casino personnel required by this section to witness the payment shall sign the duplicate Payout attesting to the verification of the characters, the accuracy of the information on the Payout and the disbursement of the payment to the winning patron;

5. If a Receipt was issued and all the required verifications of the characters were completed in accordance with (b) above, the cashier shall give the slot attendant or slot attendant supervisor the original Receipt along with the duplicate Payout in accordance with (m)2 above to be transported with the payment. The patron shall be required to present the duplicate Receipt to the slot attendant or slot attendant supervisor and sign it in his or her presence in order to receive the payment. The slot attendant or slot attendant supervisor shall compare the duplicate Receipt to the original Receipt and if in agreement make the payment to the winning patron;

6. Once the patron has been paid and all necessary signatures have been obtained on the duplicate Payout in accordance with (m)4 above, a casino security department member shall as expeditiously as possible deposit the duplicate Payout into a locked accounting box at the security podium or other location as approved by the Commission;

7. The slot attendant or slot attendant supervisor shall immediately return the original and duplicate Receipt, if applicable, to the slot booth, cashiers' cage or master coin bank; and

8. The cashier shall attach the Request, if applicable, and the original and duplicate Receipt, if applicable, to the original Payout. If the disbursement is made from a slot booth all forms shall be forwarded by the end of the gaming day to the master coin bank for reimbursement. If the disbursement is made from the cashiers' cage, all forms shall be forwarded by the end of the gaming day to the main bank for reimbursement.

(n) Nothing in this section shall preclude the use of a computerized data storage system, as approved by the Com-

mission, that electronically records the information required on a Request.

(o) At the end of each gaming day, at a minimum, all forms required by this section shall be forwarded as follows:

1. The original Payout with the attached Request, if applicable, and the original and duplicate Receipt, if applicable, shall be forwarded to the accounting department, which, as reasonably practicable after receipt, shall confirm that the information required to appear thereon pursuant to (b), (d) and (i) above agrees with the information required to appear on the triplicate Payout or in stored data pursuant to (i) above; and

2. The duplicate Payout shall be collected from the locked accounting boxes located at the security podium or other approved location by an accounting department employee and returned to the accounting department, which, as reasonably practicable after receipt, shall record the information therefrom on the Slot Win Sheet and shall confirm that the information required to appear on the duplicate Payout pursuant to (i) above agrees with:

- i. The meter reading recorded on the Slot Meter Sheet; and

- ii. The information required to appear on the triplicate Payout or in stored data pursuant to (i) above.

(p) No casino licensee shall offer a jackpot of prize tokens unless that jackpot is totally and automatically paid directly from the slot machine.

Amended by R.1980 d.437, effective November 16, 1981.

See: 13 N.J.R. 534(b), 13 N.J.R. 848(b).

(e)3: deleted "time of the jackpot" and substituted "shift during which the jackpot occurred" therefor.

(f) added.

Renumbered (f)-(i) as (g)-(j) without change in text.

Amended by R.1986 d.398, effective October 6, 1986.

See: 18 N.J.R. 1360(a), 18 N.J.R. 2059(b).

Manual jackpot changed to \$1,200 from \$600.00.

Amended by R.1987 d.302, effective July 20, 1987.

See: 18 N.J.R. 2005(a), 19 N.J.R. 1321(a).

Added text "of cash or tokens to be exchanged for cash".

Amended by R.1989 d.34, effective January 17, 1989.

See: 20 N.J.R. 2050(b), 21 N.J.R. 175(b).

Added text to (b) "Notwithstanding the above ...".

Amended by R.1991 d.230, effective May 6, 1991.

See: 22 N.J.R. 3325(a), 23 N.J.R. 1461(a).

In (e)1: added "asset" to define number.

Amended by R.1992 d.110, effective March 2, 1992.

See: 23 N.J.R. 3243(a), 24 N.J.R. 858(c).

In (j): stylistic revisions.

Amended by R.1992 d.258, effective June 15, 1992.

See: 24 N.J.R. 932(a), 24 N.J.R. 2296(b).

In (a), added text regarding general cashier or master coin bank cashier. Throughout text, replaced "payout" with "jackpot payout slips."

Added new (e)5, recodifying 5.-6. as 6.-7. In new (e)6, deleted reference to slot booth number and added "location."

In (g): added "casino check issued" and references to general cashier and master coin bank cashier.

In (h)1i. and 2i and (i): added reference to general cashier and master coin bank cashier.

In (j)1: added procedures for jackpot slip if prepared by the master coin bank. Added new (j)2, recodifying (j)2 as 3.

Notice of Receipt of Petition for Rulemaking: to amend Jackpot Payouts of Cash rule to increase dollar threshold of the jackpot payout limits and to increase the authority of slot personnel to attest to and pay jackpots.

See: 24 N.J.R. 2084(c).

Amended by R.1993 d.292, effective June 21, 1993.

See: 25 N.J.R. 917(a), 25 N.J.R. 2702(b).

Amended by R.1993 d.491, effective October 4, 1993.

See: 25 N.J.R. 2227(b), 25 N.J.R. 4615(a).

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).

Law Review and Journal Commentaries

Casinos. Steven P. Bann, 133 N.J.L.J. No. 14, 54 (1993).

19:45-1.40A Jackpot payouts of merchandise or other things of value

(a) This section shall apply to all jackpot payouts of merchandise or other things of value, including annuity jackpots as defined in N.J.A.C. 19:45-1.40B, except where such annuity jackpots are specifically exempted herein.

(b) Whenever a casino licensee offers any merchandise or thing of value as part of a slot machine payout, such merchandise or thing of value shall have a cash equivalent of at least \$5,000 and shall not be included in the total of all sums paid out as winnings to patrons for purposes of determining gross revenue or be included in determining the payout percentage of any slot machine. The cash equivalent value of such merchandise or thing of value shall be determined in accordance with the following requirements:

1. Any merchandise or thing of value of a type sold directly to the public in the normal course of a casino licensee's business shall be recorded at an amount based upon the full retail price normally charged for such item;

2. Any merchandise or thing of value which is of a type not offered for sale to the public in the normal course of a casino licensee's business but which is provided directly to the patron by the casino licensee shall be recorded at an amount based upon the actual cost to the casino licensee of providing such item;

3. Any merchandise or thing of value provided directly or indirectly to the patron on behalf of a casino licensee by a third party not affiliated with the casino licensee shall be recorded at an amount based upon the actual cost to the casino licensee of having the third party provide such item;

4. Any merchandise or thing of value provided directly or indirectly to the patron on behalf of a casino licensee by a third party who is affiliated with the casino licensee shall be recorded by the casino licensee in accordance with the provisions of this section as if the affiliated party were the licensee.

(c) The casino licensee shall retain and make available to the Commission and Division upon request supporting documentation relating to the acquisition and valuation of any merchandise or thing of value to be offered as a payout and shall accumulate the total cash equivalent value and number of such payouts. The supporting documentation shall include a detailed description of the merchandise or thing of value and shall specifically identify which slot machines offer which merchandise or things of value as payouts. If the payout is in the form of an annuity jackpot, the documentation shall include all annuity contracts purchased pursuant to N.J.A.C. 19:45-1.40B. In addition, a quarterly report shall be filed with the Commission, on a form prescribed by the Commission, which shall, at a minimum, provide the current quarter and year-to-date total cash equivalent value and number of payouts of merchandise or things of value.

(d) Whenever a patron wins a jackpot which includes any merchandise or thing of value, an accounting representative, with no incompatible functions, shall prepare a Payout Slip ("Slip"). Such Slips shall be serially prenumbered forms, each series of Slips shall be used in sequential order, and the series of numbers of all Slips received by a casino shall be accounted for by employees independent of the cashiers' cage and the slot department. All original and duplicate void Slips shall be marked "Void" and shall require the signature of the preparer.

(e) For establishments in which Slips are manually prepared, the following procedures and requirements shall be observed:

1. Each series of Slips shall be a three-part form, at a minimum, and shall be inserted in a locked dispenser that will permit an individual Slip in the series and its copies to be written upon simultaneously while still locked in the dispenser, and that will discharge the original Slip and a duplicate copy while the triplicate copy remains in a continuous, unbroken form in the dispenser; and

2. Access to the triplicate copy shall be maintained and controlled at all times by employees responsible for controlling and accounting for the unused supply of Slips, placing Slips in the dispensers, and removing from the dispensers each day the triplicate copy remaining therein. These employees shall have no incompatible functions.

(f) For establishments in which Slips are computer prepared, each series of Slips shall be a two-part form, at a minimum, and shall be inserted in a printer that will: simultaneously print an original Slip and duplicate copy; store, in machine readable form, all information printed on those copies; and discharge the original Slip and duplicate copy. The stored data shall not be susceptible to change or removal by any personnel after preparation of a Slip.

(g) On the original and all copies of the Slip, or in stored data, the preparer shall record, at a minimum, the following information:

1. The asset number of the slot machine on which the jackpot was registered;
2. The winning combination of characters constituting the jackpot;
3. The date, shift and time when the jackpot occurred;
4. A description of the merchandise or thing of value won and, unless the jackpot is an annuity jackpot, its cash equivalent value;
5. The selection of merchandise or its cash equivalent value as made by the patron;
6. The time of the Slip's preparation; and
7. The signature or, if computer prepared, identification code of the preparer.

(h) Signatures attesting to the accuracy of the information contained on the Slip shall be, at a minimum, of the following personnel at the following times:

1. The original:
 - i. An accounting representative with no incompatible functions upon preparation; and
 - ii. A slot supervisor after observing the combination of characters indicated on the slot machine; and
2. The duplicate:
 - i. An accounting representative with no incompatible functions upon preparation;
 - ii. A slot supervisor after observing the combination of characters indicated on the slot machine; and
 - iii. A security department member after observing the combination of characters indicated on the slot machine.

(i) Upon meeting the signature requirements as described in (h) above, the security department shall maintain and control the duplicate copy of the Slip, and the accounting department shall maintain and control the original Slip.

(j) At the end of each gaming day, at a minimum, the original Slip and duplicate copy of the Slip shall be forwarded as follows:

1. The original Slip shall be forwarded to the accounting department for agreement with the triplicate copy or stored data; and

2. The duplicate Slip shall be forwarded to the accounting department for agreement with the triplicate copy or stored data.

(k) Except as otherwise provided in (m) below, any merchandise or thing of value to which a patron is entitled as a result of a slot machine payout shall be given to the patron. Documentation supporting the receipt by the patron of such merchandise, thing of value or, in accordance with (m) below, cash equivalent value shall be prepared by a representative of the casino licensee having no incompatible functions and shall be agreed to the triplicate copy of the Slip or stored data by a representative of the accounting department having no incompatible functions.

(l) A casino licensee may, at any time, establish a time limit of not less than 30 days for the offering of a jackpot of merchandise or other thing of value by providing notice of the time limit in accordance with N.J.A.C. 19:45-1.37(a)4.

(m) Except when the payout is an annuity jackpot, the casino licensee may permit a winning patron to request and receive the exact cash equivalent value of the merchandise or thing of value as determined in (b)1-4 above in lieu of the merchandise or thing of value. However, any cash so provided shall not be included in determining gross revenue or in determining the minimum 83 percent payout of any slot machine as required by N.J.A.C. 19:45-1.37(g). If a licensee chooses to offer a patron this option, the licensee shall advise the patron in advance of actual play pursuant to N.J.A.C. 19:45-1.37(a)4 and 19:46-1.26(a)5.

(n) Any advertising involving slot machine payouts of any merchandise or thing of value by the casino licensee shall include an accurate description of the merchandise or thing of value, the dates the merchandise or thing of value will be offered if the casino licensee establishes a time limit for offering the merchandise or thing of value pursuant to (l) above, and, except for annuity jackpots, the cash equivalent value of the merchandise or thing of value. Any advertising concerning annuity jackpots shall also provide clear notice of the following:

1. That the jackpot will be paid over time and not in one lump sum; and

2. The number of payments and the time interval between payments.

(o) Until the expiration of any time limit established in accordance with (l) above or, if no such time limit is established by the casino licensee, until the merchandise or thing of value offered as a slot machine payout is won by a patron, a casino licensee shall not decrease the probability of hitting the combination that will award the merchandise or thing of value, increase the denomination of the machine, nor in any other way vary the terms upon which the merchandise or thing of value is offered to the public.

(p) Slot machines which are linked to offer the same merchandise jackpot shall have the same probability of hitting the combination that will award that jackpot, provided, however, that the probability may vary among such machines when necessary to enable a casino licensee to institute a change in the probability which is otherwise permitted by this section, if the change is completed expeditiously in accordance with procedures that have been filed with and approved by the Commission.

(q) Except as otherwise authorized by this section, a slot machine which offers merchandise or some other thing of value as a payout which is removed from the gaming floor shall be returned to or replaced on the gaming floor within five days. If the machine is not returned or replaced, the merchandise or thing of value shall, within five days of the slot machine's removal, be offered as a payout on a slot machine approved by the Commission which offers the same or a greater probability of winning the merchandise or thing of value, and accepts a denomination of coin or slot token not greater than the denomination accepted by the slot machine which was removed. Any time limit for offering a jackpot of merchandise or other thing of value shall be extended by the number of days during which the merchandise or thing of value was not offered as the result of any action taken by a casino licensee pursuant to this subsection.

New Rule, R.1987 d.302, effective July 20, 1987.

See: 18 N.J.R. 2005(a), 19 N.J.R. 1321(a).

Experimental 90-day implementation of amendment, pursuant to N.J.S.A. 5:12-69(e), 5:12-70(f), (l) and (m), effective March 23, 1990 (expires June 21, 1990).

See: 22 N.J.R. 841(a).

Amended by R.1990 d.238, effective May 7, 1990.

See: 22 N.J.R. 624(a), 22 N.J.R. 1381(a).

Revised rule to be consistent with new rules in chapter regarding annuity jackpots.

Clarified new procedural and recordkeeping requirements, including stylistic changes.

Added new (a) and relettered old (a) as (b).

In (c): added text "If the payout . . . N.J.A.C. 19:45-1.40B".

In (d): added language specifying employee accountability for series of numbers of all slips.

In (g)4: added "unless the jackpot is an annuity jackpot . . ." to text.

Deleted (l) regarding slot machine payouts of tokens redeemable for any merchandise, and reserved subsection.

In (m): added "Except when the payout is an annuity jackpot . . ." to text.

In (n): added annuity jackpot exception and language describing annuity jackpot advertising in new (n)1 and 2.

Notice of Receipt of Petition for Rulemaking in (n) and (o).

See: 23 N.J.R. 624(a).

Amended by R.1991 d.230, effective May 6, 1991.

See: 22 N.J.R. 3325(a), 23 N.J.R. 1461(a).

In (g)1: added "asset" to define number.

Amended by R.1992 d.58, effective February 3, 1992.

See: 23 N.J.R. 1306(a), 24 N.J.R. 487(a).

Allows casinos to establish a time limit of not less than 30 days for the offering of merchandise or other thing of value.

Amended by R.1992 d.110, effective March 2, 1992.

See: 23 N.J.R. 3243(a), 24 N.J.R. 858(c).

In (j): stylistic revisions.

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).

19:45-1.40B Jackpot payouts in the form of an annuity

(a) For purposes of this section, the phrase "annuity jackpot" refers to any slot machine jackpot offered by a casino licensee or group of casino licensees pursuant to which a patron wins the right to receive cash payments at specified intervals in the future. No annuity jackpot shall be permitted unless it provides for the payment of fixed amounts at fixed intervals. In addition, no annuity jackpot shall be permitted unless it expressly prohibits the winner from encumbering, assigning, or otherwise transferring in any way his or her right to receive the future cash payments, except as permitted by (k)2i below, and except for a transfer to the estate of the winner upon his or her death. A casino licensee or group of casino licensees may, with the prior approval of the Commission, terminate all future payments to a winner who attempts to encumber, assign or otherwise transfer the right to receive future payments in violation of this prohibition.

(b) Any casino licensee or group of casino licensees planning to offer an annuity jackpot shall establish a trust fund which shall be used to make future cash payments. The trust fund shall be administered in accordance with a written trust agreement which shall be reviewed and approved by the Commission prior to the offering of the jackpot. The trust agreement shall, at a minimum, require that:

1. Any casino licensee participating in offering the annuity jackpot serve as trustee for the trust fund;
2. The monies in the trust fund be used to purchase annuity contracts or United States treasury bonds, treasury notes, or treasury bills in accordance with (c) or (d) below to assure that the trust will have sufficient monies available in each year to make all annuity jackpot payments which are required under the terms of the annuity jackpots which are won;
3. A reserve be established and maintained within the trust fund which is sufficient to purchase the annuity contracts, treasury bonds, treasury notes or treasury bills required under (b)2 above as annuity jackpots are won;
4. The trust continue to be maintained until all payments owed to winners of the annuity jackpots have been made; and
5. The trustees obtain and file with the Commission and the Division within 30 days of receipt an annual audit by an independent certified public accountant licensed to practice in the State of New Jersey attesting to:
 - i. The financial position of the trust fund, including whether the trust will be able to pay all of its obligations when due; and
 - ii. Disclosing whether the records and control procedures examined are maintained in accordance with the Act, the Commission's regulations, and generally accepted accounting principles.

(c) If the trustee or trustees purchase annuity contracts in satisfaction of (b)2 above, a separate annuity contract shall be purchased for each annuity jackpot won. The annuity contract shall name the trust fund as beneficiary, shall provide for annuity payments which are equal to or greater than the payments required under the annuity jackpot, and shall provide for each annuity contract payment to be made to the trust fund prior to the date the payment is required to be made under the annuity jackpot. The annuity contract shall be purchased within 180 days after the annuity jackpot is won, unless it is purchased pursuant to (d) below, and a copy of the contract shall be provided to the Commission and Division within 30 days of its purchase. The annuity contract shall be issued by an insurance company which:

1. Has fidelity and fiduciary insurance or bonding coverage for 100 percent of the value of the annuity contract;
2. Has a combined capital and surplus of at least 100 million dollars, assets of at least one billion dollars, and an A.M. Best Company rating of A plus (superior); and
3. Is authorized to issue annuities in New Jersey by the State's Commissioner of Insurance and is either licensed to sell annuities in this State, or represented by an entity so licensed.

(d) If the trustee or trustees purchase United States treasury bonds, treasury notes or treasury bills in satisfaction of (b)2 above, a separate treasury bond, note or bill shall be purchased for each payment which is required to be made under the terms of the annuity jackpot. Each treasury bond, note or bill shall have a surrender value at maturity, excluding any interest which is paid before the maturity date, which is equal to or greater than the value of the corresponding annuity jackpot payment, and shall have a maturity date which is prior to the date the annuity jackpot payment is required to be made. All treasury bonds, notes or bills shall be purchased within 180 days after the annuity jackpot is won, and a copy of the bonds, notes or bills will be provided to the Commission and the Division within 30 days of their purchase. No treasury bond, note or bill purchased pursuant to this section shall be sold prior to its maturity date unless the proceeds are used to purchase another treasury bond, note or bill or an annuity contract in compliance with the requirements of this section to assure that the remaining deferred payments are made as promised, which purchase must be completed within 30 days of the sale of the bonds, notes or bills.

(e) Any casino licensee or group of casino licensees which offers an annuity jackpot shall be strictly and immediately liable for any payment which is owed to a bona fide winner of such a jackpot, as ascertained by the rules of the Commission, in the event that the payment is not made by the trustees when due. Where the annuity jackpot is offered as part of a multi-casino progressive slot system, each casino licensee participating in the system when the jackpot

is won shall be jointly and severally liable for each jackpot payment required to be made under this subsection.

(f) All checks received by the trustees under the annuity contracts and all checks received upon the sale or surrender of the treasury bonds, notes or bills shall be restrictively endorsed "for deposit only" to the bank account of the trust or, with the approval of the Commission, to an account with a non-bank broker dealer which is registered with the Securities and Exchange Commission and is a member of the Securities Investor Protection Corporation, deposited into such an account, and immediately recorded on an Annuity Deposit Log. The Annuity Deposit Log shall contain, at a minimum, the following:

1. The date the payment is received;
2. The amount of the payment;
3. The source of the payment, including, if applicable, the name of the insurance company issuing the payment; and
4. The signature of the person making the entry.

(g) Upon the deposit of the payments received in accordance with (f) above, the trustees may invest such proceeds in United States Treasury notes, bonds or bills or in shares of mutual funds which invest only in such Treasury securities. The term of any such investment shall not exceed 90 days and shall not interfere with the ability of the trust to make any annuity jackpot payout when due. If an investment authorized by this subsection is made by the trustees, the Annuity Deposit Log shall contain, at a minimum, the following information for each investment:

1. The date of purchase or sale;
2. The purchase or sale price;
3. A description of the investment; and
4. The signature of the person making the entry.

(h) The trustees shall make all payments owed to a patron as the result of that patron winning an annuity jackpot by check made payable to the winning patron. Such payments shall be recorded on an Annuity Payment Log which shall contain, at a minimum, the following:

1. The patron's name and address;
2. The check number and the date the check was mailed or presented to the patron;
3. The amount of the check;
4. The date the payment was due;
5. The names of the persons signing the check; and
6. The signature of the person making the entry.

(i) The trustees shall also maintain an Annuity Jackpot Summary Log for each patron who wins an annuity jackpot to summarize the payments owed and made to the winning patron. The Annuity Jackpot Summary Log shall be prepared when a patron wins an annuity jackpot.

1. At the time of preparation, the Log shall contain, at a minimum, the following information:

- i. The patron's name and address;
- ii. The date the annuity jackpot was won;
- iii. The total amount of the annuity jackpot;
- iv. The amount of each annuity payment;
- v. The date each annuity payment is due; and
- vi. The signature of the preparer.

2. As annuity payments are made to the patron, the following information, at a minimum, shall be entered in the Log:

- i. The date of the payment;
- ii. The amount of the check;
- iii. The check number; and
- iv. The signature of the person making such an entry.

(j) Any casino licensee or group of casino licensees which offers an annuity jackpot shall comply with the display and sign requirements established in N.J.A.C. 19:45-1.37(a)4 and 19:46-1.26(a)5, except that the display or sign need not include the cash equivalent value. In addition, each such display or sign shall provide clear notice of the following:

1. That the displayed jackpot will be paid over time and not in one lump sum;
2. The number of payments and the time interval between payments; and
3. That the right to receive the jackpot payments may not be encumbered, assigned, or otherwise transferred in any way except to the estate of the winner upon his or her death, and that any attempt to make a prohibited transfer may result in the winner forfeiting the right to receive future payments.

(k) Any casino licensee or group of casino licensees planning to offer an annuity jackpot shall first be required to establish to the satisfaction of the Commission either that:

1. A winning patron will not be liable for income tax on the deferred portion of the annuity jackpot in the tax year in which the jackpot is won; or

2. Reasonable accommodations have been made to enable a winning patron to satisfy any income tax liability attributable to the deferred portion of the annuity jackpot which is incurred in the tax year in which the jackpot is won.

i. If the casino licensee or group of casino licensees comply with this section by lending funds to a winning patron to pay the income tax liability, the casino licensee or group of casino licensees may require a winning patron to encumber, assign or transfer to it or them the right to receive a portion of the future payments sufficient to repay such a loan.

New Rule, R.1990 d.238, effective May 7, 1990.

See: 22 N.J.R. 624(a), 22 N.J.R. 1381(a).

Prior N.J.A.C. 19:45-1.40B, "Inspection of slot machine jackpots," recodified to N.J.A.C. 19:45-1.40D.

Amended by R.1991 d.184, effective April 1, 1991.

See: 22 N.J.R. 3455(a), 23 N.J.R. 1025(b).

In (a): added internal citation reference.

In (b)2: deleted (b)2i-iii. and revised text to include reference to U.S. Treasury Bonds and specify annuity jackpot requirements.

In (b)5: added language regarding "30 days of receipt" filing requirement.

Added new subsections (c)-(d), recodifying existing (c)-(d) as (e)-(f) with textual revisions. In new (f), expanded check processing requirements.

In new (f)3, added language including the source of payment.

Recodified existing (e)-(g) as (g)-(i) with no change in text.

Recodified existing (h) as (j).

Amended by R.1991 d.584, effective December 2, 1991.

See: 22 N.J.R. 3455(a), 23 N.J.R. 3655(b).

Adopted outstanding portions of 1.40B. In (b)5: added text regarding filing of annual audit within 30 days of receipt with the Commission and the Division. In (f): added new text regarding the depositing of checks. Added new text at subsection (j)2i.

Administrative Correction to (b), (d) and (f), adding amended text.

See: 23 N.J.R. 3819(a).

Amended by R.1994 d.405, effective August 1, 1994.

See: 26 N.J.R. 1996(a), 26 N.J.R. 3187(c).

Administrative Correction.

See: 26 N.J.R. 4788(a).

Case Notes

Annuity payment to slot machine winner is not cash, but rather, is "other thing of value" and thus is not deductible. In re Resolution of New Jersey Casino Control Com'n Concerning Adoption of Amendments to N.J.A.C. 19:45-19:45-1.40(A) and 19:45-1.40(B) and Adoption of N.J.A.C. 19:45-1.40(A) and (B), 262 N.J.Super. 572, 621 A.2d 536 (A.D.1993), certification denied 134 N.J. 474, 634 A.2d 522.

19:45-1.40C Multi-casino slot system jackpot payouts of cash

(a) Any slot machine jackpot payout of cash or slot tokens which will be included in the calculation of gross revenue by two or more casino licensees as part of a multi-casino progressive slot system shall be subject, except as otherwise provided in this section, to any procedural or documentation requirement established in N.J.A.C. 19:45-1.40. All forms utilized in the preparation or payment of a multi-casino progressive slot system jackpot shall be clearly identified as forms used for such purpose.

(b) For establishments in which Jackpot Payout Slips ("Payouts") are manually prepared, a separate series of Multi-Casino Jackpot Payout Slips ("Multi-Casino Payouts") shall be used in lieu thereof and shall be subject to the following additional procedures and requirements:

1. Each series of Multi-Casino Payouts shall be a four-part form, at a minimum, and shall be inserted in a locked dispenser that will:

i. Permit an individual Multi-Casino Payout in the series and its copies to be written upon simultaneously while still locked in the dispenser; and

ii. Discharge the original, duplicate and triplicate while the quadruplicate remains in a continuous, unbroken form in the dispenser;

2. The duplicate and triplicate Multi-Casino Payouts shall be treated like a duplicate Payout under N.J.A.C. 19:45-1.40, except that:

i. The amount of the Multi-Casino Payout shall not be included in the daily calculation of the Slot Win Sheet but shall be reported as a periodic adjustment in a manner approved by the Commission; and

ii. At the end of each gaming day, at a minimum, the triplicate Multi-Casino Payout shall be forwarded by the accounting department to the casino licensee or group of casino licensees approved to operate the slot system ("slot system operator") for comparison and agreement with the combined system readings and reports, and for calculation of tax deductions and cash reimbursements, if applicable; and

3. The quadruplicate Multi-Casino Payout shall be treated like a triplicate Payout under N.J.A.C. 19:45-1.40.

(c) For establishments in which Payouts are computer prepared, a separate series of Multi-Casino Payouts shall be used in lieu thereof and shall be subject to the following additional procedures and requirements:

1. Each series of Multi-Casino Payouts shall be a three-part form, at a minimum, and shall be inserted in a printer which shall:

i. Simultaneously print an original, duplicate and triplicate Multi-Casino Payout while the computer stores, in machine-readable form, all information printed on the Multi-Casino Payout; and

ii. Discharge the original, duplicate and triplicate;

2. Stored data shall not be susceptible to change or removal by any personnel after preparation of a Multi-Casino Payout; and

3. The duplicate and triplicate Multi-Casino Payout shall be treated like a duplicate Payout under N.J.A.C. 19:45-1.40, except that:

i. The amount of the Multi-Casino Payout shall not be included in the daily calculation of the Slot Win Sheet but shall be reported as a periodic adjustment in a manner approved by the Commission; and

ii. At the end of each gaming day, at a minimum, the triplicate Multi-Casino Payout shall be forwarded by the accounting department to the slot system operator for comparison and agreement with the combined system readings and reports, and for calculation of tax deductions and cash reimbursements, if applicable.

(d) If a multi-casino slot machine system will not permit slot department personnel employed by the casino licensee where the jackpot is won to determine from the slot machine or the progressive display the actual amount of the jackpot payout of cash or slot tokens won by the patron, the following additional requirements shall apply:

1. The slot cashier who is responsible for preparing the Multi-Casino Payout shall request the slot system operator to provide documentation of the actual amount of the jackpot payout of cash or slot tokens won by the patron;

2. The slot system operator shall provide, in a form and manner approved by the Commission, documentation of the actual amount of the jackpot payout to the slot cashier, who shall use the documentation in the preparation of the Multi-Casino Payout and attach the documentation to the original Multi-Casino Payout; and

3. The documentation required by (d)1 above shall include the winning jackpot amounts which should be displayed on the slot machine or the progressive meter on the floor of the casino.

(e) Prize tokens shall not be available as a Multi-Casino Payout.

New Rule—19:45-1.40C.

Experimental 90-day implementation of new rule, pursuant to N.J.S.A. 5:12-69(e), 5:12-70(f), (l) and (m), effective March 23, 1990 (expires June 21, 1990).

See: 22 N.J.R. 841(a).

New Rule, R.1990 d.238, effective May 7, 1990.

See: 22 N.J.R. 624(a), 22 N.J.R. 1381(a).

Notice of Receipt of Petition for Rulemaking.

See: 22 N.J.R. 2190(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).

19:45-1.40D Inspection of slot machine jackpots

(a) Prior to the payment of any slot machine jackpot paid pursuant to N.J.A.C. 19:45-1.40 which has a value of at least \$25,000, any jackpot of merchandise or a thing of value to be paid pursuant to N.J.A.C. 19:45-1.40A, or any jackpot where there is evidence of a malfunction, a casino licensee shall notify the Division that a winning combination has been registered and permit the Division to inspect any slot machine, progressive equipment or related equipment involved. Upon notification by the casino licensee, the Division shall advise the casino licensee whether the Division will conduct an inspection. When an inspection is conducted, the casino licensee may award payment of the jackpot to the winning patron upon completion of the inspection absent a contrary direction from the Division pursuant to its authority under the Act. Failure of the Division to object to the payment of the jackpot upon completion of its inspection shall not constitute waiver or estoppel of any charge, issue or claim raised in any criminal or regulatory complaint subsequently filed against any person in connection with the winning or payment of that jackpot.

(b) Nothing in (a) above shall be deemed to limit the obligation of a casino licensee under the Act and the Commission's rules to cooperate with the Division or Commission in any inquiry or investigation concerning slot machine jackpots.

New Rule, R.1989 d.72, effective February 6, 1989.

See: 20 N.J.R. 2648(a), 21 N.J.R. 314(a).

New Rule—19:45-1.40B.

Experimental 90-day implementation of new rule, pursuant to N.J.S.A. 5:12-69(e), 5:12-70(f), (l) and (m), effective March 23, 1990 (expires June 21, 1990).

Current N.J.A.C. 19:45-1.40B redesignated as 1.40D.

See: 22 N.J.R. 841(a).

Recodified from N.J.A.C. 19:45-1.40B, R.1990 d.238, effective May 7, 1990.

See: 22 N.J.R. 624(a), 22 N.J.R. 1381(a).

19:45-1.41 Procedure for filling payout reserve containers of slot machines and hopper storage areas

(a) Each hopper of a slot machine may be filled by requesting coin, slot tokens or prize tokens, which are compatible with the hopper to be filled, on a Hopper Fill Slip, or by utilizing coin, slot tokens or prize tokens that are compatible with the hopper to be filled and that are stored in its corresponding hopper storage area pursuant to N.J.A.C. 19:45-1.36A.

(b) The filling of a hopper or a hopper storage area by means of a Hopper Fill Slip shall be accomplished as follows:

1. Whenever a slot supervisor, attendant or mechanic requests coins, slot tokens or prize tokens to fill a hopper or a hopper storage area of a slot machine, he or she shall obtain a properly completed and signed Hopper Fill Slip ("Hopper Fills") from a slot cashier.

2. Hopper Fills shall be serially prenumbered forms, each series of Hopper Fills shall be used in sequential order, and the series numbers of all Hopper Fills received by a casino licensee shall be accounted for by employees independent of the cashiers' cage and the slot department. All original and duplicate void Hopper Fills shall be marked "VOID" and shall require the signature of a slot cashier. Notwithstanding the above, a serially prenumbered combined Jackpot Payout/Hopper Fill form may be utilized in conjunction with N.J.A.C. 19:45-1.40(b), as approved by the Commission, provided that the combined form shall be used in a manner which otherwise complies with the procedures and requirements established by this section.

3. For establishments in which Hopper Fills are manually prepared, the following procedures and requirements shall be observed:

i. Each series of Hopper Fills shall be a three-part form, at a minimum, and shall be inserted in a locked dispenser that will permit an individual slip in the series and its copies to be written upon simultaneously while still locked in the dispenser, and that will discharge the original and duplicate while the triplicate remains in a continuous, unbroken form in the dispenser; and

ii. Access to the triplicates shall be maintained and controlled at all times by employees responsible for controlling and accounting for the unused supply of Hopper Fills, placing Hopper Fills in the dispensers, and removing from the dispensers the triplicates remaining therein.

4. For establishments in which Hopper Fills are computer prepared, each series of Hopper Fills shall be a two-part form, at a minimum, and shall be inserted in a printer that will: simultaneously print an original and a duplicate and store, in a machine-readable form, all information printed on the original and duplicate; and discharge the original and duplicate. The stored data shall not be susceptible to change or removal by any personnel after preparation of a Hopper Fill.

5. On originals, duplicates and triplicates, or in stored data, the Hopper Fill shall include, at a minimum, the following information:

i. The asset number of the slot machine to which the coins, slot tokens or prize tokens are to be distributed;

ii. The date and shift during which the coins, slot tokens or prize token are distributed;

iii. The denomination of the coin, slot tokens or prize tokens that are to be distributed;

iv. The amount of coins, slot tokens or prize tokens that are to be distributed;

v. The location from which the coins, slot tokens or prize tokens are distributed;

vi. The signature and, if computer prepared, the identification code of the slot cashier;

vii. The signature or identification code of the person requesting coins, slot tokens or prize tokens to fill the hopper (on the original and the duplicate only); and

viii. Whether the coins, slot tokens or prize tokens are to be placed in the slot machine's all-purpose hopper or payout-only hopper, or in its corresponding hopper storage area.

6. The time of preparation of the Hopper Fill shall be recorded at a minimum, on the original and duplicate upon preparation.

7. All coins, slot tokens and prize tokens distributed from a slot booth to a slot machine or its corresponding hopper storage area shall, during their transportation directly to the machine and until their deposit into the appropriate hopper, remain in pre-wrapped secured bags; provided, however, that:

i. A casino security department member shall transport the pre-wrapped secured bags containing loose coin, slot tokens or prize tokens directly to the slot machine or its corresponding hopper storage area, accompanied by the duplicate Hopper Fill for signature;

ii. The secured bags in which prize tokens are transported shall have sufficient identifying features, ap-

proved by the Commission, to distinguish those bags and their contents from the secured bags in which coins or slot tokens are transported; and

iii. The casino security department member shall observe the deposit of the coins, slot tokens or prize tokens in the appropriate slot machine hopper or the slot machine's corresponding hopper storage area, and the closing and locking of the slot machine or its corresponding hopper storage area by the slot mechanic or slot attendant before obtaining the signature of the slot mechanic or attendant on the duplicate copy of the Hopper Fill.

8. A slot mechanic who participates in filling a slot machine hopper shall inspect the slot machine and determine if the empty hopper resulted from a machine malfunction. A slot attendant participating in a hopper fill shall review the Machine Entry Authorization Log and alert a slot mechanic to inspect the slot machine if the entries in the log indicate a consistent malfunction problem.

9. Signatures attesting to the accuracy of the information contained on the Hopper Fill shall be, at a minimum, of the following personnel at the following times:

i. The original:

(1) The slot cashier—upon preparation; and

(2) The security department member transporting the coins, slot tokens or prize tokens to the slot machine—upon receipt from the cashier of the coins, slot tokens or prize tokens to be transported; and

ii. The duplicate:

(1) The slot cashier—upon preparation;

(2) The security department member transporting the coins, slot tokens or prize tokens to the slot machine—upon receipt from the cashier of coins, slot tokens or prize tokens to be transported; and

(3) The slot mechanic or attendant—after depositing the coins, slot tokens or prize tokens in the appropriate hopper of the slot machine and closing and locking the slot machine.

10. Upon meeting the signature requirements as described in (b)9 above, the security department member shall maintain and control the duplicate and the slot cashier shall maintain and control the original of the Hopper Fill Slip.

11. At the end of each gaming day, at a minimum, the original and duplicate Hopper Fill Slip shall be forwarded as follows:

i. The original Hopper Fill Slip shall be forwarded to the cashiers' cage by the slot cashier for exchange for coin, currency or credit, after which the original shall be forwarded to the accounting department, which, as reasonably practicable after receipt, shall confirm that the information on the original Hopper Fill agrees with the information on the triplicate or in stored data.

ii. The duplicate Hopper Fill Slip shall be forwarded directly to the accounting department, which, as reasonably practicable after receipt, shall record the information from the Hopper Fill Slip on the Slot Win Sheet, and shall confirm that the information recorded on the Hopper Fill Slip agrees with the meter readings recorded on the Slot Meter Sheet and with the information on the triplicates or in stored data.

(c) Each slot machine hopper may be filled from its corresponding hopper storage area as follows:

1. Whenever a slot machine's hopper requires coin, slot tokens or prize tokens, a slot attendant or mechanic, after confirming that the hopper storage area contains the necessary coin, slot tokens or prize tokens to replenish the hopper to be filled, may, in the presence of a member of the security department, transfer the necessary coin, slot tokens or prize tokens from that slot machine's hopper storage area directly to the appropriate hopper of the corresponding slot machine. The security department member shall observe the deposit of the coins, slot tokens or prize tokens in the appropriate slot machine hopper and the closing and locking of the slot machine and its corresponding hopper storage area by the slot mechanic or attendant.

2. After transferring the coins, slot tokens or prize tokens to the slot machine's appropriate hopper, the slot attendant or mechanic shall make the entries required on the slot machine's log, which, at a minimum, shall include the following:

- i. The date and time of the transfer;
- ii. The type of hopper in the slot machine to which the coins, slot tokens or prize tokens were transferred;
- iii. The amount of coins, slot tokens or prize tokens that were placed in that hopper; and
- iv. The name and license number of the slot attendant or slot mechanic who made the transfer.

(d) Hopper storage areas shall be filled by using Hopper Fill Slips, in accordance with the procedures in (b) above.

(e) Each casino licensee shall submit and have approved internal controls for detecting and removing prize tokens from the all-purpose hoppers of its slot machines. Each casino licensee so removing a prize token shall count it, for purposes of calculating its gross revenue pursuant to N.J.S.A. 5:12-24, as cash received from gaming operations for the face amount of the prize token.

Amended by R.1981 d.437, effective November 16, 1981.
See: 13 N.J.R. 534(b), 13 N.J.R. 848(b).

(e)2: deleted "time of distribution" and substituted "shift during which coins are distributed" therefor. (f) added. Renumbered (f) as (g). (h) added. Renumbered (g)-(i) as (i)-(k) without change in text.
Amended by R.1989 d.34, effective January 17, 1989.

See: 20 N.J.R. 2050(b), 21 N.J.R. 175(b).

Added text in (b) "Notwithstanding the above ...".
Amended by R.1991 d.230, effective May 6, 1991.
See: 22 N.J.R. 3325(a), 23 N.J.R. 1461(a).

In (e)1: added "asset" to number.
Amended by R.1992 d.110, effective March 2, 1992.
See: 23 N.J.R. 3243(a), 24 N.J.R. 858(c).

In (k): stylistic revisions.
Amended by R.1992 d.255, effective June 15, 1992.
See: 23 N.J.R. 2921(a), 24 N.J.R. 2297(a).

Stylistic revisions throughout. In (a): revised to read that Hopper Fill Slips "shall be prepared, in accordance with procedures approved by the Commission." In (b): added text to specify that the slot booth cashier is the preparer of the Hopper Fill Slips. Added new (e)7. In (j), deleted reference to "cage" cashier maintaining and controlling the original.

Amended by R.1992 d.361, effective September 21, 1992.
See: 24 N.J.R. 2137(a), 24 N.J.R. 3336(a).

Revised to meet statutory changes regarding records retention, storage and destruction. Eliminates current petition process for records destruction and off-site record generation or storage. Revised section. Administrative correction to (c).

See: 25 N.J.R. 1230(a).
Amended by R.1993 d.631, effective December 6, 1993.
See: 25 N.J.R. 4474(a), 25 N.J.R. 5522(a).

Administrative Correction.
See: 26 N.J.R. 1538(c).
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).

19:45-1.41A Procedures governing the removal of coin, slot tokens and slugs from a slot machine hopper

(a) Except as provided in N.J.A.C. 19:45-1.38(d), and (b) through (d) below, no coin, slot tokens, or slugs shall be removed from a slot machine hopper.

(b) If a slot machine malfunctions during a payout and the slot machine cannot be repaired in a timely manner, coin and slot tokens may be removed from a slot machine's hopper in order to complete the slot machine paid jackpot. The coin or slot tokens shall be removed from the slot machine hopper by a slot attendant, slot mechanic or supervisor thereof for slot machines which accept coin or slot tokens in denominations less than \$25.00, or a slot department supervisor for slot machines which accept slot tokens in denominations of \$25.00 or more. The removal of the coin or slot tokens shall be documented on the Machine Entry Authorization Log pursuant to N.J.A.C. 19:45-1.36(j). Nothing in this section shall preclude a casino licensee from preparing a Jackpot Payout Slip for the amount of coin or slot token owed the patron provided that the payout is completed in accordance with N.J.A.C. 19:45-1.40 and a notation is made on the Jackpot Payout Slip indicating the reason for the slip.

(c) If coin or slot tokens are inserted by a patron and are neither registered nor returned to the patron by the slot machine, a member of the slot department in accordance with (b) above may remove the coin or slot tokens from the slot machine hopper and return them to the patron. The removal of the coin or slot tokens shall be documented on the Machine Entry Authorization Log pursuant to N.J.A.C. 19:45-1.36(j). Under no circumstances shall a casino licensee remove more coin or slot tokens than the maximum number of coin or slot tokens which can be wagered on one handle pull of the slot machine.

(d) Whenever slugs are found in a slot machine's hopper the following procedures and requirements shall be followed:

1. A slot attendant, slot mechanic or supervisor thereof shall, for slot machine denominations less than \$25.00, or a slot department supervisor for slot machine denominations of \$25.00 or more, immediately remove the slugs from the slot machine hopper and place the slugs into an envelope or container. The individual who found the slugs shall record the asset number and denomination of the slot machine, the quantity of slugs found, the date the slugs were found, and his or her signature on the Machine Entry Authorization Log pursuant to N.J.A.C. 19:45-1.36(j). The envelope or container may be maintained inside the slot machine until the number of slugs in the envelope or container is nine. When the number of slugs in the envelope or container reaches nine or at such other times as may be necessary, the slot attendant, slot mechanic or slot supervisor shall complete a three-part Slug Report which contains, at a minimum, the following:

- i. The date and time;
- ii. The asset number of the slot machine from which the slugs were removed;
- iii. The denomination of the slot machine;
- iv. The denomination and quantity of slugs;
- v. A brief description of the slugs; and
- vi. The signature of the slot attendant, slot mechanic or slot department supervisor completing the Slug Report.

2. Upon completion of the Slug Report required by (d)1 above, the slot attendant, slot mechanic or slot department supervisor shall remove the envelope or container, seal the envelope or container and transport it with the Slug Report to the Master Coin Bank or other location as approved by the Commission. The individual accepting receipt of the slugs shall sign all three parts of the Slug Report. The slot department member shall deliver the original copy of the Slug Report to the Commission's Principal Inspector and the triplicate to the Division's in-house office. The duplicate Slug Report shall remain with the slugs until their destruction.

3. If more than nine slugs are found at any one time in a slot machine's hopper, the slot department member shall place the slugs into the envelope or container and immediately complete the Slug Report required by (d)1 above. The slugs shall be immediately transported in accordance with (d)2 above. The slot department member shall inspect the slot machine and coin mechanism to determine if there is a malfunction. The results of this inspection shall be documented on the Machine Entry Authorization Log pursuant to N.J.A.C. 19:45-1.36(j).

4. All slugs shall be destroyed in accordance with procedures submitted to and approved by the Commission and the Division.

New Rule, R.1994 d.423, effective August 15, 1994.

See: 26 N.J.R. 1620(a), 26 N.J.R. 3465(c).

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

See: 26 N.J.R. 4089(a).

19:45-1.42 Removal of slot drop buckets, slot drop boxes and slot cash storage boxes; unsecured currency; meter readings

(a) For each slot machine and attached bill changer on the gaming floor, the slot drop bucket, slot drop box and slot cash storage box shall be removed at least once a week on specific days and at times designated by the casino licensee on a schedule which shall be filed with the Commission and the Division. No slot drop bucket, slot drop box or slot cash storage box shall be emptied or removed from its compartment at other than the times specified on such schedule except with the express approval of the Commission. Prior to emptying or removing any slot drop bucket, slot drop box or slot cash storage box, a casino licensee shall notify the Commission and the surveillance department of the transportation route that will be utilized.

1. All slot drop boxes which are not attached to a slot machine or temporarily stored in the base of a slot machine pursuant to (c)2ii below, including emergency slot drop boxes which are not actively in use, shall be stored in the count room or other secure area outside the count room approved by the Commission, in an enclosed storage cabinet or trolley and secured in such cabinet or trolley by a separately keyed, double locking system. The key to one lock shall be maintained and controlled by the security department and the key to the second lock shall be maintained and controlled by the Commission.

(b) Slot drop buckets, slot drop boxes and slot cash storage boxes shall be removed from their compartments in a slot machine or bill changer, in the presence of a Commission inspector, by at least three employees, two of whom shall be members of the casino security department, and one of whom shall be a member of the accounting department.

(c) Procedures and requirements for removing slot drop buckets, slot drop boxes and slot cash storage boxes from the casino shall be as follows:

1. The slot drop bucket, slot drop box or slot cash storage box shall be removed from its compartment and an empty slot drop bucket, slot drop box, or slot cash storage box shall be placed into the compartment, and if applicable, a unique identification number shall be assigned and recorded for the slot cash storage box, either upon its insertion or removal, after which the compartment shall be closed and locked;

2. All slot drop buckets, slot drop boxes and slot cash storage boxes removed from compartments shall be transported directly to, and secured in the count room by the personnel required by N.J.A.C. 19:45-1.17(c), for the counting of their contents; provided, however, that:

i. A slot cash storage box removed from a bill changer in order to service the bill changer may be temporarily stored in the corresponding double-locked base of the slot machine (the compartment of the slot machine containing the slot drop bucket or slot drop box) attached to the bill changer, and shall be replaced and relocked in the bill changer when the repairs are completed. If the repairs cannot be completed and the slot cash storage box cannot be replaced in the bill changer by the end of the repair person's shift, or if the bill changer must be removed from the casino floor, the slot cash storage box shall be removed from the locked slot compartment and transported to the count room in accordance with N.J.A.C. 19:45-1.38; and

ii. A full or inoperable slot drop box shall be replaced with an empty emergency slot drop box, and may be stored in its corresponding double-locked slot machine base until no later than the next scheduled slot drop box pickup; and

3. Except for members of the casino accounting department participating in the emergency removal of a slot cash storage box or slot drop box, casino security department employees and representatives of the Commission and Division, all persons participating in the removal of slot drop buckets, slot drop boxes and slot cash storage boxes shall wear as outer garments only a full-length, one-piece pocketless garment with openings only for the hands, feet and neck.

(d) In addition to complying with the procedures included in (b) and (c) above, a casino licensee shall submit to the Commission for approval its procedures detailing how the slot drop bucket, slot drop box and slot cash storage box for each slot machine and attached bill changer on the gaming floor will be emptied or removed from its compartment when the casino is open to the public for 24 hours. Such submission shall include at least the following:

1. How patrons will be notified that a slot machine will be closed for emptying or removing slot drop buckets, slot drop boxes or slot cash storage boxes;

2. How patrons will be removed from slot aisles;

3. How the area will be secured while the slot drop buckets, slot drop boxes or slot cash storage boxes are emptied or removed; and

4. How the compartments in which the full slot drop buckets, slot drop boxes or slot cash storage boxes are transported, will be secured while they are in the casino.

(e) Whenever currency is found inside a bill changer but outside the slot cash storage box ("unsecured currency"), a slot supervisor or casino accounting supervisor shall complete a form which includes the asset number or, pursuant to N.J.A.C. 19:45-1.16(b), other unique identification number of the slot cash storage box in the bill changer in which the unsecured currency was found, the date the unsecured currency was found and the total dollar amount of the unsecured currency. The slot supervisor or casino accounting supervisor and a member of the casino security department shall then sign the form as evidence of the total dollar amount being transported; place the form and the unsecured currency into an envelope or container, unless the form is printed on the front of the envelope in which the currency is being placed; seal the envelope or container using a method approved by the Commission, which method shall provide evidence of any tampering; and transport the envelope or container directly to the cashiers' cage.

(f) Upon receipt of the sealed envelope or container from the slot supervisor or casino accounting supervisor, a cage supervisor shall immediately prepare an Unsecured Bill Changer Currency Report.

(g) Unsecured Bill Changer Currency Reports shall be serially prenumbered forms. Each series of Unsecured Bill Changer Currency Reports shall be used in sequential order and shall be accounted for by employees independent of the cashiers' cage and slot department. All original and duplicate void Unsecured Bill Changer Currency Reports shall be marked "VOID" and shall require the signature of the preparer. All copies of void Unsecured Bill Changer Currency Reports shall be forwarded to the accounting department at the end of the gaming day.

(h) For establishments in which Unsecured Bill Changer Currency Reports are manually prepared, the following procedures and requirements shall be observed:

1. Each series of Unsecured Bill Changer Currency Reports shall be a three-part form, at a minimum, and shall be inserted into a locked dispenser that will permit an individual slip in the series and its copies to be written upon simultaneously while still locked in the dispenser, and that will discharge the original and duplicate while the triplicate remains in a continuous, unbroken form in the dispenser; and

2. Access to the triplicates shall be maintained and controlled at all times by employees responsible for controlling and accounting for the unused supply of Unsecured Bill Changer Currency Reports, placing Unsecured Bill Changer Currency Reports in the dispensers, and removing from the dispensers the triplicates remaining therein.

(i) For establishments in which Unsecured Bill Changer Currency Reports are computer prepared, each series of Unsecured Bill Changer Currency Reports shall be a two-part form, at a minimum, and shall be generated by a computer system that will: simultaneously print an original and duplicate and store, in machine-readable form, all information printed on the original and duplicate; and discharge the original and duplicate. The stored data shall not be susceptible to change or removal by any personnel after preparation of the Unsecured Bill Changer Currency Report.

(j) On the original, duplicate and triplicate or, if applicable, in stored data, the cage supervisor shall record, at a minimum, the following information:

1. The date and time of preparation;
2. The asset number or, pursuant to N.J.A.C. 19:45-1.16(b), other unique identification number of the slot cash storage box in the bill changer from which the unsecured currency was removed;
3. The denomination(s) of unsecured currency;
4. The total dollar amount of the unsecured currency; and
5. The signature or, if computer prepared, identification code of the preparer.

(k) The original and duplicate copies of the Unsecured Bill Changer Currency Report shall be presented to the slot supervisor or casino accounting supervisor and the casino security representative for signature. Upon meeting the signature requirements, the cage supervisor shall transport the unsecured currency along with the original and duplicate copies of the Unsecured Bill Changer Currency Report to the main bank. The main bank cashier shall sign the original and duplicate copies of the Unsecured Bill Changer Currency Report and retain the original and the unsecured currency. The duplicate Unsecured Bill Changer Currency Report shall be returned to the cage supervisor who shall attach the form referenced in (e) above to the duplicate and expeditiously deposit the duplicate with the attached form into the locked accounting box located in the cashiers' cage. The main bank cashier shall either:

1. Add the value of the unsecured currency to the main bank's accountability and retain the original of the Unsecured Bill Changer Currency Report until the end of the gaming day; or
2. Maintain the unsecured currency and the original Unsecured Bill Changer Currency Report until both are collected by a count room supervisor and immediately transported to the count room where:
 - i. The currency shall be counted with the contents removed from the corresponding slot cash storage box and recorded on the Slot Cash Storage Box Report; and

ii. The original Unsecured Bill Changer Currency Report shall be forwarded to the accounting department in accordance with N.J.A.C. 19:45-1.33(i).

(l) At the end of the gaming day, at a minimum, the original and duplicate copy of the Unsecured Bill Changer Currency Report shall be forwarded as follows:

1. If, pursuant to (k)1 above, the main bank cashier has retained possession of the original, the cashier shall forward the original directly to the accounting department for agreement with the triplicate or stored data; and
2. The duplicate with the attached form shall be forwarded directly to the accounting department for recording on the Slot Cash Storage Box Report and Slot Win Sheet, and agreement with the triplicate or stored data; provided, however, that no additional recording of the unsecured currency shall be required if the currency has been transported to the count room, counted and recorded pursuant to (k)2 above.

(m) The duplicate copy of the Unsecured Bill Changer Currency Report shall be attached to the Slot Cash Storage Box Report as supporting documentation. A notation shall be made on the duplicate Unsecured Bill Changer Currency Report indicating whether the dollar amount of the unsecured currency has been added to the Slot Cash Storage Box Report and Slot Win Sheet in accordance with (k)2 above or (l)2 above.

(n) Notwithstanding the requirements of (e) through (m) above, when unsecured currency is found during the collection of slot cash storage boxes, a casino licensee shall transport the unsecured currency directly to the soft count room. The completion of the form required by (e) above shall be performed by a count team member and a member of the casino security department. The envelope or container shall be transported with the slot cash storage boxes to the count room pursuant to N.J.A.C. 19:45-1.17(c). The unsecured currency shall be counted and recorded with the contents removed from the corresponding slot cash storage box. The form prepared pursuant to (e) above shall be forwarded to the accounting department with the Slot Cash Storage Box Report pursuant to N.J.A.C. 19:45-1.33(i).

(o) Accounting department employees with no incompatible functions shall, at least once a week read and record on a Slot Meter Sheet the numbers on the in-meter, drop meter, jackpot meter, manual jackpot meter, change meter and coupon meters. Accounting department employees shall periodically read and record on a Slot Meter Sheet the numbers on the bill meters in accordance with a schedule established by the casino licensee and approved by the Commission, but in no event shall the casino licensee be required to read and record the bill meters more than once a week. These procedures shall be performed in conjunction with the removal and replacement of the slot drop buckets, slot drop boxes or slot cash storage boxes prior to opening the slot machines for patron play.

(p) After preparation of the Slot Meter Sheet each employee involved with its preparation shall sign the Slot Meter Sheet attesting to the accuracy of the information contained thereon after which the sheet shall be forwarded directly to the accounting department for comparison to the Slot Win Sheet and calculation of slot machine statistics.

(q) Whenever there is a variance of \$25.00 or more between the meter reading taken from the change meter and recorded on the Slot Meter Sheet pursuant to (f) above, and the total amount of cash and coupons removed from the bill changer's slot cash storage box, the casino licensee's accounting department shall, as expeditiously as possible, read and record on a Slot Meter Sheet the bill meters and value coupon meter, and shall remove the slot cash storage box and count the contents in accordance with N.J.A.C. 19:45-1.33. The meter readings from the bill meters and value coupon meter shall be compared to the total amount of cash and coupons removed from the slot cash storage box for the period from the last date the bill meters and value coupon meter were read to verify the variance. The casino licensee shall be required to file an incident report with the casino controller, Commissioner and Division whenever a variance between the meter readings from the change meter and the cash and coupons removed from the slot cash storage box is \$25.00 or more. The incident report shall include, at a minimum, the following:

1. The date of the meter reading;
2. The date the report was filed;
3. The amount of the variance, by denomination;
4. The asset number of the bill changer involved;
5. An indication as to the cause of the variance, if available;
6. An indication as to whether the bill meters and value coupon meter confirmed the variance; and
7. The signature and license number of the preparer.

Petition for Rulemaking: Slot machine bill changer system.

See: 19 N.J.R. 1110(a).

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 April 11, 1988 (expires July 10, 1988).

See: 20 N.J.R. 769(a).

Amended by R.1988 d.387, effective August 15, 1988.

See: 20 N.J.R. 765(a), 20 N.J.R. 769(a), 20 N.J.R. 2090(a).

Added the removal of slot storage boxes.

Amended by R.1992 d.110, effective March 2, 1992.

See: 23 N.J.R. 3243(a), 24 N.J.R. 858(c).

In (a): revised text and added final phrase regarding the emptying or removing of any slot drop bucket or slot cash storage box. In (b): added new (b)1ii, revising old (b)1ii deleted (b)2ii, recodifying (b)2i into text of subparagraph (b)2. Revised text at (b)1i, adding phrase "When the casino is not open to the public, the ..." to beginning of subparagraph and adding "accounting department members" to identify employees. In (c): stylistic revisions; added new subsection (d), recodifying (d)-(e) as (e)-(f).

Amended by R.1992 d.154, effective April 6, 1992.

See: 24 N.J.R. 57(a), 24 N.J.R. 1379(a).

In (b)-(c), added "casino" to define "security department member".

In (c)1iii, added reference to "casino security department employees".

Amended by R.1992 d.432, effective November 2, 1992.

See: 24 N.J.R. 2695(a), 24 N.J.R. 4068(c).

Staffing requirements for removal changed in (b).

Amended by R.1993 d.36, effective January 19, 1993.

See: 24 N.J.R. 4026(a), 25 N.J.R. 348(b).

Meters to be read by casino accountants; (g) added procedure for variation of \$25.00 or more.

Administrative correction to (b)1ii.

See: 25 N.J.R. 1519(b).

Amended by R.1993 d.143, effective April 5, 1993.

See 25 N.J.R. 279(a), 25 N.J.R. 1523(a).

In (c)i: added text regarding the utilization of a unique identification number.

Amended by R.1993 d.318, effective July 6, 1993 (operative October 15, 1993).

See: 25 N.J.R. 1503(b), 25 N.J.R. 2908(a).

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.79, effective February 22, 1994.

See: 25 N.J.R. 4873(a), 26 N.J.R. 1110(b).

Amended by R.1994 d.297, effective June 20, 1994.

See: 26 N.J.R. 1440(a), 26 N.J.R. 2594(a).

Amended by R.1994 d.344, effective July 5, 1994.

See: 26 N.J.R. 1621(a), 26 N.J.R. 2804(a).

Amended by R.1994 d.422, effective August 15, 1994.

See: 26 N.J.R. 2213(a), 26 N.J.R. 3464(b).

Amended by R.1994 d.574, effective November 21, 1994.

See: 26 N.J.R. 3606(b), 26 N.J.R. 4639(a).

19:45-1.43 Slot count; procedure for counting and recording contents of slot drop buckets and slot drop boxes

(a) The opening, counting and recording of the contents of slot drop buckets and slot drop boxes (the "hard count") shall be performed in the count room required pursuant to N.J.A.C. 19:45-1.32 by at least three employees of the casino licensee (the "count team"). Except as otherwise provided in (i) below, the hard count shall be performed in the presence of a Commission inspector. To gain entrance to the count room, a Commission inspector shall present an official identification card issued by the Commission which contains his or her photograph.

(b) The contents of slot drop buckets and slot drop boxes shall be counted and recorded immediately after removal from their slot machine compartments. Each casino licensee shall file with the Commission and the Division the specific times during which the contents of slot drop buckets and slot drop boxes shall be counted and recorded.

(c) All members of the count team present in the count room during the counting process shall be required to wear a full-length, one-piece, pocketless outer garment with no openings other than for the hands, feet and neck.

(d) No person shall carry a pocketbook or other container into the count room at any time unless it is transparent.

(e) No person other than a Commission inspector or Division representative shall be permitted to enter or leave the count room during the hard count, except in an emergency or for a normal work break, until the hard count is completed. All persons exiting the count room shall be inspected with a metal detector by a casino security department employee in the presence of a Commission inspector. The counting and recording process shall be discontinued and all coin and slot tokens shall be secured during any work break or emergency where the minimum number of count room personnel required by (a) above are not present or are not capable of performing their responsibilities.

(f) Immediately prior to opening and counting the contents of the slot drop buckets and slot drop boxes, the doors to the count room shall be securely locked and a count team member shall notify the surveillance department employee assigned to the closed circuit television monitoring room required by N.J.A.C. 19:45-1.10 that the count is about to begin. The surveillance department shall also be notified prior to any person entering or exiting the count room after the hard count has begun.

(g) The surveillance department shall monitor and make a video recording, with the time and date inserted thereon, of the entire hard count, including any entrance to or exit from the count room by any person during the hard count and all metal detector inspections performed by casino security. The video recording shall be retained by the surveillance department for at least five days from the date of recordation unless otherwise directed by the Commission or the Division.

(h) No coins or slot tokens shall be removed from the slot count room after commencement of the hard count until the coins or slot tokens have been recounted and accepted by a cage cashier or main coin bank cashier. The recount procedures shall include the recounting of any bagged coins or slot tokens on a random sample basis.

(i) Procedures and requirements for conducting the hard count shall be as follows:

1. Prior to the first slot drop bucket or slot drop box being emptied and counted, employees of the casino licensee shall:

i. Provide the name and the employee license number of each person present in the count room at the inception of the hard count to the Commission inspector observing the hard count;

ii. Check, in the presence of the Commission inspector, the accuracy of all weighing and counting equipment, with the exception of coin or slot token wrapping machines, to insure proper calibration for each denomination of coin and slot token; and

iii. Complete and sign a calibration report.

2. All slot tokens in denominations of \$25.00 or more shall be counted or weighed at the beginning of the hard count, in the presence of the Commission inspector. The casino licensee may count or weigh other denominations of coins or slot tokens at the same time, provided that the high denomination slot token count proceeds to completion without interruption, except as otherwise provided herein. The Commission inspector shall, independently of the casino licensee, record on a countdown sheet the total amount of each slot token in a denomination of \$25.00 or more which is counted or weighed. The inspector shall compare the totals on his or her countdown sheet with the amounts of those slot tokens recorded by the hard count team on the Slot Win Sheet, and verify

that the amounts are in agreement and are correct, and if not, shall either satisfactorily account for any discrepancies, if possible, or document the incident and promptly report it to the Division. At the conclusion of the hard count, the inspector shall recompare the totals on the countdown sheet with the final totals determined by the casino licensee.

3. Before each slot drop bucket or slot drop box is emptied, one count team member shall hold it up in full view of the closed circuit television camera and the count team member recording the count so as to permit proper recording of the number contained thereon.

4. The contents of each slot drop bucket or slot drop box shall be emptied, counted and recorded separately and such procedures shall at all times be conducted in full view of the closed circuit television cameras located in the count room.

5. The contents of each slot drop bucket or slot drop box shall be emptied separately into either a machine that automatically counts the coins or slot tokens or a scale that automatically weighs the coins or slot tokens; provided, however, that any prize tokens shall be manually counted and separately recorded on the Slot Win Sheet.

6. Immediately after the contents of each slot drop bucket or slot drop box are emptied into either the counting machine or scale, the inside of the slot drop bucket or slot drop box shall be held up to the full view of the closed circuit television camera and shall be shown to at least one other count team member and the Commission inspector, if present, to assure that all contents of the slot drop bucket or slot drop box have been removed.

7. As the contents of each slot drop bucket or slot drop box are counted by the counting machine or weighed by the scale, one member of the count team shall record the following information on the Slot Win Sheet or a supporting document:

i. The asset number of the slot machine to which the slot drop bucket or slot drop box contents corresponds, if not preprinted thereon;

ii. The number of coins or slot tokens, or the weight of the coins or slot tokens contained in the slot drop bucket or slot drop box; provided, however, that if the value of the coins or slot tokens is not converted into dollars and cents until after the counting process is completed, the conversion shall be calculated and the dollar value of the drop shall be entered by denomination on the Slot Win Sheet; and

iii. The number and dollar value of each denomination of prize token issued by any casino licensee, and the total dollar value of all prize tokens issued by any casino licensee.

8. A Commission inspector may, at any time, require the accuracy of any weighing, wrapping or counting equipment, or the amount of any previously weighed, wrapped

or counted coin or slot tokens, to be checked or re-checked.

9. After all slot tokens in denominations of \$25.00 or more have been counted, wrapped or placed in racks, and then secured in a manner approved by the Commission, the Commission inspector may leave the count room to perform other functions as required by the Commission. Upon leaving the count room, the inspector shall:

- i. Notify the surveillance department of his or her departure; and
- ii. Test and activate the light system or other approved device at the count room door required by N.J.A.C. 19:45-1.32(d).

10. No person shall enter or leave the count room during the hard count when a Commission inspector is not present except in an emergency.

11. After the contents of all the slot drop buckets and slot drop boxes are counted or weighed and recorded, each count team member shall sign the Slot Win Sheet or other document as approved by the Commission attesting to their involvement in the hard count.

12. After the contents of all the slot drop buckets and slot drop boxes are counted or weighed and recorded, any count team member not required to remain pursuant to (i)11ii below may be permitted to exit the count room if the following requirements are satisfied:

- i. The Slot Win Sheet or other approved document must be signed by each count team member exiting the count room, in accordance with (i)10 above;
- ii. At least three count team members must remain in the count room until the verification process is completed;
- iii. The surveillance department must be notified prior to any count team members exiting the count room;
- iv. All activity in the count room shall be discontinued during any period when a count team member is exiting the count room; and
- v. A casino security department employee shall check all count team members leaving the count room with a metal detector, in the presence of a Commission inspector, at a location approved by the Commission and Division.

13. At the conclusion of the hard count, any slugs that have been found shall be delivered to a representative of the Division together with a copy of the Slug Report. The Slug Report shall be a three-part form, at a minimum, which shall include the date, the total number of slugs received and the signature of the preparer, and shall be distributed as follows:

- i. Original to Commission inspector;

ii. First copy maintained by hard count supervisor; and

iii. Second copy to Division.

14. Each prize token issued by any casino licensee that is removed from a slot drop bucket or a slot drop box and counted pursuant to this section shall be counted, for purposes of calculating gross revenue pursuant to N.J.S.A. 5:12-24, as cash received by the casino licensee from gaming operations for the face amount of the prize token, and, notwithstanding the prohibition on prize tokens activating slot machine play, no adjustment to the amount recorded on the Slot Win Sheet in accordance with (i)7iii above shall be allowed.

(j) Procedures and requirements at the conclusion of the hard count shall be as follows:

1. Approximately 15 minutes prior to the end of the hard count, if a Commission inspector is not present, an inspector shall be notified that the hard count is about to be completed.

2. Upon reentering the count room, the Commission inspector shall:

- i. Examine the light system or other approved device to ascertain whether any person has entered or exited the count room during the period of his or her absence, and if so, either satisfactorily account for those events, if possible, or document the incident and promptly report it to the Division; and
- ii. Compare the original list of count team members with the persons present at the conclusion of the hard count, ascertain whether the identities of the persons in the count room remained unchanged during the hard count, and if not, either satisfactorily account for any changes in personnel, if possible, or document the incident and promptly report it to the Division.

3. At least one count team member shall sign the Slot Win Sheet attesting to the accuracy of the information recorded thereon.

4. The prize tokens, wrapped coin and slot tokens removed from the slot drop buckets and slot drop boxes shall be recounted in the count room by a cage cashier or master coin bank cashier, in the presence of a count team member and the Commission inspector, prior to the cashier having access to the information recorded on the Slot Win Sheet.

5. The inspector shall then compare the amounts of the slot tokens and prize tokens listed on his or her countdown sheet with the amounts of each of those tokens shown on the Slot Win Sheet, and verify that the amounts are in agreement and are correct, and if not, either satisfactorily account for any discrepancies, if possible, or document the incident and promptly report it to the Division.

6. The cage cashier or master coin bank cashier shall then attest by signature on the Slot Win Sheet to the accuracy of the amount of coin, prize tokens and slot tokens received from the slot machines. The inspector shall then sign the Slot Win Sheet evidencing the inspector's presence and the fact that the inspector, the cashier and count team have agreed on the total amount of coin, prize tokens and slot tokens counted. The coin, prize tokens and slot tokens thereafter shall remain in the custody of cage cashiers or master coin bank cashiers.

7. A casino security department employee, in the presence of the Commission inspector, shall:

- i. Inspect all persons with a metal detector upon their exiting the count room; and
- ii. Conduct a thorough inspection of the entire count room and all equipment located therein, for unsecured coins, prize tokens and slot tokens.

8. The Slot Win Sheet and supporting documents shall be transported directly to the accounting department and shall not be available, except for signing, to any cashiers' cage or slot personnel.

9. The preparation of the Slot Win Sheet shall be completed by accounting department employees who shall:

- i. Compare for agreement, for each slot machine, the number of coins or slot tokens counted and recorded by the count team to the drop meter reading recorded on the Slot Meter Sheet; provided, however, that the accounting department, in making the comparison, shall account for any prize tokens that were counted pursuant to this section after being improperly accepted by the coin acceptor and diverted to the slot drop bucket or slot drop box;
- ii. Record, for each machine, the Hopper Fills to each slot machine;
- iii. Record, for each slot machine, the Payouts and compare for agreement Payouts to the manual jackpot meter reading recorded on the Slot Meter Sheet;
- iv. Calculate and record the win or loss for each slot machine;
- v. Explain and report for corrections of apparent meter malfunctions to the slot department all significant differences between meter readings and amounts recorded; and
- vi. Calculate statistics by slot machine.

10. The Slot Win Sheet, the Slot Meter Sheet, Payouts, and Hopper Fills shall be:

- i. Compared for agreement with each other and, if applicable, to triplicates or stored data on a test basis;
- ii. Reviewed for the appropriate number and propriety of signatures on a test basis;

iii. Accounted for by series numbers;

iv. Tested for proper calculation, summarization, and recording;

v. Subsequently recorded; and

vi. Maintained and controlled by accounting department employees.

Amended by R.1981 d.437, effective November 16, 1981.

See: 13 N.J.R. 534(b), 13 N.J.R. 848(b).

(i)5: deleted "(and the value ... counted)" and added "and/or the value ... Slot Win Report."

Amended by R.1987 d.277, effective July 6, 1987 (operative November 1, 1987).

See: 18 N.J.R. 1929(a), 19 N.J.R. 1237(a), 19 N.J.R. 1656(a).

Added text in (g) " , after which such ... or the division." Added new (j)2 and renumbered 2-4 as 3-5. Correction deferred operative date from September 1, 1987 to November 1, 1987.

Petition for Rulemaking: Slot machine bill changer system.

See: 19 N.J.R. 1110(a).

Amended by R.1991 d.230, effective May 6, 1991.

See: 22 N.J.R. 3325(a), 23 N.J.R. 1461(a).

In (i)5: added "asset" before number, revising from "casino" number.

Amended by R.1991 d.229, effective May 6, 1991.

See: 22 N.J.R. 3205(a), 23 N.J.R. 1455(a).

In (j): revised text from "slot cashier" to "master coin bank cashier."

Amended by R.1992 d.110, effective March 2, 1992.

See: 23 N.J.R. 3243(a), 24 N.J.R. 858(c).

In (f): stylistic revisions; in (i)6, amended text regarding required documents; added new (i)7, recodifying prior 7 as 8; in (j): added new (j)1, recodifying prior 1 as 2 and recodifying existing 2-5 as 3-6. Amended by R.1993 d.318, effective July 6, 1993 (operative October 15, 1993).

See: 25 N.J.R. 1503(b), 25 N.J.R. 2908(a).

Administrative Correction.

See: 25 N.J.R. 2913(b).

Amended by R.1993 d.493, effective October 4, 1993.

See: 25 N.J.R. 2855(a), 25 N.J.R. 4622(a).

Amended by R.1994 d.282, effective June 6, 1994.

See: 26 N.J.R. 1209(b), 26 N.J.R. 2476(c).

Amended by R.1994 d.344, effective July 5, 1994.

See: 26 N.J.R. 1621(a), 26 N.J.R. 2804(a).

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).

19:45-1.44 Computer recordation and monitoring of slot machines

(a) In lieu of the requirements of N.J.A.C. 19:45-1.37(b) and (c), and N.J.A.C. 19:45-1.42(o), a casino licensee may have a computer connected to slot machines in the casino to record and monitor the activities of such machines.

(b) The computer permitted by (a) above shall be designed and operated to automatically perform the functions relating to slot machine meters in the casino as follows:

1. Record the number and total value of coins or slot tokens placed in the slot machine for the purpose of activating play;
2. Record the number and total value of coins or slot tokens deposited in the slot drop bucket or slot drop box of the slot machine;

3. Record the number and total value of coins, prize tokens or slot tokens automatically paid by the slot machine as the result of a jackpot;

4. Record the number and total value of coins or slot tokens to be paid manually as the result of a jackpot;

5. Record the number and total value of coins or slot tokens vended from the slot machine all-purpose hopper to make change;

6. Record the total value of each denomination of currency accepted and stored in the slot cash storage box;

7. Record the total number and total dollar amount of all coupons accepted and stored in the slot cash storage box; and

8. Record, if applicable, the unique identification number on the corresponding slot cash storage box and the asset number of the slot machine in which the slot cash storage box was placed for the purpose of recording and determining which slot cash storage box was placed into which slot machine bill changer.

(c) The computer shall store in machine-readable form all information required by (b) above, and such stored data shall not be susceptible to change or removal by any personnel.

Petition for Rulemaking: Slot machine bill changer system.

See: 19 N.J.R. 1110(a).

Amended by R.1988 d.224, effective May 16, 1988.

See: 20 N.J.R. 516(a), 20 N.J.R. 1099(c).

(b) Substantially amended.

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 April 11, 1988 (expired July 10, 1988).

See: 20 N.J.R. 769(a).

Amended by: R.1988 d.387, effective August 15, 1988.

See: 20 N.J.R. 765(a), 20 N.J.R. 769(a), 20 N.J.R. 2090(a).

Added (b)6 and 7.

Amended by R.1992 d.210, effective May 18, 1992.

See: 24 N.J.R. 58(a), 24 N.J.R. 1906(a).

In (b)7: deleted the requirement to record "the number and" total value of each denomination.

Amended by R.1993 d.143, effective April 5, 1993.

See: 25 N.J.R. 279(a), 25 N.J.R. 1523(a).

Added new (b)8 regarding the recodification of the unique identification number on the slot cash storage box and the asset number of the appropriate slot machine.

Amended by R.1993 d.318, effective July 6, 1993 (operative October 15, 1993).

See: 25 N.J.R. 1503(b), 25 N.J.R. 2908(a).

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.504, effective October 3, 1994.

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

Administrative Correction.

See: 26 N.J.R. 4788(a).

Administrative Correction.

See: 27 N.J.R. 382(a).

2. Be immediately adjacent to or above the clearly printed, or preprinted, title of the signer;

3. 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

4. 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).

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 gaming activity of the individual recipients. The procedures contained in (c) through (n) below shall apply to casino licensees offering coupon redemption complimentary distribution programs which entitle patrons to use match play 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, 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.

19:45-1.45 Signature

(a) Signatures shall:

1. Be, at a minimum, the signer's first initial, last name and Commission license number written by the signer;

(b) Detailed procedures controlling all complimentary distribution programs entitling patrons to complimentary cash or slot tokens not regulated by (a) above shall be submitted by the casino licensee to the Commission and Division at least 15 days prior to implementing the program. The procedures for all such programs shall be deemed acceptable by the Commission unless the casino licensee is notified in writing to the contrary. Detailed procedures controlling all complimentary distribution programs entitling patrons to complimentary items or services other than cash or slot tokens shall be prepared prior to implementation of the programs and shall be maintained as an accounting record by the casino licensee. Complimentary items or services, including cash or slot tokens, distributed through programs regulated by this subsection shall be reported in accordance with the procedures contained in (l) and (n) below.

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

(d) All coupons under this section shall be serially pre-numbered forms 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 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 divisible into sections or is multipart each such separate part or copy shall contain the preprinted serial number, a description of what is being offered, the locations where 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.

(e) Coupons received from the manufacturer or distributor, or produced by the licensee's data processing or printing department, shall be opened and examined by at least two individuals, one of whom shall be from 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 the individuals 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, with no incompatible functions, 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 authority 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 unused coupons must be returned to the Accounting Department on a daily basis. Any coupons that are not used by the date indicated on the coupon 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 and a match play 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 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 only be redeemed by changepersons or at the slot change booths or the cashiers' cage located on the casino floor. A changeperson, slot cashier or general cage cashier shall accept the coupons in exchange for the stated amount of cash or slot tokens 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 coupon 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 and shall be exchanged with the Main or Master Coin Bank for a like amount of cash 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.

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 cancelled 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 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.

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, 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.

(k) When unused 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 and redeemed coupons maintained in conformity with (g), (h), (i) and (j) above 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 total number of coupons given to representatives of the department making distribution to patrons, returned for reissuance, distributed to patrons, voided 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. File 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 or simulcast wagers given to patrons in redemption of coupons and any liability to patrons remaining on unredeemed coupons; and

2. Prepare a monthly report for all programs regulated by (b) above, which shall list, by program offered during the month, 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 equal to or greater than \$500.00. Such report shall be 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, 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.

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).

19:45-1.46A Procedures and requirements for the 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 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;
2. Two separate locks securing the compartment housing the coin storage container, the keys to which shall be different from each other. Such keys shall be controlled by two separate departments; and

3. One lock securing the contents of the coupon storage box, the key to which shall be different from the keys referenced in (g)1 and 2 above. Such key shall be controlled by a department independent of the two departments controlling the keys referenced in (g)1 and 2 above.

(h) At the end of each gaming day, a slot cashier, accompanied by a security department representative, shall remove the coupons accepted by the automated coupon redemption machine. Any 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 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 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 number of 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;
- vi. The signature of the slot cashier who removed the coupons and/or coin or slot tokens from the automated coupon redemption machine; and
- vii. The signature of the security department representative who witnessed the removal of coupons and/or coin or slot tokens and who escorted the coupons and/or coin or slot tokens to the slot booth or master coin bank.

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

i. The total dollar amount of coupons received from the security representative referenced in (h)1vii above and counted by a master coin bank cashier or a slot cashier, other than the slot cashier who removed the coupons from the machine;

ii. The total dollar amount of coin or slot tokens received from the security department representative referenced in (h)1vii above and counted by a master coin bank cashier or a slot cashier, other than the slot cashier who removed the coins from the machine;

iii. Any additional information as may be required by the Commission to reconcile the coupons removed from the automated coupon redemption machine; and

iv. The signature of the master coin bank cashier or slot cashier who received and counted the coupons and/or coin or slot tokens.

(i) The slot cashier shall:

1. Prepare the form referenced in (h) above by recording the information in (h)1i through v above;

2. Sign the form;

3. Obtain the signature of the security department representative who witnessed the removal of coupons and/or coin or slot tokens;

4. Place the triplicate copy of the form in the automated coupon redemption machine for subsequent forwarding, at the end of the gaming day, to accounting;

5. Transport the coupons, coin or slot tokens removed from the automated coupon redemption machine, and the original and duplicate copy of the form referenced in (h) above, directly to a slot booth or master coin bank, in the presence of the security department representative; and

6. Present the duplicate copy of the form referenced in (h) above to the security department representative.

(j) The security department representative shall accompany the slot cashier to the slot booth or master coin bank, and shall immediately deposit the duplicate copy of the form into a locked accounting box maintained at the security podium.

(k) A master coin bank cashier or a slot cashier, other than the slot cashier who removed the coupons and any coin or slot tokens from the automated coupon redemption machine, shall:

1. Count the coupons and coin or slot tokens and record such amounts on the original copy of the form;

2. Reconcile the amount(s) counted to the amount(s) recorded in accordance with (h)1iv and v above;

3. Sign the original form attesting to the reconciliation; and

4. Retain the original copy of the form for subsequent forwarding to accounting at the end of the gaming day.

(l) Any coupon accepted by an automated coupon redemption machine shall be cancelled by the machine immediately upon exchange, in a manner approved by the Commission, so that the coupon is not redeemable in accordance with N.J.A.C. 19:45-1.34(a) or acceptable by another automated coupon redemption machine or a bill changer.

(m) Whenever coins or slot tokens are distributed to an automated coupon redemption machine, a serially prenumbered three-part form, at a minimum shall be prepared by a slot cashier. Each series of forms shall be used in sequential order, and the series numbers of all slips received by a casino shall be accounted for by employees with no incompatible functions. All original, and duplicate and triplicate copies of void forms shall be marked "VOID" and shall require the signature of the preparer. The slot cashier shall:

1. Record the following information on the original and all copies of the form:

i. The date and time of preparation;

ii. The automated coupon redemption machine asset identification number;

iii. The number of bags and the dollar amount of each bag to be distributed; and

iv. The total dollar amount of the fill.

2. Present the original and all copies of the form to the master coin bank cashier;

3. Obtain the signature of the master coin bank cashier who prepared the coins or slot tokens for distribution to the automated coupon redemption machine;

4. Present the original copy of the form to the master coin bank cashier;

5. Transport the duplicate and triplicate copies of the form, along with the funds, to the automated coupon redemption machine, in the presence of the security department representative;

6. Sign the duplicate and triplicate copies of the form and obtain the signature of the security department representative on such copies;

7. Present the duplicate copy of the form to the security department representative; and

8. Place the triplicate copy of the form in the automated coupon redemption machine until forwarded to accounting at the end of the gaming day.

(n) A security department representative shall:

1. Escort the slot cashier to the automated coupon redemption machine and observe the filling of the machine;

2. After meeting the signature requirements in (m)6 above, immediately place the duplicate copy of the form into a locked accounting box at the security podium.

(o) At the end of each gaming day, at a minimum, the original, duplicate and triplicate copies of the forms referenced in (h), (i), (j), (k), (m) and (n) above shall be forwarded to the accounting department for agreement and shall be used to reconcile each automated coupon redemption machine in a manner as approved by the Commission.

(p) Notwithstanding this section, in addition to accepting coupons, an automated coupon redemption machine may accept currency provided the procedures governing the control and reconciliation of coupons and currency removed from the machine are submitted to the Commission for approval.

(q) Prize tokens shall not be dispensed from automated coupon redemption machines.

New Rule, R.1991 d.152, effective March 18, 1991.

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

Amended by R.1992 d.110, effective March 2, 1992.

See: 23 N.J.R. 3243(a), 24 N.J.R. 858(c).

In (h) and (o): stylistic revisions.

Amended by R.1993 d.142, effective April 5, 1993.

See 24 N.J.R. 278(a), 25 N.J.R. 1522(a).

In (f): added text regarding location of automated coupon machines.

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.504, effective October 3, 1994.

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

19:45-1.46B Procedures and requirements for a bill changer which can accept coupons

(a) Each bill changer which can accept coupons shall be able to establish the dollar value and validity of each coupon inserted therein by interpreting the coded information which must be contained on the coupon pursuant to (b) below.

(b) In addition to complying with the requirements of N.J.A.C. 19:45-1.46, each coupon which can be accepted by a bill changer shall contain encoded data that identifies the dollar value of the coupon and such other information as the Commission may require. Each coupon shall also contain a unique code or other security measure, which can be interpreted only by the bill changer, to ensure that the coupon is valid.

(c) The methods by which a bill changer and each coupon which can be accepted therein will comply with the requirements of (a) and (b) above shall be submitted to and approved by the Commission before any such bill changer or coupon may be used by a casino licensee.

(d) Unless the slot machine to which the bill changer is attached contains the coupon meters identified in N.J.A.C. 19:45-1.37(e)3 and 19:46-1.26(d), a bill changer which can accept coupons shall be equipped with mechanical, electrical or electronic devices as follows:

1. A "numerical coupon meter" that continuously, automatically and separately counts the total number of all coupons accepted by the bill changer; and

2. A "value coupon meter" that continuously, automatically and separately counts the total dollar value of all coupons accepted by the bill changer.

(e) Each coupon accepted by a bill changer shall be deposited and stored in the bill changer's slot cash storage box. Each such coupon shall be counted as part of the slot cash storage box drop in accordance with the count procedures in N.J.A.C. 19:45-1.33.

(f) Each coupon accepted by a bill changer shall be cancelled in a manner approved by the Commission which shall prevent the acceptance of the cancelled coupon by any bill changer, any automated coupon redemption machine or any other form of authorized redemption. The coupon shall be cancelled by the bill changer immediately upon acceptance, or pursuant to N.J.A.C. 19:45-1.33(h)7, in the count room prior to the conclusion of the count.

(g) Unless otherwise authorized by the Commission, any coupon which can be accepted by a bill changer shall be accounted for and controlled pursuant to N.J.A.C. 19:45-1.46.

New Rule, 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.504, effective October 3, 1994.

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

19:45-1.52

19:45-1.52: Experimental 270-day implementation of new rule, pursuant to N.J.S.A. 5:12-5, 69(e), 70(f), 99(a) and 100, effective August 22, 1994 (expires May 19, 1995).

See: 26 N.J.R. 3464(a).