

CHAPTER 51

PERSONS DOING BUSINESS WITH
CASINO LICENSEES

Authority

N.J.S.A. 5:12-63c, 69a, 70a, 70b, 70i, 92 and 94.

Source and Effective Date

R.1994 d.258, effective April 27, 1994.
See: 26 N.J.R. 1212(a), 26 N.J.R. 2478(a).

Executive Order No. 66(1978) Expiration Date

Chapter 51, Persons Doing Business with Casino Licensees, expires on August 15, 1996.

Chapter Historical Note

Chapter 51, originally Advertising, was adopted as R.1978 d.14, effective January 23, 1978. See: 9 N.J.R. 603(a), 10 N.J.R. 82(a). Those rules were recodified as N.J.A.C. 19:43-14 (Chapter 43, Subchapter 14) by R.1992 d.500, effective December 21, 1992. See: 24 N.J.R. 3225(a), 24 N.J.R. 4563(a). See, also, Chapter 43 Historical Note for rulemaking history of Advertising rules.

Chapter 51, Persons Doing Business with Casino Licensees, was originally adopted as R.1978 d.50 and codified as N.J.A.C. 19:43 (Chapter 43, Casino Service Industries), effective February 16, 1978. See: 10 N.J.R. 4(b), 10 N.J.R. 128(c). Pursuant to Executive Order No. 66(1978), Chapter 43 was readopted as R.1984 d.187, effective April 27, 1984. See: 16 N.J.R. 515(a), 16 N.J.R. 1285(a). Pursuant to Executive Order No. 66(1978), Chapter 43 was readopted as R.1989 d.281, effective April 27, 1989. See: 21 N.J.R. 705(a), 21 N.J.R. 1525(a). Chapter 43 was retitled and recodified as N.J.A.C. 19:51 by R.1992 d.500, effective December 21, 1992. See: 24 N.J.R. 3225(a), 24 N.J.R. 4563(a).

Pursuant to Executive Order No. 66(1978), Chapter 51 was readopted as R.1994 d.258. See: Source and Effective Date. See, also, section annotations.

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SUBCHAPTER 1. GENERAL PROVISIONS

19:51-1.1 Definitions

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

“Gaming equipment” means any mechanical, electrical or electronic contrivance or machine used in connection with gaming or any game and includes, without limitation, roulette wheels, big six wheels, slot machines, slot tokens, prize tokens, cards, dice, chips, plaques, match play coupons, card dealing shoes, drop boxes, and other devices, machines, equipment, items or articles determined by the Commission to be so utilized in gaming as to require licensing of the manufacturers, distributors or servicers, or as to require Commission approval in order to contribute to the integrity of the gaming industry or to facilitate the operation of the Commission or the Division.

“Gaming equipment distributor” means any person who distributes, sells, supplies or markets gaming equipment.

“Gaming equipment industry” means gaming equipment manufacturers, gaming equipment distributors and gaming equipment servicers.

“Gaming equipment manufacturer” means any person who manufactures, produces or assembles gaming equipment.

“Gaming equipment servicer or repairer” means any person who provides maintenance, service or repair of gaming equipment or devices, machines, equipment, items, or articles governed by N.J.A.C. 19:51-1.2(b) in any manner which has the capacity to affect the outcome of the play of an authorized game or simulcast wagering or calculation, storage, collection, or control of gross revenue.

“Sales representative” means any person owning an interest in, employed by or representing a casino service industry enterprise licensed in accordance with sections 92a and b of the Act, who solicits the goods and services or business thereof.

“Security business” or “casino security service” means any non-governmental enterprise providing physical security services to a casino, a casino licensee, to an approved hotel or to any premises located within a casino hotel complex.

Amended by R.1981 d.440, effective November 16, 1981.
See: 13 N.J.R. 627(a), 13 N.J.R. 848(a).

Added "electrical or electronic" to definition of "gaming equipment". Deleted definition of "on a regular or continuing basis". Amended by R.1992 d.412, effective October 19, 1992. See: 24 N.J.R. 2695(b), 24 N.J.R. 3738(a).

Added definition for junket enterprise. Amended by R.1994 d.31, effective January 18, 1994. See: 25 N.J.R. 4866(a), 26 N.J.R. 486(a). Amended by R.1994 d.137, effective March 21, 1994. See: 25 N.J.R. 5902(a), 26 N.J.R. 1373(b). Amended by R.1994 d.504, effective October 3, 1994. See: 26 N.J.R. 2872(a), 26 N.J.R. 3253(a), 26 N.J.R. 4089(a). Amended by R.1995 d.352, effective July 3, 1995. See: 27 N.J.R. 1371(a), 27 N.J.R. 2598(a).

Extended the definition of "Gaming equipment servicer" to include "or repairer" and rewrote that definition.

19:51-1.2 Gaming-related casino service industry license requirements

(a) No enterprise shall provide goods or services directly related to casino, simulcast wagering or gaming activity to, or otherwise transact business directly related to casino, simulcast wagering or gaming activity with, a casino applicant or licensee, its employees or agents unless licensed in accordance with subsections 92a and b of the Act.

(b) In determining whether an enterprise shall be licensed pursuant to this section, the Commission shall consider, without limitation, whether the enterprise satisfies one or more of the following criteria:

1. Whether the enterprise manufactures, supplies or distributes devices, machines, equipment, items or articles which:

- i. Are specifically designed for use in the operation of a casino or casino simulcasting facility;
- ii. Are needed to conduct an authorized game or simulcast wagering;
- iii. Have the capacity to affect the outcome of the play of an authorized game or simulcast wagering; or
- iv. Have the capacity to affect the calculation, storage, collection, or control of gross revenue.

2. Whether the enterprise is a gaming equipment servicer or repairer;

3. Whether the enterprise provides services directly related to the operation, regulation or management of a casino or casino simulcasting facility; or

4. Whether the enterprise provides such other goods or services determined by the Commission to be so utilized in or incident to gaming, casino or simulcast wagering activity as to require licensing in order to contribute to the public confidence and trust in the credibility and integrity of the gaming industry in New Jersey.

(c) Enterprises required to be licensed in accordance with subsections 92a and b of the Act and (a) above shall include, without limitation, the following:

1. Manufacturers, suppliers, distributors, servicers and repairers of roulette wheels, big six wheels, slot machines, cards, dice, gaming chips, gaming plaques, slot tokens, prize tokens, dealing shoes, drop boxes, computerized gaming monitoring systems, totalisators, pari-mutuel machines, self-service pari-mutuel machines and credit voucher machines;

2. Schools teaching gaming and dealing techniques; and

3. Casino credit reporting services, casino simulcasting hub facilities and suppliers of casino security services.

Amended by R.1979 d.174, effective May 3, 1979. See: 11 N.J.R. 155(a), 11 N.J.R. 309(d). Amended by R.1981 d.440, effective November 16, 1981. See: 13 N.J.R. 627(a), 13 N.J.R. 848(a).

Added proviso to (a). Added (c), (d) and (e). Amended by R.1984 d.55, effective March 5, 1984. See: 16 N.J.R. 40(a), 16 N.J.R. 432(a). Amended by R.1989 d.281, effective June 5, 1989. See: 21 N.J.R. 705(a), 21 N.J.R. 1525(a).

Entities providing goods and services to applicants added to scope of rule. Licensure of any business providing services required, regardless of direct contractual relationship with applicant or licensee.

Amended by R.1991 d.299, effective June 17, 1991. See: 22 N.J.R. 3203(a), 23 N.J.R. 1963(a).

In (d)1, increased \$50,000 to \$75,000 and in (d)2, increased \$150,000 to \$225,000.

Amended by R.1992 d.412, effective October 19, 1992. See: 24 N.J.R. 2695(b), 24 N.J.R. 3738(a).

Added (c), requiring licensure; added (g), regarding determination of dollars per (e).

Amended by R.1993 d.35, effective January 19, 1993. See: 24 N.J.R. 4241(b), 25 N.J.R. 368(a).

In (a), added simulcast wagering provisions. Added new (b), redesignated existing (b)-(e) as (c)-(f); added new (g) and (h), redesignated existing (f) and (g) as (i) and (j).

Amended by R.1993 d.37, effective January 19, 1993. See: 24 N.J.R. 3695(a), 25 N.J.R. 348(b).

Added simulcasting provisions. Amended by R.1993 d.495, effective October 4, 1993. See: 25 N.J.R. 2662(a), 25 N.J.R. 4625(a).

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

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

Amended by R.1994 d.220, effective May 2, 1994.

See: 26 N.J.R. 339(b), 26 N.J.R. 1847(b).

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

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

Amended by R.1995 d.352, effective July 3, 1995.

See: 27 N.J.R. 1371(a), 27 N.J.R. 2598(a).

Added (b)1iv; and rewrote (b)2.

19:51-1.2A Nongaming-related casino service industry and junket enterprise license requirements

(a) Unless otherwise licensed in accordance with subsections 92a and b of the Act and N.J.A.C. 19:51-1.2, no enterprise shall, on a regular or continuing basis, provide goods or services regarding the realty, construction, maintenance or business or a proposed or existing casino hotel or related facility to a casino licensee or applicant, its employees or agents unless such enterprise is licensed or exempted in accordance with subsections 92c and d of the Act. The Commission may, however, permit the enterprise to continue to provide such goods and services or conduct such business if the application is prepared and filed within a reasonable time.

(b) In determining whether an enterprise is subject to the requirements of this subsection, it shall not matter whether the casino licensee or applicant is a party to any agreement pursuant to which said goods or services are being provided. Enterprises required to be licensed in accordance with subsections 92c and d of the Act and (a) above shall include, without limitation, the following:

1. Suppliers of alcoholic beverages, food and nonalcoholic beverages, gaming table layouts and non-value gaming chip sorters;
2. In-State and out-of-State sending tracks;
3. Licensors of authorized games to casino licensees and applicants;
4. Garbage handlers, vending machine providers, linen suppliers and maintenance companies;
5. Shopkeepers located within the approved hotel; and
6. Limousine services and construction companies contracting with casino licensees or applicants or their employees or agents.

(c) No enterprise shall, on a regular or continuing basis, conduct business as a junket enterprise with a casino licensee or applicant, its employees or agents unless such enterprise is licensed in accordance with subsections 92c and d and section 102 of the Act. The Commission, however, may permit the enterprise to continue to conduct such business if the application is prepared and filed within a reasonable time.

(d) In determining if a person or enterprise does or will, on a regular or continuing basis, conduct business as a junket enterprise or provide goods or services regarding the realty, construction, maintenance, or business of a proposed or existing casino hotel or related facility to casino licensees or applicants, their employees or agents, the following factors, without limitation, shall be considered:

1. Number of transactions;
2. Frequency of transactions;
3. Dollar amounts of transactions;
4. Nature of goods or services provided or business transacted;
5. Maximum potential period of time necessary to fully provide the goods, perform the services, or complete the business which is the subject of the transaction;
6. The recommendation of the Division of Gaming Enforcement; and
7. The public interest and the policies established by the Act.

(e) Notwithstanding the provisions of (d) above, persons and enterprises which conduct business as a junket enter-

prise or provide, or imminently will provide, goods or services regarding the realty, construction, maintenance, or business of a proposed or existing casino hotel or related facility to casino licensees or applicants, their employees or agents shall, unless otherwise determined by the Commission, be deemed to be transacting such business on a regular or continuing basis if:

1. The total dollar amount of such transactions with a single casino licensee or applicant, its employees or agents, is or will be equal to or greater than \$75,000 within any 12-month period;
2. The total dollar amount of such transactions with all casino licensees or applicants, their employees or agents, is or will be equal to or greater than \$225,000 within any 12-month period;
3. The total dollar amount of such transactions with any single casino licensee or applicant, its employees or agents, is or will be equal to or greater than \$30,000 within each of three consecutive 12-month periods;
4. The total dollar amount of such transactions with all casino licensees or applicants, their employees or agents, is or will be equal to or greater than \$100,000 within each of three consecutive 12-month periods; or
5. The enterprise transacts business which satisfies either (e)3 or 4 above within each of three consecutive 12-month periods.

(f) Based upon an analysis of the factors contained in (d) above, the Commission may, in its discretion, require an enterprise which is otherwise governed by the provisions of N.J.S.A. 5:12-92c and (a) above to be licensed as a subsection 92c casino service industry enterprise prior to conducting any business whatsoever with a casino licensee or applicant if the Commission determines that such action is necessary in order to contribute to the public confidence and trust in the credibility and integrity of the gaming industry in New Jersey. Enterprises subject to this requirement shall include manufacturers, suppliers and distributors of non-value gaming chip sorters and licensors of authorized games to casino licensees and applicants.

(g) In determining whether a person or enterprise has exceeded or will exceed the dollar thresholds established in (e) above, all types of business, including junket business, transacted by that person or enterprise with casino licensees or applicants, their employees or agents shall be accumulated.

(h) The Commission may expressly prohibit any unlicensed enterprise from providing goods or services to or conducting business with a casino licensee or applicant, its employees or agents on the basis that, after having been directed to file a casino service industry or junket enterprise license application, such enterprise failed to properly file such application within a reasonable time. Any unlicensed enterprise prohibited from providing goods or services or

conducting business on the basis of its failure to properly file an application may resume providing goods or services or conducting business:

1. Thirty days following the proper filing of its casino service industry or junket enterprise license application and after the payment of an additional late filing license fee of \$250.00; or

2. Immediately following a determination that the enterprise is not required to be licensed as a casino service industry or junket enterprise.

(i) No waiver of all or any portion of the 30-day period mandated by (h)1 above shall be granted by the Commission on the ground of economic hardship or loss to the unlicensed casino service industry or junket enterprise in question.

New Rule, R.1994 d.220, effective May 2, 1994.
See: 26 N.J.R. 339(b), 26 N.J.R. 1847(b).
Amended by R.1995 d.352, effective July 3, 1995.
See: 27 N.J.R. 1371(a), 27 N.J.R. 2598(a).

In (f), in the second sentence, following "distributors of" deleted "gaming table layouts and".

19:51-1.2B Transactional waivers

(a) Notwithstanding N.J.A.C. 19:51-1.2(a) or N.J.A.C. 19:51-1.2A(f), upon application for a transactional waiver by a casino licensee or applicant for each business transaction, the Commission may permit an applicant for a casino service industry enterprise license to conduct a business transaction with the casino licensee or applicant prior to the licensure of the casino service industry license applicant if:

1. A completed application for the appropriate casino service industry enterprise license required by N.J.A.C. 19:51-1.2(a) or N.J.A.C. 19:51-1.2A(f) has been filed by the applicant;

2. At least 30 days has elapsed since the filing of such completed application, unless the Division reports on an application for a transactional waiver prior thereto;

3. The Division does not object to the granting of the transactional waiver; and

4. The casino licensee or applicant shows good cause for granting the transactional waiver.

New Rule, R.1994 d.220, effective May 2, 1994.
See: 26 N.J.R. 339(b), 26 N.J.R. 1847(b).

19:51-1.3 Standards for qualifications

(a) The standards for qualification for a casino service industry or junket enterprise license are set forth below and in N.J.A.C. 19:51-1.5. Additional rules establishing standards for qualification for gaming schools are set forth in N.J.A.C. 19:44-3 and 19:44-4.

(b) Each applicant required to be licensed as a casino service industry in accordance with subsections 92a and b of the Act, except as otherwise required for gaming schools (see N.J.A.C. 19:44, shall, prior to the issuance of any casino service industry license, produce such information, documentation and assurances to establish by clear and convincing evidence:

1. The financial stability, integrity and responsibility of the applicant;

2. The applicant's good character, honesty, and integrity;

3. That all owners, management and supervisory personnel, principal employees and sales representatives qualify under the standards except residency, established for qualification of a casino key employee under section 89 of the Act;

4. The integrity of all financial backers, investors, mortgagees, bondholders, and holders of indentures, notes or other evidences of indebtedness, either in effect or proposed, which bears any relationship to the enterprise; and

5. The integrity of all officers, directors, and trustees of the applicant.

(c) Each applicant required to be licensed as a casino service industry in accordance with subsections 92c and d of the Act or as a junket enterprise in accordance with section 102 of the Act shall, prior to the issuance of any casino service industry or junket enterprise license, produce such information, documentation, including, without limitation as to the generality of the foregoing, its financial books and records, and assurances to establish by clear and convincing evidence its good character, honesty and integrity.

1. Each applicant for a casino service industry license issued pursuant to subsections 92c and d of the Act shall also be required to establish the good character, honesty and integrity of each of the persons required to be qualified pursuant to the provisions of N.J.A.C. 19:51-1.14.

2. Each applicant for a junket enterprise license shall also be required to establish that such of its owners, management and supervisory personnel, junket representatives and other principal employees as the Commission may consider appropriate for qualification pursuant to N.J.A.C. 19:51-1.14 shall qualify under the standards, except for residency, established for the qualification of a casino key employee under N.J.S.A. 5:12-89.

(d) Any enterprise directed to file an application for a casino service industry license pursuant to subsections 92c and d of the Act, other than a junket enterprise, may request permission from the Commission to submit a modified form of such application. The Commission, in its discretion, may permit such modification if the enterprise can demonstrate to the Commission's satisfaction that securities issued by it are listed, or are approved for listing upon notice of issuance, on the New York Stock Exchange, the American Stock Exchange, or the National Association of Securities Dealers' Automated Quotation System (NASDAQ) National Market System.

(e) Any modifications of a casino service industry license application permitted pursuant to this section may be in any form deemed appropriate by the Commission except that every such application shall include the following:

1. The appropriate Personal History Disclosure Forms or Qualifier Disclosure Forms for all those individuals required to so file by the Commission pursuant to N.J.A.C. 19:51-1.14(a)2; and

2. Copies of all filings required by the Securities and Exchange Commission including all 10K's, 10Q's, 8K's, proxy statements and quarterly reports issued by the applicant during the two immediately preceding fiscal years; and

3. Properly executed Consents to Inspections, Searches and Seizures; Waivers of Liability for Disclosures of Information and Consents to Examination of Accounts and Records in forms as prescribed by the Commission; and

4. Payment of the appropriate casino service industry license fee; and

5. Any other information or documentation required at any time by the Commission or the Division of Gaming Enforcement.

Amended by R.1982 d.332, effective October 4, 1982.
See: 14 N.J.R. 827(b), 14 N.J.R. 1101(b).

Added (d) and (e).

Amended by R.1989 d.281, effective June 5, 1989.
See: 21 N.J.R. 705(a), 21 N.J.R. 1525(a).

Entities required to establish good character, honesty and integrity, rather than relying on reputation for same.

Amended by R.1992 d.257, effective June 15, 1992.

See: 24 N.J.R. 1249(a), 24 N.J.R. 2296(a).

In (d): added reference to NASDAQ national market system.

Amended by R.1992 d.412, effective October 19, 1992.

See: 24 N.J.R. 2695(b), 24 N.J.R. 3738(a).

Citations revised; (c)1 and 2 added regarding qualifications of individuals.

Administrative correction to subsections (a) and (c).

See: 25 N.J.R. 1178(b).

Amended by R.1994 d.343, effective July 5, 1994.

See: 26 N.J.R. 1617(a), 26 N.J.R. 2803(a).

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

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

19:51-1.3A Application for initial casino service industry license

(a) An application for an initial casino service industry license pursuant to N.J.S.A. 5:12-92a and b shall consist of the fee specified in N.J.A.C. 19:41-9.8 and a completed original and one copy of the following:

1. A Business Entity Disclosure (BED) form for the applicant as follows:

i. For a corporation, a BED-Corporate as set forth in N.J.A.C. 19:41-5.6; or

ii. For a partnership or sole proprietor, a BED-Partnership as set forth in N.J.A.C. 19:41-5.6A;

2. The appropriate BED form in (a)1i or ii above for each holding company of the applicant;

3. A complete application in accordance with N.J.A.C. 19:41-7.1A, including a Personal History Disclosure Form-1A (PHD-1A) as set forth in N.J.A.C. 19:41-5.2, for each person required to be qualified pursuant to N.J.S.A. 5:12-92a and b and N.J.A.C. 19:51-1.14(a)1; and

4. Both of the following in a format prescribed by the Commission:

i. A notarized acknowledgment of the equal employment and business opportunity obligations imposed by N.J.A.C. 19:53-3 which shall be signed and dated by the president, chief executive officer, partner or sole proprietor, as applicable; and

ii. A statistical report of the composition of the applicant's work force.

(b) An application for an initial casino service industry license pursuant to N.J.S.A. 5:12-92c shall consist of the fee specified in N.J.A.C. 19:41-9.9 and a completed original and one copy of the following:

1. A Business Entity Disclosure Form-3 (BED-3) as set forth in N.J.A.C. 19:41-5.7 for the applicant;

2. A BED-Holding Company (BED-HC) as set forth in N.J.A.C. 19:41-5.8 for each holding company of the applicant;

3. A completed application in accordance with N.J.A.C. 19:41-7.1A, including a Qualifier Disclosure Form (QDF) as set forth in N.J.A.C. 19:41-5.9, for each person required to be qualified pursuant to N.J.S.A. 5:12-92c and N.J.A.C. 19:51-1.14(a)2;

4. If the applicant is required pursuant to N.J.A.C. 19:51-1.2A(f) to obtain a license prior to conducting business with a casino licensee or applicant, two copies of the following documents:

i. The applicant's Federal tax returns and related documents for the three years and State tax returns and related documents for the one year preceding application; and

ii. The Federal tax returns and related documents for the one year preceding application for each person required to be qualified pursuant to N.J.A.C. 19:51-1.14(a)2;

5. Both of the following in a format prescribed by the Commission:

i. A notarized acknowledgment of the equal employment and business opportunity obligations imposed by N.J.S.A. 5:12-134 and 135 and N.J.A.C. 19:53 which shall be signed and dated by the president, chief executive officer, partner or sole proprietor, as applicable; and

ii. A statistical report of the composition of the applicant's work force.

New Rule, R.1994 d.505, effective October 3, 1994.
See: 26 N.J.R. 2886(a), 26 N.J.R. 4100(a).

19:51-1.3B Application for renewal of casino service industry license

(a) An application for renewal of a casino service industry license pursuant to N.J.S.A. 5:12-92a and b shall consist of the fee specified in N.J.A.C. 19:41-9.8 and an original and one copy of the following:

1. A Business Entity Disclosure (BED) form for the applicant as follows:

i. For a corporation, a BED-Corporate as set forth in N.J.A.C. 19:41-5.6 except that documents in N.J.A.C. 19:41-5.6(a)28i, ii, iv, viii and ix, (a)29 and (a)31 which were included in a prior application may be incorporated by reference if there is no change in the information contained therein; and

ii. For a partnership or sole proprietor, a BED-Partnership as set forth in N.J.A.C. 19:41-5.6A except that documents in N.J.A.C. 19:41-5.6A(a)23 through 25 which were included in a prior application may be incorporated by reference if there is no change in the information contained therein;

2. The appropriate form in (a)1i or ii above for each holding company of the applicant;

3. A completed application, including a Personal History Disclosure Form-1A (PHD-1A) as set forth in N.J.A.C. 19:41-5.2, for each person required to be qualified pursuant to N.J.S.A. 5:12-92a and b and N.J.A.C. 19:51-1.14(a)1 who has not previously been found qualified;

4. An Employee License Renewal Application, as set forth in N.J.A.C. 19:41-14.3(b), for each person required to be qualified pursuant to N.J.S.A. 5:12-92a and b and N.J.A.C. 19:51-14(a)1 who has previously been found qualified;

5. Both of the following, in a format prescribed by the Commission:

i. A notarized affidavit of compliance with the equal employment and business opportunity requirements of N.J.S.A. 5:12-134 and 135 and N.J.A.C. 19:53 which shall be signed and dated by the president, chief executive officer, partner or sole proprietor of the applicant, as applicable; and

ii. A statistical report of the composition of the applicant's work force;

(b) An application for renewal of a casino service industry license pursuant to N.J.S.A. 5:12-92c shall consist of the fee specified in N.J.A.C. 19:41-9.9 and an original and one copy of following:

1. A BED-3 as set forth in N.J.A.C. 19:41-5.7(a) for the applicant except that documents in N.J.A.C. 19:41-5.7(a)5 which were included in a prior application may be incorporated by reference if there is no change in the information contained therein;

2. A BED-Holding Company (BED-HC) as set forth in N.J.A.C. 19:41-5.8 for each holding company of the applicant except that documents in N.J.A.C. 19:41-5.8(a)5 which were included in a prior application may be incorporated by reference if there is no change in the information contained therein;

3. A completed application, including a Qualifier Disclosure Form (QDF) as set forth in N.J.A.C. 19:41-5.9, for each person required to be qualified pursuant to N.J.S.A. 5:12-92c and N.J.A.C. 19:51-1.14(a)2 who has not previously been found qualified;

4. A Qualifier Renewal Form (QRF) as set forth in N.J.A.C. 19:41-5.10 for each person required to be qualified pursuant to N.J.S.A. 5:12-92c and N.J.A.C. 19:51-1.14(a)2 who has previously been found qualified;

5. Both of the following, in a format prescribed by the Commission:

i. A notarized affidavit of compliance with the equal employment and business opportunity requirements of N.J.S.A. 5:12-134 and 135 and N.J.A.C. 19:53 which shall be signed and dated by the president, chief executive officer, partner or sole proprietor of the applicant, as applicable; and

ii. A statistical report of the composition of the applicant's work force.

New Rule, R.1994 d.505, effective October 3, 1994.
See: 26 N.J.R. 2886(a), 26 N.J.R. 4100(a).

19:51-1.4 Persons required to be qualified

The general rules relating to the persons required to be qualified prior to the issuance of a casino service industry or junket enterprise license are set forth in N.J.A.C. 19:51-1.14. Additional rules relating to the persons required to be qualified prior to the issuance of a casino service industry license to a gaming school are set forth in N.J.A.C. 19:44-4.

Amended by R.1992 d.412, effective October 19, 1992.

See: 24 N.J.R. 2695(b), 24 N.J.R. 3738(a).

Junket enterprise added.

Administrative correction.

See: 25 N.J.R. 1178(b).

19:51-1.5 Disqualification criteria

A casino service industry or junket enterprise license may be denied to any applicant who has failed to prove by clear and convincing evidence that the applicant or any of the persons required to be qualified, are in fact qualified in accordance with the Act and with the provisions of these rules and regulations, or who has violated any of the provisions of the Act or these rules and regulations or who is disqualified under any of the criteria set forth in section 86 of the Act.

Amended by R.1992 d.412, effective October 19, 1992.
See: 24 N.J.R. 2695(b), 24 N.J.R. 3738(a).
Junket enterprise added.

19:51-1.6 Competition

The Commission and the Division shall have the power and the duty to regulate, control and prevent economic concentration in casino operations and in casino service industries so as to encourage and preserve competition.

19:51-1.7 Investigations; supplementary information

The Commission or the Division may, within its discretion, make such inquiry or investigation concerning an applicant, licensee or any person involved with an applicant or licensee as it may deem appropriate either at the time of the initial application and licensure or at any time thereafter. It shall be the continuing duty of all applicants and licensees to provide full cooperation to the Commission and the Division in the conduct of such inquiry or investigation and to provide any supplementary information requested by the Commission or the Division.

19:51-1.8 Duration of licenses; renewal

(a) Licensure pursuant to N.J.S.A. 5:12-92a is granted for an initial term of two years and for a term of four years for all subsequent renewals; provided, however, that the Commission shall reconsider the granting of such a license at any time at the request of the Division. Licensure pursuant to N.J.S.A. 5:12-92c and 5:12-102 is granted for an initial term of three years and for a term of four years for all subsequent renewals. An application for renewal of a license shall be filed no later than 120 days prior to the expiration of that license.

(b) A change in any item that was a condition of the original license or of a license renewal must be approved by the Commission. A change in ownership shall invalidate any approval previously given by the Commission. The proposed new owner shall be required to submit an application for licensure and evidence that he is qualified for licensure.

(c) The Commission shall notify each casino service industry enterprise licensed pursuant to the provisions of N.J.S.A. 5:12-92c, at least 120 days prior to the expiration of the current license term, whether that enterprise licensee is conducting business on a regular or continuing basis in accordance with the criteria set forth in N.J.A.C. 19:51-1.2A(d) and (e).

1. If the Commission determines that an enterprise licensee is conducting business on a regular or continuing basis, the enterprise shall be required to file an application for the renewal of its license in accordance with the provisions of (a) above.

2. If the Commission determines that an enterprise licensee is not conducting business on a regular or continuing basis, the enterprise shall not be required to

renew its casino service industry enterprise license. Any enterprise licensee notified that it is not required to renew its license shall:

i. Have the option to renew its enterprise license voluntarily by complying with the requirements of (a) above; and

ii. Be required, until the expiration of its current license, to notify the Commission immediately of any agreements, whether contemplated or in effect, which would result in cumulative transactions which would meet the regular or continuing business criteria set forth in N.J.A.C. 19:51-1.2A(e).

(d) Upon receipt of a notice required to be filed by an enterprise licensee pursuant to the provisions of (c)2ii above, the Commission shall redetermine whether the enterprise licensee shall be required to renew its casino service industry license. The Commission shall notify the enterprise licensee of its determination as soon as is practicable and, if renewal is required, direct that an application for renewal be filed within 30 days; provided, however, that the Commission may, upon written request by the enterprise licensee and for good cause shown, grant the enterprise licensee an additional 30 days within which to file its renewal application.

(e) Any enterprise which is not required to, and chooses not to, renew its casino service industry enterprise license pursuant to (c) above shall not transact business with any casino licensee or applicant or any employee or agent thereof upon the expiration of such license unless a completed vendor registration form is filed on its behalf by a casino licensee or applicant in accordance with N.J.A.C. 19:43-10.4.

(f) Notwithstanding (c) above, any shopkeeper or lessee of space on the premises of an approved casino hotel which is licensed as a casino service industry pursuant to N.J.S.A. 5:12-92c shall be required to file an application for renewal of such license in accordance with (a) above.

Amended by R.1981 d.273, effective August 6, 1981.
See: 12 N.J.R. 447(a), 13 N.J.R. 534(a).

(a): Added "pursuant to N.J.S.A. 5:12-92a"; added "licensure ... For three years"; "120 days" was "one month".
Amended by R.1989 d.281, effective July 5, 1989.
See: 21 N.J.R. 705(a), 21 N.J.R. 1525(a).

Licensure term changed to two years for all licenses after the first two renewals. Grant of license to be reconsidered at any time, on Division request.

Amended by R.1992 d.412, effective October 19, 1992.
See: 24 N.J.R. 2695(b), 24 N.J.R. 3738(a).

Cite to N.J.S.A. 5:12-102 added.

Amended by R.1993 d.495, effective October 4, 1993.

See: 25 N.J.R. 2662(a), 25 N.J.R. 4625(a).

Amended by R.1994 d.216, effective May 2, 1994.

See: 26 N.J.R. 780(a), 26 N.J.R. 1846(a).

Amended by R.1994 d.343, effective July 5, 1994.

See: 26 N.J.R. 1617(a), 26 N.J.R. 2803(a).

Administrative Correction.

See: 26 N.J.R. 3466(a).

Administrative Correction.

See: 26 N.J.R. 3894(b).
Amended by R.1995 d.282, effective June 5, 1995.
See: 27 N.J.R. 1171(a), 27 N.J.R. 2251(a).

19:51-1.9 Record keeping

(a) All casino service industry licensees shall maintain in a place secure from theft, loss or destruction, adequate records of business operations which shall be made available to the Commission or Division upon request. These records shall include:

1. All correspondence with the Commission, Division and other governmental agencies on the local, State and Federal level;
2. All correspondence concerning the realty, construction, maintenance, or business of a proposed or existing casino hotel or related facility;
3. Copies of all promotional material and advertising;
4. A personnel file on each employee of the licensee, including sales representatives;
5. Financial records of all transactions concerning the realty, construction, maintenance, or business of a proposed or existing casino hotel or related facility.

(b) The records listed in (a) above shall be held for at least five years.

Amended by R.1989 d.281, effective June 5, 1989.
See: 21 N.J.R. 705(a), 21 N.J.R. 1525(a).

Reduction of recordkeeping to transactions directly related to the casino hotel or related facility. Requirement deleted for maintenance of personnel file beyond five years and submission of files to Commission upon closing.

19:51-1.10 Causes for suspension, failure to renew or revocation of a license

(a) Any of the following shall be cause for suspension, refusal to renew or revocation of a casino service industry license, although suspension, refusal to renew or revocation may be made for sufficient cause other than those listed:

1. Violation of any provision of the Casino Control Act or these rules and regulations;
2. Conduct which would disqualify the applicant, or any other person required to be qualified, if such person were applying for original licensure;
3. Failure to comply with all applicable Federal, State and local statutes, ordinances and regulations;
4. A material departure from any representation made in the application for licensure.

19:51-1.11 Equal employment opportunity

The rules relating to equal employment opportunity and affirmative action program requirements for casino service industry enterprises are set forth in N.J.A.C. 19:53-1.3, 1.5, 1.6 and 1.7.

19:51-1.12 Fees

The general rules relating to the fees for the issuance and renewal of casino service industry and junket enterprise licenses are set forth in N.J.A.C. 19:41-9. Additional rules relating to fees for the issuance of a casino service industry license to a gaming school are set forth in N.J.A.C. 19:44.

Amended by R.1992 d.412, effective October 19, 1992.
See: 24 N.J.R. 2695(b), 24 N.J.R. 3738(a).
Junket enterprise added.

19:51-1.13 Exemption

(a) The general rules relating to exemption of persons or fields of commerce from licensure as casino service industries are set forth in N.J.S.A. 5:12-92(c).

(b) The Commission may, upon the written request of any person, or upon its own initiative, exempt any person or field of commerce, other than a junket enterprise, from the casino service industry licensure requirements of sections 92c and d of the Act, pursuant to the standards contained in N.J.S.A. 5:12-92(c).

Amended by R.1992 d.412, effective October 19, 1992.
See: 24 N.J.R. 2695(b), 24 N.J.R. 3738(a).
Exemption not allowed for junket enterprise.

19:51-1.14 Casino service industry licenses

(a) No casino service industry license shall issue unless the individual qualifications of each of the following persons shall have first been established in accordance with all provisions, including those cited, of the Act and of the rules of the Commission.

1. In the case of casino service industry licenses issued in accordance with subsections 92a and b of the Act:
 - i. The enterprise;
 - ii. If the enterprise is, or if it is to become a subsidiary, each holding company and each intermediary company which the Commission deems necessary in order to further the purposes of the Act;
 - iii. Each owner of the enterprise who directly or indirectly holds any beneficial interest or ownership in excess of five percent of the enterprise;
 - iv. Each owner of a holding company or intermediary company who the Commission deems necessary in order to further the purpose of the Act;
 - v. Each director of the enterprise except that a director who, in the opinion of the Commission is not significantly involved in or connected with the management or ownership of the enterprise shall not be required to qualify;

vi. Each officer of the enterprise who is significantly involved in or has authority over the conduct of business directly related to casino, gaming or simulcast wagering activity and each officer whom the Commission may consider appropriate for qualification in order to insure the good character, honesty and integrity of the enterprise;

vii. Each officer of a holding company or intermediary company whom the Commission may consider appropriate for qualification in order to insure the good character, honesty and integrity of the enterprise;

viii. The management employee supervising the regional or local office which employs the sales representative who will solicit business or deal directly with a casino licensee;

ix. Each employee who will act as a sales representative or otherwise regularly engage in the solicitation of business from casino licensees;

x. Any other person whom the Commission may consider appropriate for approval or qualification.

2. In the case of casino service industry or junket enterprise licenses issued in accordance with subsections 92c and d or section 102 of the Act:

i. The enterprise;

ii. If the enterprise is, or if it is to become a subsidiary, each holding company and each intermediary company which the Commission deems necessary to qualify or approve in order to further the purposes of the Act;

iii. Each owner of the enterprise who directly or indirectly holds any beneficial interest or ownership in excess of five percent;

iv. Each owner of a holding company or intermediary company who the Commission deems necessary to qualify or approve in order to further the purpose of the Act;

v. Each director of the enterprise except that a director who, in the opinion of the Commission, is not significantly involved in or connected with the management or ownership of the enterprise shall not be required to qualify;

vi. Each officer of the enterprise significantly involved in the conduct of business with a casino licensee and each officer whom the Commission may consider appropriate for qualification in order to insure the good character, honesty and integrity of the enterprise;

vii. Each officer of a holding company or intermediary company whom the Commission may consider appropriate for qualification in order to insure the good character, honesty and integrity of the enterprise;

viii. The management employee supervising the regional or local office which employs the sales representative or junket representative soliciting business or dealing directly with a casino licensee;

ix. Each employee who will act as a sales representative or otherwise regularly engage in the solicitation of business from casino licensees and each junket representative who will deal directly with casino licensees or their employees;

x. Any other person whom the Chairman may consider appropriate for approval or qualification.

(b) In addition to the persons required to qualify pursuant to (a) above, each applicant for a junket enterprise license may be required, upon directive from the Commission, to establish the qualifications of any junket representative employed by that junket enterprise, regardless of whether such junket representative deals directly with a casino licensee.

1. The Division may request the Commission to require a junket representative employed by a junket enterprise licensee or applicant to establish his or her qualifications at any time.

2. Any junket enterprise required to establish the qualifications of a junket representative pursuant to this subsection may be required, subject to the provisions of N.J.A.C. 19:41-8.6, to pursue a determination as to the qualifications of the junket representative regardless of whether the employment relationship with the junket representative has been terminated.

3. Any person required to establish his or her qualifications as a junket representative pursuant to this subsection may be required to pursue a determination as to his or her qualifications as a junket representative regardless of whether the employment relationship with the junket enterprise has been terminated.

R.1979 d.376, effective September 26, 1979.

See: 11 N.J.R. 265(a), 11 N.J.R. 599(b).

Amended by R.1989 d.281, effective June 5, 1989.

See: 21 N.J.R. 705(a), 21 N.J.R. 1525(a).

Technical changes.

Amended by R.1992 d.412, effective October 19, 1992.

See: 24 N.J.R. 2695(b), 24 N.J.R. 3738(a).

Junket enterprise added; open to review at any time.

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

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

Stylistic changes.

19:51-1.15 Advertising

(a) Any advertisement by an applicant for or holder of a casino service industry license issued pursuant to N.J.S.A. 5:12-92a and b or by any agent thereof shall be subject to the provisions of N.J.A.C. 19:43-14 to the same extent as if such advertisement were by a casino licensee or applicant.

(b) Notwithstanding the provisions of (a) above, an applicant for or holder of a casino service industry license issued

pursuant to N.J.S.A. 5:12-92a and b and any agent thereof shall not be subject to the provisions of N.J.A.C. 19:43-14.3(b).

New Rule, R.1992 d.500, effective December 21, 1992.
See: 24 N.J.R. 3225(a), 24 N.J.R. 4563(a).