

CHAPTER 49

JUNKETS

Authority

N.J.S.A. 5:12-63, 69, 70, 92, 102 and 104.

Source and Effective Date

R.1992 d.412, effective September 18, 1992.
See: 24 N.J.R. 2695(b), 24 N.J.R. 3738(a).

Executive Order No. 66(1978) Expiration Date

Chapter 49, Junkets, expires on September 18, 1997.

Chapter Historical Note

Chapter 49, Junkets, was adopted as Emergency R.1983 d.37, effective January 27, 1983 (expired March 28, 1983). See: 15 N.J.R. 135(a), 15 N.J.R. 166(b), 15 N.J.R. 257(a). The provisions of R.1983 d.37 were readopted as R.1983 d.112, effective March 29, 1983. See: 15 N.J.R. 627(b). Pursuant to Executive Order No. 66(1978), Chapter 49 was readopted as R.1988 d.177, effective March 24, 1988. See: 20 N.J.R. 181(a), 20 N.J.R. 930(b). Pursuant to Executive Order No. 66(1978), Chapter 49 was readopted as R.1992 d.412. See: Source and Effective Date.

See section annotations for specific rulemaking activity.

CHAPTER TABLE OF CONTENTS

SUBCHAPTER 1. GENERAL PROVISIONS

- 19:49-1.1 Definitions
- 19:49-1.2 Definition of junket: scope of activities included
- 19:49-1.3 Open-ended or conditional complimentary offers
- 19:49-1.4 Advertising

SUBCHAPTER 2. LICENSURE REQUIREMENTS

- 19:49-2.1 Junket representatives
- 19:49-2.2 Junket enterprises
- 19:49-2.3 Application for initial junket enterprise license
- 19:49-2.4 Application for renewal of junket enterprise license

SUBCHAPTER 3. REPORTING REQUIREMENTS

- 19:49-3.1 Junket schedules
- 19:49-3.2 Junket arrival reports
- 19:49-3.3 Junket final reports
- 19:49-3.4 Monthly reports: non-junket gaming arrangements
- 19:49-3.5 Purchases of patron lists
- 19:49-3.6 Monthly reports: employee junket activities

SUBCHAPTER 1. GENERAL PROVISIONS

19:49-1.1 Definitions

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

"Agent" means any person, including a junket representative, junket enterprise or casino employee acting as a junket

representative, acting directly or indirectly on behalf of a casino licensee or an affiliate of a casino licensee.

"Compensation" means any form of remuneration whatsoever, including, but not limited to, the payment of cash, the forgiveness or forbearance of a debt, or the direct or indirect provision of a product, service or item without charge or for less than full value.

"Complimentary guest room accommodations" means a guest room provided to a person at no cost, or at a reduced price not generally available to the public under similar circumstances; provided, however, that the term shall include any guest room provided to a person at a reduced price due to the anticipated or actual gaming activities of that person.

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

Amended by R.1989 d.187, effective April 3, 1989.
See: 20 N.J.R. 2644(a), 21 N.J.R. 933(b).

Definition of "agent" amended to include . . . "or casino key employee acting as a junket representative," . . .

Amended by R.1995 d.307, effective June 19, 1995.
See: 27 N.J.R. 1168(a), 27 N.J.R. 2458(a).

Extended the definition of an "Agent" to affiliates of a casino licensee.

19:49-1.2 Definition of junket: scope of activities included

(a) A junket, as defined in N.J.S.A. 5:12-29, is an arrangement the purpose of which is to induce any person, selected or approved for participation therein on the basis of his or her ability to satisfy a financial qualification obligation related to his or her ability or willingness to gamble or on any other basis related to his or her propensity to gamble, to come to a licensed casino hotel for the purpose of gambling and pursuant to which, and as consideration for which, any or all of the cost of transportation, food, lodging and entertainment for said person is directly or indirectly paid by a casino licensee or employee or agent thereof.

(b) For the purposes of (a) above, a selection or approval of a person "on the basis of his ability to satisfy a financial qualification obligation related to his ability or willingness to gamble" shall be deemed to occur whenever a person, as an element of the arrangement, is required to:

1. Establish gaming credit with a casino licensee;
2. Establish a customer deposit with a casino licensee;
3. Demonstrate to a casino licensee or employee or agent thereof the availability of a specified amount of cash, cash equivalent or gaming chips;
4. Gamble to a predetermined level at the establishment of a casino licensee; or
5. Comply with any similar obligation.

(c) For purpose of (a) above, a selection or approval of a person on a "basis related to his propensity to gamble" shall be deemed to occur whenever that person has been selected or approved on the basis of:

1. The previous satisfaction of a financial qualification obligation in accordance with the provisions of (b) above;
2. A rating for gambling performance; or
3. An evaluation that the person has a tendency to participate in gambling activities as the result of:
 - i. An inquiry concerning said person's tendency to gamble; or
 - ii. Some other means of determining that the person has a tendency to participate in gambling activities.

(d) For purposes of (a) above, but without limitation of (c) above, a rebuttable presumption that a person has been selected or approved for participation in an arrangement on a basis related to his or her propensity to gamble shall be created whenever said person is provided with:

1. Complimentary guest room accommodations as part of the arrangement; or
2. Complimentary food, entertainment or transportation which has a value of \$200.00 or more calculated in accordance with the provisions of N.J.A.C. 19:45-1.9.

Amended by R.1989 d.187, effective April 3, 1989.
See: 20 N.J.R. 2644(a), 21 N.J.R. 933(b).

Non-sexist references added, and references to "services and items" deleted and at (d)2, "food, entertainment or transportation" added.

19:49-1.3 Open-ended or conditional complimentary offers

An offer by a casino licensee to pay for the cost of transportation, food, lodging and entertainment for a person in an amount to be determined by the actual gaming activities of that person after his or her arrival at the casino hotel shall be deemed to be an offer of complimentary services or items for the purposes of determining whether an arrangement involving such an offer is a junket within the meaning of Section 29 of the Act and this chapter.

Amended by R.1989 d.187, effective April 3, 1989.
See: 20 N.J.R. 2644(a), 21 N.J.R. 933(b).

References to "other services and items of value" deleted.

19:49-1.4 Advertising

(a) Any advertisement by a junket enterprise vendor registrant or by an applicant for or holder of a junket enterprise license or by any agent thereof, including a junket representative, 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, a junket enterprise vendor registrant, an applicant for or holder of a junket enterprise license and any agent thereof, including a junket representative, 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).

SUBCHAPTER 2. LICENSURE REQUIREMENTS

19:49-2.1 Junket representatives

(a) A junket representative, as defined in the Act, is any natural person who negotiates the terms of, engages in the referral, procurement or selection of persons who may participate in any junket to a licensed casino, regardless of whether or not those activities occur within the State of New Jersey. If a person performs any one of these functions in connection with a junket to a licensed casino, that person is a junket representative for the purposes of the Act and this chapter.

(b) The fact that a person licensed as a casino employee may, pursuant to N.J.S.A. 5:12-102 and (c)3 below, act as a junket representative while employed by a casino licensee or affiliate of a casino licensee does not excuse the casino licensee, affiliate of a casino licensee or any other person from meeting any other licensing, registration or reporting obligation which may exist as a result of the conduct of the junket activity.

(c) Except as otherwise provided by N.J.S.A. 5:12-102o, no person shall act as a junket representative in connection with a junket to a licensed casino unless he or she:

1. Has been plenary or temporarily licensed as a junket representative in accordance with the provisions of section 102 of the Act and is employed by a licensed casino or an affiliate of a casino licensee;
2. Has been licensed as a junket enterprise in accordance with the provisions of section 102 and subsection 92(c) of the Act, N.J.A.C. 19:43 and this chapter, or has been registered as a junket enterprise vendor in accordance with the provisions of N.J.A.C. 19:41-11 and this chapter; or
3. Is the holder of a current and valid casino employee license, is currently employed by the casino licensee or affiliate of the casino licensee for whom such junket representative services are being rendered and is reported to the Division in accordance with the requirements of N.J.A.C. 19:49-3.6, or