

**CHAPTER 43
CASINO LICENSEES**

Authority

N.J.S.A. 5:12-63(c), 69a, 70a-b, 70h, 70l, 70o, 80 through 88, 96, 98, 102 and 130.1 through 130.11.

Source and Effective Date

R.1998 d.52, effective December 18, 1997.
See: 29 N.J.R. 4669(a), 30 N.J.R. 382(a).

Executive Order No. 66(1978) Expiration Date

Chapter 43, Casino Licensees, expires on April 15, 2002.

Chapter Historical Note

Chapter 43, originally Casino Service Industries, was adopted as R.1978 d.50, effective February 16, 1978. See: 10 N.J.R. 4(b), 10 N.J.R. 128(c). Those rules were recodified as Chapter 51 by R.1992 d.500, and a new Chapter 43, Casino Licensees, was adopted, effective December 21, 1992. See: 24 N.J.R. 3225(a), 24 N.J.R. 4563(a). See, also, Chapter 51 Historical Note for rulemaking history of original rules.

As part of the new Chapter 43, former Chapter 41, Subchapter 2 was recodified as Subchapter 6, Casino Hotel Facility Requirements; former Chapter 41, Subchapter 13 was recodified as Subchapter 13, Conservatorship; former Chapter 51, Subchapter 1 was recodified as Subchapter 14, Advertising; and former Chapter 52, Subchapter 1 was recodified as Subchapter 15, Entertainment.

Subchapter 6, originally Casino Hotel Facilities, was adopted as a part of R.1977 d.475 (Chapter 41, Applications), effective December 15, 1977. See: 9 N.J.R. 545(b), 10 N.J.R. 4(d). Subchapter 13, originally Casino License Conservatorship, was adopted as R.1979 d.207, effective May 24, 1979. See: 11 N.J.R. 213(b), 11 N.J.R. 360(b). Pursuant to Executive Order No. 66(1978), Subchapters 6 and 13 were readopted as a part of R.1983 d.81, effective May 17, 1983. See: 15 N.J.R. 532(b), 15 N.J.R. 931(b). Pursuant to Executive Order No. 66(1978), Subchapters 6 and 13 were readopted as a part of R.1988 d.255, effective May 12, 1988. See: 20 N.J.R. 763(a), 20 N.J.R. 1209(a).

Subchapter 14, Advertising, was originally adopted as R.1978 d.14 and codified as Chapter 51, Subchapter 1, effective January 23, 1978. See: 9 N.J.R. 603(a), 10 N.J.R. 82(a). Pursuant to Executive Order No. 66(1978), Chapter 51 was readopted as R.1986 d.366, effective August 14, 1986. See: 18 N.J.R. 1258(a), 18 N.J.R. 1841(a). Pursuant to Executive Order No. 66(1978), Chapter 51 was readopted as R.1991 d.467, effective August 14, 1991. See: 23 N.J.R. 2007(a), 23 N.J.R. 2870(a).

Subchapter 15, Entertainment, was originally adopted as R.1978 d.15 and codified as Chapter 52, Subchapter 1, effective January 23, 1978. See: 9 N.J.R. 603(b), 10 N.J.R. 82(b). Pursuant to Executive Order No. 66(1978), Chapter 52 expired on September 25, 1991. Subsequently, portions of the expired chapter were adopted as new rules by R.1992 d.15, effective January 6, 1992. See: 23 N.J.R. 3092(a), 24 N.J.R. 112(a). See, also, Chapter 52 Historical Note for complete rulemaking history.

Pursuant to Executive Order No. 66(1978), Chapter 43, Casino Licensees, was readopted as R.1998 d.52, effective December 18, 1997. See: Source and Effective Date.

CHAPTER TABLE OF CONTENTS

SUBCHAPTER 1. GENERAL PROVISIONS

19:43-1.1 Applicability of rules to noncorporate entities

SUBCHAPTER 2. PERSONS REQUIRED TO BE LICENSED OR QUALIFIED

- 19:43-2.1 Persons required to be licensed
- 19:43-2.2 Persons required to be qualified
- 19:43-2.3 Notification of anticipated or actual changes in directors, officers or equivalent qualifiers of casino licensees and holding companies
- 19:43-2.4 Notification of new financial sources
- 19:43-2.5 Notification concerning certain new qualifiers of publicly traded holding companies
- 19:43-2.6 Qualification of new directors, officers or other qualifiers of a casino licensee
- 19:43-2.7 Qualification of new directors, officers or other qualifiers of a holding company
- 19:43-2.7A Application for renewal of qualification
- 19:43-2.8 Issuance or transfer of interests; approval
- 19:43-2.9 Subsidiaries

SUBCHAPTER 3. STANDARDS FOR LICENSURE OR QUALIFICATION

- 19:43-3.1 Undue economic concentration

SUBCHAPTER 4. FINANCIAL STABILITY OF CASINO LICENSEES AND APPLICANTS

- 19:43-4.1 Definitions
- 19:43-4.2 Financial stability
- 19:43-4.3 Continuing assessment of financial condition
- 19:43-4.4 Financial stability reporting requirements
- 19:43-4.5 Failure to demonstrate financial stability

SUBCHAPTER 5. APPLICATION REQUIREMENTS

- 19:43-5.1 General information requirements
- 19:43-5.2 Duration of license; conditions
- 19:43-5.3 Contents of application for initial casino license
- 19:43-5.4 Petitions for waiver
- 19:43-5.5 Statements of compliance; commitment to reserve a casino license
- 19:43-5.6 Prehearing conference; hearing

SUBCHAPTER 6. CASINO HOTEL FACILITY REQUIREMENTS

- 19:43-6.1 Definitions
- 19:43-6.2 The casino hotel
- 19:43-6.3 Declaratory rulings as to proposed casino hotel facilities
- 19:43-6.4 Casino facilities
- 19:43-6.5 through 19:43-6.9 (Reserved)

SUBCHAPTER 7. OPERATION CERTIFICATE

- 19:43-7.1 Operation certificate; standards for issuance
- 19:43-7.2 Operation certificate; test period
- 19:43-7.3 Operation certificate; floor plans of the casino floor, casino simulcasting facility and any restricted areas
- 19:43-7.4 Operation certificate; master lists of approved slot machines and table games; movement of gaming equipment; amendments of operation certificates upon filing of updated master lists
- 19:43-7.5 Operation certificate; effective date; duration
- 19:43-7.6 Operation certificate; amendment to conform to approved changes
- 19:43-7.7 Operation certificate; temporary amendments for alternate pit configurations
- 19:43-7.8 Access to public and restricted areas

SUBCHAPTER 8. CONTINUING OBLIGATIONS OF CASINO LICENSEES AND QUALIFIERS

19:43-8.1 Minutes of meetings of boards and committees

SUBCHAPTER 9. EMPLOYMENT REQUIREMENTS

- 19:43-9.1 Employee internal controls submission
- 19:43-9.2 Obligation to terminate, suspend or refuse employment; form of notice
- 19:43-9.3 Employee reporting and recordkeeping requirements
- 19:43-9.4 (Reserved)
- 19:43-9.5 Petitions for casino service employee registration
- 19:43-9.6 Notice, verification and implementation of wage execution

SUBCHAPTER 10. REQUIREMENTS FOR DOING BUSINESS WITH VENDORS

- 19:43-10.1 Requirements for doing business; Active Vendors Record; Prohibited Vendors Record
- 19:43-10.2 Maintaining agreements; filing of agreements
- 19:43-10.3 Review of agreements and records of agreements; termination upon disapproval
- 19:43-10.4 Filing requirements: Notice of Intent to Conduct Enterprise Business, Vendor Registration Form, Junket Enterprise Registration Form
- 19:43-10.5 Exemption from registration
- 19:43-10.6 Master Purchasing and Disbursement Report
- 19:43-10.7 Internal controls submission

SUBCHAPTER 11. RENEWAL OF CASINO LICENSE

- 19:43-11.1 Renewal; time for filing
- 19:43-11.2 Contents of renewal application
- 19:43-11.3 Petitions for waiver
- 19:43-11.4 Prehearing conference; hearing

SUBCHAPTER 12. INTERIM CASINO AUTHORIZATION (RESERVED)

SUBCHAPTER 13. CONSERVATORSHIP

- 19:43-13.1 Definitions
- 19:43-13.2 Institution of casino license conservatorship and appointment of conservators
- 19:43-13.3 Qualification of conservator
- 19:43-13.4 Bonding of conservators
- 19:43-13.5 Powers of multiple conservators
- 19:43-13.6 Powers and jurisdiction of the Commission
- 19:43-13.7 Effect of the conservatorship on licensed casino operation
- 19:43-13.8 Powers, authorities and duties of conservators
- 19:43-13.9 Compensation of conservators and others
- 19:43-13.10 Required reports of the conservator
- 19:43-13.11 Review of action of conservator
- 19:43-13.12 Payment of net earnings during the period of conservatorship
- 19:43-13.13 Payments following a bulk sale
- 19:43-13.14 Discontinuation of conservatorship

SUBCHAPTER 14. ADVERTISING

- 19:43-14.1 Applicability of advertising regulations
- 19:43-14.2 Criteria governing advertising
- 19:43-14.3 Commission approval
- 19:43-14.4 (Reserved)

SUBCHAPTER 15. ENTERTAINMENT

- 19:43-15.1 Prohibited entertainment activities
- 19:43-15.2 Entertainment within the casino room and casino simulating facility

SUBCHAPTER 16. UNDERAGE GAMING

- 19:43-16.1 Underage gaming—violations
- 19:43-16.2 Underage gaming violations—affirmative defenses

SUBCHAPTER 1. GENERAL PROVISIONS

19:43-1.1 Applicability of rules to noncorporate entities

For purposes of this chapter, noncorporate entities shall, to the extent possible, comply with all relevant requirements applicable to corporate entities.

SUBCHAPTER 2. PERSONS REQUIRED TO BE LICENSED OR QUALIFIED

19:43-2.1 Persons required to be licensed

No person shall own or operate a casino unless a casino license shall have first been issued to every person eligible and required to apply for a casino license pursuant to the provisions of N.J.S.A. 5:12-82.

Case Notes

Provider of travel industry services exempt from casino licensing if engaged in routine transactions covered by standard rate schedule filed by casino and approved by Commission, and licensed or approved by the Interstate Commerce Commission (based on Casino Control Commission Staff Memorandum). *Holland Industries, Inc. v. Adamar of New Jersey, Inc.*, 550 F.Supp. 646 (S.D.N.Y.1982).

Electronic fund transfer companies subject to licensure; credit card money advance via electronic transfer prohibited. *Div. of Gaming Enforcement v. Comdata Network, Inc.*, 6 N.J.A.R. 188 (1980).

19:43-2.2 Persons required to be qualified

(a) Except as otherwise provided in N.J.A.C. 19:43-2.7, no casino license shall be issued or renewed by the Commission unless the individual qualifications of every person required by the Act and the Commission to qualify as part of the application for the issuance or renewal of the casino license shall have first been established in accordance with all relevant standards set forth in the Act and the rules of the Commission.

(b) The following persons shall be required to qualify as part of the application for the issuance or renewal of a casino license:

1. All persons eligible and required to apply for a casino license pursuant to the provisions of N.J.S.A. 5:12-82;

2. All financial sources required to qualify pursuant to the provisions of N.J.S.A. 5:12-84b; and

3. All persons required to qualify pursuant to the provisions of N.J.S.A. 5:12-85c, d, e and f.

(c) The Commission may at any time require a casino licensee or applicant to establish the qualification of any person that the Commission may deem appropriate for qualification pursuant to N.J.S.A. 5:12-84, 85, and 105. Any person deemed appropriate for qualification shall promptly file the required application form.