

CHAPTER 45

ACCOUNTING AND INTERNAL CONTROLS

Authority

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

Source and Effective Date

R.2002 d.300, effective August 15, 2002.
See: 34 N.J.R. 1773(a), 34 N.J.R. 3287(a).

Chapter Expiration Date

Chapter 45, Accounting and Internal Controls, expires on August 15, 2007.

Chapter Historical Note

Chapter 45, Accounting And Internal Controls, was adopted as R.1978 d.178, effective May 25, 1978. See: 10 N.J.R. 212(a), 10 N.J.R. 306(d). Chapter 45 was amended by R.1975 d.172, effective June 19, 1975. See: 7 N.J.R. 343(a); R.1979 d.336, effective August 22, 1978. See: 11 N.J.R. 307(a), 11 N.J.R. 530(d); R.1980 d.504, effective on November 18, 1980. See: 12 N.J.R. 447(b), 13 N.J.R. 48(a); R.1981 d.272, effective August 16 and September 10, 1981. See: 13 N.J.R. 47(c), 13 N.J.R. 628(a), 13 N.J.R. 541(a); R.1981 d.437, effective November 16, 1981. See: 13 N.J.R. 534(b), 13 N.J.R. 848(b); R.1982 d.171, effective June 7, 1982. See: 13 N.J.R. 534(b), 14 N.J.R. 582(a); R.1982 d.189, effective June 21, 1982. See: 14 N.J.R. 381(a), 14 N.J.R. 664(c); R.1982 d.206, effective July 6, 1982. See: 13 N.J.R. 534(b), 14 N.J.R. 710(d); 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), 14 N.J.R. 848(b); R.1982 d.189, effective June 21, 1982. See: 14 N.J.R. 381(a), 14 N.J.R. 664(c); R.1982 d.293, effective September 7, 1982. See: 14 N.J.R. 559(a), 14 N.J.R. 983(b); R.1982 d.329, effective October 4, 1982. See: 14 N.J.R. 708(a), 14 N.J.R. 1101(c); R.1983 d.112, effective March 29, 1983. See: 15 N.J.R. 257(a), 15 N.J.R. 627(b).

Pursuant to Executive Order 66(1978), Chapter 45, Accounting and Internal Controls, was readopted as R.1983 d.125, effective April 7, 1983. See: 15 N.J.R. 240(a), 15 N.J.R. 699(a). Chapter 45 was amended by R.1983 d.239, effective June 30, 1983. See: 14 N.J.R. 1052(a), 15 N.J.R. 1040(b); R.1983 d.300, effective August 1, 1983. See: 14 N.J.R. 1053(a), 15 N.J.R. 1259(a); R.1984 d.135, effective April 16, 1984. See: 16 N.J.R. 361(a), 16 N.J.R. 927(a); R.1984 d.623, effective January 21, 1985. See: 16 N.J.R. 2075(b), 17 N.J.R. 211(b); 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); as R.1985 d.41, effective February 19, 1985. See: 16 N.J.R. 3302(b), 17 N.J.R. 480(c); 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); 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); 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); R.1986 d.77, effective April 7, 1986. See: 17 N.J.R. 2245(a), 18 N.J.R. 706(b); R.1986 d.212, effective June 16, 1986. See: 17 N.J.R. 2969(a), 18 N.J.R. 1312(a); R.1986 d.240, effective July 7, 1986. See: 17 N.J.R. 2747(a), 18 N.J.R. 1402(c); R.1986 d.302, effective October 6, 1986. See: 18 N.J.R. 2005(a), 19 N.J.R. 1321(a); R.1986 d.308, effective August 4, 1986. See: 18 N.J.R. 1096(a), 18 N.J.R. 1614(b); R.1986 d.365, effective September 8, 1986. See: 18 N.J.R. 935(b), 18 N.J.R. 1839(b); 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); R.1987 d.302, effective July 20, 1987. See: 18 N.J.R. 2005(a), 19 N.J.R. 1321(a); R.1987 d.395, effective October 5, 1987. See: 19 N.J.R. 54(b), 19 N.J.R. 1826(b); R.1987 d.428, effective November 2, 1987. See: 19 N.J.R. 923(a), 19 N.J.R. 2065(a); R.1987

d.457, effective November 16, 1987. See: 19 N.J.R. 1290(a), 19 N.J.R. 2202(a); R.1988 d.34, effective January 19, 1988. See: 19 N.J.R. 1890(a), 20 N.J.R. 205(a).

Pursuant to the Executive Order 66(1978), Chapter 45, Accounting and Internal Controls, was readopted 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).

Pursuant to Executive Order No. 66(1978), Chapter 45, Accounting and Internal Controls, was readopted as R.1993 d.147, effective March 5, 1993. See: 25 N.J.R. 277(a), 25 N.J.R. 1519(a).

Pursuant to Executive Order No. 66(1978), Chapter 45, Accounting and Internal Controls, was readopted as R.1997 d.374, effective August 15, 1997. See: 29 N.J.R. 2629(b), 29 N.J.R. 4139(b).

Chapter 45, Accounting and Internal Controls, was readopted as R.2002 d.300, effective August 15, 2002. See: Source and Effective Date.

CHAPTER TABLE OF CONTENTS

SUBCHAPTER 1. GENERAL PROVISIONS

19:45-1.1	Definitions
19:45-1.1A	Gaming day
19:45-1.2	Accounting records
19:45-1.3	Licensee's system of internal controls
19:45-1.4	Records regarding ownership
19:45-1.5	Forms, records and documents
19:45-1.5A	Patron signature file
19:45-1.6	Standard financial and statistical reports
19:45-1.7	Annual audit and other reports
19:45-1.8	Retention, storage and destruction of books, records and documents
19:45-1.9	Complimentary services or items
19:45-1.9A	Procedures for transportation expense reimbursements
19:45-1.9B	Procedures for complimentary cash and noncash gifts
19:45-1.9C	Alternative reporting procedures; accessible complimentaries database
19:45-1.10	Closed circuit television system; surveillance department control; surveillance department restrictions
19:45-1.11	Casino licensee's organization
19:45-1.11A	Jobs compendium submission
19:45-1.12	Personnel assigned to the operation and conduct of gaming
19:45-1.12A	Internal control procedures for access badge system and issuance of temporary license credentials
19:45-1.13	Firearms; possession within casino or casino simulcasting facility
19:45-1.14	Cashiers' cage; satellite cages; master coin bank; coin vaults
19:45-1.14A	Simulcast counter
19:45-1.15	Accounting controls for the cashiers' cage, satellite cages, master coin bank and coin vaults
19:45-1.15A	Accounting controls within the simulcast counter
19:45-1.16	Drop boxes and slot cash storage boxes
19:45-1.17	Drop boxes; transportation to and from gaming tables; slot cash storage boxes, transportation to and from bill changers; storage
19:45-1.18	Procedures for accepting cash and coupons at gaming tables
19:45-1.18A	Presentation of recognized credit card or debit card in exchange for gaming chips or plaques
19:45-1.19	Acceptance of tips or gratuities from patrons
19:45-1.20	Table inventories
19:45-1.21	Procedure for opening tables for gaming

- 19:45-1.22 Procedure for distributing gaming chips, coins and plaques to gaming tables
- 19:45-1.23 Procedure for removing gaming chips, coins and plaques from gaming tables
- 19:45-1.24 Procedure for acceptance, accounting for and redemption of patron cash deposits
- 19:45-1.24A Procedures for accepting, verifying and accounting for wire transfers and electronic fund transfers; wire transfer and electronic fund transfer fees
- 19:45-1.24B Procedure for sending funds by wire transfer or electronic fund transfer
- 19:45-1.25 Procedure for exchange of checks submitted by gaming or simulcast wagering patrons; repurchase of cash equivalents
- 19:45-1.25A Procedure for exchange of slot counter checks by slot patrons
- 19:45-1.26 Substitution, redemption and consolidation of patron checks at the cashiers' cage; initiation of transactions by mail
- 19:45-1.26A Acceptance of payments toward outstanding patron checks
- 19:45-1.27 Procedures for granting credit, and recording checks exchanged, redeemed or consolidated
- 19:45-1.27A Patron request for suspension of credit privileges
- 19:45-1.28 Procedure for depositing checks received from gaming patrons
- 19:45-1.29 Procedure for collecting and recording checks returned to the casino after deposit
- 19:45-1.30 Procedure for shift changes at gaming tables
- 19:45-1.31 Procedure for closing gaming tables
- 19:45-1.32 Count rooms; characteristics
- 19:45-1.33 Procedure for opening, counting and recording contents of drop boxes and slot cash storage boxes and the recording of keno revenue
- 19:45-1.34 Slot booths
- 19:45-1.35 Accounting controls for slot booths and change machines
- 19:45-1.36 Slot machines and bill changers; coin and slot token containers; slot cash storage boxes; entry authorization logs
- 19:45-1.36A Slot machines; hopper storage areas
- 19:45-1.37 Slot machines and bill changers; electronically erasable/programmable storage media; identifications; signs; meters
- 19:44-1.37A Electronic transfer credit systems
- 19:45-1.37B Slot machine tower light
- 19:45-1.37C Slot machines; tokenization; residual slot credit
- 19:45-1.38 Slot machines and bill changers; authorized locations; movements
- 19:45-1.39 Progressive slot machine jackpots
- 19:45-1.39A Linked slot machines interconnected in more than one casino
- 19:45-1.39B Table game progressive payout wagers
- 19:45-1.40 Jackpot payouts that are not paid directly from the slot machine
- 19:45-1.40A Jackpot payouts of merchandise or other things of value; cash jackpot payouts offered together with or as an alternative to jackpot payouts of merchandise or other things of value
- 19:45-1.40B Jackpot payouts in the form of an annuity
- 19:45-1.40C Multi-casino slot system jackpot payouts of cash
- 19:45-1.40D Inspection of slot machine jackpots
- 19:45-1.40E Jackpot payouts of cash by a slot attendant from an imprest pouch
- 19:45-1.41 Procedure for filling payout reserve containers of slot machines and hopper storage areas
- 19:45-1.41A Procedures governing the removal of coin, slot tokens and slugs from a slot machine hopper
- 19:45-1.42 Removal of slot drop buckets, slot drop boxes and slot cash storage boxes; unsecured currency; meter readings
- 19:45-1.43 Procedure for counting and recording contents of slot drop buckets and slot drop boxes
- 19:45-1.44 Commission-controlled keys for dual locks; casino licensee-controlled keys and locks; notice to the Commission and surveillance department upon malfunction and repair, maintenance or replacement of alarms
- 19:45-1.45 Signature
- 19:45-1.46 Procedures for control of coupon redemption and other complimentary distribution programs
- 19:45-1.46A Procedures and requirements for the use of an automated coupon redemption machine
- 19:45-1.46B Procedures and requirements for a bill changer which can accept coupons
- 19:45-1.47 Keno booths; satellite keno booths; keno lockers; roving keno work stations
- 19:45-1.47A Keno runners
- 19:45-1.47B Public keno areas
- 19:45-1.48 Accounting controls for the operation of keno booths, keno lockers and keno work stations
- 19:45-1.49 Keno drawer fill procedures
- 19:45-1.50 Keno drawer credit procedures
- 19:45-1.51 Keno computer system
- 19:45-1.52 Payment of table game progressive payout wagers
- 19:45-1.53 Accounting controls for chippersons and chip carts
- 19:45-1.54 Gaming vouchers; physical characteristics; procedures for issuance and redemption
- 19:45-1.55 Computerized gaming voucher systems; required procedures

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:

"Access control" means a system or device used by a casino licensee to grant a patron exclusive authority to initiate the transmission of electronic credits to the electronic transfer credit meter of a slot machine in accordance with the provisions of N.J.A.C. 19:45-1.37A and may include, without limitation, the use of an access card with a magnetically coded strip, a coded key pad system or any other means of access control approved by the Commission.

"Annuity jackpot trust check" means a check issued by an annuity jackpot trust, as defined in N.J.S.A. 5:12-2.2, in payment of winnings from an annuity jackpot. An annuity jackpot trust check shall be made payable only to the person presenting the check and shall not contain any other endorsements.

"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.

(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 monitoring 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 surveil-

lance 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.

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).

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

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

Amended by R.1996 d.475, effective October 7, 1996.

See: 28 N.J.R. 3520(a), 28 N.J.R. 4517(a).

Amended by R.1998 d.164, effective April 6, 1998.

See: 29 N.J.R. 2632(a), 30 N.J.R. 1304(a).

Rewrote (b)1x.

19:45-1.11 Casino licensees 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. 19:53-1.4, 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 the departments and supervisors required or authorized by this section (a "mandatory" department or supervisor) shall cooperate with, yet perform independently of, all other mandatory departments and supervisors of the casino licensee. Notwithstanding the foregoing, a department or supervisor of a casino licensee that is not required or authorized by this section may operate under or in conjunction with a mandatory department or supervisor unless the Commission subsequently disapproves such operation as being inconsistent with the standards contained within N.J.S.A. 5:12-99a(3) and (a) above. Mandatory departments and supervisory positions are as follows:

1. A surveillance department supervised by a person referred to herein as the director of surveillance. The director of surveillance 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 and satellite cages;

- 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 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. 5:12-119(a);
 - xii. The communication in writing to the supervisor of the credit department of accurate and verifiable information which may be relevant in determining a patron's credit worthiness;
 - xiii. The clandestine surveillance of all keno gaming and operations on the casino floor and in the casino simulcasting facility and of any keno booths and satellite keno booths located in public keno areas; and
 - xiv. The clandestine surveillance of equipment designated by the Commission in conjunction with the operation of an electronic transfer credit system pursuant to N.J.A.C. 19:45-1.37A and a gaming voucher system pursuant to N.J.A.C. 19:45-1.55.
2. An internal audit department supervised by a person referred to herein as an audit department executive. The audit department executive shall be subject to the reporting requirements specified in (c) below. The internal audit department shall be responsible for, without limitation, the following:
 - i. The review and appraisal of the adequacy of internal control;

- ii. The compliance with internal control procedures;
 - iii. The reporting 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 person referred to herein as an MIS department manager. 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 casino games department supervised by a person referred to herein as a casino manager. The casino games department shall be responsible for the operation and conduct of all authorized games and bill changers in a casino and casino simulcasting facility. Notwithstanding the foregoing, a casino licensee may choose, in its discretion, to:
- i. Operate and conduct the game of poker separately from all other casino games, in which even the operation and conduct of poker shall be supervised by a casino key employee who shall be approved by the Commission;
 - ii. Make the casino games department responsible for the operation and conduct of the simulcast counter;
 - iii. Make the casino games department responsible for the supervision of slot cashiers in accordance with the provisions of (e) below provided that the casino licensee does not establish an independent slot department pursuant to (b)4v below;
 - iv. Make the casino games department responsible for the supervision of changepersons;
 - v. Establish an independent slot department that:
 - (1) Shall be supervised by a person referred herein as a slot department manager;
 - (2) Shall be responsible for the operation of all slot machines and bill changers;
 - (3) May be responsible for the supervision of slot cashiers in accordance with the provisions of (e) below;
 - (4) May be responsible for the supervision of changepersons;
 - (5) May be responsible for the operation and conduct of the game of keno; and
 - (6) May be responsible for the operation and conduct of the simulcast counter; or
 - vi. Establish an independent keno department that:
 - (1) Shall be supervised by a person referred to herein as a keno manager;
 - (2) Shall be responsible for the operation and conduct of the game of keno; and
 - (3) May be responsible for the operation and conduct of either the simulcast counter or an independent slot machine cage department established pursuant to (b)7ii below, but not both.
5. A credit department supervised by a person referred to herein as a 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.
6. A security department supervised by a person referred to herein as a director of security. The security department shall be responsible for the overall security of the establishment including, without limitation, the following:
- i. The enforcement of the law;
 - ii. The physical safety of patrons in the establishment;

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

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

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).

7. A casino accounting department supervised by a person referred to herein as a controller. The controller shall be responsible for all casino and casino simulcasting facility accounting control functions including, without limitation, the preparation and control of records and data, the control of stored data, the control of unused forms, the accounting for and comparison of operational data and forms, and the control and supervision of the cashiers' cage, any satellite cages, the soft count room and the hard count room. The soft count room and hard count room shall each be supervised by a casino key employee, who shall be responsible for the supervision of the soft count or hard count in accordance with N.J.A.C. 19:45-1.33 and 1.43, respectively. A casino licensee that operates more than one casino room within its casino hotel facility may be required to maintain a separate cashiers' cage in each casino room. Each cashiers' cage shall be supervised by a casino key employee referred to herein as a cage manager. The cage manager shall report to the controller and shall be responsible for the control and supervision of cage and slot cashiers, casino clerks and the cage functions set forth in N.J.A.C. 19:45-1.14, 1.15, 1.34 and 1.35. If a casino licensee elects to operate one or more satellite cages, each satellite cage shall be supervised by a casino key employee in accordance with a supervisory structure approved by the Commission that is consistent with the provisions of N.J.A.C. 19:41-1.1(a)1ix. Notwithstanding the foregoing, a casino licensee may choose, in its discretion, as to each cashiers' cage in its casino hotel facility, to:

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

(1) The provisions of N.J.A.C. 19:45-1.14(i) shall not apply (that is, the casino licensee shall be required to have a master coin bank);

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

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

(4) The cage manager for the independent table games cage shall be responsible for all cashiers' cage functions not included in (b)7i(3) above; or

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

(1) The slot machine cage department shall comply with the provisions of (b)7i(1) and (3) above;

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

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

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

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

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

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

1. Each supervisor shall report directly to the chief 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) 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.

(e) Notwithstanding any other provision of this chapter to the contrary, a casino licensee may choose, in its discretion, to make the department that is responsible for the operation of all slot machines and bill changers also be responsible for the supervision of slot cashiers if the internal controls of the casino licensee require compliance with the provisions of either (e)1 or 2 below:

1. Any slot cashier that is subject to the supervision authorized by this subsection shall be prohibited from participating in any transaction that involves the acceptance, issuance, recordation or accounting for of assets that affect the determination of gross revenue including, without limitation, the transactions identified in N.J.A.C. 19:45-1.34(a)6 through 9; or

2. Slot machine and bill changer operations shall be conducted as follows:

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

ii. Each slot machine on the casino floor shall be connected electronically to the computerized slot monitoring system and each jackpot payout slip and hopper fill slip shall be computer generated pursuant to N.J.A.C. 19:45-1.40 and 1.41, respectively;

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

(1) The original information;

(2) Any modification to the original information;

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

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

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

v. Any modification of \$100.00 or more to the original amount recorded on a computerized jackpot payout slip or hopper fill slip shall be authorized by two employees of the department that is responsible for the

operation of the casino licensee's slot machines and bill changers, and at least one of the two employees shall be in a position of equal or greater authority than the individual who initially requested the jackpot payout slip or hopper fill;

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

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

(f) Notwithstanding any other provision of the Commission's rules to the contrary, a casino licensee may, with the prior approval of the Commission, designate and assign more than one person to serve jointly as the manager of a department. Each person approved to serve as a joint manager of a department shall be individually and jointly accountable and responsible for the operations of that department.

(g) Each department required or authorized by this section shall be supervised at all times by at least one casino key employee; provided, however, that the Commission may, upon request by a casino licensee, exempt the credit department, the internal audit department or the MIS department from this requirement.

(h) Notwithstanding (b) above, in the event of a vacancy in the chief executive officer position required by N.J.A.C. 19:45-1.1, the equal opportunity officer position required by N.J.A.C. 19:53-1.4 or in any department supervisor position required by this section:

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

- i. The vacant position;
- ii. The date on which the position became vacant; and
- iii. The date on which it is anticipated that the vacancy will be filled on a permanent basis;

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

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

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

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

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

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

- i. The position;
- ii. The name of the person designated;
- iii. The date that the vacancy was filled; and
- iv. An indication of whether the position has been filled on a temporary or permanent basis; and

4. All notices required by this subsection shall be directed to the Commission's Employee License Bureau, at the address specified in N.J.A.C. 19:40-3.1, and to the Commission's principal inspector at that establishment.

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).

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

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

Amended by R.1995 d.306, effective June 19, 1995.

See: 27 N.J.R. 1162(a), 27 N.J.R. 2455(a).

Amended by R.1995 d.430, effective August 7, 1995.

See: 27 N.J.R. 1767(b), 27 N.J.R. 2967(a).

Added Caribbean stud poker game at (b)4xii.

Amended by R.1995 d.469, effective August 21, 1995.

See: 27 N.J.R. 1788(a), 27 N.J.R. 3225(a).

Excepted certain operations from the application of N.J.A.C. 19:45-1.14(i).

Amended by R.1995 d.534, effective October 2, 1995.

See: 27 N.J.R. 2119(a), 27 N.J.R. 3795(b).

Amended by R.1995 d.652, effective December 18, 1995.

See: 27 N.J.R. 3595(b), 27 N.J.R. 5043(a).

Amended by R.1996 d.356, effective August 5, 1996.

See: 28 N.J.R. 2352(b), 28 N.J.R. 3818(b).

Administrative correction.

See: 28 N.J.R. 4805(a).

Amended by R.1997 d.134, effective March 17, 1997.

See: 28 N.J.R. 2531(a), 29 N.J.R. 928(a).

Added (b)4xiv.

Amended by R.1997 d.427, effective October 6, 1997.

See: 28 N.J.R. 5060(a), 29 N.J.R. 4307(b).

Added (b)4xv.

Amended by R.1997 d.447, effective October 20, 1997.

See: 29 N.J.R. 2811(a), 29 N.J.R. 4560(a).

In (b)8, inserted "and the soft count room or hard count room"; and inserted (b)8v.

Amended by R.1998 d.18, effective January 5, 1998.

See: 29 N.J.R. 3432(b), 30 N.J.R. 112(b).

In (a), amended N.J.A.C. references; in (b), rewrote the second sentence; in (b)4, rewrote the second sentence and added the third sentence; deleted existing (b)4i through (b)4xiv; inserted new (b)4i through (b)4iv; recodified (b)5 as (b)4v; recodified (b)6 through (b)8 as (b)5 through (b)7; rewrote (b)7i through (b)7iv; deleted (b)9 and (b)10; deleted (d) and recodified existing (e) as (d); deleted (f); and added new (e) through (g).

Amended by R.1998 d.113, effective March 2, 1998.

See: 29 N.J.R. 4671(a), 30 N.J.R. 869(a).

Added (h).

Amended by R.1998 d.164, effective April 6, 1998.

See: 29 N.J.R. 2632(a), 30 N.J.R. 1304(a).

In (b), rewrote the introductory paragraph and 1xiii.

Amended by R.1998 d.371, effective July 20, 1998.

See: 29 N.J.R. 4672(a), 30 N.J.R. 2639(b).

In (b), rewrote the introductory paragraph and 4.

Amended by R.2002 d.4, effective January 6, 2003.

See: 34 N.J.R. 2012(a), 35 N.J.R. 259(a).

In (b)1, added xiv; in (e)1, amended N.J.A.C. reference.

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), certification denied 606 A.2d 366, 127 N.J. 553.

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 applicant for a casino license shall, pursuant to N.J.S.A. 5:12-70j 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, casino and casino simulcasting facility. 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 license 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 license 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, including all positions regardless of whether the positions require a license or registration, and 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 in the alphabetical table of contents. Each position description shall be contained 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 rank 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 amendment to a previously approved jobs compendium, including any amendment to a table of organization, may be implemented by the casino licensee without the prior approval of the Commission, provided that:

1. The amendment is immediately recorded in the jobs compendium maintained by the licensee on its premises; and
2. The amendment is submitted to the Commission by the end of the business day on the date of implementation, including at a minimum, the following:
 - i. A detailed cover letter listing by department each position title to which modifications have been made, a brief summary of each change, instructions regarding any changes in page numbers and the date of implementation; and
 - ii. The proposed changes to the information required by (b) above, including the corresponding job descriptions and tables of organization, contained on pages which may be used to substitute for those sections of the jobs compendium previously approved by the Commission.

(d) A casino licensee shall not be required to comply with the filing requirements of (c) above for amendments to job descriptions for the following positions:

1. Positions which do not require a license or registration;
2. Positions which require a casino service employee registration, provided that the casino licensee files with the commission a notice of any addition, deletion or amendment to any position that requires casino service employee registration. Such notice shall include the title, department, job code, salary grade and table of organization on which that position is identified.

(e) Notwithstanding any other requirement of this section, each casino shall submit a complete and up-to-date jobs compendium in accordance with (a) above 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) Each casino licensee shall maintain on its premises a complete, updated copy of its jobs compendium which shall be made available for review upon the request of the Division or the Commission.

(g) 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.

(h) Each casino licensee shall submit to the Commission a list of employees who have received compensation of \$100,000 or more, including salary, bonuses, incentives, profit sharing or any other compensation as indicated on the employees' annual Internal Revenue Service Form W-2. Such list shall be submitted to the Commission by March 31 for the preceding tax year and shall include the following for each employee listed:

1. The name of the employee;
2. The license or casino service employee registration number, if applicable;
3. The position of the employee and the corresponding job code for such position;
4. The total amount of compensation received by the employee; and
5. Each form of compensation received, such as salary, bonuses, incentives or profit sharing, and the amount thereof.

Amended by R.1997 d.130, effective March 17, 1997.

See: 28 N.J.R. 2807(a), 29 N.J.R. 918(a).

Added references to the vault cashier throughout the section.

Amended by R.1997 d.217, effective May 19, 1997.

See: 29 N.J.R. 325(b), 29 N.J.R. 2470(a).

Inserted new (a)2 and recodified existing (a)2 through 5 as (a)3 through 6.

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, progressive wager coupons, issuance copies of Counter Checks exchanged at the gaming table for gaming chips or plaques as part of credit or debit card chip transactions, 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 impressed 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. In addition to bearing a gaming table number, each drop box may also be identified by a bar code label that is securely affixed thereto. Each bar code label affixed to a drop box shall be:

i. Encoded, at a minimum, with the gaming table number and game type of the gaming table to which the drop box is attached; and

ii. Prepared in accordance with a casino licensee's approved internal controls, which controls shall require, without limitation, the completion of a Bar Code Label Request Form that is signed by the requester and the preparer; provided, however, that a bar code label prepared by a member of the count team shall be

tested and verified by a count room supervisor or representative of the casino accounting department, other than a member of the count team, prior to the label being attached to the drop box.

(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, gaming vouchers, 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 that is 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 permanently imprinted, affixed or impressed on the outside of each slot cash storage box that does not otherwise bear an asset number. The asset number or unique identification number must be conspicuous and clearly visible to persons involved in removing or replacing the slot cash storage box in the bill changer and through the casino licensee's closed circuit camera coverage system. The size and location of the asset number or unique identification number are subject to prior approval by the Commission. Notwithstanding the foregoing, 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. In addition to bearing an asset number or unique identification number, each slot cash storage box may also be identified by a bar code label that is securely affixed thereto. Each bar code label affixed to a slot cash storage box shall be:

i. Encoded, at a minimum, with the asset number of the slot machine to which the bill changer is attached; and

ii. Prepared in accordance with a casino licensee's approved internal controls, which controls shall require, without limitation, the completion of a Bar Code Label Request Form that is signed by the requester and the preparer; provided, however, that a bar code label prepared by a member of the count team shall be tested and verified by a count room supervisor or representative of the casino accounting department, other than a member of the count team, prior to the label being attached to the slot cash storage box.

(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.

(e) Notwithstanding (a)5 above, a casino licensee may utilize drop boxes which do not indicate the shift thereon, if the casino licensee does not intend to collect all drop boxes each gaming day and has approved internal control procedures pursuant to N.J.A.C. 19:45-1.33(b)2.

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).

Amended by R.1996 d.358, effective August 5, 1996.

See: 28 N.J.R. 1946(a), 28 N.J.R. 3822(a).

Amended by R.1996 d.439, effective September 16, 1996.

See: 28 N.J.R. 2809(a), 28 N.J.R. 4236(a).

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

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

Amended by R.1997 d.155, effective April 7, 1997.

See: 29 N.J.R. 111(a), 29 N.J.R. 1400(a).

Added (e).

Amended by R.1998 d.163, effective April 6, 1998.

See: 29 N.J.R. 4260(a), 30 N.J.R. 1309(a).

In (a)5, added the last two sentences in the introduction, and added i and ii; and in (b)5, substituted "Notwithstanding the foregoing" for "In addition" at the beginning of the sixth sentence and added the last two sentences in the introduction, and added i and ii.

Amended by R.2003 d.4, effective January 4, 2003.

See: 34 N.J.R. 2012(a), 35 N.J.R. 259(a).

In (b), inserted " , gaming vouchers" following "all cash".

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 equivalent, casino check, casino affiliate check, annuity jackpot trust check, complimentary cash gift, slot tokens, prize tokens, gaming chips or plaques for subsequent use, the patron shall deliver the cash, cash equivalent, casino check, casino affiliate check, annuity jackpot trust check, complimentary cash gift, 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 equivalent, casino check, casino affiliate check, annuity jackpot trust check, complimentary cash gift, chips, plaques, slot tokens, prize tokens, wire transfer, or electronic fund 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—given to the patron as evidence of the amount placed on deposit with the casino licensee;
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.

2. 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.

(k) 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.

(l) A patron may obtain a refund of any unused portion of his or her funds on deposit by:

1. Sending the casino licensee a signed written request for a refund together with a signed original Customer Deposit Form; or

2. Appearing personally at the cashiers' cage or a satellite cage, requesting the refund from a general cashier and returning an original Customer Deposit Form. If a duplicate Customer Deposit Form signed by the patron and maintained pursuant to (i)2 above is not located at the cashiers' cage or satellite cage where the patron has requested the refund, the casino licensee may, in its discretion, perform the refund transaction by:

i. Having a duplicate Customer Deposit Form of the patron transported in accordance with N.J.A.C. 19:45-1.14(j) to a check cashier in the cashiers' cage or satellite cage at which the patron is located; or

ii. Directing the patron to the cashier's cage or satellite cage where at least one of his or her duplicate Customer Deposit Forms is being maintained.

(m) Once the original Customer Deposit Form is presented at a cashiers' cage or satellite cage where at least one of that patron's duplicate forms is located, a general cashier at that location shall:

1. Verify the unused balance with the check cashier;
2. If the patron has presented the request in person, require the patron to sign the original of the Customer Deposit Form; and

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, casino check, wire transfer, or electronic fund transfer) and whether the refund was requested in person or in writing;
- iv. Patron's name; and
- v. Signature of the general cashier preparing such documentation.

(n) The general cashier shall forward each original Customer Deposit Form tendered by the patron pursuant to (l) above, along with any other necessary documentation, to the check cashier, who shall compare the patron's signature on the original Customer Deposit Form and any attached written signed request required by (l)1 above to the patron's signature on the duplicate Customer Deposit Form and on the original counter check or slot counter check. The check cashier shall sign the original Customer Deposit Form if the signatures are in agreement, notify the general cashier of the results of the comparison and maintain the original Customer Deposit Form and the documentation supporting the signature verification.

(o) If the patron has requested the return of his or her original Customer Deposit Withdrawals, the check cashier shall, unless an alternate procedure permitted by (o)2i through iii below is employed, return each of the patron's original Counter Checks or Slot Counter Checks to the general cashier. After the check cashier has notified the general cashier that the signatures contained in (n) above are a match, the general cashier shall then refund the unused balance of the deposit to the patron, and, if applicable, return the original counter check or slot counter check to the patron. The general cashier shall maintain any necessary documentation to support the signature verification and to evidence such refund.

1. If the patron has requested the refund in writing, the general cashier shall give the cage supervisor the original checks, to be mailed to the patron in accordance with N.J.A.C. 19:45-1.26(i)2 and refund the unused balance of the deposit, as directed by the patron, either by mailing a casino check to the patron in accordance with N.J.A.C. 19:45-1.26(i)2 or by a wire transfer or electronic fund transfer of the money to the patron in accordance with N.J.A.C. 19:45-1.24B.

2. If the patron has personally requested the return of his or her original Customer Deposit Withdrawals, and one or more of the documents are not located at the cashier's cage or satellite cage where the patron has requested the refund, the general cashier making the refund shall either have the documents transported in

accordance with N.J.A.C. 19:45-1.14(j) to the cashier's cage or satellite cage where the patron made the request, or notify the patron that he or she may:

- i. Have those Customer Deposit Withdrawals returned by mail in accordance with N.J.A.C. 19:45-1.26(i)2;
- ii. Go to the cashiers' cage or satellite cage where the documents are being maintained, and obtain the documents upon presenting identification credentials as specified in the casino licensee's internal controls; or
- iii. Complete the transaction with the casino licensee returning only those Customer Deposit Withdrawals, if any, that are at the cashiers' cage or the satellite cage where the patron made the request.

(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 May 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).
 Amended by R.1995 d.466, effective August 21, 1995.
 See: 27 N.J.R. 2113(a), 27 N.J.R. 3219(a).
 Added casino checks and annuity jackpot trust checks in (a) and (h)5.
 Amended by R.1995 d.620, effective December 4, 1995.
 See: 27 N.J.R. 3307(a), 27 N.J.R. 4909(a).
 Amended by R.1997 d.131, effective March 17, 1997.
 See: 28 N.J.R. 4572(a), 29 N.J.R. 919(a).
 Substantially amended the section.
 Amended by R.1998 d.369, effective July 20, 1998.
 See: 30 N.J.R. 2637(a).
 In (o), changed N.J.A.C. references throughout.
 Amended by R.2002 d.282, effective September 3, 2002.
 See: 34 N.J.R. 655(a), 34 N.J.R. 3128(a).
 In (h)5, (m)3iii and (o)1, inserted references to electronic fund transfer.

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), certification denied 606 A.2d 366, 127 N.J. 553.

19:45-1.24A Procedures for accepting, verifying and accounting for wire transfers and electronic fund transfers; wire transfer and electronic fund transfer fees

(a) A casino licensee may, in accordance with the rules of the Commission, accept a wire transfer or electronic fund transfer from or on behalf of a patron 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 or electronic fund transfer authorized by this section shall be transferred to and deposited in the casino licensee's operating account in a state or Federally chartered bank whose accounts are insured by the Federal Deposit Insurance Corporation. The casino licensee shall require its bank to notify the casino licensee of the receipt and deposit of the wire transfer or electronic fund transfer by transmitting the information required in (c)2 through 7 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 or Electronic Fund 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 or electronic fund 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 or electronic fund transfer 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 or Electronic Fund Transfer Log maintained in the main bank of the cashiers' cage or other secure location approved by the Commission within the cage:

1. A sequential wire transfer or electronic fund transfer number which shall be generated by the casino licensee;
2. The type of transfer, that is, whether a wire transfer or electronic fund transfer;
3. The date and time of the notification;
4. The name of the casino licensee's bank to which the funds were transferred;
5. The actual amount of funds transferred to the operating account of the casino licensee, stated in numbers and words;
6. The name of the patron for whose benefit the funds were transferred;
7. The name and address of the financial institution from which the funds were transferred and the account number from which the funds were debited;
8. The method authorized under (b) above by which the casino licensee was notified of the receipt of the wire transfer or electronic fund transfer and, if by telephone, the name and title of the person at the casino licensee's bank who made the telephone call;
9. The signature of the cage employee receiving and recording the information required by this subsection; and
10. If applicable, a notation that the wire transfer or electronic fund transfer has been reversed pursuant to (h) below.

6. The original Slot Cash Storage Box Report, after signing, any coupons and gaming vouchers removed from the slot cash storage boxes, and any other supporting documentation shall be transported directly to the casino accounting department and shall not be available to any cashiers' cage personnel. The casino 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 casino accounting department in the manner set forth in N.J.A.C. 19:45-1.46(l). All gaming vouchers shall be forwarded to, accepted, and processed by the casino accounting department in the manner set forth in N.J.A.C. 19:45-1.54.

7. 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.

8. A count room employee, in the presence of a Commission inspector, shall conduct a thorough inspection of the entire count room and all counting equipment located therein to verify that no cash, tokens, gaming chips, gaming vouchers, or coupons remain in the room.

(j) In addition to the procedures for conducting the count by the count team set forth under (h)4, 5 and 16 above, and the procedures for conducting the recount by a main bank cashier or cage supervisor set forth under (i)1 above, if the total currency or total coupons recounted by the cashier or cage supervisor do not agree with a total on the Master Game Report or Slot Cash Storage Box Report, or if a variance occurs during the verification process by the count team prior to calling the cashier or cage supervisor, an adjustment shall be made to the Master Game Report or Slot Cash Storage Box Report which shall reflect the amount, type (currency or coupon) and source (identified to a gaming table or slot machine, if applicable) of such variance; however:

1. If the source of the variance is a gaming table and the gaming table to which the adjustment should be made cannot be identified, the adjustment shall be deemed to be from the drop box of a predesignated blackjack table;

2. If the source of the variance is a slot machine and the slot machine to which the adjustment should be made cannot be identified, the adjustment shall be deemed to be from the slot cash storage box of a predesignated \$.25 slot machine or a predesignated slot machine with the lowest denomination counted that day; or

3. If the total currency or total coupons recounted by the cashier or cage supervisor do not agree with a total on the Master Game Report or Slot Cash Storage Box

Report, or if a variance occurs during the verification process by the count team prior to calling the cashier or cage supervisor, the denomination of strapped currency involved or coupon pieces shall be recounted by the count team either by hand or by an approved counting device as determined by the Commission inspector.

i. If the source of the variance cannot be identified, any adjustment made to the Master Game Report or Slot Cash Storage Box Report shall be initialed by the Commission inspector and a three-part Drop Variance Report shall be completed by the count room supervisor and distributed as follows:

- (1) Original to the Commission inspector;
- (2) Duplicate to in-house Division; and
- (3) Triplicate to the casino accounting department.

ii. A Drop Variance Report shall contain, at a minimum, the following information:

- (1) The date;
- (2) The source of variance, if known;
- (3) The measures taken to detect the source of the variance (that is, currency or coupons recounted); and
- (4) A description of any adjustment made to the Master Game Report or Slot Cash Storage Box Report (for example, \$10.00 deducted from grand total drop and win columns on Master Game Report).

(k) The originals and copies of the Master Game Report, the Slot Cash Storage Box Report, Counter Checks, the documents that evidence credit or debit card chip transactions, Complimentary Vigorish Forms that document uncollected baccarat and minibaccarat vigorish, Requests for Fills, Fills, Requests for Credits, Credits, Table Inventory Slips, gaming vouchers, the documents that evidence the counting of the gaming vouchers, 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, including the reconciliation of gaming vouchers pursuant to N.J.A.C. 19:45-1.54;
5. Subsequently recorded; and
6. Maintained and controlled by the accounting department as a permanent accounting record.

(l) The keno computer system shall have the capability of generating a report which lists, by keno work station, the keno drop, total amount won by patrons and keno win or loss for each gaming day. This report shall be audited by a casino accounting department employee. Once the audit procedures have been completed, the casino accounting department employee shall sign the report and either attach the report to the Master Game Report for that gaming day or record the appropriate figures from the report onto the Master Game Report.

(m) If there is a difference between the keno win or loss as represented in the report referenced in (k) above and the figures reported as a result of the reconciliation of the keno drawer pursuant to N.J.A.C. 19:45-1.48(l), the casino licensee shall be required to pay gross revenue tax pursuant to N.J.S.A. 5:12-24 on the larger figure unless the casino licensee can adequately explain and document the reason for said difference. No adjustments to gross revenue shall be permitted without approval from the Commission.

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).

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

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

Amended by R.1996 d.31, effective January 16, 1996.

See: 27 N.J.R. 3921(a), 28 N.J.R. 281(a).

Amended (h)6 and 8.

Amended by R.1996 d.360, effective August 5, 1996.

See: 28 N.J.R. 2357(a), 28 N.J.R. 3823(b).

Amended by R.1996 d.398, effective August 19, 1996.

See: 28 N.J.R. 2536(b), 28 N.J.R. 3975(a).

Amended by R.1996 d.439, effective September 16, 1996.

See: 28 N.J.R. 2809(a), 28 N.J.R. 4236(a).

Amended by R.1996 d.477, effective October 7, 1996.

See: 28 N.J.R. 3063(a), 28 N.J.R. 4518(a).

Amended by R.1997 d.37, effective January 21, 1997.

See: 28 N.J.R. 4575(a), 29 N.J.R. 379(a).

Deleted (f); recodified former (g) as (f); inserted (f)1; added (f)3; inserted new (g); and substantially amended (h)8 through (h)13.

Amended by R.1997 d.155, effective April 7, 1997.

See: 29 N.J.R. 1111(a), 29 N.J.R. 1400(a).

In (b), deleted "which at a minimum, shall be once each gaming day for drop boxes" following "counted and recorded" and added the last sentence and paragraphs (1) and (2).

Administrative correction.

See: 29 N.J.R. 2847(a).

In (h)9, inserted reference to credit/debit card chip transactions.

Amended by R.1997 d.447, effective October 20, 1997.

See: 29 N.J.R. 2811(a), 29 N.J.R. 4560(a).

In (c), rewrote the first and second sentences; and in (f)3, inserted "or his or her supervisor".

Amended by R.1998 d.370, effective July 20, 1998.

See: 30 N.J.R. 1002(a), 30 N.J.R. 2639(a).

In (h), deleted a former 14.

Amended by R.1999 d.28, effective January 19, 1999.

See: 30 N.J.R. 3764(b), 31 N.J.R. 147(a).

In (i)lii(1), substituted "in the count room removed from an opened" for "on the count table from a" following "coupons".

Amended by R.1999 d.43, effective February 1, 1999.

See: 30 N.J.R. 3173(a), 31 N.J.R. 455(a).

Rewrote (h); in (i), inserted "Complimentary Vigorish Forms that document uncollected baccarat and minibaccarat vigorish," following "transaction," in the first sentence of 2; and in (k), inserted "Complimentary Vigorish Forms that document uncollected baccarat and minibaccarat vigorish," following "transactions," in the introductory paragraph.

Amended by R.2000 d.422, effective October 16, 2000.

See: 31 N.J.R. 4245(a), 32 N.J.R. 3863(c).

Rewrote the section.

Amended by R.2003 d.4, effective January 4, 2003.

See: 34 N.J.R. 2012(a), 35 N.J.R. 259(a).

Rewrote the section.

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 currency, 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 exchange by patrons of gaming vouchers for currency, slot tokens, or coins in conformity with N.J.A.C. 19:45-1.54;

8. The issuance of Hopper Fills in conformity with N.J.A.C. 19:45-1.41;

9. The issuance of Payouts in conformity with N.J.A.C. 19:45-1.40; and

10. The issuance of coin or slot tokens to automated coupon redemption machines in exchange for proper documentation; and

11. The issuance of cash or slot tokens to patrons upon the presentation of a recognized credit or debit card in accordance with N.J.A.C. 19:45-1.25(i);

12. The issuance, receipt and reconciliation of imprest funds used by slot attendants and changepersons in conformity with the functions set forth within this chapter and upon the preparation of appropriate documentation in accordance with procedures approved by the Commission;

13. The receipt of currency and coupons from slot attendants in an even exchange for currency;

14. The receipt of coin, currency, coupons, slot tokens, prize tokens or gaming chips from changepersons in an even exchange for coin, currency or slot tokens;

15. The exchange of currency for coin and slot tokens, currency for currency, or coin and slot tokens for currency between slot cashiers upon the preparation of appropriate documentation and in accordance with procedures approved by the Commission; and

16. The exchange with the master coin bank of coin, currency, gaming vouchers, slot tokens, prize tokens, gaming chips, gaming plaques, coupons, issuance copies of Slot Counter Checks and documentation upon the preparation of a Slot Booth Exchange Slip.

(b) Except for the transactions authorized by (a) above, a slot booth shall not obtain coin, currency, prize tokens or slot tokens, 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. A Slot Booth Exchange Slip shall be a two-part, serially prenumbered form signed by the master coin bank cashier, slot cashier, and each person transporting the funds.

(c) 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; and

2. The casino security department of the casino licensee.

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: 23 N.J.R. 2165(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 (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).

Amended by R.1995 d.593, effective November 20, 1995.

See: 27 N.J.R. 3312(a), 27 N.J.R. 4730(a).

Amended by R.1995 d.623, effective December 4, 1995.

See: 27 N.J.R. 3596(a), 27 N.J.R. 4912(b).

Amended by R.1996 d.122, effective March 4, 1996.

See: 27 N.J.R. 1775(a), 28 N.J.R. 1399(a).

Amended by R.1996 d.419, effective September 3, 1996.

See: 28 N.J.R. 1615(a), 28 N.J.R. 4113(a).

Amended by R.1996 d.439, effective September 16, 1996.

See: 28 N.J.R. 2809(a), 28 N.J.R. 4236(a).

Amended by R.1998 d.125, effective March 2, 1998.

See: 29 N.J.R. 5058(a), 30 N.J.R. 870(a).

In (a)3, added currency for currency as a type of exchange. Amended by R.2002 d.4, effective January 6, 2003. See: 34 N.J.R. 2012(a), 35 N.J.R. 259(a).

In (a), inserted new 7; recodified existing 7 through 14 as 8 through 15; amended 16.

19:45-1.35 Accounting controls for slot booths and change machines

(a) The assets for which the slot cashiers are responsible shall be supplied from the main bank or master coin bank. 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.

(g) The slot booth inventory may be used to supply slot attendants with an imprest inventory of currency to be used in the exchange of currency and coupons presented by a patron or, in the casino licensee's discretion, with an imprest inventory of currency which shall not exceed \$5,000 to be used for pouch payouts in accordance with N.J.A.C. 19:45-1.40E and in the exchange of currency and coupons presented by a patron.

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).

Amended by R.1995 d.623, effective December 4, 1995.

See: 27 N.J.R. 3596(a), 27 N.J.R. 4912(b).

Amended by R.1996 d.357, effective August 5, 1996.

See: 28 N.J.R. 2355(a), 28 N.J.R. 3821(b).

Petition for Rulemaking.

See: 33 N.J.R. 3223(a), 33 N.J.R. 3696(b).

Amended by R.2002 d.132, effective May 6, 2002.

See: 34 N.J.R. 17(a), 34 N.J.R. 1735(a).

In (g) inserted "or, in the casino licensee's discretion, with an imprest inventory of currency which shall not exceed \$5,000 to be used for pouch payouts in accordance with N.J.A.C. 19:45-1.40E and in the exchange of currency and coupons presented by a patron" at the end.

19:45-1.36 Slot machines and bill changers; coin and slot token containers; slot cash storage boxes; entry authorization logs

(a) Except as provided in N.J.A.C. 19:45-1.54(a), each slot machine located in a casino shall have the following coin, prize token or slot token containers, the location, design and security of which shall be subject to the approval of the Commission after review by the Division pursuant to N.J.A.C. 19:46-1.20:

1. At least one but no more than three types of 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, to dispense change as directed by a bill changer connected to the slot machine or to automatically replenish another hopper in the slot machine with coins, slot tokens or prize tokens; provided however, that:
 - i. Coins or slot tokens inserted into the coin acceptor of the slot machine shall be retained in a separate hopper, known as an "all-purpose hopper," that shall:

ii. Any slot machine that offered the progressive jackpot being terminated is shut down or rendered unplayable as soon as possible after the jackpot is won; provided, however, that if the slot machine or machines in question are not shut down or rendered unplayable within 24 hours after the progressive jackpot is won, the notice required by (i)2i above shall be considered void and the progressive jackpot on that slot machine shall continue to be offered until won and terminated or transferred in accordance with this section.

3. Nothing in this section shall be deemed to prohibit the immediate and permanent removal by a casino licensee of one or more linked slot machines from the casino floor, provided that:

i. At least one linked slot machine offering the same progressive jackpot remains on its casino floor, if the progressive jackpot is offered in more than one casino, pursuant to N.J.A.C. 19:45-1.39A; and

ii. At least two linked slot machines offering the same progressive jackpot remain on its casino floor, if the progressive jackpot is only offered in that casino.

(j) Notwithstanding (c) above:

1. Two or more linked slot machines offering the same progressive jackpot may be of different denominations and/or have different minimum wagers required to win the progressive jackpot, provided that:

i. The probability of hitting the combination that will award the progressive jackpot is directly proportional to the minimum wager required to win that jackpot. For example, if on the same link, a nickel slot machine requires 20 coins (a \$1.00 wager), a quarter slot machine requires eight coins (a \$2.00 wager), and a dollar slot machine requires three coins (a \$3.00 wager) to win the progressive jackpot, then the probability of a winning wager must be three times more likely on a linked dollar machine than on the linked nickel machine, and twice more likely on a linked quarter machine than on the linked nickel machine. Similarly, if among three linked quarter denomination slot machine games, the first required two coins (a \$.50 wager), the second required four coins (a \$1.00 wager) and the third required eight coins (a \$2.00 wager) to play for the progressive jackpot, then on each handle pull, the probability of hitting the jackpot would be twice more likely on the second machine than on the first machine, and four times more likely on the third machine than on the first machine; and

ii. A notice approved by the Commission indicating the proportional probability of hitting the progressive jackpot on such a linked progressive system shall be conspicuously displayed on each linked slot machines; and

2. The probability of hitting the combination that will award a progressive jackpot offered on linked slot ma-

chines 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 governed by (b) above shall be recorded on a Progressive Slot Summary, at a minimum, at least once every seven calendar days and each summary shall be signed by the preparer. If not prepared by the casino accounting department, the Progressive Slot Summary shall be forwarded to casino accounting by the end of the gaming day on which it is prepared. A representative of the casino accounting department shall be responsible for calculating the correct amount that should appear on the progressive meter(s). If an adjustment to the progressive meter(s) is necessary, the adjustment shall be made by a member of the slot department as follows:

1. Supporting documentation shall be maintained to explain any addition or reduction in the registered amount on the progressive meter(s), which documentation shall include, at a minimum, the date, asset number of the slot machine, the amount of the adjustment and the signature of the slot department member making the adjustment; and

2. The adjustment shall be effectuated within 48 hours of the meter reading.

(l) Except as otherwise authorized by this section, a slot machine offering a progressive jackpot that is removed from the casino floor shall be returned to or replaced on the casino 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 slot 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 the same or less than the denomination accepted by the slot machine which was removed. This subsection shall not apply to the temporary removal by a casino licensee, for a period not to exceed 30 days, of all linked slot machines that are part of a particular multi-casino progressive slot system, provided that the progressive jackpots offered by the temporarily removed slot machines remain available on slot machines that are part of the same multi-casino progressive slot system in another casino.

(m) Slot machines that offer progressive jackpots 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.

(n) Notwithstanding any other provision of this section, a casino licensee may, with prior written approval from the Commission, transfer a progressive jackpot amount, in its entirety, to the progressive meter for a similar progressive slot machine or slot system with the same or greater probability of winning and the same or lower denomination.

(o) Each slot machine that offers a progressive jackpot which increases in value based upon either handle contributions adjusted and displayed by the approved program that controls the slot machine or events dictated by the approved program, shall conform with the following requirements:

1. The slot machine shall include a meter or display, visible from the front of the slot machine, that advises the player of the amount which can be won if the progressive jackpot combination appears;
2. The approved program for the slot machine shall limit the progressive jackpot to an amount which is less than \$1,200; and
3. The progressive jackpot shall be totally and automatically paid by the slot machine.

(p) Any progressive jackpot governed by (o) above shall not be subject to the provisions of (l) or (n) above.

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).
Amended by R.1996 d.440, effective September 16, 1996.
See: 28 N.J.R. 2537(a), 28 N.J.R. 4241(b).

Amended by R.1996 d.486, effective October 21, 1996.
See: 27 N.J.R. 4992(a), 28 N.J.R. 4601(a).

Amended by R.1998 d.20, effective January 5, 1998.
See: 29 N.J.R. 326(a), 30 N.J.R. 120(a).

Added (e)4 and (n).

Amended by R.1999 d.281, effective August 16, 1999.
See: 31 N.J.R. 1171(a), 31 N.J.R. 2372(a).

In (i) and (l), substituted references to the casino floor for references to the gaming floor; in (i), added an exception at the beginning and added the last sentence; in (l), added the last sentence; and in (n), rewrote the last sentence.

Amended by R.2000 d.334, effective August 21, 2000.
See: 31 N.J.R. 2525(a), 32 N.J.R. 3075(a).

Rewrote section.

Petition for Rulemaking.

See: 33 N.J.R. 3379(b), 33 N.J.R. 3775(b).

Amended by R.2001 d.451, effective December 3, 2001.

See: 33 N.J.R. 772(a), 33 N.J.R. 4151(b).

Rewrote (b), (e) and (n).

Amended by R.2002 d.246, effective August 5, 2002.

See: 33 N.J.R. 2955(b), 34 N.J.R. 2801(a).

Rewrote (i); in (n), inserted "or remove" preceding "the amount" and deleted "remove the slot machine that offers the progressive jackpot from the casino floor" following "progressive meter" in the first sentence, and inserted "the progressive meter for one or more" following "in its entirety, to" and deleted "probability" preceding "or reasonably" in the second sentence.

Amended by R.2002 d.284, effective September 3, 2002 (operative October 18, 2002).

See: 33 N.J.R. 3879(a), 34 N.J.R. 3130(a).

Rewrote the section.

Amended by R.2002 d.366, effective November 18, 2002.

See: 34 N.J.R. 2415(a), 34 N.J.R. 3976(a).

In (c), substituted "Except as provided in (j) below" for "Unless otherwise authorized by the Commission" in the introductory paragraph; rewrote (j).

Petition for Rulemaking.

See: 35 N.J.R. 1964(a), 2755(c).

19:45-1.39A Linked slot machines interconnected in more than one casino

(a) Two or more casino licensees may, with the prior approval of the Commission, operate linked slot machines that are interconnected in the participating casinos (a "multi-casino progressive slot system").

(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).

Amended by R.2000 d.334, effective August 21, 2000.

See: 31 N.J.R. 2525(a), 32 N.J.R. 3075(a).
 Rewrote (a).

19:45-1.39B Table game progressive payout wagers

(a) This section shall apply to any table game with a progressive payout wager approved by the Commission. If a casino licensee offers a table game with a progressive payout wager, it may be offered individually at each gaming table or the casino licensee may connect the progressive wager among two or more tables so that the progressive amount increments for all wagers at these two or more tables.

(b) Except as provided in this subsection, each table which offers a progressive payout wager shall have the following features:

1. A mechanical, electrical or electronic device to be known as an "in-meter" that continuously and automatically counts the number of gaming chips wagered by patrons on the progressive payout;

2. A mechanical, electrical or electronic device to be known as a "progressive meter," visible from the front of the gaming table, which increments at a set rate of progression when gaming chips are wagered and accepted for the progressive payout and which prominently displays the amount which can be won if the outcome which awards the entire progressive payout is achieved; provided, however, that more than one gaming table may be connected to a common progressive display unit if:

i. A casino licensee elects to connect two or more tables to the same progressive payout wager pursuant to (d) below; and

ii. The display unit is visible to every player at each of the connected tables;

3. A mechanical, electrical or electronic device to be known as a "progressive payout meter" that continuously and automatically records the number of times each progressive payout wager is won;

4. A separate key and key switch to reset or alter the amount on the "progressive meter" or such other separate mechanism as may be approved by the Commission;

5. A separate key locking the compartment housing the component which acknowledges the acceptance of the progressive payout wager and initiates an increase in the progressive meter or some other means by which to preclude any unauthorized or unintentional alterations to the progressive meter;

6. Dual key control by the Commission and the casino licensee of the location in which the computer that controls the progressive payout wager system and any related component specified by the Commission is housed, which location shall be approved by the Commission; and

7. Storage of and access to any disks specified by the Commission for the computer that controls the progres-

sive payout wager system shall be in accordance with procedures approved by the Commission.

(c) A casino licensee may use a percentage of each progressive payout wager that is accepted at a table to fund a portion of the reset amount for the progressive meter. If a reset fund is established by a casino licensee pursuant to this subsection, each table shall have or be connected to a device known as a "reset meter" which increments at a set rate of progression when gaming chips are wagered and accepted for the progressive payout and which records the amount which shall be transferred to the progressive meter, inclusive of any reset amount funded by the casino licensee, when the entire amount on the progressive meter is won by a player. Each table shall have the following features in addition to those specified in (b) above:

1. A separate key and key switch to reset or alter the amount on the reset meter or such other separate mechanism as may be approved by the Commission; and

2. A separate key locking the compartment housing the component which operates the reset meter or some other mechanism which precludes any unauthorized or unintentional alterations to the reset meter.

(d) If a casino licensee elects to connect two or more tables for a progressive payout wager, the following shall be required:

1. The same denomination gaming chip shall be wagered at all gaming tables connected;

2. The same number of gaming chips shall be wagered to entitle a player to a chance at winning the progressive payout wager, and each gaming chip shall increment the meter by the same rate of progression at all tables connected;

3. The same progressive payouts shall be offered and the probability of hitting those payouts be the same at the connected tables; and

4. A device which shall either automatically or manually lockout all progressive meters if a patron has won a progressive payout wager.

(e) No table game with a progressive payout wager shall be placed in a casino or casino simulcasting facility until the casino licensee has submitted and obtained Commission approval of the following:

1. The authorized game and outcome which will award the progressive payout wager;

2. The initial and reset amounts at which the progressive meter will be set;

3. The proposed rate of progression for each progressive meter and reset meter, if applicable, and the procedure by which any change to the rate of progression will be made, which shall include, at a minimum, prior notice to, and approval by, the Commission;

4. The procedures governing the reset switch or mechanism referenced in (b) and, if applicable, (c) above which shall, at a minimum, preclude the dealer from resetting or altering the amount on the progressive or reset meter;

5. The procedures for operating all the equipment associated with the table games progressive wager including the lockout feature referenced in (d) above;

6. The installation of the computer system that controls the progressive payout wager system, which installation shall occur only after advance written notice of at least three business days to the MIS department of the casino licensee and to designated representatives of the Commission and Division, and which notice shall: