

2. The Commission may, upon the petition of an applicant for a casino service industry license that intends to operate a gaming school or to engage in the manufacture, sale, distribution, testing or repair of slot machines, permit such applicant to conduct a business transaction with persons other than a casino licensee or applicant, provided that the requirements of (a)1i through iv and, if applicable, (a)1v above are satisfied.

i. Permission to conduct business pursuant to (a)2 above shall be limited to a period of six months, except that the Commission may extend such relief for addi-

tional six-month periods upon a showing of good cause by the applicant.

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.1997 d.1, effective January 6, 1997.
See: 28 N.J.R. 4570(a), 29 N.J.R. 157(a).
Substantially amended section.

19:51-1.3 Standards for qualifications

(a) The standards for qualification for casino service industry or junket enterprise license are set forth below and in N.J.A.C. 19:51-1.5.

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(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).

Amended by R.1997 d.1, effective January 6, 1997.
See: 28 N.J.R. 4570(a), 29 N.J.R. 157(a).

In (a), deleted reference to additional rules.

Case Notes

Knowledge by licensee of vendor's non-licensed status warrants some financial sanction. *Division of Gaming Enforcement v. Bean*, 95 N.J.A.R.2d (CCC) 22.

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 Form—Gaming (BED—Gaming) for the applicant and for each holding company of the applicant as set forth in N.J.A.C. 19:41-5.15;

2. A completed application in accordance with N.J.A.C. 19:41-7.1A, including a Gaming Enterprise Qualifier Disclosure Form (GE/QDF) 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, except that an outside director of a holding or intermediary company shall be permitted to file a Personal History Disclosure Form-2A (PHD-2A) as set forth in N.J.A.C. 19:41-5.4; and

3. 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. For each casino service industry enterprise that employs 50 or more employees in the State of New Jersey, 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. 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. For each casino service industry enterprise that employs 50 or more employees in the State of New Jersey, 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).

Amended by R.1995 d.370, effective July 17, 1995.

See: 27 N.J.R. 1533(b), 27 N.J.R. 2704(a).

Amended by R.1998 d.112, effective March 2, 1998.

See: 29 N.J.R. 4079(a), 30 N.J.R. 866(a).

In (a)2, substituted "Gaming Enterprise Qualifier Disclosure Form (GE/QDF)" for "Personal History Disclosure Form-1A (PHD-1A)"; and amended (a)3ii and 5ii adding language regarding casino service industry enterprises employing 50 or more employees.

Amended by R.1998 d.475, effective September 21, 1998.

See: 30 N.J.R. 2370(b), 30 N.J.R. 3515(a).

In (a), added an exception at the end of 2.

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 a completed original and one copy of the following:

1. A Business Entity Disclosure Form—Gaming (BED—Gaming) for the applicant and for each holding company of the applicant as set forth in N.J.A.C. 19:41-5.15;

2. A completed application, including a Gaming Enterprise Qualifier Disclosure Form (GE/QDF) 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;

3. A Key Standard Qualifier Renewal Form as set forth in N.J.A.C. 19:41-5.5A, 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 previously been found qualified;

4. 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. For each casino service industry enterprise that employs 50 or more employees in the State of New Jersey, 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 the 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 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 Disclosure Form (QRDF) 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. 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. For each casino service industry enterprise that employs 50 or more employees in the State of New Jersey, 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).

Amended by R.1995 d.370, effective July 17, 1995.

See: 27 N.J.R. 1533(b), 27 N.J.R. 2704(a).

Amended by R.1997 d.1, effective January 6, 1997.

See: 28 N.J.R. 4570(a), 29 N.J.R. 157(a).

In (a)3, substituted "A Key Standard Qualifier Renewal Form" for "An Employee License Renewal Application" and amended N.J.A.C. references.

Amended by R.1998 d.112, effective March 2, 1998.

See: 29 N.J.R. 4079(a), 30 N.J.R. 866(a).

In (a)2, substituted "Gaming Enterprise Qualifier Disclosure Form (GE/QDF)" for "Personal History Disclosure Form-1A (PHD-1A)"; amended (a)4ii adding language regarding casino service industry enterprises employing 50 or more employees; in (b)4, changed "A Qualifier Renewal Form (QRF)" to "A Qualifier Renewal Disclosure Form (QRDF)"; and amended (b)5ii adding language regarding casino service industry enterprises employing 50 or more employees.

19:51-1.4 (Reserved)

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).

Repealed by R.1997 d.1, effective January 6, 1997.

See: 28 N.J.R. 4570(a), 29 N.J.R. 157(a).

Section was "Persons required to be qualified".

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.

Case Notes

Construction company was disqualified from participating in the casino gaming industry. Division of Gaming Enforcement v. L & R Construction Company, Inc., 95 N.J.A.R.2d(CCC)9.

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 June 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;