CHAPTER 45

ACCOUNTING AND INTERNAL CONTROLS

Authority

N.J.S.A. 5:12-5, 63, 69, 70, 99, 100.41.2 and 145.

Source and Effective Date

R.2007 d.368, effective November 1, 2007.
See: 39 N.J.R. 3495(a), 39 N.J.R. 5105(a).

Chapter Expiration Date

In accordance with N.J.S.A. 52:14B-5.1b, Chapter 45, Accounting and Internal Controls, expires on November 1, 2014. See: 43 N.J.R. 1203(a).

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 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: 34 N.J.R. 1773(a), 34 N.J.R. 3287(a).

Subchapter 2, Casino Computer Systems, was adopted as new rules by R.2005 d.216, effective July 5, 2005. See: 36 N.J.R. 3242(a), 37 N.J.R. 2561(a).

Chapter 45, Accounting and Internal Controls, was readopted as R.2007 d.368, effective November 1, 2007. See: Source and Effective Date.

Petition for Rulemaking. See: 40 N.J.R. 5878(b).

Petition for Rulemaking. See: 41 N.J.R. 901(a).

Subchapter 3, Expiration of Gaming-Related Obligations Owed to Patrons, was adopted as new rules by R.2009 d.370, effective December 21, 2009. See: 41 N.J.R. 3052(a), 41 N.J.R. 4826(a).

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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:

"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.

"Authorized instrument" means a cash equivalent, a casino check, a casino affiliate check, an annuity jackpot trust check or a replacement check.

"Bank" is defined in N.J.A.C. 19:45-1.25.

"Cage cashier" is defined in N.J.A.C. 19:45-1.15.

"Cage supervisor" means any person holding a license as required by the casino licensee's approved jobs compendium which allows that person to supervise personnel and functions within the cashier's cage.

"Cash" means currency or coin.

"Cash equivalent" means a:

1. Certified check, cashiers check, treasurers check, recognized travelers check or recognized money order that:

i. Is made payable to the casino licensee where presented, a holding company of the casino licensee, "bearer" or "cash";

ii. Is dated, but not postdated; and

iii. Does not contain any endorsement;

2. Certified check, cashiers check, treasurers check or recognized money order that:

i. Is made payable to the presenting patron;

ii. Is endorsed in blank by the presenting patron;

iii. Is dated but not postdated; and

iv. Does not contain any endorsement other than that of the presenting patron; or

3. Recognized credit card or debit card presented by a patron in accordance with the provisions of N.J.A.C. 19:45-1.18A or 1.25(i).

"Cash equivalent value of any merchandise or thing of value" is defined in N.J.A.C. 19:45-1.40A.

"Cashiering location" means any window in an enclosed structure within the casino hotel facility from which an employee of the casino licensee conducts casino or casino simulcasting cashiering transactions with patrons or employees including, without limitation, a cashiers' cage, satellite cage, master coin bank, coin vault, simulcast counter, ancillary simulcast counter, slot booth, coin redemption booth, jackpot/hopper window and keno booth.

"Cashiers' cage" is defined in N.J.A.C. 19:45-1.14.

"Casino Accounting Department" (accounting department) is defined in N.J.A.C. 19:45-1.11.

"Casino clerk (Pit clerk)" is defined in N.J.A.C. 19:45-1.12.

"Casino supervisor" means a person employed in the operation of a casino or of the authorized games in a casino simulcasting facility in a supervisory capacity or empowered to make discretionary decisions which regulate casino operations, including but not limited to, boxpersons, floorpersons, pit bosses, poker shift supervisors, table games shift managers, the assistant casino manager, and the casino manager.

"CCTV system location" means any location in the casino hotel facility, not controlled by Commission or Division employees, that has been approved by the Commission to receive transmissions from the surveillance department's closed circuit television system including, without limitation, CCTV system monitoring rooms, surveillance department offices, CCTV system repair areas, and CCTV system emergency facilities.

"Check" is defined in N.J.A.C. 19:45-1.25.

"Check credit slip" is defined in N.J.A.C. 19:45-1.25.

"Checking account" is defined in N.J.A.C. 19:45-1.25.

"Chief gaming executive" means the natural person located at a single casino hotel facility who is responsible for the daily conduct of an applicant's or casino licensee's gaming business including, except as otherwise specified therein, the direct or indirect supervision of the departments required or authorized by N.J.A.C. 19:45-1.11, regardless of the applicant's or casino licensee's form of business association or the particular title which that person or any other person holds. Unless the chief gaming executive also serves as the "chief executive officer" of the applicant or casino licensee in the manner authorized by N.J.A.C. 19:40-1.2, the chief gaming executive shall report directly to the chief executive officer of the applicant or casino licensee.

"Closer" means the original of the Table Inventory Slip upon which each table inventory is recorded at the end of each shift.

"Coin vault" is defined in N.J.A.C. 19:45-1.14.

"Compensation" means direct or indirect payments for services performed including, but not limited to, salary, wages, bonuses, deferred payments, and overtime and premium payments.

"Complimentary distribution program" is defined in N.J.A.C. 19:45-1.46.

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

"Complimentary Vigorish Form" is defined in N.J.A.C. 19:47-3.3(c)3i and 7.3(c)3i.

"Counter Check" is defined in N.J.A.C. 19:45-1.25.

"Coupon" means a document which is issued in accordance with the coupon redemption and complimentary distribution programs in N.J.A.C. 19:45-1.46(a), and includes a match play coupon and a progressive wager coupon.

"Credit card cash transaction" means a transaction in which a patron obtains cash or slot tokens from a cashier by presenting a recognized credit card in accordance with the provisions of N.J.A.C. 19:45-1.25(i).

"Credit Slip" is known as a "Credit" and is defined in N.J.A.C. 19:45-1.23.

"Debit card cash transaction" means a transaction in which a patron obtains cash or slot tokens from a cashier by presenting a recognized debit card in accordance with the provisions of N.J.A.C. 19:45-1.25(i).

"Denomination," when used in conjunction with or in reference to a slot machine, means the value of the lowest wager that can be placed on the slot machine.

"Derogatory information" is defined in N.J.A.C. 19:45-1.27(c)2iii.

"Drop box" is defined in N.J.A.C. 19:45-1.16.

"Electronic fund transfer" means a transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, that is initiated through an electronic terminal, telephone, computer, or magnetic tape for the purpose of ordering, instructing, or authorizing a financial institution to debit or credit an account. For the purposes herein, the term does not include a debit card cash transaction as defined in this section, a debit card chip transaction as defined in N.J.A.C. 19:45-1.18A(a), or any transactions exempt, by statute or regulation, from the provisions of Title IX of the Federal Consumer Protection Act, 15 U.S.C. § 1693.

"Fill Slip" is known as a "Fill" and is defined in N.J.A.C. 19:45-1.22.

"Gaming voucher credit" means the equivalent value of coins or slot tokens registered on the credit meter of a slot machine as a result of a patron inserting a gaming voucher into the slot machine, which value shall also be recorded on the value voucher in meter.

"Gaming voucher receipt" is defined in N.J.A.C. 19:45-1.54(d)7ii.

"Gaming voucher system" is defined in N.J.A.C. 19:45-1.55.

"Handle" means the total value of coins, slot tokens, including foreign slot tokens, currency, coupons, gaming vouchers, and electronic credits invested by a patron to activate the play of a slot machine.

"Hopper fill" is defined in N.J.A.C. 19:45-1.41.

"Hopper inventory level" means the total dollar value of the initial fill of a slot machine hopper or an adjusted total that includes any subsequent increases in the total dollar value of the initial fill.

"Hopper storage area" is defined in N.J.A.C. 19:45-1.36A.

"Identification credential" means a valid credit card, driver license, passport or other document generally accepted in business as a form of identification and which contains, at a minimum, the person signature. A personal reference does not constitute an identification credential.

"Imprest basis" means the basis on which cashiers' cage and slot booth funds are replenished from time to time in exactly the value of the net of expenditures made from the funds and value received. A review is made by a higher authority of the propriety of the expenditures before the replenishment.

"Incompatible function" means a function, for accounting control purposes, that places any person or department, in a position to both perpetrate and conceal errors or irregularities in the normal course of his duties. Anyone recording transactions and having access to assets ordinarily is in a position to perpetrate errors or irregularities. Persons may have incompatible functions if such persons are members of departments which have supervisors not independent of each other.

"Jackpot Payout Receipt" is defined in N.J.A.C. 19:45-1.40.

"Jackpot Payout Slip" is defined in N.J.A.C. 19:45-1.40.

"Keno booth" is defined in N.J.A.C. 19:45-1.47.

"Keno drawer" is defined in N.J.A.C. 19:45-1.48.

"Keno drop" means the sum of the total value of currency, coin, gaming chips, coupons and slot tokens wagered on keno tickets.

"Keno payout" means the currency, coin or casino check paid to a player in exchange for a winning keno ticket.

"Keno request" is defined in N.J.A.C. 19:47-15.1.

"Keno ticket" is defined in N.J.A.C. 19:47-15.1.

"Keno win or loss" means the total value of currency, coin, gaming chips, coupons and slot tokens wagered by patrons at

keno less the total value of currency and coin paid to patrons for winning keno wagers.

"Keno work station" is defined in N.J.A.C. 19:45-1.47.

"Master coin bank cashier" is defined in N.J.A.C. 19:45-1.15.

"Master Game Report (Stiff Sheet)" means a record of the computation of the win or loss or, for the game of poker, the poker revenue, for each gaming table, each game, and each shift.

"Match play coupon" means a coupon with a fixed, stated value that is issued, utilized and redeemed pursuant to N.J.A.C. 19:45-1.18 and 1.46, and the stated value of which, when presented by a patron with gaming chips which are equal to or greater in value to the stated value of the coupon, is included in the amount of the patron's wager in determining the payout on any winning bet at an authorized game.

"Opener" means the duplicate copy of the table inventory slip upon which each table inventory is recorded at the end of each shift and serves as the record of each table inventory at the beginning of the next succeeding shift.

"Outstanding patron check" means any Counter Check, Slot Counter Check or replacement check that is not due for deposit or presentation pursuant to N.J.A.C. 19:45-1.28 and has not in fact been deposited or presented for payment or redeemed by the drawer.

"Pari-mutuel window net" means the total value of credit vouchers issued and wagers placed on simulcast horse races at a pari-mutuel window less the total value of simulcast payouts at the same pari-mutuel window. Pari-mutuel window net shall be calculated by the totalisator.

"Patron cash deposit" means the total value of cash, cash equivalents, complimentary cash gifts, slot tokens, prize tokens, gaming chips or plaques deposited with a casino licensee by a patron for his or her subsequent use pursuant to N.J.A.C. 19:45-1.24.

"Patron check" means a Counter Check, a Slot Counter Check or a replacement check.

"Payout" is defined in N.J.A.C. 19:45-1.40, 1.40A, and 1.54.

"Poker revenue" means the total value of rake charged to patrons at all poker tables pursuant to N.J.A.C. 19:47-14.14. The poker revenue is determined by adding the value of cash, coupons, the amount recorded on the Closer, the totals of amounts recorded on the Credits and issuance copies of Counter Checks removed from a drop box, the total of the amounts recorded on documents that evidence the exchange of gaming chips or plaques as part of credit card or debit card chip transactions, and subtracting the amount on the Opener and the total of amounts recorded on Fills removed from a drop box.

"Progressive wager coupon" means a coupon that:

1. Is issued, utilized and redeemed pursuant to N.J.A.C. 19:45-1.18 and 1.46;

2. Has a fixed, stated value that is equal to that required for a table game progressive payout wager; and

3. Is redeemable only at specified table games offering progressive payout wagers pursuant to N.J.A.C. 19:45-1.39B.

"Propriety" means the quality of being proper; conforming to sections of this chapter.

"Rake" is defined in N.J.A.C. 19:47-14.1.

"Recognized credit card" means a credit or charge card that:

1. Is issued by or under an agreement with a company that, as a normal part of its business, supplies its customers, either directly or through a national credit card network, with credit or charge cards that can be used for and are routinely accepted in consumer transactions;

2. Qualifies as a credit card for purposes of Regulation Z issued by the Board of Governors of the Federal Reserve System (12 C.F.R. Part 226);

3. Expires on an expiration date that is imprinted on the card and is later than the date of the transaction for which the card is presented; and

4. Has a clearly visible registered credit card logo that is a permanent part of the card.

"Recognized debit card" means a debit card that:

1. Is issued by or under an agreement with a company that qualifies as a "depository institution" as defined in Section 19(b) of the Federal Reserve Act, 12 U.S.C. § 461(b), and that, as a normal part of its business, supplies its customers, either directly or through a registered debit card verification agency, with access to funds maintained for the cardholder in such depository institution by means of a debit card that is routinely accepted in consumer transactions or used to obtain cash;

2. Qualifies as an access device for purposes of Regulation E issued by the Board of Governors of the Federal Reserve System (12 C.F.R. Part 205); and

3. Has a clearly visible registered debit card logo that is a permanent part of the card.

"Redemption receipt" is defined in N.J.A.C. 19:45-1.26.

"Registered credit card logo" means a logo, permanently affixed on a recognized credit card, that a casino licensee, prior to accepting the card, has designated in its internal controls as the type of logo that must appear on any such card before the casino licensee will accept the card in a credit card cash or chip transaction and that is commonly seen on credit or charge cards that are routinely accepted in the United States, including, without limitation, the following:

1. American Express;
2. Carte Blanche;
3. Diners Club;
4. Discover;
5. MasterCard; or
6. Visa.

"Registered debit card logo" means a logo, permanently affixed on a recognized debit card, that a casino licensee, prior to accepting the card, has designated in its internal controls as the type of logo that must appear on any such card before the casino licensee will accept the card in a debit card cash or chip transaction and that is commonly seen on debit cards that are routinely accepted in the United States, including, without limitation, the following:

1. Money Access Card (MAC); or
2. New York Cash Exchange (NYCE).

"Registered debit card verification agency" means an organization that:

1. Verifies, upon request from a merchant, the validity and account sufficiency of a recognized debit card in the normal course of its business;

2. Is authorized to perform the verification for purposes of Regulation E issued by the Board of Governors of the Federal Reserve System (12 C.F.R. Part 205); and

3. A casino licensee has identified in its internal controls as a company that will be used to verify recognized debit cards that are presented in debit card cash or chip transactions.

"Registered electronic funds transfer company" means an organization that:

1. Verifies, upon request from a merchant, the validity and account sufficiency of a recognized credit card in the normal course of its business;

2. Is authorized to perform the verification for purposes of Regulation E issued by the Board of Governors of the Federal Reserve System (12 C.F.R. Part 205); and

3. A casino licensee has identified in its internal controls as a company that will be used to verify recognized credit cards that are presented in credit card cash or chip transactions.

"Replacement check" is defined in N.J.A.C. 19:45-1.26.

"Request for Fill" is defined in N.J.A.C. 19:45-1.22.

"Request for Credit" is defined in N.J.A.C. 19:45-1.23.

"Request for Jackpot Payout Slip" is defined in N.J.A.C. 19:45-1.40.

"Residual slot credit" means a slot machine credit, on a slot machine equipped with tokenization, in an amount which is less than the denomination of the token that the slot machine is designed to accept and pay out, and which cannot be totally and automatically paid from the slot machine for that reason.

"Returned check" is defined in N.J.A.C. 19:45-1.29.

"Scan" means to attempt to verify a gaming voucher or coupon in a gaming voucher system or coupon acceptance system by utilizing a device that can read its bar code, or by manually inputting the serial number of the coupon or the validation number of the gaming voucher into the system.

"Security department member" means any person employed by a casino licensee or its agent to provide physical security in an establishment.

"Shift" means the regular, daily work period of a group of employees administering and supervising the operation of table games, slot machines, simulcast counter, keno booths, cashiers' cage and satellite cages, working in relay with another such succeeding or preceding group of employees or specific times, as approved by the Commission, during the day that all drop boxes attached to gaming tables are removed, expeditiously transported to the count room, and replaced with empty ones.

"Signature" is defined in N.J.A.C. 19:45-1.45.

"Simulcast count sheet" is defined in N.J.A.C. 19:45-1.15A(b).

"Simulcast handle" means the total value of currency, coin, gaming chips, slot tokens and coupons wagered by patrons on a simulcast horse race, less the total value of canceled or refunded tickets.

"Slot booth" is defined in N.J.A.C. 19:45-1.34.

"Slot cashier" is defined in N.J.A.C. 19:45-1.35.

"Slot cash storage box" is defined in N.J.A.C. 19:45-1.16.

"Slot counter check" is defined in N.J.A.C. 19:45-1.25A.

"Slot drop box" is defined in N.J.A.C. 19:45-1.36.

"Slot drop bucket" is defined in N.J.A.C. 19:45-1.36.

"Slot machine drop" means the total value of coins, slot tokens, and foreign slot tokens in a slot drop bucket or a slot drop box, the total value of currency, gaming vouchers and coupons in a slot cash storage box, and the total value of electronic credits withdrawn from patron accounts pursuant to N.J.A.C. 19:45-1.37A, if applicable.

"Slot machine win" means the value determined by subtracting the hopper fills, other than initial fills of slot machine

hoppers and hopper storage areas or any subsequent increases to those initial fills, cash payouts pursuant to N.J.A.C. 19:45-1.40, and gaming vouchers redeemed pursuant to N.J.A.C. 19:45-1.54 from the slot machine drop.

"Suspicious gaming voucher" means any gaming voucher that appears to have been counterfeited, tampered with or altered in any way that would affect its integrity, suitability, validity or value.

"Suspicious gaming voucher report" is defined in N.J.A.C. 19:45-1.54(d)4.

"Table game drop" means the sum of the total value of currency, coin, coupons other than match play coupons and 50 percent of the total value of match play coupons, the total amounts recorded on issuance copies of Counter Checks removed from a drop box, and the total of the amounts recorded on documents that evidence the exchange of gaming chips or plaques as part of credit or debit card chip transactions.

"Table game win or loss" means the value of gaming chips and plaques and cash won from patrons at gaming tables less the value of gaming chips, plaques and coins won by patrons at gaming tables other than poker tables and the value paid to patrons in cash or by casino check for progressive payout wagers in accordance with N.J.A.C. 19:45-1.39B and 1.52. The table game win or loss is determined by adding the value of cash, total value of coupons other than match play coupons and 50 percent of the total value of match play coupons, the amount recorded on the Closer, the totals of amounts recorded on the Credits and the issuance copies of Counter Checks removed from a drop box, the total of the amounts recorded on documents that evidence the exchange of gaming chips or plaques as part of credit or debit card chip transactions, and the total of the amounts recorded on Complimentary Vigorish Forms that document uncollected baccarat or minibaccarat vigorish, subtracting the amount recorded on the Opener and the total of amounts recorded on fills removed from a drop box, and making any adjustments required by the internal controls of the casino licensee to account for the value of any progressive payout wagers paid pursuant to N.J.A.C. 19:45-1.39B and 1.52.

"Tokenization" means the capacity of a slot machine to accept and pay out a slot token of a denomination that is greater in value than the denomination of a slot machine game contained within the slot machine, for example, a nickel slot machine game contained in a slot machine which only accepts and pays out $1.00 tokens.

"Travel Disbursement Voucher" is defined in N.J.A.C. 19:45-1.9A.

"Unredeemed gaming voucher record" is defined in N.J.A.C. 19:45-1.54.

"Unscanned gaming voucher" means any gaming voucher that a casino licensee elects to redeem when its gaming voucher system or any component thereof is inoperable and, as a result, the system is unable to determine the validity of the voucher.

"Unscanned gaming voucher transfer form" is defined in N.J.A.C. 19:45-1.54(d)5vi.

"Unsecured currency," "unsecured gaming voucher" and "unsecured coupon" are defined in N.J.A.C. 19:45-1.42.

"Unverified gaming voucher" means any gaming voucher other than a suspicious gaming voucher that the gaming voucher system fails to verify and electronically cancel in the system when it is presented for redemption and scanned.

"Unverified gaming voucher log" is defined in N.J.A.C. 19:45-1.54(d)13.

"Unverified gaming voucher log summary report" is defined in N.J.A.C. 19:45-1.54(d)15.

"Unverified gaming voucher transfer form" is defined in N.J.A.C. 19:45-1.54(d)8.

"Vault cashier" is defined in N.J.A.C. 19:45-1.12.

"Verbalize" means to orally express something in words.

"Wire transfer" means a transfer of funds by means of the Federal Reserve Bank wire system in accordance with the requirements of 12 CFR 210.25 et seq. and the Commission's rules.

Amended by R.1981 d.437, effective November 16, 1981.
See: 13 N.J.R. 534(b), 13 N.J.R. 848(b).
"Cash equivalent" and "identification credentials" added.
Amended by R.1983 d.112, effective March 29, 1983.
See: 15 N.J.R. 257(a), 15 N.J.R. 627(b).
Originally filed as an emergency adoption (R.1983 d.37) on January 27, 1983. Readopted as R.1983 d.112. Added "or items" to definition of "complimentary services." Deleted definition of junket.
Amended by R.1984 d.623, effective January 21, 1985.
See: 16 N.J.R. 2075(b), 17 N.J.R. 211(b).
Added the word "coupons" to the definition "changeperson".
Amended by R.1985 d.41, effective February 19, 1985.
See: 16 N.J.R. 3302(b), 17 N.J.R. 480(c).
"Cash equivalent" substantially amended.
Amended by R.1986 d.77, effective April 7, 1986.
See: 17 N.J.R. 2245(a), 18 N.J.R. 706(b).
Added definition "casino check".
Amended by R.1987 d.302, effective July 20, 1987.
See: 18 N.J.R. 2005(a), 19 N.J.R. 1321(a).
Definitions amended.
Petition for Rulemaking: Slot machine bill changer system.
See: 19 N.J.R. 1110(a).
Amended by R.1988 d.34, effective January 19, 1988.
See: 19 N.J.R. 1890(a), 20 N.J.R. 205(a).
Deleted definition for "Affiliate".
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).
Amended by R.1989 d.233, effective May 1, 1989.
See: 20 N.J.R. 3012(a), 21 N.J.R. 1152(b).
Added definitions for "cage supervisor" and "wire transfer".
Amended by R.1989 d.611, effective December 18, 1989.
See: 21 N.J.R. 2953(a), 21 N.J.R. 3931(b).
Added "Travel Disbursement Voucher".
Amended by R.1990 d.2, effective January 2, 1990.
See: 21 N.J.R. 2954(a), 22 N.J.R. 63(a).

In "Casino check": stylistic changes, adding phrase "or for winnings . . . payoffs."
In "Slot machine": deleted language regarding a special token to be exchanged for merchandise or thing of value.
Amended by R.1991 d.152, effective March 18, 1991.
See: 22 N.J.R. 3708(b), 23 N.J.R. 885(a).
Added "Automated coupon redemption machine" and "change machine".
Amended by R.1991 d.229, effective May 6, 1991.
See: 22 N.J.R. 3205(a), 23 N.J.R. 1455(a).
Added definitions of "master coin bank cashier," "slot cashier" and "slot counter check."
Amended by R.1991 d.230, effective May 6, 1991.
See: 22 N.J.R. 3325(a), 23 N.J.R. 1461(a).
Added definitions: "Asset number," "Location number" and "Manufacturer's serial number."
Amended by R.1991 d.301, effective June 17, 1991.
See: 23 N.J.R. 191(a), 23 N.J.R. 1963(b).
Added definitions for "bank," "check," and "checking account" with N.J.A.C. references.
Amended by R.1991 d.381, effective August 5, 1991.
See: 23 N.J.R. 1302(a), 23 N.J.R. 2323(a).
Added definition of "Chief executive officer".
Amended by R.1992 d.233, effective June 1, 1992.
See: 23 N.J.R. 3085(a), 24 N.J.R. 2078(a).
Added definition of "coin vault."
Amended by R.1992 d.360, effective September 21, 1992.
See: 24 N.J.R. 2137(a), 24 N.J.R. 3336(a).
Hopper storage area provisions 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.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).
Added definition of "coupon"; amended definition of "Table game drop".
Administrative correction to definition of "slot counter check."
See: 25 N.J.R. 1519(b).
Amended by R.1993 d.144, effective April 5, 1993.
See: 24 N.J.R. 2692(b), 25 N.J.R. 1520(a).
Added definition of complimentary distribution program.
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.1993 d.491, effective October 4, 1993.
See: 25 N.J.R. 2227(b), 25 N.J.R. 4615(a).
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.31, effective January 18, 1994.
See: 25 N.J.R. 4866(a), 26 N.J.R. 486(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.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.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.265, effective June 6, 1994.
See: 25 N.J.R. 5893(a), 26 N.J.R. 2463(a).
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).
Administrative Correction.
See: 27 N.J.R. 382(a).
Amended by R.1995 d.40, effective January 17, 1995.
See: 26 N.J.R. 3825(a), 27 N.J.R. 382(b).
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.430, effective August 7, 1995.
See: 27 N.J.R. 1767(b), 27 N.J.R. 2967(a).
Amended definition of "Table game win or loss".
Amended by R.1995 d.466, effective August 21, 1995.
See: 27 N.J.R. 2113(a), 27 N.J.R. 3219(a).
Added definition of "Annuity jackpot trust check".
Amended by R.1996 d.31, effective January 16, 1996.
See: 27 N.J.R. 3921(a), 28 N.J.R. 281(a).
Amended definitions of "Table game drop" and "Table game win or loss".
Amended by R.1996 d.314, effective July 15, 1996.
See: 28 N.J.R. 1612(a), 28 N.J.R. 3622(a).
Amended by R.1996 d.350, effective August 5, 1996.
See: 28 N.J.R. 2348(a), 28 N.J.R. 3816(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.486, effective October 21, 1996.
See: 27 N.J.R. 4992(a), 28 N.J.R. 4601(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.130, effective March 17, 1997.
See: 28 N.J.R. 2807(a), 29 N.J.R. 918(a).
Added "Vault cashier".
Amended by R.1997 d.131, effective March 17, 1997.
See: 28 N.J.R. 4572(a), 29 N.J.R. 919(a).
Added "Redemption receipt".
Amended by R.1997 d.132, effective March 17, 1997.
See: 28 N.J.R. 5160(a), 29 N.J.R. 923(a).
Deleted "Gaming chips and plaques".
Amended by R.1997 d.423, effective October 6, 1997.
See: 28 N.J.R. 4181(b), 29 N.J.R. 4304(b).
Amended "Match play coupon".
Amended by R.1997 d.489, effective November 17, 1997.
See: 29 N.J.R. 1289(a), 29 N.J.R. 4862(b).
Amended "Slot machine win"; and added "Hopper inventory level".
Amended by R.1998 d.18, effective January 5, 1998.
See: 29 N.J.R. 3432(b), 30 N.J.R. 112(b).
Amended "Cage supervisor" and "Casino supervisor."
Amended by R.1998 d.267, effective June 1, 1998.
See: 30 N.J.R. 807(a), 30 N.J.R. 2076(a).
In "Identification credential", inserted "document generally accepted in business as a" following "other".
Amended by R.1998 d.369, effective July 20, 1998.
See: 30 N.J.R. 298(a), 30 N.J.R. 2637(a).
Inserted "Authorized instrument" and "Outstanding patron check".
Amended by R.1999 d.43, effective February 1, 1999.
See: 30 N.J.R. 3173(a), 31 N.J.R. 455(a).
Inserted "Complimentary Vigorish Form"; and in "Table game win or loss", inserted "and the total of the amounts recorded on Complimentary Vigorish Forms that document uncollected baccarat or minibaccarat vigorish," following "debit card chip transactions," in the second sentence.
Amended by R.2000 d.333, effective August 21, 2000.
See: 32 N.J.R. 1918(a), 32 N.J.R. 3076(a).
In "Cash equivalent", added reference to holding companies of casino licensees in 1i.
Amended by R.2001 d.451, effective December 3, 2001.
See: 33 N.J.R. 772(a), 33 N.J.R. 4151(b).
Deleted "Theoretical slot machine payout percentage".
Amended by R.2002 d.282, effective September 3, 2002.
See: 34 N.J.R. 655(a), 34 N.J.R. 3128(a).
Added "Electronic fund transfer".
Amended by R.2003 d.4, effective January 6, 2003.
See: 34 N.J.R. 2012(a), 35 N.J.R. 259(a).
Rewrote the section.
Amended by R.2003 d.161, effective April 21, 2003.
See: 35 N.J.R. 88(a), 35 N.J.R. 1689(b).
Added "Denomination", "Residual slot credit" and "Tokenization".
Petition for Rulemaking.
See: 35 N.J.R. 5171(b).
Petition for Rulemaking.
See: 36 N.J.R. 892(a).
Amended by R.2004 d.464, effective December 20, 2004.
See: 36 N.J.R. 3473(a), 36 N.J.R. 5703(a).
Inserted "Derogatory information".
Amended by R.2005 d.12, effective January 3, 2005.
See: 36 N.J.R. 4105(a), 37 N.J.R. 100(a).
Deleted "Jackpot".

Amended by R.2005 d.86, effective March 7, 2005.
See: 36 N.J.R. 623(a), 37 N.J.R. 789(a).
Rewrote "Chief executive officer".
Petition for Rulemaking.
See: 37 N.J.R. 812(a).
Amended by R.2005 d.216, effective July 5, 2005.
See: 36 N.J.R. 3242(a), 37 N.J.R. 2561(a).
Deleted "Access control".
Amended by R.2005 d.266, effective August 15, 2005.
See: 36 N.J.R. 4115(a), 37 N.J.R. 3065(a).
Added definitions "Cashiering location" and "CCTV system location"; deleted "Commission inspector" definition.
Amended by R.2008 d.13, effective January 7, 2008.
See: 39 N.J.R. 3289(a), 40 N.J.R. 206(a).
Added definitions "Gaming voucher receipt", "Scan", "Suspicious gaming voucher", "Suspicious gaming voucher report", "Unscanned gaming voucher", "Unscanned gaming voucher transfer form", "Unverified gaming voucher", "Unverified gaming voucher log", "Unverified gaming voucher log summary report" and "Unverified gaming voucher transfer form".
Petition for Rulemaking.
See: 41 N.J.R. 1278(a), 1533(a).
Amended by R.2009 d.370, effective December 21, 2009.
See: 41 N.J.R. 3052(a), 41 N.J.R. 4826(a).
In definitions "Gaming voucher receipt", "Suspicious gaming voucher report", "Unscanned gaming voucher transfer form", "Unverified gaming voucher log", "Unverified gaming voucher log summary report" and "Unverified gaming voucher transfer form", updated the N.J.A.C. reference; and in definitions "Unscanned gaming voucher transfer form" and "Unverified gaming voucher transfer form", deleted the last sentence.
Amended by R.2010 d.273, effective December 6, 2010.
See: 42 N.J.R. 1506(a), 42 N.J.R. 2981(a).
In definition "Scan", substituted "coupon or the validation number of the gaming voucher" for "gaming voucher or coupon".

19:45-1.1A Gaming day

(a) The "gaming day" for a casino licensee on a calendar day which has not been approved for extended hours of operation pursuant to N.J.S.A. 5:12-97(a) shall commence at 10:00 A.M. or the actual time when the casino opens to the public, whichever is later, and shall terminate:

1. At 4:00 A.M. on the next calendar day, if the next calendar day is a weekday which is not a holiday;

2. At 6:00 A.M. on the next calendar day, if the next calendar day is a Saturday, Sunday or State or Federal holiday;

3. In accordance with (b) below, if the next calendar day has been approved by the Commission for extended hours of casino operation pursuant to N.J.S.A. 5:12-97(a); or

4. When the casino actually closes if such time is earlier than the time specified in (a)1 through 3 above.

(b) The "gaming day" for a casino licensee on a calendar day which has been approved for extended hours of operation pursuant to N.J.S.A. 5:12-97(a) shall commence and terminate, and the end of the gaming day for the previous calendar day shall terminate, at those times set forth in the approved system of internal procedures and administrative and accounting controls of each casino licensee. Each casino licensee may establish a gaming day for slot machines which is different from its gaming day for table games and different from its gaming day for the game of keno; provided, however, that no gaming day shall be longer than 24 hours.

New Rule, R.1992 d.110, effective March 2, 1992.
See: 23 N.J.R. 3243(a), 24 N.J.R. 858(c).
Amended by R.1995 d.285, effective June 5, 1995.
See: 26 N.J.R. 2218(a), 27 N.J.R. 2254(a).

19:45-1.2 Accounting records

(a) Each casino licensee shall maintain complete, accurate, and legible records of all transactions pertaining to the revenues and costs for each establishment.

(b) General accounting records shall be maintained on a double entry system of accounting with transactions recorded on the accrual basis. Detailed, supporting, subsidiary records sufficient to meet the requirements of (c) below shall also be maintained in accordance with the requirements of this chapter.

1. The Commission shall periodically prescribe a uniform chart of accounts and accounting classification in order to insure consistency, comparability, and effective disclosure of financial information.

i. The chart of accounts shall provide the classifications necessary to prepare the standard financial statements required by N.J.A.C. 19:45-1.6.

ii. The prescribed chart of accounts shall be the minimum level of detail to be maintained for each accounting classification by the licensee.

iii. The licensee shall not use other than the prescribed chart of accounts but may, with the permission of the Commission, expand the level of detail for some or all accounting classifications and/or alter the account numbering system. In such instances, the licensee shall provide to the Commission, upon request, a cross-reference from the licensee's to the prescribed chart of accounts.

(c) The detailed, supporting, and subsidiary records shall include, but not necessarily be limited to:

1. Records of all patron checks initially accepted by the licensee, deposited by the licensee, returned to the licensee as "uncollected", and ultimately written-off as uncollectible.

2. Statistical game records to reflect drop and win amounts or, for the game of poker, the poker revenue, by table for each table game, and by keno work station number or keno writer for the game of keno, by each shift.

3. Records supporting the accumulation of the costs and number of persons, by category of service, for regulated complimentary services.

4. Records of all investments, advances, loans and receivable balances, other than patron checks, due to the establishment.

5. Records related to investments in property and equipment. The records shall identify the investments made under section 144 of the Casino Control Act as an alternative to the additional two percent tax on gross revenues. Such investments must be approved by the Commission as to their eligibility.

6. Records which identify the handle, payout, win amounts and percentages, theoretical win amounts and percentages, and differences between theoretical and actual win amounts and percentages, for each slot machine on a week-to-date, month-to-date, and year-to-date basis.

7. Records of all loans and other amounts payable by the establishment.

8. Records which identify the purchase, receipt, and destruction of gaming chips and plaques.

9. Records provided for in the system of internal accounting controls submitted to the Commission pursuant to the Casino Control Act.

10. Records used by the casino licensee to reconcile simulcast wagers with sending tracks pursuant to N.J.A.C. 19:55-7.1, calculate outstanding pari-mutuel tickets pursuant to N.J.A.C. 19:55-7.2 and calculate payments to the Racing Commission pursuant to N.J.A.C. 19:55-7.3.

Amended by R.1985 d.51, effective February 19, 1985.
See: 16 N.J.R. 3303(a), 17 N.J.R. 481(a).
(d)-(e) deleted.
Amended by R.1988 d.209, effective May 16, 1988.
See: 19 N.J.R. 1975(b), 20 N.J.R. 1102(a).
Substantially amended (c)3.
Amended by R.1992 d.499, effective December 21, 1992.
See: 24 N.J.R. 2692(b), 24 N.J.R. 4570(a).
In (c)3, deleted description of minimum records to be maintained for complimentaries and recodified text, with changes, as N.J.A.C. 19:45-1.9(e).
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 at (c)10.
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).

19:45-1.3 Licensee's system of internal controls

(a) Each applicant for a casino license shall submit to the Commission a narrative description of its initial system of internal procedures and administrative and accounting controls ("internal controls") at least 30 days before gaming operations are to commence, unless otherwise directed by the Commission. Each such submission shall be accompanied by a certification by its Chief Legal Officer or equivalent that the submitted internal controls conform to the requirements of the Act and the regulations promulgated thereunder, and a certification by its Chief Financial Officer or equivalent that the submitted internal controls are adequate and effective, establish a consistent overall system of internal controls, and conform to generally accepted accounting principles. The initial submission shall also be accompanied by a report of an independent certified public accountant licensed to practice in New Jersey, stating that the submitted system conforms in all respects to the standards of internal control set forth in the Act and the Commission's rules or in what respects the system does not conform. Except as otherwise provided in this section, a casino licensee may, upon submission to the Commission of a narrative description of a change in its system of internal controls and the two original signed certifications described above, implement the change on the 16th calendar day following the completed submission. Any submission received by the Commission's Document Control Unit after 3:00 P.M. shall be considered to have been submitted on the next business day. Each submission by a casino licensee or applicant shall include, as applicable and without limitation, the following:

1. Administrative controls which include, without limitation, the procedures and records that are concerned with the decision making processes leading to management's authorization of transactions;

2. Accounting controls which have as their primary objectives the safeguarding of assets and the reliability of financial records and are consequently designed to provide reasonable assurance that:

i. Transactions are executed in accordance with management's general and specific authorization;

ii. Transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles and N.J.A.C. 19:45-1.6, and to maintain accountability for assets;

iii. Access to assets is permitted only in accordance with management authorization; and

iv. The recorded accountability for assets is compared with existing assets at reasonable intervals and appropriate action is taken with respect to any differences; and

3. Procedures and controls for ensuring, through the use of the casino security department, that the casino and casino simulcasting facility are constantly secure during normal operations and any emergencies due to malfunctioning equipment, loss of power, any natural disaster or any other cause.

(b) The Commission shall review a submission made pursuant to (a) above and determine whether it conforms to the requirements of the Act and the Commission's rules and provides adequate and effective controls for the operations of the casino licensee or applicant. No applicant for a casino license shall commence gaming operations unless and until its system of internal controls is approved by the Commission.

(c) If, during its review of a casino licensee's internal control submission, the Commission preliminary determines that a procedure in the submission contains a substantial and material insufficiency likely to have a direct and materially adverse impact on the integrity of gaming or simulcast wagering operations or the control of gross revenue, the Chair, by written notice to the casino licensee, shall:

1. Specify the precise nature of the insufficiency and when possible, an acceptable alternative procedure;

2. Schedule a hearing before the full Commission no later than 15 calendar days after the date of such written notice to determine whether the internal controls are insufficient; and

3. Direct that any internal controls in issue not yet implemented not be implemented until approved by the Commission.

(d) Examples of submissions that the Chair and Commission may, under appropriate circumstances, determine to contain a substantial and material insufficiency likely to have a direct and materially adverse impact on the integrity of gaming or simulcast wagering operations or the control of gross revenue shall include, without limitation, the following:

1. Submissions that fail to provide an adequate audit trail that would permit the review of gaming operations or the reconstruction of gross revenue transactions;

2. Submissions that fail to provide for 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. Submissions that do not include forms or other materials referenced in the submission or required by the Act or regulations that are essential elements of the internal controls and prevent a meaningful review of the submission;

4. Submissions that would implement gaming operations or accounting procedures not yet authorized by the Casino Control Act or the regulations of the Commission; and

5. Submissions that are dependent upon the use of equipment or related devices or software not yet approved by the Commission pursuant to N.J.A.C. 19:46-1.20, unless such submissions are required as part of an authorized test of the equipment or related device or software.

(e) If a casino licensee is notified pursuant to (c) above that a particular internal control submission contains a substantial and material insufficiency and that a hearing on the submission has been scheduled before the Commission on a specific date, the 15-day review period for any revision to those internal controls submitted by the casino licensee after receipt of the Chair's notice shall not commence unless the revision is accompanied by the two certifications required by N.J.S.A. 5:12-99a and (a) above.

(f) Notwithstanding any other provision of this section, the following changes to internal controls required by N.J.S.A. 5:12-99a may be implemented immediately upon the preparation and internal filing by the casino licensee of a narrative description of such changes together with, except as otherwise provided in (i) below, the two certifications described in (a) above:

1. N.J.A.C. 19:45-1.9, 1.9A, 1.9B and 1.9C (complimentaries), except for:

i. Internal controls required by N.J.A.C. 19:45-1.9(i) for complimentary programs involving authorized games or simulcasting;

ii. Internal controls regarding the reporting of complimentaries for uncollected vigorish pursuant to N.J.A.C. 19:47-3.3(c)3i and 7.3(c)3i;

iii. Internal controls required by N.J.A.C. 19:45-1.9B(c) for the disbursement of complimentary cash gifts in any manner other than by a general cashier at the cashier's cage; and

iv. Internal controls regarding the issuance of cash complimentaries utilizing an electronic credit transfer system pursuant to N.J.A.C. 19:45-1.37A;

2. Changes to the jobs compendium of a casino licensee pursuant to N.J.A.C. 19:45-1.11A;

3. N.J.A.C. 19:45-1.15 (accounting controls), except for procedures relating to casino credit and gross revenue transactions;

4. N.J.A.C. 19:45-1.15A (simulcasting);

5. N.J.A.C. 19:45-1.19 (tips);

6. N.J.A.C. 19:45-1.24A and 1.24B (wire transfers);

7. N.J.A.C. 19:45-1.34 and 1.35 (slot booth controls), except for procedures relating to casino credit and gross revenue transactions;

8. N.J.A.C. 19:45-1.37B (slot tower lights); and

9. N.J.A.C. 19:45-1.46 (coupon redemption and other complimentary distribution programs), except for internal controls governing coupon programs that can affect gross revenue; and

10. N.J.A.C. 19:45-1.46A (automated coupon redemption machines).

(g) The following rules are self-explanatory and self-implementing, and except as noted, do not require the preparation or submission of internal controls:

1. N.J.A.C. 19:45-1.1 (definitions);

2. N.J.A.C. 19:45-1.2 (accounting records);

3. N.J.A.C. 19:45-1.3 (internal controls);

4. N.J.A.C. 19:45-1.4 (ownership records);

5. N.J.A.C. 19:45-1.5 (forms);

6. N.J.A.C. 19:45-1.6 (standard reports);

7. N.J.A.C. 19:45-1.7 (audits);

8. N.J.A.C. 19:45-1.8 (record retention);

9. N.J.A.C. 19:45-1.11A (jobs compendium, except as otherwise required of a casino licensee applicant pursuant to N.J.A.C. 19:43-9.1);

10. N.J.A.C. 19:45-1.12 (personnel), except for the submission of secondary position programs and submission of plans for revised supervision;

11. N.J.A.C. 19:45-1.13 (firearms);

12. N.J.A.C. 19:45-1.14 (cashier's cage) and 1.14A (simulcasting counter), except for procedures relating to casino credit and gross revenue transactions;

13. N.J.A.C. 19:45-1.45 (signatures);

14. N.J.A.C. 19:46-1.20 (inspections and approvals of gaming and simulcasting equipment and software);

15. N.J.A.C. 19:46-1.22 and 1.23 (possession and transportation of slot machines);

16. N.J.A.C. 19:46-1.24 (slot machine seals);

17. N.J.A.C. 19:46-1.27 (slot density);

18. N.J.A.C. 19:46-1.28 and 1.28A (gaming and simulcasting equipment testing and standards);

19. N.J.A.C. 19:46-1.29 (operation of gaming and simulcast wagering equipment); and

20. N.J.A.C. 19:46-1.34 (slot tokens).

(h) A current version of the internal controls of a casino licensee shall be maintained in, or made available through secure computer access to, the casino accounting department and surveillance department of the casino licensee. The casino licensee shall also maintain a copy of any superceded changes to its internal control submission and the two certifications required for each change for a minimum of five years in a location approved by the Commission. Each page of the internal controls shall indicate, as applicable, the date on which it was submitted to the Commission and the date on which it was either approved by the Commission or implemented pursuant to N.J.S.A. 5:12-99a and (a) above, or if the submission was governed by (f) above, the date on which it was filed internally and implemented by the casino licensee.

(i) Notwithstanding any other provision of this section to the contrary, the two certifications otherwise required by N.J.S.A. 5:12-99a and (a) above shall not be required for the following internal control changes:

1. The specific procedures controlling a particular new or modified complimentary distribution program or promotion governed by N.J.A.C. 19:45-1.9 or 1.46, except for internal controls included in (f)1i and ii above and those governing coupon programs that can affect gross revenue;

2. Changes to the jobs compendium of a casino licensee pursuant to N.J.A.C. 19:45-1.11A other than the license categories, job codes, job functions, reporting lines (including, but not limited to, new positions and deleted positions) or job titles of the mandatory departments identified in N.J.A.C. 19:45-1.11 or the positions identified in N.J.A.C. 19:41-1.1 and 1.2; and

3. Changes to positions identified in N.J.A.C. 19:41-1.1 and 1.2 shall not require certification if the changes are limited to the data required by N.J.A.C. 19:45-1.11A(b)3ii (salary range), iv (experiential or educational requirements), v (projected number of employees), vi (equal employment opportunity class or subclass), viii (date of the submission) or ix (page number of corresponding table of organization).

Amended by R.1981 d.272, effective August 6, 1981.
See: 13 N.J.R. 47(c), 13 N.J.R. 628(a), 541(a).
Amended by R.1982 d.189, effective June 21, 1982.
See: 14 N.J.R. 381(a), 14 N.J.R. 664(c).
Amended by R.1989 d.457, effective September 5, 1989.
See: 21 N.J.R. 1506(a), 21 N.J.R. 2808(c).
Changes to submission schedule from 90 days to 120 days before gaming commences and Commission determination to be made within 90 days, reflects changes to Casino Control Act.
Amended by R.1991 d.381, effective August 5, 1991.
See: 23 N.J.R. 1302(a), 23 N.J.R. 2323(a).
In (a): reduced mandatory maximum application period for internal control submissions from 120 to 60 days.
Added (a)1-2. In (b): stylistic revisions.
In (c): reduced time frames for submission of any changes to licensee's system of internal procedures, as well as time frame for determination regarding changes.
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.2004 d.128, effective April 5, 2004.
See: 35 N.J.R. 1401(a), 36 N.J.R. 1788(a).
Rewrote the section.
Amended by R.2008 d.169, effective June 16, 2008.
See: 40 N.J.R. 606(a), 40 N.J.R. 3749(a).
In (f)1ii, substituted "3.3(c)3i" for "3.3(c)i"; and added (f)1iii and (f)1iv.

19:45-1.4 Records regarding ownership

(a) In addition to other records and information required by this regulation, each casino licensee shall maintain the following records regarding the equity structure and owners:

1. If a corporation:

i. A certified copy of articles of incorporation and any amendments thereto;

ii. A copy of by-laws and amendments thereto;

iii. A current list of officers and directors;

iv. Minutes of all meetings of stockholders and directors;

v. A current list of all stockholders and stockholders of affiliates, including their names and the names of beneficial owners of shares held in street or other name where any beneficial owner has a beneficial interest in two percent or more of the outstanding shares of any class, addresses, and the number of shares held by each and the date acquired;

vi. A complete record of all transfers of stock;

vii. A record of amounts paid to the corporation for issuance of stock and other capital contributions and dates thereof;

viii. A record, by stockholder, of all dividends distributed by the corporation; and

ix. A record of all salaries, wages, and other remuneration (including prerequisites), direct and indirect, paid during the calendar or fiscal year, by the corporation, to all officers, directors, and stockholders with an ownership interest at any time during the calendar or fiscal year, equal to or greater than five percent of the outstanding capital stock of any class of stock.

2. If a partnership:

i. A schedule showing the amounts and dates of capital contributions, the names and addresses of the contributors, and percentage of interest in net assets, profits, and losses held by each;

ii. A record of the withdrawal of partnership funds or assets;

iii. A record of salaries, wages, and other remuneration (including prerequisites), direct and indirect, paid to each partner during the calendar or fiscal year; and

iv. A copy of the partnership agreement and certificate of limited partnership, if applicable.

3. If a sole proprietorship:

i. A schedule showing the name and address of the proprietor and the amount and date of his original investment;

ii. A record of dates and amounts of subsequent additions to the original investment and withdrawals therefrom; and

iii. A record of salaries, wages, and other remuneration (including prerequisites), direct or indirect, paid to the proprietor during the calendar or fiscal year.

4. If a limited liability company:

i. Certificates of formation, amendment, and cancellation;

ii. Operating agreement;

iii. A current list of all members and managers;

iv. A schedule showing the amounts and dates of contributions by members, the names and addresses of the contributors, and percentage of interest in net assets, profits, and losses held by each member and manager;

v. A record of the distributions of limited liability company funds or assets; and

vi. A record of salaries, wages, and other remuneration (including perquisites), direct and indirect, paid to each member and manager during the calendar or fiscal year.

(b) All records regarding ownership shall be located on the premises of the establishment, unless a specific exemption is allowed to the licensee by the Commission.

(c) Each casino licensee or applicant shall, upon request by the Commission or Division, provide a list of all record holders of any or all classes of publicly traded securities issued by any holding company or by any other affiliated entity which is required to qualify as a financial source pursuant to subsection 84b of the Act.

Amended by R.1992 d.500, effective December 21, 1992.
See: 24 N.J.R. 3225(a), 24 N.J.R. 4563(a).
Added (c).
Amended by R.1993 d.126, effective March 15, 1993.
See: 25 N.J.R. 63(a), 25 N.J.R. 1229(c).
In (c): added text regarding publicly traded securities and reference to subsection 84b of the Act.
Amended by R.2002 d.283, effective September 3, 2002.
See: 34 N.J.R. 1371(a), 34 N.J.R. 3127(a).
In (a), added 4.

19:45–1.5 Forms, records and documents

(a) All information required by this chapter to be placed on any form, record, or document and in stored data shall be recorded on such form, record, or document and in stored data in ink or other permanent form.

(b) Whenever duplicate or triplicate copies are required of a form, record, or document:

1. The original, duplicate, and triplicate copies shall be color coded and have the name of the recipient originally receiving a copy preprinted on the bottom of that copy so as to differentiate one from the other;

2. If the casino licensee prepares more copies than required by this chapter and the forms, records, and documents are required to be inserted in a locked dispenser, the last copy shall remain in a continuous, unbroken form in the dispenser; and

3. Whenever under this chapter, forms or serial numbers are required to be accounted for or copies of forms are required to be compared for agreement and exceptions are noted, such exceptions shall be reported immediately in writing to the internal audit department, the Commission, and the Division for investigation.

(c) Unless otherwise specified in this chapter or exempted by the Commission, all forms, records, documents, and stored data required to be prepared, maintained, and controlled by this chapter shall:

1. Be in a form prescribed or authorized by the Commission; and

2. Have the name of the establishment and the title of the form, record, document, and stored date imprinted or preprinted thereon or therein.

(d) Nothing in this chapter shall be construed as prohibiting or discouraging a casino license from preparing more copies of any form, record, or document than that prescribed by this chapter.

As amended, R.1985 d.51, effective February 19, 1985.
See: 16 N.J.R. 3303(a), 17 N.J.R. 481(a).
(c)3–4 deleted.

19:45–1.5A Patron signature file

(a) Whenever a casino licensee is required by Commission rule or approved internal control procedure to verify the identity of a person or the validity of a signature on a document and the rule or approved procedure authorizes the verification to be performed by means of a signature comparison, the casino licensee may perform the verification by comparing the newly obtained signature to any signature exemplar or computer generated facsimile of a signature exemplar maintained by the casino licensee in a patron signature file established in accordance with the provisions of this section.

(b) Prior to the establishment of a patron signature file, a casino employee or casino key employee shall require the person whose signature is being recorded to present for examination, at a minimum, the following:

1. If the identity of the person shall be confirmed in accordance with (c)1 below, one identification credential; or

2. If the identity of the person shall be confirmed in accordance with (c)2 below, two identification credentials, at least one of which shall contain a photograph or general physical description of the person.

(c) Before a casino licensee may use a signature exemplar in a patron signature file to verify the identity of a person or the validity of a signature on a document, the casino licensee shall confirm the identity of the person by either:

1. Comparing the signature on the identification credential presented by the person pursuant to (b)1 above with the newly executed signature exemplar and verifying the address of the person's residence with a credit bureau or bank or, if neither of these sources has the person's address on file or will not provide the information, with an alternative source, which shall not include any documentation presented by the person at the casino; or

2. Comparing the signature on each of the identification credentials presented by the person pursuant to (b)2 above with the newly executed signature exemplar and comparing the photograph or general physical description contained on at least one of the identification credentials with the person's actual physical appearance.

(d) Any patron signature file established and maintained by a casino licensee pursuant to this section shall include, at a minimum, the following:

1. The person's name;

2. The address of the person's residence;

3. The person's signature;

4. The type of each identification credential examined pursuant to (b) above and an indication whether the identification credential contained a photograph or physical description of the person;

5. A physical description of the person, including, at a minimum, the person's:

i. Date of birth;

ii. Approximate height;

iii. Approximate weight;

iv. Hair color; and

v. Eye color;

6. The date and time that the patron signature file was established;

7. The procedure by which the identity of the person was confirmed pursuant to (c) above, including:

i. The source of confirmation (if confirmed pursuant to (c)1 above);

ii. The date and time of confirmation (if different from (d)6 above); and

iii. The signature of the casino employee or casino key employee performing the confirmation (if different from (d)8 below); and

8. The signature of the casino employee or casino key employee who examined the identification credential of the person and established the patron signature file, which signature shall indicate that:

i. The signature exemplar of the person recorded in the patron signature file is consistent with the signature on each identification credential that was examined; and

ii. The physical description recorded in the patron signature file is consistent with both the actual appearance of the person and any photograph or physical description that may be contained on an identification credential that was examined.

(e) A casino licensee shall be permitted to establish and maintain a patron signature file as a separate set of gaming records or as part of any other gaming record maintained by the casino licensee (for example, as part of a credit file or customer deposit file) as long as the patron signatures contained in the records are obtained and documented in accordance with the requirements of this section.

(f) Notwithstanding any other provision of this section to the contrary, a person's signature in a credit file that was established pursuant to N.J.A.C. 19:45–1.27 prior to June 1, 1998 shall be considered a valid signature exemplar obtained in accordance with the requirements of this section as long as the person's original signature and the documents supporting its verification are retained by the casino licensee.

New Rule, R.1998 d.267, effective June 1, 1998.
See: 30 N.J.R. 807(a), 30 N.J.R. 2076(a).

19:45–1.6 Standard financial and statistical reports

(a) Each casino licensee, unless specifically exempted by the Commission, shall file monthly, quarterly, and annual reports of financial and statistical data. The data may be used by the Commission to evaluate the financial position and operating performance of individual licensees and compile information regarding the performance and trends of the industry in the State of New Jersey.

(b) The Commission shall periodically prescribe a set of standard reporting forms and instructions to be used by each licensee in filing the monthly, quarterly, and annual reports.

(c) Annual reports to the Commission shall be based on a calendar year, beginning January 1, and ending December 31. Quarterly reports shall be based on calendar quarters ending March 31, June 30, and September 30. Monthly reports shall be based on calendar months.

(d) The reports shall be signed by the Chief Executive Officer, Chief Gaming Executive, Financial Vice President, Treasurer, or Controller if the casino operator is a corporation, by a general partner, or the Financial Director if the operator is a partnership, by the Chief Executive Officer or Chief Gaming Executive if the operator is any other form of business association, or by the proprietor if the operator is a sole proprietorship.

(e) Each report to the Commission shall be received or postmarked not later than the required filing date unless specific approval for an extension is granted to the licensee by the Commission. Requests for a filing extension must be submitted to the Commission in writing prior to the required filing date.

1. Monthly reports shall be due not later than the 10th calendar day following the end of the month.

2. Quarterly reports shall be due not later than the 15th calendar day of the second month following the end of the quarter.

3. Annual reports shall be due not later than March 31 of the following year.

(f) In the event of a license termination, change in business entity, or material change in ownership, the Commission may at its discretion require the filing of an interim annual or quarterly report, as of the date of occurrence of the event. Any such request shall be made in writing to the licensee. The filing due date shall be the later of 30 calendar days after notification to the licensee or 30 calendar days after the date of occurrence of the event, unless an extension is granted in accordance with (e) above.

(g) In those circumstances where the licensee is not currently an active operator of an establishment, or portion thereof, the Commission may either revise or eliminate the standard reports to be filed by the licensee.

(h) Any adjustments resulting from the annual audit required in N.J.A.C. 19:45–1.7 shall be recorded in the accounting records of the year to which the adjustment relates. In the event the adjustments were not reflected in the licensee's annual report and the Commission concludes the adjustments are significant, a revised annual report may be required from the licensee. The revised filing shall be due within 30 calendar days after written notification to the licensee, unless an extension is granted in accordance with (e) above.

(i) Licensees shall report to the Commission essential details of any loans, borrowings, installment contracts, guarantees, leases, or capital contributions no later than 10 days after the end of the month in which the transaction or event occurs.

(j) Copies of all financial statements and statistical reports required to be filed with the Commission shall be furnished by the licensee to the Division.

As amended, R.1984 d.135, effective August 16, 1984.
See: 16 N.J.R. 361(a), 16 N.J.R. 927(a).
(c): delete alternative basis for quarterly reports.
Amended by R.1996 d.160, effective March 18, 1996.
See: 28 N.J.R. 75(a), 28 N.J.R. 1559(a).
Amended by R.2005 d.86, effective March 7, 2005.
See: 36 N.J.R. 623(a), 37 N.J.R. 789(a).
In (d), inserted reference to "Chief Gaming Executive".
Petition for Rulemaking.
See: 37 N.J.R. 812(a).

19:45-1.7 Annual audit and other reports

(a) Each casino licensee, unless specifically exempted by the Commission, shall, at its own expense, cause its annual financial statements to be audited in accordance with generally accepted auditing standards by an independent certified public accountant licensed to practice in the State of New Jersey.

(b) The annual financial statement shall be prepared on a comparative basis for the current and prior calendar year, and shall present financial position and results of operations in conformity with generally accepted accounting principles.

(c) The financial statements required by this section shall include a footnote reconciling and explaining any differences between the financial statements included in the casino licensee's annual report, filed in conformity with N.J.A.C. 19:45-1.6, and the audited financial statements. Such footnote shall, at a minimum, disclose the effect of such adjustments on:

1. Revenues from the casino and authorized games in the casino simulcasting facility;
2. Casino simulcasting revenues;
3. Revenues net of complimentary services;
4. Total costs and expenses;
5. Income before extraordinary items; and
6. Net income.

(d) Two copies of the audited financial statements, together with the report thereon of the casino licensee's independent certified public accountant, shall be filed with the Commission and the Division not later than April 30 following the end of the calendar year.

(e) Each licensee shall require its independent certified public accountant to render the following additional reports:

1. Report on material weaknesses in internal accounting control. Whenever in the opinion of the independent certified public accountant there exists no material weaknesses in internal accounting control, the report shall so state.

2. Report expressing the opinion of the independent certified public accountant that based on his examination of the financial statements the licensee has followed, in all material respects during the period covered by his examination, the system of internal accounting control approved by the Commission. Whenever, in the opinion of the independent certified public accountant, the licensee has materially deviated from the system of internal accounting control approved by the Commission or the accounts, records, and control procedures examined are not maintained by the licensee in accordance with the Casino Control Act and this chapter, the report shall enumerate such deviations and such areas of the system no longer considered effective, and shall make recommendations regarding improvements in the system of internal accounting control.

3. The licensee shall prepare a written response to the independent certified public accountant's reports required by (e) 1 and 2 above. The response shall indicate, in detail, the corrective actions taken. Such response shall be submitted to the Commission and Division within 90 days from receipt of the independent certified public accountant's reports.

(f) In accordance with the requirements of section 146 of the Casino Control Act, each licensee who has made a decision to pay the in lieu taxes prescribed by that section on his licensed premises and whose decision has been approved by the Commission shall file with the Department of the Treasury, not later than 90 days following the completion of the project, a schedule which details by major classification, the costs incurred in the project. Accompanying the schedule shall be a report expressing the opinion of the licensee's independent certified public accountant that such costs are presented fairly in such schedule.

(g) Two copies of the reports required by (e) above, and two copies of any other reports on internal accounting control, administrative controls, or other matters relative to the licensee's accounting or operating procedures rendered by the licensee's independent certified public accountant, shall be filed with the Commission and the Division by the licensee by April 30 following the end of the calendar year or upon receipt, whichever is earlier.

(h) If the casino licensee or any of its affiliates is publicly held, the licensee or the affiliate shall submit five copies to the Commission and one copy to the Division of any report, including, but not limited to, forms S-1, 8-K, 10-Q, 10-K, proxy or information statements and all registration statements, required to be filed by such licensee or affiliates with the Securities and Exchange Commission or other domestic

or foreign securities regulatory agency, at the time of filing with such commission or agency.

(i) If an independent certified public accountant who was previously engaged as the principal accountant to audit the casino licensee's financial statements resigns or is dismissed as the casino licensee's principal accountant, or another independent certified public accountant is engaged as principal accountant, the casino licensee shall file a report with the Commission and the Division within 10 days following the end of the month in which such event occurs, setting forth the following:

1. The date of such resignation, dismissal or engagement.

2. Whether in connection with the audits of the two most recent years preceding such resignation, dismissal, or engagement there were any disagreements with the former accountant on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, which disagreements if not resolved to the satisfaction of the former accountant would have caused him to make reference in connection with his report to the subject matter of disagreement, including a description of each such disagreement. The disagreements to be reported include those resolved and those not resolved.

3. Whether the principal accountant's report on the financial statements for any of the past two years contained an adverse opinion or disclaimer of opinion or was qualified. The nature of such adverse opinion, disclaimer of opinion, or qualification shall be described.

4. The casino licensee shall request the former accountant to furnish to the casino licensee a letter addressed to the Commission, with a copy furnished to the Division, stating whether he agrees with the statements made by the casino licensee in response to (i) of this section. Such letter shall be filed with the Commission as an exhibit to the report required by (i) of this section.

Amended by R.1981 d.272, effective September 10, 1981.
See: 13 N.J.R. 47(c), 13 N.J.R. 628(a).
Amended by R.1991 d.470, effective September 16, 1991.
See: 23 N.J.R. 2006(a), 23 N.J.R. 2868(b).
In subsections (b), (d) and (g), deleted "fiscal" from text to update rule.
Amended by R.1992 d.500, effective December 21, 1992.
See: 24 N.J.R. 3225(a), 24 N.J.R. 4563(a).
In (h), added copy requirements, including proxy and registration statements.
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 at (c)1 and 2.
Amended by R.1996 d.29, effective January 16, 1996.
See: 27 N.J.R. 4176(a), 28 N.J.R. 282(a).
(e)2 required reported deviations to be material.

19:45-1.8 Retention, storage and destruction of books, records and documents

(a) All original books, records and documents pertaining to the casino licensee's operations and approved hotel shall be:

1. Prepared and maintained in a complete, accurate and legible form;

2. Retained on the site of the approved hotel building or at another secure location approved in accordance with (d) below for the time period specified in (c) below;

3. Held immediately available for inspection by agents of the Commission and Division during all hours of operation;

4. Organized and indexed in such a manner so as to provide immediate accessibility to agents of the Commission and Division; and

5. Destroyed only after:

i. Expiration of the minimum retention period specified in (c) below, except that the Commission may, upon the written petition of any casino licensee and for good cause shown, permit such destruction at an earlier date; and

ii. Written notice to the Commission and Division in accordance with (f) below.

(b) For the purposes of this section, "books, records and documents" shall be defined as any book, record or document pertaining to, prepared in or generated by the operation of a casino, a casino simulcasting facility, a multi-casino progressive slot system or an approved hotel including, but not limited to, all forms, reports, accounting records, ledgers, subsidiary records, computer generated data, internal audit records, correspondence and personnel records. This definition shall apply without regard to the medium through which the record is generated or maintained, for example, paper, magnetic media or encoded disk.

(c) All original books, records and documents shall be retained by a casino licensee in accordance with the following schedules. For purposes of this subsection, "original books, records or documents" shall not include copies of originals, except for copies that contain original comments or notations or parts of multi-part forms.

1. The following original books, records and documents shall be retained indefinitely unless destruction is requested by the casino licensee and approved by the Commission:

i. Corporate records required by N.J.A.C. 19:45-1.4;

ii. Records of corporate investigations and due diligence procedures;

iii. Current casino and casino key employee personnel files; and

iv. A record of any original book, record or document destroyed, identifying the particular book, record or document, the period of retention and the date of destruction.

2. The following original books, records and documents shall be retained by a casino licensee for a minimum of five years:

i. Gaming-related documents not otherwise specified in (c)3 below, including, without limitation, records concerning gaming-related casino service industries;

ii. Personnel files of terminated casino and casino key employees; and

iii. Any other original book, record or document not otherwise specified in this subsection.

3. The following original books, records and documents shall be retained by a casino licensee for a minimum of four years from the date of the actual filing of the gross revenue tax return pursuant to N.J.A.C. 19:54-1.7 for the tax year in which the book, record or document was generated:

i. Casino cage documents;

ii. Documentation supporting the calculation of table game win;

iii. Except as otherwise provided in (c)6 and 8 below, documentation supporting the calculation of slot machine win;

iv. Suspicious gaming vouchers and unverified gaming vouchers;

v. Documentation supporting the calculation of poker revenue;

vi. Documents associated with the accounting and reconciliation of assets contained within the keno drawers, including the reporting of overages and shortages, keno fill slips, keno credit slips, keno count sheets and reports generated by the keno computer system;

vii. Documentation supporting the calculation of the provision for uncollectible patron checks pursuant to N.J.A.C. 19:54-1.6; and

viii. Suspicious gaming voucher reports; unscanned gaming voucher transfer forms; unverified gaming voucher transfer forms; gaming voucher receipts; unverified gaming voucher logs; unverified gaming voucher log summary reports; and all documents associated with investigations of unverified gaming vouchers conducted pursuant to N.J.A.C. 19:45-1.54(d)12 and 13.

4. The following original books, records and documents shall be retained by a casino licensee for a minimum of three years:

i. Hotel income audit documents, including, without limitation, telephone call records and charges;

ii. Non-gaming hotel-related documents, including, without limitation, records concerning hotel guests; records concerning banquets; food and beverage documents; records of retail stores, accounts receivable and other records of transactions in which the casino licensee is a vendor; and entertainment records;

iii. Payroll records, except as provided in (c)1 above;

iv. Signature cards of terminated employees;

v. Marketing department records;

vi. Security incident reports;

vii. Insurance department records relating to guest claims and copies of arrest records;

viii. Credit union records;

ix. Hotel-related documents which pertain to the purchasing department and accounts payable department;

x. Patron gaming records;

xi. Records concerning junkets;

xii. Petty cash documentation;

xiii. General ledgers and supporting journals; and

xiv. Accounts receivable documents from store rentals and travel wholesalers.

5. The following original books, records and documents shall be retained by a casino licensee for a minimum of one year:

i. Complimentary settled guest checks;

ii. Card and dice transaction and inventory reports;

iii. Returned check aging reports, except for year-end reports;

iv. Vendor registration forms;

v. Register tapes and room service checks;

vi. Files and workpapers used to prepare budgets;

vii. Records generated by the mailroom;

viii. Advertising records;

ix. Slot department daily activity logs;

x. Surveillance employee duty logs including, but not limited to, those required pursuant to N.J.A.C. 19:45-1.10(d), VCR/tape logs, surveillance department visitor logs, and equipment malfunction reports;

xi. Any document, except for a document specified in (c)3ii through vi above, for which the casino licensee can demonstrate that the information contained thereon is duplicative or less than that recorded on another document retained in accordance with (c)1 through 4 above;

xii. Daily operating reports generated by multi-casino progressive slot systems;

xiii. Logs of all multi-casino progressive slot system events and problems;

xiv. With the exception of cashed pari-mutuel tickets and credit vouchers, the original books, records and documents related to the revenues and expenses of casino simulcasting, including, but not limited to, all reports generated by the totalisator and all records maintained in accordance with N.J.A.C. 19:45-1.2(c)10, shall be retained by a casino licensee or hub facility for a minimum of one year; and

xv. Any and all reports or documents prepared pursuant to or in connection with N.J.A.C. 19:48-3 relating to the forfeiture of winnings or things of value obtained by a prohibited person as defined in that subchapter.

6. The following original books, records and documents shall be retained by a casino licensee for a minimum of six months:

i. Except as provided in (c)11xxiv below, coupons entitling patrons to cash, slot tokens, gaming chips, plaques, simulcasting wagers, progressive wager coupons or match play coupons, including unused, voided and redeemed coupons;

ii. Gaming vouchers redeemed at any location other than a slot machine pursuant to N.J.A.C. 19:45-1.54, and which have been verified and electronically cancelled by the gaming voucher system;

iii. Voided gaming vouchers;

iv. Redeemed or voided keno tickets;

v. The following hotel income audit documents: Cashier reports, room tally reports, over/short reports, rate variations and missing check reports;

vi. Load count arrival forms;

vii. Credit card settled guest checks pertaining to restaurant and bar charges;

viii. Room charge settled guest checks pertaining to restaurant and bar charges;

ix. Credit card vouchers used to settle guest checks in restaurants and bars;

x. Guest check control sheets used to control the issuance and return of guest checks to cashiers, bartenders and food servers;

xi. Credit applications with unused lines of credit;

xii. Zeroed-out countercheck envelopes;

xiii. Emergency drop box approval forms;

xiv. Solicited resumes or employment applications, provided that such documents pertain to persons who were not hired by the casino licensees; and

xv. Redeemed patron checks not directly returned to the patron or not requested to be mailed within six months of redemption, pursuant to N.J.A.C. 19:45-1.26(i)3.

7. The following original books, records and documents shall be retained by a casino licensee for a minimum of 90 days:

i. Coin bag tags, provided that the information contained thereon is duplicative or less than that recorded on another document; and

ii. Documents relating to promotions, such as entry forms and game tickets.

8. The following original books, records and documents shall be retained by a casino licensee for a minimum of 30 days:

i. Hotel cashier envelopes.

9. The following original books, records and documents shall be retained by a casino licensee for a minimum of seven days and may be destroyed without the notice required by (f) below unless the Commission or Division directs otherwise pursuant to (g) below:

i. Pari-mutuel tickets and credit vouchers which have been cashed, cancelled or refunded in the casino licensee's casino simulcasting facility;

ii. Gaming vouchers redeemed at slot machines pursuant to N.J.A.C. 19:45-1.54, and which have been verified and electronically cancelled by the gaming voucher system; provided, however, that if the casino controller has verified that all audits have been completed pursuant to N.J.A.C. 19:45-1.54(h), such gaming vouchers may be destroyed immediately upon the casino controller's verification;

iii. Contribution invoices sent to casino licensees participating in a multi-casino progressive slot system; and

iv. Jackpot activity reports generated by a multi-casino progressive slot system.

10. The following original books, records and documents do not have to be retained by a casino licensee for any minimum period of time, but may be destroyed only upon notice in accordance with (f) and (g) below:

i. Any serially pre-numbered form required by Commission rules that is blank or unused, unless otherwise specified by this section; and

ii. Any original book, record or document that has been copied and stored on a microfilm, microfiche or other media system approved by the Commission.

11. The following original books, records and documents do not have to be retained by a casino licensee for

any minimum period of time and may be destroyed without the notice required by (f) below:

i. Parking ticket stubs;

ii. Coat check tickets;

iii. Housekeeping reports;

iv. Maintenance department records;

v. Patron mailing lists;

vi. Blank entry forms;

vii. Bellman and baggage forms;

viii. Cash settled guest checks;

ix. Food credit and complimentary beverage coupons;

x. Drink chits;

xi. Food and beverage order slips;

xii. Bottle sales slips;

xiii. Showroom starter slips;

xiv. Communication department records;

xv. Unsolicited resumes or letters requesting employment;

xvi. Register tapes, provided that the information contained thereon is duplicative or less than that recorded on another document retained in accordance with (c)3 above;

xvii. Survey questionnaires regarding service in the casino hotel;

xviii. Records of hours worked by persons employed in gaming-related positions in an abstract or other readily accessible format;

xix. Any blank or unused form except as provided in (c)8i above, unless otherwise specified by this section;

xx. Keno requests;

xxi. Laundry charges;

xxii. Slot machine meter reports generated by a multi-casino progressive slot system;

xxiii. Handle pull or play reports generated by a multi-casino progressive slot system; and

xxiv. Any coupon issued and mailed or otherwise given to a patron and subsequently returned unused to the sender, provided that all reconciliations required pursuant to N.J.A.C. 19:45-1.46 and the casino licensee's approved internal controls have been conducted and resolved, and that any coupons with unresolved discrepancies are retained in accordance with (c)6i above.

(d) A casino licensee may petition the Commission at any time for approval of a facility off the site of the approved hotel building to be used to generate or store original books, records and documents. Such petition shall include:

1. A detailed description of the proposed off-site facility, including security and fire safety systems; and

2. The procedures pursuant to which Commission and Division agents will be able to gain access to the original books, records and documents retained at the off-site facility.

(e) A casino licensee may petition the Commission for approval of a microfilm, microfiche or other suitable media system for the copying and storage of original books, records and documents. Such a system shall be approved if it contains the following elements to the satisfaction of the Commission:

1. A system that provides for the processing, preservation and maintenance of books, records and documents in a form which makes them readily available for review and copying on the site of the approved hotel building or other site approved by the Commission;

2. A system of inspection and quality control which ensures that microfilm, microfiche or other media when displayed on a reader (viewer) or reproduced on paper exhibit a high degree of legibility and readability;

3. A reader-printer available for use by the Commission or Division on the site of the approved hotel building or other site approved by the Commission which permits the ready location, reading and reproduction of any book, record or document being stored on microfilm, microfiche or other media; and

4. A detailed index of all microfilmed, microfiched or other stored data maintained and arranged in such a manner as to permit the immediate location of any particular book, record or document.

(f) A casino licensee shall, except as otherwise provided in (c) above, notify the Commission and the Division in writing at least 15 days prior to the scheduled destruction of any original book, record or document. Such notice shall list each type of book, record and document scheduled for destruction, including a description sufficient to identify the books, records and documents included; the retention period; and the date of destruction. Each casino licensee shall retain this record of destruction in accordance with (c)1 above.

(g) The Commission or the Division may prohibit the destruction of any original book, record or document by so notifying the casino licensee in writing within 15 days of receipt of the notice of destruction pursuant to (f) above or, in the case of a book, record or document governed by (c)9 above, within the specified retention period. Such original book, record or document may thereafter be destroyed only upon notice from the Commission or Division, or by order of

the Commission upon the petition of the casino licensee or by the Commission on its own initiative.

(h) The casino licensee may utilize the services of a disposal company for the destruction of any books, records or documents except those related to credit. Any cash complimentary coupons to be destroyed by a disposal company shall be cancelled with a void stamp, hole punch or similar device, or must contain a clearly marked expiration date which has expired.

(i) Nothing herein shall be construed as relieving a casino licensee from meeting any obligation to prepare or maintain any book, record or document required by any other Federal, state or local governmental body, authority or agency.

Amended by R.1983 d.112, effective March 29, 1983.
See: 15 N.J.R. 257(a), 15 N.J.R. 627(b).
Originally filed as an emergency adoption (R.1983 d.37) on January 27, 1983. Readopted as R.1983 d.112. Repealed section on junkets which are now codified at N.J.A.C. 19:49.
New Rule, R.1985 d.51, effective February 19, 1985.
See: 16 N.J.R. 3303(a), 17 N.J.R. 481(a).
Amended by R.1992 d.361, effective September 21, 1992.
See: 24 N.J.R. 2348(b), 24 N.J.R. 3332(a).
Revised to meet statutory changes regarding records retention, storage and destruction. Eliminate current petition process for records destruction and off-site record generation or storage. In (a)2: revised text to reference new text at (c) and (d). Added (a)5. At (b): added final sentence regarding the medium. Added new subsection (c). Recodified (c) as new (d), deleting existing (d). Deleted existing (c)1, recodifying (c)2 as new (c)1 and recodifying existing (c)5 as (c)2, with no change in text. Deleted existing (f) and added (f)-(h), recodifying existing (g) as (i), with no change in text.
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.110, effective March 1, 1993.
See: 24 N.J.R. 3694(b), 25 N.J.R. 1008(b).
Record retention schedule revised at (c).
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.138, effective March 21, 1994.
See: 25 N.J.R. 5905(a), 26 N.J.R. 1376(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.123, effective March 4, 1996.
See: 27 N.J.R. 4993(a), 28 N.J.R. 1403(b).
Amended by R.1996 d.438, effective September 16, 1996.
See: 28 N.J.R. 3243(a), 28 N.J.R. 4235(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.1998 d.124, effective March 2, 1998.
See: 29 N.J.R. 4743(a), 30 N.J.R. 868(a).
In (c)4, rewrote xv; in (c)5, inserted a new ix and xi and recodified former ix as xi.; and in (c)6, added xii.
Amended by R.2005 d.101, effective April 4, 2005.
See: 36 N.J.R. 4880(a), 37 N.J.R. 1086(a).
Rewrote (c).
Amended by R.2005 d.266, effective August 15, 2005.
See: 36 N.J.R. 4115(a), 37 N.J.R. 3065(a).
Rewrote (c).
Amended by R.2005 d.354, effective October 17, 2005.
See: 37 N.J.R. 1136(a), 37 N.J.R. 4040(a).
In (b), added ", a multi-casino progressive slot system"; rewrote (c).
Amended by R.2006 d.275, effective July 17, 2006.
See: 38 N.J.R. 1420(a), 38 N.J.R. 3066(c).
Rewrote (c)9 through 11; in (f) inserted ", except as otherwise provided in (c) above,"; and in (g), deleted "the" preceding "receipt", inserted "the" preceding "notice", and inserted "or, in the case of a book, record or document governed by (c)9 above, within the seven-day retention period" at the end of the first sentence.
Amended by R.2008 d.13, effective January 7, 2008.
See: 39 N.J.R. 3289(a), 40 N.J.R. 206(a).
In the introductory paragraph of (c), inserted the comma following "copies"; rewrote (c)3iv; in (c)3vi, deleted "and" from the end; in (c)3vii, substituted "; and" for a period at the end; and added (c)3viii.
Amended by R.2008 d.371, effective December 15, 2008.
See: 40 N.J.R. 4757(a), 40 N.J.R. 7001(b).
In the introductory paragraph of (c)6, substituted "original" for "originals"; in (c)6i, substituted "Except as provided in (c)11xxiv below, coupons" for "Coupons" and ", plaques," for "or plaques or"; in (c)11xxii, deleted "and" from the end; in (c)11xxiii, substituted "; and" for a period at the end; and added (c)11xxiv.
Amended by R.2009 d.310, effective October 19, 2009.
See: 41 N.J.R. 2640(a), 41 N.J.R. 3960(b).
In (c)5xiii, deleted "and" at the end; in (c)5xiv, substituted "; and" for a period at the end; and added (c)5xv.
Amended by R.2009 d.370, effective December 21, 2009.
See: 41 N.J.R. 3052(a), 41 N.J.R. 4826(a).
In the introductory paragraph of (c), deleted a comma following the second occurrence of "copies"; and in (c)3viii, substituted "(d)12 and 13" for "(d)13 and 14".
Amended by R.2010 d.208, effective October 4, 2010.
See: 42 N.J.R. 1018(a), 42 N.J.R. 2325(b).
In the introductory paragraph of (c), substituted "that" for "which"; rewrote (c)9ii; and in (g), substituted "specified" for "seven-day".
Amended by R.2010 d.211, effective October 4, 2010.
See: 42 N.J.R. 1019(a), 42 N.J.R. 2325(a).
In the introductory paragraph of (c), substituted "that" for "which"; in (c)6xiii, deleted "and" from the end; in (c)6xiv, substituted "; and" for a period at the end; and added (c)6xv.

19:45-1.9 Complimentary services or items

(a) A complimentary service or item is a service or item provided directly or indirectly by a licensee at no cost or at a reduced price.

(b) No casino licensee may offer or provide any complimentary services, gifts, cash or other items of value to any person except as authorized by N.J.S.A. 5:12-102(m). Each casino licensee shall, pursuant to the provisions of N.J.S.A. 5:12-99a(2) and N.J.A.C. 19:45-1.3, prepare and maintain internal controls for the authorization and issuance of complimentary services and items, including cash and noncash gifts issued pursuant to N.J.S.A. 5:12-102(m) and N.J.A.C. 19:45-1.9B. Such internal controls shall include, without limitation, the procedures by which the casino licensee delegates to its employees the authority to approve the issuance of complimentary services and items and the procedures by which conditions or limits, if any, which may apply to such authority are established and modified, including limits based on relationships between the authorizer and recipient, and shall further include effective provisions for audit purposes. Notwithstanding the foregoing:

1. Internal controls for complimentary distribution programs shall be subject to the requirements of N.J.A.C. 19:45-1.46;

2. Internal controls for transportation expense reimbursement programs shall be subject to the requirements of N.J.A.C. 19:45–1.9A; and

3. Nothing herein shall be deemed to require a casino licensee to identify in its submission the terms or conditions pursuant to which a complimentary service or item may be granted, or to obtain Commission approval of any limits or conditions which may be placed on the authority of its employees to approve or issue complimentary services or items, except as otherwise provided in N.J.A.C. 19:45–1.9B; provided, however, that each casino licensee shall be required to maintain a written record of all such terms, limits or conditions and the specific employees to whom they apply.

(c) All complimentary services or items shall be recorded as follows:

1. A complimentary service or item provided directly to patrons in the normal course of a licensee's business shall be recorded at an amount based upon the full retail price normally charged for such service or item by the licensee;

2. A complimentary service or item not offered for sale to patrons in the normal course of a licensee's business but provided directly by the licensee shall be recorded at an amount based upon the actual cost to the licensee of providing such service or item;

3. A complimentary service or item provided directly or indirectly to a patron on behalf of a licensee by a third party not affiliated with the licensee shall be recorded at an amount based upon the actual cost to the licensee of having the third party provide such service or item;

4. A complimentary service or item provided directly or indirectly to a patron on behalf of a licensee by a third party who is affiliated with the licensee shall be recorded by the licensee in accordance with the provisions of this section as if the affiliated third party were the licensee.

(d) The licensee shall accumulate both the dollar amount of and number of persons provided with each category of complimentary services or items.

1. A quarterly report shall be filed with the Commission regarding the complimentary services or items provided.

2. The complimentary services shall, at a minimum, be separated into categories for rooms, food, beverage, travel and other services.

(e) Each casino licensee shall record, on a daily basis, the name of each person provided with complimentary services or items, the category of service or item provided, the value (as calculated in accordance with (c) above) of the services or items provided to such person, and the person authorizing the issuance of such services or items. Upon the Division's request, a copy of this record shall be submitted to the Division's office located on the casino premises. Excepted from this requirement are the individual names of persons authorizing or receiving:

1. Each noncash complimentary service or item which has a value (as calculated in accordance with (c) above) of $150.00 or less;

2. Each complimentary cash gift of $100.00 or less; and

3. Any complimentary service or item, including a cash or noncash gift, which is issued pursuant to:

i. A table game or slot machine complimentary incentive program regulated by (f) below;

ii. A complimentary program for invited guests regulated by (g) below;

iii. A direct mass marketing complimentary program regulated by (h) below;

iv. A complimentary distribution program regulated by N.J.A.C. 19:45–1.46; or

v. A complimentary program regulated by (i) below, except as otherwise provided in (i)7 below.

(f) Any complimentary service or item, including a complimentary cash or noncash gift, which is issued to a patron as part of a table game or slot machine complimentary incentive program shall be subject to the requirements of N.J.A.C. 19:45–1.46 and this subsection and shall not be included on the daily complimentary report required by (e) above if:

1. The program is prepared prior to implementation and maintained in accordance with the requirements of N.J.A.C. 19:45–1.46 as if the program were a complimentary distribution program; provided, however, that if a casino licensee utilizes an approved electronic transfer credit system and elects to convert cash complimentaries into electronic credits, the program shall nonetheless be subject to any internal controls which may be required pursuant to N.J.A.C. 19:45–1.37A(b);

2. The program is open to participation by all members of the public;

3. Each participant in the program is issued complimentaries in accordance with a predetermined schedule as a result of his or her table game or slot play; and

4. A record is maintained of the name of each participant who receives a complimentary service or item as a result of his or her participation in the program, the amount of each complimentary and the type of complimentary, which record shall be made available to the Division upon request in the format used by the casino licensee.

(g) Any complimentary service or item, including a complimentary cash or noncash gift, which is issued to a patron

as part of a complimentary program for invited guests shall be subject to the requirements of N.J.A.C. 19:45–1.46 and this subsection and shall not be included on the daily complimentary report required by (e) above if:

1. The program is prepared prior to implementation and maintained in accordance with the requirements of N.J.A.C. 19:45–1.46 as if the program were a complimentary distribution program; provided, however, that if a casino licensee utilizes an approved electronic transfer credit system and elects to convert cash complimentaries into electronic credits, the program shall nonetheless be subject to any internal controls which may be required pursuant to N.J.A.C. 19:45–1.37A(b);

2. The program is open to participation by invited guests only and there are at least 25 participants;

3. The program involves a contest of chance or skill which is used to determine the distribution of the complimentaries to the participants; and

4. A record is maintained of the name of each participant in the program who receives a complimentary service or item as a result of his or her participation, the amount of each complimentary and the type of complimentary, which record shall be made available to the Division upon request.

(h) Any complimentary service or item, including a complimentary cash or noncash gift, which is issued to a patron as part of a direct mass marketing complimentary program shall be subject to the requirements of N.J.A.C. 19:45–1.46 and this subsection and shall not be included on the daily complimentary report required by (e) above if:

1. The program is prepared prior to implementation and maintained in accordance with the requirements of N.J.A.C. 19:45–1.46 as if the program were a complimentary distribution program; provided, however, that if a casino licensee utilizes an approved electronic transfer credit system and elects to convert cash complimentaries into electronic credits, the program shall nonetheless be subject to any internal controls which may be required pursuant to N.J.A.C. 19:45–1.37A(b);

2. The complimentary services or items offered pursuant to the program are offered to at least 250 persons within 30 days from the implementation of the program;

3. A record, which shall be available to the Division upon request, is maintained identifying:

i. The date the program was implemented;

ii. The value and type of the complimentary services or items offered pursuant to the program;

iii. The number of persons to whom the complimentary services or items were offered and the date that the offer was made;

iv. The source of the names of the persons to whom the complimentary services or items were offered; and

v. If the casino licensee has possession of the data, the names and addresses of the persons to whom more than $100.00 in cash complimentaries were offered, which data shall be maintained in accordance with the requirements of N.J.A.C. 19:45–1.8(c)5.

(i) A casino licensee may, subject to the requirements of this subsection, issue a cash or non-cash complimentary to a patron based upon either the occurrence of a predesignated event that may occur in the normal conduct of an authorized game or casino simulcasting or his or her random selection from among patrons who are playing an authorized game or making a simulcast wager. Any complimentary program operated by a casino licensee pursuant to this subsection shall:

1. Be open to any member of the public who is making a simulcast wager or playing the authorized game at which the complimentary is being offered;

2. Not permit the issuance of a complimentary from:

i. The table inventory in a table game;

ii. The keno writer's drawer in keno;

iii. The pari-mutuel cashier's drawer;

iv. The simulcast vault in simulcasting; or

v. A slot machine hopper or hopper storage area;

3. Not permit the notation of the issuance of any complimentary on any document generated pursuant to this chapter that authorizes a deduction from gross revenue;

4. Prohibit the inclusion of any complimentary in calculating whether the payout on a slot machine satisfies the requirements of N.J.S.A. 5:12–100(e) or N.J.A.C. 19:45–1.37 (h);

5. Require the preparation of detailed procedures controlling the program prior to its implementation, which procedures shall be maintained by the casino accounting department; provided, however, that:

i. If a casino licensee utilizes an approved electronic transfer credit system and elects to convert cash complimentaries into electronic credits, the program shall nonetheless be subject to any internal controls which may be required pursuant to N.J.A.C. 19:45–1.37A(b); and

ii. If complimentaries will be issued based upon the occurrence of an event that may occur in the normal conduct of an authorized game, the casino licensee shall submit for Commission approval a description of the rule which governs the issuance of a complimentary at least five days prior to the commencement of the program, and such approval shall be deemed to have been granted if it is not denied within the five day period; and provided, further, that all such procedures shall address, at a minimum:

(1) The period of time that the program will be offered; provided, however, nothing shall prohibit a casino licensee from offering a program for an indefinite period of time, subject to termination upon 24 hours notice to the Commission and public;

(2) The authorized game or simulcasting at which the complimentaries will be issued;

(3) The procedures for determining to whom complimentaries will be issued;

(4) A description of the complimentaries that will be issued; and

(5) The procedures by which the casino licensee will pay cash complimentaries or deliver non-cash complimentaries;

6. Ensure that the information required by (i)5 above is available to the public in the casino or casino simulcasting facility at all times that the complimentary program is being conducted; and

7. Not require that any complimentary issued to a patron pursuant to this subsection be included on the daily complimentary report pursuant to (e) above unless the complimentary has a value of more than $1,000.

(j) Prize tokens shall not be offered or provided as a complimentary service or item.

Amended by R.1983 d.112, effective March 29, 1983.
See: 15 N.J.R. 257(a), 15 N.J.R. 627(b).
Originally filed as an emergency adoption (R.1983 d.37) on January 27, 1983. Readopted as R.1983 d.112. Deleted old (a) and (b) and added new (a) and (b) and added "or items" to "complimentary services".
Amended by R.1989 d.187, effective April 3, 1989.
See: 20 N.J.R. 2644(a), 21 N.J.R. 933(b).
At (c)2., separate category of "entertainment" added.
Amended by R.1989 d.611, effective December 18, 1989.
See: 21 N.J.R. 2953(a), 21 N.J.R. 3931(b).
Added new (b), redesignated existing (b)–(c) as (c)–(d).
Amended by R.1992 d.499, effective December 21, 1992.
See: 24 N.J.R. 2692(b), 24 N.J.R. 4570(a).
In (b), added requirements for internal controls pursuant to N.J.S.A. 5:12–99(a)2 and N.J.A.C. 19:45–1.3; added (b)1, 2 and 3. In (d), added "or items"; in (d)2, also added "cash gift, noncash gift". Added (e).
Amended by R.1993 d.145, effective April 5, 1993.
See: 24 N.J.R. 4505(a), 25 N.J.R. 1521(a).
In (e)1: amended amount to be $100.00, increased from $50.00. Added new subsection (f) regarding complimentaries.
Amended by R.1993 d.494, effective October 4, 1993.
See: 25 N.J.R. 3108(a), 25 N.J.R. 4619(a).
Amended by R.1994 d.34, effective January 18, 1994.
See: 25 N.J.R. 4871(b), 26 N.J.R. 491(a).
Amended by R.1994 d.139, effective March 21, 1994.
See: 26 N.J.R. 113(a), 26 N.J.R. 1377(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.77, effective February 6, 1995.
See: 26 N.J.R. 4173(b), 27 N.J.R. 549(a).
Amended by R.1995 d.468, effective August 21, 1995.
See: 27 N.J.R. 2124(a), 27 N.J.R. 3223(a).
Raised the dollar amounts for reportable and nonreportable complimentary services and items and complimentary cash and noncash gifts.
Amended by R.1995, d.592, effective November 20, 1995.
See: 27 N.J.R. 3309(a), 27 N.J.R. 4729(b).
Amended by R.1996 d.474, effective October 7, 1996.
See: 28 N.J.R. 3244(a), 28 N.J.R. 4516(a).
Amended by R.1997 d.248, effective June 16, 1997.
See: 29 N.J.R. 541(a), 29 N.J.R. 2674(c).
In (f)1, (g)1 and (h)1, added provision relating to conversion of cash complimentaries into electronic credits; recodified portion of (i)5 as (i)5ii; inserted new (i)5i; and recodified former (i)5i through v as (i)5ii(1) through (5).
Amended by R.1997 d.448, effective October 20, 1997.
See: 29 N.J.R. 3202(a), 29 N.J.R. 4561(a).
Inserted (e)3v.
Amended by R.1999 d.225, effective July 19, 1999 (operative January 15, 2000).
See: 30 N.J.R. 3175(a), 31 N.J.R. 1947(a).
In (a)4, changed N.J.A.C. reference.
Amended by R.2004 d.98, effective March 15, 2004.
See: 35 N.J.R. 5225(a), 36 N.J.R. 1363(b).
In (b), deleted "except as otherwise provided in (f)3 below," in 3; in (f), rewrote 3; in (g), deleted 4 and recodified former 5 as 4; in (h), deleted "are less than $200.00 per person per day and" in 2; deleted references to the annual limitation on cash complimentaries by established N.J.A.C. 19:45–1.9B(g) throughout.

Cross References

Conversion of cash complimentaries into electronic credits, see N.J.A.C. 19:45–1.37A.

Case Notes

Penalty; cash complimentaries to patron. Division of Gaming Enforcement v. Boardwalk Regency Corporation, 94 N.J.A.R.2d (CCC) 52.

Violations of the Casino Control Act's prohibition on cash complimentaries; assessment of penalty. N.J.S.A. 5:12–102, 5:12–129, 5:12–130. Department of Law & Public Safety, Div. of Gaming Enforcement v. Trump Plaza Associates, 92 N.J.A.R.2d (CCC) 13.

19:45–1.9A Procedures for transportation expense reimbursements

(a) All transportation expense reimbursement transactions, except as otherwise provided in (h) below, shall be performed at the casino cage.

(b) Whenever a patron requests a casino licensee to reimburse transportation expenses, a Travel Disbursement Voucher ("Voucher") shall be prepared. Vouchers shall be maintained in a secure location approved by the Commission. Access to Vouchers, prior to use, shall be restricted to those individuals authorized by the licensee to approve such disbursements. Prior to the transportation expense reimbursement, an individual authorized to approve the disbursement shall examine the original tickets, invoices or receipts presented by the patron in support of the request for valid transportation expense reimbursement. Such tickets, invoices or receipts shall:

1. Contain the actual cost of transportation for which reimbursement is sought;

2. Be dated within 30 days of the request for reimbursement; provided, however, reimbursements may be made for tickets, invoices or receipts which are dated more than 30 days but no more than 180 days prior to the date of request for reimbursement if an explanation is

included on the Voucher as to why presentation was delayed;

3. Be in the name of the requesting patron, provided, however, that the tickets, invoices or receipts may be in the name of a person accompanying said patron, or contain no name if the amount of reimbursement is $250.00 or less, as long as an explanation thereof is noted on the Voucher; and

4. State a destination of Atlantic City; provided, however, if the destination indicated on the ticket, invoice or receipt is a location other than Atlantic City, or if no destination is indicated, the requesting patron or the casino licensee shall provide other documentation as evidence of that patron's presence in Atlantic City during the trip in which the expenses were incurred.

(c) Vouchers shall be, at a minimum, a two-part form.

(d) Vouchers shall be manually prepared or computer generated and shall contain, at a minimum, the following information:

1. The date and time of preparation;

2. The patron's name and address;

3. A description of the transportation expense incurred (that is, airfare, helicopter, limousine, etc.);

4. The amount approved for reimbursement, which amount shall not exceed the actual cost of transportation recorded on the ticket, invoice or receipt;

5. The ticket, invoice or receipt number or an indication that such number is not available, the date of issuance and the issuer of the ticket, invoice or receipt;

6. The signature of the authorizer;

7. The method of payment and, if payment is by check, the check number;

8. An indication as to which of the following methods was used by the general cashier to verify the identity of the patron:

i. A comparison of the patron's signature on the Voucher and physical appearance with that contained on an identification credential that included a photograph or general physical description of the patron;

ii. A personal attestation by the authorizer as to the identity of the patron; or

iii. A comparison of the patron's signature on the Voucher and physical appearance with the signature and general physical description recorded in a patron signature file;

9. The signature of the general cashier; and

10. The patron's signature, indicating acknowledgment of the following statement which shall be included on the Voucher: "I affirm that the expenses for which I am seeking reimbursement are supported by genuine tickets, invoices or receipts which I (have provided) (will provide) to (insert name of licensee) and I have not received reimbursement for these expenses from any other source. I am aware that this Voucher is required to be prepared by the regulations of the Casino Control Commission and I may be subject to civil or criminal liability if any material information provided by me is willfully false."

(e) A list shall be maintained in the casino cage of the names and titles of those individuals authorized to approve Vouchers. A copy of this list shall be submitted to the Commission and Division as it is updated.

(f) After examination of the original tickets, invoices or receipts, the authorizer shall record the information noted in (d)1 through (d)5 above, sign the Voucher and present the original and duplicate copy of the Voucher as well as the original tickets, invoices or receipts and any other additional documentation provided in accordance with (b)4 above to the general cashier.

(g) The general cashier shall:

1. Verify the requesting patron's identity in accordance with (d)8 above and record such method of verification on the Voucher;

2. Cancel the original tickets, invoices or receipts in such a manner to prevent subsequent reimbursement and obtain a copy of the original tickets, invoices or receipts, including such cancellation marking, and a copy of any other additional documentation provided in accordance with (b)4 above;

3. Sign the Voucher;

4. Obtain the patron's signature on the original copy of the Voucher;

5. Record the method of payment in accordance with (d)7 above on the Voucher and return the cancelled original tickets, invoices or receipts, and any other additional documentation provided in accordance with (b)4 above, and corresponding reimbursement funds by cash or check to the patron;

6. Attach the copy of the original tickets, invoices or receipts, cancelled in accordance with (g)2 above, and a copy of any other additional documentation provided in accordance with (b)4 above, to the original Voucher;

7. Place the duplicate copy of the Voucher in a locked accounting box to be picked up on a daily basis by accounting personnel with no incompatible functions; and

8. Retain the original Voucher with the attached documentation for closeout purposes and subsequent forwarding, on a daily basis, to accounting for matching and agreement with the duplicate.

(h) If a transportation expense reimbursement transaction cannot be completed at the casino cage due to the unavailability of required information or documentation, a casino licensee may perform a transportation expense reimbursement transaction by mail by complying with the requirements of (a) through (g) above except as otherwise modified below:

1. The authorizer shall record the date of request for reimbursement and the information noted in (d)2 above on the Voucher, and present the partially completed Voucher to the general cashier.

2. The general cashier shall obtain the patron's signature on the Voucher, verify the requesting patron's identity in accordance with (d)8 above, stamp the term "mail in" on the Voucher and sign the Voucher. Any partially completed Voucher shall be maintained by the casino licensee in a secure location within the casino cage, and shall be processed as soon as all required information or documentation is available.

3. The authorizer, upon receipt of all information and documentation required to complete the Voucher in accordance with (d) above, shall obtain the partially completed Voucher from the general cashier, and shall:

i. Record the information noted in (d)1 and (d)3 through (d)5 above;

ii. Sign the Voucher; and

iii. Present the original and duplicate Voucher, and original ticket, invoice, receipt or other documents to the general cashier.

4. The general cashier shall complete the Voucher in accordance with (g) above and sign the Voucher; provided, however, that the general cashier shall attach the cancelled ticket, invoice, receipt or any other additional documentation provided in accordance with (b)4 above, to the original Voucher, and shall return such documentation to the patron upon request; and the general cashier shall mail the corresponding reimbursement check to the requesting patron.

5. Any partially completed Voucher which is not completed within 60 days from the date of request for reimbursement shall be voided in accordance with (c) above.

(i) In the event that a casino licensee learns that a patron whom it has reimbursed for travel expenses has also been reimbursed for such travel expenses by another licensee, or by the issuer of the original ticket, invoice or receipt relied upon by the licensee in authorizing the travel expense reimbursement, the licensee shall immediately notify the Division.

New Rule, R.1989 d.611, effective December 18, 1989.
See: 21 N.J.R. 2953(a), 21 N.J.R. 3931(b).
Petition for Rulemaking: Transportation Expense Reimbursements.
See: 22 N.J.R. 2367(a).
Petition for Rulemaking: Transportation Expense Reimbursements.
See: 22 N.J.R. 3407(d).
Amended by R.1990 d.605, effective December 17, 1990.
See: 22 N.J.R. 2913(a), 22 N.J.R. 3764(a).
Provided for transportation expense reimbursement transaction by mail.
Administrative Correction to (d)10.
See: 23 N.J.R. 315(a).
Amended by R.1991 d.183, effective April 1, 1991.
See: 22 N.J.R. 3710(a), 23 N.J.R. 1025(a).
In (b)3: added text regarding "... tickets, invoices or receipts ..." and added provision that they may "contain no name if the reimbursement is $250.00 or less.
Amended by R.1996 d.531, effective November 18, 1996.
See: 28 N.J.R. 4092(a), 28 N.J.R. 4898(c).
Amended by R.1998 d.267, effective June 1, 1998.
See: 30 N.J.R. 807(a), 30 N.J.R. 2076(a).
In (d), rewrote 8.

Case Notes

Airfare complimentaries; internal control regulations; "fair odds" statute. Gaming Enforcement Division v. Trump's Castle Associates Ltd. Partnership, 94 N.J.A.R.2d (CCC) 189.

19:45-1.9B Procedures for complimentary cash and noncash gifts

(a) No casino licensee shall offer or provide, either directly or indirectly, any complimentary cash or noncash gift to any person or his or her guests except in accordance with the provisions of N.J.S.A. 5:12-102m and this section. For the purposes of this section, "complimentary cash or noncash gift" does not refer to any complimentary service or item which is provided pursuant to N.J.S.A. 5:12-102m(1) through (3), N.J.A.C. 19:45-1.9(f), 19:45-1.9(h) or 19:45-1.46. Complimentary cash gifts shall include, without limitation:

1. Public relations payments made for the purpose of resolving complaints by or disputes with casino patrons;

2. Travel or walk money payments made for the purpose of enabling a patron to return home;

3. Slot tokens issued to any person; provided, however, that prize tokens shall not be offered or provided as a complimentary service or item;

4. Cash complimentaries issued to patrons as a result of actual gaming activity;

5. Cash complimentaries, issued to participants in complimentary programs for invited guests regulated by N.J.A.C. 19:45-1.9(g), except as otherwise provided in this section;

6. Match play coupons;

7. Progressive wager coupons; and

8. Coupons for slot credits issued pursuant to N.J.A.C. 19:45-1.46(a).

(b) Except as otherwise provided in N.J.A.C. 19:45-1.9(e), all complimentary cash and noncash gifts provided by a casino licensee shall be recorded in accordance with the provisions of N.J.A.C. 19:45-1.9(e). If a complimentary cash or

noncash gift has a value of $500.00 or more, or if a complimentary cash or noncash gift is issued through a complimentary program operated pursuant to N.J.A.C. 19:45-1.9(i) and has a value of more than $1,000, the casino licensee shall also:

1. Record the address of the recipient;

2. Verify the identity of the recipient by:

i. An examination of an identification credential that also contains a photograph or physical description of the recipient that is consistent with the actual appearance of the patron;

ii. Obtaining the patron's signature and comparing it and the patron's physical appearance to the signature and general physical description in a patron signature file; or

iii. A personal attestation by an authorized employee, which may include an attestation made after a telephone call to the recipient of the gift, or the receipt of a document signed by the recipient acknowledging the receipt of the gift; and

3. Record the method of verification.

(c) All complimentary cash gifts shall be disbursed directly to the patron by a general cashier at the cashiers' cage after receipt of appropriate documentation or in any other manner approved by the Commission in a casino licensee's internal control submission.

(d) Notwithstanding the provisions of N.J.A.C. 19:45-1.9(b), no casino licensee shall permit any employee to authorize the issuance of a complimentary cash or noncash gift with a value of $10,000 or more unless the employee is licensed and functioning as a casino key employee and the authorization is co-signed by a second employee licensed and functioning as a casino key employee.

(e) If a casino licensee provides complimentary cash and noncash gifts worth $10,000 or more to a person or his or her guests within any five day period, the casino licensee shall record the reason why such gifts were provided and maintain such records available for inspection by the Commission or Division upon request. Such reasons may include, without limitation, the participation of the person in a complimentary program for invited guests conducted pursuant to N.J.A.C. 19:45-1.9(g) or information concerning the person's player rating, which rating shall be based upon the actual amount and frequency of play by the person as recorded in the casino licensee's player rating system.

(f) Each casino licensee which purchases a noncash gift for the direct or indirect benefit of a patron shall require the vendor from which the gift is purchased to deliver the gift directly to the casino licensee or the patron. The casino licensee shall also require the vendor to pay to the casino licensee directly any refund or cash balance generated by the return or exchange of the gift by the patron or any representative of the patron.

(g) If a noncash gift to be purchased from a vendor by a casino licensee for the direct or indirect benefit of a patron has a purchase price of $2,000 or more, the purchase shall be authorized by a written agreement or purchase order, a copy of which shall be maintained by the casino licensee in its files for inspection upon request, and shall include a provision in substantially the following form:

"Pursuant to the requirements of New Jersey law, the seller agrees not to effect any transaction with (name of the patron), directly or indirectly, involving the item(s) purchased pursuant to this purchase agreement after delivery without the express written approval of (the casino licensee). If the seller violates this condition of purchase, the seller agrees that this purchase agreement shall be null and void, and the seller further agrees to return this full purchase price of the item(s) purchased pursuant to this purchase agreement to (the casino licensee) as liquidated damages."

(h) Notwithstanding any other provisions of this section, a casino licensee which intends to provide a complimentary cash gift to a patron in accordance with the requirements of N.J.S.A. 5:12-102m and this chapter may, upon receipt of a written request from the patron and in accordance with internal controls approved by the Commission, credit the cash complimentary directly to:

1. The payment of any outstanding Counter Checks or Slot Counter Checks issued by the patron and held by that casino licensee in accordance with the provisions of N.J.A.C. 19:45-1.26, 1.27 and 1.28;

2. The payment of any returned checks issued by the patron and held by that casino licensee in accordance with the provisions of N.J.A.C. 19:45-1.29; or

3. The establishment or enhancement of a cash deposit held for the benefit of the patron in accordance with the provisions of N.J.A.C. 19:45-1.24.

(i) The written request required pursuant to (h) above shall be attached to documentation of the cash complimentary gift maintained by the casino licensee pursuant to its approved internal controls.

1. The written request shall include, at a minimum, the following:

i. The date of the request;

ii. The name and address of the patron;

iii. Instructions as to the use to which the cash complimentary is to be credited; and

iv. The signature of the patron.

2. Prior to the crediting of any complimentary cash gift to the payment of an outstanding counter check, slot

counter check or returned check, the general cashier or check cashier shall verify that the signature of the patron on the request agrees with the signature of the patron in a patron signature file.

New Rule, R.1992 d.499, effective December 21, 1992.
See: 24 N.J.R. 2692(b), 24 N.J.R. 4570(a).
Amended by R.1993 d.145, effective April 5, 1993.
See: 24 N.J.R. 4505(a), 25 N.J.R. 1521(a).
In (b): added reference to N.J.A.C. 19:45-1.9(f).
In (g): added phrase "greater of" introducing (g)1 and new (g)2 and 3.
Amended by R.1993 d.494, effective October 4, 1993.
See: 25 N.J.R. 3108(a), 25 N.J.R. 4619(a).
Amended by R.1994 d.34, effective January 18, 1994.
See: 25 N.J.R. 4871(b), 26 N.J.R. 491(a).
Amended by R.1994 d.139, effective March 21, 1994.
See: 26 N.J.R. 113(a), 26 N.J.R. 1377(a).
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.254, effective May 15, 1995.
See: 27 N.J.R. 848(a), 27 N.J.R. 2011(b).
Amended by R.1995 d.468, effective August 21, 1995.
See: 27 N.J.R. 2124(a), 27 N.J.R. 3223(a).
Raised dollar amounts throughout the section and provided for identity verification through a signature comparison.
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.448, effective October 20, 1997.
See: 29 N.J.R. 3202(a), 29 N.J.R. 4561(a).
In (b), inserted "or if a complimentary cash or noncash gift is issued through a complimentary program operated pursuant to N.J.A.C. 19:45-1.9(i) and has a value of more than $1,000,".
Amended by R.1998 d.267, effective June 1, 1998.
See: 30 N.J.R. 807(a), 30 N.J.R. 2076(a).
In (b), rewrote 2; and in (*l*)2, substituted a reference to signature files for a reference to credit files.
Amended by R.2004 d.98, effective March 15, 2004.
See: 35 N.J.R. 5225(a), 36 N.J.R. 1363(b).
Deleted (g) and (h); recodified former (i) through (*l*) as (g) through (j).
Amended by R.2005 d.267, effective August 15, 2005.
See: 36 N.J.R. 4431(a), 37 N.J.R. 3069(a).
In (a), deleted "and" in 6, added "and" following "coupons;" in 7, and added 8.
Amended by R.2006 d.399, effective November 20, 2006.
See: 38 N.J.R. 3157(a), 38 N.J.R. 4884(a).
Deleted former (f); recodified (g) through (j) as (f) through (i); and in the introductory paragraph of (i), substituted "(h)" for "(i)".

Case Notes

Unlawful cash complimentaries. Gaming Enforcement Division v. Trump's Castle Associates Ltd. Partnership, 94 N.J.A.R.2d (CCC) 183.

Issuance of cash complimentaries; "fair odds" provisions of the Casino Control Act. Gaming Enforcement Division v. GNOC Corp., 94 N.J.A.R.2d (CCC) 180.

Complimentary payments; Casino Control Act. Division of Gaming Enforcement v. GNOC Corp., 94 N.J.A.R.2d (CCC) 170.

Implementation and operation of cash incentive programs. Gaming Enforcement Division v. Adamar of New Jersey, Inc., et al., 94 N.J.A.R.2d (CCC) 192.

Incentive program; Casino Control Act. Division of Gaming Enforcement v. Boardwalk Regency Corp., 94 N.J.A.R.2d (CCC) 116.

Rebates by casino to patron violated the Casino Control Act. Division of Gaming Enforcement v. Adamar of New Jersey, Inc., 94 N.J.A.R.2d (CCC) 107.

19:45-1.9C Alternative reporting procedures; accessible complimentaries database

(a) A casino licensee which records all information concerning complimentary services or items which is required by N.J.A.C. 19:45-1.9 or 1.9B in a computer database which is accessible by the Commission and Division from remote locations and conforms to standards established and approved by the Commission pursuant to this section shall be exempt from filing all reports required pursuant to N.J.A.C. 19:45-1.9(e) and 1.9B(b).

(b) The structure and accessibility of the complimentaries database shall be subject to review and approval by the Commission and such submission shall include, without limitation, the following:

1. A complete description of the computer hardware, file formats and software products to be used;

2. The hours of the day and the days of the week, if any, that the database will be inaccessible on a routine basis due to system maintenance or other technical reasons;

3. The procedures by which the Division and, if requested, the Commission will be able to read and copy data files, both current and stored; and

4. Security procedures for database access and secondary data dissemination.

New Rule, R.1993 d.145, effective April 5, 1993.
See: 24 N.J.R. 4505(a), 25 N.J.R. 1521(a).
Amended by R.2006 d.399, effective November 20, 2006.
See: 38 N.J.R. 3157(a), 38 N.J.R. 4884(a).
In (a), updated the N.J.A.C. references at the end.

19:45-1.10 Closed circuit television system; surveillance department control; surveillance department restrictions

(a) Each casino licensee shall install in its establishment a CCTV system that complies with the requirements of this section. Except as otherwise provided herein, the CCTV system shall be under the exclusive control of the surveillance department. A casino licensee shall provide the Commission or Division, upon request, with timely access to the CCTV system and its transmissions. Without limitation of the foregoing, each member of the surveillance department shall timely comply with a request from the Commission or the Division to:

1. Use, as necessary, any monitoring room contained in the establishment;

2. Display on the monitors in the monitoring room, the Commission inspection booth, the principal inspector's office and the Division's office, any event capable of being monitored on the CCTV system; and

3. Make a video and, if applicable, audio recording of, and take a still photograph of, any event capable of being monitored on the CCTV system.

i. The casino licensee shall preserve and store each such recording or photograph in accordance with the directions of the Commission or the Division.

ii. The Commission and the Division shall have unfettered access to each recording or photograph and, upon the request of either, the casino licensee and its personnel shall be denied access thereto.

(b) The CCTV system shall be approved by the Commission in consultation with the Division and shall include, but need not be limited to, the following:

1. Light sensitive cameras, with lenses of sufficient magnification to allow the operator to read information on gaming chips, playing cards, dice, tiles, slot machine reel symbols and slot machine credit meters, and with 360-degree pan, tilt and zoom capabilities without camera stops or, until such time as they are replaced by cameras without camera stops, with camera stops as currently operating on the casino floor or in inventory as of August 15, 2005, to effectively and clandestinely monitor in detail and from various vantage points, the following:

i. The gaming conducted at each gaming table in the casino and casino simulcasting facility and the activities in the casino and casino simulcasting facility pits;

ii. The gaming conducted at the slot machines in the casino;

iii. The operations conducted at and in the cashiers' cage, any satellite cage, and each office ancillary thereto;

iv. The operations conducted at and in the slot booths;

v. The operations conducted at automated coupon redemption machines;

vi. The operations conducted in the simulcast counter;

vii. The count processes conducted in the count rooms in conformity with N.J.A.C. 19:45-1.33 and 1.43;

viii. The movement and storage of cash, gaming chips and plaques, drop boxes, bill validator boxes, slot cash storage boxes, slot drop boxes and slot drop buckets in the establishment;

ix. The entrances and exits to the casino, casino simulcasting facility and the count rooms;

x. The gaming and operations associated with the conduct of keno on the casino floor and in the casino simulcasting facility and of keno booths, keno satellite booths and keno lockers;

xi. 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, a gaming voucher system pursuant to N.J.A.C. 19:45-1.55 and a slot monitoring system approved to conduct manual slot payouts pursuant to N.J.A.C. 19:45-1.40F;

xii. The operation of automated jackpot payout machines, gaming voucher redemption machines, gaming voucher systems and electronic transfer credit systems; and

xiii. Such other areas as the Commission designates;

2. Video recording equipment which, at a minimum, shall:

i. Permit the preservation and viewing of a clear copy of the transmission produced by any camera connected to the CCTV system;

ii. Be capable of superimposing the time and date of the transmission on each recording made by the video recording equipment; and

iii. Enable the operator to identify and locate, through the use of a meter, counter or other device or method, a particular event that was recorded;

3. Recording media, which shall be replaced immediately upon the manifestation of any significant degradation in the quality of the images or sound, if applicable, recorded thereon; provided, however, where videotape is utilized, it shall be used for no more than one year;

4. Audio capability in the soft count room;

5. One or more monitoring rooms in the establishment which, through the surveillance department employees or agents assigned thereto by the casino licensee, shall constantly monitor the activities in the casino, the casino simulcasting facility and elsewhere in the establishment where CCTV coverage is available;

6. An emergency power system that can be used to operate the CCTV system in the event of a power failure, such power system to be tested at 12-month intervals subject to more frequent re-testing upon failure of a test; and

7. A preventive maintenance program, implemented by technicians assigned to the surveillance department or, if assigned to another department, subject to the direction and control of the director of surveillance, which ensures that the entire CCTV system is maintained in proper working order and that transparent covers over CCTV system cameras are cleaned in accordance with a routine maintenance schedule. In the event that preventive maintenance to be performed by a technician assigned to another department is required on an emergency basis, the surveillance department shall have priority with respect to personnel resources of such other department to ensure the efficacy of the CCTV system.

(c) All areas, including gaming tables and pits, where CCTV system camera coverage is required by the Commission shall contain continuous lighting that is of sufficient

quality to produce clear video recordings and still picture reproductions.

(d) In addition to any other requirements imposed by this section, a casino licensee's CCTV system shall be required to record, during the times and in the manner indicated below, all transmissions from cameras used to observe the following locations, persons or transactions:

1. All activity at each table open for gaming that either has a posted minimum wager of $100.00 or more, is connected to a progressive payout meter displaying a potential payout of $35,000 or more, or offers the fire bet in the game of craps;

2. Each transaction conducted at a cashiering location;

3. Each simulcast and keno window that is open for business;

4. Such main bank areas where gross revenue functions are performed as may be required by the Commission;

5. The execution of fills and credits at the chip bank;

6. The collection of drop boxes, slot drop boxes and slot cash storage boxes;

7. Any armored car collection or delivery of cash for which security escort or surveillance coverage is required;

8. The inspection and distribution to gaming pits of cards, dice and tiles;

9. The retrieval of cards, dice and tiles from gaming pits at the end of the gaming day and their delivery to the location designated and approved for inspection, cancellation, destruction or, if applicable, reuse; and

10. Each transaction conducted at an automated bill breaker, voucher/coupon redemption and jackpot payout machines, as well as each replenishment or other servicing of any such machines.

(e) In addition to any other requirements imposed by this section and in accordance with the time parameters specified herein, a casino licensee's CCTV system shall be required to record transmissions from cameras used to observe the face of each person transacting business at each window of its cashiering locations from the direction of the cashier. The upgrade of a casino licensee's CCTV system to include this capability shall occur as part of any expansion, renovation or reconfiguration of such cashiering location requiring Commission approval of a revised operations certificate. In the event that a casino licensee's cashiering location does not undergo such expansion, renovation or reconfiguration, a casino licensee shall nontheless undertake the upgrade of its CCTV system by August 15, 2010.

(f) Any monitoring room maintained pursuant to (b)4 above shall:

1. Contain such equipment and supplies as may be required by the Commission and Division, taking into consideration current developments in electronic and computer technology, for the effective performance of the activities to be conducted therein including, without limitation:

i. A communication system capable of monitoring all casino security department activities; and

ii. If computerized monitoring systems are used by the casino licensee in its gaming operations, view-only terminals which allow access to information concerning cage, slot and table games operations;

2. Be connected to all casino alarm systems, which may provide a visible, audible or combination signal; provided, however, that any robbery or other emergency-type alarm shall be perceptually distinguishable from all non-emergency alarm types in a manner approved by the Commission and Division (for example, robbery alarm is the only audible alarm);

3. Contain an updated photo library, consisting of photographs that are no more than four years old, of all current employees of the casino licensee, which photo library shall be available to the Commission and Division upon request; and

4. Contain and have readily accessible to all monitoring room personnel and representatives of the Commission and Division an updated operational blueprint depicting all areas of the casino, the casino simulcasting facility and elsewhere in the casino licensee's establishment where CCTV coverage is available.

(g) Each casino licensee shall maintain a surveillance log of all surveillance activities in the monitoring room. The log shall be maintained by monitoring 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. The surveillance log shall be available for inspection at any time by Commission or Division agents. 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 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)2iii above that identifies

the point on the video recording at which such offense was recorded;

6. Time of termination of surveillance; and

7. Summary of results of the surveillance.

(h) Each casino licensee shall have a contingency plan, as part of its approved internal controls submitted pursuant to N.J.A.C. 19:45-1.3(a)3, to be utilized whenever there is an equipment failure that affects the casino licensee's monitoring room or CCTV system operations.

(i) The Commission's principal inspector and the Division shall be notified immediately of any incident of failure in (h) above, including the time and cause of the malfunction, if known, the time that the casino security department was apprised of the malfunction, and any communications with the casino security department relating to the malfunction, in accordance with the casino licensee's internal controls. In addition, the Commission's principal inspector and the Division shall be notified prior to:

1. Any relocation of an approved camera;

2. Any change in an approved camera's specifications;

3. Any change in lighting for areas approved for CCTV camera coverage; and

4. Any addition or change to the CCTV system and computer equipment in the monitoring room.

(j) All CCTV system recordings shall be retained for a minimum of seven days and shall be made available for review upon request by the Commission or Division. In addition, any such recordings which are determined by Commission or Division agents to be of potential evidentiary value shall be retained and stored pursuant to Commission or Division directives.

(k) Each CCTV system operator in the monitoring room shall work from his or her own monitoring station. Minimum staffing of the CCTV system used to monitor casino and casino simulcasting facility operations shall be detailed in a casino licensee's surveillance submission to be approved by the Commission, which shall ensure effective casino surveillance for the casino licensee.

(*l*) 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 surveillance 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.

(m) Entrances to the CCTV system monitoring rooms shall not be visible from the casino area or casino simulcasting facility. In addition, access by employees of the casino licensee to the monitoring room or any other designated area capable of receiving CCTV transmission shall be prescribed by internal controls approved by the Commission pursuant to N.J.A.C. 19:45-1.3 and 1.12A. Any person who enters any monitoring room or such designated area who is not a surveillance department employee shall sign the Monitoring Room Entry Log upon entering the restricted area. The Monitoring Room Entry Log shall be:

1. Kept in the CCTV monitoring room;

2. Maintained in a book with bound numbered pages that cannot be readily removed;

3. Signed by each person whose presence is not expressly authorized by the casino licensee's approved access submission, with each entry containing, at a minimum, the following information:

i. The date and time of entering into the monitoring room or designated area;

ii. The entering person's name and his or her department or affiliation;

iii. The reason for entering the monitoring room or designated area;

iv. The name of the person authorizing the person's entry into the monitoring room or designated area; and

v. The date and time of exiting the monitoring room or designated area; and

4. Made available for inspection by the Commission and Division at all times.

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.
Amended by R.2005 d.266, effective August 15, 2005.
See: 36 N.J.R. 4115(a), 37 N.J.R. 3065(a).
Rewrote the section.
Amended by R.2007 d.117, effective April 16, 2007.
See: 38 N.J.R. 4669(a), 39 N.J.R. 1505(a).
In (b)1x, substituted ", keno satellite booths and keno lockers;" for "and keno satellite booths in public keno areas; and"; added new (b)1xi and (b)1xii; and recodified former (b)1xi as (b)1xiii.
Amended by R.2008 d.123, effective May 19, 2008.
See: 40 N.J.R. 607(a), 40 N.J.R. 2568(a).
In (d)1, deleted "or" preceding "is connected" and inserted ", or offers the fire bet in the game of craps".
Amended by R.2010 d.209, effective October 4, 2010.
See: 42 N.J.R. 1020(a), 42 N.J.R. 2326(a).
Rewrote (d)10.
Amended by R.2010 d.210, effective October 4, 2010.
See: 42 N.J.R. 1021(a), 42 N.J.R. 2326(b).
In the introductory paragraph of (b)1, substituted "360-degree" for "360 degree", and inserted the second occurrence of "of"; in (b)1vii, deleted "19:45-" preceding "1.43"; and in (b)1viii, inserted "and storage" and "bill validator boxes,", and deleted a comma following "drop boxes".

19:45-1.11 Casino licensee's 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 monitoring room shall be supervised by a casino key employee who shall be present in the room at all times, or, if not present, be within immediate contact and at a known location on the premises. 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, automated gaming voucher machines and automated jackpot payout 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;

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;

xv. The clandestine surveillance of the operation of computer monitoring rooms for multi-casino progressive slot systems;

xvi. The installation, maintenance and repair of CCTV system equipment used by the surveillance department;

xvii. CCTV system access to the Commission and Division, to the monitoring room and, if applicable, other locations approved by the Commission; and

xviii. The maintenance of a current surveillance submission, as a condition to the commencement and continuation of gaming operations, detailing minimum staffing and the manner in which the responsibilities set forth in (b)i through xv above shall be met, such submission and any amendments thereto to be approved by the Commission upon a determination that it conforms to the requirements of the Act and provides adequate and effective controls over the operations of the surveillance department.

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;

v. The recommendation of procedures to eliminate any material weaknesses in the system of internal control; and

vi. If the casino licensee files a written petition seeking Commission approval to designate the MIS department manager as the MIS security officer in accordance with the provisions of (b)3 below, the preparation of a written report in support of the casino licensee's petition and, if the petition is approved by the Commission, updated annually thereafter, which report shall be attested to by the audit department executive and address the following:

(1) A review and appraisal of any risks that may arise as a result of the decision to consolidate the responsibilities of an MIS department manager and MIS security officer into one position; and

(2) An evaluation of the internal controls designed to mitigate such risks with regard to any activity authorized to be performed by or through the use of a casino computer system, including but not limited to, an electronic transfer credit system or gaming voucher system.

3. A management information system ("MIS") department supervised by a person referred to herein as an MIS department manager. The responsibilities of the MIS department shall be performed by any appropriately licensed employee of the MIS department unless the casino licensee has received Commission approval to maintain software and data, or any portion thereof, in a remote computer

located outside the casino hotel facility in accordance with the provisions of N.J.A.C. 19:45-2.2, or to utilize a gaming voucher system to redeem coupons in accordance with the provisions of N.J.A.C. 19:45-1.46, 1.46B, 1.54, 1.54A and 1.55, in which case any responsibilities as to such software and data or gaming voucher system shall be performed by an MIS security officer who shall report directly to the MIS department manager, be licensed as a casino key employee and who, prior to delegating any security responsibilities, shall determine to the greatest extent practicable that such delegation would maintain the segregation of incompatible functions and the security and integrity of the casino computer system; provided, however, that the Commission may, upon the filing of a written petition, permit the MIS department manager to be designated as the MIS security officer, which petition shall include, without limitation, the written report prepared and attested to by the audit department executive as required by (b)2vi above. The MIS department shall be responsible for the integrity of all data, as well as the quality, reliability and accuracy of all computer systems and software used by the casino licensee in the conduct of casino and casino simulcasting facility operations, whether such data and software are located within or outside the casino hotel facility, including, without limitation, specification of appropriate computer software, hardware and procedures for security, physical integrity, audit and maintenance of:

i. Access codes and other computer security controls used to insure appropriately limited access to computer software and data;

ii. Monitoring logs of user access, security incidents and unusual transactions;

iii. Logs used to document and maintain the details of any hardware and software modifications;

iv. Computer tapes, disks, or other electronic storage media containing data relevant to casino operations; and

v. 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, and the immediate notification to the Commission and Division of any incident that has compromised the safeguarding of such assets;

v. The protection of the patrons' and the establishment's property from illegal activity;

vi. The detainment, for a reasonable period of time, 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, N.J.S.A. 5:12-119 as it relates to underage gambling, or N.J.S.A. 33:1-81 pursuant to section 103d of P.L. 1977, c. 110 (N.J.S.A. 5:12-103), 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, other than those who are to be detained pursuant to (b)6vi above, 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 gaming executive 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 gaming executive if that executive reports directly to the chief gaming executive.

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, the chief gaming executive 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 or authorized 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.
Amended by R.2003 d.314, effective August 4, 2003.
See: 34 N.J.R. 4323(a), 35 N.J.R. 3565(a).
In (b)1, added xv.
Amended by R.2005 d.86, effective March 7, 2005.
See: 36 N.J.R. 623(a), 37 N.J.R. 789(a).
In (c), substituted "chief gaming executive" for "chief executive officer" in 1; in (h), rewrote the introductory paragraph.
Petition for Rulemaking.
See: 37 N.J.R. 812(a).
Amended by R.2005 d.216, effective July 5, 2005.
See: 36 N.J.R. 3242(a), 37 N.J.R. 2561(a).
Rewrote (b).
Amended by R.2005 d.266, effective August 15, 2005.
See: 36 N.J.R. 4115(a), 37 N.J.R. 3065(a).
Rewrote (b)1 and 6.
Administrative correction.
See: 37 N.J.R. 3857(b).
Petition for Rulemaking.
See: 40 N.J.R. 6873(a).
Petition for Rulemaking.
See: 41 N.J.R. 685(a), 1533(b), 2810(a), 3124(b).
Amended by R.2009 d.353, effective December 7, 2009.
See: 41 N.J.R. 3062(a), 41 N.J.R. 4465(a).
In (b)6vi, inserted ", for a reasonable period of time," and "N.J.S.A. 5:12-119 as it relates to underage gambling, or N.J.S.A. 33:1-81 pursuant to section 103d of P.L. 1977, c. 110 (N.J.S.A. 5:12-103),"; and in (b)6x, inserted ", other than those who are to be detained pursuant to (b)6vi above,".
Amended by R.2010 d.273, effective December 6, 2010.
See: 42 N.J.R. 1506(a), 42 N.J.R. 2981(a).
In the introductory paragraph of (b)3, inserted "or to utilize a gaming voucher system to redeem coupons in accordance with the provisions of N.J.A.C. 19:45-1.46, 1.46B, 1.54, 1.54A and 1.55," and "or gaming voucher system", and deleted a comma following "hardware" and the second occurrence of "audit".

Case Notes

Casino's failure to have a proper independent audit committee in place when its merger closed with another corporation was a violation of N.J.A.C. 19:45-1.11(c)2 and, among other factors, justified the New Jersey Casino Control Commission's refusal to renew its casino license under N.J.S.A. 5:12-84. In re Adamar of New Jersey, Inc., 401 N.J. Super. 247, 950 A.2d 231, 2008 N.J. Super. LEXIS 144 (App.Div. 2008).

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.

(i) No provision of this section or any other Commission rule shall be construed so as to limit a casino licensee's discretion in utilizing a particular job title for any position in its jobs compendium.

New Rule, R.1986 d.240, effective July 7, 1986.
See: 17 N.J.R. 2747(a), 18 N.J.R. 1402(c).
Petition for Rulemaking: Job descriptions.
See: 20 N.J.R. 1002(c).
Amended by R.1989 d.169, effective March 20, 1989.
See: 20 N.J.R. 3120(b), 21 N.J.R. 780(a).
(b)2: deleted requirement concerning number of persons employed and added "date of submission" language. (b)3: added "at a minimum" to "Each job description . . ." and deleted iv and v. Existing vi through x redesignated iv through viii; added ix. (c)1: added "changes in page numbers" requirement; in (c)2, (b) above was (b)3 above. Added new (d) and changed existing (d) to (d)1, with changes; added (d)2.
Amended by R.1990 d.523, effective November 5, 1990.
See: 22 N.J.R. 2253(a), 22 N.J.R. 3391(b).
Deleted requirement that a casino licensee file job compendium with Division of Gaming Enforcement.
Administrative Correction to section heading.
See: 25 N.J.R. April 5, 1993.
Amended by R.1994 d.140, effective March 21, 1994.
See: 26 N.J.R. 114(a), 26 N.J.R. 1379(a).
Amended by R.1996 d.249, effective June 3, 1996.
See: 28 N.J.R. 1360(b), 28 N.J.R. 3008(a).

19:45-1.12 Personnel assigned to the operation and conduct of gaming

(a) Each casino licensee shall be required to employ the personnel herein described in the operation of its casino and casino simulcasting facility, regardless of the position titles assigned to such personnel by the casino licensee in its approved jobs compendium. Functions described in this section shall be performed only by persons holding the appropriate license required by the casino licensee's approved jobs compendium to perform such functions, or by persons holding the appropriate license required by the casino licensee's approved jobs compendium to supervise persons performing such functions, subject to the limitations imposed by N.J.A.C. 19:45-1.11(a).

1. Each casino licensee shall at all times maintain a level of staffing that ensures the proper operation and effective supervision of all authorized games and simulcast wagering in the casino and casino simulcasting facility.

2. Each casino licensee shall be required to employ a person referred to herein as a casino manager. The casino manager shall be the executive assigned the responsibility and authority for the supervision and management of the overall operation of a casino licensee's casino games department including, without limitation, the hiring and terminating of all casino personnel and the creation of high employee morale and good customer relations, all in accordance with the policies and practices established by the casino licensee's board of directors or non-corporate equivalent.

i. In the absence of the casino manager and the assistant casino manager, should the establishment have an assistant casino manager, a table games shift manager or slot shift manager, as applicable, who is employed within the casino games department shall be designated by the casino licensee as the person responsible for the overall operation of the casino games department and such person shall have the authority of a casino manager.

ii. Notwithstanding the foregoing, if a casino licensee chooses, pursuant to N.J.A.C. 19:45-1.11(b)4, to establish an independent slot department or an independent keno department, the independent slot department shall be supervised and managed by a slot department manager in accordance with (h)5 below, and the independent keno department shall be supervised and managed by a keno manager in accordance with (k)3 below.

(b) The following personnel shall be used to operate the table games in an establishment:

1. Casino clerk shall be the person located at a desk in the pit to prepare documentation required for the operation of table games including, without limitation, Requests for Fills, Requests for Credits, Counter Checks and documents that evidence the exchange of gaming chips or plaques as part of credit or debit card chip transactions.

2. Dealers shall be the persons assigned to each table game to directly operate and conduct the game.

3. Stickperson shall be the dealer assigned to each craps table to control the dice and may be responsible for the proposition wagers made at the craps table. At the casino licensee's option, a stickperson may also be assigned to a mini-craps table, in addition to the required dealer, to control the dice and may be responsible for the proposition wagers made at the mini-craps table.

4. Boxperson shall be the first level supervisor assigned the responsibility of directly participating in and supervising the operation and conduct of the craps game.

5. Floorperson shall be the second level supervisor assigned the responsibility for directly supervising the operation and conduct of a craps game, and the first level supervisor assigned the responsibility for directly supervising the operation and conduct of all other table games.

6. Except as provided in (b)8ii below, pit boss shall be the third level supervisor assigned the responsibility for the overall supervision of the operation and conduct of a craps game and the second level supervisor assigned the responsibility for the overall supervision of the operation and conduct of all other table games other than poker.

7. Poker shift supervisor shall be licensed as a casino key employee and shall be the supervisor assigned and present during a shift with the responsibility for directly supervising all activities related to the operation and conduct of poker. A poker shift supervisor may also

supervise table games other than poker in lieu of a pit boss in accordance with the provisions of this section.

8. Table games shift manager shall be the supervisor assigned to each shift with the responsibility for the supervision of table games conducted in the casino and casino simulcasting facility; provided, however, that:

i. If a casino licensee chooses, pursuant to N.J.A.C. 19:45-1.11(b)4, to establish an independent slot department, a casino manager may personally perform the required duties of a table games shift manager when the casino manager is present in the casino; and

ii. A casino licensee may, as part of its revised supervision plan as set forth in (e) below, permit its table games shift manager to provide a break, for a reasonable period of time, for a pit boss on duty during the hours of 12:00 A.M. to 12:00 P.M.

(c) Each casino licensee shall maintain the following minimum levels of staffing:

1. One casino clerk shall be assigned to the entire casino facility;

2. One dealer shall be assigned to each table for any table game other than craps and baccarat;

3. Three dealers shall be assigned to each craps and baccarat table;

4. One boxperson shall be assigned to each craps table;

5. One floorperson shall supervise not more than:

i. Four tables comprised of any combination of table games, excluding: baccarat, minibaccarat (when using the dealing procedure in N.J.A.C. 19:47-7.7(c)3), craps, mini-craps, automated craps and pai gow;

ii. One baccarat table;

iii. As to the game of minibaccarat, when using the dealing procedure in N.J.A.C. 19:47-7.7(c)3:

(1) Two minibaccarat tables using the dealing procedure in N.J.A.C. 19:47-7.7(c)3; or

(2) One minibaccarat table using the dealing procedure in N.J.A.C. 19:47-7.7(c)3 and one table of any other table game excluding baccarat, mini-craps and pai gow (unless the pai gow table has continuous, dedicated surveillance camera coverage);

iv. As to the game of craps:

(1) Two craps tables; or

(2) One craps table and one table of any other table game excluding baccarat, mini-craps and pai gow;

v. One mini-craps table;

vi. Two automated craps tables;

vii. One automated craps table and two other table games, excluding baccarat, minibaccarat (when using the dealing procedure in N.J.A.C. 19:47-7.7(c)3), craps, mini-craps and pai gow;

viii. As to the game of pai gow:

(1) One pai gow table;

(2) Two pai gow tables if the tables are in a side-by-side configuration and continuous, dedicated surveillance camera coverage is maintained for the pai gow tables; or

(3) One pai gow table with continuous, dedicated surveillance camera coverage and one table of any other table game excluding baccarat, craps and mini-craps; or

ix. As to the game of poker:

(1) Four poker tables if the poker shift supervisor is supervising both poker tables and table games other than poker;

(2) Eight poker tables if the poker shift supervisor is supervising only poker tables; or

(3) Ten poker tables if the poker shift supervisor is supervising only poker tables and no floorperson assigned to poker by a casino licensee has any responsibilities for seating players;

6. One pit boss shall supervise not more than 24 gaming tables, provided that all of the tables are within view of each other; and

7. One poker shift supervisor shall supervise all open poker tables; provided, however, that the poker shift supervisor may supervise a total of not more than 16 poker tables and table games other than poker (in lieu of a pit boss) if fewer than 16 poker tables are open.

(d) Notwithstanding the provisions of (c)5 above:

1. If a casino licensee has six or fewer poker tables open for gaming activity, no poker floorperson shall be required and the poker tables may be supervised by the poker shift supervisor, provided that the poker shift supervisor is not supervising any other table games; and

2. If a casino licensee has at least one but fewer than four poker tables open for gaming activity, the poker shift supervisor may supervise any combination of not more than four poker tables and table games other than poker (in lieu of a pit boss) and no floorperson shall be required to supervise the poker tables provided that the floorperson supervision requirements for games other than poker are satisfied.

(e) Notwithstanding the provisions of (c) above, a casino licensee may implement a plan for revised supervision by floorpersons, poker shift supervisors, pit bosses or slot shift managers. A plan for revised supervision of table games shall

not include any gaming tables at which the cards shall be used for more than 24 hours pursuant to N.J.A.C. 19:46-1.18(g)7. In any plan for revised supervision:

1. One floorperson may supervise not more than six tables comprised of any combination of table games excluding baccarat, minibaccarat (when using the dealing procedure in N.J.A.C. 19:47-7.7(c)3), craps, mini-craps, automated craps, pai gow and blackjack when offering the streak wager permitted under N.J.A.C. 19:47-2.22;

2. One pit boss may supervise not more than 30 gaming tables, provided that all of the tables are within view of each other;

3. One poker shift supervisor may supervise a total of not more than 24 poker tables and gaming tables other than poker (in lieu of a pit boss), provided that:

i. The poker shift supervisor is supervising all poker tables which are open to the public; and

ii. One floorperson may supervise not more than six poker tables;

4. One floorperson may supervise two craps tables and one additional table of any other table game excluding baccarat, minibaccarat (when using the dealing procedure in N.J.A.C. 19:47-7.7(c)3), mini-craps, automated craps and pai gow;

5. One floorperson may supervise one craps table and two additional tables comprised of any combination of table games excluding baccarat, minibaccarat (when using the dealing procedure in N.J.A.C. 19:47-7.7(c)3), mini-craps, automated craps and pai gow;

6. One floorperson assigned to poker may supervise not more than 10 poker tables if the poker shift supervisor is supervising only poker tables;

7. One floorperson assigned to poker may supervise not more than 12 poker tables if the poker shift supervisor is supervising only poker tables and no floorperson assigned to poker has any responsibilities for seating players; and

8. If a casino licensee chooses to establish slot and keno operations in the same department, as permitted under N.J.A.C. 19:45-1.11(b), a slot shift manager may simultaneously assume the responsibility of keno supervisor.

(f) The casino manager or table games shift manager shall notify the Commission and the Division no later than 24 hours in advance of implementing or changing any plan for revised supervision for table games, and the slot shift manager or keno supervisor shall provide such notification for keno, provided, however, that notice may be provided less than 24 hours in advance in circumstances which are emergent or may otherwise not reasonably be anticipated.

1. Any notice for a plan for revised supervision of table games shall include, without limitation, the following information:

i. The pit number and configuration of any pit affected;

ii. The type, location and table number of any table affected;

iii. The standard staffing level required for the gaming table or tables and the proposed variance therefrom;

iv. The start date and time, and the duration, of the revised supervision; and

v. The basis for the decision to revise the number of supervisory personnel, which shall include any relevant factors which demonstrate that proper operation and effective supervision of the affected gaming tables will be maintained, including, as applicable, a showing:

(1) That the revised supervision is justified by a reduced volume of play at the specified times and gaming tables in the casino or casino simulcasting facility;

(2) That the particular dealers or supervisors assigned to the affected tables possess a degree of skill and experience indicative of sufficient ability to operate the affected tables with revised supervision, in which case a record of the personnel assigned to such tables during the period or revised supervision shall be maintained;

(3) That a reduced number of gaming tables will be operating in the affected pits, which are in a configuration to ensure proper supervision and operation; or

(4) Any other facts or circumstances which establish that a revision in the number of supervisory personnel is appropriate.

2. Any notice for a plan for revised supervision for keno operations shall include, without limitation, the following information:

i. The start date and time, and the duration, of the revised supervision; and

ii. The basis for the decision to consolidate the supervisory responsibilities in one employee, which shall include any relevant factors which demonstrate that effective supervision of keno operations will be maintained, including a showing that the revised supervision is justified by a reduced level of keno wagering or keno staffing.

(g) The Commission may, at any time upon 12 hours notice, direct that the plan for revised supervision shall be

terminated and that the licensee shall maintain standard staffing levels as defined in (c) above.

(h) The following personnel shall be used to maintain and operate the slot machines and bill changers in an establishment:

1. Slot mechanics shall be the persons assigned the responsibility for repairing and maintaining slot machines and bill changers in proper operating condition and participating in the filling of payout reserve containers.

2. Slot attendants shall be the persons assigned the responsibility for the operation of slot machines and bill changers, including, but not limited to, participating in manual jackpot payouts and filling payout reserve containers. At the discretion of the casino licensee, slot attendants may, using currency obtained from an imprest fund issued by the cashiers' cage, the master coin bank or a slot booth in accordance with internal control procedures approved by the Commission, pay slot jackpots of less than $1,200 pursuant to N.J.A.C. 19:40-1.40E, and accept currency and coupons from patrons in exchange for currency.

3. Slot supervisors shall be the first level supervisors assigned the responsibility for directly supervising the operation of slot machines and bill changers.

4. Slot shift manager shall be the second level supervisor with the responsibility for the overall supervision of the slot machine and bill changer operation for each shift.

5. If a casino licensee chooses to establish an independent slot department pursuant to N.J.A.C. 19:45-1.11(b)4, the slot department manager shall be the executive assigned the responsibility and authority for the supervision and management of the overall operation of the casino licensee's slot machines and bill changers including, without limitation, the hiring and terminating of all slot department personnel and the creation of high employee morale and good customer relations, all in accordance with the policies and practices established by the casino licensee's board of directors or non-corporate equivalent. In the absence of the slot department manager, the slot shift manager shall have the authority of the slot department manager.

(i) The following personnel shall, at a minimum, be used to operate a simulcast counter in a casino simulcasting facility:

1. Casino pari-mutuel cashiers shall be assigned the responsibility of generating, and issuing to patrons, pari-mutuel tickets and credit vouchers, conducting credit card and debit card cash transactions, making simulcast payouts to patrons, and redeeming credit vouchers for patrons. At the discretion of a casino licensee, a casino pari-mutuel cashier ("vault cashier") may, alternatively, be assigned the responsibility to control the currency and coin in the simulcast vault, as provided in N.J.A.C. 19:45-1.14A and 1.15A. A vault cashier on a shift shall not perform any other functions of a casino pari-mutuel cashier on the same shift; and

2. Simulcast counter shift supervisor shall be the first level supervisor assigned the responsibility for directly supervising the operation and conduct of the simulcast counter; provided, however, that the simulcast counter shift supervisor may simultaneously assume the responsibilities of one, but not both, of the following positions, if the specified requirements are met:

i. The keno shift supervisor, if a casino licensee chooses to establish keno and simulcasting operations in the same department, as permitted by N.J.A.C. 19:45-1.11(b)4 and the keno booth is adjacent to the simulcast counter; or

ii. A first level supervisor of cage cashiers, if the casino accounting department is responsible for the operation and conduct of the simulcast counter as permitted by N.J.A.C. 19:45-1.11(b)7iv and the cashiers being supervised work in a cage that is adjacent to the simulcast counter.

(j) The following personnel, at a minimum, shall be used to conduct keno operations:

1. Keno writer shall be the person assigned the responsibility to generate keno tickets, redeem coupons, conduct credit card and debit card cash transactions, accept wagers and issue keno payouts at a keno booth, roving keno work station or satellite keno booth.

2. Keno supervisor shall be the supervisor assigned to each shift with the responsibility for directly supervising all activities at a keno booth, roving keno work stations and satellite keno booths. A keno supervisor who is licensed as a casino key employee may simultaneously assume the responsibilities of the simulcast counter shift supervisor if a casino licensee chooses to establish keno and simulcasting operations in the same department as permitted by N.J.A.C. 19:45-1.11(b)4. The following functions shall only be performed by the casino key employee to whom the keno supervisor reports or a supervisor thereof:

i. Requesting access to the keno computer system for keno personnel;

ii. Requesting pay table changes and performing pay table changes in accordance with approved internal controls;

iii. Requesting and being present for software and hardware upgrades as performed in accordance with approved internal controls;

iv. Authorizing the payment of winning keno tickets of $5,000 or more; and

v. Hiring and terminating keno personnel in accordance with the policies and procedures established by the casino licensee.

3. If a casino licensee chooses to establish an independent keno department pursuant to N.J.A.C. 19:45-1.11(b)4, the keno manager shall be the executive assigned the responsibility and authority for the supervision and management of the overall operation of the game of keno by the casino licensee, including, without limitation, the hiring and terminating of all keno personnel in accordance with the policies and practices established by the casino licensee.

(k) Nothing in this section shall be construed to limit a casino licensee from utilizing personnel in addition to those described herein nor shall anything in this section be construed to limit the discretion of the Commission to order the utilization of additional personnel by the casino licensee necessary for the proper conduct and effective supervision of gaming in an establishment.

Amended by R.1982 d.206, effective July 6, 1982.
See: 13 N.J.R. 534(b), 14 N.J.R. 710(d).
Added 10 to (a).
Amended by R.1986 d.308, effective August 4, 1986.
See: 18 N.J.R. 1096(a), 18 N.J.R. 1614(b).
(a)5iv added.
Amended by R.1987 d.395, effective October 5, 1987.
See: 19 N.J.R. 54(b), 19 N.J.R. 1826(b).
Added text to (a)5iv "or a combination . . .".
Petition for Rulemaking: Personnel assignments.
See: 20 N.J.R. 1002(c).
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. 2090(a).
Added "and bill changers".
Amended by R.1989 d.169, effective March 20, 1989.
See: 20 N.J.R. 3120(b); 21 N.J.R. 780(a).
(a)7: added assistant casino manager proviso; deleted (a)8 and renumbered existing 9 and 10 as 8 and 9. In (d), added "appropriate license and position endorsement required by . . . jobs compendium" language.
Amended by R.1990 d.323, effective July 2, 1990.
See: 21 N.J.R. 3080(a), 22 N.J.R. 2039(a).
Revised (a)6i to elaborate on supervisory duties of the pit boss.
Amended by R.1991 d.381, effective August 5, 1991.
See: 23 N.J.R. 1302(a), 23 N.J.R. 2323(a).
Added new subsection (a), recodifying (a)-(c) as (b)-(d); deleted (d). Stylistic revisions throughout new subsection (c).
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)2; (b)5ii; (b)5iv; and (b)6i-ii.
Amended by R.1991 d.615, effective December 16, 1991.
See: 23 N.J.R. 2922(a), 23 N.J.R. 3820(b).
Revised (b)2, added Sic bo.
Amended by R.1992 d.120, effective March 16, 1992.
See: 24 N.J.R. 56(a), 24 N.J.R. 972(a).
Revised (b)5 regarding first level supervisor responsibilities, deleting (b)5i-iii structurally. Added new (c)-(g), recodifying existing (c)-(d) as (h)-(i). In (g), added expiration date of September 16, 1992 for (d), (e) and (f).
Amended by R.1992 d.334, effective September 8, 1992.
See: 24 N.J.R. 2136(a), 24 N.J.R. 3098(b).
Moved "baccarat" to (c)3 from (c)2 to correct text to conform with provisions that three dealers be present for baccarat.
Amended by R.1992 d.335, effective September 8, 1992.
See: 24 N.J.R. 1249(b), 24 N.J.R. 3098(c).
Moved language from subsection (d) to end of subsection (a) regarding staffing level requirements.
Deleted (g), which had set a September 16, 1992 expiration date for subsections (d), (e) and (f).
Notice of Temporary Adoption of New Rules and Amendments.
See: 24 N.J.R. 1517(a).
New rules and amendments for the game of pai gow poker.
Amended by R.1992 d.406, effective October 19, 1992.
See: 24 N.J.R. 569(a), 24 N.J.R. 3742(a).
Pai gow poker provisions added on permanent basis.
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.
Administrative Correction.
See: 25 N.J.R. 2507(a).
Amended by R.1993 d.319, effective July 6, 1993.
See: 25 N.J.R. 1673(a), 25 N.J.R. 2911(a).
Amended by R.1994 d.141, effective March 21, 1994.
See: 25 N.J.R. 5906(a), 26 N.J.R. 1380(a).
Temporary Amendment: Double Down Stud.
See: 26 N.J.R. 4445(a).
Amended by R.1995 d.11, effective January 3, 1995.
See: 26 N.J.R. 4174(a), 27 N.J.R. 144(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.371, effective July 17, 1995.
See: 27 N.J.R. 1370(a), 27 N.J.R. 2706(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.
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.623, effective December 4, 1995.
See: 27 N.J.R. 3596(a), 27 N.J.R. 4912(b).
Amended by R.1995 d.652, effective December 18, 1995.
See: 27 N.J.R. 3595(b), 27 N.J.R. 5043(a).
Administrative Correction to (c)5i.
See: 28 N.J.R. 2404(a).
Amended by R.1996 d.356, effective August 5, 1996.
See: 28 N.J.R. 2352(b), 28 N.J.R. 3818(b).
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.443, effective September 16, 1996.
See: 27 N.J.R. 3597(a), 28 N.J.R. 4235(b).
Amended by R.1996 d.532, effective November 18, 1996.
See: 28 N.J.R. 3907(a), 28 N.J.R. 4899(a).
Amended by R.1997 d.130, effective March 17, 1997.
See: 28 N.J.R. 2807(a), 29 N.J.R. 918(a).
In (i), inserted reference to slot games department; in (i)1, added responsibilities of the vault cashier.
Amended by R.1997 d.133, effective March 17, 1997.
See: 29 N.J.R. 110(a), 29 N.J.R. 921(a).
In (b)3, added second sentence.
Amended by R.1997 d.134, effective March 17, 1997.
See: 28 N.J.R. 2531(a), 29 N.J.R. 928(a).
In (b)2, (b)5, (b)6, (c)2 and (c)5i, added reference to three card poker.
Amended by R.1997 d.215, effective May 19, 1997.
See: 29 N.J.R. 542(a), 29 N.J.R. 2468(b).
In (b)7, inserted last sentence; in (c)7 and (e)3, inserted "(in lieu of a pit boss)"; subdivided (d); in (d)1, inserted "poker" preceding "floorperson" and deleted second sentence relating to assignment of floorperson when seven or more poker tables opened; added (d)2; and made nonsubstantive changes throughout section.
Administrative correction.
See: 29 N.J.R. 3270(b).
In (b)5, (b)6 and (c)2, inserted reference to mini-craps.
Amended by R.1997 d.427, effective October 6, 1997.
See: 28 N.J.R. 5060(a), 29 N.J.R. 4307(a).
Inserted references to mini-dice throughout.
Amended by R.1998 d.18, effective January 5, 1998.
See: 29 N.J.R. 3432(b), 30 N.J.R. 112(b).

Rewrote (a)1; added (a)2 through (a)2ii; amended (b)8; deleted (b)9; amended (f) and (h); rewrote (h)5 and added N.J.A.C. reference; deleted (i)3; amended (j)2; rewrote (j)3; and deleted (*l*).
Amended by R.1998 d.148, effective March 16, 1998.
See: 30 N.J.R. 36(a), 30 N.J.R. 1059(a).
Inserted "conducting credit card and debit card cash transactions" in (i)1 and (j)1.
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) and (c), inserted references to fast action hold 'em throughout.
Amended by R.1999 d.29, effective January 19, 1999.
See: 30 N.J.R. 30(a), 31 N.J.R. 144(a).
In (b) and (c), inserted references to casino war and fast action hold 'em.
Amended by R.1999 d.42, effective February 1, 1999.
See: 30 N.J.R. 4034(a), 31 N.J.R. 454(a).
In (c)5, inserted "(using only the dealing procedures in N.J.A.C. 19:47-7.7(c)1 or 2)" following "minibaccarat" and inserted a reference to casino war in i, added a new ii and recodified former ii through v as iii through vi; and in (e)1, inserted "(using only the dealing procedures in N.J.A.C. 19:47-7.7(c)1 or 2)" following "minibaccarat".
Amended by R.1999 d.247, effective August 2, 1999.
See: 31 N.J.R. 842(a), 31 N.J.R. 2248(a).
In (c)5, inserted a new iii, and recodified former iii through vi as iv through vii.
Amended by R.2000 d.2, effective January 3, 2000.
See: 30 N.J.R. 4149(a), 32 N.J.R. 71(a).
Inserted references to spanish 21 and casino war throughout; and in (c)5i and (e)1, inserted "(using only the dealing procedures in N.J.A.C. 19:47-7.7(c)1 or 2)" following "minibaccarat".
Amended by R.2001 d.24, effective January 16, 2001.
See: 32 N.J.R. 3754(a), 33 N.J.R. 287(a).
In (e)1, inserted "(none of which shall offer the streak wager permitted under N.J.A.C. 19:47-2.22)" preceding ", spanish 21".
Amended by R.2001 d.77, effective March 5, 2001.
See: 32 N.J.R. 4381(a), 33 N.J.R. 842(a).
Rewrote (c); and added (e)4 and 5.
Amended by R.2001 d.288, effective August 20, 2001.
See: 32 N.J.R. 4240(a), 33 N.J.R. 2824(a).
In (b)2, (b)5, (b)6, (c)2 and (c)5, added references to colorado hold 'em poker.
Amended by R.2002 d.132, effective May 6, 2002.
See: 34 N.J.R. 17(a), 34 N.J.R. 1735(a).
In (h)2, substituted ", using currency" for "also accept currency and coupons from patrons in exchange for currency", and inserted ", pay slot jackpots of less than $1,200 pursuant to N.J.A.C. 19:40-1.40E, and accept currency and coupons from patrons in exchange for currency" at the end of the paragraph.
Petition for Rulemaking.
See: 34 N.J.R. 1750(a), 2154(a).
Petition for Rulemaking.
See: 34 N.J.R. 2871(b).
Amended by R.2002 d.343 and d.344, effective November 4, 2002.
See: 34 N.J.R. 2212(a), 34 N.J.R. 2213(a), 34 N.J.R. 3793(a), 34 N.J.R. 3794(a).
Rewrote the section.
Amended by R.2003 d.19, effective January 6, 2003.
See: 34 N.J.R. 3176(a), 34 N.J.R. 3289(b), 35 N.J.R. 274(a).
Rewrote the section.
Petition for Rulemaking.
See: 35 N.J.R. 280(b), 1159(b).
Amended by R.2003 d.117, effective March 17, 2003.
See: 34 N.J.R. 3941(a), 35 N.J.R. 1428(a).
Rewrote (j).
Amended by R.2003 d.243, effective June 16, 2003.
See: 35 N.J.R. 1395(a), 35 N.J.R. 2740(a).
In (b)2, 5 and 6 and (c)2 and (c)5i, inserted ", boston 5 stud poker" following "colorado hold 'em poker".
Amended by R.2003 d.416, effective October 20, 2003.
See: 35 N.J.R. 2794(a), 35 N.J.R. 4908(a).
In (c), rewrote iii, vi and vii.
Petition for Rulemaking.
See: 35 N.J.R. 5171(a).
Amended by R.2004 d.176, effective May 3, 2004.
See: 35 N.J.R. 1798(a), 36 N.J.R. 2204(c).
Substituted references to shift managers for keno shift supervisors throughout.
Amended by R.2004 d.326, effective August 16, 2004.
See: 36 N.J.R. 1305(a), 36 N.J.R. 3889(a).
In (b), inserted "double cross poker" following "5 stud poker," throughout.
Amended by R.2004 d.339, effective September 7, 2004.
See: 36 N.J.R. 2308(a), 36 N.J.R. 4165(b).
In (b), rewrote 2, 5, 6; rewrote (c) and (e).
Petition for Rulemaking.
See: 37 N.J.R. 4077(a).
Petition for Rulemaking: Notice of action on petition for rulemaking: accounting and internal controls.
See: 37 N.J.R. 4583(b).
Petition for Rulemaking: Notice of Action on Petition for Rulemaking: Accounting and Internal Controls
See: 38 N.J.R. 1095(a).
Petition for Rulemaking.
See: 41 N.J.R. 685(b), 685(c).
Amended by R.2009 d.90, effective March 16, 2009.
See: 40 N.J.R. 5956(a), 41 N.J.R. 1269(a).
In the introductory paragraph of (e), inserted the second sentence.
Amended by R.2009 d.146, effective May 4, 2009.
See: 41 N.J.R. 395(a), 41 N.J.R. 2052(a).
Rewrote (i)2.
Amended by R.2010 d.095, effective June 21, 2010.
See: 42 N.J.R. 177(a), 42 N.J.R. 1250(a).
In (b)6, substituted "Except as provided in (b)8ii below, pit" for "Pit"; rewrote (b)8; in (c)6 and (e)2, inserted ", provided that all of the tables are within view of each other"; in (c)6, substituted "24" for "20"; in the introductory paragraph of (e), deleted a comma following "bosses"; and in (e)2, substituted "30" for "24".
Amended by R.2010 d.213, effective October 4, 2010.
See: 42 N.J.R. 621(a), 42 N.J.R. 2328(a).
In the introductory paragraph of (c)5, substituted "supervise" for "supervisor"; in (c)5i, (e)4 and (e)5, inserted ", automated craps"; added new (c)5vi and (c)5vii; recodified former (c)5vi and (c)5vii as (c)5viii and (c)5ix; in the introductory paragraph of (e), deleted a comma following "bosses"; in (e)1, inserted "automated craps,"; and in (e)4, substituted "pai gow" for "pai-gow".

Case Notes

Examination of casino clerk responsibilities. Playboy-Elsinore Associates v. Strauss, 189 N.J.Super. 185 (Law Div.1983).

19:45-1.12A Internal control procedures for access badge system and issuance of temporary license credentials

Each casino licensee shall establish procedures and a control plan for readily identifying each employee of a casino licensee who is permitted, during the normal course of performing his or her duties or during emergencies, to have access to one or more restricted areas, and for issuing temporary license credentials and access badges. These procedures and control plan shall be submitted, reviewed and modified in conformance with the provisions of N.J.A.C. 19:45-1.3.

New Rule. R.1999 d.72, effective March 1, 1999.
See: 30 N.J.R. 1396(a), 31 N.J.R. 672(a).

19:45–1.13 Firearms; possession within casino or casino simulcasting facility

(a) No person, including the security department members, shall possess or be permitted to possess any pistol or firearm within a casino or casino simulcasting facility without the express written approval of the Commission provided that employees and agents of the Division may possess such pistols or firearms at the discretion of the director of the Division.

(b) To obtain approval for the possession of a pistol or firearm within a casino or casino simulcasting facility, a person shall be required to demonstrate that:

1. He has received an adequate course of training in the possession and use of such pistol or firearm;

2. He is the holder of a valid license for the possession of such pistol or firearm; and

3. There is a compelling need for the possession of such pistol or firearm within the casino or casino simulcasting facility.

(c) Each casino licensee shall cause to be posted in a conspicuous location at each entrance to the casino and casino simulcasting facility a sign that may be easily read stating: "By law, no person shall possess any pistol or firearm within the casino or casino simulcasting facility without the express written permission of the Casino Control Commission."

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.

19:45–1.14 Cashiers' cage; satellite cages; master coin bank; coin vaults

(a) Each establishment shall have on or immediately adjacent to the gaming floor a physical structure known as a cashiers' cage ("cage") to house the cashiers and to serve as the central location in the casino for the following:

1. The custody of the cage inventory comprising currency including patrons' deposits, coin, patron checks, gaming chips and plaques, and of forms, documents, and records normally associated with the operation of a cage;

2. The approval, exchange, redemption, and consolidation of patron checks received for the purposes of gambling in conformity with this chapter;

3. The receipt, distribution, and redemption of gaming chips and plaques in conformity with this chapter;

4. The issuance, receipt and reconciliation of imprest funds used by slot attendants in the acceptance of currency and coupons from patrons in exchange for currency in conformity with this chapter;

5. The issuance, receipt and reconciliation of imprest chip funds and currency used by chippersons in the acceptance of coin, currency, slot tokens and coupons from seated poker patrons in exchange for chips in conformity with this chapter; and

6. Such other functions normally associated with the operation of a cage.

(b) Each establishment shall have within the cage or in such other area as approved by the Commission a physical structure known as a master coin bank to house master coin bank cashiers. The master coin bank shall be designed and constructed to provide maximum security for the materials housed therein and the activities performed therein and serve as the central location in the casino for the following:

1. The custody of currency, coin, prize tokens, slot tokens, forms, documents and records normally generated or utilized by master coin bank cashiers, slot cashiers, changepersons, and slot attendants;

2. The exchange of currency, coin, coupons, prize tokens and slot tokens for supporting documentation;

3. The responsibility for the overall reconciliation of all documentation generated by master coin bank cashiers, slot cashiers, changepersons, and slot attendants;

4. The receipt of coin and slot tokens from the hard count room in conformity with this chapter; and

5. Such other functions normally associated with the operation of the master coin bank.

(c) The cage shall be designed and constructed to provide maximum security for the materials housed therein and the activities performed therein; such design and construction shall be, at a minimum, as effective as the following:

1. Fully enclosed except for openings through which materials such as gaming chips and plaques, slot tokens and prize tokens, patron checks, cash, records, and documents can be passed to service the public, gaming tables, and slot booths;

2. Manually triggered silent alarm systems for the cage, its ancillary office space and any related casino vault, which systems shall be connected directly to the monitoring rooms of the closed circuit television system and the casino security department office;

3. Double door entry and exit system that will not permit a person to pass through the second door until the first door is securely locked. In addition:

i. The first door adjacent to the casino floor of the double door entry and exit system shall be controlled by the casino security department. The second door of the double door entry and exit system shall be controlled by the cashiers' cage;

ii. The system shall have closed circuit television coverage which shall be monitored by the casino security department or surveillance department;

iii. Any entrance to the cage that is not a double door entry and exit system shall be an alarmed emergency exit door only.

4. Separate locks on each door of the double door entry and exit system, the keys to which shall be different from each other.

(d) Each master coin bank located outside the cage shall meet all the requirements of (c) above.

(e) Each establishment may have separate areas for the storage of coin, prize tokens and slot tokens ("coin vaults") in locations outside the cage or master coin bank, as approved by the Commission.

(f) Each coin vault shall be designed, constructed and operated to provide maximum security for the materials housed and activities performed therein, and shall include at least the following:

1. A fully enclosed room, located in an area not open to the public;

2. A metal door with one key that shall be maintained and controlled by the main bank or master coin bank, which shall establish a sign-in and sign-out procedure for removal and replacement of that key;

3. An alarm device that signals the monitors of the casino licensee's close circuit television system whenever the door to the coin vault is opened; and

4. Closed circuit television cameras capable of accurate visual monitoring and taping of any activities in the coin vault.

(g) Each establishment may also have one or more "satellite cages" separate and apart from the cashiers' cage, but in or adjacent to a casino or casino simulcasting facility, established to maximize security, efficient operations, or patron convenience and comfort and designed and constructed in accordance with N.J.A.C. 19:45–1.14(c). Subject to Commission approval, a satellite cage may perform any or all of the functions of the cashiers' cage. The functions which are conducted in a satellite cage shall be subject to the applicable accounting controls set forth in this chapter.

(h) Each casino licensee shall file with the Commission and Division the names of all persons possessing the combination or keys to the locks securing the entrance to the cage, any satellite cages, master coin bank and coin vaults; as well as all persons possessing the ability to operate alarm systems for the cage, any satellite cages, master coin bank and coin vaults.

(i) Notwithstanding (b) above, each casino licensee may, with prior Commission approval, operate its cashiers' cage without the master coin bank specified by that subsection, provided that the main bank serves as the central location in the casino for the transactions enumerated in (b)1 through 5 above, and, provided further, that the references therein and elsewhere in the rules of the Commission to:

1. "Master coin bank cashiers" shall apply instead to the main bank cashiers assigned the duties and performing the functions that would otherwise be assigned to or performed by master coin bank cashiers; and

2. The "master coin bank" shall apply instead to the main bank, but only insofar as it is authorized to perform master coin bank functions.

(j) Whenever the rules of the Commission or the approved internal controls of a casino licensee require or authorize documents to be transported from the cashiers' cage to a satellite cage or from a satellite cage to the cashiers' cage or another satellite cage, the casino licensee shall, unless the rule or approved internal control specifically provides otherwise, transport the documents through the use of a pneumatic tube system or a casino security department representative.

(k) Notwithstanding any other provision of the rules of the Commission to the contrary, any casino licensee that operates two or more establishments that are physically connected in a manner deemed appropriate by the Commission may, with the prior approval of the Commission, operate a single cashiers' cage in one of those establishments to serve as the central location for the functions set forth in (a) above for all of the establishments; provided, however, that the casino licensee shall be required to operate such satellite cages in each establishment as the Commission may deem necessary.

Amended by R.1991 d.229, effective May 6, 1991.
See: 22 N.J.R. 3205(a), 23 N.J.R. 1455(a).
Added new subsection (b), recodify existing (b)-(c) as (c)-(d). Recodified existing (d) as new (e), adding text regarding master coin bank.
Amended by R.1992 d.233, effective June 1, 1992.
See: 23 N.J.R. 3085(a), 24 N.J.R. 2078(a).
Deleted existing subsection (c) and recodified existing (d) and (c) with no change in text. Added new subsections (d)-(f) and recodified existing subsection (e) as new subsection (g), adding references to coin vaults to text.
Amended by R.1992 d.358, effective September 21, 1992.
See: 24 N.J.R. 2136(b), 24 N.J.R. 3335(a).
Coin vaults may have single lock, in place of double locks.
Amended by R.1993 d.37, effective January 19, 1993.
See: 24 N.J.R. 3695(a), 25 N.J.R. 348(b).
Satellite cage requirements added at (b).
Amended by R.1993 d.319, effective July 6, 1993.
See: 25 N.J.R. 1673(a), 25 N.J.R. 2911(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.469, effective August 21, 1995.
See: 27 N.J.R. 1788(a), 27 N.J.R. 3225(a).
Added (i).
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.357, effective August 5, 1996.
See: 28 N.J.R. 2355(a), 28 N.J.R. 3821(b).
Amended by R.1996 d.591, effective December 16, 1996.
See: 28 N.J.R. 4412(a), 28 N.J.R. 5208(a).
In (h) deleted reference to persons authorized to enter the cage, satellite cages, master coin bank, or coin vaults.
Amended by R.1997 d.131, effective March 17, 1997.
See: 28 N.J.R. 4572(a), 29 N.J.R. 919(a).
Added (j) and (k).
Amended by R.1999 d.379, effective November 1, 1999.
See: 30 N.J.R. 4147(b), 31 N.J.R. 3527(a).
In (a), inserted a new 5, and recodified former 5 as 6.

19:45-1.14A Simulcast counter

(a) The casino simulcasting facility shall contain a physical structure known as a simulcast counter to house the casino pari-mutuel cashiers and to serve as the central location in the casino simulcasting facility for the following:

1. The custody of the simulcast counter inventory including, without limitation, currency and coin and the forms and documents normally associated with the operation of a simulcast counter;

2. The receipt of currency, coin, gaming chips, coupons and slot tokens for simulcast wagering;

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

4. Such other functions normally associated with the operation of a simulcast counter.

(b) The simulcast counter shall be designed and constructed to provide maximum security for the materials housed therein and the activities performed therein; such design and construction shall, at a minimum, include the following:

1. One or more numbered pari-mutuel windows, each of which shall contain a pari-mutuel machine and a cashier's drawer, in which shall be deposited all currency, coins, gaming chips, slot tokens, coupons and duplicate slips evidencing exchanges with the cashiers' cage, satellite cage or simulcast vault, or a self-service pari-mutuel machine;

2. A work area containing at least one remote management console ("RMC") and terminal to generate reports on pari-mutuel wagering, which shall be used only by the simulcast shift supervisor or above, and casino pari-mutuel cashiers, who shall only be allowed access under the direct supervision of the simulcast supervisor or above; and

3. A simulcast vault, which shall:

i. Be secured by a lock, the key to which shall be:

(1) Different from the key to any lock in the cashiers' cage or satellite cage; and

(2) Maintained and controlled by the simulcast shift supervisor or above; and

ii. Contain a supply of currency and coin under the control of a vault cashier, simulcast shift supervisor or above to be utilized for the pari-mutuel window inventories and to replenish the pari-mutuel window inventories, when necessary.

(c) The simulcast counter may be contiguous to a cashiers' cage, satellite cage or keno booth, with ingress and egress thereto, provided that the simulcast counter and cashiers' cage, satellite cage or keno booth are functionally segregated.

(d) A casino simulcasting facility may contain one or more ancillary simulcast counters to house casino pari-mutuel cashiers. An ancillary simulcast counter shall comply with all of the provisions of N.J.A.C. 19:55-4.4 and (a) and (b) above; provided however, that the requirements of a separate facsimile machine, direct dial-up telephone line, RMC, simulcast vault and simulcast shift supervisor for the ancillary simulcast counter, or any of them, may be waived if, considering, among any other relevant factors, the number of pari-mutuel windows in the ancillary simulcast counter, the proximity of the ancillary simulcast counter to the simulcast counter, and the span of authority and responsibility of the supervisor, the Commission determines that any such requirement is not necessary to the maintenance of adequate supervision of the simulcast wagering operations.

New Rule, R.1993 d.37, effective January 19, 1993.
See: 24 N.J.R. 3695(a), 25 N.J.R. 348(b).
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.1995 d.652, effective December 18, 1995.
See: 27 N.J.R. 3595(b), 27 N.J.R. 5043(a).
Amended by R.1997 d.130, effective March 17, 1997.
See: 28 N.J.R. 2807(a), 29 N.J.R. 918(a).
In (b)3, added reference to the vault cashier.
Amended by R.1998 d.148, effective March 16, 1998.
See: 30 N.J.R. 36(a), 30 N.J.R. 1059(a).
Added a new (a)3 and recodified former (a)3 as (a)4.
Petition for Rulemaking.
See: 41 N.J.R. 685(b), 685(c).
Amended by R.2009 d.146, effective May 4, 2009.
See: 41 N.J.R. 395(a), 41 N.J.R. 2052(a).
Rewrote (b)3; and in (c), inserted "cashiers' cage," twice.

19:45-1.15 Accounting controls for the cashiers' cage, satellite cages, master coin bank and coin vaults

(a) The assets for which the general cashiers are responsible shall be maintained on an imprest basis. At the end of each shift, the cashiers assigned to the outgoing shift shall record on a Cashiers' Count Sheet the face value of each cage inventory item counted and the total of the opening and closing cage inventories and shall reconcile the total closing inventory with the total opening inventory.

(b) At the opening of every shift, in addition to the imprest funds normally maintained by the general cashiers, each casino licensee shall have on hand in the cage or readily available thereto, a reserve cash bankroll adequately funded to pay winning patrons.

(c) Except as otherwise authorized by N.J.A.C. 19:45-1.14(i), the cashiers' cage and any satellite cage shall be physically segregated by personnel and function as follows:

1. General cashiers shall operate with individual imprest inventories of cash and, at the discretion of the casino licensee, slot tokens and gaming chips, and such cashiers' functions shall include, but are not limited to, the following:

i. Receive cash, cash equivalents, patron checks, gaming chips, complimentary cash gifts, casino checks, casino affiliate checks, annuity jackpot trust checks, redemption receipts, slot tokens and gaming plaques from patrons for check consolidations, total or partial redemptions or substitutions;

ii. Receive gaming chips, slot tokens and prize tokens from patrons or authorized employees pursuant to N.J.A.C. 19:46-1.5(j) or 1.35(h) in exchange for cash;

iii. Receive cash, cash equivalents, casino checks, casino affiliate checks and annuity jackpot trust checks from patrons in exchange for currency, slot tokens or coin;

iv. Receive gaming checks for non-gaming purposes from patrons in exchange for cash;

v. Receive cash, cash equivalents, casino checks, casino affiliate checks, annuity jackpot trust checks, slot tokens, prize tokens and gaming chips from patrons in exchange for Customer Deposit Forms;

vi. Receive gaming plaques from patrons in exchange for cash or Customer Deposit Forms in accordance with an approved system of accounting as required by N.J.A.C. 19:46-1.4(b);

vii. Receive Customer Deposit Forms from patrons in exchange for cash or slot tokens;

viii. Receive coupons from patrons in exchange for currency, slot tokens or coin, in conformity with N.J.A.C. 19:45-1.46(j);

ix. Receive checks from check cashiers to be returned to patrons for check redemptions, partial redemptions, consolidations or substitutions;

x. Receive Wire Transfer or Electronic Fund Transfer Acknowledgment Forms in accordance with N.J.A.C. 19:45-1.24A for the purpose of completing Customer Deposit Forms;

xi. Receive from check, chip bank, master coin bank and reserve cash cashiers documentation with signatures thereon, required to be prepared for the effective segregation of functions in the cashiers' cage;

xii. Receive Voucher forms in accordance with N.J.A.C. 19:45-1.9A for the processing of travel expense reimbursements;

xiii. Exchange Slot Counter Checks in accordance with N.J.A.C. 19:45-1.25A;

xiv. Prepare Jackpot Payout Slips in accordance with N.J.A.C. 19:45-1.40;

xv. Prepare Hopper Fill Slips in accordance with N.J.A.C. 19:45-1.41;

xvi. Receive slot tokens from, and transmit slot tokens and prize tokens to, the master coin bank in exchanges supported by proper documentation;

xvii. Prepare forms for the completion of payments for table game progressive payout wagers pursuant to N.J.A.C. 19:45-1.52;

xviii. Receive gaming vouchers from patrons in exchange for currency, slot tokens or coins, or from authorized employees in exchange for cash, in conformity with N.J.A.C. 19:45-1.54;

xix. Prepare patron credit files and verify information therein supporting patron credit applications in accordance with N.J.A.C. 19:45-1.27;

xx. Prepare redemption receipts in accordance with N.J.A.C. 19:45-1.26(j);

xxi. Issue, receive and reconcile imprest funds used by slot attendants, including an imprest change/pouch payout fund not exceeding $5,000, to be used in accordance with N.J.A.C. 19:45-1.40E;

xxii. Exchange currency for coupons, currency and Pouch Payout Slips from slot attendants;

xxiii. Receive cash and gaming chips from patrons for gaming chips, if operating with an imprest inventory of gaming chips; and

xxiv. Receive gaming chips from the chip bank in exchanges supported by proper documentation, if operating with an imprest inventory of gaming chips.

2. Check cashiers (also known as "check bank cashiers") shall not have access to cash, gaming chips and plaques, except in accordance with (d) below, and such cashiers' functions may include the following:

i. Receive the original and redemption copies of Counter Checks and Slot Counter Checks;

ii. Receive from general cashiers checks accepted for total or partial Counter Check and Slot Counter Check redemptions;

iii. Receive checks from general cashiers for Counter Check and Slot Counter Check consolidations;

iv. Receive personal checks from general cashiers for Counter Check and Slot Counter Check substitutions;

v. Prepare bank deposit slips or supporting documentation for checks to be deposited;

vi. Receive Wire Transfer or Electronic Fund Transfer Acknowledgment Forms in accordance with N.J.A.C. 19:45-1.24A for the purpose of redeeming Counter Checks and Slot Counter Checks or accepting payment

on returned Counter Checks and Slot Counter Checks; and

vii. Receive from general, chip bank and reserve cash cashiers documentation with signatures thereon, required for the effective segregation of functions in the cashiers' cage.

3. Chip bank cashiers shall not have access to currency or cash equivalents, but shall operate with a limited inventory of $0.50 and $0.25 coins which may only be used to facilitate odd payoffs or vigorish bets, except in accordance with (d) below. Such cashiers' functions may include the following:

i. Receive gaming chips and coin removed from gaming tables from a security department member in exchange for the issuance of a Credit;

ii. Receive gaming plaques removed from gaming tables from a security department member in exchange for the issuance of a credit in accordance with an approved system of accounting as required by N.J.A.C. 19:46-1.4(b);

iii. Receive Requests for Fills in exchange for the issuance of a Fill, the dispersal of gaming chips and coin to a security department member and the dispersal of gaming plaques to a security department member in accordance with an approved system of accounting as required by N.J.A.C. 19:46-1.4(b);

iv. Receive gaming chips from the general cashiers, main bank cashiers, master coin bank cashiers, cage supervisors and personnel assigned to a non-cage employee redemption site in exchange for proper documentation;

v. Receive from general, check bank and reserve cash cashiers documentation with signatures thereon, required for the effective segregation of functions in the cashiers' cage;

vi. Receive proper documentation from chippersons and general cashiers in exchange for imprest inventories of gaming chips, to be used in conformity with this chapter; and

vii. Such other functions as approved by the Commission.

4. Reserve cash (main bank) cashiers' functions shall include, but are not limited to, the following:

i. Receive cash, gaming vouchers, cash equivalents, issuance copies of Slot Counter Checks, original copies of Jackpot Payout Slips, personal checks received for non-gaming purposes, slot tokens, prize tokens, gaming chips and plaques from general cashiers in exchange for cash;

ii. Receive cash from the coin and currency count rooms;

iii. Receive checks and supporting documentation from check cashiers for deposit if such deposit is not made by the check cashier;

iv. Prepare the overall cage reconciliation and accounting records;

v. Prepare the daily bank deposit for cash and checks;

vi. Issue, receive and reconcile imprest funds used by slot attendants and chippersons;

vii. Exchange currency for coupons and currency from slot attendants;

viii. Receive from general, chip and check bank cashiers, documentation with signatures thereon, required to be prepared for the effective segregation of functions in the cashiers' cage;

ix. Be responsible for the reserve cash bankroll;

x. Receive gaming chips, slot tokens and coupons from the simulcast vault or casino pari-mutuel cashiers; and

xi. Exchange currency, coin, slot tokens, gaming chips and coupons with the keno booth in exchange for proper documentation;

xii. Perform the functions enumerated in (c)5 below of master coin bank cashiers, but only to the extent that the casino licensee has obtained, pursuant to N.J.A.C. 19:45-1.14(i), prior Commission approval to operate its cashiers' cage without the master coin bank specified by N.J.A.C. 19:45-1.14(b);

xiii. Receive unsecured currency, unsecured gaming vouchers, and unsecured coupons from slot department representatives or casino accounting department representatives pursuant to N.J.A.C. 19:45-1.42;

xiv. Prepare Unsecured Bill Changer Currency/Coupon Reports in accordance with N.J.A.C. 19:45-1.42(f);

xv. Receive slot tokens, prize tokens and gaming chips from personnel assigned to a non-cage employee redemption site in exchange for proper documentation;

xvi. Receive slugs from the hard count room and slot department and maintain the slugs in inventory until destroyed in accordance with N.J.A.C. 19:45-1.41A(d)4;

xvii. Prepare Cash Fills and Balance Receipts in accordance with N.J.A.C. 19:45-1.33A and 1.35A;

xviii. Issue and receive currency cassettes, currency cassette reject bins, coin hoppers and returned coin with respect to the operation of automated jackpot payout machines;

xix. Issue and receive currency cassettes, currency cassette reject bins, coin hoppers, returned coin and bill

validator boxes with respect to the operation of gaming voucher redemption machines;

xx. Receive, from a count room, cash counted from bill validator boxes in exchange for proper documentation; and

xxi. Perform exchanges with the master coin bank supported by proper documentation in accordance with approved internal controls.

5. Master coin bank cashiers' functions shall include, but are not limited to, the following:

i. Receive currency, coin, slot tokens, prize tokens, gaming chips, gaming vouchers, and coupons from slot cashiers in exchange for proper documentation;

ii. Receive coin and slot tokens from the hard count room;

iii. Provide slot cashiers with currency, coin, prize tokens and slot tokens in exchange for proper documentation;

iv. Issue, receive and reconcile imprest funds used by slot attendants, including an imprest change/pouch payout fund not exceeding $5,000, to be used in accordance with N.J.A.C. 19:45-1.40E;

v. Exchange currency for coupons, currency and Pouch Payout Slips from slot attendants;

vi. Prepare the daily bank deposit of excess cash and coins;

vii. Prepare Jackpot Payout Slips in accordance with N.J.A.C. 19:45-1.40;

viii. Prepare Hopper Fill Slips in accordance with N.J.A.C. 19:45-1.41;

ix. Receive slot tokens and prize tokens from cage supervisors, general cashiers, main bank cashiers and personnel assigned to a non-cage employee redemption site, and transmit slot tokens to general cashiers in exchanges supported by proper documentation;

x. Exchange currency, coin, slot tokens, gaming chips and coupons with the keno booth and simulcast counter in exchange for proper documentation;

xi. Receive slugs from the hard count room and slot department and maintain the slugs in inventory until destroyed in accordance with N.J.A.C. 19:45-1.41A(d)4;

xii. Prepare Cash Fills and Balance Receipts in accordance with N.J.A.C. 19:45-1.33A and 1.35A;

xiii. Issue and receive currency cassettes, currency cassette reject bins, coin hoppers and returned coin with respect to the operation of automated jackpot payout machines;

xiv. Issue and receive currency cassettes, currency cassette reject bins, coin hoppers, returned coin and bill validator boxes with respect to the operation of gaming voucher redemption machines;

xv. Receive, from a count room, cash counted from bill validator boxes in exchange for proper documentation; and

xvi. Perform exchanges with the main bank supported by proper documentation in accordance with approved internal controls.

(d) Notwithstanding the requirements of N.J.A.C. 19:45-1.15(c) or any other Commission rule to the contrary, a casino licensee may consolidate the functions of the chip bank cashier with the functions of the check cashier, upon Commission approval of the casino licensee's internal control procedures for the consolidated cashier functions.

(e) Signatures attesting to the accuracy of the information contained on the Cashiers' Count Sheet shall be, at a minimum, of the following cashiers after preparation of the Cashiers' Count Sheet:

1. The general cashiers assigned to the incoming and outgoing shifts;

2. The check cashiers assigned to the incoming and outgoing shifts;

3. The chip bank cashiers assigned to the incoming and outgoing shifts;

4. The reserve cash cashiers assigned to the incoming and outgoing shifts;

5. The master coin bank cashiers assigned to the incoming and outgoing shifts; and

6. The slot cashiers assigned to the incoming and outgoing shifts.

(f) At the end of each gaming day, at a minimum, a copy of the Cashiers' Count Sheets and related documentation shall be forwarded to the accounting department for agreement of opening and closing inventories, agreement of amounts thereon to other forms, records, and documents required by this chapter, agreement of transportation reimbursement disbursements with supporting documentation and recording of transactions.

(g) Coin vaults authorized pursuant to N.J.A.C. 19:45-1.14(e) shall be under the control of the casino accounting department or an independent slot machine cage department established pursuant to N.J.A.C. 19:45-1.11(b)9. The storage of coin, prize tokens or slot tokens in, or the removal of coin, prize tokens or slot tokens from, any coin vaults shall be properly documented, and the amount of coin, prize tokens and slot tokens in each coin vault shall be reconciled at the end of each gaming day.

(h) At least 10 percent of all bags of coins or slot tokens counted and bagged by each slot cashier, master coin bank cashier or main bank cashier outside of the count room shall be randomly selected and recounted by a slot cashier supervisor or cage supervisor, as applicable, through the use of a weighing device or a counting device. Unless otherwise approved by the Commission, the recount shall be performed prior to the end of the cashier's shift and shall be recorded on supporting documentation in a manner approved by the Commission. In the alternative, a casino licensee may develop internal control procedures as approved by the Commission which ensure that at least 10 percent of all bags of coins or slot tokens counted and bagged by each slot cashier, master coin bank cashier or main bank cashier outside of the count room shall be randomly selected and recounted. If a discrepancy greater than plus or minus $1.00 for any denomination of bagged coins or greater than plus or minus one token for bagged slot token denominations of $25.00 and below is found during the weighing of the sample bag, then the sample bag shall be opened and recounted by a counting machine provided, however, for slot token denominations greater than $25.00, any discrepancy shall require a recount. Notwithstanding the foregoing, a representative of the Commission may direct a slot cashier, master coin bank cashier or main bank cashier to weigh or recount any bag of coins or slot tokens prepared outside of the count room on a random basis.

(i) The assets for which a chipperson are responsible shall be maintained on an imprest basis in accordance with internal control procedures approved by the Commission and which, at a minimum, shall provide documentation to the chip bank, main bank and chipperson for the receipt of the imprest inventory and any subsequent receipt of gaming chips and currency, and documentation to the main bank for the return of the chipperson's inventory at the end of his or her shift. The main bank shall be responsible for the return to the chip bank of any gaming chips remaining in the chipperson's possession at the end of his or her shift.

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) or 848(b).
(b)1vii added and vii and viii renumbered as viii and ix.
Amended by R.1982 d.329, effective October 4, 1982.
See: 14 N.J.R. 708(a), 14 N.J.R. 1101(c).
Added new vi to (b) and recodified old vi-ix as vii-x. Added new ii to (b)3 and recodified old ii as new iii and added disbursal of gaming plaques.
Amended by R.1989 d.233, effective May 1, 1989.
See: 20 N.J.R. 3012(a), 21 N.J.R. 1152(b).
Added new subparagraph x to (b)1 and recodified old x as xi. Added new subparagraph vi to (b)2 and recodified old vi as vii.
Amended by R.1989 d.611, effective December 18, 1989.
See: 21 N.J.R. 2953(a), 21 N.J.R. 3931(b).
Added (b)1xii; in (d), added "agreement of transportation reimbursement disbursements ... documentation".
Amended by R.1991 d.229, effective May 6, 1991.
See: 22 N.J.R. 3205(a), 23 N.J.R. 1455(a).
Added new (b)1xiii; new (b)5 and (c)5-6. Added references to "Slot Counter Checks" throughout.
Amended by R.1992 d.110, effective March 2, 1992.
See: 23 N.J.R. 3243(a), 24 N.J.R. 858(c).
In (d): Stylistic revisions.
Amended by R.1992 d.233, effective June 1, 1992.
See: 23 N.J.R. 3085(a), 24 N.J.R. 2078(a).
Added new subsection (b), recodifying existing (b) as (c) and adding text as (e)4vii. Recodified existing (c)-(d) as (d)-(e), with no change in text. Added new subsection (f).
Amended by R.1992 d.258, effective June 15, 1992.
See: 24 N.J.R. 932(a), 24 N.J.R. 2296(b).
In (b)1, added new 1xiv. In (b)4i, added "original copies of Jackpot Payout Slips" to text. In (b)5, added new 5v.
Amended by R.1993 d.37, effective January 19, 1993.
See: 24 N.J.R. 3695(a), 25 N.J.R. 348(b).
Satellite cage added; simulcast provisions added.
Amended by R.1993 d.319, effective July 6, 1993.
See: 25 N.J.R. 1673(a), 25 N.J.R. 2911(a).
Temporary Amendment: Caribbean Stud Poker.
See: 26 N.J.R. 3464(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).
Temporary Amendment: Double Down Stud.
See: 26 N.J.R. 4445(a).
Amended by R.1995 d.40, effective January 17, 1995.
See: 26 N.J.R. 3825(a), 27 N.J.R. 382(b).
Amended by R.1995 d.285, effective June 5, 1995.
See: 26 N.J.R. 2218(a), 27 N.J.R. 2254(a).
In (c)1 added a new xv and recodified the existing xv as xvi; and in (c)5 added a new viii, recodified the existing viii as ix and added a new x.
Amended by R.1995 d.351, effective July 3, 1995.
See: 27 N.J.R. 1172(a), 27 N.J.R. 2597(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 receipt of casino checks, and annuity jackpot trust checks to cashier's functions.
Amended by R.1995 d.466, effective August 21, 1995.
See: 27 N.J.R. 2113(a), 27 N.J.R. 3219(a).
Added (c)1xvi.
Amended by R.1995 d.469, effective August 21, 1995.
See: 27 N.J.R. 1788(a), 27 N.J.R. 3225(a).
Added reference to N.J.A.C. 19:45-1.14(i) in (c) and added (c)4xi and (c)4xii.
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.1995 d.653, effective December 18, 1995.
See: 27 N.J.R. 3598(a), 27 N.J.R. 5044(a).
Amended by R.1996 d.110, effective February 20, 1996.
See: 27 N.J.R. 3923(a), 28 N.J.R. 1224(b).
Amended by R.1996 d.157, effective March 18, 1996.
See: 27 N.J.R. 4170(a), 28 N.J.R. 1557(b).
Amended by R.1996 d.269, effective June 17, 1996.
See: 28 N.J.R. 1614(a), 28 N.J.R. 3175(a).
Amended by R.1996 d.357, effective August 5, 1996.
See: 28 N.J.R. 2355(a), 28 N.J.R. 3821(b).
Amended by R.1996 d.417, effective September 3, 1996.
See: 28 N.J.R. 1498(a), 28 N.J.R. 4111(b).
Amended by R.1996 d.476, effective October 7, 1996.
See: 28 N.J.R. 3521(a), 28 N.J.R. 4517(b).
Amended by R.1997 d.131, effective March 17, 1997.
See: 28 N.J.R. 4572(a), 29 N.J.R. 919(a).
In (c)1i, added reference to redemption receipts and added (c)1xviii.
Amended by R.1997 d.132, effective March 17, 1997.
See: 28 N.J.R. 5160(a), 29 N.J.R. 923(a).
In (c)1vi, (c)3ii, and (c)3iii, amended N.J.A.C. reference.
Amended by R.1997 d.216, effective May 19, 1997.
See: 29 N.J.R. 325(a), 29 N.J.R. 2469(a).
Added (c)1xviii.
Amended by R.1997 d.217, effective May 19, 1997.
See: 29 N.J.R. 325(b), 29 N.J.R. 2470(a).
In (c)3iv, inserted ", master coin bank cashiers"; added (c)4xvi; in (c)5x, inserted "and simulcast counter"; and added (c)5xii.
Petition for Rulemaking: Notice of Receipt of a Petition for Rulemaking.
See: 29 N.J.R. 2571(c).
Amended by R.1997 d.250, effective June 16, 1997.

See: 29 N.J.R. 745(a), 29 N.J.R. 2675(a).

In (c)1ii, inserted reference to authorized employees; in (c)3iv and (c)5ix, inserted reference to master coin bank cashiers and personnel assigned to a non-cage employee redemption site; inserted new (c)4xv; recodified former (c)4xv as (c)4xvi; and (c)5ix, inserted reference to main bank cashiers and personnel assigned to a non-cage employee redemption site.

Administrative correction.

See: 30 N.J.R. 709(b).

Amended by R.1998 d.235, effective May 18, 1998.

See: 30 N.J.R. 810(a), 30 N.J.R. 1851(a).

In (c)4, inserted a reference to unsecured coupons in xiii, and substituted a reference to Unsecured Bill Changer Currency/Coupon Reports for a reference to Unsecured Bill Changer Currency Reports in xiv.

Amended by R.1998 d.369, effective July 20, 1998.

See: 30 N.J.R. 298(a), 30 N.J.R. 2637(a).

In (c)xix, changed N.J.A.C. reference.

Amended by R.1999 d.379, effective November 1, 1999.

See: 30 N.J.R. 4147(b), 31 N.J.R. 3527(a).

In (c), inserted a new vi and recodified former vi as vii in 3, and added a reference to chippersons in 4vi; and added (i).

Amended by R.2000 d.335, effective August 21, 2000.

See: 32 N.J.R. 1919(a), 32 N.J.R. 3077(a).

In (b), substituted "adequately funded to pay winning patrons" for "in a minimum amount approved by the Commission" at the end.

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

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

In (c), added 1xx and 1xxi, inserted ", including an imprest charge/pouch payout fund not exceeding $5,000 to be used in accordance with N.J.A.C. 19:45-1.40E" following "attendants" in 5iv, and inserted "and Pouch Payout Slips" following "currency" in 5v.

Petition for Rulemaking.

See: 34 N.J.R. 1750(b), 2154(b).

Amended by R.2002 d.282, effective September 3, 2002.

See: 34 N.J.R. 655(a), 34 N.J.R. 3128(a).

In (c), inserted "or Electronic Fund Transfer" preceding "Acknowledgment Forms" in 1x and 2vi.

Petition for Rulemaking.

See: 34 N.J.R. 3396(a).

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

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

In (c)1, added xviii, recodified existing xviii through xxi as xix through xxii; in 4i, inserted "gaming vouchers," after "Receive cash"; in xiii, inserted ", unsecured gaming vouchers," after "currency"; in 5i, inserted "gaming vouchers," after "chips".

Amended by R.2003 d.284, effective July 21, 2003.

See: 34 N.J.R. 3077(a), 35 N.J.R. 3410(b).

In (c)1, inserted "and gaming chips" following "slot tokens" in the introductory paragraph, and added xxii and xxiii; in (c)3, deleted "cent" following "0.25" in the introductory paragraph, and inserted "and general cashiers" following "chippersons" in vi.

Amended by R.2004 d.33, effective January 20, 2004.

See: 35 N.J.R. 4625(a), 36 N.J.R. 532(a).

In (c)1xviii, inserted "or from authorized employees in exchange for cash" preceding "in conformity".

Amended by R.2007 d.117, effective April 16, 2007.

See: 38 N.J.R. 4669(a), 39 N.J.R. 1505(a).

In (c)4, deleted quotation marks around "main bank", in (c)4xvi, deleted "and" from the end; added new (c)4xvii through (c)4xx; recodified former (c)4xvii as (c)4xxi; in (c)5xi, deleted "and" from the end; added new (c)5xii through (c)5xv; and recodified former (c)5xii as (c)5xvi.

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).

Regulatory purpose to require all credit transactions be administered through cashier's cage: regulation requiring casino clerk to conduct credit transactions valid. Playboy-Elsinore Associates v. Strauss, 189 N.J.Super. 185 (Law Div.1983).

19:45-1.15A Accounting controls within the simulcast counter

(a) Whenever a casino pari-mutuel cashier begins a shift, he or she shall commence with an amount of currency and coin to be known as the "simulcast inventory," and no casino simulcasting facility shall cause or permit currency, coin, gaming chips, slot tokens or coupons to be added to, or removed from, such simulcast inventory during such shift except:

1. In collection of simulcast wagers;

2. In order to make change for a patron buying a pari-mutuel ticket;

3. In collection for the issuance of credit vouchers;

4. In payment of winning or properly cancelled or refunded pari-mutuel tickets;

5. In payment for credit vouchers; or

6. In exchanges with the cashiers' cage, a satellite cage or simulcast vault.

(b) A "simulcast count sheet" shall be completed and signed by the vault cashier or simulcast shift supervisor at the simulcast vault or other designated area as approved by the Commission, and the following information, at a minimum, shall be recorded thereon at the commencement of a shift:

1. The date, time and shift of preparation;

2. The denomination of currency and coin in the simulcast inventory issued to the casino pari-mutuel cashier;

3. The total amount of each denomination of currency and coin in the simulcast inventory issued to the casino pari-mutuel cashier;

4. The pari-mutuel window number to which the casino pari-mutuel cashier is assigned; and

5. The signature of the vault cashier or simulcast shift supervisor.

(c) The casino pari-mutuel cashier assigned to the pari-mutuel window shall count the simulcast inventory in the presence of the vault cashier or simulcast shift supervisor at the simulcast vault, or other designated area as approved by the Commission, and shall agree the count to the simulcast count sheet. The casino pari-mutuel cashier shall sign the count sheet attesting to the accuracy of the information recorded thereon.

(d) The simulcast inventory shall be placed in a cashier's drawer and transported directly to the appropriate pari-mutuel window by the casino pari-mutuel cashier.

(e) At the conclusion of a casino pari-mutuel cashier's shift, the cashier's drawer and its contents shall be transported directly to a designated area in the simulcast counter, where the casino pari-mutuel cashier shall count the contents of the drawer and record the following information, at a minimum, on the simulcast count sheet:

1. The date, time and shift of preparation;

2. The denomination of currency, coin, gaming chips, slot tokens and coupons in the drawer;

3. The total amount of each denomination of currency, coin, gaming chips, slot tokens and coupons in the drawer;

4. The total of any exchanges;

5. The total amount in the drawer; and

6. The signature of the casino pari-mutuel cashier.

(f) The vault cashier or simulcast shift supervisor shall compare the pari-mutuel window net for the shift as generated by the terminal and if it agrees with the simulcast count sheet total plus the simulcast inventory, shall agree the count to the simulcast count sheet and sign the simulcast count sheet attesting to the accuracy.

(g) If the pari-mutuel window net for the shift as generated by the RMC does not agree with the simulcast count sheet total plus the simulcast inventory, the vault cashier or simulcast shift supervisor shall record any overage or shortage. If the count does not agree, the casino pari-mutuel cashier and the vault cashier or simulcast shift supervisor shall attempt to determine the cause of the discrepancy in the count. If the discrepancy cannot be resolved by the casino pari-mutuel cashier and the vault cashier or simulcast shift supervisor, such discrepancy shall immediately be reported to the simulcast counter manager, or casino accounting department supervisor in charge at such time, the security department and the Division verbally. If the discrepancy is $500.00 or more, a security department member will then complete the standard security report in writing, as approved by the Division, and immediately forward a copy to the Commission and the Division.

New Rule, R.1993 d.37, effective January 19, 1993.
See: 24 N.J.R. 3695(a), 25 N.J.R. 348(b).
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 tamper-resistant container approved by the Commission 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 and plaques, documents that evidence the exchange of 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. In addition, 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 tamper-resistant container approved by the Commission known as a "slot cash storage box," in which shall be deposited all cash, gaming vouchers and coupons inserted into the bill changer. In addition, 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 stor-

age 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".
Amended by R.2003 d.315, effective August 4, 2003.
See: 34 N.J.R. 4324(a), 35 N.J.R. 3566(a).
Rewrote the introductory paragraphs in (a) and (b).

19:45–1.17 Drop boxes, transportation to and from gaming tables; slot cash storage boxes, transportation to and from bill changers; storage

(a) Each casino licensee shall place on file with the Commission and the Division a schedule setting forth the specific times at which the drop boxes will be brought to or removed from the gaming tables and slot cash storage boxes will be brought to or removed from the bill changers. Each casino licensee shall also maintain and make available to the Commission and the Division upon request, the names and license numbers of all employees participating in the transportation of such drop boxes and slot cash storage boxes. No drop box shall be brought to or removed from any gaming table and no slot cash storage box shall be brought to or removed from any bill changer at other than the time specified in such schedule except with the express written approval of a Commission inspector.

(b) Except as otherwise provided in (b)3 below, all drop boxes removed from gaming tables shall be transported directly to and secured in the count room by at least one casino security department member.

1. Upon its removal from a gaming table, a drop box shall be immediately placed in an enclosed trolley which is secured by two separately keyed locks. The key to one lock shall be maintained and controlled by a Commission inspector. The key to the second lock shall be maintained and controlled by the casino security department in a secure location. Access to the casino security department's key shall be limited to supervisors in that department and shall be controlled, at a minimum, by a sign-out and sign-in procedure approved by the Commission. The casino security department key shall be returned to its secure location immediately upon the completion of the collection and transportation of the drop boxes.

2. Prior to the movement of any trolley containing drop boxes from a casino pit, a casino supervisor shall verify in writing that the number of drop boxes being removed from the pit equals the number of drop boxes that have been loaded on the trolley, and that the lock controlled by the casino security department has been locked. If a trolley is being transported from a casino pit to the count room, a casino supervisor shall also verify that the Commission lock on the trolley has been locked.

3. A drop box being replaced by an emergency drop box shall be transported directly to and secured in the count room by at least one casino security department member and one casino supervisor, and the use of a trolley shall not be required.

(c) Except as otherwise provided in N.J.A.C. 19:45–1.38(e), 1.42(c), and (c)3 below, all slot cash storage boxes removed from bill changers shall be transported directly to and secured in the count room by, at a minimum, a Commission inspector, a casino security department member and a member of the casino accounting department or an independent slot machine cage department established pursuant to N.J.A.C. 19:45–1.11(b)9.

1. Upon its removal from a bill changer, a slot cash storage box shall be placed immediately in an enclosed trolley which is secured by two separately keyed locks. The key to one lock shall be maintained and controlled by a Commission inspector. The key to the second lock shall be maintained and controlled by the casino security department in a secure location. Access to the casino security department's key shall be limited to supervisors in that department and shall be controlled, at a minimum, by a sign-out and sign-in procedure approved by the Commission. The casino security department key shall be returned to its secure location immediately upon the completion of the collection and transportation of the slot cash storage boxes.

2. Prior to the movement of any trolley containing slot cash storage boxes from the casino floor into the count room, a casino key employee who is supervising the collection of the slot cash storage boxes (a "drop team supervisor") shall verify in writing that the number of slot cash storage boxes being transported from the casino floor equals the number of slot cash storage boxes scheduled to be collected that day pursuant to N.J.A.C. 19:45–1.42(a). If a trolley is being transported from the casino floor to the count room, a drop team supervisor shall also verify that the locks on the trolley controlled by the casino security department and the Commission have been locked.

3. A slot cash storage box being replaced by an emergency slot cash storage box, except as otherwise provided in N.J.A.C. 19:45–1.42(c)2ii, shall be transported to and secured in the count room by at least one casino security department member, one slot department or cage supervisor and one Commission inspector, and the use of a trolley shall not be required.

(d) Except as provided in (f) below, all drop boxes not attached to a gaming table and all slot cash storage boxes not contained in a bill changer, including emergency drop boxes and emergency slot cash storage boxes which are not actively in use, shall be stored in the count room or other secure area outside the count room approved by the Commission, in an enclosed storage cabinet or trolley and secured in such cabinet or trolley by a separately keyed, double locking system. The key to one lock shall be maintained and controlled by the casino security department and the key to the second lock shall be maintained and controlled by a Commission inspector. Access to the casino security department's key shall be limited to a supervisor of that department.

(e) Notwithstanding (d) above, the supervisor of the casino security department may, immediately prior to the commencement of the count process, issue the key to the storage cabinet or trolley to a count room supervisor for the purpose of gaining access to the drop boxes and slot cash

storage boxes to be counted. Any key removed from the casino security department shall be returned immediately following the conclusion of the count of the drop boxes and slot cash storage boxes and the return of any empty emergency drop boxes and slot cash storage boxes to their respective storage cabinet or trolley, and the casino security department shall establish a sign-out and sign-in procedure approved by the Commission for all such keys removed. Each casino licensee which permits the casino security department key to be issued to a count room supervisor shall submit for review and approval internal control procedures governing the control over the key when soft count takes a break.

(f) Drop boxes, when not in use during a shift, may be stored on the gaming tables provided that there is adequate security as approved by the Commission. If adequate security is not provided during this time, the drop boxes shall be stored as required in (d) above.

Petition for Rulemaking: To construct and utilize storage cabinets outside of the count room for the purpose of storing empty unused emergency drop boxes.
See: 19 N.J.R. 664(b).
Petition for Rulemaking: Slot machine bill changer system.
See: 19 N.J.R. 1110(a).
Amended by R.1987 d.457, effective November 16, 1987.
See: 19 N.J.R. 1290(a), 19 N.J.R. 2202(a).
Added text to (c) "except emergency drop boxes which are not actively in use"; and "Emergency drop boxes ..." and added text in (d) "except that emergency ...".
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 referring to slot cash storage boxes and transportation to and from bill changers.
Amended by R.1992 d.359, effective September 21, 1992.
See: 24 N.J.R. 1472(b), 24 N.J.R. 3335(b).
Employee names and license numbers to be maintained on any transport of drop boxes or slot cash storage boxes.
Petition for Rulemaking: To repeal requirement that a Commission inspector be part of the team of persons who collect slot cash storage boxes from bill changers.
See: 25 N.J.R. 1783(b).
Amended by R.1994 d.297, effective June 20, 1994.
See: 26 N.J.R. 1440(a), 26 N.J.R. 2594(a).
Amended by R.1994 d.422, effective August 15, 1994.
See: 26 N.J.R. 2213(a), 26 N.J.R. 3464(b).
Amended by R.1994 d.574, effective November 21, 1994.
See: 26 N.J.R. 3606(b), 26 N.J.R. 4639(a).
Amended by R.1996 d.357, effective August 5, 1996.
See: 28 N.J.R. 2355(a), 28 N.J.R. 3821(b).
Amended by R.1996 d.418, effective September 3, 1996.
See: 28 N.J.R. 2356(a), 28 N.J.R. 4112(a).
Amended by R.1997 d.156, effective April 7, 1997
See: 29 N.J.R. 112(a), 29 N.J.R. 1401(a).
Substantially amended (b).
Amended by R.2000 d.422, effective October 16, 2000.
See: 31 N.J.R. 4245(a), 32 N.J.R. 3863(c).
Rewrote (c).

19:45–1.18 Procedure for accepting cash and coupons at gaming tables

(a) Whenever cash or a coupon is presented by a patron at a gaming table for exchange for gaming chips or plaques:

1. The cash or coupon shall be spread on the top of the gaming table by the dealer or boxperson accepting it in full view of the patron who presented it and the casino supervisor assigned to such gaming table;

2. The amount of the cash or coupon shall be verbalized by the dealer or boxperson accepting it in a tone of voice calculated to be heard by the patron who presented it and the casino supervisor assigned to such gaming table; and

3. Immediately after an equivalent amount of gaming chips or plaques has been given to the patron, the cash or coupon shall be taken from the top of the gaming table and placed by the dealer or boxperson into the drop box attached to the gaming table.

(b) Whenever a match play coupon and gaming chips are presented as a wager by a patron, pursuant to N.J.A.C. 19:45–1.46(j)4, at an authorized game in which a match play coupon may be used:

1. The coupon shall be placed underneath the gaming chips wagered by the patron and positioned as follows:

i. For all games other than craps or roulette, in the patron's betting area;

ii. For craps, on the Pass or Don't Pass Line; or

iii. For roulette, in the box marked "Black," "Red," "Odd," "Even," "1–18," "19–36," "1st 12," "2nd 12," or "3rd 12;"

2. The chips shall be placed on the coupon in such a way that the type and value of the coupon shall be visible at all times;

3. If the chips wagered by the patron are greater in value than the stated value of the match play coupon, the dealer shall "break down" the wager by placing an amount of chips equal to the stated value of the coupon directly on the coupon and the remainder of the chips wagered by the patron next to the coupon; provided, however, that if the value of the chips wagered by the patron will not permit the dealer to break down the wager in accordance with this paragraph, the dealer shall:

i. For value chips, exchange one or more of the patron's chips for chips in other denominations obtained from the table inventory container, that:

(1) Are equal in total value to the patron chips that are being exchanged; and

(2) Will permit the required break down of the patron's wager;

ii. For non-value chips, convert the value of the patron's chips to a value that will permit the required break down of the wager.

4. Only one match play coupon may be used with the wager;

5. If the wager wins, it shall be paid in accordance with the terms and conditions of the coupon; and

6. Whether the wager wins or loses, the coupon shall be deposited by the dealer into the drop box attached to the gaming table at the time the winning wager is paid or the losing wager is collected.

(c) Whenever a progressive wager coupon is presented by a patron, pursuant to N.J.A.C. 19:45-1.46(j)5, at an authorized game in which a progressive payout wager coupon may be used, the dealer shall:

1. Comply with the procedures set forth in (a)1 and 2 above;

2. Remove from the table inventory container a chip that is equal in value to the value of the progressive wager coupon, place the chip in the progressive wager acceptor device and prohibit the patron from withdrawing such progressive payout wager;

3. Immediately after placing the chip in the progressive wager acceptor device, take the coupon from the top of the gaming table and place it in the drop box attached to the gaming table; and

4. Only permit one progressive wager coupon to be used by a patron during a hand.

(d) A casino licensee may, in its discretion, require a coupon to be cancelled upon acceptance by the dealer or boxperson, in a manner approved by the Commission, so as to preclude its subsequent use.

Amended by R.1981 d.437, effective November 16, 1981.
See: 13 N.J.R. 534(b), 13 N.J.R. 848(b).
(a)3: added "except ... denominations."
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 (a), added "coupon". Added (b).
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.298, effective June 20, 1994.
See: 26 N.J.R. 1441(a), 26 N.J.R. 2594(b).
Administrative Correction.
See: 26 N.J.R. 4788(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.423, effective October 6, 1997.
See: 28 N.J.R. 4181(b), 29 N.J.R. 4304(b).
Substantially amended (b).

19:45-1.18A Presentation of recognized credit card or debit card in exchange for gaming chips or plaques

(a) A casino licensee may, in accordance with the provisions of this section, provide gaming chips or plaques to a patron at a gaming table in exchange for a valid charge or cash advance in the amount of gaming chips or plaques provided the patron against a recognized credit card account or recognized debit card account maintained by the patron, thereby establishing a valid and enforceable debt owed by the patron. For the purposes of the rules of the Commission, each such exchange shall be known, respectively, as a "credit card chip transaction" or a "debit card chip transaction." Each casino licensee shall display in a conspicuous manner in its casino and, if applicable, casino simulcasting facility the name or registered credit or debit card logo of each recognized credit card or recognized debit card that may be accepted by the casino licensee as part of a credit or debit card chip transaction.

(b) Each credit or debit card chip transaction shall be initiated by a patron presenting a recognized credit card or recognized debit card at a gaming table and requesting the purchase of gaming chips or plaques from the dealer or boxperson. The dealer or boxperson shall notify the pit clerk of the request and present the recognized credit or debit card to the pit clerk for processing.

(c) The pit clerk shall perform the procedures and prepare the documents or computer records that are required by the internal controls of the casino licensee to evidence a credit or debit card chip transaction. At a minimum, these procedures and documents or computer records shall enable a casino licensee to:

1. Maintain oversight of the transaction at all times by at least two mandatory departments;

2. Create a record of the removal of gaming chips or plaques from the table inventory by requiring the deposit in the drop box of a document that identifies the value of the gaming chips or plaques being exchanged and the reason for their exchange;

3. Maintain an accounting log of each credit or debit card chip transaction by gaming table and by shift;

4. Establish the identity of its employees who participate in the transaction;

5. Provide a receipt to the patron indicating the amount being charged against the patron's recognized credit or debit card account; and

6. Obtain a valid exemplar of the signature of the patron presenting the recognized credit or debit card.

(d) Prior to the issuance of gaming chips or plaques to the patron by the dealer or boxperson, the pit clerk shall:

1. Verify the validity of the patron's recognized credit or debit card by:

i. For a credit card chip transaction, contacting, either directly or through the use of a registered electronic funds transfer company, the issuer of the recognized credit card;

ii. For a debit card chip transaction, contacting, either directly the issuer of the recognized debit card or through the use of a registered debit card verification agency which either:

(1) Performs the validation directly based on information supplied to it by the financial institution where the patron maintains the account that is being accessed with the debit card; or

(2) Relays the verification request to the financial institution where the patron maintains the account being accessed with the debit card, which financial institution then validates the card based on its own records;

2. Obtain, using the same methods identified in (d)1 above, the approval of the issuer of the recognized credit or debit card for a charge or cash advance against the account of the patron in an amount that is equal to the value of the gaming chips or plaques requested by the patron;

3. Examine the recognized credit or debit card to ensure that a signature appears on the card in the space provided for the signature of the authorized user; and

4. Confirm the identity of the presenting patron as the authorized user of the recognized credit or debit card by:

i. Performing any identification procedures that the issuer of the recognized credit or debit card or, if applicable, the registered electronic funds transfer company or registered debit card verification agency, requires a merchant to follow upon presentation of the card by the cardholder; or

ii. If the issuer of the recognized credit or debit card or, if applicable, the registered electronic funds transfer company or debit card verification agency does not require a merchant to perform any identification procedures upon presentation of the card by a cardholder, either:

(1) Comparing the signature on the credit or debit card with the signature affixed by the patron on at least one of the documents used by the casino licensee to evidence the credit or debit card chip transaction; or

(2) Obtaining the written and signed attestation of a casino supervisor as to the identity of the patron on a form on which the casino supervisor's name and license number is recorded.

(e) Each casino licensee that uses a registered electronic funds transfer company to comply with the requirements of (d)1 and 2 above may, in lieu of establishing a direct charge or cash advance against the credit card account of the patron, permit the registered electronic funds transfer company to establish such direct charge or cash advance and accept the check or draft of the registered electronic funds transfer company as being the source of payment for the gaming chips or plaques to be exchanged with the patron. Any check or draft accepted by a casino licensee from a registered electronic funds transfer company pursuant to this subsection shall be:

1. Processed by the casino licensee in accordance with the requirements of (d) above;

2. Drawn incident to, and as a direct result of, a patron requesting a charge or cash advance against his or her recognized credit card account in order to obtain gaming chips or plaques as part of a credit card chip transaction;

3. Made payable to the casino licensee or to the patron requesting the transaction and dated with the date of the transaction; and

4. Printed on a machine that is connected telephonically to the registered electronic funds transfer company and located, at the option of the casino licensee, in the pit where the credit card is presented or in the cashiers' cage; provided that, for checks printed in the cashiers' cage, the casino licensee shall transport the check or draft from the cashiers' cage to the appropriate pit by a secure method as approved in its internal controls.

(f) After the pit clerk completes all documents or computer records required for the processing of the credit or debit card chip transaction and obtains the endorsement, if required, or signature of the patron presenting the recognized credit or debit card, the pit clerk shall deliver the document to be deposited into the drop box to the dealer or boxperson, who shall process the document as if it were cash in accordance with N.J.A.C. 19:45-1.18.

(g) Unless the procedures of the issuer of the recognized credit or debit card or, as applicable, the registered electronic funds transfer company or registered debit card verification agency, require the confiscation of the recognized credit or debit card presented by the patron, the pit clerk shall return the recognized credit or debit card to the patron at the conclusion of the credit or debit card chip transaction.

(h) Each casino licensee that accepts a recognized credit or debit card in a credit or debit card chip transaction shall indicate in its internal controls the method by which it will notify a patron of the fees, if any, that the casino licensee or, as applicable, registered electronic funds transfer company or registered debit card verification agency, will charge the patron for processing a credit or debit card chip transaction.

(i) Any credit or debit card presented by a patron as part of a credit or debit card chip transaction that has not been signed in the space provided for the signature of the authorized user prior to its presentation at the table (an "unsigned card") or that does not require and has no space for the authorized user to sign the card, shall not qualify as a recognized credit or debit card for purposes of this section; provided, however, that an unsigned card that qualifies as a recognized credit or debit card but for the absence of the signature of the authorized user may be accepted in a credit or debit card chip transaction if:

1. The issuer of the credit or debit card and, if applicable, the registered electronic funds transfer

company or registered debit card verification agency, permits any merchant to which the card is presented to accept the card without the authorized user signing the card before it is presented, and the casino licensee follows the procedures established by the issuer of the recognized credit or debit card and, if applicable, the registered electronic funds transfer company or registered debit card verification agency, for accepting the credit or debit card in such circumstances; and

2. Either of the following two conditions is satisfied:

i. The casino licensee performs additional steps to verify, in accordance with its internal controls, that the patron presenting the unsigned card is the authorized user of the card, which steps shall be recorded in a log to be maintained by the casino licensee; or

ii. The unsigned card is designed to and does include a clear photograph of the face of the authorized user as a permanent part of the card and the casino licensee reasonably concludes that the presenting patron is the person whose picture is on the card.

New Rule, R.1996 d.439, effective September 16, 1996.
See: 28 N.J.R. 2809(a), 28 N.J.R. 4236(a).

19:45-1.19 Acceptance of tips or gratuities from patrons

(a) No casino key employee or boxperson, floorperson, or any other casino employee who serves in a supervisory position shall solicit or accept, and no other casino employee shall solicit, any tip or gratuity from any player or patron of the casino or casino simulcasting facility where he or she is employed. The casino licensee shall not permit any practices prohibited by this section.

(b) All tips and gratuities allowed to be given to dealers in the casino or casino simulcasting facility shall be:

1. Immediately deposited in a transparent locked box reserved for that purpose. If non-value chips are received at a roulette or pokette table, the marker button indicating their specific value shall not be removed until after a dealer, in the presence of a casino supervisor, has expeditiously converted them into value chips which shall then be immediately deposited in a transparent locked box reserved for that purpose;

2. Accounted for; and

3. Placed in a common pool for distribution pro rata among all dealers in accordance with (d) below. Notwithstanding the foregoing, a casino licensee, which offers the game of poker may either:

i. Establish a separate common pool for tips and gratuities received by its poker dealers;

ii. Permit each poker dealer to retain his or her own tips and gratuities, in which case the tips and gratuities received by each poker dealer shall be deposited, in accordance with procedures set forth in (c) below, in a transparent locked box assigned to the particular dealer, which box shall be moved from table to table with the dealer; or

iii. Designate a percentage of the prize pool in an approved poker tournament to be withheld for distribution to the tournament dealers in accordance with (d) below. The percentage shall be specified by the casino licensee in its poker tournament submission as approved by the Commission.

(c) Upon receipt from a patron of a tip or gratuity, a dealer shall extend his or her arm in an overt motion, and deposit such tip or gratuity in the locked box reserved for such purpose. In addition, a poker dealer who is permitted to retain his or her own tips and gratuities shall verbally notify a supervisor prior to depositing any tip or gratuity with a value in excess of five dollars.

(d) Tips and gratuities placed in a common pool shall be distributed pro rata among all the dealers in the pool based upon the number of hours worked. In determining the number of hours which an employee has worked for purposes of tip pool distribution, a casino licensee may, in its discretion, establish standards for distribution which include hours of vacation time, personal leave time or any other authorized leave of absence in the number of hours worked by each employee. Any such standards shall apply uniformly to all employees, except that the casino licensee may establish different standards for full-time or part-time employees.

(e) Any distribution of tips and gratuities from a common tip pool pursuant to this section shall occur no more frequently than once every seven calendar days.

Amended by R.1984 d.624, effective January 21, 1985.
See: 16 N.J.R. 2076(a), 17 N.J.R. 212(a).
Substituted "boxperson, floorperson" for "boxman, floorman".
Amended by R.1992 d.453, effective November 16, 1992.
See: 24 N.J.R. 2140(a), 24 N.J.R. 4279(b).
In (b)1, added reference to pokette; deleted text regarding receptacle attached to rim of roulette wheel; stipulated "casino" supervisor and changed "are immediately deposited" to "shall then be immediately deposited".
Amended by R.1993 d.37, effective January 19, 1993.
See: 24 N.J.R. 3695(a), 25 N.J.R. 348(b).
Simulcast and tips to pari-mutuel cashiers provisions added.
Amended by R.1993 d.320, effective July 6, 1993.
See: 25 N.J.R. 1674(a), 25 N.J.R. 2913(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.1998 d.19, effective January 5, 1998.
See: 29 N.J.R. 3439(a), 30 N.J.R. 117(b).
In (b)3, inserted second and third sentences; and added (g).
Amended by R.1998 d.164, effective April 6, 1998.
See: 29 N.J.R. 2632(a), 30 N.J.R. 1304(a).
Deleted former (c) and (d); recodified former (e) as (c), and deleted a reference to casino pari-mutuel cashiers and keno writers; and recodified former (f) and (g) as (d) and (e).
Amended by R.2000 d.49, effective February 7, 2000.
See: 31 N.J.R. 120(a), 32 N.J.R. 453(a).
In (a), made an internal reference change; rewrote (b)3; in (c), added a second sentence; and in (d), added a new first sentence.
Amended by R.2006 d.69, effective February 21, 2006.
See: 37 N.J.R. 4210(a) 38 N.J.R. 1228(a).
In (c), increased the excess tip value from one dollar to five dollars.

Amended by R.2009 d.308, effective October 5, 2009.
See: 41 N.J.R. 2644(a), 41 N.J.R. 3848(a).

In the introductory paragraph of (b), inserted "to be given to"; in the introductory paragraph of (b)3, inserted a comma following "licensee"; in (b)3i, deleted "or" from the end; in (b)3ii, substituted "; or" for a period at the end; and added (b)3iii.

19:45-1.20 Table inventories; table inventory container; chip reserve compartment

(a) Whenever a gaming table in a casino or casino simulcasting facility is opened for gaming, operations shall commence with an amount of gaming chips, coins and plaques to be known as the "table inventory" and no casino licensee shall cause or permit gaming chips, coins or plaques to be added to, or removed from, such table inventory during the gaming day except:

1. In exchange for cash, coupons, issuance copies of Counter Checks presented by casino patrons, or documents prepared to evidence a credit or debit card chip transaction, in conformity with the applicable provisions of N.J.A.C. 19:45-1.18, 1.18A and 1.25;

2. In payment of winning wagers and collection of losing wagers made at such gaming table;

3. In exchange for gaming chips or plaques received from a patron having an equal aggregate face value;

4. In conformity with the Fill and Credit Slip procedures described in N.J.A.C. 19:45-1.22 and 1.23;

5. In conformity with N.J.A.C. 19:47-3.3 and 7.3, coin may be used for the purpose of marking baccarat vigorish;

6. In conformity with N.J.A.C. 19:47-14.14, the rake collected from patrons playing the game of poker shall always be placed in the table inventory;

7. In conformity with a table inventory return device utilized in the game of pai gow poker pursuant to N.J.A.C. 19:46-1.13B or caribbean stud poker pursuant to N.J.A.C. 19:46-1.13G, the gaming chips wagered on the progressive payout shall always be placed in the table inventory; and

8. In conformity with N.J.A.C. 19:47-18.7, 18.8 and 18.9, gaming chips placed on or in the wagering devices utilized for the optional bonus wager in the game of let it ride poker pursuant to N.J.A.C. 19:46-1.13H(e), shall always be placed in the table inventory.

(b) The table inventory at each gaming table, other than a craps and roulette table, shall be kept in a table inventory container whenever the table is open for gaming activity. The table inventory container shall be positioned on the gaming table in a location approved by the Commission.

1. A table inventory container shall hold all chips, coins and plaques in a single layer of horizontal stacks, separated by type or denomination. If there are more than 20 chips in a stack, the stack shall be divided into groups of 20 chips each and each group shall be separated from the other groups of chips in that stack by a clear disk.

2. A casino licensee may designate no more than 50 percent of the surface area of a table inventory container as a separate "chip reserve compartment," provided that:

i. The chip reserve compartment shall hold the chips in horizontal or vertical stacks separated by type or denomination and either (b)2i(1) or (2) below:

(1) If the chips are stacked horizontally, there shall be no more than a single layer of chips and each stack shall be divided into groups of 20 chips each and each group shall be separated from the other groups in the stack by a clear disk; or

(2) If the chips are stacked vertically, each stack shall consist of one group of 20 chips;

ii. Unless chips are being placed into or removed from the chip reserve compartment, the chip reserve compartment shall be covered at all times by a transparent cover while the table is open for gaming activity;

iii. Chips shall not be placed into the chip reserve compartment unless:

(1) Pursuant to a Fill performed in accordance with N.J.A.C. 19:45-1.22; or

(2) A stack of 20 chips is moved directly from the table inventory container to the chip reserve compartment;

iv. Chips shall not be removed from the chip reserve compartment unless:

(1) Pursuant to a Request For Credit performed in accordance with N.J.A.C. 19:45-1.23;

(2) A stack of 20 chips is moved directly to the open portion of the table inventory container;

(3) The gaming table is being closed pursuant to N.J.A.C. 19:45-1.31; or

(4) The chips are being counted in accordance with (b)2vi below;

v. Before any chips are placed into or removed from the chip reserve compartment, the dealer shall provide advance verbal notice to a casino supervisor and shall verify the denomination or type of chips and count them; and

vi. At least once during each gaming day and in the presence of a casino supervisor, all chips in a chip reserve compartment shall be removed, verified as to denomination or type and counted; thereafter, the chips shall immediately be returned to the chip reserve compartment or removed and returned to the cashiers' cage in accordance with a Request for Credit pursuant to (b)2iv(1) above.

(c) The table inventory at each craps or roulette table shall be maintained on the surface of the table layout, in a location approved by the Commission, whenever the table is open for gaming activity. The table inventory shall be maintained in vertical stacks of 20 chips separated by type and denomination.

(d) Whenever a gaming table is not open for gaming activity, the table inventory and the Table Inventory Slip prepared in conformity with the procedures set forth in N.J.A.C. 19:45-1.31 shall be stored and secured as follows:

1. For any gaming table other than craps or roulette, in the table inventory container by locking a clear cover on the container, which shall be clearly marked on the outside with the game and the gaming table number to which it corresponds. The information on the Table Inventory Slip shall be visible from the outside of the container. All table inventory containers shall be stored either in the cashiers' cage or secured to the gaming table, provided that there is adequate security, as approved by the Commission.

2. For a craps or roulette table, under a locked clear cover on a section of the table approved by the Commission for the storage of the table inventory. The information on the Table Inventory Slip shall be visible from the outside of the locked cover.

(e) The keys to the locked table inventory containers or locked craps or roulette table inventory storage areas shall be maintained and controlled by the casino department in a secure place and shall at no time be made accessible to any cashiers' cage personnel or to any person responsible for transporting such table inventories to or from the gaming tables.

Amended by R.1989 d.97, effective February 21, 1989.
See: 20 N.J.R. 2647(b), 21 N.J.R. 460(a).
Added (a)5.
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): added "Whenever . . . gaming activity, the . . ." to beginning of subsection.
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.75, effective February 16, 1993.
See: 24 N.J.R. 2536(a), 25 N.J.R. 717(a).
In (a)1, added "coupons".
Amended by R.1994 d.141, effective March 21, 1994.
See: 25 N.J.R. 5906(a), 26 N.J.R. 1380(a).
Temporary Amendment: Caribbean Stud Poker.
See: 26 N.J.R. 3464(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 (a)7 regarding Caribbean stud poker.
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.554, effective November 16, 1998.
See: 30 N.J.R. 3176(a), 30 N.J.R. 4068(a).
In (a), added a new 8.
Amended by R.2002 d.185, effective June 17, 2002.
See: 34 N.J.R. 980(a), 34 N.J.R. 2143(a).
In (a)7, inserted "pai gow poker pursuant to N.J.A.C. 19:46-1.13B or" preceding "caribbean stud poker".
Amended by R.2010 d.185, effective September 7, 2010.
See: 42 N.J.R. 922(a), 42 N.J.R. 2147(b).
Section was "Table inventories". In (a)6, (a)7 and (a)8, deleted "container" following "inventory" near the end; added new (b) and (c); recodified former (b) and (c) as (d) and (e); rewrote (d); and in (e), inserted "table inventory" and substituted "or locked craps or roulette table inventory storage areas" for "containing the table inventories".

19:45-1.21 Procedure for opening tables for gaming

(a) Whenever gaming tables are to be opened for gaming activity, the locked container with the table inventory and the Table Inventory Slip, if not already attached to the gaming tables, shall be transported directly from the cashiers' cage to the gaming table by a security department member.

(b) Immediately prior to opening the gaming table for gaming, the casino supervisor assigned to such table shall unlock the container after assuring that it is the proper container for that table.

(c) The dealer or boxman assigned to the gaming table shall count the contents of the container in the presence of the casino supervisor assigned to such table and shall agree the count to the Opener removed from the container.

(d) Signatures attesting to the accuracy of the information recorded on the Opener shall be placed on such Opener by the dealer or boxman assigned to the table and the casino supervisor that observed the dealer or boxman count the contents of the container.

(e) Any discrepancy between the amount of gaming chips, coins and plaques counted and the amount of the gaming chips, coins and plaques recorded on the Opener shall be immediately verbally reported to the casino manager, assistant casino manager, or table games shift manager in charge at such time, the security department and Commission inspector. For any discrepancy greater that $5.00, security personnel will also promptly complete the standard security report in writing, as approved by the Division, and immediately forward a copy to the Commission inspector and the Division.

(f) After the count of the contents of the container and the signing of the Opener, such slip shall be immediately deposited in the drop box attached to the gaming table by the dealer or boxman after the opening of such table.

Amended by R.1998 d.18, effective January 5, 1998.
See: 29 N.J.R. 3432(b), 30 N.J.R. 112(b).
Amended by R.2006 d.311, effective September 5, 2006.
See: 38 N.J.R. 2111(a), 38 N.J.R. 3668(a).
In the first sentence of (e), inserted "verbally" preceding "reported" and deleted "verbally" from the end, and in the last sentence of (e), substituted "For any discrepancy greater that $5.00, security personnel" for "Security' and "also promptly" for "then".

19:45-1.22 Procedure for distributing gaming chips, coins and plaques to gaming tables

(a) A Request for Fill ("Request") shall be prepared by a casino supervisor, or a casino clerk, to authorize the preparation of a Fill Slip ("Fill") for the distribution of gaming chips, coins and plaques to gaming tables. The Request shall be a two-part form, at a minimum, and access to the Request shall, prior to use, be restricted to casino supervisors and casino clerks.

(b) On the original and duplicate Request, the following information, at a minimum, shall be recorded:

1. The date and time, or shift, of preparation;

2. The denomination of gaming chips, coins and plaques to be distributed to the gaming tables;

3. The total amount of each denomination of gaming chips, coins and plaques to be distributed to the gaming tables;

4. The game and table number to which the gaming chips, coins and plaques are to be distributed; and

5. The signature of the casino supervisor.

(c) After preparation of the Request the original copy of such Request shall be transported directly to the cashiers' cage.

(d) The duplicate copy of the Request shall be placed by the dealer or boxman in public view on the gaming table to which the gaming chips, coins and plaques are to be received. Such duplicate Request shall not be removed until the chips, coins and plaques are received at which time the Request and Fill are deposited in the drop box.

(e) If Fills are computer prepared and the input data required for preparation of a Fill is entered by, and ability to input is restricted to a casino supervisor and a casino clerk, and the printing of the Fill, which shall be in the cashiers' cage, is a direct result of such input, (a), (b), (c), and (d) above, may be ignored.

(f) A Fill shall be prepared by a chip bank cashier or, if computer prepared, by a chip bank cashier, a casino supervisor, or a casino clerk whenever gaming chips, coins and plaques are distributed to the gaming tables from the cashiers' cage.

(g) Fills shall be serially prenumbered forms, each series of Fills shall be used in sequential order, and the series numbers of all Fills received by a casino shall be accounted for by employees with no incompatible functions. All original and duplicate void Fills shall be marked "VOID" and shall require the signature of the preparer.

(h) For establishments in which fills are manually prepared, the following procedures and requirements shall be observed:

1. Each series of Fills shall be a three-part form, at a minimum, and shall be inserted in a locked dispenser that will permit an individual slip in the series and its copies to be written upon simultaneously while still locked in the dispensers, and that will discharge the original and duplicate while the triplicate remains in a continuous, unbroken form in the dispenser.

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 fills, placing fills in the dispenser, and removing from the dispensers, each day, the triplicates remaining therein. These employees have no incompatible functions.

(i) For establishments in which Fills are computer-prepared, each series of Fills 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. The stored data shall not be susceptible to change or removal by any personnel after preparation of a Fill.

(j) On original, duplicate, and triplicate copies of the Fill, 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 distributed;

2. The total amount of each denomination of gaming chips, coins and plaques being distributed;

3. The total amount of all denominations of gaming chips, coins and plaques being distributed;

4. The game and table number to which the gaming chips, coins and plaques are being distributed;

5. The date and shift during which the distribution of gaming chips, coins and plaques occurs; and

6. The signature of the preparer or, if computer prepared, the identification code of the preparer.

(k) The time of preparation of the Fill shall be recorded at a minimum, on the original and duplicate upon preparation.

(*l*) All gaming chips, coins and plaques distributed to the gaming tables from the cashiers cage shall be transported to the gaming tables from the cashiers' cage by a security department member who shall agree the Request to the Fill and sign the original copy of the Request, maintained at the

cashiers' cage, before transporting the gaming chips, coins and plaques and the original and duplicate copies of the Fill for signatures.

(m) Signatures attesting to the accuracy of the information contained on the Fills 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 transporting the gaming chips, coins and plaques to the gaming table upon receipt from the cashier of gaming chips, coins and plaques to be transported;

iii. The dealer or boxman assigned to the gaming table upon receipt at such table from the security department member of gaming chips, coins and plaques at such table; and

iv. The casino supervisor assigned to the gaming table upon receipt of the gaming chips, coins and plaques at such table.

(n) Upon meeting the signature requirements as described in (m) above, the security department member that transported the gaming chips, coins and plaques and the original and duplicate copies of the Fill to the table shall observe the immediate placement by the dealer or boxman of the duplicate Fill and the duplicate Request in the drop box attached to the gaming table to which the gaming chips, coins and plaques were transported and return or observe the return of the original Fill to the chip bank where the original Fill and Request shall be maintained together and controlled by employees independent of the casino department.

(*o*) The original and duplicate void Fills, the original Request, and the original Fill, maintained and controlled in conformity with (n) above, shall be forwarded using one of the following alternatives:

1. Alternative I: Forwarded to the count team for agreement with the duplicate Fill and duplicate Request removed from the drop box after which the original and duplicate Request and the original and duplicate Fill 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 Fill and duplicate Request removed from the drop box and the triplicate or stored data.

Petition for Rulemaking.
See: 33 N.J.R. 2351(a), 33 N.J.R. 3222(a), 33 N.J.R. 3775(a).

19:45-1.23 Procedure for removing gaming chips, coins and plaques from gaming tables

(a) A Request for Credit ("Request") shall be prepared by a casino supervisor, or a casino clerk, to authorize the preparation of a Credit Slip ("Credit") for the removal of gaming chips, coins and plaques from gaming tables to the cashiers' cage. The Request shall be a two-part form, at a minimum, and access to such form shall, prior to use, be restricted to casino supervisors and casino clerks.

(b) On the original and the duplicate Request, the following information, at a minimum, shall be recorded:

1. The date and time, or shift, of preparation;

2. The denomination of gaming chips, coins and plaques to be removed from the gaming table;

3. The total amount of each denomination of gaming chips, coins and plaques to be removed from the gaming table;

4. The game and table number from which the gaming chips, coins and plaques are to be removed; and

5. The signature of the casino supervisor and dealer or boxman assigned to the gaming table from which the gaming chips, coins and plaques are to be removed.

(c) Immediately upon preparation of a Request and transfer of gaming chips, coins and plaques to a security department member, a casino supervisor shall obtain on the duplicate the signature of the security department member to which the gaming chips and plaques were transferred and the dealer or boxman shall place the duplicate Request in public view on the gaming table from which the gaming chips, coins and plaques were removed and such Request shall not be removed until a Credit is received from the chip bank at which time the Request and Credit are deposited in the drop box.

(d) The original Request shall be transported directly to the cashiers' cage by the security department member who shall at the same time transport the gaming chips, coins and plaques removed from the gaming table.

(e) A Credit shall be prepared by a chip bank cashier or, if computer prepared, by a chip bank cashier, a casino supervisor, or a casino clerk whenever gaming chips, coins and plaques are returned from the gaming tables to the cashiers' cage.

(f) Credits shall be serially prenumbered forms, each series of Credits shall be used in sequential order, and the series numbers of all Credits received by a casino shall be accounted for by employees with no incompatible functions. All original and duplicate void Credits shall be marked "VOID" and shall require the signature of the preparer.

(g) For establishments in which Credits are manually prepared, the following procedures and requirements shall be observed:

1. Each series of Credits shall be a three-part form, at a minimum, and shall be inserted in a locked dispenser that will permit an individual slip in the series and its copies to

be written upon simultaneously while still locked in the dispenser, and that will discharge the original and duplicate while the triplicate remains in a continuous, unbroken form in the dispenser.

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 or slot 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 or slot 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 or slot 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 or slot 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 slot cashier or, if computer prepared, the identification code of the general cashier or slot cashier; and

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 or slot 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, a satellite cage or slot booth, requesting the refund 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, satellite cage or slot booth 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 the cashiers' cage, satellite cage or slot booth at which the patron is located; or

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

(m) Once an original Customer Deposit Form is presented at a cashiers' cage, satellite cage or slot booth where at least one of that patron's duplicate forms is located, a general cashier or slot 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 or slot cashier preparing such documentation.

(n) The general cashier or slot 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 or slot 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 or slot cashier that the signatures contained in (n) above are a match, the general cashier or slot 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 or slot 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 or slot 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 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 cashiers' cage, satellite cage or slot booth where the patron has requested the refund, the general cashier or slot cashier making the refund shall either have the documents transported in accordance with N.J.A.C. 19:45-1.14(j) to the cashiers' cage, satellite cage or slot booth 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, satellite cage or slot booth 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, satellite cage or slot booth where the patron made the request.

(p) A log of all customer deposits received and returned, shall be prepared manually or by a computer on a daily basis, by check cashiers and slot 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 and slot booths 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 June 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.
Amended by R.2003 d.316, effective August 4, 2003.
See: 35 N.J.R. 1498(a), 35 N.J.R. 3566(b).
Added "or slot cashier" and "or slot booth" throughout.

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 or casino account number of the patron for whose benefit the funds were transferred;

7. The name of the financial institution from which the funds were transferred;

8. The address or the American Banking Association (ABA) routing number of the financial institution from which the funds were transferred;

9. The account number or the name on the account from which the funds were transferred, or the Federal

reference number for the wire transfer, which consists of the date of the transfer and a unique transaction number for that transfer;

10. 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;

11. The signature of the cage employee receiving and recording the information required by this subsection; and

12. If applicable, a notation that the wire transfer or electronic fund transfer has been reversed pursuant to (h) below.

(d) Upon completion of the notification section of the Wire Transfer or Electronic Fund Transfer Log required by (c) above, a cage supervisor other than the cage employee who received and recorded notification of the wire transfer or electronic fund transfer shall:

1. Verify receipt of the wire transfer or electronic fund transfer and confirm the information recorded in the Wire Transfer or Electronic Funds Transfer Log pursuant to (c)2 through 8 above by:

i. If the notification occurred solely by telephone in accordance with (b)1 above, making telephone contact with a previously identified authorized employee of the casino licensee's bank; or

ii. If the notification occurred by direct hard copy communication or by direct computer access in accordance with (b)2 or 3 above, reviewing the hard copy communication or printout of the computer screen; and

2. Record the following in the verification section of the Wire Transfer or Electronic Fund Transfer Log:

i. The method of verification, and if verification was accomplished by telephone contact, the name and title of the authorized employee at the casino licensee's bank who confirmed the information;

ii. The date and time of verification; and

iii. The signature of the cage supervisor verifying the receipt of the wire transfer or electronic fund transfer and the information recorded pursuant to (c) above.

(e) Upon verification of the wire transfer or electronic fund transfer and completion of the Wire Transfer and Electronic Fund Transfer Log, the general cashier of the casino licensee shall be deemed, for purposes of compliance with the Commission's rules, to have received cash at the general cashiers' cage in an amount equal to the actual amount of funds transferred to the operating account of the casino licensee.

(f) The casino licensee shall, within seven business days after acceptance and deposit of the wire transfer or electronic funds transfer into its operating account on behalf of a patron, make every reasonable effort to determine the purpose, as permitted by (a) above, for the transfer. Upon determining the purpose for the wire transfer or electronic fund transfer, a cage supervisor shall prepare a Wire Transfer or Electronic Fund Transfer Acknowledgment Form, a two-part form containing, at a minimum, the following information:

1. The wire transfer or electronic fund transfer number;

2. The type of transfer, that is, whether a wire transfer or electronic fund transfer;

3. The date of the wire transfer or electronic fund transfer;

4. The actual amount of funds received pursuant to the wire transfer or electronic fund transfer, stated in numbers and words;

5. The name of the patron;

6. The purpose for the wire transfer or electronic fund transfer (cash deposit; redemption; payment of returned Counter Check or Slot Counter Check);

7. The signature of the preparer; and

8. The signature of either:

i. The check bank cashier, if the funds are to be used for Counter Check or Slot Counter Check redemption or the payment of a returned Counter Check or Slot Counter Check; or

ii. The general cashier, if the funds are to be used for a cash deposit.

(g) Upon completion of the information required by (f)1 through 7 above, the cage supervisor who prepared the form shall obtain the signature required by (f)8 above on both copies of the Wire Transfer or Electronic Fund Transfer Acknowledgment Form, transmit the duplicate copy and any supporting documentation to the accounting department, and forward the original Wire Transfer or Electronic Fund Transfer Acknowledgment Form to:

1. The check bank cashier, if the funds are to be used for Counter Check or Slot Counter Check redemption or the payment of a returned Counter Check or Slot Counter Check, who shall:

i. Post the amount of the funds to the patron's credit account;

ii. If appropriate, return the redeemed Counter Check or Slot Counter Check to the patron;

iii. Forward to the accounting department the original Wire Transfer or Electronic Fund Transfer Acknowledgment Form for comparison to the duplicate; and

iv. Forward to the accounting department the redemption copy of any Counter Check redeemed, in accordance with the requirements of N.J.A.C. 19:45-1.25 or Slot Counter Check redeemed, in accordance with the requirements of N.J.A.C. 19:45-1.25A; or

2. The general cashier, if the funds are to be used to establish a cash deposit, who shall:

i. Prepare a customer deposit file in accordance with the provisions of N.J.A.C. 19:45-1.24;

ii. Prepare a Customer Deposit Form in accordance with the provisions of N.J.A.C. 19:45-1.24, except that prior to the release to the patron of any funds credited to a cash deposit file by means of a wire transfer or electronic fund transfer, the general cashier shall verify that the patron is the patron recorded on the Wire Transfer or Electronic Fund Transfer Acknowledgment Form by comparing the signature on an identification credential or the Customer Deposit Form and the patron's physical appearance with the signature and general physical description recorded in a patron signature file and shall maintain documentation supporting that verification; and

iii. Forward to the accounting department the original Wire Transfer or Electronic Funds Transfer Acknowledgment Form for comparison to the duplicate.

(h) If, at the expiration of seven business days after the acceptance and deposit into its operating account of a wire transfer or electronic fund transfer from or on behalf of a patron, a casino licensee is unable to determine the purpose for the wire transfer or electronic fund transfer, the casino licensee shall, on the next business day, take all steps necessary to return by wire transfer or electronic fund transfer the amount initially accepted on behalf of the patron to that patron at the financial institution and to the account number from which the funds were debited. This reversal of the wire transfer or electronic fund transfer shall be recorded in the Wire Transfer or Electronic Fund Transfer Log maintained pursuant to (c) above.

(i) At the end of the month, a copy of the Wire Transfer and Electronic Fund Transfer Log shall be forwarded to the accounting department and reconciled with all Wire Transfer or Electronic Fund Transfer Acknowledgment Forms prepared during that month.

(j) Upon the receipt and processing of a wire transfer or electronic fund transfer in accordance with the provisions of this section, a casino licensee may, in its discretion, credit to the patron's account the amount of any wire transfer or electronic fund transfer fees charged against the original amount of the wire transfer or electronic fund transfer, provided that:

1. The credit shall be limited to the lesser of $250.00 or the actual amount of the wire transfer or electronic fund transfer fees charged by any financial institution involved in the wiring or electronic transfer of the funds;

2. The purpose of the wire transfer or electronic fund transfer is to enable a transaction identified in (a)2 or 3 above and the credit is applied toward the completion of that transaction;

3. The credit is authorized and recorded by the casino licensee pursuant to internal controls approved by the Commission, which internal controls shall, at a minimum, include:

i. The creation of a record identifying the date and the amount of the credit and the sequential wire transfer or electronic fund transfer number of the wire transfer or electronic fund transfer for which the credit is being issued; and

ii. The recording of the credit as a balancing item on the main bank summary.

(k) Notwithstanding any other provision of this chapter, the amount of a credit of wire transfer or electronic fund transfer fees authorized by (j) above need not be included in determining the amount of cash complimentaries which may be issued to a patron pursuant to N.J.A.C. 19:45-1.9B.

New Rule, R.1989 d.233, effective May 1, 1989.
See: 20 N.J.R. 3012(a), 21 N.J.R. 1152(b).
Petition for Rulemaking: requesting amendment to permit casino licensee to accept a transfer which specifies either patron's name or patron's casino identification number.
See: 22 N.J.R. 565(d).
Amended by R.1991 d.229, effective May 6, 1991.
See: 22 N.J.R. 3205(a), 23 N.J.R. 1455(a).
Added references to "Slot Counter Checks" throughout section.
Amended by R.1994 d.472, effective September 19, 1994.
See: 26 N.J.R. 2215(a), 26 N.J.R. 3892(a).
Amended by R.1994 d.542, effective November 7, 1994.
See: 26 N.J.R. 3140(a), 26 N.J.R. 4445(b).
Amended by R.1997 d.131, effective March 17, 1997.
See: 28 N.J.R. 4572(a), 29 N.J.R. 919(a).
Inserted new (d)1 and 2; and recodified existing (d)2 and 3 as (d)2ii and iii.
Amended by R.1997 d.390, effective September 15, 1997.
See: 29 N.J.R. 2630(a), 29 N.J.R. 4140(a).
In (c), inserted "or other secure location approved by the Commission within the cage:".
Amended by R.1998 d.267, effective June 1, 1998.
See: 30 N.J.R. 807(a), 30 N.J.R. 2076(a).
In (g)2, rewrote ii.
Amended by R.2002 d.282, effective September 3, 2002.
See: 34 N.J.R. 655(a), 34 N.J.R. 3128(a).
Rewrote the section.
Petition for Rulemaking: Notice of receipt of petition for rulemaking accounting and internal controls.
See: 37 N.J.R. 4329(c), 38 N.J.R. 347(c).
Amended by R.2006 d.312, effective September 5, 2006.
See: 38 N.J.R. 2111(b), 38 N.J.R. 3669(a).
In (c)6, inserted "or casino account number"; in (c)7, deleted "and address" following "name" and "and the account number from which the funds were deleted" from the end; inserted new (c)8 and (c)9; and recodified existing (c)8 through (c)10 as (c)10 through (c)12.

19:45-1.24B Procedure for sending funds by wire transfer or electronic fund transfer

(a) Whenever a patron requests a casino licensee to send funds by wire transfer or electronic fund transfer to a financial institution on behalf of the patron, the patron shall present to the general cashier the cash, cash equivalents, casino check, chips, plaques, slot tokens or prize tokens representing the amount sought to be transferred, or, in the case of a cash deposit, request that the unused balance of the cash deposit be transferred. In the case of a cash deposit, the procedures set forth in N.J.A.C. 19:45-1.24 for redemption of a cash deposit shall be observed.

(b) The general cashier shall obtain from the reserve cash cashier a Wire Transfer or Electronic Fund Transfer Request Form, a four-part serially prenumbered form, and shall record thereon, at a minimum, the information required by (b)1 through 7 below:

1. The name of the patron;

2. The date of the transaction;

3. The amount of funds to be transferred, stated in numbers and in words;

4. The source of funds to be transferred (cash, cash equivalent, casino check, chips, plaques, slot tokens, prize tokens or cash deposit);

5. The name and address of the financial institution to which the funds will be transferred and the account number to which the funds will be credited;

6. The signature of the patron if the request is made in person at the cage or, if the request is made by mail, an indication that a signed written request from the patron is attached to the Wire Transfer or Electronic Fund Transfer Request Form;

7. The signature of the general cashier; and

8. The signature of the reserve cash cashier.

(c) Prior to completing the Wire Transfer or Electronic Fund Transfer Request Form, the general cashier shall perform and maintain documentation supporting the following verifications:

1. If the request is made in person, the general cashier shall compare the patron's signature on the Wire or Electronic Fund Transfer Request and the patron's physical appearance with:

i. The signature and general physical description recorded in a patron signature file; or

ii. The signature on the patron's identification credential and the patron's photograph or physical description, if any, recorded on the identification credential; or

2. If the request is made by mail, the general cashier shall compare the signature on the attached written request with the signature in a patron signature file.

(d) After verifying the patron's signature, the general cashier shall present the Wire Transfer or Electronic Fund Transfer Request Form to the reserve cash cashier, who shall sign the form and retain the original and duplicate copy. The general cashier shall retain the triplicate copy of the form and shall give the patron the quadruplicate copy of the form as evidence of the wire transfer or electronic fund transfer request.

(e) The reserve cash cashier shall immediately forward the original Wire Transfer or Electronic Fund Transfer Request Form to the accounting department as authorization to effect the transfer, and shall retain the duplicate copy for agreement with the triplicate copy held by the general cashier. At the end of the gaming day, and upon agreement of the duplicate and triplicate copies of the Wire Transfer or Electronic Fund Transfer Request Form, the reserve cash cashier shall forward both copies of the form to the accounting department.

(f) Upon receipt of the original Wire Transfer or Electronic Fund Transfer Request Form, the accounting department shall authorize the wire or electronic transfer of the funds and shall either:

1. Record on the original Wire Transfer or Electronic Fund Transfer Request Form:

i. The name and title of the person contacted at the casino licensee's bank;

ii. The date and time that the wire transfer or electronic fund transfer was authorized; and

iii. The signature of the accounting department employee authorizing the wire transfer or electronic fund transfer; or

2. If the wire transfer or electronic fund transfer is authorized by means of a direct computer link between the casino licensee and its bank, print a copy of the wire transfer or electronic fund transfer authorization from the computer screen which shall:

i. Comply with the requirements of (f)1ii and iii above; and

ii. Be attached to the original Wire Transfer or Electronic Fund Transfer Request Form.

(g) At the end of the gaming day, the accounting department shall compare the duplicate and triplicate copies of the Wire Transfer or Electronic Fund Transfer Request Form to the original.

New Rule, R.1989 d.233, effective May 1, 1989.
See: 20 N.J.R. 3012(a), 21 N.J.R. 1152(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.1997 d.131, effective March 17, 1997.
See: 28 N.J.R. 4572(a), 29 N.J.R. 919(a).
In (b)6, (c) and (d), added provisions for signature verification on Wire Transfer Request Forms.
Amended by R.1998 d.267, effective June 1, 1998.
See: 30 N.J.R. 807(a), 30 N.J.R. 2076(a).
Rewrote (c).
Amended by R.2002 d.282, effective September 3, 2002.
See: 34 N.J.R. 655(a), 34 N.J.R. 3128(a).
Rewrote the section.

19:45–1.25 Procedure for exchange of checks submitted by gaming or simulcast wagering patrons; repurchase of cash equivalents

(a) Except as otherwise provided in this section, no casino licensee or any person licensed under the Casino Control Act, and no person acting on behalf of or under any arrangement with a casino licensee or other person licensed under the Casino Control Act, shall:

1. Cash any check, make any loan, or otherwise provide or allow to any person any credit or advance of anything of value or which represents value to enable any

person to take part in gaming or simulcast wagering activity as a player; or

2. Release or discharge any debt which is uncollectible, either in whole or in part, which represents any losses incurred by any player in gaming or simulcast wagering activity without maintaining a written record of the deposit, check return and collection efforts as required by N.J.A.C. 19:45–1.28 and 19:45–1.29; or

3. Make any loan which represents any losses incurred by any player in gaming or simulcast wagering activity without receiving from said player in exchange therefore, a check in the amount of said loan, which check shall conform with the Casino Control Act and these regulations.

(b) No casino licensee or any person licensed under the Act, and no person acting on behalf of or under any arrangement with a casino licensee or other person licensed under the Act, may accept a check, other than a recognized travelers' check or other cash equivalent, a casino check, a casino affiliate check, or an annuity jackpot trust check from any person to enable such person to take part in gaming or simulcast wagering activity as a player, or may give cash or cash equivalents in exchange for such check unless the requirements of this section and N.J.A.C. 19:45–1.26, 19:45–1.27, 19:45–1.28, and 19:45–1.29 concerning check cashing, redeeming, consolidating, collecting and recording procedures are observed by the casino licensee and its employees and agents. For purposes of this chapter: the term "check" when used in connection with an exchange, redemption, substitution or consolidation by a patron shall mean any draft drawn by the patron which is a "cash item" as defined in Regulation J of the Board of Governors of the Federal Reserve System, 12 C.F.R. 210.2(e), and which is drawn on an account maintained in a "depository institution" as defined in Section 19(b) of the Federal Reserve Act, 12 U.S.C. § 461(b), including share drafts and drafts drawn on negotiable order of withdrawal accounts or similar accounts; the term "checking account" shall mean any account on which a "check" is drawn; and the term "bank" shall include any "depository institution" as defined in 12 U.S.C. § 461(b). For purposes of this chapter, a check received from a person by cage cashiers may be presumed by the casino licensee not to be exchanged to enable such person to take part in gaming activity as a player, if the casino licensee shall cause to be posted at each general cashier station in the cashiers' cage a conspicuous sign that reads:

"By law, personal checks cannot be exchanged for currency or coin to be used for gaming or simulcasting wagering purposes."

(c) All checks sought to be exchanged in a casino by a patron shall be:

1. Drawn on a bank and payable on demand;

2. Drawn for a specific amount;

3. Made payable to the casino licensee; and

4. Currently dated, but not post dated.

(d) All checks sought to be exchanged at the cashiers' cage shall be:

1. Presented directly to the general cashier who shall:

i. Restrictively endorse the check "for deposit only" to the casino licensee's bank account;

ii. Initial the check;

iii. Date and time stamp the check;

iv. Immediately exchange the check for currency and coin in an amount equal to the amount for which the check is drawn, not to exceed two hundred dollars ($200.00) per patron per day, if such check is exchanged for the purpose of nongaming; and

v. Forward redemption, consolidation and substitution checks to the Check Cashier and all non-gaming checks to the main bank cashier.

(e) Cash equivalents, casino checks, casino affiliate checks and annuity jackpot trust checks shall only be accepted at the cashiers' cage by general cashiers. Notwithstanding the foregoing, recognized credit and debit cards may be used to obtain gaming chips or plaques at gaming tables pursuant to N.J.A.C. 19:45–1.18A and the processing of such transactions shall occur in accordance with the provisions of that section.

1. Prior to the acceptance of any cash equivalent from a patron, the general cashier shall determine the validity of such cash equivalent by performing the necessary verification for each type of cash equivalent and such other procedures as may be required by the issuer of such cash equivalent. Prior to the acceptance of any casino check, casino affiliate check or an annuity jackpot trust check from a patron, the general cashier shall comply with the requirements of (f) below.

2. In order to ensure the patron's identity, prior to the acceptance of a cash equivalent made payable to a presenting patron, a casino check, a casino affiliate check or an annuity jackpot trust check, the general cashier shall be required to verify that the patron's signature recorded on the cash equivalent, casino check, casino affiliate check or the annuity jackpot trust check and the patron's physical appearance agree with the information recorded in a patron signature file or with the signature and, if applicable, photograph or physical description contained on an identification credential presented by the patron. Each casino licensee shall maintain documentation supporting that verification.

3. Any cash equivalent other than a travelers check or credit card and any casino check, casino affiliate check or annuity jackpot trust check which is accepted from a patron by a general cashier shall be:

i. Endorsed in blank by the patron (but in the case of a cash equivalent, only if the cash equivalent is made payable to the presenting patron); and

ii. Except as otherwise provided in (e)4ii below, restrictively endorsed "For Deposit Only" to the bank account of the casino licensee immediately upon acceptance by the general cashier and deposited no later than the next banking day following the date of the transaction.

4. A casino licensee may, in its discretion, allow a patron who has exchanged a cash equivalent (other than a travelers check or credit card) for currency, coin or a Customer Deposit Form to repurchase the cash equivalent for an equal amount of cash, gaming chips, plaques or slot tokens prior to the deposit of the cash equivalent by the casino licensee. If a casino licensee agrees to provide a patron with this repurchase option, the general cashier shall, prior to acceptance of the cash equivalent:

i. Immediately determine the validity of the cash equivalent by performing the verification required in (e)1 above; and

ii. In lieu of complying with the requirements of (e)3ii above, comply with the approved internal control procedures of the casino licensee for the processing of such transactions, which procedures shall include, at a minimum, the following:

(1) The creation of an audit trail which shall assure that no single employee is in a position to convert the cash equivalent to his or her personal use without detection;

(2) The establishment of a definite time limit on the repurchase rights of the patron, which time limit shall be no later than the end of the fifth calendar day following the date of acceptance of the cash equivalent; and

(3) Upon expiration of the time limit required by (e)4ii(2) above, the immediate restrictive endorsement of the cash equivalent "For Deposit Only" to the bank account of the casino licensee, and the deposit of the cash equivalent by no later than the next banking day.

5. Whenever a casino licensee accepts from a patron a cash equivalent payable to a holding company of the casino licensee where presented to enable the patron to take part in gaming or simulcasting activity as a player, the holding company shall, pursuant to an agreement with the casino licensee and in accordance with approved internal controls:

i. Indemnify and hold the casino licensee harmless for the face amount of the cash equivalent; and

ii. Cause a credit in the amount of such cash equivalent to be posted to the casino licensee's bank account by no later than the next banking day.

(f) Prior to the acceptance of any casino check, casino affiliate check or annuity jackpot trust check from a patron, a general cashier shall determine the validity of such check by contacting the New Jersey casino licensee which issued the check or by confirming, in a manner approved by the Commission, the issuance of the check by the casino licensee affiliate or the annuity jackpot trust, as the case may be, and verifying the following information:

1. The date of the check;

2. The check number;

3. The name of the payee appearing on the check;

4. The amount of the check; and

5. The check has not been issued for the purpose of employment compensation or as payment for goods or services rendered.

(g) Each casino licensee shall maintain a casino check log and an annuity jackpot trust check log.

1. The general cashier of the casino licensee accepting a casino check or casino affiliate check shall document the verifications performed in (f) above in the casino check log and shall also record therein his or her name and license number and:

i. For a casino check, the name of the cashier providing such information and the date and time the information was obtained; or

ii. For a casino affiliate check, the name of the employee at the casino licensee affiliate providing such information, and the date and time the information was obtained.

2. The general cashier of the casino licensee accepting an annuity jackpot trust check shall document the verifications performed in (f) above in the annuity jackpot trust check log, and shall record therein the manner in which the information was obtained, including, if applicable, the name of any person providing the information and the date and time the information was obtained.

3. A general cashier of the New Jersey casino, which issues a casino check shall provide the information required by (f) above to the casino licensee accepting such check and shall indicate that verification was requested by notating in the casino check log the following information:

i. The date and time of the request;

ii. The name of the casino requesting the information;

iii. The name of the general cage cashier making the request;

iv. The check number;

v. The date of the check;

vi. The name of the payee appearing on the check; and

vii. That the check was issued for a purpose other than employment compensation or as payment for goods or services rendered.

4. Each casino licensee shall, upon request, provide to any other casino licensee a list, updated as necessary, of the name of each affiliate of that casino licensee which holds a gaming license in any jurisdiction, and the name and telephone number of a person at each such affiliate who can verify the issuance of a casino affiliate check by that affiliated casino.

(h) Prior to acceptance of a travelers check from a patron, the general cashier shall verify its validity by:

1. Requiring the patron to countersign the travelers check in his or her presence;

2. Comparing the countersignature with the original signature on the travelers check;

3. Examining the travelers check for any other signs of tampering, forgery or alteration; and

4. Performing any other procedures which the issuer of the travelers check requires in order to indemnify the acceptor against loss.

(i) A person may obtain cash or slot tokens at the cashiers' cage or slot booth or cash at the simulcast counter or keno booth to be used for gaming purposes by presenting a recognized credit or debit card to a general cashier, pari-mutuel cashier, keno writer or slot cashier in transactions known as a credit card cash transaction or a debit card cash transaction defined at N.J.A.C. 19:45-1.1. Each casino licensee that accepts a recognized credit or debit card in a credit or debit card cash transaction shall establish internal controls governing the transactions, which internal controls shall include procedures comparable to those required by the provisions of N.J.A.C. 19:45-1.18A.

(j) The following procedures and requirements over Counter Checks shall be observed:

1. Counter Checks shall be serially prenumbered forms; each series of Counter Checks shall be used in sequential order, and the series numbers of all Counter Checks received by a casino licensee shall be accounted for by employees with no incompatible functions. The original and all copies of void Counter Checks shall be marked "VOID" and shall require the signature of the casino clerk.

2. For establishments in which Counter Checks are manually prepared:

i. Each series of Counter Checks shall be a five-part form, at a minimum, which consists of an original, a redemption copy, an accounting copy, an issuance copy and acknowledgment copy and shall be attached in a book that will permit an individual slip in the series and its copies to be written upon simultaneously, while still contained in the book, and that will allow the removal of the original and all duplicate copies.

ii. Access to the Counter Checks shall be maintained and controlled at all times by the casino clerks responsible for controlling of and accounting for the unused supply of Counter Checks, and the preparation of Counter Checks for a patron's signature.

3. For establishments in which Counter Checks are computer prepared, each series of Counter Checks shall be a four-part form, at a minimum, which consists of an original, a redemption copy, an issuance copy and accounting copy and shall be inserted in a printer that will: simultaneously print an original and duplicates and store, in machine readable form, all information printed on the original and duplicates; and discharge the original and duplicates. The stored data shall not be susceptible to change or removal by any personnel after preparation of a Counter Check.

(k) For each Counter Check exchanged at a gaming table, the casino clerk shall:

1. Verify the patron's identity by either:

i. Obtaining the patron's signature, on a form, which signature shall be compared to the signature contained within a patron signature file. The casino clerk shall sign the form indicating that the signature of the patron on the form appears to agree with the signature in the patron signature file. Such form shall be attached to the accounting copy of the Counter Check exchanged by the patron prior to forwarding it to the accounting department in conformity with (p) below.

(1) After the patron's identity has been verified by the casino clerk as required above, the requirements for subsequent verification of the patron's identity during the same shift and in the same gaming pit may be satisfied by that casino clerk signing a form attesting to the patron's identity before each subsequent Counter Check is exchanged. The form shall include the patron's name and the serial number of the initial Counter Check exchanged by the patron. Such form shall be attached to the accounting copy of the Counter Check prior to forwarding it to the accounting department in conformity with (p) below; or

ii. Obtaining the attestation of a casino supervisor as to the identity of the patron. The casino supervisor shall sign a form attesting to the patron's identity and shall record his license number thereon. Such form shall be attached to the accounting copy of the Counter Check exchanged by the patron prior to forwarding it to the accounting department in conformity with (p) below.

2. Determine the patron's remaining credit limit from the cashiers' cage.

3. Prepare the Counter Check for a patron's signature by recording, at a minimum, on the face of the original and

all duplicates of the Counter Check, with the exception of the acknowledgment copy which shall only have recorded on it the game and table number, or in stored data, the following information:

i. The name of the patron exchanging the Counter Check;

ii. The name of the patron's bank (required on the original copy only);

iii. The current date and time;

iv. The amount of the Counter Check expressed in numerals;

v. The game and table number;

vi. The signature of the casino supervisor authorizing acceptance of the check; and

vii. The signature of the preparer or, if computer prepared, the identification code of the preparer.

4. Place an impression on the back of the original Counter Check a restrictive endorsement "for deposit only" to the casino licensee's bank account.

5. Present the original and all duplicate copies of the Counter Check to the patron for signature; provided, however, that a casino licensee may, in accordance with approved internal controls, require the patron to sign the original Counter Check only and have a computer generated facsimile of the signature exemplar obtained from the patron's signature file preprinted on the redemption, issuance and accounting copies of a computer prepared Counter Check if:

i. The patron's signature has previously been recorded in a patron signature file in conformance with the requirements of N.J.A.C. 19:45-1.5A; and

ii. A legible copy of the signed original Counter Check is made by the casino licensee prior to the presentment of the original Counter Check for collection or payment in accordance with the provisions of this chapter, which copy shall be maintained by the casino licensee and be available for inspection by representatives of the Commission and Division upon request.

6. Receive the signed Counter Check directly from the patron; the issuance copy, which is the equivalent of a Check Credit Slip, of the Counter Check shall be immediately and directly given to the dealer or boxman. In no instance shall the chips or plaques be given to the patron prior to the receipt of the issuance copy of the Counter Check by the dealer or boxman.

i. The original, redemption, and acknowledgment copies of the Counter Check shall be expeditiously transported to the cashiers' cage where the original and redemption copies shall be maintained and controlled by the Check Bank Cashier;

ii. The accounting copy of the Counter Check shall be maintained and controlled at all times by the casino clerk; and

iii. The issuance copy of the Counter Check shall be deposited by the dealer or boxman in the drop box immediately after the issuance of chips or plaques to the patron.

(*l*) For establishments in which the Chip Bank Cashier receives the original, redemption and acknowledgment copies of the Counter Check the Chip Bank Cashier shall sign and time stamp the acknowledgment copy of the Counter Check and expeditiously return it to the casino clerk via a security department member or pneumatic tube system and shall transfer the original and redemption copies of the Counter Check to the Check Cashier in return for properly signed documentation.

(m) For establishments in which the Check Cashier receives the original, redemption and acknowledgment copies of the Counter Check directly from the casino clerk, whether through the use of the pneumatic tube system or transported by a security department member the Check Cashier shall:

1. Sign and time stamp the acknowledgment copy and shall transmit it to the casino clerk via a security department member or pneumatic tube system, and shall maintain the original and redemption copies of the Counter Check.

(n) The acknowledgment copy of the Counter Check returned to the casino clerk shall be agreed to the accounting copy and maintained and controlled by the casino clerk.

(*o*) If the total amount of chips or plaques possessed by a patron exceeds $500, the casino licensee shall request the patron to apply all chips or plaques in his possession to the redemption of Counter Checks or Slot Counter Checks exchanged for purposes of gaming prior to exchanging such chips or plaques for cash or prior to departing from the casino or casino simulcasting facility areas.

(p) At the end of each gaming day, at a minimum, the following procedures and requirements shall be observed:

1. The original and all copies of void Counter Checks and the accounting and acknowledgment copies of the Counter Check shall be forwarded by a representative of the accounting or security department to the accounting department for agreement, on a daily basis, with the issuance copy of the Counter Check removed from the drop box or stored data.

2. The redemption copy of a Counter Check maintained and controlled in conformity with (k)6i above shall be forwarded to the accounting department subsequent to the redemption, consolidation or deposit of the original Counter Check for agreement with the accounting and issuance copies of the Counter Check or stored data.

Amended by R.1981 d.437, effective November 16, 1981.
See: 13 N.J.R. 534(b), 13 N.J.R. 848(b).
(d)iv.: Added $200.00 check limit per patron per day.
Added (e) and (f); renumbered (e)-(k) as (g)-(m).
Amended by 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).
(h) and (*l*) substantially amended.
Operative date changed from July 20, 1985.
Amended by R.1985 d.41, effective February 19, 1985.
See: 16 N.J.R. 3302(b), 17 N.J.R. 480(c).
(e) amended.
Amended by R.1986 d.77, effective April 7, 1986.
See: 17 N.J.R. 2245(a), 18 N.J.R. 706(b).
New (f)-(h) added; old (f)-(m) now (i)-(p).
Petition for Rulemaking: Verification procedures to be followed by the Casino prior to the acceptance of recognized travelers checks from a casino patron.
See: 20 N.J.R. 1489(a).
Amended by R.1988 d.304, effective July 5, 1988.
See: 20 N.J.R. 51(a), 20 N.J.R. 1572(a).
Added (e)1 concerning cashing of travelers checks.
Amended by R.1990 d.2, effective January 2, 1990.
See: 21 N.J.R. 2954(a), 22 N.J.R. 63(a).
In (f)5: deleted "either" from phrase and added new 5iii.
Amended by R.1991 d.229, effective May 6, 1991.
See: 22 N.J.R. 3205(a), 23 N.J.R. 1455(a).
In (j)3, revised text read "accounting" copy; in (o), added "Slot Counter Checks."
Amended by R.1991 d.231, effective May 6, 1991.
See: 22 N.J.R. 3711(a), 23 N.J.R. 1463(a).
In (e): added text providing casino licensees with an additional method to verify patron identification.
Amended by R.1991 d.300, effective June 17, 1991.
See: 23 N.J.R. 397(a), 23 N.J.R. 1964(a).
In (i): added options of slot booth and slot cashier.
Amended by R.1991 d.301, effective June 17, 1991.
See: 23 N.J.R. 191(a), 23 N.J.R. 1963(b).
In (b): added rule text to describe expanded check exchanges procedures.
Amended by R.1992 d.13, effective January 6, 1992.
See: 23 N.J.R. 3087(a), 24 N.J.R. 110(a).
Added new (h)7iii; winnings from slot machine payoffs.
Amended by R.1992 d.110, effective March 2, 1992.
See: 23 N.J.R. 3243(a), 24 N.J.R. 858(c).
In (d)1.v.: added text defining "day" as used in subparagraph; in (p): stylistic revisions.
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.
Temporary Amendment: Caribbean Stud Poker.
See: 26 N.J.R. 3464(a).
Amended by R.1994 d.473, effective September 19, 1994.
See: 26 N.J.R. 2216(a), 26 N.J.R. 3893(a).
Administrative Correction.
See: 26 N.J.R. 4216(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.430, effective August 7, 1995.
See: 27 N.J.R. 1767(b), 27 N.J.R. 2967(a).
Added (f)5v and (g)2vii(5).
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 (b) and (e) through (g); added winnings from table game progressive payouts at (f)5v and (g)3vii(5); and renumbered existing (g)3 as (g)2 and inserted new (g)2.
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.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.441, effective September 16, 1996.
See: 28 N.J.R. 3245(a), 28 N.J.R. 4241(a).
Amended by R.1998 d.148, effective March 16, 1998.
See: 30 N.J.R. 36(a), 30 N.J.R. 1059(a).
In (i), inserted "or cash at the simulcast counter or keno booth" and "pari-mutuel cashier, keno writer".
Amended by R.1998 d.267, effective June 1, 1998.
See: 30 N.J.R. 807(a), 30 N.J.R. 2076(a).
Rewrote (e)2; and in (k)1i, substituted references to signature files for references to credit files throughout the introductory paragraph.
Amended by R.2000 d.333, effective August 21, 2000.
See: 32 N.J.R. 1918(a), 32 N.J.R. 3076(a).
In (e), added 5.
Amended by R.2004 d.150, effective April 19, 2004.
See: 35 N.J.R. 2794(a), 36 N.J.R. 1957(a).
Rewrote (k)5.
Amended by R.2009 d.307, effective October 5, 2009.
See: 41 N.J.R. 2639(a), 41 N.J.R. 3847(a).
Rewrote (f)5 and (g)3vii; and in the introductory paragraph of (g)3, inserted a comma following the first occurrence of "casino", substituted "issues" for "issue" and deleted a comma following the second occurrence of "check".

Cross References

Casino licensee's right to apply chips, plaques, slot tokens or prize tokens presented by a patron towards redemption of patron's counter checks, see N.J.A.C. 19:46-1.5 and N.J.A.C. 19:46-1.35.

Case Notes

Taxpayer did not realize income when gambling debt was forgiven. Zarin v. C.I.R., 1990, 916 F.2d 110.

Regulation requiring on back of original countercheck a restrictive endorsement "for deposit only" to casino licensee's bank account does not require depository bank's name. GNOC, Corp. v. Endico, C.A.2 (N.Y.)1989, 876 F.2d 1076.

Common-law contract defenses of incapacity, duress, and unconscionability exist, in action to have casino markers declared void. Lomonaco v. Sands Hotel Casino and Country Club, 259 N.J.Super. 523, 614 A.2d 634 (L.1992).

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.

Casino operator's write-off of patron's indebtedness as bad debt without reasonable attempt to collect was properly disallowed. Adamar of New Jersey, Inc. v. State, Dept. of Law and Public Safety, Div. of Gaming Enforcement, 250 N.J.Super. 275, 593 A.2d 1237 (A.D.1991).

Commission did not violate procedural due process when it considered regulations not cited in complaint. Adamar of New Jersey, Inc. v. State, Dept. of Law and Public Safety, Div. of Gaming Enforcement, 250 N.J.Super. 275, 593 A.2d 1237 (A.D.1991).

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).

Check not dated. Resorts Intern. Hotel, Inc. v. Salomone, 178 N.J. Super. 598, 429 A.2d 1078 (App. Div., 1981).

Former regulation concerning procedure for casino clerk exchange of counter checks at gaming tables valid. Playboy–Elsinore Associates v. Strauss, 189 N.J.Super. 185 (Law Div.1983).

19:45–1.25A Procedure for exchange of slot counter checks by slot patrons

(a) A casino licensee may offer credit to slot patrons pursuant to N.J.A.C. 19:45–1.27. Slot Counter Checks may be prepared by slot cashiers at slot booths and coin redemption locations and by general cashiers at the cashiers' cage in exchange for which patrons may receive any combination of coin, currency or slot tokens. For casino licensees which issue credit to slot players, the following procedures and requirements over Slot Counter Checks shall be observed:

1. Slot Counter Checks shall be serially prenumbered forms. Each series of Slot Counter Checks shall be used in sequential order; however, nothing in this subsection shall preclude a casino licensee from issuing Slot Counter Checks from the same numbering sequence used for the issuance of Counter Checks pursuant to N.J.A.C. 19:45–1.25. The series numbers of all Slot Counter Checks shall be accounted for by employees with no incompatible functions.

i. The original and all copies of voided Slot Counter Checks shall be marked "VOID" and shall require the signature of the preparer.

2. For establishments in which Slot Counter Checks are manually prepared:

i. Each series of Slot Counter Checks shall be a five-part form, at a minimum, which consists of an original, a redemption copy, an accounting copy, an issuance copy and acknowledgment copy and shall be attached in a book that will permit an individual slip in the series and its copies to be written upon simultaneously, while still contained in the book, and that will allow the removal of the original and all duplicate copies.

ii. Access to the Slot Counter Checks shall be maintained and controlled at all times by the general cashier or slot cashier responsible for control of and accounting for the unused supply of Slot Counter Checks, and the preparation of Slot Counter Checks for a patron's signature.

3. For establishment in which Slot Counter Checks are computer prepared, each series of Slot Counter Checks shall be a four-part form, at a minimum, which consists of an original, a redemption copy, an issuance copy and accounting copy and shall be inserted in a printer that will: simultaneously print an original and duplicates; store, in machine readable form, all information printed on the original and duplicates; and discharge the original and duplicates. The stored data shall not be susceptible to change or removal by any personnel after preparation of a Slot Counter Check.

(b) For each Slot Counter Check exchanged, in accordance with (a) above, the general cashier or slot cashier shall:

1. Verify the patron's identity by either:

i. Obtaining, at a minimum, the amount of the requested Slot Counter Check and the patron's signature on a form, which signature shall be compared to the signature contained within a patron signature file. The general cashier or slot cashier shall sign the form indicating that the signature of the patron on the form appears to agree with the signature in the patron signature file. Such form shall be attached to the accounting copy of the Slot Counter Check exchanged by the patron and deposited into a locked accounting box for forwarding to the accounting department in conformity with (h) below.

(1) After the patron's identity has been verified by the general cashier or slot cashier as required above, the requirements for subsequent verification of the patron's identity may be satisfied by that general cashier or slot cashier signing a form attesting to the patron's identity before each subsequent Slot Counter Check is exchanged. The form shall include the patron's name and the serial number of the initial Slot Counter Check exchanged by the patron. Such form shall be attached to the accounting copy of the Slot Counter Check and deposited into a locked accounting box for forwarding to the accounting department in conformity with (h) below; or

ii. Obtaining the attestation of a slot supervisor as to the identity of the patron. The slot supervisor shall sign a form attesting to the patron's identity and shall record his or her license number thereon and the amount requested by the patron. Such form shall be attached to the accounting copy of the Slot Counter Check exchanged by the patron and deposited into a locked accounting box for forwarding to the accounting department in conformity with (h) below;

2. Determine the patron's remaining credit limit either from a check bank cashier or from a computer terminal located in an area as approved by the Commission;

3. Prepare the Slot Counter Check for the patron's signature by recording, at a minimum, on the face of the original and all duplicates of the Slot Counter Check, with the exception of the acknowledgment copy which shall only have recorded on it the location of preparation, or in stored data, the following information:

i. The name of the patron exchanging the Slot Counter Check;

ii. The name of the patron's bank (required on the original copy only);

iii. The current date and time;

iv. The amount of the Slot Counter Check expressed in numerals;

v. The location of preparation of the Slot Counter Check;

vi. The signature of the cage supervisor or slot supervisor verifying that the Slot Counter Check was prepared for the correct amount and for the correct individual per the information recorded on the form referenced in (b)1 above; and

vii. The signature of the preparer or, if computer prepared, the identification code of the preparer;

4. Place an impression on the back of the original Slot Counter Check a restrictive endorsement "for deposit only" to the casino licensee's bank account;

5. Present the original and all duplicate copies of Slot Counter Check to the patron for signature; provided, however, that a casino licensee may, in accordance with approved internal controls, require the patron to sign the original Slot Counter Check only and have a computer generated facsimile of the signature exemplar obtained from the patron's signature file preprinted on the redemption, issuance and accounting copies of a computer prepared Slot Counter Check if:

i. The patron's signature has previously been recorded in a patron signature file in conformance with the requirements of N.J.A.C. 19:45–1.5A; and

ii. A legible copy of the signed original Slot Counter Check is made by the casino licensee prior to the presentment of the original Slot Counter Check for collection or payment in accordance with the provisions of this chapter, which copy shall be maintained by the casino licensee and be available for inspection by representatives of the Commission and Division upon request.

6. Receive the signed original and all duplicate copies of the Slot Counter Check directly from the patron. The general cashier or slot cashier shall, if verification occurs in accordance with (b)1i above, compare the patron's signature on the signed Slot Counter Check to the form referenced in (b)1 above and sign the form referenced in (b)1 above if the signatures appear to agree. In no instance shall currency, coin or slot tokens be given to the patron prior to the receipt of the signed copy of the Slot Counter Check by the general cashier or slot cashier. Distribution of the Slot Counter Check copies shall be as follows:

i. The issuance copy of the Slot Counter Check, which shall serve as documentation of the exchange of currency, coin or slot tokens for the Slot Counter Check and shall be maintained by the general cashier or slot cashier in his or her imprest fund immediately after the issuance of currency, coin or slot tokens to the patron.

ii. The original, redemption, and acknowledgment copies of the Slot Counter Check, if not issued by the general cashier, shall be expeditiously transported to the cashiers' cage by a security department member or via a pneumatic tube system where the original and redemption copies shall be maintained and controlled by the check bank cashier. If the Slot Counter Check was issued by a general cashier, the general cashier shall expeditiously transport the original, redemption and acknowledgment copies of the Slot Counter Check to the check bank cashier where the original and redemption copies shall be maintained. The acknowledgment copy shall be returned to the general cashier or slot cashier in accordance with either (d) or (e) below; and

iii. The accounting copy of the Slot Counter Check shall be attached to the form referenced in (b)1 above by the general cashier or slot cashier and deposited into a locked accounting box for forwarding to the accounting department in conformity with (h) below.

(c) Nothing in this section shall preclude a casino licensee from issuing a Slot Counter Check to a patron directly at a slot machine, provided the casino licensee follows the procedures and requirements established below:

1. A slot supervisor shall obtain, at a minimum, the amount of the requested Slot Counter Check and the patron's signature, on a two-part form ("Request"), and transport both copies of the Request directly to the general cashier or slot cashier. The general cashier or slot cashier shall compare the patron's signature pursuant to (b)1i above.

2. Once the patron's signature has been verified in accordance with (b)1 above, the general cashier or slot cashier shall prepare the Slot Counter Check in accordance with (b)2, (b)3i through v and (b)4 above.

3. The general cashier or slot cashier shall obtain the signature of the slot supervisor responsible for obtaining the information on the Request referenced in (c)1 above on the Slot Counter Check. The general cashier or slot cashier shall sign the Slot Counter Check as the preparer of the Slot Counter Check, and present the original and all duplicate copies of the Slot Counter Check and the original and duplicate copy of the Request, and the currency, coin and/or slot tokens in the amount of the Slot Counter Check to an accounting or casino security department representative, a slot supervisor (other than the slot supervisor referenced in (c)1 above) if the amount of the Slot Counter Check is less than $10,000, or a slot shift manager if the amount of the Slot Counter Check is less than $25,000.

4. The employee receiving the funds and documents in accordance with (c)3 above shall verify the currency, coin and/or slot tokens against the amount recorded on the Slot Counter Check and the Request and, if in agreement, sign the original and duplicate copy of the Request and return the duplicate copy of the Request to the general cashier or slot cashier.

5. The general cashier or slot cashier shall retain the duplicate copy of the Request as evidence of the funds and the Slot Counter Check being received by the employee in accordance with (c)3 above.

6. Once the currency, coin and/or slot tokens has been verified in accordance with (c)4 above, the employee who received the funds shall transport them along with the original and all copies of the Slot Counter Check and the original Request, to the patron in the presence of the slot supervisor referenced in (c)1 above.

7. The employee who transports the funds shall present the original and all duplicate copies of the Slot Counter Check to the patron for signature; provided, however, that a casino licensee may, in accordance with approved internal controls, require the patron to sign the original Slot Counter Check only and have a computer generated facsimile of the signature exemplar obtained from the patron's signature file preprinted on the redemption, issuance and accounting copies of a computer prepared Slot Counter Check if:

i. The patron's signature has previously been recorded in a patron signature file in conformance with the requirements of N.J.A.C. 19:45-1.5A; and

ii. A legible copy of the signed original Slot Counter Check is made by the casino licensee prior to the presentment of the original Slot Counter Check for collection or payment in accordance with the provisions of this chapter, which copy shall be maintained by the casino licensee and be available for inspection by representatives of the Commission and Division upon request.

8. Upon receiving the signed original and all duplicate copies of the Slot Counter Check directly from the patron, the employee who transports the funds shall verify the patron's signature on the original Slot Counter Check against the patron's signature on the original Request. If in agreement, the funds shall be immediately given to the patron. In no instance shall the funds be given to the patron prior to the receipt of the signed Slot Counter Check from the patron.

9. Once the patron has received the funds, the slot supervisor referenced in (c)1 above shall sign the back of the accounting copy of the Slot Counter Check as a witness to the transfer of funds to the patron in exchange for the signed Slot Counter Check from the patron. The slot supervisor shall immediately deposit the accounting copy of the Slot Counter Check with the original Request in a locked accounting box for forwarding to the accounting department in conformity with (h) below.

10. The employee who transported the funds shall immediately return the original, redemption, acknowledgement (manual mode only) and issuance copies of the Slot Counter Check to the general casino or slot cashier who issued the funds. The general cashier or slot cashier shall attach the duplicate copy of the Request to the issuance copy of the Slot Counter Check and shall maintain them in his or her imprest fund for forwarding to the main bank or master coin bank cashier at the end of his or her shift.

i. The original, redemption and acknowledgment (manual mode only) copies of the Slot Counter Check, if not issued by the general cashier, shall be expeditiously transported to the cashiers' cage by a security department member or via a pneumatic tube system where the original and redemption copies shall be maintained and controlled by the check bank cashier. If the Slot Counter Check was issued by a general cashier, the general cashier shall expeditiously transport the original, redemption and acknowledgment copies of the Slot Counter Check to the check bank cashier where the original and redemption copies shall be maintained and controlled by the check bank cashier. The acknowledgment copy shall be returned to the general cashier or slot cashier in accordance with either (d) or (e) below.

(d) For establishments in which the chip bank cashier receives the original, redemption and acknowledgment copies of the Slot Counter Check, the chip bank cashier shall sign and time stamp the acknowledgment copy of the Slot Counter Check and expeditiously return it to the general cashier or slot cashier via a security department member or pneumatic tube system and shall transfer the original and redemption copies of the Slot Counter Check to the check bank cashier in return for properly signed documentation.

(e) For establishments in which the check bank cashier receives the original, redemption and acknowledgment copies of the Slot Counter Check directly from the general cashier or slot cashier, whether directly through the use of the pneumatic tube system or transported by a security department member, the check bank cashier shall:

1. Sign and time stamp the acknowledgment copy and shall transmit it to the general cashier directly or to the slot cashier via a security department member or pneumatic tube system, and shall maintain the original and redemption copies of the Slot Counter Check.

(f) If there is no acknowledgment copy, the check bank cashier shall be responsible for consummating the transaction in the computer upon receipt of the original and redemption copies of the Slot Counter Check.

(g) Once the acknowledgment copy of the Slot Counter Check has been returned to the general cashier or slot cashier, it shall be attached to the issuance copy of the Slot Counter

Check and forwarded to the main bank or master coin bank at the end of the cashier's shift.

(h) At the end of the gaming activity each day, at a minimum, the following procedures and requirements shall be observed:

1. The original and all copies of voided Slot Counter Checks and the accounting copy of the Slot Counter Check shall be picked up by a representative of the accounting department with no incompatible functions and returned to the accounting department for agreement, on a daily basis, with the issuance and acknowledgment copies of the Slot Counter Check received from the general cashiers or slot cashiers.

2. The redemption copy of a Slot Counter Check maintained and controlled in conformity with (b)6ii and (c)10i above shall be forwarded to the accounting department subsequent to the redemption, consolidation or deposit of the original Slot Counter Check for agreement with the accounting and issuance copies of the Slot Counter Check or stored data.

New Rule, R.1991 d.229, effective May 6, 1991.
See: 22 N.J.R. 3205(a), 23 N.J.R. 1455(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.625, effective December 4, 1995.
See: 27 N.J.R. 3311(a), 27 N.J.R. 4914(a).
Amended by R.1998 d.267, effective June 1, 1998.
See: 30 N.J.R. 807(a), 30 N.J.R. 2076(a).
In (b)1i, substituted "signature" for "original signature, or a computer generated facsimile thereof," in the first sentence, and substituted references to signature files for references to credit files throughout the introductory paragraph.
Amended by R.2003 d.118, effective March 17, 2003.
See: 34 N.J.R. 3943(a), 35 N.J.R. 1429(b).
In (c), rewrote the second sentence in 3 and substituted references to employee who receives and transports the funds for accounting or security department representative throughout.
Amended by R.2004 d.150, effective April 19, 2004.
See: 35 N.J.R. 2794(a), 36 N.J.R. 1957(a).
Rewrote (b)5; rewrote (c)7.

Cross References

Casino licensee's right to apply chips, plaques, slot tokens or prize tokens presented by a patron towards redemption of patron's slot counter checks, see N.J.A.C. 19:46-1.5 and N.J.A.C. 19:46-1.35.

19:45-1.26 Substitution, redemption and consolidation of patron checks at the cashiers' cage; return or destruction of redeemed checks

(a) The drawer of an undeposited Counter Check or Slot Counter Check may use a personal check to substitute for or partially redeem such Counter Check or Slot Counter Check or to consolidate two or more undeposited Counter Checks or Slot Counter Checks if the personal check is drawn on an account which has been verified pursuant to N.J.A.C. 19:45-1.27, complies with the requirements of N.J.A.C. 19:45-1.25(b) and (c), and is deposited or redeemed in accordance with the requirements of N.J.S.A. 5:12-101 and this chapter.

1. For purposes of this chapter, a personal check which is used by a drawer in a substitution, partial redemption or consolidation transaction shall be referred to as a "replacement check."

2. The drawer of an undeposited replacement check may use another replacement check in a substitution, consolidation or partial redemption transaction involving the original replacement check.

(b) The drawer of an undeposited patron check may redeem it:

1. In its entirety by exchanging cash, cash equivalents, complimentary cash gifts, casino checks, casino affiliate checks, annuity jackpot trust checks, slot tokens, gaming chips or gaming plaques in an amount equal to the amount of the patron check being redeemed; or

2. In part by exchanging:

i. Another patron check in a lesser amount; and

ii. Cash, cash equivalents, complimentary cash gifts, casino checks, casino affiliate checks, annuity jackpot trust checks, slot tokens, gaming chips or gaming plaques in an amount which equals the difference between the amount of the check exchanged in (b)2i above and the amount of the patron check being partially redeemed.

(c) If a drawer has more than one undeposited patron check outstanding, such checks shall be redeemed in reverse chronological order (the most recently dated patron check shall always be redeemed first).

1. If more than one patron check bears the same date, the drawer may choose the order in which to redeem the identically dated checks.

2. If, pursuant to its internal controls, a casino licensee does not require a patron check used in a substitution, consolidation or partial redemption transaction to be dated with the date of the initial patron check being substituted, consolidated or partially redeemed, then the date of the initial patron check, and not the date of the replacement, consolidation or partial redemption check, shall be used to determine the order in which outstanding patron checks shall be redeemed.

(d) The drawer of a patron check may consolidate some or all undeposited patron checks by exchanging another patron check in an amount equal to the total amount of the outstanding patron checks being consolidated.

(e) Except as otherwise provided in this section, N.J.A.C. 19:45-1.26A, 19:46-1.5(g) and 1.35(d), all consolidations, total or partial redemptions or substitutions of patron checks shall be initiated by the drawer of the patron check and processed by a general cashier at a cashiers' cage or a satellite cage. Consolidation, redemption or substitution of personal

checks exchanged for nongaming purposes pursuant to N.J.A.C. 19:45-1.25(d) shall not be allowed.

(f) Notwithstanding (e) above, the drawer of one or more outstanding patron checks may initiate a redemption, substitution or consolidation transaction by mailing an authorized instrument to the casino licensee, provided that the casino licensee complies with all relevant provisions of this section, N.J.A.C. 19:45-1.25, 1.26A, 1.27, 1.28 and its approved internal controls, which internal controls shall, at a minimum, include:

1. Procedures requiring that any authorized instrument received by the casino licensee through the mail be forwarded directly to the casino accounting department, which department shall maintain oversight of the transaction at all times and shall record the receipt of the authorized instrument, including, without limitation:

i. The date that the authorized instrument is received;

ii. The name of the drawer;

iii. The amount and type of any payment received and, if applicable, the check number of any replacement check received; and

iv. The signature of the casino accounting department employee who receives the authorized instrument;

2. The notation of the transaction in the patron's credit file including, without limitation, the specific terms of any oral instructions or a copy of any written instructions from the patron concerning the intended use of the authorized instrument;

3. Procedures governing the verification and processing of the authorized instrument including, where appropriate, its transfer to the check bank;

4. A method of documenting and processing the receipt of payments toward the total or partial redemption of a patron check in accordance with N.J.A.C. 19:45-1.26A, if the authorized instrument received is insufficient to effectuate a requested redemption; and

5. Procedures for the return of the original patron check to the drawer in accordance with (i) below if the transaction results in a substitution, consolidation or redemption.

(g) No casino licensee or any other person licensed under the Act, or any other person acting on behalf of or under any arrangement with a casino licensee or other person licensed under the Act, shall accept any patron check in redemption, consolidation or substitution of any patron check for the purpose of avoiding or delaying the deposit of a patron check in a bank for collection or payment within the time periods specified in N.J.A.C. 19:45-1.28.

(h) Upon completion of a redemption, consolidation or substitution transaction pursuant to this section, the general cashier shall return any original patron check being redeemed, consolidated or substituted to the drawer in accordance with the requirements in (i) below. If the redemption, consolidation or substitution of a patron check is accomplished by the acceptance of another patron check, the general cashier accepting the new patron check shall date and time stamp the new check, place his or her initials on the new check, and record on the new check the serial number of any Counter Check, Slot Counter Check or replacement check being redeemed, consolidated or substituted. The new patron check shall be dated with the date of the initial patron check being redeemed, consolidated or substituted unless the internal controls of the casino licensee include an independent procedure to ensure that the date of the initial patron check shall be used to determine the date by which the new patron check shall be redeemed or deposited pursuant to N.J.A.C. 19:45-1.28.

(i) Any original patron check, which may be returned to the drawer pursuant to this section or N.J.A.C. 19:45-1.26A shall be returned to the drawer or destroyed by one of the following methods:

1. If the drawer personally appears at a cashiers' cage or a satellite cage of the casino licensee and requests the return of the check, the general cashier shall:

i. Obtain the original patron check from the check bank cashier;

ii. Verify the identity of the drawer by either:

(1) Obtaining the patron's signature and comparing it to the signature on the check to be returned;

(2) Comparing the signature on the patron's identification credential to the signature on the check to be returned;

(3) Comparing the drawer's actual appearance to the general physical description in a patron signature file; or

(4) Obtaining the personal attestation of a cage or casino supervisor as to the identity of the drawer; and

iii. Return the original patron check to the drawer contemporaneously with the request unless the casino licensee is authorized to return the check to the drawer in accordance with (j) below, in which event the casino licensee shall return the check in accordance with those procedures or, at the drawer's request, mail the check to the drawer pursuant to (i)2 below.

2. If the drawer requests, either orally or in writing, that one, some or all of his or her patron checks be returned by mail, the casino licensee shall maintain a record of the specific terms of any oral request or a copy of the written request in the credit file of the drawer and the check bank cashier shall:

i. Obtain the original patron check; and

ii. Present the original patron check to a cage supervisor who shall direct a casino accounting department employee, as authorized in the casino licensee's internal controls, to mail the patron check by ordinary mail to only the address of the drawer's current residence as indicated in his or her credit file pursuant to N.J.A.C. 19:45-1.27; provided, however, that the patron check may be returned by ordinary mail to any other address requested by the drawer for which the drawer certifies, in a writing comparable to N.J.A.C. 19:45-1.27(a)11, that the address information is accurate and for which the casino licensee maintains in the credit file a record of the request and the certification, and a log of the details of each patron check so mailed.

3. If within six months after its redemption, the drawer of the redeemed check fails to collect the check pursuant to (i)1 above or fails to request that it be mailed pursuant to (i)2 above, the check may thereafter be destroyed by the casino licensee, provided that:

i. The check has been maintained by the casino licensee pursuant to N.J.A.C. 19:45-1.8(c)6 for at least six months since the date of its redemption;

ii. The drawer's credit is in good standing; and

iii. The drawer has been provided with prior written notice that any redeemed patron check not returned directly or mailed to the drawer within six months after its redemption may thereafter be destroyed by the casino licensee at any time. The method of notification to the patron shall be set forth in the casino licensee's approved internal control procedures.

(j) Whenever an original patron check to be returned pursuant to (i)1 above is located at a cashiers' cage or satellite cage other than the one at which the drawer has personally appeared and the casino licensee chooses not to have the original patron check transported in accordance with N.J.A.C. 19:45-1.14(j) to the cashier's cage or satellite cage where the drawer personally appeared (the "drawer's location"), the casino licensee shall complete the transaction by returning the original patron check as follows:

1. The general cashier at the drawer's location shall, after confirming that the drawer's original patron check is located at the cashiers' cage or a satellite cage elsewhere in an establishment of the casino licensee and notifying the drawer of that location, prepare a redemption receipt that the includes, at a minimum, the following information, and shall deliver the completed original to the drawer and retain the copies for further processing in accordance with the casino licensee's internal controls:

i. The name or trade name of the casino licensee issuing the receipt;

ii. The serial number and dollar amount of each original patron check to be returned; provided, however, that nothing in this subparagraph shall prevent a casino licensee from issuing a separate redemption receipt for each original patron check;

iii. The signature of the drawer on the duplicate and the signature of the general cashier issuing the redemption receipt on the original and on each copy; and

iv. The date on which the redemption receipt is issued; and

2. When a drawer to whom a redemption receipt has been issued pursuant to (j)1 above appears at a cashiers' cage or satellite cage and requests the return of an original patron check specified in the receipt, a general cashier at that location shall, at a minimum:

i. Obtain the original redemption receipt from the drawer and the duplicate thereof from the cashier maintaining the document; provided, however, that in the event the drawer does not produce a redemption receipt for each original patron check to be returned, the check for which the drawer does not tender a receipt shall only be returned if the general cashier, in accordance with the casino licensee's internal controls, verifies the drawer's identity and is able to determine the check that is to be returned;

ii. Confirm that the original patron check or checks specified in the receipt are physically present in that cage; provided, however, that if an original patron check specified in the redemption receipt is not at that cashiers' cage or satellite cage, the general cashier shall direct the drawer to the cashiers' cage or satellite cage where the original patron check is located or obtain the item in accordance with (i)1i above for return to the drawer; and

iii. Verify the identity of the drawer in accordance with (i)1ii above, obtain the check to be returned and thereafter return the original patron check to the drawer.

(k) Each casino licensee that issues redemption receipts in accordance with (j) above shall specify in its internal controls the procedures to be used in connection therewith, which shall include, at a minimum, a system for monitoring issued and not yet presented redemption receipts and for reconciling the inventory of the check bank cashiers.

Amended by R.1984 d.624, effective January 21, 1985.
See: 16 N.J.R. 2076(a), 17 N.J.R. 212(a).
(a) substantially amended.
Amended by R.1991 d.229, effective May 6, 1991.
See: 22 N.J.R. 3205(a), 23 N.J.R. 1455(a).
Added reference to "Slot Counter Checks" throughout section.
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.1995 d.40, effective January 17, 1995.
See: 26 N.J.R. 3825(a), 27 N.J.R. 382(b).

Amended by R.1995 d.466, effective August 21, 1995.
See: 27 N.J.R. 2113(a), 27 N.J.R. 3219(a).
Added reference to annuity jackpot trust checks throughout the section.
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).
In (e) and (h)1, added reference to a satellite cage; in (h)1iii, added reference to procedures for return of checks to the drawer; and added (i) and (j).
Amended by R.1998 d.267, effective June 1, 1998.
See: 30 N.J.R. 807(a), 30 N.J.R. 2076(a).
Rewrote (h)1ii.
Amended by R.1998 d.369, effective July 20, 1998.
See: 30 N.J.R. 298(a), 30 N.J.R. 2637(a).
In (e), added an exception at the beginning, substituted "shall be initiated by the drawer of the patron check and processed by a general cashier" for "by gaming patrons shall be made by general cashiers' " following "checks", and changed N.J.A.C. reference; inserted a new (f); and recodified former (f) through (j) as (g) though (k) and made corresponding internal citation changes.
Amended by R.2010 d.211, effective October 4, 2010.
See: 42 N.J.R. 1019(a), 42 N.J.R. 2325(a).
Section was "Substitution, redemption and consolidation of patron checks at the cashiers' cage; initiation of transactions by mail". In the introductory paragraph of (i), deleted "directly" following the second occurrence of "returned", and inserted "or destroyed"; and added (i)3.

Case Notes

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).

19:45-1.26A Acceptance of payments toward outstanding patron checks

(a) A casino licensee may, in its discretion, permit the drawer of an undeposited patron check or any person acting for the benefit of such drawer to deposit cash, cash equivalents, casino checks, slot tokens, gaming chips or gaming plaques with a general cashier for the purpose of having such payment applied to the total or partial redemption of the patron check by the drawer pursuant to N.J.A.C. 19:45-1.26.

(b) Prior to a casino licensee accepting payments pursuant to (a) above, the casino licensee shall establish a system of internal controls for such transactions, which internal controls shall, at a minimum, provide for:

1. A method of documenting or recording the receipt of each such payment, which method shall include, without limitation, the following:

i. The names of the drawer and the person making the payment;

ii. All significant details concerning the transaction;

iii. The signatures of the person making the payment and the general cashier accepting the payment; and

iv. The issuance of a receipt to the person making the payment;

2. The maintenance of the general cashier's imprest inventory; and

3. The notation in the drawer's credit account of the receipt of the payment.

(c) If any payments received by a casino licensee pursuant to this section entitle the drawer of a patron check to redeem the original patron check in its entirety, or if any such payments received in conjunction with the submission of a new patron check by the drawer in a lesser amount entitle the drawer of a patron check to redeem the original patron check in part, the casino licensee shall return the original patron check to the drawer in accordance with the provisions of N.J.A.C. 19:45-1.26.

(d) If the drawer of a patron check fails to redeem it prior to the date on which the patron check must be deposited pursuant to N.J.A.C. 19:45-1.28, the casino licensee shall deposit the patron check regardless whether any payment has been received pursuant to the provisions of this section. The casino licensee, after timely depositing the patron check and allowing a commercially reasonable time for the patron check to clear in accordance with its internal controls established pursuant to N.J.A.C. 19:45-1.28(f), shall apply any payments received pursuant to this section in accordance with the following priorities:

1. If the casino licensee has any returned checks issued by the drawer which have not been completely satisfied, the payments shall be applied to such obligations;

2. If the casino licensee, after all obligations of the drawer described in (d)1 above have been completely satisfied, possesses any outstanding patron checks issued by the drawer which have not been deposited or cleared in accordance with the requirements of N.J.A.C. 19:45-1.28, the casino licensee shall hold the payments until all outstanding patron checks of the drawer have cleared; or

3. If the casino licensee does not have any unpaid returned checks or outstanding patron checks issued by the drawer, the payments shall be returned immediately to the drawer unless the drawer has orally or in writing instructed the casino licensee to retain the payments in a cash deposit account and the casino licensee maintains in the credit file a record of the specific terms of those instructions, including a copy of any written instructions.

(e) Any payment received pursuant to this section that the drawer directs be deposited in a cash deposit account pursuant to (d)3 above shall be deposited by the casino licensee in accordance with the requirements of N.J.A.C. 19:45–1.24 except that, if the drawer is not present in the casino hotel:

1. The Customer Deposit Form may be prepared without the patron's signature on the duplicate copy;

2. The original of the Customer Deposit Form shall be mailed to the drawer in accordance with N.J.A.C. 19:45–1.26(i)2; and

3. After the payment is deposited in the patron cash deposit account, it shall only be used by or refunded to the drawer in accordance with N.J.A.C. 19:45–1.24 and, if applicable, N.J.A.C. 19:45–1.24B.

(f) If a patron check is dishonored by the drawer's bank upon presentation for payment and returned to the casino licensee, any payments received pursuant to this section, including payments that have been transferred to a patron cash deposit account pursuant to (d)3 above, that have not been returned to the drawer shall be used to reduce the amount to be collected from the drawer or to be deemed uncollectible pursuant to the provisions of N.J.A.C. 19:45–1.29.

(g) Except as otherwise provided in this section, any payment authorized by this section shall be made for the sole benefit of the drawer. No junket representative, junket enterprise or employee or agent of a junket enterprise shall, and no casino licensee or employee or agent of a casino licensee shall, except as specifically authorized by the rules of the Commission, make a payment for the benefit of the drawer of a patron check pursuant to this section.

New Rule, R.1995 d.40, effective January 17, 1995.
See: 26 N.J.R. 3825(a), 27 N.J.R. 382(b).
Amended by R.1996 d.359, effective August 5, 1996.
See: 28 N.J.R. 2536(a), 28 N.J.R. 3823(a).
Amended by R.1998 d.369, effective July 20, 1998.
See: 30 N.J.R. 2637(a).
In (e)2, changed N.J.A.C. reference.

19:45–1.27 Procedures for granting credit, and recording checks exchanged, redeemed or consolidated

(a) A credit file for each patron shall be prepared by a general cage cashier or credit department representative with no incompatible functions either manually or by computer prior to the casino licensee's approval of the patron's credit limit. All patron credit limits and changes thereto shall be supported by the information contained in the credit file. Such file shall contain a credit application form upon which shall be recorded, at a minimum, the following information provided by the patron:

1. The patron's name;

2. The address of the patron's residence;

3. The telephone number at the patron's residence;

4. Banking information including:

i. The name and location of the patron's bank; and

ii. The account number of the patron's personal checking account upon which the patron is individually authorized to draw and upon which all Counter Checks, Slot Counter Checks and all checks used for substitution, redemption or consolidation will be drawn. Checking accounts of sole proprietorships shall be considered as personal checking accounts. Partnership or corporate checking accounts shall not be considered personal checking accounts.

5. The credit limit requested by the patron;

6. The approximate amount of all other outstanding indebtedness;

7. At the patron's discretion, the amount and source of income and assets in support of the requested credit limit; and

8. The patron's signature indicating acknowledgment of the following statement, which shall be included at the bottom of every credit application form containing the information required to be submitted by the patron pursuant to this subsection: "I certify that I have reviewed all of the information provided above and that it is true and accurate. I authorize (insert the name of the casino licensee) to conduct such investigations pertaining to the above information as it deems necessary for the approval of my credit limit. I am aware that this application is required to be prepared by the regulations of the Casino Control Commission and I may be subject to civil or criminal liability if any material information provided by me is willfully false."

(b) A general cage cashier or credit department representative shall record the information required by N.J.A.C. 19:45–1.5A(d) in the credit file prior to the casino licensee's approval of a patron's credit limit.

(c) Prior to the casino licensee's approval of the patron's credit limit, a general cage cashier or credit department representative with no ability to grant credit or credit limit increases shall:

1. Verify the address of the patron's residence, if the patron's credit limit will exceed $5,000;

2. Verify the patron's current casino credit limits and outstanding balances which shall include the following:

i. The date the patron's credit account was established;

ii. The amount of the current approved credit limit at each casino; and

iii. The current balance and status of the patron's credit account at each casino including checks deposited by New Jersey casino licensees that have not yet cleared the bank and derogatory information. ("Derogatory" is defined as patron credit accounts partially or completely uncollectible, checks returned unpaid by the patron's bank, settlements, liens, judgments, and any other credit problems of the patron);

3. Verify the patron's outstanding indebtedness, if the patron's credit limit will exceed $5,000;

4. Verify the patron's personal checking account information which shall include, but not be limited to, the following:

i. Type of account (personal or sole proprietorship);

ii. Account number;

iii. Date the account was opened;

iv. Average balance of the account for the last twelve months, if available (if this information is not available, then this shall be noted in the credit file);

v. Current balance in the account if available (if this information is not available then this shall be noted in the credit file);

vi. Whether the patron can sign individually on the account;

vii. Name and title of the person supplying the information; and

5. Verify that the patron's name is not designated on the master list of persons who have voluntarily requested suspension of credit privileges pursuant to N.J.A.C. 19:45–1.27A or the master list of persons who have voluntarily placed themselves on the self-exclusion list pursuant to N.J.A.C. 19:48–2.3.

(d) All verifications performed by the credit department in (c) above together with accurate and verifiable information received from the security and surveillance departments pursuant to N.J.A.C. 19:45–1.11 (b) shall be recorded in the credit file and accompanied by the signature of the general cage cashier or credit department representative who performed the required verifications or filed the relevant information. The date and time of the signature of the general cage cashier or credit department representative shall be recorded either mechanically or manually contemporaneously with the transaction. The general cage cashier or casino licensee's credit department shall fulfill the requirements of (c) above as follows:

1. Verification of the address of the patron's residence, as required by (c)1 above, shall be satisfied by confirming the patron's address with a credit bureau or bank. If neither of these sources has the patron's address on file or will not provide the information, the licensee may use an alternative source which shall not include any identification credentials required in (b) above or other documentation presented by the patron at the casino. The casino shall record the source of verification and the method by which such verification was performed in the patron's credit file. Verification of the patron's address may be performed telephonically.

2. Verification of the patron's current casino credit limits and outstanding balances, as required by (c)2 above, shall be performed through a casino credit bureau and, if appropriate, through direct contact with other casinos. The casino licensee shall record the source of verification and the method by which such verification was performed in the patron's credit file. If no casino credit information relating to the patron is available from these sources, this shall be noted in the patron's credit file. The verification may be performed telephonically prior to the credit approval provided the casino licensee requests written documentation of all such information as soon as possible and includes such written documentation in the patron's credit file. All requests for written documentation shall be maintained in the patron's credit file until such documentation is obtained.

3. Verification of the patron's outstanding indebtedness, as required by (c)3 above, shall be performed by contacting a consumer credit bureau which is reasonably likely to possess information concerning the patron, to the extent such consumer credit bureau is available, and a casino credit bureau to determine whether the applicant has any liabilities or if there is any derogatory information concerning the applicant's credit history. Such contact shall be considered a verification of the outstanding indebtedness provided by the patron. If such contact is not immediately possible, the casino licensee may use an alternative source which has made the required contact. The casino licensee shall record the source of verification and the method by which such verification was performed in the patron's credit file. If either one or both of these credit bureaus do not have information relating to a patron's outstanding indebtedness this shall be recorded in the patron's credit file. The verification may be performed telephonically prior to the credit approval provided the casino licensee requests written documentation of all information obtained as soon as possible and includes such written documentation in the patron's credit file. All requests for written documentation shall be maintained in the patron's credit file until such documentation is obtained.

4. Verification of the patron's personal checking account information, as required by (c)4 above, shall be performed by the casino licensee or a bank verification service directly with the patron's bank. A bank verification service utilized by a casino licensee may make use of another bank verification service to make direct communication with the patron's bank. If such information is not immediately available, the casino licensee may use an alternative source. The casino licensee shall record the source of the verification and the method by which each verification was performed in the patron's credit file. The verification may be performed telephonically prior to the credit approval provided the casino licensee or bank verification service requests written documentation of all information obtained as soon as possible and such written documentation is included in the patron's credit file. All requests for written documentation shall be maintained in the patron's credit file until such documentation is obtained. No bank verification service may be used by a casino licensee or another bank verification service to perform the verifications required by this section unless the bank verification service has filed a completed application for an appropriate casino service industry license under N.J.S.A. 5:12–92 and N.J.A.C. 19:43. If a bank verification service is used as a primary source of verification, either directly by a casino licensee or by another bank verification service, each service and the licensee shall, in addition to complying with any other requirement imposed by this section, record the date that the patron's personal checking account information was obtained from the bank by the service.

(e) Any New Jersey casino licensee requesting information from another New Jersey casino licensee concerning a credit patron shall represent to the requested casino licensee that the patron has a credit line or has applied for credit and shall provide the patron's name, address of the patron's residence and the name and location of the patron's bank. Upon receipt of this information, the requested New Jersey casino licensee shall be required to furnish to the requesting New Jersey casino any information in its possession concerning a patron as required by (c) above.

(f) The credit limit, and any changes thereto, must be approved by any one or more of the individuals holding the job positions of credit manager, assistant credit manager, credit shift manager, credit executive, or a casino key employee in a direct reporting line above the casino manager or credit manager, or a credit committee composed of casino key employees which may approve credit as a group but whose members may not approve credit individually unless such person is included in the job positions referenced above. The approval shall be recorded in the credit file and shall include:

1. Any other information used to support the credit limit and any changes thereto, including the source of the information, if such information is not otherwise recorded pursuant to this section;

2. A brief summary of the key factors relied upon in approving or reducing the requested credit limit and any changes thereto;

3. The reason credit was approved if derogatory information was obtained during the verification process;

4. The signature, on the manual credit file, of the employee approving the credit limit together with the date and time of such authorization, which signature, date and time shall be recorded before any actual extension of credit; and

5. If a computerized credit file is utilized, the authorization code of the employee approving the credit limit together with the date and time of the activation in the system, which authorization code, date and time shall be recorded by the system before any actual extension of credit.

(g) Prior to approving a credit limit increase, a representative of the casino licensee's credit department shall:

1. Obtain a written request from the patron which shall include:

i. Date and time of the patron's request;

ii. Amount of credit limit increase requested by the patron; and

iii. Signature of the patron.

2. Verify the patron's current casino credit limits and outstanding balances, as required by (c)2ii and (c)2iii above, unless such verification has been performed earlier that same gaming day;

3. If the increased credit limit will exceed $5,000, verify the patron's outstanding indebtedness as required by (c)3 above, unless such procedure has been performed within the previous 24 months;

4. Verify the patron's personal checking account information, as required by (c)4 above, unless such procedure has been performed within the previous 24 months;

5. Consider the patron's player rating based on a continuing evaluation of the amount and frequency of play subsequent to the patron's initial receipt of credit. The patron's player rating shall be readily available to representatives of the casino licensee's credit department prior to their approving a patron's request for a credit limit increase.

6. For table game play, the information for the patron's player rating shall be recorded on a player rating form by casino department supervisors or put directly into the licensee's computer system pursuant to an approved submission and shall include, but not be limited to, the following:

i. Patron's name;

ii. Game and table number;

iii. Average bet;

iv. Approximate length of time played;

v. Rating as determined by supervisor or approved computer system;

vi. Signature and license number of the casino supervisor responsible for providing the patron's player rating information; and

vii. Date of observations.

7. For slot play, the information for the patron's player rating shall be recorded on a player rating form by slot department supervisors, or put directly into the casino licensee's computer system pursuant to an approved submission, or generated by insertion of a card, by a patron, into a card reader attached to a slot machine. Such ratings shall include, but not be limited to, the following:

i. The patron's name;

ii. A designation indicating it is for slots;

iii. The rating as determined by a supervisor or an approved computer system;

iv. The signature and license number of the slot supervisor responsible for providing the patron's player rating information; if manually prepared; and

v. The date of play.

8. Include the information and documentation required by (g)1 through 3 above and the patron's player rating indicated at the time the credit increase is approved in the patron's credit file.

(h) Credit limit increases may be approved without performing the requirements of (g)2, (g)3 and (g)4 above if the increases are temporary and are noted as being for this trip only (TTO) in the credit file. Temporary increases shall be limited to one during any 30–day period and the amount of the temporary increase shall not exceed 25 percent of the currently approved credit limit.

(i) The casino licensee's credit department shall:

1. Comply with the requirements of either (i)2 or 3 below whenever any derogatory information is received by a casino licensee's credit department relating to the patron's continued creditworthiness other than a returned check subject to the provisions of (j) below.

2. Reverify the patron's address, current casino credit limits, outstanding balances, outstanding indebtedness, and personal checking account information, as required by (c)1 through (c)4 above.

3. Suspend the patron's credit privileges. If a patron's credit privileges have been suspended, the procedures required by (c)1 through (c)4 above shall be performed before that patron's credit privileges are reinstated.

4. Verify the information required by (a)2 and (a)4 above, in accordance with the procedures in (d) above, whenever the casino licensee has reason to believe that this information has changed.

5. Verify the patron's address (if the credit limit will exceed $5,000), current casino credit limits and outstanding balances, outstanding indebtedness (if the credit limit will exceed $5,000), personal check cashing information and that the patron is not on the list of persons who have requested suspension of their credit privileges or the list of patrons who have placed themselves on the self-exclusion list, as required by (c)1 through (c)5 above, prior to the issuance of credit to a patron whose credit file has been inactive for a 24–month period.

(j) Any patron having a check returned to any casino unpaid by the patron's bank shall have his credit privileges suspended at all New Jersey casino licensees until such time as the returned check has been paid in full or the reason for the derogatory information has been satisfactorily explained. All derogatory information concerning a patron's credit account shall be reported by each casino licensee on a daily basis to a casino credit bureau used by New Jersey casino licensees. Each New Jersey casino licensee shall request written documentation of any derogatory information pertaining to its patrons to be reported to that casino licensee on a daily basis by a casino credit bureau used by New Jersey casino licensees. All documentation obtained from the casino credit bureau shall be maintained in the patron's credit file. Any casino licensee desiring to continue the patron's credit privileges on the basis of a satisfactory explanation having been obtained for the returned check may do so if the licensee records the explanation for its decision in the credit file before accepting any further checks from the patron along with the signature of the credit department representative accepting the explanation.

(k) All transactions affecting a patron's outstanding indebtedness to the casino licensee shall be recorded in chronological order in the patron's credit file and credit transactions shall be segregated from the safekeeping deposit transactions. The following information shall be included:

1. The date, amount and check number of each Counter Check or Slot Counter Check initially accepted from the patron;

2. The date, amount and check number of each consolidation check and the check numbers of the checks returned to the patron;

3. The date, method, amount and check number of each redemption transaction and the check number of the redeemed check returned to the patron;

4. The date, amount and check number of each substitution transaction and the check number of the check returned to the patron;

5. The date, amount and check number of each check deposited;

6. The date, amount and check number of each check returned to the casino licensee by the patron's bank and the reason for its return;

7. The outstanding balance after each transaction; and

8. The date, amount and check number of any checks which have been partially or completely written off by the casino licensee and a brief explanation of the reason for such write off.

(*l*) A log of all Counter Checks and Slot Counter Checks exchanged and of all checks received for redemption, consolidation or substitution 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 checks on hand in the cashier's cage at the beginning of each shift;

2. For checks initially accepted and for checks received for consolidation, redemption or substitution;

i. The date of the check;

ii. The name of the drawer of the check;

iii. The amount of the check;

iv. The Counter Check or Slot Counter Check serial number(s) for Counter Check(s) and Slot Counter Check(s) received; and

v. An indication as to whether the check was initially accepted or received in a redemption, consolidation or substitution.

3. For checks deposited, redeemed by patrons for cash, cash equivalents, complimentary cash gifts, gaming chips and plaques, or any combination thereof, consolidated or replaced:

i. The date on which the check was deposited, redeemed, consolidated or replaced;

ii. The name of the drawer of the check;

iii. The amount of the check;

iv. The Counter Check and Slot Counter Check serial number(s) for Counter Check(s) and Slot Counter Check(s) deposited, redeemed, consolidated or replaced; and

v. An indication as to whether the check was deposited, redeemed, consolidated or replaced.

4. The balance of the checks on hand in the cashiers' cage at the end of each shift.

(m) A list of all Counter Checks and Slot Counter Checks on hand, and of all checks received for redemption, consolidation or substitution shall be prepared, manually or by computer, on a monthly basis, at a minimum, and shall include the following:

1. The date of the check;

2. The name of the drawer of the check;

3. The amount of the check; and

4. The Counter Check and Slot Counter Check serial number(s) for Counter Check(s) and Slot Counter Checks received.

(n) At the end of each gaming day, at a minimum, the following procedures shall be performed:

1. The daily total of the amounts of checks initially recorded as described in (*l*)2 above shall be agreed to the daily total of Counter Checks and Slot Counter Checks issued;

2. The daily total of the checks indicated as deposited on the log required by (*l*)3 above shall be agreed by employees with no incompatible functions to the bank deposit slips corresponding to such check; and

3. The balance required by (*l*)4 above shall be agreed to the total of the checks on hand in the cashiers' cage.

(*o*) All information recorded in the credit file shall be in accordance with the licensee's system of internal accounting control submitted to 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).
(d)7 added.
Renumbered 7–14 as 8–15 without change in text.
New Rule, 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).
Old section "Procedure for recording checks exchanged, redeemed or consolidated" has been repealed and this new rule adopted.
Correction: (a)8—"and the amount of the credit limit and outstanding balance" was not deleted in adoption.
See: 17 N.J.R. 1673(c).
Amended by 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).
New subsection (i); (k)8; and (p).
Extension of operative date: Operative date for R.1985 d.229 and d.493 has been extended to March 1, 1986.
See: 17 N.J.R. 2914(c).
Petition for rulemaking: Petitioner filed request for amendments to section.
See: 18 N.J.R. 114(b).
Amended by 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).
(p) substantially amended.
Amended by R.1986 d.365, effective September 8, 1986.
See: 18 N.J.R. 935(b), 18 N.J.R. 1839(b).
Substantially amended (d).
Amended by R.1990 d.362, effective August 6, 1990.
See: 22 N.J.R. 162(a), 22 N.J.R. 2342(d).
In (d)4, added bank verification service may use another verification service to communicate with patron's bank.
Amended by R.1991 d.229, effective May 6, 1991.
See: 22 N.J.R. 3205(a), 23 N.J.R. 1455(a).
In (g), revised text to add new paragraph 5, beginning with "Portable game play . . ."; Added new paragraph 6 and recodified existing 5 and new 7. Added reference to "Slot Counter Checks" throughout section.
Amended by R.1992 d.110, effective March 2, 1992.
See: 23 N.J.R. 3243(a), 24 N.J.R. 858(c).
In (n): stylistic revisions.
Amended by R.1992 d.153, effective April 6, 1992.

See: 23 N.J.R. 3434(b), 24 N.J.R. 1377(a).
Added new (c)5 regarding patron's name verification.
Amended by R.1992 d.157, effective April 6, 1992.
See: 24 N.J.R. 178(a), 24 N.J.R. 1378(a).
Added new subparagraph (i)4. Deleted subsection (p), because of expiration of 1986 phase-in period.
Amended by R.1993 d.37, effective January 19, 1993.
See: 24 N.J.R. 3695(a), 25 N.J.R. 348(b).
"Casino licensee" substituted for "casino" and "licensee."
Amended by R.1994 d.222, effective May 2, 1994.
See: 26 N.J.R. 912(a), 26 N.J.R. 1852(b).
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.1995 d.466, effective August 21, 1995.
See: 27 N.J.R. 2113(a), 27 N.J.R. 3219(a).
Added (j).
Amended by R.1996 d.11, effective January 2, 1996.
See: 27 N.J.R. 3770(b), 28 N.J.R. 180(a).
In (g)3 and (i)1i substituted "12 months" for "six months"
Amended by R.1997 d.216, effective May 19, 1997.
See: 29 N.J.R. 325(a), 29 N.J.R. 2469(a).
In (c), inserted "general cage cashier or" and substituted "no ability to grant credit or credit limit increases" for "no incompatible function"; and in (d), inserted "general cage cashier or" throughout.
Amended by R.1998 d.18, effective January 5, 1998.
See: 29 N.J.R. 3432(b), 30 N.J.R. 112(b).
In (d), amended N.J.A.C. reference.
Amended by R.1998 d.267, effective June 1, 1998.
See: 30 N.J.R. 807(a), 30 N.J.R. 2076(a).
Rewrote (b).
Amended by R.1998 d.473, effective September 21, 1998.
See: 30 N.J.R. 1216(a), 30 N.J.R. 3513(a).
In (f), inserted a reference to credit managers in the introductory paragraph.
Amended by R.2004 d.464, effective December 20, 2004.
See: 36 N.J.R. 3473(a), 36 N.J.R. 5703(a).
Rewrote the section.

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.

Commission did not violate procedural due process when it considered regulations not cited in complaint. Adamar of New Jersey, Inc. v. State, Dept. of Law and Public Safety, Div. of Gaming Enforcement, 250 N.J.Super. 275, 593 A.2d 1237 (A.D.1991).

Extending credit to patron in substantial debt to casino and to other casinos violated regulations. Adamar of New Jersey, Inc. v. State, Dept. of Law and Public Safety, Div. of Gaming Enforcement, 250 N.J.Super. 275, 593 A.2d 1237 (A.D.1991).

Casino operator violated regulation by failing to explain in patron's credit file why credit was extended despite receipt of derogatory information. Adamar of New Jersey, Inc. v. State, Dept. of Law and Public Safety, Div. of Gaming Enforcement, 250 N.J.Super. 275, 593 A.2d 1237 (A.D.1991).

Casino operator violated regulation by sending debt collection statements directly to its vice-president instead of to patron and failing to report immediately checks returned for insufficient funds. Adamar of New Jersey, Inc. v. State, Dept. of Law and Public Safety, Div. of Gaming Enforcement, 250 N.J.Super. 275, 593 A.2d 1237 (A.D.1991).

Casino operator violated regulations by reinstating patron's credit despite derogatory information. Adamar of New Jersey, Inc. v. State, Dept. of Law and Public Safety, Div. of Gaming Enforcement, 250 N.J.Super. 275, 593 A.2d 1237 (A.D.1991).

Former regulation contained no bar to extension of personal credit line by casino against a corporate account; no evidence of casino bad faith through regulatory violation as regulation in effect at time of transaction not violated. Schaps v. Bally's Park Place, Inc., 58 B.R. 581 (E.D.Pa.1986).

19:45–1.27A Patron request for suspension of credit privileges

(a) Any person may voluntarily suspend his or her credit privileges at all licensed casinos by submitting a written request to the Commission in accordance with this section.

1. Such request may be submitted in person at the offices of the Casino Control Commission, Employee License Information Unit, Arcade Building, 2nd Floor, Tennessee Avenue and the Boardwalk, Atlantic City, New Jersey, or at the Commission inspector's booth at any licensed casino. Any person requesting suspension of credit privileges in person shall present valid identification credentials containing the person's signature and either a photograph or a general description of that person.

2. Such request may also be submitted by mail addressed to the Director of the Compliance Division, Casino Control Commission, Arcade Building, Tennessee Avenue and the Boardwalk, Atlantic City, New Jersey 08401. Any request for suspension of credit privileges which is submitted by mail shall be signed before a notary public or other person empowered by law to take oaths and shall contain a certificate of acknowledgement by such notary public or other person attesting to the identity of the person making the request.

(b) A request for suspension of credit privileges shall be in a form prescribed by the Commission, which shall include the following:

1. The name of the person requesting suspension of credit privileges;

2. The address of the person's residence;

3. The person's date of birth;

4. The name of each licensed casino where the person currently has an approved line of credit;

5. The signature of the person requesting suspension of credit privileges, indicating acknowledgment of the following statement: "I certify that the information which I have provided above is true and accurate. I am aware that my signature below authorizes the Casino Control Commission to direct all New Jersey casino licensees to suspend my credit privileges for a minimum period of 30 days from the date of this request and indefinitely thereafter, until such time as I submit a written request to the Commission for the reinstatement of any such credit privileges";

6. If the request for suspension of credit privileges is made in person:

i. The type of identification credentials examined containing the person's signature, and whether said credentials included a photograph or general description of the person; and

ii. The signature of a Commission employee authorized to accept such request, indicating that the signature of the person requesting suspension of credit privileges appears to agree with that contained on his or her identification credentials and that any physical description or photograph of the person appears to agree with his or her actual appearance; and

7. If the request for suspension of credit privileges is made by mail, a certificate of acknowledgement executed by a notary public or other person empowered by law to take oaths attesting to the identity of the person who is making the request for suspension of credit privileges.

(c) The Commission shall maintain an updated master list of all persons who have requested suspension of credit privileges pursuant to this section, and shall notify the credit department of each casino licensee in writing of any additions to or deletions from the list. The casino licensee shall date and time stamp any such notice immediately upon receipt.

1. Each casino licensee shall suspend the credit privileges of any listed person, effective immediately upon receipt of notice that such person's name has been added to the list.

2. An updated master list of persons who have requested suspension of credit privileges shall be maintained by the credit department of each licensed casino.

3. Each casino licensee shall note any suspension or reinstatement of credit privileges pursuant to this section in any existing credit file for the affected patron, including the following:

i. A copy of any applicable Commission notice of the suspension or reinstatement of credit privileges; and

ii. The date, time and signature of the credit department representative making the suspension or reinstatement entry in the credit file.

(d) Any person whose credit privileges have been suspended pursuant to this section may, no sooner than 30 days after the request for suspension of credit privileges, request reinstatement of his or her credit privileges by submitting a written request to the Commission in accordance with the procedures specified in (a)1 and 2 above.

1. Such request shall be in a form prescribed by the Commission, which shall include the following:

i. The information specified in (b)1, 2, 3, 4, 6 and 7 above; and

ii. The signature of the person requesting reinstatement of credit privileges, indicating acknowledgment of the following statement: "I certify that the information which I have provided above is true and accurate. I am aware that my signature below constitutes a revocation of my previous request for suspension of credit privileges, and authorizes the Casino Control Commission to permit any New Jersey casino licensee to reinstate my credit privileges."

2. The Commission shall delete such person's name from the list established pursuant to (c) above, and so notify the credit department of each casino licensee, no later than three days from submission of the written request for reinstatement of credit privileges. The casino licensee shall date and time stamp any such notice immediately upon receipt.

3. Upon receipt of notice that such person's name has been deleted from the list, a casino licensee may reinstate such person's credit upon reverification of the information required by N.J.A.C. 19:45–1.27(c), or may extend credit to such person in accordance with the procedures set forth in N.J.A.C. 19:45–1.27.

(e) Information furnished to or obtained by the Commission pursuant to this section shall be deemed confidential, and shall not be disclosed except in accordance with this section and N.J.A.C. 19:40–4. No casino licensee shall divulge that any person's name is designated on the master list maintained pursuant to subsection 101(j) of the Act and this section, other than to authorized credit department employees or other casino personnel whose duties and functions require access to such information.

1. If, in the ordinary course of business, a casino licensee is requested to provide information regarding the status of the patron's credit account, the casino licensee shall not disclose any information other than to identify the credit account as voluntarily suspended.

New Rule, R.1992 d.153, effective April 6, 1992.
See: 23 N.J.R. 3434(b), 24 N.J.R. 1377(a).
Amended by R.1995 d.232, effective May 1, 1995.
See: 27 N.J.R. 655(a), 27 N.J.R. 1816(a).

19:45–1.28 Procedure for depositing checks received from gaming patrons

(a) Unless redeemed or consolidated prior to the time requirements herein, all checks received from gaming patrons in conformity with N.J.A.C. 19:45–1.25 shall be deposited in the casino licensee's bank account or presented directly to the patron's bank in accordance with (g) below, in accordance with the casino licensee's normal business practice, which practice must be previously submitted in writing to both the Commission and Division. Such deposit or presentment shall occur no later than:

1. The banking day after the date of the check for a non-gaming check;

2. Seven calendar days after the date of the check for a check in an amount of $1,000 or less;

3. Fourteen calendar days after the date of the check for a check in an amount greater than $1,000 but less than or equal to $5,000; or

4. Forty-five calendar days after the date of the check for a check in an amount greater than $5,000.

(b) All checks received for consolidation in conformity with N.J.A.C. 19:45–1.26 shall be deposited in the casino licensee's bank account or presented directly to the patron's bank in accordance with (g) below, within:

1. Seven calendar days after the date of the initial check for a consolidating check where the consolidating check is in an amount of $1,000 or less;

2. Fourteen calendar days after the date of the initial check for a consolidating check where the consolidating check is in an amount greater than $1,000 but less than or equal to $5,000; or

3. Forty-five calendar days after the date of the initial check for a consolidating check where the consolidating check is in an amount greater than $5,000.

(c) All checks received as part of a redemption in conformity with N.J.A.C. 19:45–1.26 shall be deposited in the casino licensee's bank account or presented directly to the patron's bank in accordance with (g) below, within:

1. Seven calendar days after the date of the initial check if the initial check is in an amount of $1,000 or less;

2. Fourteen calendar days after the date of the initial check if the initial check is in an amount greater than $1,000 but less than or equal to $5,000; or

3. Forty-five calendar days after the date of the initial check if the initial check accepted is in an amount greater than $5,000.

(d) In computing a time period prescribed by this section, the last day of the period shall be included unless it is a Saturday, Sunday, or a State or Federal holiday, in which event the time period shall run until the next business day.

(e) In the event of a series of consolidation or redemption transactions with a patron, the initial check shall be the earliest dated check returned to the patron in the first of the series of consolidation or redemption transactions.

(f) Any check deposited into a bank will not be considered clear until a reasonable time has been allowed for such check to clear the bank. The licensee must submit to the Commission and Division the time allotted for checks to clear the bank.

(g) In accordance with N.J.S.A. 5:12–101 and its approved internal controls, a casino licensee may present a patron check directly to the patron's bank for payment.

1. All such internal controls shall include procedures for:

i. Documenting the release of the patron check from the cashiers' cage to a casino key employee of the casino licensee or to a licensed attorney, for the purpose of presentment to the patron's bank;

ii. Prompt deposit of the proceeds of the check to the casino's bank account via a wire transfer or a check drawn by the patron's bank and made payable only to the casino licensee, if the patron's check is honored and paid; and

iii. Notice to the casino licensee that the check has been paid in full by the patron's bank.

2. A patron check presented in this manner shall be considered paid in full when honored and paid by the patron's bank.

(h) If a casino licensee determines, prior to the deposit or presentment of a Counter Check or Slot Counter Check, that the bank name, the bank routing number, the patron's bank account number or the micro-encoding number contained on the check are incorrect due to a data entry error (for example, a misspelling, a wrong number or a transposition of numbers), a check bank cashier may, in accordance with the approved internal controls of the casino licensee, correct the erroneous entry. Any such internal controls shall, at a minimum, include:

1. A description of the manner in which the error will be corrected by the check bank cashier;

2. The creation of a paper trail and control procedures that will permit both the check bank cashier and the casino accounting department to identify and compare a copy of the uncorrected check that was originally issued and the corresponding corrected check that was deposited or redeemed;

3. The written approval of a cage supervisor prior to the alteration of any check by a check bank cashier; and

4. A prohibition against using this subsection to change the verified bank account on which the Counter Check or Slot Counter Check was originally drawn.

Amended by R.1989 d.434, effective August 21, 1989.
See: 21 N.J.R. 1288(a), 21 N.J.R. 2530(b).
In all sections: reduced deposit times for unredeemed counterchecks and changed deposit times from "banking days" to "calendar days."
In (a)2–4, (b)1–3 and (c)1–3 changed amounts in following manner: Changed amount from "less than $1,000" to "$1,000 to less;"
Changed "of at least $1,000" to "greater than $1,000," and deleted "$2,500" and replaced with "equal to $5,000;"
Changed "Ninety banking days" to "Forty-five calendar days" and changed "of $2,500 or more" to "greater than $5,000."
Added new (d) and recodified (d) and (e) as (e) and (f).
Amended by R.1995 d.466, effective August 21, 1995.
See: 27 N.J.R. 2113(a), 27 N.J.R. 3219(a).
Added provisions for presentment of patron's checks directly to the patron's bank for payment in (g).
Amended by R.1997 d.353, effective September 2, 1997.
See: 29 N.J.R. 2631(a), 29 N.J.R. 3854(b).
Added (h).

Case Notes

Check not deposited within seven banking days from date of transaction. Resorts Intern. Hotel, Inc. v. Salomone, 178 N.J.Super. 598, 429 A.2d 1078 (App.Div.1981).

19:45–1.29 Procedure for collecting and recording checks returned to the casino after deposit

(a) All dishonored checks returned by a bank ("returned checks") after deposit shall be returned directly to, and controlled by, accounting department employees and shall be maintained by check bank cashiers. Such employees shall have no incompatible functions.

(b) No person other than one licensed in a separate collection section within the accounting department as a casino key employee or as a casino employee, and one who has no incompatible functions may engage in efforts to collect returned checks except that an attorney-at-law representing a casino licensee may bring action for such collection. Any verbal or written communication with patrons regarding collection efforts shall be documented in the collection section.

(c) Continuous records of all returned checks shall be maintained by accounting department employees with no incompatible functions. Such records shall include, at a minimum, the following:

1. The date of the check;

2. The name and address of the drawer of the check;

3. The amount of the check;

4. The date(s) the check was dishonored;

5. The Counter Check or Slot Counter Check serial number for Counter Checks or Slot Counter Checks; and

6. The date(s) and amount(s) of any collections received on the check after being returned by a bank, including the date(s) and amount(s) of any complimentary cash gifts applied as payment on the check after being returned by a bank.

(d) A check dishonored by a bank may be immediately redeposited if there is sufficient reason to believe the check will be honored the second time. If a casino licensee determines that a Counter Check or Slot Counter Check was returned by a bank because the bank name, the bank routing number, the patron's bank account number or the micro-encoding number contained on the check was incorrect due to a data entry error (for example, a misspelling, a wrong number or a transposition of numbers), a check bank cashier may, in accordance with the approved internal controls of the casino licensee, correct the erroneous entry and cause the check to be redeposited. Any such internal controls shall, at a minimum, include:

1. A description of the manner in which the error will be corrected by the check bank cashier;

2. The creation of a paper trail and control procedures that will permit both the check bank cashier and the casino accounting department to identify and compare a copy of the uncorrected check that was originally deposited and the corresponding corrected check that was redeposited;

3. The written approval of a cage supervisor prior to the alteration of any check by a check bank cashier; and

4. A prohibition against using this subsection to change the verified bank account on which the Counter Check or Slot Counter Check was originally drawn.

(e) Statements shall be sent to patrons, by accounting department employees with no incompatible functions, immediately upon initial receipt of a returned check or immediately upon receipt of a check returned for a second time if the check was immediately redeposited pursuant to (d) above, and such statements shall include, but not be limited to, the following:

1. The name and address of the drawer;

2. The date of the check;

3. The amount of the check; and

4. The date(s) and amount(s) of any collections received on the check after being returned by the bank.

(f) Patrons to whom statements are sent shall be advised of a return address and department to which replies shall be sent.

(g) Employees with no incompatible functions shall receive directly and shall initially record all collections.

(h) Copies of statements and other documents supporting collection efforts shall be maintained and controlled by accounting department employees.

(i) A record of all collection efforts shall be recorded and maintained by the collection area within the accounting department.

(j) After reasonable collection efforts, returned checks may be considered uncollectible for accounting purposes and charged to the casino licensee's allowance for uncollectible patrons' checks. A check which is unenforceable pursuant to section 101 of the Act shall not be charged to the allowance account for the purpose of computing the maximum provision allowed pursuant to section 24 of the Act. Any patron's indebtedness, in excess of $1,000, may only be considered uncollectible for accounting purposes and charged to the allowance for uncollectible patrons' checks account after the following information has been included in the patron's credit file:

1. Documentation of the casino licensee's collection department efforts to collect the patron's outstanding checks and the reason why such collection efforts were unsuccessful; and/or

2. A letter from an attorney representing the casino documenting the efforts to collect the patron's outstanding checks and the reasons why such collection efforts were unsuccessful or were not pursued further.

(k) Listings of uncollectible checks shall be approved in writing by, at a minimum, the chief executive officer or the chief gaming executive, a casino key employee approved by the Commission and the controller or the person to whom the controller directly reports; provided that, with the exception of the chief executive officer and chief gaming executive, none of the foregoing persons shall also have the authority to approve credit. All such uncollectible checks and listings shall be maintained and controlled by accounting department employees. A continuous trial balance of all uncollectible checks shall be maintained by employees of the accounting department. The continuous trial balance shall be adjusted for any subsequent collections.

Amended by R.1981 d.437, effective. November 16, 1981.
See: 13 N.J.R. 534(b), 13 N.J.R. 848(b).
(b): added "in a separate ... department," and "any verbal ... section."
(i): added.
Renumbered (i) as (j) without change in text.
Amended by R.1984 d.624, effective January 21, 1985.
See: 16 N.J.R. 2076(a), 17 N.J.R. 212(a).
(j) substantially amended; (k) added.
Petition for Rulemaking: Procedure for collecting and recording checks returned to the casino after deposit.
See: 19 N.J.R. 664(b).
Amended by R.1991 d.229, effective May 6, 1991.
See: 22 N.J.R. 3205(a), 23 N.J.R. 1455(a).
In (c)5: added "Slot Counter Check" to text.
Amended by R.1994 d.65, effective February 7, 1994.
See: 25 N.J.R. 5114(a), 26 N.J.R. 826(a).
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.1996 d.30, effective January 16, 1996.
See: 27 N.J.R. 4177(a), 28 N.J.R. 283(a).
Amended (e) and (j)1.
Amended by R.1996 d.70, effective February 5, 1996.
See: 27 N.J.R. 4178(a), 28 N.J.R. 900(a).
Administrative correction.
See: 29 N.J.R. 1518(b).
In (a), inserted "shall be maintained by check bank cashiers. Such employees".
Amended by R.1997 d.353, effective September 2, 1997.
See: 29 N.J.R. 2631(a), 29 N.J.R. 3854(b).
Rewrote (d) and inserted (d)1 through (d)4.
Amended by R.1998 d.473, effective September 21, 1998.
See: 30 N.J.R. 1216(a), 30 N.J.R. 3513(a).
In (k), added "; provided that, with the exception of the chief executive officer, none of the foregoing persons shall also have the authority to approve credit" at the end of the first sentence.
Amended by R.2005 d.86, effective March 7, 2005.
See: 36 N.J.R. 623(a), 37 N.J.R. 789(a).
In (k), inserted reference to chief gaming executive.
Petition for Rulemaking.
See: 37 N.J.R. 812(a).

Cross References

Casino licensee's right to apply chips, plaques, slot tokens or prize tokens presented by a patron towards redemption of patron's slot counter checks, see N.J.A.C. 19:46–1.5 and N.J.A.C. 19:46–1.35.

Case Notes

Commission did not violate procedural due process when it considered regulations not cited in complaint. Adamar of New Jersey, Inc. v. State, Dept. of Law and Public Safety, Div. of Gaming Enforcement, 250 N.J.Super. 275, 593 A.2d 1237 (A.D.1991).

Extending credit to patron in substantial debt to casino and to other casinos violated regulations. Adamar of New Jersey, Inc. v. State, Dept. of Law and Public Safety, Div. of Gaming Enforcement, 250 N.J.Super. 275, 593 A.2d 1237 (A.D.1991).

Casino operator violated regulation by sending debt collection statements directly to its vice-president instead of to patron and failing to report immediately patron's checks returned for insufficient funds. Adamar of New Jersey, Inc. v. State, Dept. of Law and Public Safety, Div. of Gaming Enforcement, 250 N.J.Super. 275, 593 A.2d 1237 (A.D.1991).

Use of reserve by casino to calculate provision for uncollectible patron checks; statutes prohibiting underreporting of revenues. Division of Gaming Enforcement v. Trump Plaza Associates, 94 N.J.A.R.2d (CCC) 102.

Casino violated statute by discharging casino credit debt of a patron. Division of Gaming Enforcement v. Boardwalk Regency Corporation, 94 N.J.A.R.2d (CCC) 73.

19:45–1.30 Procedure for shift changes at gaming tables

(a) Whenever gaming tables are to remain open for gaming activity at the conclusion of a shift, the gaming chips, coins and plaques remaining at the gaming tables at the time of the shift change shall be counted by either the dealer or boxman assigned to the outgoing shift and the dealer or boxman assigned to the incoming shift or the dealer or boxman assigned to the gaming table at the time of a drop box shift change which does not necessarily coincide with an employee shift change. The count shall be observed by the casino supervisor assigned to the gaming table of the outgoing shift or the casino supervisor assigned to the table game at the time of the drop box shift change.

(b) The gaming chips, coins and plaques counted shall be recorded on Table Inventory Slips by the casino supervisor assigned to the gaming table of the outgoing shift or the casino supervisor assigned to the gaming table at the time of a drop box shift change.

(c) Table Inventory Slips shall be two-part forms, at a minimum, and on the original of the slip ("Closer") and the duplicate of the slip ("Opener"), the casino supervisor shall record the following:

1. The date and identification of the shift ended;
2. The game and table number;
3. The total value of each denomination of gaming chips, coins and plaques remaining at the gaming table; and
4. The total value of all denominations of gaming chips, coins and plaques remaining at the gaming table.

(d) Signature attesting to the accuracy of the information recorded on the Table Inventory Slips shall be of either the dealer or boxman and the casino supervisor assigned to the incoming and the outgoing shifts of the dealer or boxman and the casino supervisor assigned to the gaming tables at the time of a drop box shift change.

(e) Upon meeting the signature requirements as described in (d) above, the Closer shall be deposited in the drop box that is attached to the gaming table immediately prior to the change of shift and the Opener shall be deposited in drop box that is attached to the gaming table immediately following the change of shift.

19:45-1.31 Procedure for closing gaming tables

(a) Whenever gaming activity at a gaming table is concluded, the gaming chips, coins and plaques remaining at the gaming table shall be counted by the dealer or boxman assigned to the gaming table and observed by a casino supervisor assigned to the gaming table.

(b) The gaming chips, coins and plaques counted shall be recorded on a Table Inventory Slip by the casino supervisor assigned to the gaming table.

(c) The Table Inventory Slips shall be two-part forms, at a minimum, and on the original copy of the slip ("Closer") and the duplicate of the slip ("Opener"), the casino supervisor shall record the following:

1. The date and identification of the shift ended;
2. The game and table number;
3. The total value of each denomination of gaming chips, coins and plaques remaining at the gaming table; and
4. The total value of all denominations of gaming chips, coins and plaques remaining at the gaming table.

(d) Signatures attesting to the accuracy of the information recorded on the Table Inventory Slips at the time of closing gaming tables shall be of the dealer or boxman and the casino supervisor assigned to the gaming table who observed the dealer or boxman count the contents of the Table Inventory.

(e) Upon meeting the signature requirements described in (d) above, the Closer shall be deposited in the drop box attached to the gaming table immediately prior to the closing of the table.

(f) Upon meeting the signature requirements described in (d) above, the Opener and the gaming chips and plaques remaining at the table shall be placed in the container specified in N.J.A.C. 19:45-1.20, after which the container shall be locked and either transported directly to the cashiers' cage by a security department member or secured to the gaming table provided that there is adequate security, as approved by the Commission. If the locked containers are transported to the cashiers' cage, a cage cashier shall determine that all locked containers have been returned, or if the locked containers are secured to the gaming table, a casino representative shall account for all the locked containers.

Amended by R.1981 d.437, effective November 16, 1981.
See: 13 N.J.R. 534(b), 13 N.J.R. 848(b).
(f): "commission" was "chairman".
Amended by R.1992 d.110, effective March 2, 1992.
See: 23 N.J.R. 3243(a), 24 N.J.R. 858(c).
In (a): stylistic revisions; In (f): recodified subsection (g) as part of subsection (f), deleting phrase "At the end of each gaming day . . .".

19:45-1.32 Count room; characteristics

(a) Except as provided in (d) below, each casino licensee shall have immediately adjacent to the cashier's cage a room, to be known as the "count room," specifically designated, designed and used for counting the contents of drop boxes, slot cash storage boxes, slot drop buckets and slot drop boxes.

(b) The count room shall be designed and constructed to provide maximum security for the materials housed therein and for the activities conducted therein. Each casino licensee shall design and construct a count room with, at a minimum, the following security measures:

1. A metal door installed on each entrance and exit;
2. Each entrance and exit door shall be equipped with:
   i. Two separate locks;
   ii. An alarm device, approved by the Commission, which audibly signals the monitoring rooms required by N.J.A.C. 19:45-1.10 and the casino security department whenever a door to the count room is opened at times other than those times for which the casino licensee has provided prior notice pursuant to N.J.A.C. 19:45-1.33(b) or 1.43(b); and

iii. A light system, approved by the Commission, which illuminates one or more lights in the monitoring rooms required by N.J.A.C. 19:45-1.10, at each count room door, and at such other locations as the Commission may require, for purposes of maintaining constant surveillance on whether each count room door is open or closed;

3. Each lock required by (b)2i above shall be controlled by a key which is different from:

i. The key to the other lock on that door;

ii. The keys to the locks securing the contents of each drop box, slot cash storage box, and slot drop box; and

iii. The keys to the locks of each slot drop bucket compartment;

4. The key to one of the locks required by (b)2i above shall be maintained and controlled by the casino security department in a secure area within the casino security department, access to which may be gained only by a security supervisor, and the key to the other lock shall be maintained and controlled by a Commission inspector; and

5. The casino security department shall establish a sign-out procedure for all keys removed from the security department.

(c) Located within the count room shall be:

1. A table constructed of clear glass or similar material for the emptying, counting, and recording of the contents of drop boxes and slot cash storage boxes which shall be known as the "count table";

2. Closed circuit television cameras and microphone wired to monitoring rooms capable of, but not limited to, the following:

i. Effective and detailed audio-video monitoring of the entire count process;

ii. Effective, detailed video-monitoring of the interior of the count room, including storage cabinets or trolleys used to store drop boxes and slot cash storage boxes; and

iii. Audio-video taping of the entire count process and any other activities in the count room.

(d) Each casino licensee may count the contents of slot drop buckets and slot drop boxes in a different room, to be known as the "hard count room," from that used for counting the contents of drop boxes and slot cash storage boxes, in which event the latter room shall be known as the "soft count room." In all other respects the hard count room shall comply with the requirements of this section, except that the hard count room need not contain the audio equipment required by (c)2i and (c)2iii above. In addition, the hard count room shall contain a fixed-door type or hand-held metal detector to inspect all persons exiting the hard count room.

(e) In addition to the light system required by (b)2iii above, each hard count room shall contain a separate light system or other device approved by the Commission which shall provide a continuous visual signal at the count room door, the Commission booth and such other locations as the Commission may require whenever any access door to the count room is open while the system is activated. The light system or device shall:

1. Maintain the visual signal until the system is reset or deactivated; and

2. Be designed so as to permit its activation, deactivation or resetting only by the Commission.

Petition for Rulemaking: Slot machine bill changer system.
See: 19 N.J.R. 1110(a).
Amended by 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).
Added text in (d) "In addition, the . . . the count room." Correction deferred operative date from September 1, 1987 to November 1, 1987).
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 slot cash storage boxes.
Amended by R.1993 d.37, effective January 19, 1993.
See: 24 N.J.R. 3695(a), 25 N.J.R. 348(b).
"Casino" changed to "casino licensee."
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.1993 d.493, effective October 4, 1993.
See: 25 N.J.R. 2855(a), 25 N.J.R. 4622(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.1996 d.122, effective May 4, 1996.
See: 27 N.J.R. 1775(a), 28 N.J.R.1399(a).

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

(a) The contents of the drop boxes and slot cash storage boxes shall be counted and recorded in the count room in conformity with this section and a workflow diagram, which shall be filed with the Commission's Principal Inspector, Division and the surveillance department.

1. The workflow diagram shall indicate, at a minimum, the location of all equipment in the count room, all equipment used in the counting process (for example, baskets and bins) and the flow of all currency, coupons, gaming vouchers, and paperwork from the start of the count to the conclusion of the count.

2. Each casino licensee shall include in its internal control submission a description of all computer equipment used in the counting and recording process and all other

systems, if any, that communicate with that computer equipment for purposes related to the counting of gross revenue. The submission shall include, at a minimum:

i. A detailed description of the design and use of the computer equipment and any communication interfaces, software, screens, menus and reports related to the counting process;

ii. The names of all revenue files and who has access and what type of access they have to these files;

iii. Procedures for controlling changes to computer equipment, communication interfaces, configuration and software that provide for, at a minimum, written or electronic notification to the Commission at least 72 hours prior to the implementation of any proposed change; and

iv. Controls that prevent access to any count room information by anyone outside of the count room until the entire count process is concluded.

(b) Each casino licensee shall place on file with the Commission and the Division the specific times during which the contents of drop boxes removed from gaming tables and contents of slot cash storage boxes are to be counted and recorded. Slot cash storage boxes shall be removed from bill changers in accordance with N.J.A.C. 19:45-1.42(a) and shall be counted and recorded, at a minimum, once a week. Drop boxes shall be removed from gaming tables and counted and recorded, at a minimum, once each gaming day, provided, however, a drop box need not be so removed if:

1. The drop box is from a gaming table that was never opened for gaming on that gaming day pursuant to N.J.A.C. 19:45-1.21; and

2. The casino licensee has established internal control procedures, as approved by the Commission, which ensure that the casino security department knows which drop boxes to collect and the count room supervisor knows which drop boxes should be counted.

(c) The opening, counting, and recording of the contents of drop boxes and slot cash storage boxes (the "soft count") shall be performed in the presence of a Commission inspector and a casino key employee who shall be referred to herein as a count room supervisor. The soft count shall be performed by at least three employees ("count team"), which may include the count room supervisor. To gain entrance to the count room, the Commission inspector shall present an official identification card containing his or her photograph issued by the Commission.

(d) All persons present in the count room during the counting process, except representatives of the Commission and the Division, shall wear as outer garments, only a full-length, one-piece pocketless garment with openings only for the arms, feet, and neck.

(e) No person present shall:

1. Carry a pocketbook or other container unless it is transparent; or

2. Remove his or her hands from or return them to a position on or above the count table, banking table or counting equipment unless the backs and palms of his or her hands are first held straight out and exposed to the view of other members of the count team and the closed circuit television camera.

(f) Except as otherwise provided in this section, access to the count room during the counting process shall be limited to those persons whose presence is necessary to complete the count. No count room employee shall, during the counting process, enter a storage area for table drop boxes or slot cash storage boxes that is adjacent to the count room to perform any function that is not directly related to the counting process.

1. Immediately prior to the commencement of the count:

i. The doors to the count room shall be securely locked and remain locked at all times except when the doors are opened for an authorized purpose pursuant to (f)2 below;

ii. A count team member shall notify a person assigned to the closed circuit television monitoring station in the establishment that the count is about to begin, after which such person shall make a continuous audio-video recording, with the time and date inserted thereon, of the entire counting process;

iii. The count room supervisor or his or her supervisor shall notify the Commission inspector, in writing, of the name and Commission license number of each member of the count team and whether each such individual is scheduled to:

(1) Be present in the count room during the entire counting process;

(2) Enter the count room during the counting process; or

(3) Leave the count room prior to the conclusion of the counting process; and

iv. The Commission inspector shall ensure that the Commission key that unlocks the contents of the drop boxes and slot cash storage boxes is secured to the count table in a manner approved by the Commission.

2. Once the counting process has started, the doors to the count room shall only be opened for one of the following purposes:

i. To allow one or more members of the count team to take a work break or to allow for a change of Commission Inspectors;

ii. At the start or conclusion of a count team employee's shift;

iii. To permit table drop boxes or slot cash storage boxes to be secured in the count room;

iv. To permit empty table drop boxes, slot cash storage boxes, emergency table game drop boxes or emergency slot cash storage boxes that were not part of the current count to be removed from the count room in accordance with procedures approved by the Commission;

v. To allow a main bank cashier or cage supervisor to enter the count room to perform the responsibilities set forth in (i) below;

vi. In the event of an emergency; or

vii. To allow the count team and the Commission inspector to exit the room at the conclusion of the count.

(g) No person shall be permitted to enter or leave the count room during the counting process unless his or her name is on the written notice required by (f) above. Notwithstanding the foregoing, the name of any person who enters or leaves the count room in furtherance of a purpose identified in (f)2iii through vi above shall not have to be included on the written notice required by (f) above if he or she enters or leaves the count room during the counting process solely for that purpose.

1. If any person enters or leaves the count room during the counting process, any employee remaining in the count room shall be required to display his or her hands in accordance with (e) above and to step away from the count table, banking table and counting equipment until the person has entered or left the count room.

2. The counting and recording process shall be discontinued whenever less than three count team members are present in the count room. If the entire count team will be taking a break, prior to leaving the count room:

i. All cash, gaming vouchers and coupons that have been removed from either a drop box or slot cash storage box shall be counted at least once and secured in a manner approved by the Commission until the return of at least three soft count team members from the break; and

ii. Any trolleys that contain uncounted drop boxes or slot cash storage boxes shall be secured with both locks during the break.

3. Once the counting process has been started, the count room supervisor shall be required to notify the closed circuit television monitoring room whenever a count room door will be opened.

4. Once all currency, gaming vouchers, and coupons have been counted and the final count totals have been obtained, no employee shall be permitted to leave the count room, except in an emergency, until the recount and presentation procedures in (i) below have been completed.

(h) Procedures and requirements for conducting the count shall be as follows:

1. As each drop box or slot cash storage box is placed on the count table, one count team member shall verbalize, in a tone of voice to be heard by all persons present and to be recorded by the audio recording device, the game, table number, and shift marked thereon for drop boxes, or the asset or unique identification number market thereon for slot cash storage boxes;

2. In full view of the closed circuit television cameras located in the count room, the contents of each drop box or slot cash storage box shall be emptied on the count table and either manually counted separately on the count table or counted on a counting machine, which has been approved by the Commission and is located in a conspicuous location on, near or adjacent to the count table;

3. Immediately after the contents of a drop box or slot cash storage box are emptied onto the count table, the inside of the drop box or slot cash storage box shall be held up to the full view of a closed circuit television camera to assure all contents of the drop box or slot cash storage box have been removed, after which the drop box or slot cash storage box shall be locked and placed in the storage area for drop boxes and slot cash storage boxes. Any drop box or slot cash storage box shall be reopened at any time upon the request of a Commission inspector to assure that all the contents have been removed;

4. The contents of each drop box or slot cash storage box shall be segregated by a count team member into separate stacks on the count table by each denomination of coin, tokens, gaming chips, currency, gaming vouchers and coupons (by denomination where applicable), and by type of form, record or document, except that the Commission may permit the utilization of a machine to automatically sort currency, coupons and gaming vouchers in the same manner. A count team member shall also separate out any mutilated or torn currency, gaming vouchers and coupons, ensure that each item is properly counted and recorded by denomination and by box, and attempt to match pieces of mutilated or torn items to determine if a complete bill, gaming voucher or coupon exists.

i. Mutilated or torn currency shall be recorded as revenue if the bill includes one entire serial number and one letter and number of the serial number from the other half of the bill.

ii. Mutilated or torn currency that is not recorded as revenue shall be placed in a sealed transparent envelope or container and transferred to the main bank by the main bank cashier or cage supervisor at the end of the count.

iii. All mutilated or torn coupons and gaming vouchers shall be recorded as revenue regardless of their condition;

5. Each denomination of coin, token, gaming chip, currency and drop box coupon, and any slot cash storage box coupons and gaming vouchers shall be counted separately and individually by one count team member who shall place them on the count table in full view of a closed circuit television camera, after which the foregoing items shall be counted by a second count team member who is unaware of the result of the original count and who, after completing this count, shall confirm the accuracy of the total, either verbally or in writing, with that reached by the first count team member; provided, however, that the Commission may permit a casino licensee to perform the following aggregate count in substitution of the second count:

i. An aggregate count by denomination of all currency and coupons, by each drop box, if the Commission is satisfied that the original count is being performed automatically by a machine that counts and automatically records the value of currency or coupons, and the accuracy of which has been suitably tested and proven in accordance with the provisions of (h)6 below; and

ii. An aggregate count of all currency, gaming vouchers and coupons, by each slot cash storage box, if the Commission is satisfied that the original counts are being performed automatically by a machine that counts and automatically records the value of currency and also determines the value of each gaming voucher or coupon by independently examining information printed on the voucher or coupon, which information is either used by the machine to calculate the value internally or to obtain the value directly from the gaming voucher system in a secure manner approved by the Commission, and the accuracy of which has been suitably tested and proven in accordance with the provisions of (h)6 below. If the gaming voucher system is utilized to obtain the value of a gaming voucher, the gaming voucher system shall also perform a calculation or integrity check, as approved by the Commission, to ensure that the value of the gaming voucher has not been altered in the system in any manner whatsoever since the time of its issuance.

6. The Commission will permit the utilization of currency, gaming voucher and coupon counting machines if prior to the start of the first use of each counting machine each gaming day, (except for (h)6i and ii below, which shall be performed prior to each count, and except when a Commission inspector may direct the testing of an automatic counting machine prior to each count) the count room supervisor shall, in the presence of a Commission inspector:

i. Verify that the counting machine has a zero balance on its display and cause a receipt to be printed, which denotes "-0- cash, gaming vouchers or coupons on hand" and "-0- notes, gaming vouchers or coupons in machine," or some other approved means to indicate that the machine has been cleared of all currency, gaming vouchers and coupons.

ii. Visually check the counting machine to be sure there are no bills, gaming vouchers or coupons remaining in the various compartments of the machine.

iii. Supervise a count team member who shall randomly select a drop box or slot cash storage box. If slot storage boxes are being counted that day, a slot cash storage box must be selected and it must contain currency, and if issued by the licensee, gaming vouchers and coupons. The count team member shall place the entire contents of the drop box or slot cash storage box into the first counting machine, which shall count the currency by denomination, as well as any gaming vouchers and coupons. Any soiled or off-sorted bills, gaming vouchers or coupons shall be re-fed into the machine. Any items which the counting machine is not able to count automatically, such as coins, tokens, gaming chips or mutilated or torn currency, gaming vouchers and coupons shall be manually counted, recorded either manually or in the counting machine, and segregated from items that the counting machine was able to count automatically. The count team member shall cause the counting machine, in conjunction with the gaming voucher system, to produce one or more printouts of the total value of currency, the total number and value of all gaming vouchers and total number and value of all coupons, and the totals shall not be shown to anyone until completion of the final verification process.

iv. Supervise a second count team member, independent of the team member performing the initial count by machine, who shall manually count and summarize the total value of currency, total number and value of gaming vouchers, and total number and value of coupons contained in the drop box or slot cash storage box counted in (h)6iii above. The total shall be posted and maintained separately from the total posted in (h)6iii above. This total shall not be shown to anyone until completion of the final verification process.

v. Supervise the second count team member passing the currency, gaming vouchers, and coupons to a count team member who is unaware of the results of the manual count. The count team member shall count the entire contents of the drop box or slot cash storage box counted in (h)6iii above using a second counting machine. Any soiled or off-sorted bills, gaming vouchers or coupons shall be re-fed into the machine. Any items which the counting machine is not able to count automatically, such as coins, tokens, gaming chips or mutilated or torn currency, gaming vouchers, and coupons shall be manually counted, summarized, recorded either in the counting machine or manually, and segregated from items which the counting machine was able

to count automatically. The count team member shall cause the counting machine, in conjunction with the gaming voucher system, to produce one or more printouts of the total value of currency, total number and value of all gaming vouchers, and total number and value of all coupons, and the totals as recorded by the counting machine or manually shall not be shown to anyone until completion of the final verification process.

vi. Following the completion of the test procedures in (h)6iii-6v above, compare the three totals for agreement. If the three totals are in agreement, the count room supervisor will sign and date the printouts and forward them to the Accounting Department at the end of the count process.

vii. If the three totals do not agree, appropriate repairs shall be made to the counting machine and the procedures in (h)6i through (h)6vi above shall be repeated until all totals are in agreement. The Commission shall not permit the counting machine to be used until these totals are in agreement.

7. If a counting machine is used to perform the first count in accordance with (h)5 above, cash storage cassettes shall be emptied and held up to the full view of a closed circuit television camera and shall be shown to the Commission inspector to assure that the contents have been emptied prior to replacing the cassette into the counting machine.

8. Notwithstanding (h)5 above, a casino licensee may use one piece of counting equipment to count and strap the currency, gaming vouchers and coupons; provided, however, that the counting equipment and the procedures for utilizing the equipment have been approved by the Commission and the equipment functions in such a manner that it automatically provides two separate counts of the items at different stages of the counting process and, if these separate counts are not in agreement, the machine shall document the discrepancy and cease operation until the discrepancy is resolved by a count team member. Currency, gaming vouchers and coupons not being separately verified in accordance with (h)5 above, including, but not limited to, gaming vouchers and coupons from slot cash storage boxes for which the counting equipment obtains the value from the gaming voucher system in accordance with (h)5ii above, shall be verified by the operator in a manner approved by the Commission.

9. Any coupon deposited in a drop box or any coupon or gaming voucher deposited in a slot cash storage box shall be counted and included in the calculation of table game win or loss in accordance with (h)11 below or on the slot win report, without regard to the validity of the coupon or gaming voucher.

10. Any drop box coupon that has not already been cancelled upon acceptance or during the count shall be cancelled prior to the conclusion of the count, in a manner approved by the Commission.

11. The Master Game Report shall be, at a minimum, a two-part form consisting of an original and a duplicate copy unless the casino licensee chooses, pursuant to (i)3 below, to make copies of the original Master Game Report, in which case only an original shall be required. Each additional copy of a multi-part Master Game Report shall be clearly labeled as a copy. As the contents of each drop box are counted, a count team member shall manually record or cause a computer system to record, in a manner approved by the Commission, the following information on the Master Game Report or other supporting documentation by game and table number:

i. The value of each denomination of currency counted;

ii. The total value of all denominations of currency counted;

iii. The value of coin and/or tokens counted;

iv. The value of gaming chips counted;

v. The total value of currency, coin/tokens and gaming chips counted;

vi. The value of each denomination of coupons other than match play coupons;

vii. The total value of all denominations of coupons other than match play coupons;

viii. The value of each denomination of match play coupons;

ix. 50 percent of the total value of all denominations of match play coupons;

x. The amount recorded on each document evidencing a credit card chip transaction;

xi. The total of the amounts recorded on all documents evidencing credit card chip transactions;

xii. The amount recorded on each document evidencing a debit card chip transaction;

xiii. The total of the amounts recorded on all documents evidencing debit card chip transactions;

xiv. The amount of the Opener;

xv. The amount of the Closer;

xvi. The serial number and amount of each Counter Check;

xvii. The amount of all Counter Checks counted;

xviii. The serial number and amount of each Fill;

xix. The amount of all Fills;

xx. The serial number and amount of each Credit;

xxi. The amount of all Credits;

xxii. The amount recorded on each Complimentary Vigorish Form documenting uncollected baccarat or minibaccarat vigorish;

xxiii. The total of the amounts recorded on all Complimentary Vigorish Forms documenting uncollected baccarat or minibaccarat vigorish;

xxiv. The table game win or loss or, for poker, the poker revenue; and

xxv. The gaming date of the items being recorded, the total number of drop boxes opened and counted and the date the Master Game Report is being prepared or generated.

12. After the contents of each drop box are counted and recorded, a member of the count team shall manually record or cause the computer to record on the Master Game Report, by game, the total value of currency, coin, and coupons, and the total amounts recorded on Table Inventory Slips, Counter Checks, Complimentary Vigorish Forms that document uncollected baccarat and minibaccarat vigorish, Fills, and Credits counted, and win or loss, together with such additional information as may be required on the Master Game Report by the Commission or the casino licensee.

13. Notwithstanding the requirements of (h)11 and 12 above, if the casino licensee's system of internal controls provides for the recording on the Master Game Report or supporting documents of Fills, Credits, Counter Checks, documents that evidence credit card or debit card chip transactions, Complimentary Vigorish Forms that document uncollected baccarat and minibaccarat vigorish, and Table Inventory Slips by cage cashiers prior to commencement of the count or includes a computerized system whereby all Fills, Credits, Counter Checks, documents that evidence credit card or debit card chip transactions, Complimentary Vigorish Forms that document uncollected baccarat and minibaccarat vigorish, and Table Inventory Slips are entered into the system at the time of preparation, a count team member shall compare for agreement the totals of the amounts previously recorded or entered to the Fills, Credits, Counter Checks, the documents that evidence credit card or debit card chip transactions, Complimentary Vigorish Forms that document uncollected baccarat and minibaccarat vigorish, and Table Inventory Slips that are removed from the drop boxes.

14. The Slot Cash Storage Box Report shall be, at a minimum, a two-part form consisting of an original and a duplicate copy unless the casino licensee chooses, pursuant to (i)3 below, to make copies of the original Slot Cash Storage Box Report, in which case only an original shall be required. Each additional copy of a multi-part Slot Cash Storage Box Report shall be clearly labeled as a copy. As the contents of each slot cash storage box are counted, a count team member shall manually record or cause a computer system to record, in a manner approved by the Commission, the following information on the Slot Cash Storage Box Report or supporting documentation:

i. The asset number of the bill changer to which the slot cash storage box contents correspond or, if a casino licensee utilizes slot cash storage boxes with a unique identification number, the number shall be recorded along with the asset number of the slot machine;

ii. The value of each denomination of currency counted;

iii. The total value of all denominations of currency counted;

iv. The value of currency counted for each slot machine denomination;

v. The number and value of each cashable coupon counted, and if a gaming voucher system is used to redeem coupons, the serial number and value of each coupon counted;

vi. The total number and value of all cashable coupons counted;

vii. The number and value of each non-cashable coupon counted, and if a gaming voucher system is used to redeem such coupons, the serial number and value of each coupon counted;

viii. The total number and value of all non-cashable coupons counted;

ix. A listing of the validation number and value of each gaming voucher counted;

x. The total number and value of all gaming vouchers counted;

xi. The gaming date of the items being recorded and the total number of all slot cash storage boxes opened and counted; and

xii. Any additional information as may be required on the Slot Cash Storage Box Report by the Commission.

15. Notwithstanding the requirements of (h)11, 12 and 14 above, if the casino licensee's system of internal controls provides for the count team functions to be comprised only of counting and recording currency, coin, gaming vouchers, and coupons, accounting department employees shall perform all other counting, recording and comparing duties required by this section.

16. After preparation of the Master Game Report or the Slot Cash Storage Box Report, the count team members performing the banking functions and the count room supervisor shall sign the reports attesting to the accuracy of the information recorded thereon. The count room supervisor shall ascertain that the total number of drop boxes collected and verified by a casino supervisor pursuant to

N.J.A.C. 19:45-1.17(b) have been opened and recorded on the Master Game Report or that the total number of slot cash storage boxes collected and verified by a drop team supervisor pursuant to N.J.A.C. 19:45-1.17(c) have been opened and recorded on the Slot Cash Storage Box Report. All other count team members shall either sign the Master Game Report or such other document as approved by the Commission as evidence of their participation in the counting of the drop boxes or slot cash storage boxes. Any person who, in accordance with (f) above, is scheduled to leave the count room prior to the completion of the entire count process, shall also record the time that he or she exited the count room. Any person who enters or leaves the count room due to an emergency shall sign, and record the time of the entry or exit on the Master Game Report or such other document as approved by the Commission; except that, if the person exiting the count room is unable to sign the document due to the emergency, the count room supervisor shall record the person's name and time of exit and a notation describing the emergency on the document.

17. If any problem exists with the soft count procedures and/or machines (for example, computer interface, dropped basket, strap over or short), it shall be brought to the immediate attention of the Commission inspector in the room and a detailed written report explaining the problem, the reason for said problem and the corrective action taken shall be filed by the count room supervisor or above with the Commission within 48 hours of the conclusion of that count.

(i) After the contents of all drop boxes or all slot cash storage boxes have been counted:

1. All coupons from drop boxes, cash, tokens and gaming chips shall be presented in the count room by a count team member to a main bank cashier or cage supervisor who, prior to having access to the information recorded on the Master Game Report or the Slot Cash Storage Box Report and in the presence of a count team member and the Commission inspector, shall recount, either manually or mechanically, the cash and coupons presented in accordance with the following requirements:

i. The cashier or cage supervisor shall have physical access to all currency and coupons presented for recounting and no currency or coupons presented for recounting shall be wrapped or placed in any sealed bag or container until the entire recount has been completed and the Master Game Report or the Slot Cash Storage Box Report has been signed by the count team members, the count room supervisor, the cashier or cage supervisor and the Commission inspector;

ii. The cashier or cage supervisor may bulk count all strapped currency and coupons from drop boxes, provided however, that a random sampling of the strapped currency and coupons shall be inspected for intermixed denominations and proper cancellation;

iii. All partial straps, loose currency and coupons, mutilated or torn currency and coupons, coin, tokens and gaming chips must be recounted by the cashier or cage supervisor either by hand or with an approved counting device;

iv. A Commission inspector may direct that currency straps of any denomination be recounted by the cashier or cage supervisor either by hand or with an approved counting device, if a discrepancy either in denomination total or grand total is discovered during the initial bulk recount; and

v. Not less than 10 percent of the total number of strapped coupons from slot cash storage boxes and not less than 10 percent of the total number of strapped gaming vouchers or a random sample of strapped gaming vouchers issued by slot machines shall be randomly recounted by hand or with an approved counting device; provided, however, that the random samples shall have a statistical confidence level of 95 percent, with a precision of plus or minus two percent, and that the Commission shall have approved the procedures for selecting the sample size and for assuring a proper selection of the samples. If a casino redeems any coupons created pursuant to N.J.A.C. 19:45-1.55(*l*)2v (a coupon not associated with a specific patron account or patron identification card at the time of its creation), the serial numbers, dollar values and total number of all such redeemed coupons shall be verified in the count room after redemption by comparing that information to the data in a secure copy of the coupon mail file used to create such coupons, as required by N.J.A.C. 19:45-1.55(*l*)2v, and the cashier or cage supervisor shall also be required to compare and verify the face value of at least five percent of such coupons to the coupon values recorded on the supporting documentation for the Cash Storage Box Report, and to sign the supporting documentation and indicate the number of coupons compared. The compared coupons shall be segregated and maintained separately from all other coupons. Any discrepancies shall be reported to the casino controller and the IT department manager, as well as the Commission, and an investigation of the discrepancy shall be promptly conducted in accordance with N.J.A.C. 19:45-1.55(*l*)2vii.

2. Upon completion of the recount, the cashier or cage supervisor shall attest by signature on the Master Game Report and Slot Cash Storage Box Report, the amount of cash from drop boxes and slot cash storage boxes counted, and the amount of coupons from drop boxes counted, after which the Commission inspector shall sign the report evidencing his or her presence during the count and the fact that both the cashier or cage supervisor and count team have agreed on the total amounts of cash and coupons counted and have completed the verification required by (i)1v above.

3. Once all required signatures have been obtained, the duplicate or a copy of the original Master Game Report or Slot Cash Storage Box Report shall be given to the Commission inspector.

i. A casino licensee's internal controls may, in the licensee's discretion, require that an additional copy of a multi-part Master Game Report or Slot Cash Storage Box Report or another copy of the original be produced and given to the cage supervisor or main bank cashier.

ii. Each copy of an original Report which is not part of a multi-part form shall be stamped with the word "copy" by the inspector prior to its distribution.

4. A casino licensee may, in its discretion, present the main bank cashier or cage supervisor with the cash, tokens, gaming chips and coupons obtained from the count of the drop boxes and the count of the slot cash storage boxes, either:

i. At the same time, in which event the cash, tokens, gaming chips and coupons shall be presented immediately after both counts have been concluded; provided, however, that the casino licensee shall set forth in its approved system of internal controls the procedures for segregating and securing the cash, tokens, gaming chips and coupons from the first count that is concluded until presented to the main bank cashier or cage supervisor after the conclusion of the second count; or

ii. Separately, in which event the cash, tokens, gaming chips and coupons from each count shall be presented immediately after the conclusion of the count; provided, however, that if the cash, tokens, gaming chips, and coupons from the first count that is concluded are presented while the second count is in progress:

(1) No cash, tokens, gaming chips, gaming vouchers or coupons in the count room shall be removed from an opened box that has not already been counted at least once; and

(2) All count room employees shall be required to step away from the count table until the presentation is completed and the cash and coupons from the first count are removed from the count room.

5. The original Master Game Report, after signing, and the Requests for Fills, the Fills, the Requests for Credits, the Credits, the issuance copies of the Counter Checks, the Table Inventory Slips, the documents evidencing a credit or debit card chip transaction, Complimentary Vigorish Forms that document uncollected baccarat and minibaccarat vigorish, the coupons removed from drop 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. 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*).

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) If the casino licensee offers the game of poker pursuant to N.J.A.C. 19:47-14, the count room supervisor shall review the Master Game Report to ensure that negative poker revenue has not been reported for any poker table. If negative poker revenue has been reported for a poker table, the count room supervisor shall initial the Master Game Report for each such poker table and immediately notify the surveillance department of the poker table(s) and corresponding negative poker revenue reported thereon.

(*l*) The originals and copies of the Master Game Report, the Slot Cash Storage Box Report, Counter Checks, 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, coupons, documents that evidence the counting of the gaming vouchers, and test receipts from the currency counting equipment shall, on a daily basis, in the accounting department be:

1. Reviewed for the initials of the count room supervisor indicating that negative poker revenue has been reported at a poker table. If negative poker revenue has been reported, the casino accounting department shall, in consultation with, as necessary, the table games or poker departments, the surveillance department and the security department, conduct an investigation to determine the reason that negative poker revenue was reported.

i. The casino accounting department shall prepare a written report detailing its findings within five days of the date of the Master Game Report that included negative poker revenue. The original report shall be signed by the preparer and attached to the Master Game Report. A copy of the report shall be filed with the principal inspector and the Commission's Audit Unit.

ii. If the casino licensee can establish that an adjustment to poker revenue as reported on the Master Game Report is necessary to accurately report gross revenue, the Commission shall allow such an adjustment, which shall be supported by the written report required by (*l*)1i above. If the casino licensee cannot establish that such an adjustment is necessary, negative poker revenue reported at any poker table shall nonetheless be adjusted to reflect a zero revenue amount.

2. 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;

3. Reviewed for the appropriate number and propriety of signatures on a tests basis;

4. Accounted for by series numbers, if applicable;

5. Tested for proper calculation, summarization, and recording, including the reconciliation of gaming vouchers pursuant to N.J.A.C. 19:45-1.54;

6. Subsequently recorded; and

7. Maintained and controlled by the accounting department as a permanent accounting record.

(m) 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.

(n) 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. 111(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)1ii(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.
Amended by R.2005 d.266, effective August 15, 2005.
See: 36 N.J.R. 4115(a), 37 N.J.R. 3065(a).
Rewrote (f)1ii.
Amended by R.2008 d.308, effective October 20, 2008.
See: 40 N.J.R. 3981(a), 40 N.J.R. 6231(a).
Added new (k); recodified former (k) as new (*l*); added (*l*)1; recodified former (k)1 through (k)6 as (*l*)2 through (*l*)7; and recodified former (*l*) and (m) as (m) and (n).
Amended by R.2010 d.273, effective December 6, 2010.
See: 42 N.J.R. 1506(a), 42 N.J.R. 2981(a).
In the introductory paragraph of (a), inserted a comma following "diagram"; in (a)2i, inserted "communication interfaces,"; rewrote (a)2iii, the introductory paragraph of (h)4, (h)5, the introductory paragraph of (h)6, (h)6i, (h)6iii, (h)6v, (h)6vi, (h)14v, (h)14vi, (i)1ii, (i)1v, (i)2 and (i)4ii(1); in (g)2i and (h)6ii, inserted ", gaming vouchers"; in (h)2, deleted "currency, gaming voucher, or coupon" preceding and inserted a comma following "counting machine"; in (h)10, inserted "drop box" and substituted "that" for "which"; added new (h)14vii and (h)14viii; recodified former (h)14vii through (h)14x as (h)14ix through (h)14xii; rewrote (h)14ix; in the introductory paragraph of (i)1, inserted "coupons from drop boxes," substituted "and" for a comma following "tokens" and deleted "and coupons" following "chips"; in the introductory paragraph of (i)4, deleted a comma following "chips"; and in (*l*), deleted "the" preceding the first occurrence of "documents" and preceding "test", and substituted "coupons," for "the" preceding the second occurrence of "documents".

19:45-1.33A Procedure for opening, counting and recording the contents of bill validator boxes from gaming voucher redemption machines; determination of gross revenue deduction

(a) At the end of each gaming day, as determined by its gaming voucher system, the casino licensee shall coordinate the removal of the bill validator boxes from all gaming voucher redemption machines and the insertion of empty, replacement bill validator boxes into the machines (the "bill validator drop") as follows:

1. Prior to the removal of any bill validator boxes, a casino accounting supervisor shall verify and confirm in writing, in a manner approved by the Commission, that the number of empty bill validator boxes being sent as replacements equals the number of boxes scheduled to be collected.

2. An employee of the casino security department and a supervisor of the casino accounting or independent slot machine cage department (supervisor) or a main bank

cashier, master coin bank cashier or count team member (cage representative) shall obtain the keys from their respective departments and unlock the cabinets housing the bill validator boxes.

3. In the presence of the casino security department employee, the supervisor or cage representative shall remove all bill validator boxes and place them in a locked cart.

4. Immediately upon removal of each bill validator box, the gaming voucher redemption machine shall generate a receipt (Bill Validator Receipt) that documents the total value of each item (gaming vouchers, coupons and currency) in the box, which receipt shall be placed by the casino security department employee into a locked accounting box.

5. Prior to the movement of the collected boxes, the supervisor or cage representative shall verify and confirm in writing, in a manner approved by the Commission, that the number of boxes being transported from the casino floor equals the number of boxes in (a)1 above. Any discrepancies shall be immediately reported to the surveillance department and investigated. The supervisor or cage representative shall also account for any boxes collected pursuant to N.J.A.C. 19:45-1.35A prior to the daily scheduled collection, but which have not yet been counted.

6. Accompanied by the supervisor or cage representative and a casino security department employee, the locked cart shall be transported to the cashiers' cage for counting or a secure area approved by the Commission under the control of the main bank or master coin bank and stored there until counted. The locked cart may be transported to the count room only when the count required by N.J.A.C. 19:45-1.33 has been completed and no gross revenue funds remain in the count room.

7. Each gaming voucher redemption machine shall generate a report (Gaming Voucher Redemption Machine Report) that documents each redemption of a gaming voucher performed by the machine during that gaming day, detailing, as to each gaming voucher redemption, the time, serial number, value and amount dispensed.

8. If the gaming voucher redemption machine is approved to accept coupons, the machine shall also generate a report (Coupon Redemption Report) that documents each redemption of a coupon performed by the machine during that gaming day, detailing, as to each coupon redemption, the time, serial number, value and amount dispensed.

9. If the gaming voucher redemption machine is approved to dispense funds in ATM transactions, the machine shall also generate a report (ATM Transaction Report) that documents each ATM transaction performed by the machine during that gaming day, detailing, as to each transaction, the time, amount requested and amount dispensed.

10. The reports required by (a)6 through 9 above shall be provided to the casino accounting department by the MIS department or, provided that they are not susceptible to alteration or deletion, may alternatively be generated by the casino accounting department.

11. If the bill validator boxes are transported to the cashiers' cage, a main bank or master coin bank cashier shall document their contents on a Balance Receipt in accordance with N.J.A.C. 19:45-1.35A(j).

i. The cashier who documents the contents of the bill validator boxes shall retain the original Balance Receipt as an inventory document until forwarded directly to the casino accounting department with the main bank or master coin bank end-of-day paperwork.

ii. The cashier shall place the duplicate Balance Receipt in a locked accounting box located in the main bank or the master coin bank or such other location as approved by the Commission.

12. If the bill validator boxes are transported to a count room for counting, at the conclusion of the count a main bank or master coin bank cashier shall verify the count in accordance with N.J.A.C. 19:45-1.54(g)2i and the procedures in the casino licensee's approved internal controls and document the contents thereof on a Balance Receipt; provided, however, if the counting equipment documents the count of each individual bill validator box, the gaming vouchers, coupons and currency need only be documented for the entire bill validator drop and not for each individual bill validator box.

i. The gaming vouchers and coupons shall be transported directly to the casino accounting department together with the original Balance Receipt and the supporting documentation for each bill validator box.

ii. The currency shall be transported directly to the main bank or master coin bank together with the duplicate Balance Receipt.

13. The casino accounting department shall generate an independent report (Gaming Voucher System Report) from the gaming voucher system which shall detail, at a minimum:

i. The serial number, time of redemption and value of each gaming voucher redeemed at a gaming voucher redemption machine during the gaming day;

ii. The total number and value of gaming vouchers redeemed at each gaming voucher redemption machine during the gaming day; and

iii. The total number and value of gaming vouchers redeemed at all gaming voucher redemption machines during the gaming day.

(b) To determine the gross revenue deduction for gaming vouchers redeemed by gaming voucher redemption machines

pursuant to N.J.A.C. 19:45-1.43, the casino accounting department shall compare the following and, if they do not all agree, report the lowest amount:

1. The total value of redeemed gaming vouchers counted pursuant to N.J.A.C. 19:45-1.54(d)1iii, as recorded on the Balance Receipt or such other document as approved by the Commission that summarizes all Balance Receipts;

2. The total value of redeemed gaming vouchers, as recorded on the Gaming Voucher System Report; and

3. The total amount dispensed for redeemed gaming vouchers, as recorded on the Gaming Voucher Redemption Machine Report and adjusted for any gaming voucher error receipts approved pursuant to the casino licensee's internal controls.

New Rule, R.2007 d.117, effective April 16, 2007.
See: 38 N.J.R. 4669(a), 39 N.J.R. 1505(a).
Amended by R.2010 d.210, effective October 4, 2010.
See: 42 N.J.R. 1021(a), 42 N.J.R. 2326(b).
Added new (a)1 and (a)5; recodified former (a)1 through (a)3 as (a)2 through (a)4 and (a)4 through (a)11 as (a)6 through (a)13; rewrote (a)2, (a)3 and (a)6; in (a)10, substituted "(a)6 through 9 above shall" for "(a)5 through 7 above may", and inserted "may alternatively"; and in the introductory paragraph of (a)12, inserted "for counting".

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, and the exchange by authorized employees of gaming vouchers for cash, 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;

16. The exchange with the master coin bank of coin, currency, 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; and

17. Provided that the slot booth complies with the requirements of (c)2 below:

i. The receipt of cash, cash equivalents, casino checks, casino affiliate checks, annuity jackpot trust checks, slot tokens, prize tokens and gaming chips from patrons in exchange for Customer Deposit Forms;

ii. The receipt of gaming plaques from patrons in exchange for cash or Customer Deposit Forms in accordance with an approved system of accounting as required by N.J.A.C. 19:46-1.4(b); and

iii. The receipt of Customer Deposit Forms from patrons in exchange for cash or slot tokens.

(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.

1. 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:

i. The monitoring rooms required by N.J.A.C. 19:45-1.10; and

ii. The casino security department of the casino licensee.

2. A slot booth which accepts or refunds customer deposits pursuant to N.J.A.C. 19:45-1.24 shall also comply with the requirements of N.J.A.C. 19:45-1.14(c) for casino cages.

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.
Amended by R.2003 d.316, effective August 4, 2003.
See: 35 N.J.R. 1498(a), 35 N.J.R. 3566(b).
In (a), added 17; in (c), inserted new 2; recodified existing 1 and 2 as i and ii.
Amended by R.2004 d.33, effective January 20, 2004.
See: 35 N.J.R. 4625(a), 36 N.J.R. 532(a).
In (a)7, inserted "and the exchange by authorized employees of gaming vouchers for cash" preceding "in conformity with".
Public Notice: Petition for Rulemaking.
See: 38 N.J.R. 4764(c), 5423(a).
Public Notice: Petition for Rulemaking.
See: 39 N.J.R. 1204(a).

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 and their supervisors 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.

(h) Provided that the slot booth complies with the requirements of N.J.A.C. 19:45-1.34(c)2, the slot booth inventory may be used to refund unused patron deposits pursuant to N.J.A.C. 19:45-1.24.

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.
Amended by R.2003 d.316, effective August 4, 2003.
See: 35 N.J.R. 1498(a), 35 N.J.R. 3566(b).
Added (h).
Amended by R.2006 d.313, effective September 5, 2006.
See: 38 N.J.R. 2112(a), 38 N.J.R. 3669(b).
In (g), inserted "and their supervisors".

19:45-1.35A Accounting controls for automated jackpot payout machines and gaming voucher redemption machines

(a) Other than an initial fill and any regularly scheduled replenishment, which shall be initiated by the main bank or master coin bank, a fill for an automated jackpot payout machine or gaming voucher redemption machine shall be initiated by:

1. A slot attendant, slot attendant supervisor, slot cashier, slot cashier supervisor or casino security department employee, who shall contact the main bank or master coin bank and request the preparation of a fill in the appropriate denomination(s); or

2. The automated jackpot payout machine or gaming voucher redemption machine, which shall transmit a signal to the main bank, master coin bank, slot attendant or slot attendant supervisor requesting the preparation of a fill in the appropriate denomination(s).

(b) A Currency Cassette/Coin Hopper Fill Slip (Cash Fill) shall be prepared by a main bank or master coin bank cashier whenever an automated jackpot payout machine or gaming voucher redemption machine fill is to be performed. Cash Fills shall be serially prenumbered, each series of Cash Fills shall be used in sequential order, and the series numbers of all Cash Fills received by a casino licensee shall be accounted for by the casino accounting department. All original and duplicate void Cash Fills shall be marked "VOID" and shall require the signature of the preparer.

(c) Cash Fills shall be, at a minimum, a two-part form, manually prepared or computer generated and shall contain, at a minimum, the following information:

1. The designation of the machine to which the fill is to be performed as an automated jackpot payout machine or gaming voucher redemption machine and its identification number;

2. The denomination(s) of currency and coin for each fill to be performed;

3. The total value of each denomination of currency and coin to be performed and the total number of bills and coins per denomination;

4. The total value of all currency cassette and coin hopper fills to be performed;

5. The date and time that the Cash Fill was prepared:

6. The signature of the main bank or master coin bank cashier who prepared the Cash Fill attesting to the accuracy on the information thereon; and

7. The signature of the employee responsible for performing the fill pursuant to (d) below.

(d) The employee performing the fill shall be a supervisor of the casino accounting or independent slot machine cage department or a cashier with no responsibility for the operations of the main bank or master coin bank or the preparation or reconciliation of currency cassettes and coin hoppers. The employee shall sign the original and duplicate copy of the Cash Fill and receive the currency cassettes, currency cassette reject bins, coin hoppers or coin hopper fills from the cashier. The main bank or master coin bank cashier shall maintain the original Cash Fill, and the employee performing the fill shall retain the duplicate until the fill is completed.

(e) If the fill is being performed by a supervisor of the casino accounting or independent slot machine cage department, the supervisor shall obtain his or her department's key to the machine's cabinet. If the fill is being performed by a cashier as permitted by (d) above, a supervisor of the casino accounting or independent slot machine cage department shall sign out the key from his or her department to the cashier. The keys shall be subject to sign-out and sign-in procedures approved by the Commission.

(f) The employee performing the fill shall proceed to the machine, unlock the cabinet and perform the fill in accordance with internal controls approved by the Commission, which internal controls shall include, without limitation, procedures that require:

1. The removal of any currency cassettes, currency cassette reject bin, coin hoppers or coin and the generation by the machine of a receipt (Credit Receipt) that, at a minimum, includes:

i. The designation of the machine as an automated jackpot payout machine or gaming voucher redemption machine and its identification number;

ii. The date and time;

iii. The denomination of the currency or coin for each cash cassette or coin hopper being replaced or coin hopper being filled; and

iv. The total value of the cash, or the total number of bills or coin per denomination remaining in each cur-

rency cassette, currency cassette reject bin and coin hopper being replaced or filled;

2. The insertion of the replacement currency cassettes, currency cassette reject bin, coin hoppers or coins into the machine; and

3. The entering of data into the machine's computer that describes the fill, and the printing by the machine of a corresponding receipt (Fill Receipt) that, at a minimum, includes:

i. The designation of the machine as an automated jackpot payout machine or gaming voucher redemption machine and its identification number;

ii. The date and time the fill was performed;

iii. The denomination of currency or coin for each currency cassette, coin hopper or coin being inserted into the machine; and

iv. The total value of the cash, or the total number of bills or coins per denomination, for each currency cassette, coin hopper or coin being inserted into the machine.

(g) The employee performing the fill shall relock the cabinet and sign the duplicate copy of the Cash Fill a second time attesting that the fill was completed pursuant to all required procedures. The Fill Receipt and, except as otherwise provided in (h) below, the Credit Receipt shall then be attached to the duplicate copy of the Cash Fill and deposited in a locked accounting box at the machine or such other location as approved by the Commission.

(h) Notwithstanding the provisions of (g) above and (m)2 below, nothing shall preclude the return of the Credit Receipt to the main bank or master coin bank to be held by a supervisor who does not disclose the values thereon, but who, after the main bank or master coin bank cashier completes the Balance Receipt in (j) below, discloses whether or not the figures recorded thereon are in agreement. If they do not agree, the main bank or master coin bank cashier shall recount the items on the Credit Receipt, and the supervisor shall sign the Credit Receipt and deposit it into the locked accounting box. If a variance remains, it shall be investigated and resolved by the casino accounting department.

(i) The employee performing the fill shall return all removed currency cassettes, currency cassette reject bins, coin hoppers and coin to the main bank or master coin bank. If the employee is a supervisor of the casino accounting or independent slot machine cage department, he or she shall return the key to the cabinet to his or her department. If the employee is a cashier as provided in (d) above, the employee shall return the key to the cabinet to a supervisor of the department from which the key was signed out.

(j) A main bank or master coin bank cashier shall count and document the value of the contents of each removed currency cassette, currency cassette reject bin and removable coin hopper, and any returned coin, on a two-part receipt (Balance Receipt). If a bill validator drop pursuant to N.J.A.C. 19:45-1.33A is performed in conjunction with the fill of a gaming voucher redemption machine, the main bank or master coin bank cashier shall also document the value of the contents of the bill validator boxes on the Balance Receipt. A Balance Receipt shall include, at a minimum, the following:

1. The designation of the machine as an automated jackpot payout machine or gaming voucher redemption machine and its identification number;

2. The date and time the contents of the currency cassettes, currency cassette reject bins, coin hoppers and any returned coin were counted;

3. The denomination of the currency and coin in each removed currency cassette, currency cassette reject bin, coin hopper and any returned coin;

4. The total value of cash, or the total number of bills or coins per denomination, remaining in each removed currency cassette, currency cassette reject bin, coin hopper and any returned coin;

5. The total value of the items in (j)4 above;

6. If a bill validator drop was performed in conjunction with the fill of a gaming voucher redemption machine:

i. The total number and value of gaming vouchers removed from each bill validator box;

ii. The total number and value of coupons removed from each bill validator box;

iii. The total value of currency, or the total number of bills per denomination, removed from each bill validator box; and

iv. The total value of (j)6i through (j)6iii above;

7. The total value of the items in (j)5 and (j)6 above; and

8. The signature of the main bank or master coin bank cashier who prepared the Balance Receipt, attesting to its accuracy.

(k) The cashier shall retain the original Balance Receipt as an inventory document until forwarded directly to the casino accounting department with the end-of-day main bank or master coin bank paperwork. The duplicate Balance Receipt shall be placed in a locked accounting box located in the main bank or the master coin bank or such other location as approved by the Commission.

(*l*) Any manual slot payout funded from an automated jackpot payout machine, but subsequently voided due to a slot machine malfunction or any other reason shall be deposited with a main bank or master coin bank cashier and recorded

and documented in accordance with internal control procedures approved by the Commission.

(m) At the end of each gaming day, at a minimum, all forms required by this section shall be forwarded as follows:

1. The original Cash Fills and Balance Receipts shall be forwarded to the casino accounting department; and

2. The duplicate Cash Fills with the attached Fill Receipts, the duplicate Balance Receipts and, if applicable, the attached Credit Receipts and Bill Validator Receipts, shall be collected from the locked casino accounting boxes by a casino accounting department employee and returned to the casino accounting department.

(n) Prior to the end of each gaming day, a main bank or master coin bank cashier or supervisor thereof shall obtain a report (Inventory Report) from each automated jackpot payout machine and gaming voucher redemption machine in order to determine the starting inventory amount for the machines for the next gaming day.

1. The Inventory Report shall include, at a minimum:

i. The date the report was generated:

ii. An indication whether the machine is an automated jackpot payout machine or gaming voucher redemption machine and the identification number of the machine; and

iii. The total amount of cash paid from the machine during the gaming day, and the cash inventory balance remaining in the machine at the end of the gaming day.

2. The information required by paragraph (n)1 above shall be reconciled with any Cash Fills and the net total from the Inventory Report shall be the starting inventory amount for the automated jackpot payout machine or gaming voucher redemption machine for the next gaming day.

3. Once the net total figure has been determined, it shall be recorded as part of the inventory of the main bank or master coin bank cashier and forwarded directly to casino accounting with the end-of-day main bank or master coin bank paperwork.

(*o*) The casino accounting department shall generate a report (Automated Jackpot Payout Machine Journal Report) from each automated jackpot payout machine or related computer that documents each transaction conducted at the machine during each gaming day and shall also generate an independent report (Manual Slot Payout Report) from the casino licensee's slot monitoring system which includes, at a minimum, as to each manual slot payout dispensed by an automated jackpot payout machine during that gaming day, the time and date, the asset number of the slot machine, the amount of the manual slot payout and whether the manual slot payout was a jackpot, a progressive jackpot or a credit meter payout. The casino accounting department shall, within 24 hours of the end of the gaming day, confirm that:

1. The value of the currency cassette and coin hopper fills, as set forth on the Automated Jackpot Payout Machine Journal Report agrees with the values recorded on the original Cash Fills, Fill Receipts and the value of fills recorded on the main bank and/or master coin bank closeout form;

2. The value of cash remaining in removed currency cassettes, currency cassette reject bins, coin hoppers and any returned coin, as set forth on the Automated Jackpot Payout Machine Journal Report, agrees with the values recorded on the Credit Receipts and Balance Receipts and main bank and/or master coin bank closeout form; and

3. The value of cash dispensed, as set forth on the Automated Jackpot Payout Machine Journal Report, agrees with the values recorded on the original Jackpot Payout Slips and the Manual Slot Payout Report.

(p) The casino accounting department shall generate a report (Gaming Voucher Redemption Machine Journal Report) from each gaming voucher redemption machine or related computer that documents each transaction conducted at the machine during each gaming day and, within 24 hours of the end of the gaming day, confirm that:

1. The value of currency cassette and coin hopper fills, as set forth on the Gaming Voucher Redemption Machine Journal Report, agrees with the values recorded on the original Cash Fills, Fill Receipts, and the value of fills recorded on the main bank and/or master coin bank closeout form; and

2. The value of cash remaining in removed currency cassettes, currency cassette reject bins, coin hoppers and any returned coin, as set forth on the Gaming Voucher Redemption Machine Journal Report, agrees with the values recorded on the Credit Receipts, Balance Receipts and main bank and/or master coin bank closeout form.

(q) The casino licensee shall be required to count and verify all currency in each currency cassette at least once every seven days and all coin in each coin hopper at least once a month, by removing all currency and coin from each currency cassette, currency cassette reject bin and coin hopper and reconciling the cash contained therein and all transactions.

(r) Any variance of $250.00 or more discovered by the accounting department pursuant to (q) above shall be reported in writing to the casino controller, the slot department, the Commission and the Division within 72 hours of the end of the gaming day during which the variance was discovered. The report shall indicate the cause of the variance and shall contain any documentation required to support the stated explanation. The casino licensee shall report the actual cause of the variance, unless such cause cannot be definitively determined after a diligent investigation, in which case the probable cause of the variance shall be reported.

New Rule, R.2007 d.117, effective April 16, 2007.
See: 38 N.J.R. 4669(a), 39 N.J.R. 1505(a).

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:

(1) Accept coin or slot tokens of the same denomination, and only such coin or slot tokens;

(2) Be capable of paying out or dispensing only coin or slot tokens of the same denomination as jackpots or as change; and

(3) Be designed to divert accepted coins or slot tokens that exceed the capacity of the hopper from the hopper to the slot drop bucket or, if applicable, the slot drop box;

ii. Prize tokens shall be retained only in a separate hopper, known as a "payout-only hopper," that shall be:

(1) Filled with prize tokens of the same denomination exclusively through a hopper fill or an automatic deposit by a reserve hopper pursuant to (a)1iii below;

(2) Capable of retaining and making jackpot payouts only of prize tokens of the same denomination; and

(3) Incapable of making change or of accepting any coin or slot token upon insertion thereof into the slot machine's coin acceptor;

iii. Coins, slot tokens or prize tokens may also be retained in a separate hopper, known as a "reserve hopper," that shall be:

(1) Filled with either coin, slot tokens or prize tokens of the same denomination, and only such coin, slot tokens or prize tokens, exclusively through a hopper fill or an automatic deposit by another reserve hopper pursuant to this subparagraph;

(2) Capable of automatically depositing coins, slot tokens or prize tokens into a separate and appropriate hopper in the slot machine when the separate hopper is empty, or when the coin, slot tokens or prize tokens in the separate hopper reach a predetermined level approved pursuant to N.J.A.C. 19:45-1.41(a); and

(3) Incapable of paying out jackpots, dispensing change or of accepting any coin or slot token upon insertion thereof into the slot machine's coin acceptor;

iv. No slot machine shall have more than one all-purpose hopper unless each hopper accepts the same denomination of coin or slot token;

v. Notwithstanding (a)1ii above, coins or slot tokens of the same denomination may be placed in a payout-only hopper and retained in that hopper to make payouts to winning patrons, provided that:

(1) The use of a payout-only hopper for such purpose shall be subject to the Division's inspection and the Commission's approval of the machine and the Commission's approval of the internal controls governing such use;

(2) Coins or slot tokens shall be placed in the payout-only hopper exclusively through hopper fills; and

(3) No prize tokens shall be placed in or retained by a payout-only hopper that retains coins or slot tokens pursuant to this subparagraph; and

vi. Unless the hoppers on a slot machine with multiple hoppers either each contain the same denomination of coin, slot tokens or prize tokens, or are connected to win meters that satisfy the requirements of N.J.A.C. 19:45-1.37(b)4i and 19:46-1.26(c)5i or 19:45-1.37(b)4ii and 19:46-1.26(c)5ii, each automatic pay jackpot of coins, slot tokens or prize tokens that is made from a multiple hopper slot machine on a round of play shall be paid out only on the round of play when the jackpot is hit and only from one of the machine's hoppers for any jackpot that is hit on that round, and no casino licensee shall offer or provide a jackpot at such slot machine that will be paid out from more than one hopper for any jackpot that is hit on the same round;

2. A container, known as a slot drop bucket or slot drop box, to collect coins or slot tokens that are retained by the slot machine and are not used to make change or automatic jackpot payouts. Each slot drop bucket or slot drop box shall be identified by a number which corresponds to the asset number of the slot machine, and which is permanently imprinted on or affixed to the outside of the slot drop bucket or slot drop box in numerals. The number must be conspicuous and clearly visible to persons involved in

removing or replacing the slot drop bucket or slot drop box in the slot machine and through the casino licensee's closed circuit camera coverage system. The size and location of the number are subject to prior approval by the Commission. In addition to bearing an asset number, each slot drop bucket or slot drop box may also be identified by a bar code label that is securely affixed thereto. Each bar code label affixed to a slot drop bucket or slot drop box shall be:

i. Encoded, at a minimum, with the asset number of the slot machine in which the slot drop bucket or slot drop box is housed; 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 drop bucket or slot drop box; and

3. On those slot machines which include a bill changer, a container known as a slot cash storage box, in which currency and coupons accepted by the bill changer are retained. The slot cash storage box shall be accessible only by a dedicated bill changer drop door that can be opened without opening the slot machine's main door or any other compartment of the slot machine.

(b) A slot drop bucket shall be housed in a locked compartment separate from any other compartment of the slot machine. The compartment shall have two locks, the keys to which shall be different from each other and from the keys utilized to secure all other compartments of the slot machine. One key to the compartment shall be maintained and controlled by a Commission inspector. The second key to the compartment shall be maintained and controlled by the casino security department in a secure area within that department, access to which may be gained only by a casino security department supervisor.

(c) A slot drop box shall have:

1. A slotted opening through which coins and slot tokens can be deposited;

2. A device that will automatically close and lock the slotted opening upon removal of the slot drop box from the slot machine; and

3. Two separate locks securing the contents of the slot drop box, the keys to which shall be different from each other. The key to one of the locks shall be maintained and controlled by a Commission inspector. The key to the second lock, which shall also be different from the keys utilized to secure the compartments of the slot machine and the slot drop box, shall be maintained and controlled by the accounting department in a secure area within that department, access to which may be gained only by a supervisor in that department.

(d) A slot drop box shall be housed in a locked compartment separate from any other compartment of the slot machine. The area in which the slot drop box is located shall be secured by two separate locks, the design, location and operation of which shall be approved by the Commission, and the keys to which shall be different from each other. The key to one of the locks securing this area shall be maintained and controlled by a Commission inspector. The key to the second lock, which shall also be different from the keys utilized to secure any other compartments of the slot machine and the contents of the slot drop box, shall be maintained and controlled by the casino security department in a secure area within that department, and access to the key may be gained only by a supervisor in that department.

(e) Any slot machine equipped to accept slot tokens in denominations of $25.00 or more shall utilize a slot drop box, rather than a slot drop bucket.

(f) The area in which the slot cash storage box is located shall be:

1. Separate from and accessible independently of any other compartment of the slot machine, the slot drop bucket or the slot drop box; and

2. Secured by two separate locks, the design, location, and operation of which shall be approved by the Commission, and the keys to which shall be different from each other.

(g) The key to one of the locks securing the area where the slot cash storage box is located shall be maintained and controlled by a Commission inspector. The key to the second lock to such area, which key shall also be different from the keys securing the contents of the slot cash storage box, shall be maintained and controlled by the casino security department or the slot department in a secure area within that department. Access to the key may be gained only by a supervisor in that department, provided, however, that if the slot department controls the key, the supervisor of the slot department may issue the key to a casino security department supervisor, who may give it to appropriate casino security department personnel only for the purpose of participating in the transportation of slot cash storage boxes, pursuant to N.J.A.C. 19:45-1.17.

(h) Except as otherwise provided in (b), (c), (d) and (g) above, keys to each slot machine, or any device connected thereto which may affect the operation of the slot machine, including, without limitation, keys that activate a jackpot-to-credit-meter switch, shall be maintained in a secure place and controlled by the slot department.

(i) Any key removed from a department's secure area pursuant to (b), (c), (d), (g) or (h) above, shall be returned no later than the end of the shift of the department member to whom the key was issued, and the department shall establish a sign-out and sign-in procedure approved by the Commission for all such keys removed.

(j) Unless a computer which automatically records the information specified in (j)1, 2, 3 and 4 below is connected to the slot machines in the casino, the following entry authorization logs shall be maintained by the casino licensee:

1. Whenever it is required that a slot machine or any device connected thereto which may affect the operation of the slot machine be opened, with the exception of a bill changer, certain information shall be recorded on a form to be entitled "Machine Entry Authorization Log." The information shall include, at a minimum, the date, time, purpose of opening the machine or device, and the signature of the authorized employee opening the machine or device. The Machine Entry Authorization Log shall be maintained in the slot machine and shall have recorded thereon a sequential number and a manufacturer's serial number or the asset number of that slot machine.

2. Whenever it is required that a progressive controller not housed within the cabinet of a slot machine be opened, the information specified in (j)1 above shall be recorded on a form to be entitled "Progressive Entry Authorization Log." The Progressive Entry Authorization Log shall be maintained in the progressive unit and shall have recorded thereon a sequential number and serial number of the progressive controller.

3. With the exception of the transportation of slot cash storage boxes, pursuant to N.J.A.C. 19:45-1.17(a), whenever it is required that a bill changer, other than a separate slot cash storage box compartment, be opened, certain information shall be recorded on a form to be entitled "Bill Changer Log." The information shall include, at a minimum, the date, time, purpose of opening the bill changer, and the signature of the authorized employee opening the bill changer. The Bill Changer Log shall be maintained in the bill changer and shall have recorded thereon a sequential number and the serial number or asset number of the bill changer. If the bill changer is contained completely within the cabinet of a slot machine and there is no separate access to the bill changer unit, the information may be recorded on the Machine Entry Authorization Log required by (j)1 above, provided that any information that concerns the opening of the bill changer may be distinguished from any other information that concerns the opening of the slot machine or any other device connected thereto.

4. Whenever it is required that a printer for an approved gaming voucher system be accessed, the date, time, purpose of such access, and the signature of the authorized employee shall be recorded in the log required by (j)1 or (j)3 above, or a separate log as approved by the Commission.

Amended by R.1983 d.239, effective June 30, 1983.
See: 14 N.J.R. 1052(a), 15 N.J.R. 1040(b).
Deleted requirements in (d)1, that only slot machines or attendants had to sign the Machine Entry Authorization Log.
Petition for Rulemaking: Slot machine bill changer system.
See: 19 N.J.R. 1110(a).
Amended by R.1988 d.224, effective May 16, 1988.
See: 20 N.J.R. 516(a), 20 N.J.R. 1099(c).
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 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 bill changers and slot token containers and keys for slot storage box compartments.
Amended by R.1988 d.468, effective October 3, 1988.
See: 20 N.J.R. 1069(a), 20 N.J.R. 2468(a).
Sequentially number "machine entry authorization logs" and require preparation and maintenance of "progressive entry authorization logs".
Amended by R.1991 d.230, effective May 6, 1991.
See: 22 N.J.R. 3325(a), 23 N.J.R. 1461(a).
In (a)2 and (g)1, 3: revised text to read "asset" and "manufacturer's serial" 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 locked compartment for slot cash storage box eliminated, under specified circumstances.
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.69, effective February 7, 1994.
See: 25 N.J.R. 4471(a), 26 N.J.R. 829(a).
Amended by R.1994 d.474, effective September 19, 1994.
See: 26 N.J.R. 2217(a), 26 N.J.R. 3894(a).
Administrative Correction.
See: 26 N.J.R. 4788(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.1996 d.161, effective March 18, 1996.
See: 28 N.J.R. 77(a), 28 N.J.R. 1560(a).
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.1998 d.163, effective April 6, 1998.
See: 29 N.J.R. 4260(a), 30 N.J.R. 1309(a).
In (a)2, added the last two sentences in the introduction, and added i and ii.
Amended by R.2001 d.401, effective November 5, 2001.
See: 33 N.J.R. 2632(a), 33 N.J.R. 3761(a).
Rewrote (a)3; rewrote (f).
Amended by R.2002 d.60, effective March 4, 2002.
See: 33 N.J.R. 2402(b), 34 N.J.R. 1020(b).
Rewrote (a).
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), added "Except as provided in N.J.A.C. 19:45-154.a, each"; in (j) added 4.
Amended by R.2005 d.12, effective January 3, 2005.
See: 36 N.J.R. 4105(a), 37 N.J.R. 100(a).
Amended by R.2007 d.222, effective July 16, 2007.
See: 39 N.J.R. 359(b), 39 N.J.R. 2655(a).

In (h), substituted "Except as otherwise provided in (b), (c), (d) and (g) above, keys" for "Keys" and "including, without limitation, keys that activate a jackpot-to-credit-meter switch," for "with the exception of the keys to the compartments housing the slot drop bucket and to the locks securing the areas where the slot cash storage box and slot drop box are located,".

19:45-1.36A Slot machines; hopper storage areas

(a) A hopper storage area may be used in connection with the operation of a slot machine, for the purpose of temporarily storing coins, prize tokens or slot tokens that are to be deposited only into the slot machine's hopper that corresponds with the coin or type of token stored in the hopper storage area.

(b) A hopper storage area shall be a separate secure compartment located within or adjacent to its corresponding slot machine. Notwithstanding the foregoing, a single hopper storage area may be used to store hopper fills for two or more slot machines. A hopper storage area used to supply two or more slot machines shall:

1. Be located on the casino floor in close proximity to its corresponding slot machines, which location shall be approved by the Commission; and

2. Contain a separate marked compartment for each corresponding slot machine, so that all hopper fills stored in the hopper storage area can be segregated and identified by slot machine.

(c) Each hopper storage area shall:

1. Be constructed so as to provide maximum security for the coins or tokens stored in it;

2. Be secured by two separate locks, the keys to which shall be different from each other. One of the keys, which may be the same as the key which opens the slot machine corresponding to that hopper storage area, shall be maintained and controlled by the slot department. The other key, which shall be different from the key securing the corresponding slot machine, shall be maintained and controlled by the casino security department, in a secure area within that department, and access to that key may be gained only by a supervisor in that department. Removal of the key from this area may be undertaken only for use and return no later than the end of the shift of the department member to whom the key was issued, and upon the approval of a supervisor of that department, and entry of the following information into a log:

i. The signature of the department member to whom the key was issued;

ii. The signature of the supervisor authorizing such issuance;

iii. The date and time issued; and

iv. The date and time replaced; and

3. Include a device that indicates when the door of the hopper storage area is open.

(d) Hopper storage areas shall be filled and utilized in accordance with the procedures in N.J.A.C. 19:45-1.41 and a casino licensee's system of internal controls. No hopper storage area and no compartment within a hopper storage area that supplies two or more slot machines shall contain more than triple the hopper inventory level of each of the hoppers in its corresponding slot machine.

New Rule, R.1992 d.360, effective September 21, 1992.
See: 24 N.J.R. 2137(a), 24 N.J.R. 3336(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.1997 d.489, effective November 17, 1997.
See: 29 N.J.R. 1289(a), 29 N.J.R. 4862(b).
Rewrote (b); inserted new (b)1, (b)2 and (c); recodified existing (b)1 through (b)3 as (c)1 through (c)3; recodified existing (c) as (d); and in (d), added the second sentence.

19:45-1.37 Slot machines and bill changers; electronically erasable/programmable storage media; identifications; signs; and meters

(a) Unless otherwise authorized by the Commission, each slot machine in a casino shall have the following identifying features:

1. A manufacturer's serial number affixed to the outside of the slot machine cabinet in a location as approved by the Commission.

2. An asset number that is permanently imprinted, affixed or impressed on the outside of the machine. The asset number must be conspicuous and clearly visible to persons involved in removing or replacing the slot drop bucket or slot drop box in the slot machine and through the casino licensee's closed circuit camera coverage system. The size and location of the asset number are subject to prior approval by the Commission;

3. A display located conspicuously on the front of the slot machine that automatically illuminates when a player has won a jackpot not paid automatically and totally by the slot machine and which advises the player to see an attendant to receive full payment;

4. Either a display on the front of the slot machine or, if the slot machine includes a video display, a conspicuous button or touch screen option that activates one or more video screens providing fair notice of the following:

i. The rules of play, jackpot displays which will designate jackpots and the related payouts;

ii. If the slot machine offers a payout of merchandise or some other thing of value, a clear description of the merchandise or thing of value, including its cash equivalent value (unless the payout is an annuity jackpot), and the dates that the merchandise or thing of value will be offered if the casino licensee establishes a time limit for offering the merchandise or thing of value as provided in N.J.A.C. 19:45-1.40A (a time limit shall not be permitted for a progressive annuity jackpot); pro-

vided, however, that the display need only contain the name or a brief description of the merchandise or thing of value offered if a sign containing all of the information specified in this subparagraph is displayed near the slot machine in a manner and location approved by the Commission;

iii. If the slot machine offers a progressive jackpot, the payout limit, if the casino licensee establishes a pay out limit as provided in N.J.A.C. 19:45-1.39; provided, however, that the display need not contain the payout limit if a sign which does contain the payout limit is displayed near the slot machine in a manner and location approved by the Commission;

iv. If the slot machine is equipped with a payout-only hopper, a statement either that:

(1) Any prize tokens that are paid out as a jackpot from that hopper cannot be used to activate play at any slot machine; or

(2) Any coins or slot tokens that are paid out from that hopper cannot be used to activate play at that slot machine;

v. If the slot machine is equipped with multiple hoppers and has the win meter permitted by (b)4ii below and N.J.A.C. 19:46-1.26(c)5, a statement, approved by the Commission, that reasonably explains to patrons the information disclosed by the win meter;

vi. If the slot machine offers an alternative jackpot of either cash or merchandise or some other thing of value pursuant to N.J.A.C. 19:45-1.40A(m), or an annuity jackpot with a cash payout option pursuant to N.J.A.C. 19:45-1.40B, in addition to any other requirement imposed by (a)4i through v above, a clear description of the jackpots and options that are available to a winning patron and all essential terms governing the exercise of any option; provided, however, that the display need only contain a brief description of the jackpots offered if a sign containing all of the information specified in this subparagraph is displayed near the slot machine in a manner and location approved by the Commission;

vii. If the slot machine has an approved gaming voucher feature, a description of whether the patron is paid in coin/tokens and/or game vouchers;

viii. If the slot machine is equipped with tokenization pursuant to N.J.A.C. 19:45-1.37C, a conspicuous notice indicating:

(1) The denomination of the slot machine, and the denomination of the token accepted and paid by the machine;

(2) Whether or not the residual slot credit can be cashed out; and

(3) That any residual slot credit not played or cashed out by a patron shall be deemed abandoned;

ix. If the slot machine is multi-denominational pursuant to N.J.A.C. 19:46-1.28A(k), conspicuous notice that jackpots are based upon credits played at the denomination selected; and

x. If the slot machine utilizes non-cashable slot credits or non-cashable electronic transfer credits, signage disclosing all restrictions upon the use of such non-cashable credits. Such disclosure shall, at a minimum, provide notice that a non-cashable credit:

(1) Cannot be converted into cash by a patron;

(2) Must be wagered or abandoned; and

(3) Is automatically wagered before any cashable slot credits are wagered;

5. A mechanical, electrical or electronic device that automatically precludes a player from operating the slot machine after a jackpot that is not totally and automatically paid directly by the slot machine and requires an attendant to reactivate the slot machine;

6. A slot machine tower light that complies with the requirements of N.J.A.C. 19:45-1.37B; and

7. A location number that is affixed to the outside of the machine. The location number must be conspicuous and clearly visible to persons involved in removing or replacing the slot drop bucket or slot drop box in the slot machine and through the casino licensee's closed circuit camera coverage system. The size and location of the location number are subject to prior approval by the Commission.

(b) Unless otherwise authorized by the Commission, each slot machine in a casino shall be equipped with the following:

1. A mechanical, electrical or electronic device, to be known as an "in-meter" that continuously and automatically counts the number of coins or slot tokens placed by patrons into the machine for the purpose of activating play;

2. A mechanical, electrical or electronic device, to be known as a "drop meter," that continuously and automatically counts the number of coins or slot tokens that are dropped into the machine's slot drop bucket or slot drop box;

3. For each hopper in a slot machine, a separate mechanical, electrical or electronic device, to be known as a "jackpot meter," that continuously and automatically counts, for that hopper only, the number of coins, prize tokens or slot tokens that are automatically paid by the machine from the corresponding hopper and that displays the aggregate number so counted; provided, however, that:

i. In lieu of the jackpot meter for a payout-only hopper displaying the aggregate number of coins, slot to-

kens or prize tokens paid out from that hopper, each casino licensee that uses a slot machine which is capable of converting the number of coins, slot tokens or prize tokens paid out from a payout-only hopper into the equivalent number of coins or slot tokens that match the denomination of the coin or slot token which that slot machine is designed to accept in order to activate play (the "machine denomination equivalent"), may, in accordance with internal controls approved by the Commission, set the jackpot meter connected to each payout-only hopper in that slot machine to continuously and automatically count and display the aggregate number of coins, slot tokens or prize tokens paid out from that hopper by its machine denomination equivalent (for example, the jackpot meter on a 25 [cents] lot machine may display the payout of one $3.00 prize token as the payout of "12" quarters); and

ii. Each slot machine with multiple hoppers may have a single jackpot meter to count and display the aggregate number of coins, slot tokens or prize tokens paid out from that machine's hoppers provided that:

(1) Each hopper is connected to that meter;

(2) The jackpot meter counts and displays, in accordance with (b)3i above, the aggregate number of coins, slot tokens or prize tokens paid out from a payout-only hopper by its machine denomination equivalent; and

(3) Each payout-only hopper has a separate jackpot meter, to be known as a "payout-only jackpot meter," that counts and displays the aggregate number of coins, slot tokens or prize tokens actually paid out from that hopper only;

4. If the slot machine utilizes slot credits or electronic transfer credits, a mechanical, electrical or electronic device, known as a "credit meter," visible from the front of the machine, that accumulates and displays to the player the denominational units or monetary value of such credits that are available for wagering;

5. A mechanical, electrical or electronic device known as a "win meter," visible from the front of the machine, that, upon a player hitting a jackpot, advises the player of the number of coins, prize tokens or slot tokens for that round that have been paid to the player by the machine from the corresponding hopper; provided, however, that multiple win meters, as provided in (b)4i or ii below after approval of the casino licensee's internal controls therefor, shall be used on each multiple hopper slot machine whenever one or more jackpots that are hit on the same round of play at that machine entitle the winning player to automatically receive coins, slot tokens or prize tokens from both hoppers and each hopper contains a different denomination of coins, slot tokens or prize tokens, as follows:

i. A separate win meter for each hopper that, for the round in which a jackpot is hit, advises the winning player of the actual number of coins, slot tokens or prize tokens won from that hopper only; or

ii. A win meter to which each hopper is connected that advises the winning player of the aggregate number of coins, slot tokens or prize tokens won on that round from both hoppers after first converting the aggregate number of any coins, slot tokens or prize tokens won that round from a payout-only hopper into its machine denomination equivalent, and a separate win meter, to be known as a "payout-only win meter," connected to each payout-only hopper that advises the player of the number of coins, slot tokens or prize tokens actually won on that round from the corresponding hopper only (for example, a win meter on a multiple hopper 25 cent slot machine may, pursuant to this paragraph, record the payout, on the same round of play, of one $3.00 prize token and two quarters as the payout of "14" quarters, provided there is a separate payout-only win meter advising the player that one prize token was paid out);

6. Unless otherwise authorized by the Commission, each slot machine approved to dispense gaming vouchers shall also be equipped with mechanical, electrical or electronic devices as follows:

i. A "numerical voucher out meter" that continuously and automatically counts and displays the aggregate number of gaming vouchers dispensed by the machine; and

ii. A "value voucher out meter" that continuously and automatically counts and displays the aggregate value of gaming vouchers dispensed by the machine; and

7. If the slot machine accepts coupons for non-cashable slot credits, a mechanical, electrical or electronic device, known as:

i. A "Numerical non-cashable coupon meter," that continuously, automatically and separately counts and displays the total number of all coupons for non-cashable credits accepted by the slot machine; and

ii. A "value non-cashable coupon meter" that continuously, automatically and separately counts and displays the total value of all coupons for non-cashable credits accepted by the slot machine.

(c) Unless otherwise authorized by the Commission each slot machine which does not totally and automatically pay the full amount of a jackpot to a patron shall be equipped with a mechanical, electrical or electronic device to be known as a "manual jackpot meter" that continuously and automatically records a pulse(s) for a predetermined number of coins or slot tokens that are to be paid manually.

(d) Unless otherwise authorized by the Commission, each slot machine that accepts currency shall have meters that accomplish the objectives set forth in (b) and (c) above.

(e) Unless otherwise authorized by the Commission, each slot machine that has a bill changer shall also be equipped with mechanical, electrical or electronic devices as follows:

1. A "cash box" meter that continuously and automatically records the total value of all currency accepted by the bill changer or, as an alternative, a connection to a computer system approved by the Commission that determines the total value of all currency accepted by the bill changer from data supplied from the bill meters required by (e)2 below;

2. A number of "bill meters," that continuously, automatically and separately count, for each denomination of currency accepted by the bill changer, the actual number of bills accepted by the bill changer;

3. If the bill changer can accept coupons but does not contain the coupon meters identified in N.J.A.C. 19:45-1.46B:

i. A "numerical coupon meter" that continuously, automatically and separately counts the total number of all coupons accepted by the bill changer; and

ii. A "value coupon meter" that continuously, automatically and separately counts the total value of all coupons accepted by the bill changer; and

4. If the bill changer can accept gaming vouchers:

i. A "numerical voucher in meter" that continuously, automatically and separately counts the total number of all gaming vouchers accepted by the bill changer; and

ii. A "value voucher in meter" that continuously, automatically, and separately counts the total value of all gaming vouchers accepted by the bill changer.

(f) Each casino licensee that operates a slot machine with a bill changer that is controlled by a software program which may be modified without replacing any physical element of the bill changer (for example, by downloading software to the storage medium on which the bill changer control program is stored) shall submit for review and approval internal controls which shall address, at a minimum, the following:

1. The method for detecting authorized and unauthorized software changes;

2. The creation of a daily report from its slot monitoring system which immediately documents the software change;

3. Procedures for the control and installation of the software by the slot department;

4. The creation of a slot software control log by the slot department evidencing all authorized changes to the bill changer software; and

5. The review and comparison of the report and log required in (f)2 and 4 above by either the surveillance, security, casino accounting or management information systems department for any deviations and investigation.

(g) All meters described in this section and in N.J.A.C. 19:46-1.26 shall be placed in a position so that the numbers thereon can be read and recorded without opening the slot machine.

(h) If a casino licensee elects to conduct jackpot payouts that are not automatically and totally paid by the slot machine by registering them on the credit meter of the slot machine in accordance with the procedure set forth in N.J.A.C. 19:45-1.40(s), the slot machine shall contain a device (jackpot-to-credit-meter switch) that:

1. When activated by a key, increments the credit meter in the exact amount of the jackpot and does not increment the manual jackpot meter; and

2. Is subject to internal controls, as approved by the Commission, to provide:

i. Advance notice to the Commission and Division whenever a casino licensee intends to turn the option to utilize the jackpot-to-credit-meter switch on or off; and

ii. An audit trail of the following information each time the option to utilize the jackpot-to-credit-meter switch is turned on or off:

(1) The name and license number of the employee who performed the action;

(2) The asset number of the slot machine on which the jackpot-to-credit meter switch is installed;

(3) The date and time the action was taken; and

(4) A description of the action that was taken.

(i) Each casino licensee shall set each of its slot machine games to have a theoretical payout percentage that complies with N.J.A.C. 19:46-1.28A and shall maintain a record of each slot machine game setting and the theoretical payout percentage for each slot machine game. No cash or gaming voucher issued to a slot machine patron shall result in a deduction from gross revenue unless:

1. The patron's entitlement to the payment is determined by the approved program that controls the slot machine or by the approved program that controls a multiplayer slot machine system connected to the slot machine; and

2. The payment is recorded:

i. On the jackpot meter, numerical and value voucher out meters, or manual jackpot meter required by (b)3 and 5 and (c) above;

ii. As required by N.J.A.C. 19:46-1.28D(b)2 for a multi-player slot machine system and each slot machine participating in that system; and

iii. On the progressive jackpot meter required by N.J.A.C. 19:45-1.39(b)2 or in accordance with procedures authorized by N.J.A.C. 19:45-1.40A and 1.40B.

(j) Each slot machine in a casino shall have such test connections as may be specified by the Division and approved by the Commission for the on-site inspection, examination, and testing of such machine.

(k) Each slot machine in a casino shall have devices, equipment, features and capabilities as may be required by the Commission for that particular model of slot machine after the prototype model is tested and examined by the Division.

(l) If the probability of hitting a proposed jackpot is greater than 34 million to one, the jackpot shall not be approved by the Commission unless it is offered on a linked progressive slot machine; provided, however, that this subsection shall not apply to a jackpot with a probability that may exceed 34 million to one during the game cycle due solely to the intervening occurrence of free play awards between the activation of a play and the award of the jackpot.

Amended by R.1987 d.302, effective July 20, 1987.
See: 18 N.J.R. 2005(a), 19 N.J.R. 1321(a).
(a)4 and (f) substantially amended.
Petition for Rulemaking: Slot machine bill changer machine.
See: 19 N.J.R. 1110(a).
Amended by R.1988 d.224, effective May 16, 1988.
See: 20 N.J.R. 516(a), 20 N.J.R. 1099(c).
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 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 (e) bill changers attached to slot machines.
Correction: At (b)2., the word "slot" added before "tokens" and "gaming" deleted. N.J.A.C. reference corrected.
See: 21 N.J.R. 933(a).
Notice of Receipt of Petition for Rulemaking in (a).
See: 23 N.J.R. March 18, 1991.
Amended by R.1991 d.230, effective May 6, 1991.
See: 22 N.J.R. 3325(a), 23 N.J.R. 1461(a).
Added new (a)7; revised (a)1 to specify placement of manufacturer's serial number.
Amended by R.1992 d.58, effective February 3, 1992.
See: 23 N.J.R. 1306(a), 24 N.J.R. 487(a).
Allowed casinos to establish time limits of not less than 30 days for the offering of progressive and merchandise jackpot.
Amended by R.1992 d.210, effective May 18, 1992.
See: 24 N.J.R. 58(a), 24 N.J.R. 1906(a).
Deleted requirement at existing (e)2 regarding the "cash box meter". Recodified existing (e)3 as new (e)2.
Amended by R.1993 d.319, 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.69, effective February 7, 1994.
See: 25 N.J.R. 4471(a), 26 N.J.R. 829(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.624, effective December 4, 1995.
See: 27 N.J.R. 1789(a), 27 N.J.R. 4915(a).
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.358, effective August 5, 1996.
See: 28 N.J.R. 1946(a), 28 N.J.R. 3822(a).
Amended by R.1996 d.474, effective October 7, 1996.
See: 28 N.J.R. 3244(a), 28 N.J.R. 4516(a).
Amended by R.1998 d.20, effective January 5, 1998.
See: 29 N.J.R. 326(a), 30 N.J.R. 120(a).
In (a)4iii, added new N.J.A.C. reference; amended (g); and inserted (j).
Amended by R.1999 d.225, effective July 19, 1999 (operative January 15, 2000).
See: 30 N.J.R. 3175(a), 31 N.J.R. 1947(a).
Inserted a new (f); and recodified former (f) through (j) as (g) through (k).
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)4iii, (h) and (k).
Amended by R.2000 d.336, effective August 21, 2000.
See: 31 N.J.R. 2527(a), 32 N.J.R. 3077(a).
Rewrote (a)4 and (h).
Amended by R.2000 d.405, effective October 2, 2000.
See: 32 N.J.R. 1154(a), 32 N.J.R. 3582(a).
Rewrote (a)6.
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 (h) and (k).
Amended by R.2001 d.284, effective September 3, 2002 (operative October 18, 2002).
See: 33 N.J.R. 3879(a), 34 N.J.R. 3130(a).
In (a)4, inserted "(a time limit shall not be permitted for a progressive annuity jackpot)" following "N.J.A.C. 19:45-1.40A", in ii; rewrote iii.
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), added 4vii; in (b), added 5; in (e), added 4; rewrote (h).
Amended by R.2003 d.161, effective April 21, 2003.
See: 35 N.J.R. 88(a), 35 N.J.R. 1689(b).
In (a)4, added viii.
Amended by R.2003 d.462, effective December 1, 2003.
See: 35 N.J.R. 2792(a), 35 N.J.R. 5435(a).
In (a)4, added ix.
Amended by R.2005 d.12, effective January 3, 2005.
See: 36 N.J.R. 4105(a), 37 N.J.R. 100(a).
Amended by R.2005 d.267, effective August 15, 2005.
See: 36 N.J.R. 4431(a), 37 N.J.R. 3069(a).
Rewrote (a) and (b). As a part of R.2005 d.267, effective August 15, 2005 (operative August 15, 2006), added (b)7.
Amended by R.2007 d.222, effective July 16, 2007.
See: 39 N.J.R. 359(b), 39 N.J.R. 2655(a).
In (a)5, substituted "that is not totally and automatically paid directly by the slot machine" for "requiring a manual payout"; added new (h); and recodified former (h) through (k) as (i) through *(l)*.
Amended by R.2009 d.83, effective March 16, 2009.
See: 40 N.J.R. 6766(a), 41 N.J.R. 1269(b).
Rewrote the introductory paragraph of (a)4.
Amended by R.2010 d.184, effective September 7, 2010.
See: 42 N.J.R. 918(a), 42 N.J.R. 2141(b).
Rewrote (i).

Case Notes

No implied private cause of action for inadequate or defective signage of slot machine. Marcangelo v. Boardwalk Regency Corp., D.N.J.1994, 847 F.Supp. 1222, on subsequent appeal 47 F.3d 88.

Failure to state claim against casinos for breach of contract for removal of progressive slot machines before jackpots were won. Decker v. Bally's Grand Hotel Casino, 280 N.J.Super. 217, 655 A.2d 73 (A.D.1994).

19:45-1.37A Electronic transfer credit systems

(a) A casino licensee may operate an electronic transfer credit system which permits a patron to convert cash complimentaries accumulated by the patron pursuant to 19:45-1.9(f) or received by the patron pursuant to N.J.A.C. 19:45-1.9(g) through (i) or distributed to the public pursuant to N.J.A.C. 19:45-1.46 into electronic credits and to have those credits transferred directly to a slot machine.

1. A casino licensee may, in its discretion and upon fair notice to the public, convert cash complimentaries that are issued as part of a mass marketing program governed by N.J.A.C. 19:45-1.9(h) or a complimentary distribution program governed by N.J.A.C. 19:45-1.46 into "temporary electronic credits" that shall expire no later than 48 hours after their issuance if they are not transferred to a slot machine.

2. A casino licensee may, in its discretion and upon fair notice to the public, issue electronic transfer credits that are cashable or non-cashable. An electronic transfer credit is cashable if it can be converted into cash by the patron. An electronic transfer credit is non-cashable if it cannot be converted into cash by the patron but can only be used to activate play at a slot machine.

i. No winning slot machine wager, including a winning wager made with a non-cashable electronic transfer credit, shall be paid with non-cashable electronic transfer credits.

ii. If a slot machine has both cashable and non-cashable electronic transfer credits available for play, all non-cashable electronic transfer credits shall automatically be wagered before any cashable electronic transfer credits are wagered.

(b) All aspects of an electronic transfer credit system, including all hardware and software utilized therein, shall be subject to testing by the Division and approval by the Commission prior to the implementation of the system by the casino licensee. The internal control procedures submitted by the casino licensee shall provide for the integrity, security and control of its electronic transfer credit system and shall, without limitation, address the following:

1. An overview of the system design;

2. Computer access controls, including, at a minimum, the use of a unique operating system account by each user, except that a user assigned to a controlled area under surveillance may use a shared user account, provided that:

i. Access to the shared user account is limited to terminals in the controlled area; and

ii. The shared user account is not used to create, withdraw, or adjust electronic transfer credits;

3. Hardware and software controls;

4. Software installation procedures;

5. Override policies and restrictions;

6. Copies of all menus, screens and reports related to the creation, withdrawal, use and adjustment of electronic transfer credits and, if applicable, temporary anonymous accounts or temporary electronic credits;

7. Backup and recovery procedures, including, but not limited to, controls over backup media, such as magnetic tape and failure analysis;

8. The duties and responsibilities of the MIS, internal audit, slot and casino accounting departments with regard to the electronic transfer credit system which, at a minimum, shall provide that:

i. The MIS department shall be responsible for the receipt, control and testing of all software related to the operation of the electronic transfer system; provided that, with prior Commission approval, nothing shall preclude the MIS Department from utilizing a person who is not an employee of the MIS Department to perform such tests, if such person is licensed as a casino key employee or casino employee, except for residency, as determined by the Commission, and the final responsibility for such testing remains with the MIS Department, which shall establish the test parameters and requirements, review the test procedures and results, and certify to the Commission that the results are accurate and satisfactory prior to accepting them and utilizing the tested software; and

ii. The internal audit department shall be responsible for conducting live on-site testing, in a manner approved by the Commission, on a designated sample of slot machines upon implementation of the electronic transfer credit system, after any approved changes thereto, and on a semi-annual basis to ensure the continued accuracy, integrity and suitability of the system;

9. Patron access controls;

10. Procedures for handling customer disputes;

11. Network security;

12. Audit programs that, at a minimum, shall only permit audit data to be adjusted in the casino accounting department premises, and only by authorized casino accounting personnel;

13. The manner in which cash complimentaries in the form of electronic credits shall be issued, and how the recipients of those credits shall be identified;

14. If applicable, the manner in which temporary anonymous accounts shall be established and terminated or converted to permanent accounts, how electronic credits shall be issued and credited to such accounts, and how transfers of electronic credits from such accounts shall be recorded and reconciled with the complimentary distribution program from which they were issued;

15. If applicable, the manner in which temporary electronic credits shall be issued, how temporary electronic credits shall be activated, transferred, converted or terminated, and how transfers and conversions of electronic credits from such accounts shall be recorded and reconciled with the complimentary distribution program from which they were issued; and

16. If applicable, the manner in which a patron access control is obtained from an affiliate of the casino licensee in accordance with the provisions of (m) below.

(c) Each transfer of electronic credits to a slot machine authorized by this section shall be initiated by a patron using a patron access control in a manner approved by the Commission. Except as provided otherwise in (d) and (m) below, a patron access control shall be:

1. Selected by and only available to the patron;

2. Encrypted in a manner approved by the Commission at all times during its storage and transmission; and

3. Stored at the casino licensee's casino-hotel premises and verified at that location prior to each transaction at that casino facility.

(d) Notwithstanding (c) above, an access control for the transfer of electronic credits issued pursuant to a mass marketing program governed by N.J.A.C. 19:45-1.9(h) or a complimentary distribution program governed by N.J.A.C. 19:45-1.46 shall not require an access code provided that the electronic credits are:

1. Temporary electronic credits issued pursuant to (a) above; or

2. Transferred from a temporary anonymous account established pursuant to (f) below.

(e) An electronic transfer credit system shall:

1. Prohibit the transfer of more than $1,000 in electronic transfer credits to a slot machine in a single transaction; and

2. Notify the casino licensee of any frequent withdrawals of electronic transfer credits from a slot machine, as well as the dollar amounts of such withdrawals, within a prescribed period of time. The parameters for frequency and amount of the transfers, as well as the prescribed period of time and the manner of notice, shall be approved by the commission.

(f) A record of each transfer of electronic credits to a slot machine authorized by this section shall be maintained by the casino licensee in an individual account established for each patron, which account shall be identified by, at a minimum, an identification number assigned to the patron who initiated the transaction and shall include, at a minimum, the date, time and amount of the transfer, as well as the asset number of the slot machine to which the transfer occurred. The identification number assigned to each patron for the purposes of this subsection shall be different from the access code selected by that patron as part of a patron access control. Notwithstanding the foregoing, a casino licensee may, in its discretion, establish a "temporary anonymous account" for any patron who is converting cash complimentaries issued as part of a mass marketing program governed by N.J.A.C. 19:45-1.9(h) or a complimentary distribution program governed by N.J.A.C. 19:45-1.46. A temporary anonymous account shall expire no later than 48 hours after its activation; provided, however, that a temporary anonymous account which has not expired may be converted into a permanent account, if a permanent record is created that identifies the original temporary account status and its activity, the date and time the temporary account was converted into a permanent account, the name of the patron on the permanent account and any other information required by the Commission.

(g) In addition to the requirements of N.J.A.C. 19:45-1.37(b), each slot machine at which play can be activated through the use of an electronic transfer credit shall:

1. Be equipped with an "electronic transfer credit meter" that continuously and automatically increments in an amount equal to the value of any cash complimentaries converted into electronic credits and transferred to and accepted by that slot machine and, if the slot machine utilizes non-cashable electronic transfer credits, shall also be equipped with a "value non-cashable electronic transfer credit meter" that continuously, automatically and separately counts and displays the total value of all non-cashable electronic transfer credits accepted by the slot machine; and

2. Be part of an electronic transfer credit system that shall:

i. Store the information required by (g)1 above in a machine-readable form that is not susceptible to unauthorized alteration or deletion by any person;

ii. Have the capability to permit a member of the casino accounting department to generate reports on a daily basis that:

(1) Compare by slot machine denomination and by each slot machine the amounts withdrawn from patron accounts to each electronic transfer credit meter required by (g)1 above, which reports shall be attached to the Slot Win Report in accordance with (i) below; and

(2) Identify each asset with a variance between the amounts withdrawn from patron accounts and the electronic transfer credit meter required by (g)1 above, which reports shall be reviewed in accordance with (i) below.

(h) No slot machine or other device may be connected to, or disconnected from, an electronic transfer credit system without the prior written approval of the Commission.

(i) A casino accounting department employee shall review the reports required by (g)2ii above, and then:

1. Record the total patron withdrawal amounts on the Slot Win Report prepared pursuant to N.J.A.C. 19:45-1.43;

2. Prepare a summary schedule of all cashable and non-cashable electronic transfer credit variances that details the date, the asset number of the slot machine, the variance amount and the reason for the variance; and

3. Report a manual adjustment to increase the Slot Win Report amount for any cashable and non-cashable electronic transfer credit variances where the meter exceeds the patron withdrawal amount, unless the reason for the variance documented in (i)2 above is sufficient to support a determination that a patron withdrawal transaction did not occur as listed on the supporting documentation.

(j) On at least a monthly basis, each casino licensee using an electronic transfer credit system shall provide a statement to each patron whose account established and maintained in accordance with (f) above has been active or whose account balance has changed during the month. These statements may be provided either on paper or electronically pursuant to (k) below, unless the patron indicates to the casino licensee that the patron does not want to receive such statements or if the casino licensee has on file, prior to August 18, 2008, a written request from the patron that he or she be sent no mailings. The preference of each patron shall be obtained, verified and documented by the casino licensee in a manner approved by the Commission, provided that a paper statement shall be provided if requested by the patron. The statement shall include, at a minimum, the patron's beginning and ending monthly balance, credits issued, received or otherwise made available pursuant to (a) above, including whether they are cashable or non-cashable, credits transferred to a slot machine pursuant to this section and credits that expired during the month. In addition, if requested by a patron, the casino licensee shall provide a detailed account of all electronic transfer credit transactions initiated by that patron. Notwithstanding the foregoing, a monthly statement shall not be required to include transfers of temporary electronic credits or transfers of electronic credits from a temporary anonymous account, or credits offered or otherwise made available to a patron but which never reside in the account because of the failure of the patron to redeem them.

(k) A casino licensee that provides electronic statements to patrons in accordance with (j) above shall utilize a secure process approved by the Commission that physically and logically isolates the licensee's electronic transfer credit system and the data therein from any other system or network, such as a proxy server and firewall, or by the transfer of data by magnetic tape or other removable media in accordance with procedures approved by the Commission.

(*l*) If a slot monitoring system is used to convey any transfers of electronic credits or other data between a slot machine and the casino computer system that maintains the patron withdrawal amounts and balances, the slot monitoring system shall generate, on a daily basis and in a manner approved by the Commission, a report that compares the electronic transfer credit meters required pursuant to (g)1 above for each slot machine to the information maintained by the slot monitoring system, and lists all variances over $100.00. The casino licensee shall be required to have its slot department, in cooperation with its casino accounting department, investigate the cause of each reported variance, and to prepare and file an incident report documenting the variance with the casino controller, the director of surveillance, the Commission and the Division. The casino licensee shall report the actual cause of the variance unless the cause cannot be definitively determined after a diligent investigation, in which case the probable cause of the variance shall be reported.

(m) Notwithstanding the requirements of (c) above, the Commission may permit an electronic transfer credit system to obtain a patron access control from an affiliate of the casino licensee provided that:

1. Communication between the electronic transfer credit system and the remote computer shall occur:

i. By means of a dedicated and secure communication facility, such as a leased line, as approved by the Commission; and

ii. Only through a firewall or other comparable hardware and software, which has been approved in accordance with the provisions of N.J.A.C. 19:46-1.20, and for which the casino licensee has approved internal controls in accordance with the requirements of (m)2 below;

2. Each firewall or comparable hardware and software required by (m)1ii above shall:

i. Maintain a list of each device, person or process authorized to obtain computer access;

ii. Generate daily monitoring logs to inform the casino licensee of any unsuccessful attempts by a device, person or process to obtain computer access; and

iii. Authenticate the identity of each device, person and process from which communication is received before granting computer access to such device, person or process;

3. The method of encryption required by (c)2 above shall utilize at least 256 bits of resolution for PIN storage and at least 128 bits of resolution for PIN transmission at all times and at all locations where the PIN is stored or transmitted, except for data transmissions from a slot machine to a slot monitoring system server;

4. The encryption process shall use a sufficiently strong method approved by the Commission, and the keys used in the encryption process shall be securely stored in a manner approved by the Commission and changed at least annu-

ally, as well as upon any changes in the list required by (m)8 below;

5. All verifications required by (c)3 above shall be:

i. Performed without decrypting the stored patron access control; or

ii. Done in the random access memory (RAM) of an approved casino computer system and cleared from that memory immediately upon completion of such verification;

6. The electronic transfer credit system shall maintain a record of the source of the patron access control, as well as the date and time that the record is created or changed;

7. Following three or more failed attempts to use a patron access control, with the first and last attempts occurring within 30 minutes or less of each other, or during such longer period of time as specified in a casino licensee's internal controls, the electronic transfer credit system shall immediately disallow any further attempts to use the patron access control and shall require the patron to establish a replacement patron access control;

8. Prior to implementation, on an annual basis thereafter and upon any changes to the electronic transfer credit system, the casino licensee shall submit to the Commission certifications by the MIS department manager and a qualifier of its affiliate or holding company stating that the electronic transfer credit system, each remote computer and the communication facility satisfies the requirements of this subsection, the internal controls submitted in accordance with (b)16 above and the requirements of (c)1 and 2 above; and

9. Each person who has knowledge of the keys used in the encryption process or access to the memory of the casino computer system described in (m)5ii above shall be licensed as a casino key employee, except for residency, as determined by the Commission. The casino licensee shall maintain a list of all such persons and submit it to the Commission and Division prior to implementation and within 72 hours of any change.

(n) No adjustment to the amount of any electronic transfer credit shall be made by a casino licensee without the approval of the Commission.

(*o*) Any slot machine that utilizes non-cashable electronic transfer credits as well as all written promotional materials and application forms relating to such credits shall disclose all restrictions upon the use of non-cashable electronic transfer credits. Such disclosure shall, at a minimum, provide notice that a non-cashable electronic transfer credit:

1. Cannot be converted into cash by a patron;

2. Must be wagered or abandoned; and

3. Is automatically wagered before any cashable electronic transfer credits are wagered.

New Rule, R.1996 d.486, effective October 21, 1996.
See: 27 N.J.R. 4992(a), 28 N.J.R. 4601(a).
Amended by R.1997 d.248, effective June 16, 1997.
See: 29 N.J.R. 541(a), 29 N.J.R. 2674(c).
In (a), amended N.J.A.C. reference; and added (b)13.
Amended by R.2005 d.216, effective July 5, 2005.
See: 36 N.J.R. 3242(a), 37 N.J.R. 2561(a).
In (b), substituted "provide for" for "address" and "address the following" for "include" in the second sentence of the introductory paragraph, substituted "Computer" for "System" in 2 and "Patron access" for "Access" in 9; in (c), inserted references to "Patron" preceding "access" throughout; in (e), inserted "amount of the transfer, as well as" preceding "the asset number" and inserted "a patron" preceding "access control".
Amended by R.2005 d.267, effective August 15, 2005.
See: 36 N.J.R. 4431(a), 37 N.J.R. 3069(a).
Rewrote (a) through (e) and (i); and added (k). As a part of R.2005 d.267, effective August 15, 2005 (operative August 15, 2006), rewrote (f).
Amended by R.2008 d.235, effective August 18, 2008.
See: 39 N.J.R. 4390(a), 40 N.J.R. 4830(a).
In the introductory paragraph of (b), substituted "testing by the Division" for "review", "provide for" for "address" and "address the following" for "include"; rewrote (b)2, (b)4, (b)6, (b)7, (b)8 and (b)12; rewrote (c); added new (c)1 through (c)3; recodified the former third sentence of (c) as the introductory paragraph of new (d); in the introductory paragraph of (d), substituted "(c) above" for "the foregoing" and inserted the second occurrence of "N.J.A.C."; recodified former (c)1 and (c)2 as new (d)1 and (d)2; in (d)2, substituted "(f)" for "(e)"; recodified former (d) through (g) as new (e) through (h); rewrote (g); in (h), inserted "or other device"; deleted former (h); added new (i); recodified former (i) as (j); rewrote (j); added new (k) and (*l*); and recodified former (j) and (k) as (m) and (n).
Amended by R.2011 d.009, effective January 3, 2011.
See: 42 N.J.R. 2038(a), 43 N.J.R. 61(a).
In (b)14, deleted "and" from the end; in (b)15, substituted "; and" for a period at the end; added (b)16; rewrote the introductory paragraph of (c); in (c)2, substituted "storage" for "use"; in the introductory paragraph of (d), substituted the second occurrence of "an" for "a unique"; in (f), deleted "unique" preceding "access code" and deleted a comma following "patron on the permanent account"; added new (m); and recodified former (m) and (n) as (n) and (*o*).

19:45-1.37B Slot machine tower light

(a) Each slot machine shall be connected to a slot machine tower light located on top of the slot machine cabinet. The slot machine tower light shall be used to identify the slot machine's denomination and the operational status of the slot machine and any device connected thereto that may affect the operation of the slot machine. The slot machine tower light shall be visible to the surveillance department closed circuit camera system from all sides of the slot machine cabinet, unless the slot machine cabinet is against a wall or is in another location approved by the Commission that results in the partial obstruction of the light.

(b) A slot machine tower light shall be approved by the Division and Commission pursuant to N.J.A.C. 19:46-1.20 and 1.28 and shall consist of two separate lights, one on top of the other, except as otherwise provided in (c) below, that function in accordance with the requirements of this section.

1. At any given point in time, each of the two lights may be in one of five states as follows:

i. "Off" means the light is off;

ii. "On" means the light is on continually;

iii. "Slow flash" means the light is flashing regularly at a 500 millisecond interval;

iv. "Medium flash" means the light is flashing regularly at a 250 millisecond interval; and

v. "Fast flash" means the light is flashing regularly at a 125 millisecond interval.

2. The top light of the two lights shall always be white. The color of the bottom light shall indicate the denomination of the slot machine to which it is attached, provided, however, if the slot machine is multi-denominational, the color of the bottom light shall indicate either the lowest denomination available or the denomination currently selected:

i. Gray means a penny machine;

ii. Red means a two-cent, three-cent, four-cent or nickel machine;

iii. Green means a dime machine;

iv. Yellow means a quarter machine;

v. Orange means a half-dollar machine;

vi. Blue means a dollar machine;

vii. Pink means a two-dollar machine; and

viii. Purple means a five dollar or higher denomination machine.

(c) Notwithstanding the provisions of (b) above, the tower lights on any slot machine that has a horizontal display screen mounted at a bar (a "bar-top" slot machine) or an angled display screen (a "slant-top" slot machine) may be side by side, as opposed to one on top of the other, provided the following requirements are met:

1. When viewed from the front of the slot machine, the left light shall assume the functions of the top light described in (b)2 above, and the right light shall assume the functions of the bottom light described in (b)2 above;

2. The left and right lights shall be similar in height from the floor and shall be located at or near the highest point on the slot machine;

3. The left and right lights shall be immediately adjacent with no obstruction or other object between them; and

4. The lights shall be visible to the surveillance department closed circuit camera system from all sides of the slot machine cabinet, unless the slot machine cabinet is against a wall or in another location approved by the Commission that results in the partial obstruction of the lights.

(d) For the purposes of this section, there shall be three separate methods by which a slot machine may be placed in an unplayable state.

1. "Administrative mode" means that a member of the department that is responsible for the operation of slot machines and bill changers has placed the slot machine in an unplayable state in order to access the set up or recall functions of a slot machine game.

2. "Disabled mode" means that a member of the department that is responsible for the operation of slot machines and bill changers or a computer controlled by that department has placed the slot machine in an unplayable state for any reason other than those included in administrative mode.

3. "Tilt mode" means that the slot machine placed itself in an unplayable state due to some type of malfunction or exception condition and the machine cannot be returned to a playable state without intervention by a member of the department that is responsible for the operation of slot machines and bill changers.

(e) Each of the following combinations of light states shall be displayed by a slot machine tower light to indicate the slot machine operating condition that is described therewith:

1. White light off with colored light:

i. Off means that the slot machine is idle and the slot machine door is closed;

ii. Medium flash means the slot machine is idle and the slot machine door is open; and

iii. Fast flash means the slot machine is idle and the drop compartment door is open;

2. White light on with colored light:

i. Off means a patron is requesting change and the slot machine door is closed;

ii. On means that the slot machine is in disabled mode;

iii. Medium flash means either:

(1) A patron is requesting change and the slot machine door is open; or

(2) The slot machine is in disabled mode and the slot machine door is open; and

iv. Fast flash means the slot machine is in disabled mode and the drop compartment door is open;

3. White light slow flash with colored light:

i. Off means that the slot machine is in tilt mode and the slot machine door is closed;

ii. Slow flash means either:

(1) The slot machine is displaying a hand-paid jackpot and the slot machine door is closed; or

(2) The slot machine is displaying a hand-paid jackpot while in tilt mode and the slot machine door is closed;

iii. Medium flash means either:

(1) The slot machine is displaying a hand-paid jackpot and the slot machine door is open; or

(2) The slot machine is in tilt mode and the slot machine door is open; and

iv. Fast flash means the slot machine is in tilt mode and the drop compartment door is open; and

4. White light fast flash with colored light:

i. Off means the slot machine is in administrative mode and the slot machine door is closed;

ii. Medium flash means the slot machine is in administrative mode and the slot machine door is open; and

iii. Fast flash means the slot machine is in administrative mode and the drop compartment door is open.

(f) Any combination of light states capable of display by a slot machine tower light that is not assigned a particular slot machine operating condition by (d) above may be used by the casino licensee for its own internal signals if such signals are identified in the casino licensee's approved internal control submission; provided, however, that the casino licensee shall be required to conform the light states displayed by its slot machine tower lights with any future modifications to (d) above.

(g) The provisions of this section shall apply to all slot machines submitted for Commission approval after April 2, 2001. Any slot machines approved prior to April 2, 2001 and which do not conform to the above specifications shall either be modified to comply with this section or shall be removed from the casino floor in accordance with the provisions of N.J.A.C. 19:46-1.21.

New Rule, R.2000 d.405, effective October 2, 2000.
See: 32 N.J.R. 1154(a), 32 N.J.R. 3582(a).
Amended by R.2001 d.78, effective March 5, 2001 (operative September 5, 2001).
See: 32 N.J.R. 4381(b), 33 N.J.R. 842(b).
In (b)2, added new vi, renumbered existing vi as vii.
Amended by R.2005 d.12, effective January 3, 2005.
See: 36 N.J.R. 4105(a), 37 N.J.R. 100(a).
Amended by R.2006 d.182, effective May 15, 2006.
See: 37 N.J.R. 4211(a), 38 N.J.R. 2213(a).
Rewrote (b)2.
Amended by R.2009 d.62, effective February 17, 2009.
See: 40 N.J.R. 6434(a), 41 N.J.R. 891(a).
In the introductory paragraph of (b), inserted ", except as otherwise provided in (c) below"; added new (c); and recodified former (c) through (f) as (d) through (g).
Amended by R.2010 d.184, effective September 7, 2010.
See: 42 N.J.R. 918(a), 42 N.J.R. 2141(b).
In the introductory paragraph of (b)2, inserted "either" and "available or the denomination currently selected".

19:45-1.37C Slot machines; tokenization; residual slot credit

(a) A slot machine equipped with tokenization shall accept only slot tokens with a denomination of $1.00 or less if the residual slot credit cannot be redeemed.

(b) Any residual slot credit not played or redeemed by a patron shall be deemed abandoned; provided, however, that any such credit shall remain on the slot machine until:

1. Played or redeemed by a patron; or

2. Cancelled by the casino licensee in a manner approved by the Commission.

(c) Any slot machine equipped with tokenization shall bear the notices required by N.J.A.C. 19:45-1.37(a)4viii.

(d) A casino licensee using slot machines equipped with tokenization shall submit and obtain approval of internal controls that set forth the manner in which tokens from different denominations of tokenized machines will be segregated, counted and recorded by denomination of slot machine including, but not limited to, the following requirements:

1. The front and back of slot drop buckets and slot drop boxes for slot machines equipped with tokenization shall be conspicuously marked in a manner approved by the Commission to identify the fact that the slot machine is equipped for tokenization, as well as the denomination of that slot machine; and

2. If a casino licensee offers slot machines which are equipped for tokenization and other slot machines which accept tokens but are not so equipped, the slot drop buckets and slot drop boxes from slot machines equipped with tokenization shall be segregated from all slot drop buckets and slot drop boxes from slot machines which accept tokens of the same denomination but are not so equipped, from the time they are removed from a slot machine until the contents of the slot drop buckets and slot drop boxes are counted in accordance with N.J.A.C. 19:45-1.43.

New Rule, R.2003 d.161, effective April 21, 2003.
See: 35 N.J.R. 88(a), 35 N.J.R. 1689(b).

19:45-1.37D Testing of slot machines and related equipment on the casino floor

(a) A casino licensee may only test a slot machine on the casino floor for the purpose of verifying the proper operation of the slot machine, its components and its communication with related equipment in accordance with internal controls as approved by the Commission, which shall provide, without limitation, for the following:

1. The casino licensee shall create a limited number of unique accounts in its slot monitoring system and corresponding test cards for each account to be used exclusively

for the testing of slot machines that shall enable a transaction report to be generated detailing any and all activity on slot machines that results from the testing;

2. All slot machine testing shall be conducted by an employee of the slot department or internal audit department using the test card corresponding to the unique testing account;

3. The test card shall be subject to sign-out and sign-in procedures that shall provide, without limitation, that the card be signed out for testing and signed back in after testing is concluded and shall be issued by and returned to the applicable department supervisor. When not being utilized for testing, the test card shall be maintained in a secure location in the applicable department under the control of a supervisor;

4. The slot department or internal audit employee who conducts the testing shall sign for and be issued currency, slot tokens or coupons to be used for the testing from the cashiers' cage. Electronic transfer credits may also be issued for testing provided they are issued by the casino accounting department in accordance with N.J.A.C. 19:45-1.37A(b) and approved internal controls. Electronic transfer credits may be pre-loaded on to cards for use in testing that are maintained in a secure location at the cashiers' cage;

5. The slot department or internal audit employee conducting the testing shall do so in the following manner:

i. The slot department or internal audit employee shall record the start time and end time of the testing activity, as well as the actual meter readings from the slot machine, unless the casino licensee's slot monitoring system records such information and is able to generate a report with that information. If the slot monitoring system is unable to generate such a report, the employee conducting the testing shall record the meter readings, as well as the start and end time of testing, on approved documentation;

ii. The employee shall insert an amount of currency, slot tokens, coupons or gaming voucher into the bill changer of the slot machine or download electronic transfer credits sufficient to activate play on the machine. The employee may only wager one credit at the lowest denomination or lowest bet permissible on the slot machine at a time during testing unless, to test a particular feature, additional credits must be wagered;

iii. Any credits remaining on the slot machine after testing on that machine is complete, including any credits won as a result of the wager(s), shall be cashed out for a gaming voucher, which shall be secured by the employee with any remaining currency, coupons or slot tokens. If non-cashable slot credits were downloaded to the machine for testing, all of those credits must be wagered prior to the completion of testing on the machine and prior to the testing of another slot machine;

iv. If a manual slot payout is won as a result of a test wager, a manual request to pay the jackpot must be completed in accordance with N.J.A.C. 19:45-1.40 and indicate the reason for requesting the void as "Slot Machine Testing" and the manual slot payout must then be voided before testing may continue. The employee doing the testing and cashier shall sign all copies of the voided jackpot payout slip. If the manual slot payout is a progressive jackpot it must be voided and added back to the progressive meter in accordance with N.J.A.C. 19:45-1.39;

v. After any credits have been cashed out for a gaming voucher pursuant to (a)5iii above, the employee shall record the ending meter readings of the slot machine on the approved documentation unless the casino licensee's slot data system records such information and is able to generate a report with that information; provided, however, manual records shall still be required if the purpose of testing is to test the slot monitoring system's ability to accurately capture the slot machine's meter readings;

vi. After the completion of all testing, the employee shall return any unused currency, coupons, slot tokens and all gaming vouchers issued pursuant to (a)5iii above that were not used to test a subsequent slot machine and the meter readings (if not read by the slot monitoring system) to the cashiers' cage and complete documentation supporting the return of the items;

vii. Any gaming vouchers remaining after testing is completed shall be signed by the employee conducting the testing and "TEST" shall be written clearly on the voucher and the barcode shall be blacked out, so that the voucher cannot be redeemed; and

viii. Any gaming vouchers generated from testing activity that are returned to the cashiers' cage under (a)5vi above shall be voided by a cage supervisor upon the conclusion of the testing activity;

6. Upon the conclusion of testing in (a)5 above, the slot department shall generate a report from the slot management system detailing all slot play attributable to the slot card used for testing and provide a copy of the report to the cashiers' cage;

7. A cage cashier or above shall account for the values of all returned currency, coupons, slot tokens and gaming vouchers and casino accounting representative shall reconcile them with the meter readings and the report generated pursuant to (a)6 above. If a variance is detected between the report generated pursuant to (a)6 above and the amount of currency, slot tokens, coupons and non-cashable slot credits, the cage supervisor or casino accounting representative shall promptly notify the Principal Inspector and a representative from the Division of Gaming Enforcement;

8. Provided that it is supported by the documentation required in (a)6 and no variances are present under (a)7 above, the casino accounting department may make a manual adjustment to the Slot Win Report to reduce slot win by the value of the currency, slot tokens, coupons and electronic transfer credits utilized for testing (amount signed out less amount of currency, slot tokens, coupons and electronic transfer credits returned);

9. The casino accounting department shall reconcile all voided vouchers resulting from testing activity to the report generated from the gaming voucher system and all voided manual slot payouts to the slot monitoring system report for jackpot payouts; and

10. The slot department shall notify the surveillance department of the location and extent of the testing prior to beginning the testing and once testing has been completed.

(b) The testing of a of slot machine or related equipment for any purpose other than that authorized by (a) above, including without limitation, demonstrating the proper operation of a slot machine for a patron, is prohibited.

New Rule, R.2010 d.288, effective December 6, 2010.
See: 42 N.J.R. 1022(a), 42 N.J.R. 2987(a).

19:45-1.38 Slot machines and bill changers; authorized locations; movements

(a) Each slot machine that is on a casino floor shall be:

1. Placed at an authorized location identified on a casino floor plan approved by the Commission pursuant to N.J.A.C. 19:43-7.3 or 7.6; and

2. Identified on the Slot Machine Master List required by N.J.A.C. 19:43-7.4(b).

(b) No slot machine or bill changer shall be removed from or returned to an authorized slot machine location in the casino or moved from one authorized slot machine location to another except in accordance with the requirements of N.J.A.C. 19:43-7.4.

(c) Once a slot machine or bill changer has been placed in the casino, all movements of that machine and/or bill changer from or to a location shall be recorded by a slot department member in a machine movement log which shall include the following:

1. The manufacturer's serial number and the asset number of the moved slot machine and/or bill changer;

2. Whether the slot machine is equipped for tokenization, and if so, the denomination of the slot machine;

3. The date and time of movement of the slot machine and/or bill changer;

4. The location from which the slot machine and/or bill changer was moved;

5. The location to which the slot machine and/or bill changer was moved; and

6. The signatures of the slot shift manager and the lead technician verifying the movement of the slot machine and/or bill changer.

(d) Prior to removing a slot machine from the gaming floor:

1. The machine's slot drop bucket or slot drop box shall be removed and transported to the count room;

2. All meters shall be read and recorded in conformity with the procedures set forth in N.J.A.C. 19:45-1.42;

3. Any coins or slot tokens in any of the slot machine's hoppers or in the corresponding hopper storage area shall be removed, transported, and counted with the slot drop bucket or slot drop box; provided, however, that a slot machine may be removed from the casino with coins or slot tokens contained therein so long as:

i. Removal of the coins or the slot tokens, or any combination thereof, is precluded by mechanical or electrical difficulty;

ii. The casino licensee records in a slot machine movement log whether coins or slot tokens remain in the slot machine that is removed from the casino, and also records in that log the nature of the mechanical or electrical difficulty, the date and time that the coins or slot tokens are removed from the slot machine and transported to the count room, the date and time that the slot machine is removed from the casino, and the date and time that the slot machine is opened; and

iii. The removal and transportation to the count room of the coins or slot tokens is completed immediately after the slot machine is opened;

4. Any prize tokens in a payout-only hopper, in a reserve hopper or in a corresponding hopper storage area shall be removed, transported and counted in accordance

with procedures and internal controls submitted to and approved by the Commission pursuant to N.J.A.C. 19:45-1.3;

5. On a slot machine equipped for tokenization pursuant to N.J.A.C. 19:45-1.37C, any credits remaining on the slot machine shall be cancelled in a manner approved by the Commission; and

6. On a slot machine that utilizes non-cashable slot credits or non-cashable electronic transfer credits, any such credits remaining on the slot machine shall be cancelled in a manner approved by the Commission.

(e) Prior to removing a bill changer from the casino floor, the slot cash storage box shall be removed and transported to the count room and all meters except the cash box meter shall be read and recorded in conformity with the procedures set forth in N.J.A.C. 19:45-1.42. A bill changer may be removed from the casino floor with currency, gaming vouchers, or coupons contained therein when removal of the slot cash storage box is precluded by mechanical or electrical difficulty. If currency, gaming vouchers, or coupons remain in a bill changer when it is removed from the casino floor, this fact and the date and time that the slot cash storage box or, if necessary, currency, gaming vouchers, or coupons are removed from the bill changer and transported to the count room shall be recorded in the machine movement log.

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 location and movements of slot machines.
Amended by R.1991 d.230, effective May 6, 1991.
See: 22 N.J.R. 3325(a), 23 N.J.R. 1461(a).
In (a)1: added N.J.A.C. reference for location number; in (c)1: added "asset" to define number.
Amended by R.1992 d.121, effective March 16, 1992.
See: 23 N.J.R. 2920(a), 24 N.J.R. 974(a).
Rule text amended to eliminate requirement the Commission Inspector sign the machine movement log approving movement of individual slot machines and/or bill changers. Deleted (c)5, recodifying existing 6 as new (c)5, with text changes.
Amended by R.1992 d.360, effective September 21, 1992.
See: 24 N.J.R. 2137(a), 24 N.J.R. 3336(a).
Hopper storage area provisions added.
Administrative Correction to (c)4.
See: 25 N.J.R. April 5, 1993.
Amended by R.1993 d.319, 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.69, effective February 7, 1994.
See: 25 N.J.R. 4471(a), 26 N.J.R. 829(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.1996 d.122, effective March 4, 1996.
See: 27 N.J.R. 1775(a), 28 N.J.R. 1399(a).
Amended by R.2002 d.60, effective March 4, 2002.
See: 33 N.J.R. 2402(b), 34 N.J.R. 1020(b).
In (d)4, inserted ", in a reserve hopper" preceding "or in a corresponding hopper".
Amended by R.2002 d.4, effective January 6, 2003.
See: 34 N.J.R. 2012(a), 35 N.J.R. 259(a).
Rewrote (e).
Amended by R.2003 d.161, effective April 21, 2003.
See: 35 N.J.R. 88(a), 35 N.J.R. 1689(b).
In (c), added new 2; recodified existing 2 through 5 as 3 through 6; in (d), added new 5.
Amended by R.2005 d.267, effective August 15, 2005.
See: 36 N.J.R. 4431(a), 37 N.J.R. 3069(a).
In (d), deleted "and" following "1.3;" in 4, substituted "; and" for "." following "Commission" in 5, added 6.

19:45-1.39 Progressive slot machine jackpots

(a) This section shall apply to any slot machine jackpot that may increase in value as the machine is played (a "progressive jackpot").

(b) Each slot machine that includes a slot machine game that offers a progressive jackpot which increases in value based upon handle and is adjusted and displayed by a device other than the approved program that controls the operation of the slot machine game shall have the following features:

1. For each progressive jackpot offered by the slot machine game, a mechanical, electrical or electronic device, to be known as a "progressive meter," visible from the front of the machine which increases in value based upon handle, and which advises the player of the amount which can be won if the progressive jackpot display appears;

2. A mechanical, electrical or electronic device, to be known as a "progressive jackpot meter" that continuously and automatically records the number of times a progressive jackpot is hit;

i. If a slot machine game offers more than one progressive jackpot, it shall have a separate progressive jackpot meter for each progressive jackpot and a "cumulative progressive jackpot meter" that continuously and automatically records the total number of times that progressive jackpots are hit;

ii. All meters required by (b)2 and (b)2i above shall be capable of being read without opening the slot machine;

3. A separate key and key switch to reset the "progressive meter(s)" or such other separate reset mechanism as may be approved by the Commission;

4. A separate key locking the compartment housing the progressive meter(s) or other means by which to preclude any unauthorized alterations to the progressive meters; and

5. Dual key control by the Commission and the casino licensee, or such other key controls as the Commission may approve, of the compartment housing the microprocessor or other control unit that controls the progressive meter(s), which compartment shall be in a location approved by the Commission.

(c) Except as provided in (j) below, each slot machine that is connected to a common progressive meter ("common display unit") for the purpose of offering the same progressive jackpot on two or more slot machines (a "linked slot machine") shall:

1. Be of the same denomination and have the same probability of winning the progressive jackpot as every other linked slot machine connected to such common display unit;

2. Require that the same amount of handle be invested to entitle the player to a chance at winning the progressive jackpot and that each increase in handle increment the meter(s) by the same rate of progression as every other linked slot machine connected to such common display unit; and

3. Have its microprocessor or other control unit that controls the common display unit housed in a location approved by the Commission that would allow dual key control by the Commission and the casino licensee, or with such other key controls as the Commission may approve.

(d) Every casino seeking to utilize a linked slot machine shall submit to the Commission for approval the location and manner of installing the common display unit.

(e) No slot machine that includes a slot machine game that offers a progressive jackpot shall be placed on the casino floor until the casino licensee or, as applicable, the slot system operator has submitted to the Commission and the Commission has approved the following:

1. The initial and reset amounts at which the "progressive meter(s)" will be set;

2. The proposed system for controlling the keys and access codes to these machines;

3. The proposed rate of progression for each progressive jackpot; and

4. The calculated probability of winning each progressive jackpot, which probability shall not exceed 50 million to one. For example, a probability of 45 million to one would be permitted, but a probability of 55 million to one would not be permitted. Notwithstanding the foregoing, this paragraph shall not apply to a jackpot with a probability that may exceed 50 million to one during the game cycle due solely to the intervening occurrence of free play

awards between the activation of a play and the award of the jackpot.

(f) No progressive meter(s) shall be turned back to a lesser amount unless:

1. The amount indicated has been actually paid to a winning patron;

2. The progressive jackpot amount won by the patron has been recorded in accordance with an approved system of internal controls;

3. The progressive jackpot has, with prior Commission approval, been transferred to another progressive slot machine or slot system in accordance with (n) below; or

4. The change is necessitated by a slot machine or meter(s) malfunction, in which case:

i. For progressive jackpots governed by (b) above, an explanation shall be entered on the Progressive Slot Summary required in (k) below and the Commission inspector shall preapprove the resetting in writing; or

ii. For progressive jackpots governed by (*o*) below, an explanation shall be entered on the Machine Entry Authorization Log pursuant to N.J.A.C. 19:45-1.36(j) unless the slot machine automatically addresses the malfunction in a manner approved by the Commission.

(g) Once an amount appears on a progressive meter(s), the probability of winning the progressive jackpot may not be decreased unless the progressive jackpot has been won by a patron or the progressive jackpot has been transferred to another progressive machine or slot system in accordance with (n) below.

(h) If the "progressive meter(s)" progresses without a payout until the meter(s) return to zero because of digital limitations on the meter(s), some means must be utilized to clearly advise the patrons of the value of the undisplayed digit.

(i) Except as otherwise provided in (n) below, a casino licensee or slot system operator may limit or terminate a progressive jackpot only in accordance with the following procedures.

1. Prior to the time that a particular amount is registered on the progressive meter, a payout limit for the progressive jackpot that is equal to or greater than the particular amount may be established by providing notice of the payout limit in accordance with N.J.A.C. 19:45-1.37(a)4.

2. After a progressive jackpot is won, the progressive jackpot may be terminated if:

i. Notice to that effect was provided in the manner set forth in N.J.A.C. 19:45-1.37(a)4 prior to the jackpot being won; and

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 winning 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 winning 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 winning the progressive jackpot on such a linked progressive system shall be conspicuously displayed on each linked slot machine; and

2. The probability of winning a progressive jackpot offered on linked slot machines may vary among such ma-

chines when necessary to enable a casino licensee or the slot system operator 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)" 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 computer system, as approved by the Commission, shall record the amount indicated on the "in meter" of each progressive slot machine on the same schedule. 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.

(n) Notwithstanding any other provision of this section, except (i)2 above, a casino licensee or slot system operator may transfer a progressive jackpot amount, in its entirety, to the progressive meter for another progressive slot machine game or slot system game, provided that:

1. The casino licensee or slot system operator obtains the prior written approval of the Commission;

2. At least 30 days notice of the proposed transfer is provided to the public in the same manner as is required by N.J.A.C. 19:45-1.37(a)4iii for the establishment of a payout limit, which notice may be posted upon the filing of a petition with the Commission for approval of the proposed transfer, as long as such notice indicates that the proposed transfer is subject to Commission approval;

3. If the proposed transfer will be made to a single progressive slot machine game or slot system game, the slot machine game or slot system game receiving the transfer has the same or a greater probability of winning the progressive jackpot, the same or lower wager requirement to be eligible to win the progressive jackpot, and the same type of progressive jackpot (cash, annuity, annuity/cash option or a combination/alternate jackpot); provided, however, that if no other progressive slot machine game or slot system game meets all of these qualifications, the Commission may authorize a transfer of the jackpot to the progressive meter of the most similar progressive slot machine game or slot system game available if the Commission finds such a transfer would be in the public interest; and

4. If the proposed transfer will be made to two separate progressive slot machine games or slot system games, the following requirements are satisfied:

i. The progressive jackpot being transferred is a progressive annuity jackpot of at least $3 million or a progressive lump-sum cash jackpot of at least $1 million;

ii. No less than 25 percent of the total jackpot being transferred shall be added to the progressive meter of each progressive slot machine game or slot system game;

iii. Each progressive slot machine game or slot system game to which the jackpot is transferred shall individually satisfy the requirements of (n)3 above; and

iv. Neither jackpot to which the transferred jackpot is added shall subsequently be split again.

(*o*) Each slot machine that offers a progressive jackpot which increases in value based upon either handle contributions that are adjusted and displayed by the approved program that controls the slot machine or events that are 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 display appears; and

2. The approved program for the slot machine shall limit the progressive jackpot to an amount which is less than $1,200 unless the program is also capable of configuring, storing and recalling, in a secure manner approved by the Commission, the parameters relating to the progressive jackpot, including, but not limited to, the current amount of the progressive jackpot, the progressive reset amount, the maximum progressive amount and the increment amount.

(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).
Amended by R.2003 d.448, effective November 17, 2003.
See: 35 N.J.R. 2618(a), 35 N.J.R. 5267(b).
In (*o*), rewrote 2 and deleted 3.
Amended by R.2004 d.110, effective March 15, 2004.
See: 35 N.J.R. 5227(a), 36 N.J.R. 1364(a).
Rewrote (n).
Amended by R.2005 d.12, effective January 3, 2005.
See: 36 N.J.R. 4105(a), 37 N.J.R. 100(a).
Rewrote the section.
Amended by R.2005 d.121, effective April 18, 2005.
See: 36 N.J.R. 2996(a), 37 N.J.R. 1227(b).
Rewrote the section.
Amended by R.2007 d.116, effective April 16, 2007.
See: 38 N.J.R. 3289(a), 39 N.J.R. 1519(a).
Rewrote (k).
Amended by R.2009 d.198, effective June 15, 2009.
See: 41 N.J.R. 1002(a), 41 N.J.R. 2496(b).
Rewrote (n).

19:45-1.39A Linked slot machines interconnected in more than one casino; slot system operator; computer monitoring room

(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" or "slot system").

(b) Each multi-casino progressive slot system shall be operated and administered by the participating casino licensees in accordance with the terms of a written agreement that has been executed by each participating casino licensee and approved by the Commission ("slot system agreement"). Notwithstanding the foregoing, a slot system agreement may provide, pursuant to N.J.S.A. 5:12-82c(7), that the slot system shall be operated and administered, in whole or in part, by a gaming-related casino service industry applicant or licensee on behalf of the participating casino licensees provided that the slot system agreement is executed by the casino service industry enterprise as well. The person or persons designated in a slot system agreement as being responsible for the operation and administration of a slot system shall be referred to as a "slot system operator."

1. There may be more than one slot system operator involved in the operation and administration of a particular slot system and a particular slot system operator may be involved in the operation and administration of more than one slot system.

i. If more than one slot system operator is involved in the operation and administration of a particular slot system, there may be more than one slot system agreement with regard to that slot system.

ii. Each participating casino licensee shall be a party to all slot system agreements for a particular slot system.

2. An agreement between a slot system manufacturer and a casino licensee pursuant to which the slot system manufacturer agrees to sell, lease or service, but not operate or administer, slot system components shall not be considered a slot system agreement and a separate agreement may be entered between the slot system manufacturer and each casino licensee participating in the slot system.

(c) Each slot system agreement shall specifically identify and describe the role, authority and responsibilities of each participating casino licensee and each slot system operator in the conduct of the slot system including, without limitation:

1. A description of the process by which significant decisions that affect the operation of the game are approved and implemented by each casino licensee or slot system operator;

2. If applicable, the casino licensee or slot system operator responsible for establishing, and serving as trustee of, the trust required by N.J.A.C. 19:45-1.40B for each slot system game offering an annuity jackpot;

3. The casino licensee or slot system operator initially responsible for the funding and payment of all jackpots, fees and taxes associated with the operation of the slot system; and

4. The casino licensee or slot system operator responsible for generating, maintaining and filing all records and reports required by the Act and rules of the Commission.

(d) Each party to a slot system agreement shall only be liable for acts, omissions and violations of the Act or the rules of the Commission related to its own individual responsibilities under the slot system agreement, unless the slot system agreement specifically provides for joint and several liability.

(e) 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 the conduct of gaming. Any casino licensee or slot system operator 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 the participating casino licensees and slot system operators will satisfy the requirements of the Act and the Commission's regulations concerning the operation of slot machines and multi-casino progressive slot systems. Any casino service industry enterprise seeking approval to participate in a slot system as a slot system operator shall, without limitation of the foregoing, specifically:

1. Submit the following for Commission approval:

i. A jobs compendium identifying the organizational structure and position titles involved in the operation and administration of the slot system, which jobs compendium shall comply with the requirements of N.J.A.C. 19:45-1.11A to the extent directed by the Commission;

ii. A list of each employee of the casino service industry enterprise serving in a position title identified in its approved jobs compendium, which list shall be submitted in a manner approved by the Commission and shall include the following information for each current employee:

(1) Last name, first name and middle initial;

(2) Date of birth;

(3) Job title as it appears in the casino service industry enterprise's approved jobs compendium;

(4) Position, represented by a job code that corresponds with a position described in the approved jobs compendium;

(5) License or registration number, if applicable; and

(6) License expiration date; and

iii. If the casino service industry enterprise shall be responsible for operating and administering the computer monitoring room required by (g) below, a separate agreement with a casino licensee pursuant to which the casino licensee accepts responsibility for surveillance of the computer monitor room unless:

(1) All terms concerning responsibility for surveillance of the computer monitoring room are established in the slot system agreement; or

(2) The casino service industry enterprise elects to comply with the optional surveillance requirements set forth in (g)2ii below; and

2. Identify the manner in which it will comply with all relevant requirements of N.J.A.C. 19:45-1.8 and 1.45 as if it were a casino licensee.

(f) 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.

(g) Each multi-casino progressive slot system shall be controlled and operated from a computer monitoring room approved by the Commission. The computer monitoring room for a multi-casino progressive slot system shall:

1. Be under the sole possession and control of, and maintained and operated by, employees of the slot system operator designated in the slot system agreement for that slot system;

2. Have continuous clandestine CCTV coverage of the operation of the slot system and its equipment by:

i. The surveillance department of a casino licensee designated in the slot system agreement for that slot system (the "surveillance casino"); or

ii. A video surveillance system maintained in a secure portion of the computer monitoring room that is accessible only in accordance with internal controls approved by the Commission and which shall, at a minimum:

(1) Provide continuous dedicated CCTV coverage to the principal inspector's office, the Commission inspection booth and the Division's office located in one casino hotel facility;

(2) Continuously record the transmissions of the CCTV system and be capable of superimposing the time and date of the transmission on each recording; and

(3) Require the secure retention of the recordings made by the CCTV system on tape or other storage media for a period of no less than 30 days or for such longer period as may be directed by the Commission or Division if particular recordings are determined by the Commission or Division to be of evidentiary value;

3. Be accessible only through a locked door, which door shall be equipped with an alarm device that audibly signals either the CCTV monitoring room of the surveillance casino, if the computer monitoring room is operated pursuant to (g)2i above, or the employees of the slot system operator, if operated pursuant to (g)2ii above, whenever the door to the computer monitoring room is open;

4. Have a Computer Monitoring Room Entry Log, which Log shall be:

i. Kept in the computer monitoring room;

ii. Maintained in a book with bound numbered pages that cannot be readily removed;

iii. Signed by each person whose presence is not expressly authorized and identified in the internal controls of the computer monitoring room slot system operator, with each entry containing, at a minimum, the following information:

(1) The date and time of entering into the computer monitoring room;

(2) The entering person's name, his or her department or employer and, if applicable, his or her employee license number;

(3) The reason for entering the computer monitoring room;

(4) The name of the person authorizing the person's entry into the computer monitoring room; and

(5) The date and time of exiting the computer monitoring room;

5. Be readily accessible to Commission and Division of Gaming Enforcement personnel 24 hours a day;

6. Be contained in a location approved by the Commission, which location shall be in a facility designed for that purpose within the city limits of Atlantic City, New Jersey, which facility shall be owned or leased by a slot system operator in a manner approved by the Commission that assures that the operation of the multi-casino progressive slot systems maintained in the computer monitoring room will not be disrupted.

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).
Amended by R.2003 d.314, effective August 4, 2003.
See: 34 N.J.R. 4323(a), 35 N.J.R. 3565(a).
Added (d).
Petition for Rulemaking.
See: 35 N.J.R. 4332(c), 5171(c).
Petition for Rulemaking.
See: 36 N.J.R. 1135(a).
Amended by R.2005 d.121, effective April 18, 2005.
See: 36 N.J.R. 2996(a), 37 N.J.R. 1227(b).
Rewrote the section.
Petition for Rulemaking.
See: 37 N.J.R. 2096(b), 2722(b).

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 progressive 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:

i. Be provided by an authorized representative of the casino games department of the casino licensee or manufacturer or servicing vendor other than the person who will perform the actual installation; and

ii. Include, at a minimum, the following:

(1) A list of each computer program (software or firmware) to be installed including the version number and version date, if applicable, and the date each program was approved by the Commission pursuant to N.J.A.C. 19:46-1.20;

(2) The date of and estimated time needed to complete the installation; and

(3) The name of the person authorized to perform the installation.

7. The procedures for assigning access to the computer installed pursuant to (e)6 above and completing or modifying the progressive payout wager system set up, as applicable;

8. Except as provided by (e)9 below, the procedures utilized by any computer that controls the progressive payout wager system to provide complete and prompt recovery of all system information in the event of any malfunction, which data recovery capability shall, unless otherwise determined by the Commission, include:

i. The recording of all system information as it occurs and in a redundant manner as approved by the Commission; and

ii. The immediate notification of the casino licensee of any malfunction in a manner approved by the Commission and consistent with the provisions of (*l*) below;

9. In the absence of computer system capability for recording all system information as it occurs and in a redundant manner in accordance with (e)8i above, the procedures utilized by any computer that controls the progressive payout wager system to provide complete and prompt recovery of all system information, except for information not recorded up to five minutes prior to any malfunction, and the procedures utilized by the casino licensee in the event of such malfunction for the manual reconstruction of information not recorded by the system necessary to accurately adjust system meters; and

10. Such other procedures or features that may be required by the Commission as a result of the operation of the specific table game progressive wager.

(f) No progressive meter shall be turned back to a lesser amount unless:

1. The amount has been actually paid to a winning patron;

2. The progressive payout amount won by the patron has been recorded in accordance with an approved system of internal controls;

3. The time limit for the progressive payout established pursuant to (g) below has expired; or

4. The change is necessitated by an equipment or meter malfunction, in which case an explanation must be entered on the Table Game Progressive Summary required in (i) below and the Commission shall preapprove the resetting in writing.

(g) When a casino licensee decides to permanently remove the offer of a table game progressive payout, with approval from the Commission, a time limit of not less than 30 days shall be established and notice of the time limit shall be provided at each table. Upon the expiration of such time limit, the casino licensee may remove the table game progressive payout from the casino or casino simulcasting facility or establish another time limit of not less than 30 days. Nothing in this section shall be deemed to prohibit the immediate and permanent removal by a casino licensee of a table game progressive payout from a gaming table provided that one or more table games offering the progressive payout remain on the casino floor or in the casino simulcasting facility.

(h) Once the time limit in accordance with (g) above has expired, the amount on any progressive meters shall be documented in accordance with procedures approved by the Commission. The initial or reset amount may be retained by the casino licensee and deducted from the ending amount on any meters and the remaining portion shall be paid to the Casino Revenue Fund. If a reset meter is utilized in accordance with (c) above, the entire amount on the reset meter, less the reset amount funded by the casino licensee, shall be paid to the Casino Revenue Fund.

(i) The amount indicated on the "progressive payout meter," "progressive meter," "in-meter" and, if applicable, "reset meter" on each gaming table offering a progressive payout wager shall be recorded on a Table Game Progressive 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 Table Game Progressive 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. If an adjustment to the progressive meter is necessary, the adjustment shall be made by a member of the table games department as follows:

1. Supporting documentation shall be maintained to explain any addition or reduction in the registered amount on the progressive meter, which documentation shall include, at a minimum, the date, the number of the table, the amount of the adjustment, the reason for the adjustment and the signature of the table games department member making the adjustment; and

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

(j) Except as otherwise authorized by this section, any gaming table offering a progressive payout wager may only

be removed from the casino or casino simulcasting facility for a period not to exceed five gaming days. The amount on the progressive meter and, if applicable, reset meter upon the return or replacement of the gaming table shall not be less than the amount at the time of removal. Any time limit for the offering of a progressive payout pursuant to (g) above shall be extended by the number of days during which the progressive payout was not offered as the result of any action by a casino licensee pursuant to this subsection.

(k) Each gaming table offering a progressive payout wager shall have such other devices, equipment, features and capabilities as may be required by the Commission for the game after the prototype model is examined by the Commission.

(*l*) Following any malfunction of a computer that controls the progressive payout wager system, the casino licensee shall immediately notify the Commission and Division and shall not utilize the system until the malfunction has been successfully repaired. Notwithstanding the foregoing, the Commission may permit a casino licensee to utilize the system prior to it being successfully repaired, for a period not to exceed 48 hours, provided that:

1. The malfunction is limited to a single storage media device;

2. In addition to the malfunctioning storage media device, the system contains a backup storage media device not utilized in the normal operation of the system, which backup device shall immediately and automatically replace the malfunctioning device, to permit a complete and prompt recovery of all information in the event of an additional malfunction; and

3. Continued use of the malfunctioning system would not limit the ability to perform a complete and prompt recovery of all information and would not otherwise harm or affect the normal operation of the progressive payout wager.

(m) Whenever a casino licensee seeks to install a modification to any computer that controls a progressive payout wager system, including, but not limited to, a new or modified computer program (software or firmware) or hardware design, the 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. The written notice shall:

1. Be provided by an authorized representative of the casino games department of the casino licensee or manufacturer or servicing vendor other than the person who will perform the actual installation; and

2. Include, at a minimum, the following:

i. If the modification involves computer programs:

(1) A list of each computer program (software or firmware) to be modified or replaced, including the version number and version date, if applicable, and the date each modification was approved by the Commission pursuant to N.J.A.C. 19:46-1.20; and

(2) A list of each new computer program to be installed, if any, including the version number and version date, if applicable, and the date each new program was approved by the Commission pursuant to N.J.A.C. 19:46-1.20;

ii. If the modification involves hardware design, a list of each type of hardware being modified or replaced, including the date that each modified or new type of hardware was approved by the Commission pursuant to N.J.A.C. 19:46-1.20;

iii. The date of and estimated time needed to complete the installation; and

iv. The name of the person authorized to perform the installation.

(n) If an installation notice contains all the required elements set forth in (e)6 or (m) above, the Commission shall approve the installation. Any installation authorized pursuant to this section shall be performed in the presence of a representative of the MIS department of the casino licensee and a Commission inspector. Following the completion of the installation, the computer that controls the progressive payout wager system shall generate a record of the installation or, if the computer does not have the capability to generate such a record, the casino licensee shall otherwise create such record of the installation as the Commission may require. In the event the Commission determines that testing by the casino licensee is required, the Commission shall also approve the scope and results of such testing.

New Rule, R.1995 d.430, effective August 7, 1995.
See: 27 N.J.R. 1767(b), 27 N.J.R. 2967(a).
Amended by R.1996 d.315, effective July 15, 1996.
See: 28 N.J.R. 1947(a), 28 N.J.R. 3623(a).
Amended by R.1996 d.440, effective September 16, 1996.
See: 28 N.J.R. 2537(a), 28 N.J.R. 4241(b).
Administrative correction.
See: 29 N.J.R. 2184(a).
Amended by R.1999 d.281, effective August 16, 1999.
See: 31 N.J.R. 1171(a), 31 N.J.R. 2372(a).
In (g), substituted a reference to table game progressive payouts for gaming tables in the second sentence, and added the last sentence.
Amended by R.2001 d.402, effective November 5, 2001.
See: 33 N.J.R. 2633(a), 33 N.J.R. 3762(a).
Rewrote the section.
Amended by R.2002 d.368, effective November 18, 2002.
See: 34 N.J.R. 2547(a), 34 N.J.R. 3977(a).
In (c), rewrote the introductory paragraph, deleted former 1 and recodified former 2 and 3 as 1 and 2; in (e)8, substituted "Except as provided by (e)9 below, the" for "The" in the introductory paragraph and substituted "(*l*)" for "(a)" in ii; added a new (e)9 and recodified former (e)9 as (e)10.
Petition for Rulemaking: Notice of Receipt of Petition for Rulemaking.
See: 38 N.J.R. 3683(b).
Petition for Rulemaking: Notice of Action on Petition for Rulemaking: Accounting and Internal Controls: Table Game Progressive Payout Wager.
See: 38 N.J.R. 4763(d).
Petition for Rulemaking.
See: 39 N.J.R. 569(c).

19:45-1.40 Jackpot and credit meter payouts that are not paid directly from the slot machine

(a) Whenever a patron wins a jackpot or requests a credit meter payout that is not totally and automatically paid directly from the slot machine (a "manual slot payout") in coins, slot tokens or a gaming voucher, a Request for Jackpot Payout Slip (Request) shall be prepared after the preparer determines the appropriate amount of the manual slot payout by observing the jackpot display on the slot machine or the amount on its credit meter. If the manual slot payout is less than $10,000, the preparer of the Request shall be a slot attendant or a slot attendant supervisor. If the manual slot payout is $10,000 or more, the preparer of the Request shall be a slot attendant supervisor.

1. Notwithstanding the foregoing or any other provision of this section, a slot attendant may complete a Pouch Payout Slip instead of a Request and pay the winning patron the manual jackpot from imprest funds in a pouch or wallet in accordance with the procedures set forth in N.J.A.C. 19:45-1.40E, if the total amount of the slot machine jackpot is less than $1,200 and the slot machine is connected to an approved computerized slot monitoring system.

2. Any casino licensee that chooses to use the pouch payout procedures authorized by N.J.A.C. 19:45-1.40E may request the approval of the Commission to use a combined Request/Pouch Payout Slip that satisfies the requirements of (b) below and N.J.A.C. 19:45-1.40E(b)2.

(b) The Request shall be, at a minimum, a one-part form or, if submitted electronically, the information required on it shall be maintained in stored data, access to which, prior to use or input, shall be restricted to slot attendants and slot attendant supervisors. The following information, at a minimum, shall be recorded on the Request or maintained in stored data:

1. The date and time that the jackpot display or credit meter amount was observed by the preparer;

2. The asset number of the slot machine on which the manual slot payout was registered;

3. The jackpot display designating the jackpot or a notation that it was a credit meter payout;

4. The amount of the manual slot payout to be paid to the winning patron;

5. The method of payment requested by the patron (cash, slot tokens, casino check or, if available, gaming chips);

6. The signature or identification code of the preparer; and

7. The signatures or identification codes of the following additional personnel attesting to the jackpot display or the amount on the credit meter and the amount to be paid to the patron if the slot machine, the progressive meter or the credit meter will be reset prior to the patron being paid or if payment will be made directly to the patron by a slot cashier, master coin bank cashier or general cashier:

i. A casino security department member; and

ii. A slot shift manager when the amount of the manual slot payout is $25,000 or more.

(c) Following preparation, the Request shall be immediately transported by the preparer or a casino security department member, or the information maintained in stored data shall be available to a slot booth, the master coin bank or the cashiers' cage where it shall serve to authorize the preparation of a Jackpot Payout Slip (Payout) by a slot cashier, master coin bank cashier or general cashier. Notwithstanding the foregoing, if the manual slot payout will be paid from an automated jackpot payout machine and the Request was not electronically submitted, the preparer shall retain the Request, proceed to an automated jackpot payout machine and initiate the preparation of the Payout in accordance with this section.

(d) If the winning patron will not be paid before the slot machine, the progressive meter or the credit meter is reset, the preparer of the Request designated in (a) above shall also prepare a Jackpot Payout Receipt (Receipt). The Receipt shall be, at a minimum, a two-part form, and shall contain the following information:

1. The information required by (b)1 through 3 above;

2. The amount of the manual slot payout to be paid to the winning patron or, if the patron has won an annuity jackpot with a cash payout option offered pursuant to N.J.A.C. 19:45-1.40B, the face amount of the jackpot displayed on the slot machine or progressive meter or provided by the slot system operator pursuant to N.J.A.C. 19:45-1.40C, stated in numbers and in words;

3. The signature of the winning patron on the original form only; and

4. The signature of the preparer indicating that the information on the Receipt is correct and agrees with the information on the Request or as maintained in the stored data required by (b) above.

(e) Upon preparation, the Receipt shall be distributed as follows:

1. The original shall be immediately delivered to the slot cashier, master coin bank cashier or general cashier by the preparer or a casino security department member along with the Request, if the Request was manually generated; and

2. The duplicate shall be immediately presented to the winning patron who shall be required to present the duplicate Receipt before being paid the manual slot payout in accordance with the procedures set forth in this section.

(f) Payouts shall be serially prenumbered forms, each series of which shall be used in sequential order, and the series of numbers of all Payouts received by a casino licensee shall be accounted for by employees independent of the cashiers' cage and the slot department. All original and duplicate void Payouts shall be marked "VOID" and shall require the signature of the preparer. Notwithstanding the above, a serially prenumbered combined jackpot payout hopper fill form may be utilized in conjunction with N.J.A.C. 19:45-1.41(b), as approved by the Commission, provided that the combined form shall be used in a manner which otherwise complies with the procedures and requirements established by this section.

(g) For establishments in which Payouts are manually prepared, the following procedures and requirements shall be observed:

1. Each series of Payouts shall be a three-part form, at a minimum, and shall be inserted in a locked dispenser that will permit an individual slip in the series and its copies to be written upon simultaneously while still locked in the dispenser, and that will discharge the original and duplicate while the triplicate remains in a continuous, unbroken form in the dispenser; and

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 Payouts, placing Payouts 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 Payouts are computer prepared, including all Payouts generated by automated jackpot payout machines, each series of Payouts shall be a two-part form, at a minimum, and shall simultaneously print an original and a duplicate and store, in a machine-readable form, all information printed on the original and duplicate, other than the serial number of any casino check issued to the patron in payment of the manual slot payout for which the Payout was prepared; and discharge the original and duplicate. The stored data shall not be susceptible to change or removal by any personnel after preparation of a Payout. Notwithstanding the foregoing:

1. If it is necessary to override information in the slot monitoring system in order to generate a Payout, the manual slot payout shall be conducted in accordance with the following procedures:

i. If the Request was manually prepared:

(1) A supervisor of the preparer of the Request shall determine whether the information on the Request is accurate;

(2) If the information on the Request is accurate, the supervisor of the preparer shall return the Request to the cashier;

(3) If the information on the Request is inaccurate, the supervisor of the preparer shall prepare a new Request in accordance with (b) above and transport the new Request to the cashier;

(4) The supervisor of the preparer shall sign the Request in the presence of the cashier, thereby attesting to the accuracy of the information on the Request, and shall cause his or her name or identification code to be input into the slot monitoring system to authorize the generation of a Payout by a system override;

(5) The cashier shall input his or her name or identification code into the slot monitoring system and generate a Payout containing the information on the Request by overriding, in a manner approved by the Commission, the information previously recorded in the slot monitoring system, provided that the slot monitoring system shall separately maintain the originally recorded information and the override information; and

(6) The manual slot payout shall thereafter be completed in accordance with the procedures in (*l*)3 through 6 or (m)2 through 9 below; or

ii. If the Request was electronically submitted:

(1) The supervisor of the preparer of the Request shall proceed to the slot machine where the manual slot payout was registered and observe the jackpot display or the amount on credit meter;

(2) The supervisor of the preparer shall cause his or her name or identification code to be input into the slot monitoring system to authorize the generation of a Payout by a system override and, based upon his or her observations, generate a Payout by overriding, in a manner approved by the Commission, the information previously recorded in the slot monitoring system, provided that the slot monitoring system shall separately maintain the originally recorded information and the override information; and

(3) The manual slot payout shall thereafter be completed in accordance with the procedures in (*l*)3 through 6 or (m)2 through 9 below; and

iii. Notwithstanding anything in i and ii above to the contrary, a Payout may be generated by a system override without a supervisor of the preparer of the Request first verifying the accuracy of the information on the Request provided that:

(1) The manual slot payout is a linked progressive jackpot; and

(2) The variance between the amount of the manual slot payout as input from the information on the Request and the amount recorded by the slot monitoring system is less than $25.00.

2. If the Payout cannot be generated pursuant to (h)1 above because the slot monitoring system is temporarily not operational:

i. The Payout shall be manually prepared pursuant to (g) above;

ii. The manual slot payout shall be conducted in accordance with the procedures in (*l*) or (m) below; and

iii. The Payout shall not be generated in the slot monitoring system when it becomes operational again.

(i) On Payout originals, duplicates, triplicates, or in stored data, the preparer shall record, or if computerized, the printer shall print, at a minimum, the following information:

1. The asset number of the slot machine on which the manual slot payout was registered;

2. The jackpot display designating the jackpot or a notation that it was a credit meter payout;

3. The date on which the manual slot payout occurred;

4. The amount indicated on the Request pursuant to (b)4 above that is to be paid from cashiers' cage, master coin bank, slot booth or automated jackpot payout machine funds, provided, however, that this amount may, in the casino licensee's discretion, be rounded up to the nearest denomination of coin or token or to the nearest whole dollar, as long as any funds paid in excess of the actual amount recorded pursuant to (b)4 above are not deducted from gross revenue and are reported and adjusted by the casino licensee once each month, at a minimum, in a manner approved by the Commission;

5. The method of payment (cash, slot tokens, casino check or gaming chips);

6. The location from which the amount is to be paid;

7. If the manual slot payout is conducted in accordance with N.J.A.C. 19:45-1.40F, a notation to that effect together with the name or identification code of the slot attendant or slot attendant supervisor who prepared the Request;

8. If the Payout is generated by a system override in accordance with (h)1 above, a notation to that effect and the name or identification code of the supervisor who authorized the system override; and

9. The signature or, if computer prepared, identification code of the preparer.

(j) The time of preparation of the payment and the serial number of any casino check issued in payment of the manual slot payout shall be recorded, at a minimum, on the original and duplicate upon preparation of the Payout.

(k) All cash or slot tokens paid, any casino check issued, or any gaming chips paid in accordance with (q) below to a patron as a result of a manual slot payout shall be:

1. Distributed by the slot cashier, general cashier or master coin bank cashier directly to the patron in accordance with the procedures in (*l*) below; provided, however, that if a Request is submitted electronically, a manual slot payout shall not be distributed by a cashier directly to a patron unless any additional attestations and signatures required by (b)7 above were obtained at the time the Request was prepared; or

2. Disbursed by a slot cashier, general cashier or master coin bank cashier to:

i. A slot attendant or slot attendant supervisor, who shall transport the cash, slot tokens, gaming chips or casino check directly to the patron for payment in accordance with (m) below; or

ii. A casino security department member, who shall transport the cash, slot tokens, gaming chips or casino check to a slot attendant or slot attendant supervisor for payment to the patron in accordance with (m) below; or

3. Dispensed by an automated jackpot payout machine to the slot attendant or slot attendant supervisor who prepared the Request and Payout for payment to the patron in accordance with (m) below.

(*l*) Whenever a patron is paid a manual slot payout directly by the slot cashier, general cashier or master coin bank cashier, the following procedures shall be followed:

1. The cashier shall prepare or generate a Payout in accordance with (i) and (j) above and then comply with the provisions of either (*l*)2 or 3 below;

2. If the Request was manually prepared and the specified personnel have not signed the Request pursuant to (b)7 above, the cashier shall summon the following personnel:

i. A casino security department member, who shall:

(1) Transport the Request to the slot machine identified on the Request;

(2) Verify that the jackpot display on the slot machine or the amount on the credit meter and the amount to be paid to the patron match the information on the Request;

(3) Sign the Request;

(4) If applicable, obtain the signature of the slot shift manager on the Request pursuant to (*l*)2ii below; and

(5) Immediately return the Request to the cashier; and

ii. If the amount of the manual slot payout is $25,000 or more, a slot shift manager, who shall similarly verify that the jackpot display or the amount on the credit meter and the amount to be paid to the patron

match the information on the Request and sign the Request;

3. If a Receipt was issued and all required verifications of the jackpot display on the slot machine or the amount on the credit meter were placed on the Request in accordance with (b) above, the cashier shall:

i. Summon the following personnel to witness the payment to the patron:

(1) The casino security department member and a slot attendant or slot attendant supervisor if the manual slot payout is less than $25,000; or

(2) The casino security department member, a slot attendant supervisor and the slot shift manager if the manual slot payout is $25,000 or more;

ii. Require the patron to present the duplicate Receipt to the cashier and sign it in his or her presence in order to receive payment; and

iii. Compare the duplicate Receipt to the original Receipt and, if in agreement, determine that all required signatures verifying the jackpot display or the amount on the credit meter and the amount to be paid to the patron have been placed on the Request;

4. The cashier shall then pay the patron in the presence of the following personnel, who shall sign the duplicate Payout attesting to the accuracy of the information on the Payout and the disbursement of the payment to the patron:

i. The casino security department member and the slot attendant or slot attendant supervisor in accordance with this section if the amount being paid is less than $25,000; or

ii. The casino security department member, a slot attendant supervisor and the slot shift manager in accordance with this section if the amount being paid by the cashier is $25,000 or more;

5. Once payment has been made and all required signatures obtained, the cashier shall give the duplicate Payout to the casino security department member, who shall as expeditiously as possible deposit it into a locked accounting box at the casino security podium or other location as approved by the Commission; and

6. The cashier shall attach the Request, if applicable, and the original and duplicate Receipt, if applicable, to the original Payout. If the disbursement is made from a slot booth all forms shall be forwarded by the end of the gaming day to the master coin bank for reimbursement. If the disbursement is made from the cashiers' cage, all forms shall be forwarded by the end of the gaming day to the main bank for reimbursement.

(m) Except for a pouch payout made by a slot attendant in accordance with the procedures set forth in N.J.A.C. 19:45-1.40E, whenever a winning patron will be paid a manual slot payout by a slot attendant or slot attendant supervisor, the following procedures shall be followed:

1. The slot cashier, general cashier or master coin bank cashier shall prepare or generate a Payout in accordance with (i) and (j) above or, if payment will be made with cash dispensed by an automated jackpot payout machine, the slot attendant or slot attendant supervisor shall generate a Payout in accordance with (c), (i) and (j) above;

2. The cashier shall present the original and duplicate Payout, together with the cash, slot tokens, gaming chips or casino check and, if applicable, the original Receipt to:

i. The slot attendant or slot attendant supervisor who shall then:

(1) Verify the amount to be paid to the patron and sign the original and duplicate Payout attesting to the accuracy of the information on the Payout and the receipt of the payment and, if applicable, original Receipt from the cashier;

(2) Return the original Payout to the cashier who shall retain it until forwarded in accordance with (m)8 below;

(3) Transport the duplicate Payout and, if applicable, the original Receipt with the payment to the patron; and

(4) Comply with the provisions of either (m)3 or 4 below; or

ii. A casino security department member, who shall then:

(1) Verify the amount to be paid to the patron and sign the original and duplicate Payout attesting to the accuracy of the information on the Payout and the receipt of the payment and, if applicable, original Receipt from the cashier;

(2) Return the original Payout to the cashier who shall retain it until forwarded in accordance with (m)9 below;

(3) Transport the duplicate Payout and, if applicable, the original Receipt with the payment to the slot attendant or slot attendant supervisor; and

(4) Require the slot attendant or slot attendant supervisor to verify the amount to be paid to the patron and sign the duplicate Payout attesting to the accuracy of the information on the Payout and the receipt of the payment and, if applicable, original Receipt from the casino security department member;

3. If the Request has not been signed by the personnel specified in (b)7 above, the slot attendant or slot attendant supervisor shall summon the following personnel to the slot machine:

i. A casino security department member who shall verify that the jackpot display on the slot machine or the amount on the credit meter and the amount to be paid match those which appear on the duplicate Payout; and

ii. If the manual slot payout is $25,000 or more, a slot shift manager who shall similarly verify that the jackpot display on the slot machine or the amount on the credit meter and the amount to be paid match those which appear on the duplicate Payout;

4. If a Receipt was issued and all required verifications of the jackpot display or the amount on the credit meter were completed in accordance with (b) above, the slot attendant or slot attendant supervisor shall:

i. Summon the following personnel to witness the payment to the patron:

(1) The casino security department member who signed the Request if the manual slot payout is less than $25,000; or

(2) The casino security department member and the slot shift manager who signed the Request if the manual slot payout is $25,000 or more;

ii. Require the patron to present the duplicate Receipt and sign it in his or her presence in order to receive the payment; and

iii. Compare the duplicate Receipt to the original Receipt;

5. If the manual slot payout is being dispensed to a slot attendant or slot attendant supervisor by an automated jackpot payout machine, that person shall cause his or her name or identification number and password to be input into the slot monitoring system, together with the asset number of the slot machine, the amount of the manual slot payout and the jackpot display or an indication that it is a credit meter payout; and

i. If the asset number of the slot machine and the amount of the manual slot payout entered agree, within two attempts, with the information recorded in the slot monitoring system, the automated jackpot payout machine shall indicate that the information agrees, and the slot attendant or slot attendant supervisor shall:

(1) Instruct the automated jackpot payout machine to dispense the amount of the manual slot payout;

(2) Generate the two-part Payout from the automated jackpot payout machine printer;

(3) Verify the amount of cash dispensed by the machine and the data on the Payout;

(4) Sign the original and duplicate Payout attesting to the accuracy of the information on the Payout and the receipt of the cash from the automated jackpot payout machine or any shortage or overage;

(5) Drop the original Payout with the Request attached thereto into a locked accounting box at the automated jackpot payout machine;

(6) Transport the manual slot payout and the duplicate Payout to the patron; and

(7) The manual slot payout shall thereafter be completed in accordance with the procedures in (m)6 through 9 below; provided, however, if the casino licensee satisfies the requirements of N.J.A.C. 19:45-1.40F and the amount of the manual slot payout is less than $10,000, a casino security department member shall not be required to participate in the transaction.

ii. If the asset number of the slot machine or the amount of the manual slot payout do not agree, within two attempts, with the information recorded in the casino licensee's slot monitoring system, the manual slot payout shall not be paid from the automated jackpot payout machine, but shall be paid in accordance with the override procedures in N.J.A.C. 19:45-1.40(h)1.

6. Once the verifications required by (m)3, 4 or 5 above have been completed, the slot attendant or slot attendant supervisor shall pay the winning patron in the presence of the following personnel, who shall sign the duplicate Payout attesting to the verification of the jackpot display on the slot machine or the amount on the credit meter, the accuracy of the information on the Payout and the disbursement of the payment to the patron:

i. The casino security department member who verified the jackpot display and the amount to be paid or the amount on the credit meter if the payment is less than $25,000; or

ii. The casino security department member and the slot shift manager who verified the jackpot display and the amount to be paid or the amount on the credit meter if the payment is $25,000 or more;

7. Once the patron has been paid and all necessary signatures have been obtained on the duplicate Payout in accordance with (m)6 above, a casino security department member shall as expeditiously as possible deposit the duplicate Payout into a locked accounting box at the security podium or other location as approved by the Commission;

8. The slot attendant or slot attendant supervisor shall immediately return the original and duplicate Receipt, if applicable, to the slot booth, cashiers' cage or master coin bank; and

9. The cashier shall attach the Request, if applicable, and the original and duplicate Receipt, if applicable, to the original Payout. If the disbursement is made from a slot booth all forms shall be forwarded by the end of the gaming day to the master coin bank for reimbursement. If the

disbursement is made from the cashiers' cage, all forms shall be forwarded by the end of the gaming day to the main bank for reimbursement.

(n) Nothing in this section or N.J.A.C. 19:45-1.40F shall preclude a casino licensee, in its discretion, from rounding, either manually or automatically, the amount of a manual slot payout recorded on a Request or recorded by a slot monitoring system, up to the nearest denomination of coin or token or the nearest whole dollar, as long as any funds paid in excess of the actual amount recorded on the Request, pursuant to (b)4 above, are not deducted from gross revenue and are reported and adjusted by the casino licensee once each month, at a minimum, in a manner approved by the Commission.

(*o*) At the end of each gaming day, at a minimum, all forms required by this section shall be forwarded as follows:

1. The original Payout with the attached Request, if applicable, and the original and duplicate Receipt, if applicable, shall be forwarded to the accounting department, which, as soon as reasonably practicable after receipt, shall confirm that the information required to appear thereon pursuant to (b), (d) and (i) above agrees with the information required to appear on the triplicate Payout or in stored data pursuant to (i) above; and

2. The duplicate Payout shall be collected from the locked accounting boxes located at the security podium or other approved location by an accounting department employee and returned to the accounting department, which, as soon as reasonably practicable after receipt, shall record the information therefrom on the Slot Win Sheet and shall confirm that the information required to appear on the duplicate Payout pursuant to (i) above agrees with:

i. The information recorded pursuant to N.J.A.C. 19:45-1.42(*o*); and

ii. The information required to appear on the triplicate Payout or in stored data pursuant to (i) above.

(p) At the end of each gaming day, at a minimum, all forms generated by the gaming voucher system in accordance with a casino licensee's approved internal controls that support a jackpot payout shall be forwarded to the casino accounting department, which, as reasonably practicable after receipt, shall confirm that the information contained thereon agrees with the information required to appear on the Payout or in stored data in accordance with (i)1, 3 and 4 above.

(q) All gaming chips paid to a patron as a result of winning a jackpot shall be:

1. Distributed or disbursed by a general cashier or slot cashier in accordance with the applicable procedures in (k) above, provided that the cashier shall only use gaming chips that were obtained from patrons in previous exchanges authorized by the rules of the Commission; or

2. Distributed or disbursed by a master coin bank cashier in accordance with the applicable procedures in (k) above, provided that the master coin bank cashier shall only use gaming chips that were received from slot cashiers in previous exchanges authorized by the rules of the Commission.

(r) No casino licensee shall offer a jackpot of prize tokens unless that jackpot is totally and automatically paid directly from the slot machine.

(s) Notwithstanding any other provision in this section to the contrary, a casino licensee may pay a jackpot of less than $10,000 that is not automatically and totally paid directly by the slot machine by causing the exact amount of the jackpot to be registered on the credit meter of the slot machine, provided that:

1. The slot machine is equipped with a jackpot-to-credit-meter switch as set forth in N.J.A.C. 19:45-1.37(h) and 19:46-1.26(e);

2. A slot attendant or slot attendant supervisor causes the exact amount of the jackpot to be registered on the credit meter of the slot machine by activating the jackpot-to-credit-meter switch on the slot machine with a key prior to resetting the slot machine or progressive meter; and

3. The casino licensee has a slot monitoring system that has been approved by the Commission following testing by the Division as having the capability of:

i. Precluding the jackpot-to-credit-meter switch from being activated with respect to a specific jackpot if a Jackpot Payout Slip has already been generated with respect to the jackpot;

ii. Precluding a Jackpot Payout Slip from being generated with respect to a specific jackpot if the jackpot has already been registered on the credit meter by activating the jackpot-to-credit-meter switch; and

iii. Differentiating in the system jackpots that are paid by a cashier, slot attendant or slot attendant supervisor pursuant to (*l*) or (m) above from jackpots that are paid by activating a jackpot-to-credit-meter switch.

Amended by R.1980 d.437, effective November 16, 1981.
See: 13 N.J.R. 534(b), 13 N.J.R. 848(b).
(e)3: deleted "time of the jackpot" and substituted "shift during which the jackpot occurred" therefor.
(f) added.
Renumbered (f)-(i) as (g)-(j) without change in text.
Amended by R.1986 d.398, effective October 6, 1986.
See: 18 N.J.R. 1360(a), 18 N.J.R. 2059(b).
Manual jackpot changed to $1,200 from $600.00.
Amended by R.1987 d.302, effective July 20, 1987.
See: 18 N.J.R. 2005(a), 19 N.J.R. 1321(a).
Added text "of cash or tokens to be exchanged for cash".
Amended by R.1989 d.34, effective January 17, 1989.
See: 20 N.J.R. 2050(b), 21 N.J.R. 175(b).
Added text to (b) "Notwithstanding the above ...".
Amended by R.1991 d.230, effective May 6, 1991.
See: 22 N.J.R. 3325(a), 23 N.J.R. 1461(a).
In (e)1: added "asset" to define 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 (j): stylistic revisions.
Amended by R.1992 d.258, effective June 15, 1992.
See: 24 N.J.R. 932(a), 24 N.J.R. 2296(b).
In (a), added text regarding general cashier or master coin bank cashier. Throughout text, replaced "payout" with "jackpot payout slips."
Added new (e)5, recodifying 5.-6. as 6.-7. In new (e)6, deleted reference to slot booth number and added "location."
In (g): added "casino check issued" and references to general cashier and master coin bank cashier.
In (h)1i. and 2i and (i): added reference to general cashier and master coin bank cashier.
In (j)1: added procedures for jackpot slip if prepared by the master coin bank. Added new (j)2, recodifying (j)2 as 3.
Notice of Receipt of Petition for Rulemaking: to amend Jackpot Payouts of Cash rule to increase dollar threshold of the jackpot payout limits and to increase the authority of slot personnel to attest to and pay jackpots.
See: 24 N.J.R. 2084(c).
Amended by R.1993 d.292, effective June 21, 1993.
See: 25 N.J.R. 917(a), 25 N.J.R. 2702(b).
Amended by R.1993 d.491, effective October 4, 1993.
See: 25 N.J.R. 2227(b), 25 N.J.R. 4615(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.2000 d.336, effective August 21, 2000.
See: 31 N.J.R. 2527(a), 32 N.J.R. 3077(a).
In (d), rewrote 4.
Amended by R.2001 d.403, effective November 5, 2001.
See: 33 N.J.R. 2635(a), 33 N.J.R. 3763(a).
Inserted references to jackpot payouts not paid directly by the slot machines in (b)4, (b)7i, (b)7ii and (d)4; rewrote (i)4.
Amended by R.2002 d.131, effective May 6, 2002.
See: 33 N.J.R. 3882(a), 34 N.J.R. 1737(a).
In (b)5, inserted "or, if available, gaming chips"; in (i), inserted a new 5 and recodified former 5 and 6 as 6 and 7; in (k), inserted ", or any gaming chips paid in accordance with (q) below" in the introductory paragraph, and inserted references to gaming chips in 2i and 2i; in (m)2, inserted a reference to gaming chips; and added (q).
Amended by R.2002 d.132, effective May 6, 2002.
See: 34 N.J.R. 17(a), 34 N.J.R. 1735(a).
In (a), inserted 1 and 2; in (m), substituted "Except for a pouch payout made by a slot attendant in accordance with the procedures set forth in N.J.A.C. 10:45-1.40E, whenever" for "Whenever" at the beginning of the paragraph.
Amended by R.2002 d.4, effective January 6, 2003.
See: 34 N.J.R. 2012(a), 35 N.J.R. 259(a).
Rewrote (a) and (p); added (r).
Petition for Rulemaking.
See: 35 N.J.R. 1457(a), 1964(b).
Petition for Rulemaking.
See: 35 N.J.R. 3419(a).
Amended by R.2005 d.12, effective January 3, 2005.
See: 36 N.J.R. 4105(a), 37 N.J.R. 100(a).
Amended by R.2007 d.116, effective April 16, 2007.
See: 38 N.J.R. 3289(a), 39 N.J.R. 1519(a).
Rewrote (*o*)2i.
Amended by R.2007 d.117, effective April 16, 2007.
See: 38 N.J.R. 4669(a), 39 N.J.R. 1505(a).
Section was "Jackpot payouts that are not paid directly from the slot machine". Rewrote the section.
Amended by R.2007 d.222, effective July 16, 2007.
See: 39 N.J.R. 359(b), 39 N.J.R. 2655(a).
Added (s).

Law Review and Journal Commentaries

Casinos. Steven P. Bann, 133 N.J.L.J. No. 14, 54 (1993).

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

(a) This section shall apply to all jackpot payouts of merchandise or other things of value, including all annuity jackpots offered pursuant to N.J.A.C. 19:45-1.40B, except where such annuity jackpots are specifically exempted herein. If, pursuant to (m) below, a slot machine jackpot offers a winning patron both a cash payout and a payout of merchandise or other thing of value or the option to choose between a cash payout and a payout of merchandise or other thing of value, any cash payout shall be made in accordance with the provisions of N.J.A.C. 19:45-1.40 and any payout of merchandise or other thing of value shall be made in accordance with this section; provided, however, that an annuity jackpot with a cash payout option shall also be subject to the requirements of N.J.A.C. 19:45-1.40B.

(b) Whenever a casino licensee offers any merchandise or thing of value as part of a slot machine payout, such merchandise or thing of value shall not be included in the total of all sums paid out as winnings to patrons for purposes of determining gross revenue or be included in determining the payout percentage of any slot machine. The cash equivalent value of such merchandise or thing of value shall be determined in accordance with the following requirements:

1. Any merchandise or thing of value of a type sold directly to the public in the normal course of a casino licensee's business shall be recorded at an amount based upon the full retail price normally charged for such item;

2. Any merchandise or thing of value which is of a type not offered for sale to the public in the normal course of a casino licensee's business but which is provided directly to the patron by the casino licensee shall be recorded at an amount based upon the actual cost to the casino licensee of providing such item;

3. Any merchandise or thing of value provided directly or indirectly to the patron on behalf of a casino licensee by a third party not affiliated with the casino licensee shall be recorded at an amount based upon the actual cost to the casino licensee of having the third party provide such item;

4. Any merchandise or thing of value provided directly or indirectly to the patron on behalf of a casino licensee by a third party who is affiliated with the casino licensee shall be recorded by the casino licensee in accordance with the provisions of this section as if the affiliated party were the licensee.

(c) The casino licensee shall retain and make available to the Commission and Division upon request supporting documentation relating to the acquisition and valuation of any merchandise or thing of value to be offered as a payout and shall accumulate the total cash equivalent value and number of such payouts. The supporting documentation shall include a detailed description of the merchandise or thing of value and shall specifically identify which slot machines offer which merchandise or things of value as payouts. If the payout is in the form of an annuity jackpot, the documentation shall include all annuity contracts or treasury instruments purchased pursuant to N.J.A.C. 19:45-1.40B.

(d) Whenever a patron wins a jackpot which includes any merchandise or thing of value, an accounting representative, with no incompatible functions, shall prepare a Payout Slip ("Slip"). Such Slips shall be serially prenumbered forms, each series of Slips shall be used in sequential order, and the series of numbers of all Slips received by a casino shall be accounted for by employees independent of the cashiers' cage and the slot department. All original and duplicate void Slips shall be marked "Void" and shall require the signature of the preparer.

(e) For establishments in which Slips are manually prepared, the following procedures and requirements shall be observed:

1. Each series of Slips shall be a three-part form, at a minimum, and shall be inserted in a locked dispenser that will permit an individual Slip in the series and its copies to be written upon simultaneously while still locked in the dispenser, and that will discharge the original Slip and a duplicate copy while the triplicate copy remains in a continuous, unbroken form in the dispenser; and

2. Access to the triplicate copy shall be maintained and controlled at all times by employees responsible for controlling and accounting for the unused supply of Slips, placing Slips in the dispensers, and removing from the dispensers each day the triplicate copy remaining therein. These employees shall have no incompatible functions.

(f) For establishments in which Slips are computer prepared, each series of Slips shall be a two-part form, at a minimum, and shall be inserted in a printer that will: simultaneously print an original Slip and duplicate copy; store, in machine readable form, all information printed on those copies; and discharge the original Slip and duplicate copy. The stored data shall not be susceptible to change or removal by any personnel after preparation of a Slip.

(g) On the original and all copies of the Slip, or in stored data, the preparer shall record, at a minimum, the following information:

1. The asset number of the slot machine on which the jackpot was registered;

2. The winning jackpot display;

3. The date, shift and time when the jackpot occurred;

4. A description of the merchandise or thing of value won and, unless the jackpot is an annuity jackpot, its cash equivalent value;

5. If the jackpot gives the patron the option to choose between a cash payout and a payout of merchandise or other thing of value pursuant to (m) below, the jackpot selected by the patron and the signature of the patron attesting to his or her selection; provided, however, that for annuity jackpots with a cash payout option, "annuity/cash option" shall be recorded and the additional procedures set forth in N.J.A.C. 19:45-1.40B shall be followed;

6. The time of the Slip's preparation; and

7. The signature or, if computer prepared, identification code of the preparer.

(h) Signatures attesting to the accuracy of the information contained on the Slip shall be, at a minimum, of the following personnel at the following times:

1. The original:

i. An accounting representative with no incompatible functions upon preparation; and

ii. A slot supervisor after observing the jackpot display on the slot machine; and

2. The duplicate:

i. An accounting representative with no incompatible functions upon preparation;

ii. A slot supervisor after observing the jackpot display on the slot machine; and

iii. A security department member after observing the jackpot display on the slot machine.

(i) Upon meeting the signature requirements as described in (h) above, the security department shall maintain and control the duplicate copy of the Slip, and the accounting department shall maintain and control the original Slip.

(j) At the end of each gaming day, at a minimum, the original Slip and duplicate copy of the Slip shall be forwarded as follows:

1. The original Slip shall be forwarded to the accounting department for agreement with the triplicate copy or stored data; and

2. The duplicate Slip shall be forwarded to the accounting department for agreement with the triplicate copy or stored data.

(k) Except as otherwise provided in (m) below, any merchandise or thing of value to which a patron is entitled as a result of a slot machine payout shall be given to the patron. Documentation supporting the receipt by the patron of such

merchandise or thing of value shall be prepared by a representative of the casino licensee and shall be agreed to the triplicate copy of the Slip or stored data by a representative of the accounting department.

(*l*) Except as otherwise provided in N.J.A.C. 19:45-1.39(n) with regard to progressive annuity jackpots, a casino licensee may, at any time, establish a time limit of not less than 30 days for the offering of a jackpot of merchandise or other thing of value by providing notice of the time limit in accordance with N.J.A.C. 19:45-1.37(a)4.

(m) A casino licensee may, in its discretion, offer a slot machine jackpot that includes both a cash payout and a payout of merchandise or other thing of value (a "combination jackpot") or the option to choose between a cash payout and a payout of merchandise or other thing of value, including an annuity jackpot with a cash payout option (an "alternative jackpot"). If an alternative jackpot is offered, the cash payout may but need not be equal to the cash equivalent value of the alternative payout of merchandise or other thing of value; provided, however, that the value of an annuity jackpot with a cash payout option shall be governed by the provisions of N.J.A.C. 19:45-1.40B.

1. Any merchandise or other thing of value offered as part of a combination or alternative jackpot shall not be included in determining the minimum 83 percent payout of any slot machine pursuant to N.J.A.C. 19:45-1.37(h) and shall not be included, when won by a patron, in the total of all sums paid out as winnings for purposes of determining gross revenue.

2. Any cash offered as part of a combination or alternative jackpot shall be included in determining the minimum 83 percent payout of any slot machine pursuant to N.J.A.C. 19:45-1.37(h). Notwithstanding the foregoing, if the jackpot to be offered is an annuity jackpot with a cash payout option, the jackpot shall be treated like an annuity jackpot when determining whether the slot machine satisfies the minimum 83 percent payout requirement; in other words, only an amount which is equal to the initial or reset amount of the jackpot divided by the number of years over which the jackpot will be paid shall be included in the calculation of the theoretical payout percentage of the slot machine.

3. Any cash offered as part of a combination or alternative jackpot, including an annuity jackpot with a cash payout option as set forth in N.J.A.C. 19:45-1.40B, shall be included, when won and paid to a patron, in the total of all sums paid out as winnings for purposes of determining gross revenue; in other words, if the winning patron selects the cash payout option, the present value thereof shall be deductible from gross revenue when actually paid to the patron.

4. If a progressive jackpot is offered as part of a combination jackpot, all elements of the combination jackpot shall continue to be offered until the jackpot is won by a patron or transferred to another progressive slot machine or slot system pursuant to N.J.A.C. 19:45-1.39(n).

5. If a progressive jackpot is offered as part of an alternative jackpot, all elements of the alternative jackpot shall continue to be offered until the amount of the progressive jackpot is equal to or greater than the cash equivalent value of the merchandise or other thing of value offered as an alternative jackpot, at which time the merchandise or other thing of value offered as an alternative jackpot may be discontinued in accordance with the provisions of (*l*) above. The progressive jackpot shall then remain available to be won by a patron unless it is transferred to another progressive slot machine or slot system pursuant to N.J.A.C. 19:45-1.39(n).

(n) Any advertising involving slot machine payouts of any merchandise or thing of value by the casino licensee shall include an accurate description of the merchandise or thing of value, the dates the merchandise or thing of value will be offered if the casino licensee establishes a time limit (a time limit shall not be permitted for a progressive annuity jackpot) for offering the merchandise or thing of value pursuant to (*l*) above, and, except for annuity jackpots, the cash equivalent value of the merchandise or thing of value. Any advertising concerning annuity jackpots shall also provide clear notice of the following:

1. That the jackpot will be paid over time and not in one lump sum, unless the annuity jackpot includes a cash payout option, in which event the option shall be described; and

2. The number of payments and the time interval between payments.

(*o*) Until the expiration of any time limit established in accordance with (*l*) above or, if no such time limit is established by the casino licensee, until the merchandise or thing of value offered as a slot machine payout is won by a patron, a casino licensee shall not decrease the probability of winning the merchandise or thing of value, increase the denomination of the machine, nor in any other way vary the terms upon which the merchandise or thing of value is offered to the public.

(p) Slot machines which are linked to offer the same merchandise jackpot shall have the same probability of winning that jackpot, provided, however, that the probability 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.

(q) Except as otherwise authorized by this section, a slot machine which offers merchandise or some other thing of value as a payout which is removed from the gaming floor shall be returned to or replaced on the gaming floor within five days. If the machine is not returned or replaced, the merchandise or thing of value shall, within five days of the slot machine's removal, be offered as a payout on a slot machine or slot system approved by the Commission which offers the same or a greater probability of winning the merchandise or thing of value, and accepts a denomination of coin or slot token the same or less than the denomination accepted by the slot machine which was removed. Any time limit for offering a jackpot of merchandise or other thing of value shall be extended by the number of days during which the merchandise or thing of value was not offered as the result of any action taken by a casino licensee pursuant to this subsection.

New Rule, R.1987 d.302, effective July 20, 1987.
See: 18 N.J.R. 2005(a), 19 N.J.R. 1321(a).
Experimental 90-day implementation of amendment, 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).
Amended by R.1990 d.238, effective May 7, 1990.
See: 22 N.J.R. 624(a), 22 N.J.R. 1381(a).
Revised rule to be consistent with new rules in chapter regarding annuity jackpots.
Clarified new procedural and recordkeeping requirements, including stylistic changes.
Added new (a) and relettered old (a) as (b).
In (c): added text "If the payout ... N.J.A.C. 19:45-1.40B".

In (d): added language specifying employee accountability for series of numbers of all slips.
In (g)4: added "unless the jackpot is an annuity jackpot ..." to text.
Deleted (*l*) regarding slot machine payouts of tokens redeemable for any merchandise, and reserved subsection.
In (m): added "Except when the payout is an annuity jackpot ..." to text.
In (n): added annuity jackpot exception and language describing annuity jackpot advertising in new (n)1 and 2.
Notice of Receipt of Petition for Rulemaking in (n) and (*o*).
See: 23 N.J.R. 624(a).
Amended by R.1991 d.230, effective May 6, 1991.
See: 22 N.J.R. 3325(a), 23 N.J.R. 1461(a).
In (g)1: 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 a time limit of not less than 30 days for the offering of merchandise or other thing of value.
Amended by R.1992 d.110, effective March 2, 1992.
See: 23 N.J.R. 3243(a), 24 N.J.R. 858(c).
In (j): stylistic revisions.
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.574, effective November 6, 1995.
See: 27 N.J.R. 3147(a), 27 N.J.R. 4448(a).
Amended by R.1997 d.424, effective October 6, 1997.
See: 29 N.J.R. 3440(a), 29 N.J.R. 4305(a).
In (c), deleted provision for a quarterly report.
Amended by R.1999 d.225, effective July 19, 1999 (operative January 15, 2000).
See: 30 N.J.R. 3175(a), 31 N.J.R. 1947(a).
In (m), changed N.J.A.C. reference in the second sentence.
Amended by R.2000 d.336, effective August 21, 2000.
See: 31 N.J.R. 2527(a), 32 N.J.R. 3077(a).
Rewrote (a); in (c), inserted reference to treasury instruments in last sentence; in (g), rewrote 5; rewrote (k) through (m); and in (n)1, inserted reference to annuity jackpot with cash payout option.
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).
In (*l*), substituted "progressive" for "certain"; in (m), added 4 and 5; in (n), inserted "(a time limit shall not be permitted for a progressive annuity jackpot)" following "establishes a time limit"; in (q), rewrote the second sentence.
Amended by R.2005 d.12, effective January 3, 2005.
See: 36 N.J.R. 4105(a), 37 N.J.R. 100(a).

19:45-1.40B Jackpot payouts in the form of an annuity

(a) For purposes of this section, the phrase "annuity jackpot" refers to any slot machine jackpot offered by a casino licensee or multi-casino progressive slot system pursuant to which a patron wins the right to receive cash payments at specified intervals in the future. No annuity jackpot shall be permitted unless it provides for the payment of fixed amounts at fixed intervals. In addition, no annuity jackpot shall be permitted unless it expressly prohibits the winner from encumbering, assigning or otherwise transferring in any way his or her right to receive the future cash payments, except as permitted by (k)2i below or by N.J.S.A. 5:12-100.1. A casino licensee or slot system operator may, with the prior approval of the Commission, terminate all future payments to a winner who attempts to encumber, assign or otherwise transfer the right to receive future payments in violation of this prohibition.

1. Notwithstanding the foregoing or any other provision of this chapter to the contrary, a casino licensee or slot system operator that offers an annuity jackpot that is payable over a period of at least 10 years may offer a winning patron the option to be paid a single cash payment, in lieu of the annuity jackpot, in an amount that is equal to the present value of the face amount of the jackpot (a "cash payout option").

i. The present value of a cash payout option shall be determined by applying a discount rate to each of the future annuity jackpot payments, taking into consideration the number of years until each jackpot payment would otherwise have been received, and adding thereto the amount of the first cash payment that would otherwise have been received.

ii. The discount rate shall equal the United States Treasury constant maturity rate for 20-year United States government securities for the week ending prior to the date of the jackpot, as identified in the applicable H.15 Statistical Release issued by the Federal Reserve Board, plus one-half of one percent.

2. When a patron wins an annuity jackpot which includes a cash payout option, the casino licensee or slot system operator shall:

i. Complete the appropriate documentation required by N.J.A.C. 19:45-1.40, 1.40A and 1.40C, as applicable;

ii. Within three business days, either personally deliver or mail to the winner (by certified mail, return receipt requested) the original of a Jackpot Declaration, a two-part form, at a minimum, on which the winning patron shall indicate his or her decision to receive either the annuity jackpot or the cash payout option, which form shall include, without limitation, the following information:

(1) The face amount of the annuity jackpot, the number of years over which the annuity would be paid and the amount of the initial cash payment and each annual annuity payment;

(2) A summary of the restrictions on alienation of annuity jackpots as set forth in (a) above;

(3) The present cash value of the face amount of the jackpot, the method used to calculate the present cash value, and the discount rate used to calculate that value;

(4) A statement that the winning patron is under no obligation to accept the cash payout option in lieu of the annuity jackpot;

(5) A statement that the winning patron shall have until 5:00 P.M. of the 21st day following the date of the winning jackpot, expressed as a date certain, within which to select or decline the cash payout option and to inform the casino licensee or slot system operator of his or her decision by returning the

original signed Jackpot Declaration in a manner specified on the form;

(6) A statement that once a method of payment has been selected through the return of the Jackpot Declaration, the method of payment cannot be changed; and

(7) A statement that if the patron fails to return the completed Jackpot Declaration by the time set forth therein, the patron shall receive the annuity jackpot rather than the cash payout option; and

iii. Forward the duplicate Jackpot Declaration to the casino accounting department or such other location designated by approved internal controls where it shall be retained with the Jackpot Payout Slip and, if applicable, the original Jackpot Payout Receipt until the patron returns the original Jackpot Declaration or the time period for selecting the cash payout option expires.

3. Upon receipt of a completed Jackpot Declaration from a winning patron or the expiration of the time period for selecting the cash payout option, a casino licensee or slot system operator shall complete the awarding of the jackpot as follows:

i. If a winning patron selects the cash payout option, the casino licensee or slot system operator shall, within five business days of its receipt of the Jackpot Declaration, issue a check or authorize an electronic payment to the winning patron in an amount equal to the present value of the annuity jackpot at the time the jackpot was won; or

ii. If a winning patron either declines the cash payout option or fails to return the Jackpot Declaration in a timely manner, the casino licensee or slot system operator shall, within five business days of the triggering event, issue a check or authorize an electronic payment to the winning patron in an amount equal to the first installment of the annuity jackpot. The casino licensee or slot system operator shall then establish and fund the trust required by (b) below to pay the remainder of the annuity jackpot in accordance with the provisions of this section.

(b) Any casino licensee or slot system operator planning to offer an annuity jackpot shall establish a trust fund which shall be used to make the future cash payments. The trust fund shall be administered in accordance with a written trust agreement which shall be reviewed and approved by the Commission prior to the offering of the jackpot. The trust agreement shall, at a minimum, require that:

1. Any trustee for the trust fund be a casino licensee or slot system operator who signed the slot system agreement for the slot system offering the annuity jackpot;

2. The monies in the trust fund be used to purchase annuity contracts or United States treasury bonds, treasury notes, or treasury bills in accordance with (c) or (d) below to assure that the trust will have sufficient monies available in each year to make all annuity jackpot payments which are required under the terms of the annuity jackpots which are won;

3. A reserve be established and maintained within the trust fund which is sufficient to purchase the annuity contracts, treasury bonds, treasury notes or treasury bills required under (b)2 above as annuity jackpots are won;

4. The trust continue to be maintained until all payments owed to winners of the annuity jackpots have been made; and

5. The trustees obtain and file with the Commission and Division within 30 days of receipt an annual audit by an independent certified public accountant licensed to participate in the State of New Jersey attesting to:

i. The financial position of the trust fund, including whether the trust has sufficient assets as required by (b)2 above to pay all of its oblitgations to annuity jackpot winners when due; and

ii. Disclosing whether the records and control procedures examined are maintained in accordance with the Act, the Commission's regulations, and generally accepted accounting principles.

(c) If the trustee or trustees purchase annuity contracts in satisfaction of (b)2 above, a separate annuity contract shall be purchased for each annuity jackpot won. The annuity contract shall name the trust fund as beneficiary, shall provide for annuity payments which are equal to or greater than the payments required under the annuity jackpot, and shall provide for each annuity contract payment to be made to the trust fund prior to the date the payment is required to be made under the annuity jackpot. The annuity contract shall be purchased within 180 days after the annuity jackpot is won, unless it is purchased pursuant to (d) below, and a copy of the contract shall be provided to the Commission and Division within 30 days of its purchase. The annuity contract shall be issued by an insurance company which:

1. Has fidelity and fiduciary insurance or bonding coverage for 100 percent of the value of the annuity contract;

2. Has a combined capital and surplus of at least 100 million dollars, assets of at least one billion dollars, and an A.M. Best Company rating of A plus (superior); and

3. Is authorized to issue annuities in New Jersey by the State's Commissioner of Insurance and is either licensed to sell annuities in this State, or represented by an entity so licensed.

(d) If the trustee or trustees purchase United States treasury bonds, treasury notes or treasury bills in satisfaction of (b)2 above, a separate treasury bond, note or bill shall be

purchased for each payment which is required to be made under the terms of the annuity jackpot.

1. Except as provided in this subsection, each treasury bond, note or bill shall have a surrender value at maturity, excluding any interest which is paid before the maturity date, which is equal to or greater than the value of the corresponding annuity jackpot payment, and shall have a maturity date which is prior to the date the annuity jackpot payment is required to be made. For purposes of administrative convenience, the trustee or trustees may fund up to $1,000 of each annual annuity jackpot payment with cash.

2. Within 180 days after the annuity jackpot is won, all required treasury bonds, notes or bills shall be purchased and placed in the trust fund established by the agreement required pursuant to (b) above, together with any cash authorized by (d)1 above and necessary to fully fund all of the annual annuity jackpot payments. A copy of the bonds, notes, bills and a record of all cash deposits shall be maintained for inspection by the Commission and the Division upon request.

3. No treasury bond, note or bill purchased pursuant to this section shall be sold prior to its maturity date unless the proceeds are used to purchase another treasury bond, note or bill or an annuity contract in compliance with the requirements of this section to assure that the remaining deferred payments are made as promised, which purchase must be completed within 30 days of the sale of the bonds, notes or bills.

(e) Any casino licensee offering an annuity jackpot individually and any slot system operator who is obligated to make annuity jackpot payments pursuant to the slot system agreement for a slot system which offers an annuity jackpot shall be strictly and immediately liable for any payment which is owed to a bona fide winner of such a jackpot, as ascertained by the rules of the Commission, in the event that the payment is not made by the trust when due. The obligation to pay a progressive jackpot or establish an annuity jackpot guarantee shall be the sole responsibility of the casino licensee or slot system operator designated in the slot system agreement, and no other party shall be jointly or severally liable for the payment or funding of such jackpots or guarantees unless such liability is specifically established in the slot system agreement.

(f) All monies received by the trust under the annuity contracts and all monies received upon the sale or surrender of the treasury bonds, notes or bills shall be deposited in the bank account of the trust or, with the approval of the Commission, in an account with a non-bank broker dealer which is registered with the Securities and Exchange Commission and is a member of the Securities Investor Protection Corporation, and immediately recorded on an Annuity Deposit Log. The Annuity Deposit Log shall contain, at a minimum, the following:

1. The date the payment is received;

2. The amount of the payment;

3. The source of the payment, including, if applicable, the name of the insurance company issuing the payment;

4. The method of payment (cash, check, electronic payment or other payment method approved by the Commission); and

5. The signature of the person making the entry.

(g) Upon the deposit of the payments received in accordance with (f) above, the trust may invest such proceeds in United States Treasury notes, bonds or bills or in shares of mutual funds which invest only in such Treasury securities. The term of any such investment shall not exceed 90 days and shall not interfere with the ability of the trust to make any annuity jackpot payout when due. If an investment authorized by this subsection is made by the trust, the Annuity Deposit Log shall contain, at a minimum, the following information for each investment:

1. The date of purchase or sale;

2. The purchase or sale price;

3. A description of the investment; and

4. The signature of the person making the entry.

(h) The trust shall make all payments owed to a patron as the result of that patron winning an annuity jackpot by check made payable to the winning patron or by an electronic payment to an account provided by the patron and verified by the trust. Such payments shall be recorded on an Annuity Payment Log which shall contain, at a minimum, the following:

1. The patron's name and address;

2. The check number and the date the check was mailed or presented to the patron or, if applicable, the type and details of the electronic payment;

3. The amount of the check or electronic payment;

4. The date the payment was due;

5. The names of the persons signing the check or authorizing the electronic payment; and

6. The signature of the person making the entry.

(i) The trust shall also maintain an Annuity Jackpot Summary Log for each patron who wins an annuity jackpot to summarize the payments owed and made to the winning patron. The Annuity Jackpot Summary Log shall be prepared when a patron wins an annuity jackpot.

1. At the time of preparation, the Log shall contain, at a minimum, the following information:

i. The patron's name and address;

ii. The date the annuity jackpot was won;

iii. The total amount of the annuity jackpot;

iv. The amount of each annuity payment;

v. The date each annuity payment is due; and

vi. The signature of the preparer.

2. As annuity payments are made to the patron, the following information, at a minimum, shall be entered in the Log:

i. The date of the payment;

ii. The amount of the check or electronic payment;

iii. The check number or, if applicable, an identifiable reference to the electronic payment; and

iv. The signature of the person making such an entry.

(j) Any casino licensee or slot system which offers an annuity jackpot shall comply with the display and sign requirements established in N.J.A.C. 19:45-1.37(a)4 and 19:46-1.26(a)5, except that the display or sign need not include the cash equivalent value. In addition, each such display or sign shall provide clear notice of the following:

1. That the displayed jackpot will be paid over time and not in one lump sum;

2. The number of payments and the time interval between payments; and

3. That the right to receive the jackpot payments may not be encumbered, assigned, or otherwise transferred in any way except as permitted by N.J.S.A. 5:12-100.1 and the rules of the Commission, and that any attempt to make a prohibited transfer may result in the winner forfeiting the right to receive future payments.

(k) Any casino licensee or slot system planning to offer an annuity jackpot shall first be required to establish to the satisfaction of the Commission either that:

1. A winning patron will not be liable for income tax on the deferred portion of the annuity jackpot in the tax year in which the jackpot is won; or

2. Reasonable accommodations have been made to enable a winning patron to satisfy any income tax liability attributable to the deferred portion of the annuity jackpot which is incurred in the tax year in which the jackpot is won.

i. If the casino licensee or slot system complies with this section by lending funds to a winning patron to pay the income tax liability, the casino licensee or slot system may require a winning patron to encumber, assign or transfer to it or them the right to receive a portion of the future payments sufficient to repay such a loan.

New Rule, R.1990 d.238, effective May 7, 1990.
See: 22 N.J.R. 624(a), 22 N.J.R. 1381(a).
Prior N.J.A.C. 19:45-1.40B, "Inspection of slot machine jackpots," recodified to N.J.A.C. 19:45-1.40D.
Amended by R.1991 d.184, effective April 1, 1991.
See: 22 N.J.R. 3455(a), 23 N.J.R. 1025(b).
In (a): added internal citation reference.
In (b)2: deleted (b)2i.-iii. and revised text to include reference to U.S. Treasury Bonds and specify annuity jackpot requirements.
In (b)5: added language regarding "30 days of receipt" filing requirement.
Added new subsections (c)-(d), recodifying existing (c)-(d) as (e)-(f) with textual revisions. In new (f), expanded check processing requirements.
In new (f)3, added language including the source of payment.
Recodified existing (e)-(g) as (g)-(i) with no change in text.
Recodified existing (h) as (j).
Amended by R.1991 d.584, effective December 2, 1991.
See: 22 N.J.R. 3455(a), 23 N.J.R. 3655(b).
Adopted outstanding portions of 1.40B. In (b)5: added text regarding filing of annual audit within 30 days of receipt with the Commission and the Division. In (f): added new text regarding the depositing of checks. Added new text at subsection (j)2i.
Administrative Correction to (b), (d) and (f), adding amended text.
See: 23 N.J.R. 3819(a).
Amended by R.1994 d.405, effective August 1, 1994.
See: 26 N.J.R. 1996(a), 26 N.J.R. 3187(c).
Administrative Correction.
See: 26 N.J.R. 4788(a).
Amended by R.1997 d.79, effective February 18, 1997.
See: 28 N.J.R. 5169(a), 29 N.J.R. 592(a).
In (f), substituted "monies" for "checks" and "shall be deposited in" for "shall be restrictively endorsed 'for deposit only' to"; inserted new (f)4; and recodified former (f)4 as (f)5.
Amended by R.2000 d.336, effective August 21, 2000.
See: 31 N.J.R. 2527(a), 32 N.J.R. 3077(a).
In (a), added 1 through 3; and added (*l*) through (m).
Amended by R.2001 d.88, effective March 19, 2001.
See: 32 N.J.R. 3913(a), 33 N.J.R. 1018(c).
In (a)1ii, substituted "the United States Treasury Constant maturity rate for 20-year" for "the composite interest rate for long-term (over 10 years)" and added ", plus one-half of one percent"; in (*l*)1, substituted "be eight and one-half percent" for "equal the composite interest rate for long-term (over 10 years) United States government securities for the week ending prior to the date of the offer as identified in the applicable H.15 Statistical Release issued by the Federal Reserve Board".
Petition for Rulemaking.
See: 35 N.J.R. 4332(c), 5171(c).
Petition for Rulemaking.
See: 36 N.J.R. 1135(a).
Amended by R.2005 d.121, effective April 18, 2005.
See: 36 N.J.R. 2996(a), 37 N.J.R. 1227(b).
Rewrote the section.
Amended by R.2008 d.342, effective November 17, 2008.
See: 40 N.J.R. 610(a), 40 N.J.R. 6655(a).
In the introductory paragraph of (a), substituted "or by N.J.S.A. 5:12-100.1" for ", and except for a transfer to the estate of the winner upon his or her death"; inserted designations (d)1 through (d)3; in (d)1, substituted "Except as provided in this subsection, each" for "Each" and inserted the last sentence; rewrote (d)2; and in (j)3, substituted "as permitted by N.J.S.A. 5:12-100.1 and the rules of the Commission," for "to the estate of the winner upon his or her death".

Case Notes

Annuity payment to slot machine winner is not cash, but rather, is "other thing of value" and thus is not deductible. In re Resolution of New Jersey Casino Control Com'n Concerning Adoption of Amendments to N.J.A.C. 19:45-19:45-1.40(A) and 19:45-1.40(B) and Adoption of N.J.A.C. 19:45-1.40(A) and (B), 262 N.J.Super. 572, 621 A.2d 536 (A.D.1993), certification denied 134 N.J. 474, 634 A.2d 522.

19:45-1.40C Multi-casino slot system jackpot payouts of cash

(a) Any slot machine jackpot payout of cash or slot tokens which will be included in the calculation of gross revenue by two or more casino licensees as part of a multi-casino progressive slot system shall be subject, except as otherwise provided in this section, to any procedural or documentation requirement established in N.J.A.C. 19:45-1.40. All forms utilized in the preparation or payment of a multi-casino progressive slot system jackpot shall be clearly identified as forms used for such purpose.

(b) For establishments in which Jackpot Payout Slips ("Payouts") are manually prepared, a separate series of Multi-Casino Jackpot Payout Slips ("Multi-Casino Payouts") shall be used in lieu thereof and shall be subject to the following additional procedures and requirements:

1. Each series of Multi-Casino Payouts shall be a four-part form, at a minimum, and shall be inserted in a locked dispenser that will:

i. Permit an individual Multi-Casino Payout in the series and its copies to be written upon simultaneously while still locked in the dispenser; and

ii. Discharge the original, duplicate and triplicate while the quadruplicate remains in a continuous, unbroken form in the dispenser;

2. The duplicate and triplicate Multi-Casino Payouts shall be treated like a duplicate Payout under N.J.A.C. 19:45-1.40, except that:

i. The amount of the Multi-Casino Payout shall not be included in the daily calculation of the Slot Win Sheet but shall be reported as a periodic adjustment in a manner approved by the Commission; and

ii. At the end of each gaming day, at a minimum, the triplicate Multi-Casino Payout shall be forwarded by the accounting department to the casino licensee or slot system operator for comparison and agreement with the combined system readings and reports, and for calculation of tax deductions and cash reimbursements, if applicable; and

3. The quadruplicate Multi-Casino Payout shall be treated like a triplicate Payout under N.J.A.C. 19:45-1.40.

(c) For establishments in which Payouts are computer prepared, a separate series of Multi-Casino Payouts shall be used in lieu thereof and shall be subject to the following additional procedures and requirements:

1. Each series of Multi-Casino Payouts shall be a three-part form, at a minimum, and shall be inserted in a printer which shall:

i. Simultaneously print an original, duplicate and triplicate Multi-Casino Payout while the computer stores, in machine-readable form, all information printed on the Multi-Casino Payout; and

ii. Discharge the original, duplicate and triplicate;

2. Stored data shall not be susceptible to change or removal by any personnel after preparation of a Multi-Casino Payout; and

3. The duplicate and triplicate Multi-Casino Payout shall be treated like a duplicate Payout under N.J.A.C. 19:45-1.40, except that:

i. The amount of the Multi-Casino Payout shall not be included in the daily calculation of the Slot Win Sheet but shall be reported as a periodic adjustment in a manner approved by the Commission; and

ii. At the end of each gaming day, at a minimum, the triplicate Multi-Casino Payout shall be forwarded by the accounting department to the slot system operator for comparison and agreement with the combined system readings and reports, and for calculation of tax deductions and cash reimbursements, if applicable.

(d) If a multi-casino slot machine system will not permit slot department personnel employed by the casino licensee where the jackpot is won to determine from the slot machine or the progressive display the actual amount of the jackpot payout of cash or slot tokens won by the patron, the following additional requirements shall apply:

1. The slot cashier who is responsible for preparing the Multi-Casino Payout shall request the slot system operator to provide documentation of the actual amount of the jackpot payout of cash or slot tokens won by the patron;

2. The slot system operator shall provide, in a form and manner approved by the Commission, documentation of the actual amount of the jackpot payout to the slot cashier, who shall use the documentation in the preparation of the Multi-Casino Payout and attach the documentation to the original Multi-Casino Payout; and

3. The documentation required by (d)1 above shall include the winning jackpot amounts which should be displayed on the slot machine or the progressive meter on the floor of the casino.

(e) Prize tokens shall not be available as a Multi-Casino Payout.

New Rule—19:45-1.40C.
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).
Notice of Receipt of Petition for Rulemaking.
See: 22 N.J.R. 2190(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).
Petition for Rulemaking.
See: 35 N.J.R. 4332(c), 5171(c)

Petition for Rulemaking.
See: 36 N.J.R. 1135(a).
Amended by R.2005 d.121, effective April 18, 2005.
See: 36 N.J.R. 2996(a), 37 N.J.R. 1227(b).
In (b)2ii, deleted "group of casino licensees approved to operate the slot system" following "shall be forwarded by the accounting department to the casino licensee or".

19:45-1.40D Inspection of slot machine jackpots

(a) Prior to the payment of any slot machine jackpot of greater than $75,000 pursuant to N.J.A.C. 19:45-1.40, any jackpot of merchandise or a thing of value with a cash equivalent value of greater than $75,000 pursuant to N.J.A.C. 19:45-1.40A, or any manual jackpot where there is evidence of a malfunction, a casino licensee shall notify the Division that a jackpot has been registered and permit the Division to inspect any slot machine, progressive equipment or related equipment involved.

1. Upon notification by the casino licensee, the Division shall advise the casino licensee whether the Division will conduct an inspection. Unless there is evidence of a malfunction or unless otherwise directed by the Division

pursuant to its authority under the Act, the casino licensee may award payment of the jackpot to the winning patron prior to completion of the inspection.

2. Failure of the Division to object to the payment of the jackpot prior to or upon completion of its inspection shall not constitute waiver or estoppel of any charge, issue or claim raised in any criminal or regulatory complaint subsequently filed against any person in connection with the winning or payment of that jackpot.

(b) Nothing in (a) above shall be deemed to limit the obligation of a casino licensee under the Act and the Commission's rules to cooperate with the Division or Commission in any inquiry or investigation concerning slot machine jackpots.

New Rule, R.1989 d.72, effective February 6, 1989.
See: 20 N.J.R. 2648(a), 21 N.J.R. 314(a).
New Rule—19:45-1.40B.
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).
Current N.J.A.C. 19:45-1.40B redesignated as 1.40D.
See: 22 N.J.R. 841(a).
Recodified from N.J.A.C. 19:45-1.40B, R.1990 d.238, effective May 7, 1990.
See: 22 N.J.R. 624(a), 22 N.J.R. 1381(a).
Temporary Amendment.
See: 27 N.J.R. 3226(a).
Amended by R.1995 d.575, effective November 6, 1995.
See: 27 N.J.R. 3148(a), 27 N.J.R. 4448(b).
Petition for Rulemaking.
See: 33 N.J.R. 2351(b), 33 N.J.R. 2920(b).
Amended by R.2001 d.449, effective December 3, 2001.
See: 33 N.J.R. 2745(a), 33 N.J.R. 4155(a).
In (a), substituted "greater than $45,000" for "$35,000 or more" throughout the introductory paragraph, rewrote 1 and inserted "prior to or" following "jackpot" in 2.
Amended by R.2005 d.12, effective January 3, 2005.
See: 36 N.J.R. 4105(a), 37 N.J.R. 100(a).
Amended by R.2006 d.253, effective July 3, 2006.
See: 38 N.J.R. 1421(a), 38 N.J.R. 2888(b).
In (a), substituted "$75,000" for "$45,000" two times.

19:45-1.40E Jackpot payouts of cash by a slot attendant from an imprest pouch

(a) A casino licensee may, in its discretion and in accordance with the provisions of this section, permit a slot attendant, in the presence of a member of the casino security department, to use an imprest inventory of funds secured in a pouch or wallet to pay a jackpot of less than $1,200 that is not totally and automatically paid directly from the slot machine ("pouch payout"). Any pouch or wallet used pursuant to this section shall be approved by the Commission, contain an imprest amount not to exceed $5,000, and be carried and used only by slot attendants to pay such jackpots and to exchange currency and coupons pursuant to N.J.A.C. 19:45-1.12(h).

(b) When a slot attendant carrying an imprest fund pursuant to (a) above is informed that a patron has won a jackpot of less than $1,200 that is not totally and automatically paid directly from the slot machine, the slot attendant shall:

1. After observing the jackpot display on the slot machine and determining the appropriate amount of the payout, initiate, in a manner approved by the Commission, the electronic generation of a Jackpot Payout Slip ("Payout"), which Payout shall:

i. Comply with the requirements of N.J.A.C. 19:45-1.40(f), (h), (i) and (j);

ii. Identify the slot attendant who initiates the generation of the Payout;

iii. Identify the transaction as a pouch payout and the amount recorded on the Pouch Payout Slip; and

iv. Either be queued in the computer terminal of a slot cashier, master coin bank cashier or general cashier for later printing, or be automatically printed immediately after the generation of the Payout is initiated;

2. Complete a Pouch Payout Slip, which shall be obtained from a slot supervisor and not be available to a slot cashier, master coin bank or general cashier, and which shall be, at a minimum, a two-part form containing the following information:

i. The date and time of the jackpot;

ii. The asset number of the slot machine on which the jackpot was registered;

iii. The jackpot display designating the jackpot;

iv. If the casino licensee uses a combined Request for Jackpot Payout Slip/Pouch Payout Slip as permitted by N.J.A.C. 19:45-1.40(a)2, an indication that payment is being made to the winning patron as a pouch payout;

v. The total amount of the jackpot, and if it is different, the amount of the manual jackpot to be paid to the winning patron by the preparer, which amount shall be rounded up to the nearest whole dollar; provided, however, that:

(1) Any funds paid in excess of the actual amount recorded pursuant to N.J.A.C. 19:45-1.40(b)4 shall not be deductible from gross revenue, and shall be reported and adjusted by the casino licensee once each month, at a minimum, in a manner approved by the commission; and

(2) The difference between the amount of the jackpot recorded pursuant to N.J.A.C. 19:45-1.40(b)4 and the amount of the rounded up pouch payout shall not be considered a discrepancy for the purposes of (c)3 or e(1) below;

vi. A space for the signature of the preparer, indicating that the information on the Pouch Payout Slip is correct;

vii. A space for the signature of the casino security department member who verifies the jackpot, the accuracy of the information recorded on the Pouch Payout

Slip, and the payment of the jackpot to the winning patron by the preparer; and

viii. A space for the subsequent insertion of the serial number of the matching Jackpot Payout Slip by the slot cashier, master coin bank cashier or general cashier.

3. Request a member of the casino security department to appear at the slot machine in question to witness and verify the jackpot, the accuracy of the information recorded on the Pouch Payout Slip and the payment of the jackpot to the winning patron by the preparer of the Pouch Payout Slip;

4. Sign the original and the duplicate of the Pouch Payout Slip, and obtain the signature on the original and duplicate of the casino security department member who verifies the jackpot and the information recorded on the Pouch Payout Slip and witnesses the payment of the jackpot to the winning patron;

5. Pay the winning patron the amount of the manual jackpot, rounded up to the nearest whole dollar in accordance with (b)2v above, after the requirements of (b)1 through 4 above have been satisfied; and

6. Retain the original Pouch Payout Slip in his or her pouch, and give the duplicate of the Pouch Payout Slip to the casino security department member, who shall promptly deposit it in a secure, locked box controlled by the casino accounting department at the security podium or other location as approved by the commission.

(c) At any time during his or her shift, a slot attendant authorized to make pouch payouts may exchange an original Pouch Payout Slip with a slot cashier, master coin bank cashier or general cashier, as may be necessary to replenish the cash in his or her imprest pouch. Prior to exchanging any cash for a Pouch Payout Slip, the slot cashier, master coin bank cashier or general cashier shall:

1. Ensure that the Pouch Payout Slip contains all required signatures and information;

2. Print the corresponding Jackpot Payout Slip, if it has not already been printed;

3. Compare the original Pouch Payout Slip to the original Jackpot Payout Slip for the jackpot in question, insert the serial number of the Jackpot Payout Slip on the original Pouch Payout Slip in the space provided, and either verify that the information on the two slips agrees or note any discrepancies between the two on a log, which log shall:

i. Include, at a minimum, the serial number of the Jackpot Payout Slip, the asset number of the slot machine in question and a detailed explanation of the discrepancy;

ii. Be forwarded to the casino accounting department no later than the end of each gaming day;

4. Have the slot attendant who initiated the Jackpot Payout Slip and prepared the corresponding Pouch Payout Slip sign the original and duplicate of the Jackpot Payout Slip; and

5. Sign the original and duplicate of the Jackpot Payout Slip, indicating that the foregoing requirements have been satisfied; and

i. Attach the signed original and duplicate Jackpot Payout Slip to the original Pouch Payout Slip; or

ii. Attach the signed original Jackpot Payout Slip to the original Pouch Payout Slip and observe the slot attendant immediately deposit the duplicate Jackpot Payout Slip into the secure locked box controlled by the casino accounting department at the cashier's cage.

(d) No later than the end of his or her shift, each slot attendant who has received an imprest pouch payout fund shall return any remaining cash and executed original Pouch Payout Slips to a slot cashier, master coin bank cashier or general cashier, who shall comply with the procedures in (c)1 through 5 above.

(e) At the end of each gaming day, at a minimum, all Jackpot Payout Slips and Pouch Payout Slips shall be forwarded as follows:

1. The original of each Pouch Payout Slip with the attached original and, if applicable pursuant to (c)5 above, the duplicate of the corresponding Jackpot Payout Slip, shall be forwarded to the casino accounting department, which, as soon as reasonably practicable after receipt, shall either confirm that all information and signatures required to appear thereon are present and that the information on the Pouch Payout Slip agrees with the information on the corresponding original and duplicate Jackpot Payout Slips, or note any omissions or discrepancies, in accordance with procedures approved by the Commission; and

2. A casino accounting department employee shall collect each duplicate Pouch Payout Slip from the locked accounting boxes located at the security podium or other approved location, and if applicable pursuant to (c)5 above, each duplicate Jackpot Payout Slip from the locked accounting box located at the cashiers' cage, and return them to the casino accounting department, which, as soon as reasonably practicable after receipt, shall compare the original and duplicate Jackpot Payout Slips with the original and duplicate Pouch Payout Slips and stored data for each jackpot, and shall either confirm that all the information on the slips and the stored data agrees, or note any omissions or discrepancies, in accordance with procedures approved by the Commission.

(f) If there is any variance between the amount of a pouch payout as shown in stored data, the Pouch Payout Slip or the Jackpot Payout Slip, only the smallest of these amounts shall be permitted to be deducted from gross revenue pursuant to N.J.S.A. 5:12-24.

(g) Any overage or shortage in the imprest pouch of a slot attendant who makes pouch payouts shall be included as part of the main bank or master coin bank accountability, and shall in no way affect the reporting of gross revenue or any deductions therefrom.

New Rule, R.2002 d.132, effective May 6, 2002.
See: 34 N.J.R. 17(a), 34 N.J.R. 1735(a).
Amended by R.2005 d.12, effective January 3, 2005.
See: 36 N.J.R. 4105(a), 37 N.J.R. 100(a).

19:45-1.40F Alternative procedures for a manual slot payout of less than $10,000

(a) A casino licensee may conduct a manual slot payout in accordance with the procedures set forth in this section (express jackpot), rather than the procedures otherwise required by N.J.A.C. 19:45-1.40, provided that:

1. The amount of the manual slot payout is less than $10,000;

2. The patron is paid the manual slot payout before the slot machine, the progressive meter or the credit meter is reset;

3. The slot cashiers of the casino licensee are under the supervision of the casino accounting department in accordance with the provisions of N.J.A.C. 19:45-1.11(b)7;

4. The slot machine for which the manual slot payout is requested is connected to a computerized slot monitoring system that satisfies the requirements of this section and has been:

i. Tested by the Division pursuant this section and N.J.A.C. 19:46-1.20 and 1.28; and

ii. Approved by the Commission pursuant to N.J.A.C. 19:46-1.20 and 1.28 after a minimum 60-day field test under terms and conditions established by the Commission;

5. The Jackpot Payout Slip does not contain any modification, override or deletion of the information transmitted from the slot machine and recorded by the slot monitoring system in accordance with (c)1i through iv below; and

6. The casino licensee has an approved system of internal controls that satisfies the requirements of (d) below.

(b) The computerized slot monitoring system used in conjunction with the express jackpots authorized by this section shall:

1. Be housed in a secure location that includes, at a minimum, a lock system, key controls and a sign-in/sign-out log;

2. Be under the control of employees of the MIS department, who shall have no incompatible functions;

3. Provide for Commission and Division access, in a manner and from such locations as may be approved by the Commission and Division, to:

i. The slot monitoring system; and

ii. All current and archived data generated by the slot monitoring system so that the Commission and Division can view and recreate all current and prior gaming day reports and all associated transaction logs, all of which shall be maintained in accordance with N.J.A.C. 19:45-1.8(c)3; and

4. Accurately perform the functions set forth in (c)1 through 7 below. In addition, if the casino licensee elects to generate Payouts for certain linked progressive jackpots by a system override without the authorization of a supervisor of the preparer of a Request, as permitted by N.J.A.C. 19:45-1.40(h)1iii, the slot monitoring system shall also accurately perform the functions set forth in (c)8 below.

(c) A computerized slot monitoring system used pursuant to this section shall:

1. Automatically and independently record the following information in accordance with (c)2 below whenever a manual slot payout is registered with the system by a slot machine:

i. The date and time that the manual slot payout was registered;

ii. The asset number of the slot machine on which the manual slot payout was registered;

iii. The amount of the manual slot payout, which amount shall be automatically and independently determined by the slot machine; and

iv. An indication whether the manual slot payout was a jackpot, a progressive jackpot or a credit meter payout;

2. Record the information transmitted to the slot monitoring system pursuant to (c)1 above in an electronic data file that is:

i. Identified in the approved internal controls of the casino licensee;

ii. Not susceptible to change; and

iii. As to (c)1iii above, not available for viewing by employees outside the surveillance and internal audit departments prior to the generation of the Payout pursuant to (e)3 below, N.J.A.C. 19:45-1.40(h)1 or (m)5i(2) or the generation of the report required by (c)7 below; provided, however, in the event of a slot monitoring system malfunction the amount of a manual slot payout may be viewed by a supervisor of the MIS department in the course of running a diagnostic program in accordance with internal controls approved by the Commission;

3. Record on the Payout and in stored data the name or identification code of the slot attendant or slot attendant supervisor verifying the manual slot payout in accordance with (e)1 below;

4. Upon recordation of the information in (c)3 above, permit a Payout containing the information in N.J.A.C. 19:45-1.40(i) to be generated at a slot booth, cashiers' cage or master coin bank, in accordance with the procedures in (e)3 and 4 below or, if the casino licensee has satisfied the requirements of N.J.A.C. 19:46-1.28C, at an automated jackpot payout machine in accordance with the applicable procedures in N.J.A.C. 19:45-1.40, provided that:

i. The amount of the manual slot payout, as shown on the Request, or the automatically rounded amount, if applicable, is input into the slot monitoring system without access to or knowledge of the amount recorded by the slot monitoring system pursuant to (c)1iii above; and

ii. Within two attempts, the amount of the manual slot payout input pursuant to (c)4i above agrees with the amount recorded by the slot monitoring system;

5. Permit a Payout to be generated by a system override in accordance with the procedures in N.J.A.C. 19:45-1.40(h)1, when the amount of the manual slot payout, as input from the Request in accordance with (c)4i above does not, within two attempts, agree with the amount recorded by the slot monitoring system pursuant to (c)1iii above;

6. Automatically round up the amount of the manual slot payout to the nearest denomination of coin or token or the nearest whole dollar if the casino licensee elects to round up such payouts, provided that the funds paid in excess of the actual amount of the manual slot payout shall not be deducted from gross revenue;

7. Automatically generate, on a daily basis, a report (Manual Slot Payout Report) which contains the manual slot payout information recorded by the slot monitoring system pursuant to (c)1 above in a format approved by the Commission, which report may be generated by the casino accounting department if it is not susceptible to alteration or deletion or provided by the MIS department; and

8. Notwithstanding the provisions of (c)4 and 5 above, permit a Payout to be generated without the authorization of a supervisor of the preparer of the Request if the manual slot payout is a linked progressive jackpot and the variance between the amount of the manual slot payout as input from the information on the Request and the amount recorded by the slot monitoring system is less than $25.00.

(d) The approved system of internal controls for any casino licensee that conducts express jackpots pursuant to this section shall address, without limitation, the following:

1. The procedures by which the slot monitoring system will preclude the amount of a manual slot payout recorded pursuant to (c)1iii above from being viewed in accordance with the provisions of (c)2iii above;

2. The procedures by which the MIS department will control, issue and terminate access to the slot monitoring system including, without limitation, a specification of minimum password requirements;

3. The procedures by which access to information related to manual slot payouts including, without limitation, files, menus, screens and reports, will be limited to authorized personnel;

4. The procedures for maintaining a list of all positions authorized to access the slot monitoring system, including a specification of each item, menu, screen or report that may be accessed and whether such access is read-only, read-write, execute or modify;

5. The procedures for controlling, issuing and terminating any identification code required to be entered into the system by personnel participating in a manual slot payout;

6. The procedures for issuing and controlling the asset number of each slot machine connected to the slot monitoring system;

7. The procedures by which the casino accounting department will reconcile, on a daily basis, the Manual Slot Payout Report required by (c)7 above to the stored data report of all generated Payouts; and

8. The procedures for performing any modification to the slot monitoring system, which procedures shall include, without limitation, adequate change controls to ensure that all modifications are performed in accordance with (g) and (h) below and documented by the casino licensee in order to provide an audit trail of all modifications.

(e) A casino licensee that has satisfied the criteria set forth in (a) above may conduct manual slot payouts of less than $10,000 in accordance with the following procedures:

1. Upon notification that a manual slot payout has been registered by a slot machine, a slot attendant or slot attendant supervisor shall:

i. Determine the appropriate amount of the manual slot payout by observing the jackpot display, the amount on the credit meter or the amount on the progressive jackpot meter;

ii. Input his or her name or identification code into the slot monitoring system in a manner approved by the Commission; and

iii. Prepare a Request in accordance with N.J.A.C. 19:45-1.40(b);

2. Following preparation, the Request shall be immediately transported by the preparer, or the information maintained in stored data shall be available, to a slot booth, the

master coin bank, the cashiers' cage or, if the casino licensee has satisfied the requirements of N.J.A.C. 19:46-1.28C, an automated jackpot payout machine, where it shall serve to authorize the preparation of a Payout, which Payout shall be computer generated and shall comply with the provisions of N.J.A.C. 19:45-1.40(f) and (h);

3. Without access to or knowledge of the amount of the manual slot payout recorded by the slot monitoring system pursuant to (c)1iii above, the Payout is generated by entering the amount of the manual slot payout as shown on the Request or the automatically rounded amount, if applicable, into the slot monitoring system; provided, however, that:

i. The slot monitoring system shall only permit the generation of a Payout if the amount of the manual slot payout input agrees, within two attempts, with the amount of the manual slot payout recorded by the slot monitoring system pursuant to (c)1iii above; and

ii. If the amount of the manual slot payout input does not agree, within two attempts, with the amount of the manual slot payout recorded by the slot monitoring system pursuant to (c)1iii above, the slot monitoring system shall, in accordance with (c)5 above, preclude the generation of a Payout and only permit the manual slot payout to be conducted by a system override in accordance with N.J.A.C. 19:45-1.40(h)1;

4. If the slot monitoring system permits the generation of a Payout pursuant to (e)3i above, the Payout shall contain the information set forth in N.J.A.C. 19:45-1.40(i);

5. Once a Payout has been generated pursuant to (e)3i above, the slot attendant or slot attendant supervisor shall either:

i. Obtain the funds from a slot cashier, master coin bank cashier or general cashier, who shall:

(1) Record the information required by N.J.A.C. 19:45-1.40(j);

(2) Sign the original and duplicate Payout attesting to the disbursal of the manual slot payout to the slot attendant or slot attendant supervisor; and

(3) Present the original and duplicate Payout together with the cash, slot tokens, gaming chips or casino check to the slot attendant or slot attendant supervisor; or

ii. Obtain the funds from an automated jackpot payout machine and conduct the payout in accordance with the procedures in N.J.A.C. 19:45-1.40(m)5i(1) through (7);

6. The slot attendant or slot attendant supervisor shall, upon receipt of the manual slot payout from the cashier:

i. Verify the amount to be paid to the patron and sign the original Payout attesting to the accuracy of the information on the Payout and the receipt of the funds;

ii. Return the original Payout to the cashier who shall retain it until forwarded in accordance with (e)7 below;

iii. Transport the duplicate Payout with the manual slot payout to the patron;

iv. Pay the patron and sign the duplicate Payout attesting to the disbursement of the funds to the patron; and

v. Deposit the duplicate Payout, as expeditiously as possible, into a locked accounting box at the security podium or other location as approved by the Commission; and

7. The cashier shall attach the original Payout to the Request, if manually prepared, or a journal of electronically submitted Requests and forward the forms, by the end of the gaming day, as follows:

i. If the disbursement is made from a slot booth, the forms shall be forwarded to the master coin bank for reimbursement; or

ii. If the disbursement is made from the cashiers' cage, the forms shall be forwarded to the main bank for reimbursement.

(f) At the conclusion of its testing of a slot monitoring system, the Division shall issue a report to the Commission, which report shall include, at a minimum:

1. A written description of the slot monitoring system, including the manufacturer's model number, version number and version date, as applicable;

2. A written description of all files that contain information relating to manual slot payouts made pursuant to the procedures in N.J.A.C. 19:45-1.40(h)1 or (e) above including, at a minimum, the name and location of each file; and

3. The Division's conclusion as to the ability of the slot monitoring system to perform the functions enumerated in (c) above.

(g) Prior to implementing any programming change, upgrade, or hardware addition or replacement to an approved slot monitoring system, a casino licensee shall provide at least 72 hours advance written notice to the Commission and Division in accordance with the requirements of this subsection. Any written notice filed by a casino licensee in accordance with this subsection shall include, without limitation, the following:

1. A description of the reasons for the proposed modification;

2. A list of the computer components and programs or versions to be modified or replaced;

3. A description of any screens, menus, reports, operating processes, configurable options or settings that will be affected;

4. The method to be used to complete the proposed modification;

5. The date the proposed modification will be installed and the estimated time for completion;

6. The name, title, and employer of the person or persons who will install the proposed modification, provided however, that the person providing the notification of the proposed modification shall not be among the persons installing the modification;

7. A diagrammatic representation of the proposed hardware design change;

8. Restriction on "update" access to the production code to the person implementing the modification; and

9. Procedures to ensure that user and operator manuals are updated to reflect changes in policies and procedures resulting from the proposed modification.

(h) Notwithstanding the provisions of (g) above, the Commission may permit a casino licensee to change or upgrade non-critical software files or directories or hardware, as recommended by the Division and specifically identified in the casino licensee's approved internal controls, provided that written notice describing the modification in accordance with (g) above shall be filed within 24 hours following the change.

(i) Subject to any testing required pursuant to N.J.A.C. 19:46-1.28 and approval by the Commission upon receipt of the notification required by (g) above, modifications to the slot monitoring system shall be installed in the presence of a Commission inspector and an employee of the MIS department with no incompatible functions.

(j) Following completion of the modification, the casino licensee shall generate a record detailing the modification, or if the approved slot monitoring system does not have the capability of generating such a record, such other record as may be required by the Commission. In the event the Commission determines that testing is required after the modification, the Commission shall establish the terms and conditions of such a test.

New Rule, R.2007 d.117, effective April 16, 2007.
See: 38 N.J.R. 4669(a), 39 N.J.R. 1505(a).

19:45-1.41 Procedure for filling payout reserve containers of slot machines and hopper storage areas

(a) Each hopper of a slot machine may be filled by a slot attendant, slot mechanic or slot supervisor by requesting coin, slot tokens or prize tokens that are compatible with the hopper to be filled from a slot cashier, general cashier or master coin bank cashier or by obtaining coin, slot tokens or prize tokens that are compatible with the hopper to be filled from its corresponding hopper storage area.

1. A slot hopper may be refilled at any time, provided however, that:

i. An entire sealed bag of coin or tokens is used for the hopper fill and placed into the hopper;

ii. The hopper cannot be filled beyond its operational capacity;

iii. The hopper cannot be filled beyond its present inventory level; and

iv. The procedures for ensuring (a)1i through iii above have been approved by the Commission.

(b) The filling of a hopper or a hopper storage area with coin, slot tokens or prize tokens obtained from a slot cashier, general cashier or master coin bank cashier shall be accomplished as follows:

1. Whenever a slot supervisor, attendant or mechanic requests coins, slot tokens or prize tokens to fill a hopper or a hopper storage area of a slot machine, he or she shall obtain a properly completed and signed Hopper Fill Slip ("Hopper Fills") from a slot cashier, general cashier or master coin bank cashier.

2. Hopper Fills shall be serially prenumbered forms, each series of Hopper Fills shall be used in sequential order, and the series numbers of all Hopper Fills received by a casino licensee shall be accounted for by employees independent of the cashiers' cage and the slot department. All original and duplicate void Hopper Fills shall be marked "VOID" and shall require the signature of the preparer. Notwithstanding the above, a serially prenumbered combined Jackpot Payout/Hopper Fill form may be utilized in conjunction with N.J.A.C. 19:45-1.40(b), as approved by the Commission, provided that the combined form shall be used in a manner which otherwise complies with the procedures and requirements established by this section.

3. For establishments in which Hopper Fills are manually prepared, the following procedures and requirements shall be observed:

i. Each series of Hopper Fills shall be a three-part form, at a minimum, and shall be inserted in a locked dispenser that will permit an individual slip in the series and its copies to be written upon simultaneously while still locked in the dispenser, and that will discharge the original and duplicate while the triplicate remains in a continuous, unbroken form in the dispenser; and

ii. Access to the triplicates shall be maintained and controlled at all times by employees responsible for controlling and accounting for the unused supply of Hopper

Fills, placing Hopper Fills in the dispensers, and removing from the dispensers the triplicates remaining therein.

4. For establishments in which Hopper Fills are computer prepared, each series of Hopper Fills 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 a machine-readable form, all information printed on the original and duplicate; and discharge the original and duplicate. The stored data shall not be susceptible to change or removal by any personnel after preparation of a Hopper Fill.

5. On originals, duplicates and triplicates, or in stored data, the Hopper Fill shall include, at a minimum, the following information:

i. The asset number and denomination of the slot machine to which the coins, slot tokens or prize tokens are to be distributed;

ii. The date and shift during which the coins, slot tokens or prize token are distributed;

iii. The denomination of the coin, slot tokens or prize tokens that are to be distributed;

iv. The amount of coins, slot tokens or prize tokens that are to be distributed;

v. The location from which the coins, slot tokens or prize tokens are distributed;

vi. The signature and, if computer prepared, the identification code of the preparer;

vii. The signature or identification code of the slot attendant, slot mechanic or slot supervisor requesting coins, slot tokens or prize tokens to fill the hopper (on the original and the duplicate only);

viii. Whether the coins, slot tokens or prize tokens are to be placed in the slot machine's:

(1) All-purpose hopper and/or any reserve hoppers that automatically replenish the all-purpose hopper;

(2) Payout-only hopper and/or any reserve hoppers that automatically replenish the payout-only hopper; or

(3) In its corresponding hopper storage area; and

ix. Whether the Hopper Fill is to be witnessed and verified by a casino security department member pursuant to (b)8 below or by a second casino employee pursuant to (b)9 below.

6. The time of preparation of the Hopper Fill shall be recorded at a minimum, on the original and duplicate upon preparation.

7. All coins, slot tokens or prize tokens distributed from a slot booth, master coin bank or the cashiers' cage to a slot machine or its corresponding hopper storage area shall, during their transportation to the machine or hopper storage area and until their deposit into the appropriate hopper or storage compartment, remain in pre-wrapped secured bags; provided, however, that the secured bags in which prize tokens are transported shall have sufficient identifying features, approved by the Commission, to distinguish those bags and their contents from the secured bags in which coins or slot tokens are transported.

8. Except as otherwise provided in (b)9 below, the pre-wrapped secure coin, slot tokens or prized tokens shall be transported directly to the slot machine or its corresponding hopper storage area, along with the duplicate Hopper Fill, by a casino security department member who shall observe the deposit of the coins, slot tokens or prize tokens in the appropriate slot machine hopper or the slot machine's corresponding hopper storage area, and the closing and locking of the slot machine or its corresponding hopper storage area by the slot mechanic, slot attendant or slot supervisor before obtaining the signature of the slot mechanic, slot attendant or slot supervisor on the duplicate copy of the Hopper Fill.

9. Notwithstanding the provisions of (b)8 above, if the pre-wrapped, secured bags of coin, slot tokens or prize tokens are being distributed by a slot booth, master coin bank or the cashiers' cage to a slot machine with a denomination of $1.00 or less, the coin, slot tokens or prize tokens may be transported, along with the duplicate copy of the Hopper Fill, directly to the slot machine by a slot attendant, slot mechanic or slot supervisor who shall, in the presence of a second casino employee, open the slot machine and deposit the coin or tokens in the appropriate hopper of the slot machine. The casino employee who witnesses the fill shall sign the duplicate Hopper Fill attesting to the fact that the slot attendant, slot mechanic or slot supervisor opened the slot machine, deposited all the coins or tokens in the appropriate hopper of the slot machine and closed and locked the slot machine in his or her presence.

i. The casino employee who witnesses the fill and signs the duplicate Hopper Fill shall hold a casino employee license or casino key employee license and shall be employed in a position requiring his or her presence on the casino floor and, at a minimum, a casino employee license.

ii. Any casino employee position authorized to witness and verify a Hopper Fill shall be identified in the casino licensee's approved internal controls; provided, however, that the following positions shall be prohibited from witnessing and verifying a Hopper Fill pursuant to (b)9 above:

(1) Any surveillance department, internal audit department or casino accounting department employee;

(2) A slot cashier or slot cashier supervisor in any department, other than a slot cashier who is prohibited from issuing Hopper Fills or Jackpot Payouts pursuant to N.J.A.C. 19:45-1.11(e)1; or

(3) Any other employee for whom it would be an incompatible function pursuant to N.J.A.C. 19:45-1.11(a)2 to witness and verify a Hopper Fill.

10. A slot mechanic who participates in filling a slot machine hopper shall inspect the slot machine and, if the hopper is empty, determine if the empty hopper resulted from a slot machine malfunction. A slot attendant or slot supervisor participating in a Hopper Fill shall review the Machine Entry Authorization Log and alert a slot mechanic to inspect the slot machine if the entries in the log indicate a consistent malfunction problem.

11. Signatures attesting to the accuracy of the information contained on the Hopper Fill shall be, at a minimum, the following personnel at the following times:

i. For Hopper Fills witnessed and verified by a casino security department member in accordance with (b)8 above:

(1) The original shall be signed by the slot cashier, master coin bank cashier or general cashier upon preparation of the Hopper Fill and by the casino security department member transporting the coins, slot tokens or prize tokens to the slot machine upon receipt from the cashier of the coins or tokens to be transported; and

(2) The duplicate shall be signed by the slot cashier, master coin bank cashier or general cashier upon preparation of the Hopper Fill in accordance with (b)11i(1) above, by the casino security department member transporting the coins, slot tokens or prize tokens to the slot machine upon receipt from the cashier of the coins or tokens to be transported in accordance with (b)11i(1) above, and by the slot mechanic, slot attendant or slot supervisor after completing the fill procedures required in (b)8 above in the presence of the casino security department member.

ii. For Hopper Fills witnessed and verified by a second casino employee in accordance with (b)9 above:

(1) The original shall be signed by the slot cashier, master coin bank cashier or general cashier upon preparation of the Hopper Fill and prior to the separation of the original and duplicate copy, and by the slot attendant, slot mechanic or slot supervisor transporting the coins, slot tokens or prize tokens to the slot machine upon receipt from the cashier of the coins or tokens to be transported, but after the separation of the original and duplicate copy; and

(2) The duplicate shall be signed by the slot cashier, master coin bank cashier or general cashier upon preparation of the Hopper Fill in accordance with (b)11ii(1) above, by the slot attendant, slot mechanic or slot supervisor after completing the fill procedures required in (b)9 above in the presence of the second casino employee, and by the casino employee verifying the fill after witnessing the completion of the fill procedures required in (b)9 above.

12. Upon meeting the signature requirements as described in (b)11 above, the slot cashier, master coin bank cashier or general cashier shall maintain and control the original Hopper Fill and the following employee shall maintain and control the duplicate copy and, as soon as is reasonably possible, deposit it in a secure, locked box controlled by the casino accounting department at the security podium or other location approved by the Commission:

i. For Hopper Fills witnessed and verified in accordance with (b)8 above, the casino security department member who witnessed and verified the fill procedures; and

ii. For Hopper Fills witnessed and verified in accordance with (b)9 above either:

(1) The casino employee who witnessed and verified the fill procedures; or

(2) The slot attendant, slot mechanic or slot supervisor who deposited the coin or tokens in the slot machine;

iii. A casino licensee shall state in its internal controls whether the duplicate copy of the Hopper Fill will be deposited pursuant to (b)12i or ii above, and if it will be deposited pursuant to (b)12ii, the casino employee who witnesses and verifies the fill procedures shall make an entry on the Machine Entry Authorization Log that shall include, at a minimum, the date, time, Hopper Fill serial number and his or her signature.

13. At the end of each gaming day, at a minimum, the original and duplicate Hopper Fill Slip shall be forwarded as follows:

i. The original Hopper Fill Slip shall be forwarded, in exchange for coin, currency or credit, to the master coin bank if prepared by a slot cashier or to the main bank if prepared by a general cashier. All original Hopper Fill Slips received or prepared by the master coin bank or received by the main bank shall then be forwarded to the accounting department, which, as reasonably practicable after receipt, shall confirm that the information on the original Hopper Fill agrees with the information on the triplicate or in stored data.

ii. The duplicate Hopper Fill Slip shall be forwarded directly to the accounting department, which, as reasonably practicable after receipt, shall record the information from the Hopper Fill Slip on the Slot Win Sheet, and shall confirm that the information recorded on the Hopper Fill Slip agrees with the information re-

corded pursuant to N.J.A.C. 19:45-1.42(*o*) and with the information on the triplicates or in stored data.

14. Notwithstanding any other provision of this section, a casino licensee may use one Hopper Fill Slip to document fills to more than one hopper storage area or to a hopper storage area that supplies more than one slot machine, if:

i. All of the fills are for the same denomination of slot machine and are accomplished at the same time;

ii. The Hopper Fill Slip contains:

(1) The amount to be distributed to each hopper storage area or, if applicable, each compartment in a hopper storage area that supplies more than one slot machine;

(2) Spaces for slot and casino security department personnel to initial after each individual fill; and

(3) The total amount of all hopper fills that are documented by the Hopper Fill Slip; and

iii. The Hopper Fill Slip complies in all other respects with the requirements of this section.

(c) Whenever a slot machine's hopper requires coin, slot tokens or prize tokens, a slot attendant or mechanic, after confirming that its corresponding hopper storage area contains the necessary coin, slot tokens or prize tokens to replenish the hopper to be filled, may, in the presence of a member of the security department, transfer the necessary coin, slot tokens or prize tokens from that slot machine's hopper storage area directly to the appropriate hopper of the corresponding slot machine. The security department member shall observe the deposit of the coins, slot tokens or prize tokens in the appropriate slot machine hopper and the closing and locking of the slot machine and its corresponding hopper storage area by the slot mechanic or attendant.

(d) After transferring the coins, slot tokens or prize tokens to the slot machine's appropriate hopper from a corresponding storage area pursuant to (c) above or upon completing a fill pursuant to (b) above of a slot machine's hopper, the slot attendant or mechanic shall make the entries required on the slot machine's log, which, at a minimum and in addition to the entries required in N.J.A.C. 19:45-1.36(j), shall include the following:

1. The date and time of the transfer;

2. The type of hopper in the slot machine to which the coins, slot tokens or prize tokens were transferred;

3. The separate amounts of coins, slot tokens or prize tokens that were placed in that hopper; and

4. The name and license number of the slot attendant or slot mechanic who made the transfer or fill.

(e) Hopper storage areas shall be filled by using Hopper Fill Slips, in accordance with the procedures in (b) above.

(f) Each casino licensee shall submit and have approved internal controls for detecting and removing prize tokens from the all-purpose hoppers of its slot machines. Each casino licensee so removing a prize token shall count it, for purposes of calculating its gross revenue pursuant to N.J.S.A. 5:12-24, as cash received from gaming operations for the face amount of the prize token.

Amended by R.1981 d.437, effective November 16, 1981.
See: 13 N.J.R. 534(b), 13 N.J.R. 848(b).
(e)2: deleted "time of distribution" and substituted "shift during which coins are distributed" therefor. (f) added. Renumbered (f) as (g). (h) added. Renumbered (g)-(i) as (i)-(k) without change in text.
Amended by R.1989 d.34, effective January 17, 1989.
See: 20 N.J.R. 2050(b), 21 N.J.R. 175(b).
Added text in (b) "Notwithstanding the above ...".
Amended by R.1991 d.230, effective May 6, 1991.
See: 22 N.J.R. 3325(a), 23 N.J.R. 1461(a).
In (e)1: added "asset" to 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 (k): stylistic revisions.
Amended by R.1992 d.255, effective June 15, 1992.
See: 23 N.J.R. 2921(a), 24 N.J.R. 2297(a).
Stylistic revisions throughout. In (a): revised to read that Hopper Fill Slips "shall be prepared, in accordance with procedures approved by the Commission." In (b): added text to specify that the slot booth cashier is the preparer of the Hopper Fill Slips. Added new (e)7. In (j), deleted reference to "cage" cashier maintaining and controlling the original.
Amended by R.1992 d.361, effective September 21, 1992.
See: 24 N.J.R. 2137(a), 24 N.J.R. 3336(a).
Revised to meet statutory changes regarding records retention, storage and destruction. Eliminates current petition process for records destruction and off-site record generation or storage. Revised section.
Administrative correction to (c).
See: 25 N.J.R. 1230(a).
Amended by R.1993 d.631, effective December 6, 1993.
See: 25 N.J.R. 4474(a), 25 N.J.R. 5522(a).
Administrative Correction.
See: 26 N.J.R. 1538(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.351, effective July 3, 1995.
See: 27 N.J.R. 1172(a), 27 N.J.R. 2597(a).
Extended the section to general cashiers and master coin bank cashiers; substituted "preparer" for "slot cashier" throughout; and rewrote (b)11i.
Amended by R.1996 d.561, effective December 2, 1996.
See: 28 N.J.R. 4183(a), 28 N.J.R. 5081(a).
Amended by R.1997 d.489, effective November 17, 1997.
See: 29 N.J.R. 1289(a), 29 N.J.R. 4862(b).
Added (b)12.
Amended by R.1999 d.223, effective July 19, 1999.
See: 31 N.J.R. 934(a), 31 N.J.R. 1946(a).
Rewrote former (c) as (c) and (d); and recodified former (d) and (e) as (e) and (f).
Petition for Rulemaking.
See: 33 N.J.R. 3223(a), 33 N.J.R. 3696(b).
Amended by R.2001 d.404, effective November 5, 2001.
See: 33 N.J.R. 2636(a), 33 N.J.R. 3765(a).
Rewrote the section.
Amended by R.2002 d.60, effective March 4, 2002.
See: 33 N.J.R. 2402(b), 34 N.J.R. 1020(b).
In (b), rewrote 5; rewrote (c) and (d).
Amended by R.2003 d.161, effective April 21, 2003.
See: 35 N.J.R. 88(a), 35 N.J.R. 1689(b).
In (b)5i, added "and denomination" following "asset number"; in (b)14i, added "of slot machine" following "same denomination".

Amended by R.2007 d.116, effective April 16, 2007.
See: 38 N.J.R. 3289(a), 39 N.J.R. 1519(a).
In (b)13ii, substituted "information recorded pursuant to N.J.A.C. 19:45-1.42(*o*)" for "meter readings recorded on the Slot Meter Sheet".

19:45-1.41A Procedures governing the removal of coin, slot tokens and slugs from a slot machine hopper

(a) Except as provided in N.J.A.C. 19:45-1.38(d), and (b) through (d) below, no coin, slot tokens, or slugs shall be removed from a slot machine hopper.

(b) If a slot machine malfunctions during a payout and the slot machine cannot be repaired in a timely manner, coin and slot tokens may be removed from a slot machine's hopper in order to complete the slot machine paid jackpot. The coin or slot tokens shall be removed from the slot machine hopper by a slot attendant, slot mechanic or supervisor thereof. The removal of the coin or slot tokens shall be documented on the Machine Entry Authorization Log pursuant to N.J.A.C. 19:45-1.36(j). Nothing in this section shall preclude a casino licensee from preparing a Jackpot Payout Slip for the amount of coin or slot token owed the patron provided that the payout is completed in accordance with N.J.A.C. 19:45-1.40 and a notation is made on the Jackpot Payout Slip indicating the reason for the slip.

(c) If coin or slot tokens are inserted by a patron and are neither registered nor returned to the patron by the slot machine, a member of the slot department in accordance with (b) above may remove the coin or slot tokens from the slot machine hopper and return them to the patron. The removal of the coin or slot tokens shall be documented on the Machine Entry Authorization Log pursuant to N.J.A.C. 19:45-1.36(j). Under no circumstances shall a casino licensee remove more coin or slot tokens than the maximum number of coin or slot tokens which can be wagered on one handle pull of the slot machine.

(d) Whenever slugs are found in a slot machine's hopper the following procedures and requirements shall be followed:

1. A slot attendant, slot mechanic or supervisor thereof shall immediately remove the slugs from the slot machine hopper and place the slugs into an envelope or container. The individual who found the slugs shall record the asset number and the denomination of the slot machine, the quantity of slugs found, the date the slugs were found, and his or her signature on the Machine Entry Authorization Log pursuant to N.J.A.C. 19:45-1.36(j). The envelope or container may be maintained inside the slot machine until the number of slugs in the envelope or container is nine. When the number of slugs in the envelope or container reaches nine or at such other times as may be necessary, the slot attendant, slot mechanic or slot supervisor shall complete a three-part Slug Report which contains, at a minimum, the following:

i. The date and time;

ii. The asset number of the slot machine from which the slugs were removed;

iii. The denomination of the slot machine;

iv. The denomination and quantity of slugs;

v. A brief description of the slugs; and

vi. The signature of the slot attendant, slot mechanic or slot department supervisor completing the Slug Report.

2. Upon completion of the Slug Report required by (d)1 above, the slot attendant, slot mechanic or slot department supervisor shall remove the envelope or container and transport it with the Slug Report to the Master Coin Bank or other location as approved by the Commission. The individual accepting receipt of the slugs shall sign all three parts of the Slug Report. The original Slug Report shall be delivered to the Commission and the triplicate shall be delivered to the Division's in-house office by the end of each gaming day. The duplicate Slug Report shall remain with the slugs until their destruction.

3. If more than nine slugs are found at any one time in a slot machine's hopper, the slot department member shall place the slugs into the envelope or container and immediately complete the Slug Report required by (d)1 above. The slugs shall be immediately transported in accordance with (d)2 above. The slot department member shall inspect the slot machine and coin mechanism to determine if there is a malfunction. The results of this inspection shall be documented on the Machine Entry Authorization Log pursuant to N.J.A.C. 19:45-1.36(j).

4. All slugs shall be destroyed in accordance with procedures submitted to and approved by the Commission which procedures shall include a written notification to the Division as to the date, time and location of destruction.

New Rule, R.1994 d.423, effective August 15, 1994.
See: 26 N.J.R. 1620(a), 26 N.J.R. 3465(c).
Amended by R.1994 d.504, effective October 3, 1994.
See: 26 N.J.R. 4089(a).
Amended by R.1996 d.417, effective September 3, 1996.
See: 28 N.J.R. 1498(a), 28 N.J.R. 4111(b).
Amended by R.1997 d.459, effective November 3, 1997.
See: 29 N.J.R. 858(b), 29 N.J.R. 4715(a).
In (b), and (d)1, deleted all references to slot machine denominations less than $25.00.

Cross References

Accounting controls for the cashiers' cage, satellite cages, master coin bank and coin vaults, see N.J.A.C. 19:45-1.15.

19:45-1.42 Removal of slot drop buckets, slot drop boxes and slot cash storage boxes; unsecured currency; meter readings

(a) For each slot machine and attached bill changer on the gaming floor, the slot drop bucket, slot drop box and slot cash storage box shall be removed at least once a week on specified days and at times designated by the casino licensee

on a schedule which shall be filed with the Commission and the Division. However, a casino licensee may, with prior Commission approval, establish a less frequent schedule for the removal of slot drop buckets and slot drop boxes from those slot machines connected to an approved gaming voucher system, provided that a weekly slot drop estimate is reported in accordance with N.J.A.C. 19:54-1.5(c)1; in no event shall such slot drops occur less than once every two months. In the case of slot cash storage boxes, the schedule shall include the total number of slot cash storage boxes to be removed on a particular day in total and by zone. No slot drop bucket, slot drop box or slot cash storage box shall be emptied or removed from its compartment at other than the times specified on such schedule except with the express approval of the Commission. Prior to the start of the scheduled slot cash storage box collection process, a casino key employee who shall be referred to herein as a drop team supervisor shall perform a physical count of the slot cash storage boxes removed from storage to replace those boxes scheduled to be collected. Such count shall include emergency slot cash storage boxes and be documented in the presence of a Commission inspector on at least a two-part form. Any discrepancy between the number of slot cash storage boxes physically counted and the number indicated on the collection schedule shall be explained in writing to a Commission inspector. Prior to emptying or removing any slat drop bucket, slot drop box or slot cash storage box, a casino licensee shall notify the Commission and the surveillance department of the transportation route that will be utilized.

1. Notwithstanding (a) above, a casino licensee may submit a written application to the Commission at least 48 hours prior to a scheduled time for removal requesting an extension of time for removal of some or all of its slot drop buckets or slot drop boxes. The application shall specify the length of the extension sought, the reason therefor, and identify the particular slot machines included in such request (by slot zone and/or slot machine denomination). The Commission shall, if it determines that expected business conditions during the requested extension would neither compromise the removal process nor otherwise adversely affect the operation of the casino licensee's slot machines, extend the time to complete the removal of the affected slot drop buckets and slot drop boxes up to seven days. Upon expiration of the extension, the casino licensee shall resume its regular schedule as filed with the Commission and the Division. Whenever an extension does not encompass all slot drop buckets or slot drop boxes scheduled to be removed, the casino licensee shall ensure, through internal control procedures approved by the Commission, that the casino security department knows which slot drop buckets and slot drop boxes are to be removed and the count room supervisor knows which slot drop buckets and slot drop boxes contents should be counted.

2. All slot drop boxes which are not attached to a slot machine or temporarily stored in the base of a slot machine pursuant to (c)2ii below, including emergency slot drop boxes which are not actively in use, shall be stored in the count room or other secure area outside the count room approved by the Commission, in an enclosed storage cabinet or trolley and secured in such cabinet or trolley by a separately keyed, double locking system. The key to one lock shall be maintained and controlled by the security department and the key to the second lock shall be maintained and controlled by the Commission.

(b) Slot drop buckets, slot drop boxes and slot cash storage boxes shall be removed from their compartments in a slot machine or bill changer, in the presence of a Commission inspector, by at least three employees, two of whom shall be members of the casino security department, and one of whom shall be a member of the casino accounting department or an independent slot machine cage department established pursuant to N.J.A.C. 19:45-1.11(b)9.

(c) Procedures and requirements for removing slot drop buckets, slot drop boxes and slot cash storage boxes from the casino shall be as follows:

1. The slot drop bucket, slot drop box or slot cash storage box shall be removed from its compartment and an empty slot drop bucket, slot drop box, or slot cash storage box shall be placed into the compartment, and if applicable, a unique identification number shall be assigned and recorded for the slot cash storage box, either upon its insertion or removal, after which the compartment shall be closed and locked;

2. All slot drop buckets, slot drop boxes and slot cash storage boxes removed from compartments shall be transported directly to, and secured in the count room by, at a minimum, a Commission inspector, a casino security department member and a member of the casino accounting department or an independent slot machine cage department, for the counting of their contents; provided, however, that:

i. Prior to their placement in the soft count room, a drop team supervisor, in the presence of a Commission inspector, shall count the total number of slot cash storage boxes collected and verify that the number of boxes collected agrees with the number indicated on the removal schedule and sent for replacement pursuant to (a) above. Any discrepancies shall be immediately reported to the security and surveillance departments and explained in writing to a Commission inspector. Procedures for the immediate investigation of unresolved discrepancies must be approved by the Commission;

ii. A slot cash storage box removed from a bill changer in order to service the bill changer may be temporarily stored in the corresponding double-locked base of the slot machine (the compartment of the slot machine containing the slot drop bucket or slot drop box) attached to the bill changer, and shall be replaced and relocked in the bill changer when the repairs are completed. If the repairs cannot be completed and the slot

cash storage box cannot be replaced in the bill changer by the end of the repair person's shift, or if the bill changer must be removed from the casino floor, the slot cash storage box shall be removed from the locked slot compartment and transported to the count room in accordance with N.J.A.C. 19:45-1.38; and

iii. A full or inoperable slot drop box shall be replaced with an empty emergency slot drop box, and may be stored in its corresponding double-locked slot machine base until no later than the next scheduled slot drop box pickup;

3. Notwithstanding any other provision of this section or this chapter to the contrary, a casino licensee may, in lieu of transporting all slot drop buckets and slot drop boxes directly to the count room prior to the start of the count, utilize either or both of the following alternative procedures:

i. A casino licensee may create a secure staging area outside of the count room where slot drop buckets and slot drop boxes may be temporarily stored for a maximum of one hour before being transferred to the count room; provided, however, that the location of the staging area and the security measures used by the casino licensee shall be approved by the Commission, which security measures shall require, at a minimum, that the staging area be videotaped by the surveillance department and guarded by at least one casino security department representative whenever slot drop buckets or slot drop boxes are temporarily stored in the area; or

ii. A casino licensee may, prior to collecting and transporting all slot drop buckets and slot drop boxes on the casino floor to the count room or a secure staging area, begin to count, in accordance with the provisions of N.J.A.C. 19:45-1.43, the contents of slot drop buckets and slot drop boxes that have been collected and transported from a particular portion of the casino floor, provided that the casino licensee shall thereafter continue to collect and transfer to the count room, during the counting process, the slot drop buckets and slot drop boxes from the remaining portions of the casino floor until all slot drop buckets and slot drop boxes have been collected and counted; and

4. Except for members of the casino accounting department or independent slot machine cage department participating in the emergency removal of a slot cash storage box or slot drop box, casino security department employees and representatives of the Commission and Division, all persons participating in the removal of slot drop buckets, slot drop boxes and slot cash storage boxes shall wear as outer garments only a full-length, one-piece pocketless garment with openings only for the hands, feet and neck.

(d) In addition to complying with the procedures included in (b) and (c) above, a casino licensee shall submit to the Commission for approval its procedures detailing how the slot drop bucket, slot drop box and slot cash storage box for each slot machine and attached bill changer on the gaming floor will be emptied or removed from its compartment when the casino is open to the public for 24 hours. Such submission shall include at least the following:

1. How patrons will be notified that a slot machine will be closed for emptying or removing slot drop buckets, slot drop boxes or slot cash storage boxes;

2. How patrons will be removed from slot aisles;

3. How the area will be secured while the slot drop buckets, slot drop boxes or slot cash storage boxes are emptied or removed; and

4. How the compartments in which the full slot drop buckets, slot drop boxes or slot cash storage boxes are transported, will be secured while they are in the casino.

(e) Whenever currency, a gaming voucher, or a coupon is found inside a bill changer but outside the slot cash storage box ("unsecured currency," "unsecured gaming voucher" or "unsecured coupon"), a slot department representative or casino accounting department representative shall complete a form which includes the asset number or, pursuant to N.J.A.C. 19:45-1.16(b), other unique identification number of the slot cash storage box in the bill changer in which the unsecured currency, unsecured gaming voucher, or unsecured coupon was found, the date the unsecured currency, unsecured gaming voucher, or unsecured coupon was found, and the total value of the unsecured currency, unsecured gaming voucher, or unsecured coupon. The slot department representative or casino accounting department representative and a member of the casino security department shall then sign the form as evidence of the total value being transported; place the form and the unsecured currency, unsecured gaming voucher, or unsecured coupon into an envelope or container, unless the form is printed on the front of the envelope in which the currency, gaming voucher, or coupon is being placed; and transport the envelope or container directly to the cashiers' cage.

(f) Upon receipt of the envelope or container from the slot department representative or casino accounting department representative, a main bank cashier or cage supervisor shall immediately prepare an Unsecured Bill Changer Currency/Coupon/Voucher Report. If the unsecured currency, unsecured gaming voucher, or unsecured coupon was not transported by a slot supervisor or casino accounting supervisor, the Unsecured Bill Changer Currency/Coupon/Voucher Report must be prepared by a cage supervisor pursuant to (j) below.

(g) Unsecured Bill Changer Currency/Coupon/Voucher Reports shall be serially prenumbered forms. Each series of Unsecured Bill Changer Currency/Coupon/Voucher Reports shall be used in sequential order and shall be accounted for by employees independent of the cashiers' cage and slot department. All original and duplicate void Unsecured Bill Changer

Currency/Coupon/Voucher Reports shall be marked "VOID" and shall require the signature of the preparer. All copies of void Unsecured Bill Changer Currency/Coupon/Voucher Reports shall be forwarded to the accounting department at the end of the gaming day.

(h) For establishments in which Unsecured Bill Changer Currency/ Coupon/Voucher Reports are manually prepared, the following procedures and requirements shall be observed:

1. Each series of Unsecured Bill Changer Currency/ Coupon/Voucher Reports shall be a three-part form, at a minimum, and shall be inserted into a locked dispenser that will permit an individual slip in the series and its copies to be written upon simultaneously while still locked in the dispenser, and that will discharge the original and duplicate while the triplicate remains in a continuous, unbroken form in the dispenser; and

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 Unsecured Bill Changer Currency/Coupon/Voucher Reports, placing Unsecured Bill Changer Currency/Coupon/Voucher Reports in the dispensers, and removing from the dispensers the triplicates remaining therein.

(i) For establishments in which Unsecured Bill Changer Currency/Coupon/Voucher Reports are computer prepared, each series of Unsecured Bill Changer Currency/Coupon/Voucher Reports shall be a two-part form, at a minimum, and shall be generated by a computer system that will: simultaneously print an original and duplicate and store, in machine-readable form, all information printed on the original and duplicate; and discharge the original and duplicate. The stored data shall not be susceptible to change or removal by any personnel after preparation of the Unsecured Bill Changer Currency/Coupon/Voucher Report.

(j) On the original, duplicate and triplicate or, if applicable, in stored data, the main bank cashier or cage supervisor shall record, at a minimum, the following information:

1. The date and time of preparation;

2. The asset number or, pursuant to N.J.A.C. 19:45-1.16(b), other unique identification number of the slot cash storage box in the bill changer from which the unsecured currency, unsecured gaming voucher, or unsecured coupon was removed;

3. The denomination(s) of unsecured currency;

4. The total value of the unsecured currency;

5. The denomination(s) of unsecured coupons;

6. The total value of the unsecured coupons;

7. The serial number and value of each unsecured gaming voucher;

8. The total value of the unsecured gaming vouchers; and

9. The signature or, if computer prepared, identification code of the preparer.

(k) The original and duplicate copies of the Unsecured Bill Changer Currency/Coupon/Voucher Report shall be presented to the slot department representative or casino accounting department representative and the casino security representative for signature.

1. Upon meeting the signature requirements, the main bank cashier or cage supervisor shall transport the unsecured currency, unsecured gaming vouchers, and unsecured coupons along with the original and duplicate copies of the Unsecured Bill Changer Currency/Coupon/Voucher Report to the main bank.

i. If the Unsecured Bill Changer Currency/Coupon/Voucher Report was prepared by a cage supervisor, the main bank cashier shall:

(1) Sign the original and duplicate copies of the Unsecured Bill Changer Currency/Coupon/Voucher Report;

(2) Retain the original Unsecured Bill Changer Currency/Coupon/Voucher Report and the unsecured currency, unsecured gaming vouchers, and unsecured coupons; and

(3) Return the duplicate Unsecured Bill Changer Currency/Coupon/Voucher Report to the cage supervisor who shall attach the form referenced in (e) above to the duplicate and expeditiously deposit the duplicate with the attached form into the locked accounting box located in the cashiers' cage.

ii. If the Unsecured Bill Changer Currency/Coupon/Voucher Report was prepared by the main bank cashier, the main bank cashier shall:

(1) Retain the original Unsecured Bill Changer Currency/Coupon/Voucher Report and the unsecured currency, unsecured gaming vouchers, and unsecured coupons;

(2) Attach the form referenced in (e) above to the duplicate Unsecured Bill Changer Currency/Coupon/Voucher Report; and

(3) Return the duplicate Unsecured Bill Changer Currency/Coupon/Voucher Report and attached form to the casino security representative who shall expeditiously deposit the duplicate with the attached form into a locked accounting box maintained in a location approved by the Commission.

2. The main bank cashier shall then either:

i. Add the value of the unsecured currency, unsecured gaming vouchers, and unsecured coupons to the

main bank's accountability and retain the original of the Unsecured Bill Changer Currency/Coupon/Voucher Report until the end of the gaming day; or

ii. Maintain the unsecured currency, the unsecured gaming vouchers, the unsecured coupons, and the original Unsecured Bill Changer Currency/Coupon/Voucher Report until collected by a count room supervisor and immediately transported to the count room where:

(1) The currency, gaming vouchers, and coupons shall be counted with the contents removed from the corresponding slot cash storage box and recorded on the Slot Cash Storage Box Report; and

(2) The original Unsecured Bill Changer Currency/Coupon/Voucher Report shall be forwarded to the accounting department in accordance with N.J.A.C. 19:45-1.33(i).

(*l*) At the end of the gaming day, at a minimum, the original and duplicate copy of the Unsecured Bill Changer Currency/Coupon/Voucher Report along with any gaming vouchers and coupons shall be forwarded as follows:

1. If, pursuant to (k)1 above, the main bank cashier has retained possession of the original, the cashier shall forward the original along with any gaming vouchers and coupons directly to the accounting department for agreement with the triplicate or stored data; and

2. The duplicate with the attached form shall be forwarded directly to the accounting department for recording on the Slot Cash Storage Box Report and Slot Win Sheet, and agreement with the triplicate or stored data; provided, however, that no additional recording of the unsecured currency, unsecured gaming vouchers, and unsecured coupons shall be required in the currency, gaming vouchers, and coupons have been transported to the count room, counted and recorded pursuant to (k)2 above.

(m) The duplicate copy of the Unsecured Bill Changer Currency/Coupon/Voucher Report shall be attached to the Slot Cash Storage Box Report as supporting documentation. A notation shall be made on the duplicate Unsecured Bill Changer Currency/Coupon/Voucher Report indicating whether the dollar value of the unsecured currency, unsecured coupons, and unsecured gaming vouchers have been added to the Slot Cash Storage Box Report and Slot Win Sheet in accordance with (k)2 above or (l)2 above.

(n) Notwithstanding the requirements of (e) through (m) above, when unsecured currency and unsecured coupons are found during the collection of slot cash storage boxes, a casino licensee shall transport the unsecured currency and unsecured coupons directly to the soft count room. The completion of the form required by (e) above shall be performed by a count team member and a member of the casino security department. The envelope or container shall be transported with the slot cash storage boxes to the count room pursuant to N.J.A.C. 19:45-1.17(c). A listing of all unsecured currency and unsecured coupons by asset number or, pursuant to N.J.A.C. 19:45-1.16(b), other unique identification number shall be completed by the Commission inspector prior to the transportation of the trolley to the count room. The unsecured currency and unsecured coupons shall be counted and recorded with the contents removed from the corresponding slot cash storage box. The form prepared pursuant to (e) above shall be forwarded to the accounting department with the Slot Cash Storage Box Report pursuant to N.J.A.C. 19:45-1.33(i).

(*o*) Except as otherwise provided in (p) below, a computer system, as approved by the Commission, shall read and record, as applicable, the numbers on the in-meter, drop meter, jackpot meter, manual jackpot meter, cash box meter, if applicable, numerical and value gaming voucher, numerical and value cashable coupon meters and numerical and value non-cashable coupon meters, in accordance with the schedules filed pursuant to (a) above and the approved internal controls of the casino licensee. All recordings, as applicable, shall be performed in conjunction with the removal and replacement of the slot cash storage boxes, slot drop buckets and slot drop boxes prior to opening the slot machines for patron play.

1. The computer shall store in machine readable form all information required by this section and such stored data shall not be susceptible to change or removal by any personnel without the system identifying the original record and identifying the new record as having been changed. Only members of the casino accounting department shall, with prior Commission approval, have access to this meter information and the authority to change any meter information.

2. If the slot machine utilizes non-cashable slot credits, the casino licensee shall describe in its internal control submission whether the computer system:

i. Reads the numerical and value coupon meters and the numerical and value non-cashable coupon meters separately and then automatically combines the totals; or

ii. Separately records these meters on all reports required by N.J.A.C. 19:45-1.33 and 1.42.

3. If a bill changer does not contain a cash box meter pursuant to N.J.A.C. 19:45-1.37(e)1, a casino licensee shall be required to have a computer system record the bill meter readings each time the slot cash storage box is removed and provide a total of all bill meters for that slot machine.

4. If a casino licensee is granted an extension to remove slot drop buckets or slot drop boxes pursuant to (a)1 above, the required meter readings for the slot machines housing the affected slot drop buckets or slot drop boxes shall be similarly extended. Upon expiration of the extension, the casino licensee shall resume its regular schedule for required meter readings.

(p) Notwithstanding the provisions of (*o*) above, if the computer system required by (*o*) above is not capable of

reading the slot machine meters for gaming vouchers and coupons, or if the slot machine commingles gaming voucher and coupon data on a single meter, a casino licensee may, for a period ending on December 31, 2009, and with the prior approval of the Commission, obtain the required gaming voucher and coupon data from its gaming voucher system and coupon acceptance system, as described in its approved internal control procedures.

(q) The computer system approved pursuant to (*o*) above shall provide a report to the accounting department for comparison of meter information to the Slot Win Sheet and the calculation of slot machine statistics.

(r) Whenever there is a variance of more than two percent and more than $100.00 between the value of cash, gaming vouchers, or coupons removed from a bill changer's slot cash storage box and the corresponding cash box meter reading and, if applicable, the value coupon meter, the value non-cashable coupon meter and the value voucher-in meter reading as recorded on a report generated by a computer system pursuant to (*o*) and (q) above, or whenever there is a variance of more than $50.00 between the value of gaming vouchers or coupons removed from a bill changer's slot cash storage box and the corresponding value as recorded on a report generated by the gaming voucher system and coupon acceptance system pursuant to (p) above, the casino accounting department shall perform the following procedures:

1. If such a variance exists in the value of cash, confirm the variance by comparing the number of bills removed from the slot cash storage box to the bill meter readings. Such comparison shall be made by using, as applicable, the reports generated pursuant to (q) or (p) above and shall compare the meter readings to the total number of bills and value of cash removed from the slot cash storage boxes.

2. If such a variance exists in the value of either gaming vouchers or coupons, confirm the variance by comparing the number of gaming vouchers or coupons removed from the slot cash storage box to the readings recorded by the computer system or generated by the gaming voucher system and coupon acceptance system in accordance with the requirements of (*o*) or (p) above, as applicable. Such comparison shall be made by using a report generated pursuant to (q) or (p) above, which shall compare the meter readings or gaming voucher and coupon data to the total number and value of gaming vouchers and coupons removed from the slot cash storage boxes.

3. The casino licensee shall be required to have its slot department, in cooperation with its casino accounting department, investigate the cause of each variance identified pursuant to (r)1 and 2 above and prepare and file an incident report documenting such variance with the casino controller, the director of surveillance, Commission and Division. The casino licensee shall report the actual cause of the variance unless such cause cannot be definitively determined after a diligent investigation, in which case the probable cause of the variance shall be reported. Except as provided in (r)4 below, the incident report shall be a report of all bill changers with reportable variances and shall be filed within three weeks from the completion of the weekly slot cash storage box pickup, provided, however, that the Commission may direct a shorter time frame for the filing of the report, if an expedited filing is considered necessary to protect the integrity of casino operations. The incident report shall include, at a minimum, the following for each bill changer with a reportable variance, as well as the specified cumulative data:

i. The date of the meter reading;

ii. The date the report was filed;

iii. The amount of the variance, by denomination, with the exception of gaming vouchers, which shall be by total value;

iv. The asset number of the bill changer involved;

v. The amount of the variance by currency, gaming vouchers, and/or coupons;

vi. An indication as to the cause of the variance pursuant to (r)1 and 2 above, with any documentation attached to support the given explanation (for example, Unsecured Currency/Coupon/Voucher Report);

vii. An indication as to whether the bill meters, numerical voucher in meter, numerical non-cashable coupon meter or numerical coupon meter compared in accordance with the requirements of (r)1 or 2 above confirmed the variance, if applicable;

viii. The manufacturer and model number of the slot machine to which the bill changer is attached or embedded;

ix. The manufacturer of the bill changer involved;

x. The total number of reported variances by manufacturer and model number of the slot machine;

xi. The total number of reported variances by manufacturer of the bill changer;

xii. The total number of reported variances compared to the total number of slot cash storage boxes counted; and

xiii. The signature and license number of the preparer.

4. A casino licensee shall file a separate report that complies with (r)3 above concerning any variances on slot machines equipped with a bill changer utilizing alterable storage media governed by N.J.A.C. 19:46-1.26B(i).

5. Whenever a variance must be separately reported on a slot machine in accordance with (r)4 above, the casino licensee shall report gross revenue from the slot machine as the greater of the amount recorded on the appropriate meters of the slot machine or the amount in the corresponding slot cash storage box of the slot machine,

unless the variance can be explained to the satisfaction of the Commission and an adjustment is necessary to accurately report gross revenue.

(s) Unless otherwise authorized by the Commission, a casino licensee shall be required to conduct an appropriate investigation and take any necessary corrective action, including any remedial action required by the Commission, if 10 percent or more of the bill changers counted during the week have reported variances pursuant to (r) above for a period of three consecutive weeks.

(t) Notwithstanding anything in this chapter to the contrary, nothing shall preclude the Commission from requiring a casino licensee to read slot machine meters manually as a condition of prototype approval, as a remedial measure in the event of a malfunction, or as it may otherwise deem necessary to insure the integrity of gaming and the accurate reporting of gross revenue.

Petition for Rulemaking: Slot machine bill changer system.
See: 19 N.J.R. 1110(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 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 the removal of slot storage boxes.
Amended by R.1992 d.110, effective March 2, 1992.
See: 23 N.J.R. 3243(a), 24 N.J.R. 858(c).
In (a): revised text and added final phrase regarding the emptying or removing of any slot drop bucket or slot cash storage box. In (b): added new (b)1ii, revising old (b)1ii deleted (b)2ii, recodifying (b)2i into text of subparagraph (b)2. Revised text at (b)1i, adding phrase "When the casino is not open to the public, the . . ." to beginning of subparagraph and adding "accounting department members" to identify employees. In (c): stylistic revisions; added new subsection (d), recodifying (d)-(e) as (e)-(f).
Amended by R.1992 d.154, effective April 6, 1992.
See: 24 N.J.R. 57(a), 24 N.J.R. 1379(a).
In (b)-(c), added "casino" to define "security department member". In (c)1iii, added reference to "casino security department employees".
Amended by R.1992 d.432, effective November 2, 1992.
See: 24 N.J.R. 2695(a), 24 N.J.R. 4068(c).
Staffing requirements for removal changed in (b).
Amended by R.1993 d.36, effective January 19, 1993.
See: 24 N.J.R. 4026(a), 25 N.J.R. 348(b).
Meters to be read by casino accountants; (g) added procedure for variation of $25.00 or more.
Administrative correction to (b)1ii.
See: 25 N.J.R. 1519(b).
Amended by R.1993 d.143, effective April 5, 1993.
See: 25 N.J.R. 279(a), 25 N.J.R. 1523(a).
In (c)i: added text regarding the utilization of a unique identification number.
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.69, effective February 7, 1994.
See: 25 N.J.R. 4471(a), 26 N.J.R. 829(a).
Amended by R.1994 d.79, effective February 22, 1994.
See: 25 N.J.R. 4873(a), 26 N.J.R. 1110(b).
Amended by R.1994 d.297, effective June 20, 1994.
See: 26 N.J.R. 1440(a), 26 N.J.R. 2594(a).
Amended by R.1994 d.344, effective July 5, 1994.
See: 26 N.J.R. 1621(a), 26 N.J.R. 2804(a).
Amended by R.1994 d.422, effective August 15, 1994.
See: 26 N.J.R. 2213(a), 26 N.J.R. 3464(b).
Amended by R.1994 d.574, effective November 21, 1994.
See: 26 N.J.R. 3606(b), 26 N.J.R. 4639(a).
Amended by R.1995 d.624, effective December 4, 1995.
See: 27 N.J.R. 1789(a), 27 N.J.R. 4915(a).
Amended by R.1995 d.653, effective December 18, 1995.
See: 27 N.J.R. 3598(a), 27 N.J.R. 5044(a).
Amended by R.1996 d.357, effective August 5, 1996.
See: 28 N.J.R. 2355(a), 28 N.J.R. 3821(b).
Amended by R.1996 d.476, effective October 7, 1996.
See: 28 N.J.R. 3521(a), 28 N.J.R. 4517(b).
Amended by R.1997 d.249, effective June 16, 1997.
See: 29 N.J.R. 746(a), 29 N.J.R. 2676(a).
Inserted new (a)1; recodified former (a)1 as (a)2; and in (*o*), inserted "on the same schedule . . .cash storage boxes," and added the last two sentences.
Amended by R.1997 d.425, effective October 6, 1997.
See: 29 N.J.R. 859(a), 29 N.J.R. 4306(a).
Substantially amended (q) and added (r).
Amended by R.1998 d.149, effective March 16, 1998.
See: 30 N.J.R. 37(a), 30 N.J.R. 1059(b).
In (c)2, added language regarding required count room personnel; added a new (c)3; and recodified former (c)3 as (c)4.
Amended by R.1998 d.235, effective May 18, 1998.
See: 30 N.J.R. 810(a), 30 N.J.R 1851(a).
Inserted references to unsecured coupons and substituted references to Unsecured Bill Changer Currency/Coupon Reports for references to Unsecured Bill Changer Currency Reports throughout; in (e), inserted references to the dollar value of unsecured coupons throughout; in (j), inserted a new 5 and 6, and recodified former 5 as 7; in (m), inserted a reference to the dollar value of unsecured coupons; and in (q)2v, substituted a reference to Unsecured Currency/Coupon Reports for references to Unsecured Currency Reports.
Amended by R.1998 d.493, effective October 5, 1998.
See: 30 N.J.R. 2370(a), 30 N.J.R. 3669(a).
In (q), inserted "the director of surveillance," following "casino controller," in 2.
Amended by R.2000 d.422, effective October 16, 2000.
See: 31 N.J.R. 4245(a), 32 N.J.R. 3863(c).
Rewrote (a); in (c)2, added new i and recodified existing i and ii as ii and iii; and in (n), inserted a new fourth sentence.
Amended by R.2002 d.367, effective November 18, 2002.
See: 34 N.J.R. 2548(a), 34 N.J.R. 3977(b).
In (q), substituted "$100" for "25.00" in the introductory paragraph, rewrote the first sentence and added the second sentence in the introductory paragraph of 2, and inserted "pursuant to (q)2 above," in 2v.
Amended by R.2002 d.4, effective January 6, 2003.
See: 34 N.J.R. 2012(a), 34 N.J.R. 3977(b), 35 N.J.R 259(a).
Rewrote the section.
Amended by R.2004 d.52, effective February 2, 2004.
See: 35 N.J.R. 4184(a), 36 N.J.R. 661(b).
In (a), inserted the second sentence in the introductory paragraph.
Amended by R.2005 d.267, effective August 15, 2005.
See: 36 N.J.R. 4431(a), 37 N.J.R. 3069(a).
Rewrote (*o*) and (q).
Amended by R.2006 d.122, effective April 3, 2006.
See: 37 N.J.R. 4904(a), 38 N.J.R. 1583(b).
In introductory paragraph (a), decreased the frequency of drop slot occurrences from once per month to once every two months; in introductory paragraph (*o*) and (*o*)3, deleted "slot drop box buckets, slot drop boxes".
Amended by R.2007 d.116, effective April 16, 2007.
See: 38 N.J.R. 3289(a), 39 N.J.R. 1519(a).
Rewrote introductory paragraph of (*o*) and (*o*)3; added new (p); recodified former (p) through (r) as (q) through (s); rewrote (r) and (s); and added (t).
Amended by R.2009 d.220, effective July 6, 2009.
See: 41 N.J.R. 118(a), 41 N.J.R. 2713(c).
In the introductory paragraph of (r)3, substituted "2" for "(2)" and "Except as provided in (r)4 below, the" for "The" at the beginning of the third sentence; in (r)3vi, substituted "2" for "(r)(2)"; and added (r)4 and (r)5.

Cross References

Accounting controls for the cashiers' cage, satellite cages, master coin bank and coin vaults, see N.J.A.C. 19:45-1.15.

19:45-1.43 Procedure for counting and recording contents of slot drop buckets and slot drop boxes

(a) The opening, counting and recording of the contents of slot drop buckets and slot drop boxes (the "hard count") shall be performed in the count room required pursuant to N.J.A.C. 19:45-1.32 in the presence of a casino key employee who shall be referred to herein as a count room supervisor. The hard count shall be performed by at least three employees (the "count team"), which may include the count room supervisor. Except as otherwise provided in (i) below, the hard count shall be performed in the presence of a Commission inspector. To gain entrance to the count room, a Commission inspector shall present an official identification card issued by the Commission which contains his or her photograph.

(b) Except as otherwise provided in N.J.A.C. 19:45-1.42(c)3, the contents of slot drop buckets and slot drop boxes shall be counted and recorded immediately after removal from their slot machine compartments. If a casino licensee uses the phased collection and transfer procedures authorized by N.J.A.C. 19:45-1.42(c)3, the counting process set forth in (i) below may begin as soon as the slot drop buckets and slot drop boxes from any portion of the casino floor have been secured in the count room. Each casino licensee shall file with the Commission and the Division the specific times during which the contents of slot drop buckets and slot drop boxes shall be counted and recorded.

(c) All members of the count team present in the count room during the counting process shall be required to wear a full-length, one-piece, pocketless outer garment with no openings other than for the hands, feet and neck.

(d) No person shall carry a pocketbook or other container into the count room at any time unless it is transparent.

(e) All persons exiting the count room shall be inspected with a metal detector by a casino security department employee in the presence of a Commission inspector. The counting and recording process shall be discontinued and all coin and slot tokens shall be secured during any work break or emergency where the minimum number of count room personnel required by (a) above are not present or are not capable of performing their responsibilities.

(f) Immediately prior to opening and counting the contents of any slot drop bucket or slot drop box, the doors to the count room shall be securely locked. In addition, prior to opening and counting the first slot drop bucket or slot drop box of a hard count;

1. A count team member shall notify a surveillance department employee assigned to the closed circuit television monitoring room required by N.J.A.C. 19:45-1.10 that the count is about to begin; and

2. The count room supervisor or his or her supervisor shall notify the Commission inspector, in writing, of the name and Commission licensee number of each person who shall participate in the counting process and whether each such individual is scheduled to:

i. Be present in the count room during the entire counting process;

ii. Enter the count room during the counting process; or

iii. Leave the count room prior to the conclusion of the counting process.

(g) No person shall be permitted to enter or leave the count room during the counting process, except in an emergency, unless his or her name is on the written notice required by (f) above and a Commission inspector is present. Notwithstanding the foregoing, if a casino licensee uses the phased collection and transfer procedures authorized by N.J.A.C. 19:45-1.42(c)3, the names of the personnel required by N.J.A.C. 19:45-1.42(c)2 to transport and secure the collected slot drop buckets and slot drop boxes in the count room (the "collection team") shall not have to be included on the written notice required by (f) above if they enter the count room during the counting process solely for that purpose.

1. If, during the counting process, a casino licensee permits a member of the count team to enter or leave the count room or members of the collection team enter the count room pursuant to the phased collection and transfer procedure authorized by N.J.A.C. 19:45-1.42(c)3, any employee remaining in the count room shall be required to display his or her hands and move to a location away from any coin or slot token until the count team member has entered or left the count room or the transfer of the slot drop boxes and slot drop buckets to the count room has been completed and the collection team has left the count room. All activity in the count room shall be discontinued during any period when a count team member is entering or exiting the count room or a transfer of slot drop boxes and slot drop buckets is taking place.

2. Once the counting process has been started, the count room supervisor shall be required to notify the closed circuit television monitoring room whenever a count room door will be opened, and if a casino licensee uses the phased collection and transfer procedures authorized by N.J.A.C. 19:45-1.42(c)3, when all slot drop buckets and slot drop boxes have been secured inside the count room.

3. The surveillance department shall monitor and make a video recording, with the time and date inserted thereon, of the entire hard count, including any entrance to or exit from the count room by any person during the hard count, any transfer of slot drop buckets or slot drop boxes to the count room conducted pursuant to N.J.A.C. 19:45-1.42(c)3, any storage of slot drop buckets or slot drop boxes in the staging area permitted by N.J.A.C. 19:45-1.42(c)3, and all metal detector inspections performed by casino security. The video recording shall be retained by the surveillance department for at least five days from the date of recordation unless otherwise directed by the Commission or the Division.

(h) No prize tokens, coins or slot tokens shall be removed from the count room after the commencement of the hard count until the hard count has been completed and the prize tokens, coins or slot tokens have been recounted and accepted by a main bank cashier or master coin bank cashier in accordance with (j)4 below.

(i) Procedures and requirements for conducting the hard count shall be as follows:

1. Prior to the first slot drop bucket or slot drop box being emptied and counted, employees of the casino licensee shall:

i. Check, in the presence of the Commission inspector, the accuracy of all weighing and counting equipment, with the exception of coin or slot token wrapping machines, to insure proper calibration for each denomination of coin and slot token;

ii. Complete and sign a calibration report; and

iii. Initiate the preparation of a Slot Win Sheet, on which shall be recorded the results of the hard count. The Slot Win Sheet shall be, at a minimum, a two-part form consisting of an original and a duplicate copy unless the casino licensee chooses, pursuant to (j)6 below, to make photocopies of the original Slot Win Sheet, in which case only an original shall be required. Each additional copy of a multi-part Slot Win Sheet shall be clearly labeled as a copy.

2. All slot tokens in denominations of $25.00 or more shall be counted or weighed at the beginning of the hard count, in the presence of the Commission inspector, except upon notice to and written approval of the Commission's principal inspector at least 24 hours in advance of the rescheduled count of such slot tokens. The casino licensee may count or weigh other denominations of coins or slot tokens at the same time, provided that the high denomination slot token count proceeds to completion without interruption, except as otherwise provided herein. The Commission inspector shall, independently of the casino licensee, record on a countdown sheet the total value of each slot token in a denomination of $25.00 or more which is counted or weighed. The inspector shall compare the totals on his or her countdown sheet with the value of each of those slot tokens recorded by the hard count team on the Slot Win Sheet, and verify that the amounts are in agreement and are correct, and if not, shall either satisfactorily account for any discrepancies, if possible, or document the incident and promptly report it to the Division. At the conclusion of the hard count, the inspector shall recompare the totals on the countdown sheet with the final totals determined by the casino licensee.

3. Before each slot drop bucket or slot drop box is emptied, one count team member shall hold it up in full view of the closed circuit television camera and the count team member recording the count so as to permit proper recording of the number contained thereon.

4. The contents of each slot drop bucket or slot drop box shall be emptied, counted and recorded separately and such procedures shall at all times be conducted in full view of the closed circuit television cameras located in the count room.

5. The contents of each slot drop bucket or slot drop box shall be emptied separately into either a machine that automatically counts the coins or slot tokens or a scale that automatically weighs the coin or slot tokens; provided, however, that any prize tokens or foreign slot tokens shall be manually counted and separately recorded on the Slot Win Sheet.

6. Immediately after the contents of each slot drop bucket or slot drop box are emptied into either the counting machine or scale, the inside of the slot drop bucket or slot drop box shall be held up to the full view of the closed circuit television camera and shall be shown to at least one other count team member and the Commission inspector, if present, to assure that all contents of the slot drop bucket or slot drop box have been removed.

7. As the contents of each slot drop bucket or slot drop box are counted by the counting machine or weighed by the scale, one member of the count team shall manually record or cause a computer system to record, in a manner approved by the Commission, the following information on the Slot Win Sheet or a supporting document:

i. The asset number and denomination of the slot machine to which the slot drop bucket or slot drop box contents corresponds, if not preprinted thereon;

ii. The number of coins or slot tokens, or the weight of the coins or slot tokens contained in the slot drop bucket or slot drop box; provided, however, that if the value of the coins or slot tokens is not converted into dollars and cents until after the counting process is completed, the conversion shall be calculated and the dollar value of the drop shall be entered by denomination of the slot machine on the Slot Win Sheet;

iii. The number and dollar value of each denomination of prize token issued by any casino licensee, and the total dollar value of all prize tokens issued by any casino licensee; and

iv. The number and dollar value of each denomination of foreign slot token and the total dollar value of all foreign slot tokens.

8. A Commission inspector may, at any time, require the accuracy of any weighing, wrapping or counting equipment, or the value of any previously weighed, wrapped or counted coin or slot tokens, to be checked or rechecked.

9. After all slot tokens in denominations of $25.00 or more have been counted, wrapped or placed in racks, and then secured in a manner approved by the Commission, the Commission inspector may leave the count room to perform other functions as required by the Commission. Upon leaving the count room, the inspector shall:

i. Notify the surveillance department of his or her departure; and

ii. Test and activate the light system or other approved device at the count room door required by N.J.A.C. 19:45-1.32(d).

10. No person shall enter or leave the count room during the hard count when a Commission inspector is not present except in an emergency.

11. After the contents of all the slot drop buckets and slot drop boxes are counted or weighed and recorded, each count team member shall sign the Slot Win Sheet or other document as approved by the Commission attesting to their involvement in the hard count. Any person who, in accordance with (f) above, is scheduled to leave the count room prior to the completion of the entire count process, shall also record the time that he or she exited the count room. Any person who enters or leaves the count room due to an emergency shall sign, and record the time of the entry or exit on, the Slot Win Sheet or such other document as approved by the Commission; except that, if the person exiting the count room is unable to sign the document due to the emergency, the count room supervisor shall record the person's name and time of exit and a notation describing the emergency on the document.

12. At the conclusion of the hard count, any slugs that have been found shall be presented to a main bank cashier or master coin bank cashier together with the duplicate Slug Report. The Slug Report shall be a three-part form, at a minimum, which shall include the date, the total number of slugs received, the signature of the preparer and the signature of the main bank cashier or master coin bank cashier who accepted receipt of the slugs from the hard count representative. The original Slug Report shall be delivered to the Commission and the triplicate shall be delivered to the Division's in-house office by the end of the gaming day. The duplicate Slug Report shall remain with the slugs until their destruction.

13. Each prize token issued by any casino licensee that is removed from a slot drop bucket or a slot drop box and counted pursuant to this section shall be counted, for purposes of calculating gross revenue pursuant to N.J.S.A. 5:12-24, as cash received by the casino licensee from gaming operations for the face amount of the prize token, and, notwithstanding the prohibition on prize tokens activating slot machine play, no adjustment to the amount recorded on the Slot Win Sheet in accordance with (i)7iii above shall be allowed.

(j) Procedures and requirements at the conclusion of the hard count shall be as follows:

1. Approximately 15 minutes prior to the end of the hard count, if a Commission inspector is not present, an inspector shall be notified that the hard count is about to be completed.

2. Upon reentering the count room, the Commission inspector shall:

i. Examine the light system or other approved device to ascertain whether any person has entered or exited the count room during the period of his or her absence, and if so, either satisfactorily account for those events, if possible, or document the incident and promptly report it to the Division; and

ii. Compare the original list of count team members with the persons present at the conclusion of the hard count, ascertain whether the identities of the persons in the count room remained unchanged during the hard count, and if not, either satisfactorily account for any changes in personnel, if possible, or document the incident and promptly report it to the Division.

3. At least one count team member shall sign the Slot Win Sheet attesting to the accuracy of the information recorded thereon.

4. Any prize tokens, foreign slot tokens, wrapped coins, wrapped slot tokens, bagged coins or bagged slot tokens removed from the slot drop buckets and slot drop boxes shall be recounted in the count room by a main bank cashier or master coin bank cashier, in the presence of a count team member and the Commission inspector, prior to the cashier having access to the information recorded on the Slot Win Sheet. Any bagged coins or bagged slot tokens shall be recounted on a random sample basis as follows:

i. The main bank cashier or master coin bank cashier shall randomly select, at a minimum, 10 percent of all bagged coins and bagged slot tokens. The sample bags selected shall then be weighed by the cashier in the presence of a Commission inspector.

ii. If a discrepancy greater than plus or minus $1.00 for any denomination of bagged coins or greater than plus or minus one token for bagged slot token denominations of $25.00 and below is found during the weighing of a sample bag, then the sample bag shall be opened and recounted by a counting machine in the presence of the Commission inspector provided, however, for slot token denominations greater than $25.00, any discrepancy shall require a recount. If more than one sample bag has a discrepancy and the problem cannot be resolved, then the Commission inspector may require that the scales be recalibrated and that all bagged coins and bagged slot tokens be recounted.

5. The inspector shall then compare the value of each of the slot tokens, foreign slot tokens and prize tokens listed on his or her countdown sheet with the value of each of those tokens shown on the Slot Win Sheet, and verify that the amounts are in agreement and are correct, and if not, either satisfactorily account for any discrepancies, if possible, or document the incident and promptly report it to the Division.

6. The cage cashier or master coin bank cashier shall then attest by signature on the Slot Win Sheet to the accuracy of the value of coin, prize tokens, foreign slot tokens and slot tokens received from the slot machines. The inspector shall then sign the Slot Win Sheet evidencing the inspector's presence and the fact that the inspector,

the cashier and count team have agreed on the total value of coin, prize tokens, foreign slot tokens and slot tokens counted. Once the signatures required by (i)11 and (j)3 above and this paragraph have been recorded on the Slot Win Sheet, the duplicate copy or a photocopy of the original Slot Win Sheet shall be given to the inspector. A casino licensee's internal controls may, in the licensee's discretion, require that an additional copy of a multi-part Slot Win Sheet or another photocopy of the original Slot Win Sheet be given to the cage cashier or master coin bank cashier. Each photocopy of the original Slot Win Sheet shall be stamped with the word "copy" by the inspector prior to its distribution. The coins, prize tokens, foreign slot tokens and slot tokens thereafter shall remain in the custody of cage cashiers or master coin bank cashiers.

7. A casino security department employee, in the presence of the Commission inspector, shall:

i. Inspect all persons with a metal detector upon their exiting the count room; and

ii. Conduct a thorough inspection of the entire count room and all equipment located therein, for unsecured coins, foreign slot tokens, prize tokens and slot tokens.

8. The original Slot Win Sheet and any supporting documents shall be transported directly to the accounting department and shall not be available, except for signing, to any cashier's cage or slot personnel.

9. A casino accounting department employee shall complete the original Slot Win Sheet, either manually or through the use of a computer program, such as a spreadsheet program, as approved by the Commission, by recording the following information on the Slot Win Sheet or supporting documentation:

i. If not previously recorded on supporting documentation in accordance with the requirements of N.J.A.C. 19:45-1.33 and 1.43, the value of coin, slot tokens, prize tokens, foreign slot tokens, currency and coupons (identified separately for cashable and non-cashable coupons) for each slot machine, and the total value of gaming vouchers for each slot machine as determined in accordance with internal controls approved by the Commission pursuant to N.J.A.C. 19:45-1.54;

ii. The total value of coin, slot tokens, prize tokens, foreign slot tokens, currency and coupons (identified separately for cashable and non-cashable coupons), and the total value of gaming vouchers as determined in accordance with internal controls approved by the Commission pursuant to N.J.A.C. 19:45-1.54, by denomination of slot machine and in total for all slot machines.

(1) If a casino licensee utilizes a gaming voucher system to redeem a coupon, the value of the coupons shall be the greater of the total dollar value of coupons recorded as redeemed in the system, or the value as determined in accordance with the count procedures in N.J.A.C. 19:45-1.33; provided however, that nothing shall preclude a casino licensee from utilizing a report generated by the system, which lists any coupons recorded as redeemed in the system but which do not appear in the Slot Cash Storage Box Report, the value of which, if not adequately explained or resolved, shall be added to the coupon value on the slot cash storage box report.

(2) Additionally, if a casino license also utilizes a gaming voucher system to redeem coupons created pursuant to N.J.A.C. 19:45-1.55(*l*)2v (a coupon that is not associated with a specific patron account or patron identification card at the time of its creation and is being redeemed by a gaming voucher system), and a variance is detected pursuant to N.J.A.C. 19:45-1.33(i)5, 1.46(*l*)5 or 1.55(*l*)2vii, a summary schedule of the variances shall be submitted to the Commission.

iii. The total amount of Hopper Fills to each slot machine and its corresponding hopper storage area;

iv. The total of all Hopper Fills, by denomination of slot machine and the total for all Hopper Fills;

v. The total amount of Jackpot Payouts for each slot machine;

vi. The total of all Jackpot Payouts, by denomination of slot machine and the total for all slot machines;

vii. The total value of gaming vouchers redeemed at locations other than slot machines as determined in accordance with internal controls approved by the Commission pursuant to N.J.A.C. 19:45-1.54;

viii. The calculated win or loss and statistics for each slot machine;

ix. The total calculated win or loss for each denomination of slot machine and for all slot machines; and

x. Any adjustment allowed pursuant to N.J.A.C. 19:45-1.37D(a)8 as a result of slot machine testing.

10. The Jackpot Payouts and Hopper Fills shall be:

i. Compared for agreement with each other and, if applicable, to triplicates or stored data on a test basis;

ii. Reviewed for the appropriate number and propriety of signatures on a test basis;

iii. Accounted for by series numbers;

iv. Tested for proper calculation, summarization, and recording;

v. Subsequently recorded; and

vi. Maintained and controlled by accounting department employees.

11. The Slot Win Sheet shall be compared to the information recorded pursuant to N.J.A.C. 19:45-1.42(*o*) by a casino accounting department employee who shall:

i. Compare for agreement, for each slot machine, the number of coins or slot tokens counted and recorded by the count team to the drop meter reading recorded pursuant to N.J.A.C. 19:45-1.42(*o*); provided, however, that the casino accounting department, in making the comparison, shall account for any prize tokens and foreign slot tokens that were counted pursuant to this section after being improperly accepted by the coin acceptor and diverted to the slot drop bucket or slot drop box;

ii. Compare for agreement, for each slot machine, Jackpot Payouts to the manual jackpot meter reading recorded pursuant to N.J.A.C. 19:45-1.42(*o*) or (p);

iii. Compare for agreement, for each slot machine, the gaming voucher information as required in accordance with N.J.A.C. 19:45-1.54; and

iv. Report all significant differences between meter readings and amounts recorded to the slot department for appropriate action.

Amended by R.1981 d.437, effective November 16, 1981.
See: 13 N.J.R. 534(b), 13 N.J.R. 848(b).
(i)5: deleted "(and the value . . . counted") and added "and/or the value . . . Slot Win Report."
Amended by 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).
Added text in (g) ", after which such . . . or the division." Added new (j)2 and renumbered 2-4 as 3-5. Correction deferred operative date from September 1, 1987 to November 1, 1987.
Petition for Rulemaking: Slot machine bill changer system.
See: 19 N.J.R. 1110(a).
Amended by R.1991 d.230, effective May 6, 1991.
See: 22 N.J.R. 3325(a), 23 N.J.R. 1461(a).
In (i)5: added "asset" before number, revising from "casino" number.
Amended by R.1991 d.229, effective May 6, 1991.
See: 22 N.J.R. 3205(a), 23 N.J.R. 1455(a).
In (j): revised text from "slot cashier" to "master coin bank cashier."
Amended by R.1992 d.110, effective March 2, 1992.
See: 23 N.J.R. 3243(a), 24 N.J.R. 858(c).
In (f): stylistic revisions; in (i)6, amended text regarding required documents; added new (i)7, recodifying prior 7 as 8; in (j): added new (j)1, recodifying prior 1 as 2 and recodifying existing 2-5 as 3-6.
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).
Administrative Correction.
See: 25 N.J.R. 2913(b).
Amended by R.1993 d.493, effective October 4, 1993.
See: 25 N.J.R. 2855(a), 25 N.J.R. 4622(a).
Amended by R.1994 d.282, effective June 6, 1994.
See: 26 N.J.R. 1209(b), 26 N.J.R. 2476(c).
Amended by R.1994 d.344, effective July 5, 1994.
See: 26 N.J.R. 1621(a), 26 N.J.R. 2804(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.1996 d.110, effective February 20, 1996.
See: 27 N.J.R. 3923(a), 28 N.J.R. 1224(b).
Amended by R.1996 d.314, effective July 15, 1996.
See: 28 N.J.R. 1612(a), 28 N.J.R. 3622(a).
Amended by R.1996 d.417, effective September 3, 1996.
See: 28 N.J.R. 1498(a), 28 N.J.R. 4111(b).
Amended by R.1997 d.37, effective January 21, 1997.
See: 28 N.J.R. 4575(a), 29 N.J.R. 379(a).
In (e), deleted provision limiting entry/exit of counting room to specified persons; added (f)3; and substantially amended (g) and (i).
Amended by R.1997 d.447, effective October 20, 1997.
See: 29 N.J.R. 2811(a), 29 N.J.R. 4560(a).
In (a), rewrote the first and second sentences; and in (f)3, inserted "or his or her supervisor".
Amended by R.1997 d.489, effective November 17, 1997.
See: 29 N.J.R. 1289(a), 29 N.J.R. 4862(b).
In (j)9ii, added requirement for recording the hopper storage area.
Amended by R.1998 d.149, effective March 16, 1998.
See: 30 N.J.R. 37(a), 30 N.J.R. 1059(b).
Rewrote (b), (f) and (g).
Amended by R.1998 d.524, effective November 2, 1998.
See: 30 N.J.R. 2846(a), 30 N.J.R. 3971(b).
In (i), added a new iii in 1 and inserted "value" following "dollar" in 7iii; and rewrote (j).
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)2, added an exception at the end of the first sentence.
Amended by R.2002 d.4, effective January 6, 2003.
See: 34 N.J.R. 2012(a), 35 N.J.R. 259(a).
Rewrote the section.
Amended by R.2003 d.161, effective April 21, 2003.
See: 35 N.J.R. 88(a), 35 N.J.R. 1689(b).
In (i)7i added "and denomination" following "asset number"; in (i)7ii, added "of the slot machine" following "by denomination".
Amended by R.2007 d.116, effective April 16, 2007.
See: 38 N.J.R. 3289(a), 39 N.J.R. 1519(a).
In the introductory paragraph of (j)11, substituted "information recorded pursuant to N.J.A.C. 19:45-1.42(*o*)" for "Slot Meter Sheet"; in (j)11i, substituted "pursuant to N.J.A.C. 19:45-1.42(*o*)" for "on the Slot Meter Sheet"; and in (j)11ii, substituted "pursuant to N.J.A.C. 19:45-1.42(*o*) or (p)" for "on the Slot Meter Sheet".
Amended by R.2010 d.273, effective December 6, 2010.
See: 42 N.J.R. 1506(a), 42 N.J.R. 2981(a).
In (j)9i and in the introductory paragraph of (j)9ii, substituted "coupons (identified separately for cashable and non-cashable coupons)" for "coupon drop" and "vouchers" for "voucher drop"; and added (j)9ii(1) and (j)9ii(2).
Amended by R.2010 d.288, effective December 6, 2010.
See: 42 N.J.R. 1022(a), 42 N.J.R. 2987(a).
In the introductory paragraph of (j)9, inserted a comma following "program"; in (j)9viii, deleted "and" from the end; in (j)9ix, substituted "; and" for a period at the end; and added (j)9x.

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

(a) Any key that is required by N.J.S.A. 5:12-100c and this chapter to be controlled and maintained by a Commission inspector and any corresponding locking device for a dual key control locking system shall be patented and shall be approved by the Commission. Such key shall be legally duplicable only by the manufacturer or an approved agent or successor thereof, and shall be capable of unlocking the locking device on no more than one type of secure box, compartment or location used or maintained within any casino hotel facility. To the extent a casino licensee is not in compliance with the provisions of this subsection, the casino licensee shall submit internal controls for Commission approval by January 5, 2001 detailing its prospective implementation of any up-

grades to its dual key locking systems in accordance herewith. Such internal controls shall, at a minimum, include a completion date for all upgrades by November 6, 2002, and an enumeration of those incidents or events which, if they occurred, would compromise the security of the casino licensee's dual key control locking systems and require it to immediately comply with the provisions herein. Notwithstanding the above, nothing herein shall preclude the Commission from exempting a type of secure box, compartment or location from the requirements of this subsection upon a determination that the security of such box, compartment or location would not otherwise be compromised. The types of secure boxes, compartments or locations that require a unique Commission key shall include, without limitation, the following:

1. Drop boxes, as required pursuant to N.J.A.C. 19:45-1.16(a);

2. Slot cash storage boxes, as required pursuant to N.J.A.C. 19:45-1.16(b);

3. Trolleys to transport drop boxes from gaming tables to a secure location, as required pursuant to N.J.A.C. 19:45-1.17(b);

4. Trolleys or cabinets used to transport or store, respectively, slot cash storage boxes, as required pursuant to N.J.A.C. 19:45-1.14(d);

5. Count room entrance and exit doors, as required pursuant to N.J.A.C. 19:45-1.32(b);

6. Compartments housing slot drop buckets, as required pursuant to N.J.A.C. 19:45-1.36(b);

7. Slot drop boxes, as required pursuant to N.J.A.C. 19:45-1.36(c)3;

8. Compartments housing slot drop boxes, as required pursuant to N.J.A.C. 19:45-1.36(d);

9. Areas in which slot cash storage boxes are located, as required pursuant to N.J.A.C. 19:45-1.36(f);

10. Compartments housing microprocessors or other control units controlling progressive meter(s) for progressive slot machines, as required pursuant to N.J.A.C. 19:45-1.39(b)5;

11. Locations housing a computer that controls a progressive payout wager system for gaming tables offering a progressive payout wager, as required pursuant to N.J.A.C. 19:45-1.39B(b)6;

12. Storage cabinets or trolleys for unattached slot drop boxes, as required pursuant to N.J.A.C. 19:45-1.42(a); and

13. Compartment housing a random number generator for the keno system, as required pursuant to N.J.A.C. 19:45-15.5.

(b) Each casino licensee shall establish inventory internal controls for any key required by the rules of the Commission to be controlled and maintained by a casino licensee and for any corresponding locking device including, without limitation, any key and locking device required by N.J.S.A. 5:12-100c and this chapter for a dual key control locking system. The key and locking device inventory controls of each casino licensee shall include, at a minimum, procedures for:

1. Maintenance of inventory ledgers by identified, authorized personnel for purposes of documenting:

i. The requisitioning of keys and locking devices from vendors;

ii. The receipt of blank key stock;

iii. The storage and issuance of keys and locking devices;

iv. Any loss, removal from service, and subsequent replacement of keys and locking devices;

v. The destruction of keys and locking devices; and

vi. The results of physical inventories;

2. The storage of duplicate keys and locking devices, including a physical description of any storage location and the identification of authorized personnel in control of such location;

3. The destruction of keys and locking devices, including documentation detailing in whose presence any destruction shall occur; and

4. Physical inventories of all keys and locking devices at least once every 12 months.

(c) A casino licensee shall notify the Commission and its surveillance department immediately upon becoming aware of any malfunction of any alarm system or alarmed door required by the Act and these rules, or required by the Commission pursuant thereto, and upon any emergency service to restore their proper function. In addition, a casino licensee shall provide the Commission and its surveillance department with at least 24 hours written notice prior to effecting any non-emergency repair, maintenance or replacement of any such alarm system or alarmed door including, without limitation:

1. Alarm systems for any emergency exit from the casino floor or casino simulcasting facility, as required pursuant to N.J.A.C. 19:43-6.2(a)3;

2. Alarm systems for the casino cage, its ancillary office space and any related casino vault, as required pursuant to N.J.A.C. 19:45-1.14(c)2;

3. Alarm systems for any master coin bank located outside the casino cage, as required pursuant to N.J.A.C. 19:45-1.14(d);

4. Alarmed emergency exit door(s) for the casino cage, as required by N.J.A.C. 19:45-1.14(c)3iii;

5. Alarmed doors to casino vaults signaling the closed circuit television system, as required by N.J.A.C. 19:45-1.14(f)3;

6. Alarmed doors to count rooms signaling the monitoring rooms and the casino security department, as required pursuant to N.J.A.C. 19:45-1.32(b)2;

7. Alarm systems providing for a continuous visual signal whenever any access door to the count room is open, as required pursuant to N.J.A.C. 19:45-1.32(e);

8. Alarm systems for any slot cashier window in a slot booth, as required pursuant to N.J.A.C. 19:45-1.34(c);

9. Alarm systems for separate work stations within a keno booth or satellite keno booth, as required pursuant to N.J.A.C. 19:45-1.47(c)1i and (f); and

10. Alarm systems for keno work stations in keno lockers, as required pursuant to N.J.A.C. 19:45-1.47(g)1.

New Rule, R.1999 d.361, effective November 1, 1999.
See: 30 N.J.R. 3765(a), 31 N.J.R. 3529(a).
Amended by R.2000 d.445, effective November 6, 2000.
See: 31 N.J.R. 3245(a), 32 N.J.R. 4004(a).
Added new (a); recodified former (a) as (b).
Amended by R.2001 d.381, effective October 15, 2001.
See: 33 N.J.R. 1874(a), 33 N.J.R. 3673(a).
Added a new (b) and recodified former (b) as (c).
Amended by R.2001 d.402, effective November 5, 2001.
See: 33 N.J.R. 2633(a), 33 N.J.R. 3762(a).
In (a)11, substituted "a computer that controls a progressive payout wager system" for "the supercontroller and CPU disk drive for the progressive meter".

19:45-1.45 Signatures

(a) Signatures shall:

1. Comply with either of the following requirements:

i. Be, at a minimum, the signer's first initial, last name and Commission license number, written by the signer, and be immediately adjacent to or above the clearly printed or preprinted title of the signer; or

ii. Be the employee's identification number or other computer identification code issued to the employee by the casino licensee, if the document to be signed is authorized by the Commission to be generated by computer, and such method of signature is approved or required by the Commission;

2. Signify that the signer has prepared forms, records, and documents and/or authorized, observed, and/or participated in a transaction to a sufficient extent to attest to the accuracy of the information recorded thereon, in conformity with this regulation and the casino licensee's system of internal accounting control; and

3. Signify that the signer required by this chapter to count or observe gaming chips and plaques has counted or observed the count of such chips and plaques and such count was made by breaking down stacks of chips to the extent necessary.

(b) Signature records shall be prepared for each person required by the rules of the Commission to sign records and documents and shall include specimens of signatures, titles of signers and the date the signature was obtained. Such signature records shall be filed alphabetically by last name either on a company-wide or departmental basis. The signature records shall be adjusted on a timely basis to reflect changes of personnel.

(c) Signature records shall be securely stored in the accounting department, except that signature records stored in electronic form shall be maintained by the MIS Department in a secure format which is backed up regularly to a disk or such other media so that such signature records can be promptly retrieved in the event of a computer failure.

(d) This section shall apply to any signature required in a casino licensee's approved system of internal procedures and administrative and accounting controls, including, without limitation, procedures required by N.J.A.C. 19:46.

Amended by R.1981 d.272, effective August 6, 1981.
See: 13 N.J.R. 47(c), 13 N.J.R. 541(a).
(a)4: delete "except in counts required under sections 19:45-1.21, 19:45-1.30 and 19:45-1.31 of this regulation".
(b): delete "or initial forms" after "regulation to sign", and delete "and initials" after "specimens of signatures".
Amended by R.1988 d.468, effective October 3, 1988.
See: 20 N.J.R. 1069(a), 20 N.J.R. 2468(a).
Added (d).
Amended by R.1994 d.223, effective May 2, 1994.
See: 26 N.J.R. 912(b), 26 N.J.R. 1853(a).
Amended by R.1995 d.372, effective July 17, 1995.
See: 27 N.J.R. 1533(a), 27 N.J.R. 2707(a).
Amended by R.2005 d.13, effective January 3, 2005.
See: 36 N.J.R. 1185(a), 37 N.J.R. 103(a).
Rewrote (c).

19:45-1.46 Procedures for control of coupon redemption and other complimentary distribution programs

(a) For the purposes of this chapter, a complimentary distribution program is a contest or promotion pursuant to which complimentary services or items are provided directly or indirectly by a casino licensee to the public without regard to the identity or level of gaming activity of the individual recipients. The procedures contained in (c) through (t) below shall apply to casino licensees offering coupon redemption complimentary distribution programs which entitle patrons to use match play coupons or progressive wager coupons or to redeem coupons for complimentary cash, gaming chips, slot tokens, slot credits or simulcast wagers issued in connection with bus and other complimentary distribution programs. No match play coupons, progressive wager coupons, complimentary cash, gaming chips, slot tokens, or slot credits may be distributed, or complimentary simulcast wagers accepted, by a casino licensee under any coupon redemption complimentary distribution program that does not comply with the requirements of this section. Detailed procedures controlling

complimentary distribution programs regulated by (c) through (t) below shall be prepared prior to implementation and maintained by the casino accounting department. A coupon redemption complimentary distribution program may also allow patrons to use or redeem electronic transfer credits through the use of a coupon inserted into an electronic transfer credit system approved pursuant to N.J.A.C. 19:45-1.37A, provided that the storage, issuance, verification, redemption and reconciliation of such coupons is accomplished in a manner approved by the Commission.

(b) Detailed procedures controlling all complimentary distribution programs entitling patrons to complimentary cash, slot tokens, or slot credits not regulated by (a) above shall be prepared prior to implementation of the programs and shall be maintained by the casino accounting department. Complimentary items or services, including cash, slot tokens, slot credits or simulcast wagers, distributed through programs regulated by this subsection shall be reported in accordance with the procedures contained in (m) and (*o*) below.

(c) Each coupon or part thereof issued by a casino licensee directly or through an authorized vendor shall only be redeemable for a specific amount of cash, gaming chips, slot tokens, slot credits or simulcast wagers.

(d) All coupons issued pursuant to this section shall contain a serial number, which shall contain at least one number, symbol or character unique to coupons, so as to visually differentiate coupons from gaming vouchers. Additionally, if a gaming voucher system is being used to redeem coupons, coupons created pursuant to N.J.A.C. 19:45-1.55(*l*)2v (a coupon that is not associated with a specific patron account or patron identification card at the time of its creation, and is being redeemed by a gaming voucher system) shall be visually distinguishable (for example, by using paper or card stock of a different color) from coupons created pursuant to N.J.A.C. 19:45-1.55(*l*)2iii and iv (a coupon that is associated with a specific patron account or patron identification card at the time of its creation. Each series of coupons shall be issued in sequential order. Each coupon shall be printed with a description of what is being offered, the location where which it may be redeemed, and either a statement specifying the date on which the coupon becomes invalid or some other means to indicate the date when a coupon becomes invalid. If a coupon is devisable into sections or is multipart, each such separate part or copy shall contain the information required by this subsection.

(e) The provisions of this subsection and (f) through (h) and (k) below shall only apply to coupons that will be distributed directly to patrons by a casino licensee. Coupons received by a casino licensee from a manufacturer or distributor or produced internally by the casino licensee pursuant to (t) below shall be opened and examined by at least one member of the accounting department. Any deviations between the invoice or control listing accompanying the coupons, the purchase or requisition order, and the actual coupons received shall be reported promptly to the supervisor of the casino accounting department or to a higher authority in a direct reporting line and the Internal Audit Department.

1. Upon examination of the coupons received, the casino licensee shall cause to be recorded in a Coupon Control Ledger the type and quantity of coupons received, the date of such receipt, the beginning serial number, the ending serial number, the new quantity of unissued coupons on hand, the purchase order or requisition number, any deviations between the number of coupons ordered and received and the signature of any individual who examined such coupons.

2. All unissued coupons shall be stored in a secured and locked area, controlled by an accounting department supervisor.

3. A representative from the accounting department shall prepare a monthly inventory of unissued coupons. Any deviations between the coupon inventory and the Coupon Control Ledger shall be reported to the Casino Controller or to a higher in a direct reporting line.

4. For purposes of this section, "accounting department" shall be deemed to refer to any accounting personnel employed by the casino licensee who report in a direct line to the supervisor of the casino accounting department.

(f) A representative of the casino licensee shall estimate the number of coupons needed by shift each day. An accounting department representative shall obtain the quantity of coupons to be issued. If a date indicating when the coupon becomes invalid is not preprinted thereon, the accounting department representative shall affix a stamp indicating the date the coupon becomes invalid or shall issue color coded coupons indicating the date that the coupons become invalid. The following, at a minimum, shall be recorded in the Coupon Control Ledger:

1. The date the coupons were issued;

2. The type of coupons issued;

3. The beginning serial number of the coupons issued;

4. The ending serial number of the coupons issued;

5. The quantity issued and the quantity remaining; and

6. The signatures of the accounting department representative issuing the coupons and such other department's representative receiving the coupons.

(g) The casino licensee shall require unused coupons obtained from the accounting department representative to be stored in a locked cabinet until they are distributed to patrons. Any coupons remaining unused at the end of a shift shall either be returned to the accounting department for receipt and redistribution or kept for use by the following shift provided accountability between shifts is maintained. All expired coupons must be returned to the accounting department on a daily basis. Any coupons that are not used by the date

indicated on the coupons when they become invalid shall be voided when returned to the accounting department.

(h) Documentation, as required by the casino licensee, shall be prepared by a representative of the casino licensee for the distribution of coupons to patrons. The documentation shall have the following information, at a minimum, recorded on it:

1. The date and time or shift of preparation;

2. The type of coupons used;

3. The beginning serial number of the coupons used;

4. The ending serial number of the coupons used;

5. The total number of coupons used;

6. Independent verification of the number of people receiving the coupons, e.g., bus driver's manifest;

7. The total number of coupons remaining for use by the next shift or returned to the accounting department; and

8. The signature(s) of the casino licensee's representative who distributed the coupons.

(i) No casino licensee shall issue or use a match play coupon, a progressive wager coupon or a coupon for slot credits for gaming purposes until a sample coupon has been submitted to and approved by the Commission.

1. A coupon redeemable for gaming chips, a match play coupon and a progressive wager coupon shall be designed and printed so that the denomination and type of the coupon is clearly visible from the closed circuit television system when accepted or being wagered at a gaming table and when deposited in a drop box. A match play coupon shall contain an area designated for the placement thereon of the required gaming chips, which area shall be located on the coupon so as not to obscure or interfere with visibility of the type and denomination of the coupon.

2. A casino licensee may, in its discretion and upon fair notice to the public, issue coupons for cashable or non-cashable slot credits. A slot credit is cashable if it can be converted into cash by the patron; a slot credit is non-cashable if it cannot be converted into cash by the patron but can only be used to activate play at a slot machine.

i. No winning slot machine wager, including a winning wager made with a non-cashable slot credit, shall be paid with non-cashable slot credits.

ii. If a slot machine has both cashable and non-cashable slot credits available for play, all non-cashable slot credits shall automatically be wagered before any cashable slot credits are wagered.

iii. A coupon for non-cashable slot credits shall contain a conspicuous notice that it cannot be redeemed for cash and may only be redeemed for non-cashable slot credits at a slot machine. Such a coupon, as well as all written promotional materials and application forms relating to such credits shall disclose all restrictions upon the use of non-cashable slot credits, including, at a minimum, notice that a non-cashable slot credit cannot be converted into cash, must be wagered or abandoned, and is automatically wagered before any cashable slot credits are wagered. Such a coupon shall also be designed and printed so that the denomination and non-cashable status of the coupon is visually distinguishable from a coupon for cashable slot credits, and is also distinguishable from a coupon for cashable slot credits by a system which reads, verifies, validates and accepts or rejects coupons for cashable and non-cashable slot credits.

(j) Coupons shall be redeemed in the following manner:

1. Coupons redeemable for coin, currency or slot tokens shall be redeemed by changepersons or at the slot or keno booths, the cashier's cage, or at any other location within the casino hotel facility approved by the Commission in a casino licensee's internal control submission. A changeperson, slot cashier or general cage cashier shall accept the coupons in exchange for the stated amount of cash or slot tokens, or a keno writer shall accept the coupons in exchange for the stated amount of cash or keno ticket, and shall cancel the coupons upon acceptance. A coupon redeemable for currency may also be redeemed by slot attendants, who shall accept the coupon in exchange for the stated amount of currency and shall cancel the coupons upon acceptance. Cancellation of coupons by changepersons and slot attendants shall be in a manner that will permit subsequent identification of the individual who accepted and canceled the coupon.

i. Redeemed coupons shall be maintained by the slot or general cashier or keno writer and shall be exchanged with the Main or Master Coin Bank at the conclusion of gaming activity each day, at a minimum.

ii. Notwithstanding the above, an automated coupon redemption machine, gaming voucher redemption machine or bill changer may be utilized to accept coupons provided that:

(1) The acceptance of coupons by an automated coupon redemption machine complies with this section and N.J.A.C. 19:45-1.46A;

(2) The acceptance of coupons by a gaming voucher redemption machine complies with this section and 19:46-1.28B; and

(3) The acceptance of coupons by a bill changer complies with this section and N.J.A.C. 19:45-1.46B.

iii. If coupons are mailed to a patron pursuant to (q) or (r) below, an automated coupon redemption machine, gaming voucher redemption machine or bill changer may be used for redemption only if these devices have the capability to perform and document the verification

required by (q)5 below and to verify and document the identity of the patron as required by (q)6 below.

2. Coupons redeemable for electronic transfer credits shall only be redeemed at a slot booth, the cashiers' cage or at a slot machine connected to an electronic transfer credit system approved pursuant to N.J.A.C. 19:45-1.37A. The electronic transfer credit system shall verify the validity of the coupons prior to redemption, and shall electronically cancel the coupons in a manner approved by the Commission.

i. A slot cashier or general cage cashier shall redeem the coupons only in exchange for the amount of cash stated thereon. A record of redeemed coupons shall be maintained by the slot cashier or general cage cashier and shall be exchanged with the Main or Master Coin Bank at the conclusion of each cashier's shift, at a minimum.

ii. A record, separate from the record required pursuant to N.J.A.C. 19:45-1.37A(f), shall be generated at the end of each gaming day and maintained by the casino licensee. This record shall, at a minimum, identify the dollar value and identification number of each coupon redeemed at each slot machine, the date and time each coupon was redeemed, and the asset number of the slot machine at which the coupon was redeemed.

3. Coupons redeemable for simulcast wagers shall only be accepted by casino pari-mutuel cashiers at the simulcast counter in exchange for the simulcast wagers stated on the coupons. Cancellation of coupons by casino pari-mutuel cashiers shall be in a manner that permits subsequent identification of the individual who accepted and canceled the coupon. Redeemed coupons shall be maintained by the casino pari-mutuel cashier, or in the simulcast vault, and shall be exchanged with the Main Bank for a like amount of cash not less frequently than at the conclusion of each day.

4. A coupon redeemable for gaming chips shall be redeemed only:

i. At a gaming table and only by a dealer or boxperson, who shall, in accordance with N.J.A.C. 19:45-1.18, accept the coupon in exchange for the stated amount of gaming chips and shall deposit the coupon into the drop box upon acceptance; or

ii. By a chipperson, who shall accept the coupon only from a patron seated at a poker table at which a game is in progress, in exchange for the stated amount of gaming chips and shall cancel the coupon upon acceptance. The coupon shall be cancelled in a manner that will permit subsequent identification of the individual who accepted and cancelled the coupon. The cancelled coupons shall be exchanged with the main bank at the conclusion of the chipperson's shift, at a minimum.

5. A match play coupon shall be redeemed only at a gaming table which offers an authorized game in which patrons wager only against the house and, except for the Pass and Don't Pass wagers in craps and the Red, Black, Odd, Even, 1-18, 19-36, 1st 12, 2nd 12, and 3rd 12 wagers in roulette, which has an individual betting area for each player on the gaming table layout. Such a coupon shall be redeemed only by a dealer, and only if accompanied by the proper amount of gaming chips required by the coupon. The dealer shall, in accordance with N.J.A.C. 19:45-1.18, accept the coupon as part of the patron's wager and deposit the coupon into the drop box after the wager is won or lost.

6. A progressive wager coupon shall be redeemed only at an authorized game offering progressive payout wagers pursuant to N.J.A.C. 19:45-1.39B. Such a coupon shall be redeemed only by a dealer. The dealer shall, in accordance with N.J.A.C. 19:45-1.18, redeem the progressive wager coupon by placing a chip from the table inventory container that is equal in value to the progressive wager coupon into the progressive wager acceptor device and depositing the progressive wager coupon immediately into the drop box.

(k) When unused and expired coupons are returned to the Accounting Department, a representative of the accounting department shall record the following information in the Coupon Control Ledger:

1. The date the coupons were returned;

2. The type of coupons returned;

3. The beginning serial number of the coupons returned;

4. The ending serial number of the coupons returned;

5. The quantity returned and the quantity remaining; and

6. The signatures of the accounting department representative receiving the returned unused coupons and such other department's representative returning the unused coupons.

(*l*) All documentation, unused coupons, voided coupons, coupons returned by the post office, and redeemed coupons maintained in conformity with (g), (h), (i) and (j) above and (q) and (r) below shall be forwarded on a daily basis to the accounting department where they shall be:

1. Reviewed for propriety of signatures on documentation and for proper cancellation of all coupons;

2. Recounted and examined for proper calculation, summarization and recording on documentation, including, without limitation, the Master Game Report and the Slot Cash Storage Box Report;

3. Reconciled by:

i. Total number of coupons given to representatives of the department making distribution to patrons, re-

turned for reissuance, distributed to patrons, voided, returned by the post office and redeemed; or

ii. Total number of coupons mailed by an authorized vendor, returned by the post office and redeemed;

4. Reconciled by number and dollar value, if a gaming voucher system is used to redeem coupons in accordance with N.J.A.C. 19:45-1.46B and 1.55(*l*), with all of the following:

i. Coupon data created in another casino computer system;

ii. Coupons distributed to patrons;

iii. Coupon data transferred to the gaming voucher system by another casino computer system;

iv. Coupon data received by the gaming voucher system from another casino computer system; and

v. Coupons presented for redemption by patrons and subsequently verified and accepted by the gaming voucher system; and

5. If the coupon was created and redeemed pursuant to N.J.A.C. 19:45-1.55(*l*)2v (a coupon not associated with a specific patron account or patron identification card at the time of its creation), verified as to its face value by casino accounting, by comparing a sample of the actual coupons, which sample shall be different from the sample required by N.J.A.C. 19:45-1.33(i) and consist of at least five percent of such coupons or is created by using a sampling method approved by the Commission with at least a 95 percent confidence level, to a secure copy of the coupon mail file that created them and the casino computer system redemption file. Any variations shall be immediately reported to the casino controller, the IT Manager and the Commission; an investigation shall promptly be conducted to determine the actual or probable cause of the variation and the possible scope of the incident.

6. Subsequently recorded; and

7. Maintained and controlled by the accounting department until destruction of the coupons is approved by the Commission.

(m) Each casino licensee shall:

1. Prepare a quarterly report for all programs regulated by (a) above, which shall list, by type of coupon, the total number of coupons used, the total number of coupons redeemed, the total value of the complimentary cash, gaming chips, slot tokens, match play coupons, progressive wager coupons or simulcast wagers given to patrons in redemption of coupons and any liability to patrons remaining on unredeemed coupons, which report shall be made available upon request by the Commission or Division; and

2. Prepare a quarterly report for all programs regulated by (b) above, which shall list, by program offered during the quarter, a description of the complimentary items and services provided, the total number of persons receiving complimentary items or services, the total dollar amount of complimentary items or services provided, and the names of all persons receiving a complimentary item or service in a dollar amount greater than $1,000. Such report shall be made available upon request by the Commission or Division.

(n) The report shall be signed by the Casino Controller, or a higher authority in a direct reporting line, indicating that no material discrepancies were noted for the period covered by the report or if a material discrepancy is noted it shall be explained in detail.

(*o*) In addition to the reports required in (m) above, the casino licensee shall accumulate both the dollar amount of and the number of persons redeeming coupons pursuant to (a) above, and the dollar amount of and the number of persons receiving complimentary items or services pursuant to (b) above, and shall include this information on the quarterly complimentary report required by N.J.A.C. 19:45-1.9. Complimentary items or services, including match play coupons and progressive wager coupons, cash, gaming chips, slot tokens and simulcast wagers, distributed through programs regulated by this section shall no be subject to the daily complimentary reporting requirements imposed pursuant to N.J.A.C. 19:45-1.9.

(p) Prize tokens shall not be distributed as complimentary services or items pursuant to this section.

(q) A casino licensee that intends to mail coupons regulated by (a) above directly to its patrons shall not be required to comply with the requirements of (h) above but shall be required to include the following additional procedures, at a minimum, in its internal controls:

1. If the casino licensee utilizes a gaming voucher system to redeem coupons in accordance with the provisions of N.J.A.C. 19:45-1.46B and 1.55(*l*), the casino licensee shall prepare and maintain in another casino computer system, for the time period during which the coupon is valid, a coupon control file as required by N.J.A.C. 19:45-1.55(*l*), or if a gaming voucher system is not utilized to redeem coupons, a list of each patron to whom a coupon shall be mailed, which coupon control file or list shall include, at a minimum, the following information:

i. The patron name (not required for a coupon control file);

ii. The patron address (not required for a coupon control file);

iii. The patron identification number;

iv. The coupon denomination, and if redeemable for slot credits, whether the credits are cashable or non-cashable;

v. The coupon expiration date; and

vi. A unique coupon serial number which shall include a method of identifying the casino licensee issuing the coupon.

2. Each coupon issued pursuant to this subsection shall include a bar code or magnetic strip that will enable the casino computer system to identify the information required by (q)1 above.

3. The information required by (q)1 above shall be provided to the accounting department, which shall maintain this information for purposes of the reconciliation required by (*l*) above.

4. The envelopes used to mail the coupons shall include the casino licensee's address as the return address and shall request the return of the envelope to the sender if not deliverable to the addresses. The return of any coupon by the post office shall be recorded by the casino licensee in its casino computer system.

5. Prior to the redemption of a coupon issued pursuant to this subsection or upon electronic cancellation pursuant to (s) below, the casino licensee shall be required to verify the validity of the coupon by comparing the coupon serial number maintained in its other casino computer system pursuant to (q)1vi above or a control number, which is derived from the patron's identification number and the coupon's serial number, with the coupon serial number or control number recorded in the coupon's bar code or magnetic strip. This verification may be performed electronically. The casino licensee shall not redeem the coupon unless the casino licensee also confirms that:

i. The coupon has not expired; and

ii. The coupon has not been previously redeemed.

6. Prior to redemption of any coupon with a value of more than $500.00 issued pursuant to this subsection, the casino licensee shall be required to verify the identity of the patron in order to confirm that he or she is the person to whom the coupon was mailed.

7. All coupons issued pursuant to this subsection shall be redeemed in accordance with (j) above and shall be electronically canceled in the casino computer system immediately upon redemption or in accordance with (s) below so as to preclude subsequent redemption of the same coupon. On a daily basis, a report shall be generated of all coupons that are electronically canceled. This report shall contain, at a minimum, a list of the serial numbers of the canceled coupons and shall be forwarded, on a daily basis, to the accounting department for purposes of the reconciliation required by (*l*) above.

(r) Any casino licensee that intends to authorize a person (including any holding, intermediary or subsidiary company of the casino licensee), to print and mail coupons regulated by (a) above directly to the casino licensee's patrons shall be required to comply with the provisions of (q)1 through 7 above and shall include the following additional procedures, at a minimum, in its internal controls:

1. The casino licensee shall provide the coupon printer/mailer via electronic or magnetic tape medium a list of the information required by (q)1 above for each patron to whom a coupon shall be mailed.

2. The coupon printer/mailer shall print coupons only for the patrons authorized by the casino licensee pursuant to (r)1 above. Within 48 hours of mailing any coupons, the coupon printer/mailer shall provide documentation to the casino licensee's accounting department regarding the coupons that were printed and mailed. This documentation shall include the serial numbers of the coupons that were printed and mailed and a representation, signed by an officer or partner of the coupon printer/mailer, that only the coupons requested by the casino licensee were printed and mailed and that any misprints were destroyed.

3. The coupon printer/mailer may include material other than the coupon in the mailing if authorized by the casino licensee.

4. The casino licensee shall develop procedures for reconciling the total number of coupons authorized for issuance by the casino licensee pursuant to (r)1 above to the total number of coupons mailed by the coupon printer/mailer, returned by the post office and redeemed by patrons and shall calculate the daily outstanding liability of the casino licensee for unredeemed coupons issued pursuant to this subsection.

(s) Notwithstanding (q)5 and 7 above, a casino licensee may accept a coupon which has been mailed to a patron without first verifying its validity and without immediately canceling the coupon electronically in the other casino computer system if:

1. The value of the coupon is $500.00 or less;

2. The coupon is redeemed by a general cashier, dealer at a gaming table, slot attendant, changeperson, chipperson or slot cashier;

3. The general cashier, dealer, slot attendant, changeperson, chipperson or slot cashier verifies the expiration date contained on the coupon and confirms the coupon has not expired;

4. The coupon is physically canceled in some manner and physically segregated and secured until verified and electronically canceled; and

5. The coupon is verified in the other casino computer system, pursuant to (q)1 and 5 above, and electronically canceled in the system within eight hours of acceptance;

provided, however, that a coupon accepted by a dealer at a gaming table and deposited into that table's drop box may be verified and canceled when the drop box is removed from the table and taken to the count room.

(t) A casino licensee may, through its MIS department or any other department as approved by the Commission, internally manufacture or print coupons that are governed by (a) above provided that internal controls governing the production and subsequent reconciliation of such coupons are submitted to and approved by the Commission.

(u) Nothing in this chapter shall prevent a patron from causing a coupon to be printed upon demand at an approved location in a casino-hotel, pursuant to approved internal control procedures.

Amended by R.1982 d.170, effective June 7, 1982 (operative July 15, 1982).
See: 14 N.J.R. 203(a), 14 N.J.R. 582(b).
Amended by R.1982 d.293, effective September 7, 1982.
See: 14 N.J.R. 559(a), 14 N.J.R. 983(b).
Added new (b).
Amended by R.1984 d.623, effective January 21, 1985.
See: 16 N.J.R. 2075(b), 17 N.J.R. 211(b).
(i) substantially amended.
Petition for Rulemaking: To provide limitations on the extent of complimentary reporting required for promotional prizes and awards.
See: 19 N.J.R. 1578(c).
Amended by R.1988 d.209, effective May 16, 1988.
See: 19 N.J.R. 1975(b), 20 N.J.R. 1102(a).
Substantially amended.
Petition for Rulemaking: To allow the use of coupon cashing machines for the redemption of complimentary cash or slot tokens.
See: 21 N.J.R. 1750(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 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. Also affects New Rule N.J.A.C. 19:45-1.46A.
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 (i), added automated coupon redemption machine provision.
Amended by R.1992 d.501, effective December 21, 1992.
See: 24 N.J.R. 3254(a), 24 N.J.R. 4575(a).
In (*l*)1: specified filing of a quarterly report.
In (*l*)2: specified preparation of a monthly report. Added text that report shall be available upon request by the Commission or Division.
In (n): deleted "monthly" describing report.
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.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 (a), added gaming chips and other complimentary distribution programs. Added (i).
Recodified (i)-(n) as (j)-(*o*).
Amended by R.1993 d.144, effective April 5, 1993.
See: 24 N.J.R. 2692(b), 25 N.J.R. 1520(a).
In (a) and (b): added text regarding complimentary distribution program.
In (n): revised N.J.A.C. citation.
Amended by R.1993 d.145, effective April 5, 1993.
See: 24 N.J.R. 4505(a), 25 N.J.R. 1521(a).
In (*l*)2: increased dollar amount to $500.00 from $100.00.
Amended by R.1993 d.319, effective July 6, 1993.
See: 25 N.J.R. 1673(a), 25 N.J.R. 2911(a).
Amended by R.1993 d.492, effective October 4, 1993.
See: 25 N.J.R. 3107(b), 25 N.J.R. 4618(a).
Administrative Correction.
See: 25 N.J.R. 5943(c).
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.1994 d.298, effective June 20, 1994.
See: 26 N.J.R. 1441(a), 26 N.J.R. 2594(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.1994 d.575, effective November 21, 1994.
See: 26 N.J.R. 1322(a), 26 N.J.R. 4640(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.468, effective August 21, 1995.
See: 27 N.J.R. 2124(a), 27 N.J.R. 3223(a).
Required procedures for controlling complimentary distribution programs.
Amended by R.1996 d.12, effective January 2, 1996.
See: 27 N.J.R. 3771(a), 28 N.J.R. 180(b).
In (m)2 substituted "$1,000" for "$500.00".
Amended by R.1996 d.160, effective March 18, 1996.
See: 28 N.J.R. 75(a), 28 N.J.R. 1559(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.111, effective March 3, 1997.
See: 28 N.J.R. 5064(a), 29 N.J.R. 793(a).
Changed requirements for coupon serial numbers and procedures for redeeming coupons; and added (q) through (t).
Amended by R.1997 d.423, effective October 6, 1997.
See: 28 N.J.R. 4181(b), 29 N.J.R. 4304(b).
In (j)4, inserted reference to the roulette wagers.
Amended by R.1997 d.426, effective October 6, 1997.
See: 29 N.J.R. 3209(a), 29 N.J.R. 4307(a).
In (s)2 and 3, inserted ", slot attendant, changeperson".
Amended by R.1997 d.448, effective October 20, 1997.
See: 29 N.J.R. 3202(a), 29 N.J.R. 4561(a).
In (m)2, in the first sentence, deleted "equal to or" preceding "greater than $1,000".
Amended by R.1998 d.81, effective February 2, 1998.
See: 29 N.J.R. 5058(b), 30 N.J.R. 566(b).
In (s)1, substituted "100.00 or less" for "less than $100.00"; in (s)2, added "dealer at a gaming table"; in (s)3, added "dealer"; and in (s)5, added language regarding time limit of verifying and canceling a coupon accepted by a dealer.
Amended by R.1998 d.525, effective November 2, 1998.
See: 30 N.J.R. 2613(a), 30 N.J.R. 3972(a).
In (s)5, substituted "eight hours" for "four hours" following "in the system within".
Amended by R.1999 d.379, effective November 1, 1999.
See: 30 N.J.R. 4147(b), 31 N.J.R. 3527(a).
In (j), rewrote 3; and in (s), inserted references to chippersons in 2 and 3.
Amended by R.2001 d.4, effective January 2, 2001.
See: 32 N.J.R. 3215(a), 33 N.J.R. 62(b).
Rewrote (j)1.
Administrative correction.
See: 34 N.J.R. 2802(a).
Amended by R.2004 d.9, effective January 5, 2004.
See: 35 N.J.R. 2795(a), 36 N.J.R. 199(a).
In (q)6 and (s)1, substituted "$500" for "$100".
Petition for Rulemaking.
See: 37 N.J.R. 677(a), 1256(a).
Amended by R.2005 d.267, effective August 15, 2005.
See: 36 N.J.R. 4431(a), 37 N.J.R. 3069(a).
Rewrote (a) through (c), (i), (j), and (q).
Amended by R.2007 d.117, effective April 16, 2007.
See: 38 N.J.R. 4669(a), 39 N.J.R. 1505(a).
Rewrote (j)1ii; added designations (j)1ii(1) through (j)1ii(3) and (j)1iii; and in (j)1iii, inserted ", gaming voucher redemption machine".

Amended by R.2008 d.235, effective August 18, 2008.
See: 39 N.J.R. 4390(a), 40 N.J.R. 4830(a).
In (j)2ii, updated the N.J.A.C. reference.
Amended by R.2010 d.273, effective December 6, 2010.
See: 42 N.J.R. 1506(a), 42 N.J.R. 2981(a).
Rewrote (d); added new (*l*)4 and (*l*)5; recodified former (*l*)4 and (*l*)5 as (*l*)6 and (*l*)7; rewrote the introductory paragraph of (q)1; in (q)1i and (q)1ii, inserted "(not required for a coupon control file)"; in (q)4, inserted "casino"; in the introductory paragraph of (q)5, substituted "coupon serial number" for "information" twice, substituted "(q)1vi" for "(q)1", and deleted "of the information required in (q)1 above" following "verification"; in (q)7, deleted "licensee's" following "casino"; in (r), substituted "person (including any holding, intermediary or subsidiary company of the casino licensee)," for "vendor"; in (r)1 through (r)4, substituted "coupon printer/mailer" for "vendor" throughout; in the introductory paragraph of (s) and (s)5, inserted "other casino"; and added (u).

19:45-1.46A Procedures and requirements for use of an automated coupon redemption machine

(a) All coupons utilized with or accepted by an automated coupon redemption machine shall be accounted for and controlled pursuant to N.J.A.C. 19:45-1.46 unless otherwise authorized by the Commission.

(b) All coupons accepted by an automated coupon redemption machine shall have encoded thereon, in addition to the requirements of N.J.A.C. 19:45-1.46(d), a bar code which contains either the dollar value of the coupon or a serial number and a unique code or other security measure as approved by the Commission, that is readable only by the automated coupon redemption machine to ensure that the coupon is valid.

(c) Each automated coupon redemption machine shall establish the validity and value of the coupon by either:

1. Comparing the value and the unique code or other security measure contained in the bar code on the coupon referenced in (b) above to the information programmed into the machine; or

2. Causing the coupon acceptance system to compare the serial number in the bar code on the coupon referenced in (b) above to the information programmed into the system, after which the system shall inform the automated coupon redemption machine whether or not the coupon is valid and, if valid, the value of the coupon.

(d) The method or methods utilized to comply with the requirements referenced in (c) above shall be submitted to and approved by the Commission.

(e) Each automated coupon redemption machine shall, at a minimum, accumulate the following data on a meter or a computer generated tape:

1. The total amount of currency, coin or slot tokens dispensed by the automated coupon redemption machine; and

2. The total dollar amount of coupons accepted by the automated coupon redemption machine.

(f) Automated coupon redemption machines may be located on or immediately adjacent to the casino floor, provided that closed circuit television coverage of all automated coupon redemption machines is provided, pursuant to N.J.A.C. 19:45-1.10 and 1.11. Each automated coupon redemption machine shall have imprinted, affixed or impressed on the outside of the machine a unique asset identification number. Each automated coupon redemption machine shall contain a lockable coupon storage box which retains the coupons accepted by the machine. Each coupon storage box located inside the machine shall also have imprinted, affixed or impressed thereon the asset identification number of the corresponding machine.

(g) Each automated coupon redemption machine shall have, at a minimum, the following:

1. One lock securing the compartment housing the coupon storage box and one lock securing the coupon storage box within the compartment, the keys to which shall be different from each other. Such keys shall be controlled by two separate departments or by different employees of the slot department;

2. One lock securing the currency dispensing compartment housing the currency cassettes, the key to which shall be controlled by the slot department;

3. One lock securing the compartment housing the coin storage container, the key to which shall be controlled by the slot department; and

4. One lock securing the contents of the coupon storage box, the key to which shall be different from the keys referenced in (g)1 through 3 above. Such key shall be controlled by an employee of the slot department other than the employee(s) controlling the keys referenced in (g)1 through 3 above.

(h) At least once each gaming day, a slot cashier shall remove the coupons accepted by the automatic coupon redemption machine. Any currency, coin or slot tokens removed from the automated coupon redemption machine during the removal of coupons or during any other time shall be placed in a secured container, as approved by the Commission, with the automated coupon redemption machine asset identification number attached or recorded thereon. Upon removal of the coupons and/or currency, coins or slot tokens from the automated coupon redemption machine, a serially prenumbered three-part form, at a minimum, shall be prepared by the slot cashier. Each series of forms shall be used in a sequential order, and the series numbers of all forms received by a casino shall be accounted for by employees with no incompatible functions. All original, duplicate and triplicate void forms shall be marked "VOID" and shall require the signature of the preparer. The following copies shall contain, at a minimum, the following information:

1. The original and the duplicate and triplicate copies of the form shall contain, at a minimum, the following information:

i. The date and time of preparation;

ii. The denomination of the automated coupon redemption machine;

iii. The automated coupon redemption machine asset identification number;

iv. The total amount of currency, coin or slot tokens appearing on the meter or computer generated tape as dispensed by the automated coupon redemption machine;

v. The total dollar amount of coupons or the converted value of coupons appearing on the meter or computer generated tape as accepted by the automated coupon redemption machine; and

vi. The signature of the slot cashier who removed the coupons and/or currency, coin or slot tokens from the automated coupon redemption machine.

2. The original form shall contain the following information in addition to the information in (h)1 above:

i. The total dollar amount of coupons received from the security representative referenced in (h)1vii above and counted by a master coin bank cashier or a slot cashier, other than the slot cashier who removed the coupons from the machine;

ii. The total dollar amount of currency, coin or slot tokens removed by the slot cashier referenced in (h)1vi above and counted by a master coin bank cashier or a slot cashier, other than the slot cashier who removed the currency or coins from the machine;

iii. Any additional information as may be required by the Commission to reconcile the coupons removed from the automated coupon redemption machine; and

iv. The signature of the master coin bank cashier or slot cashier who received and counted the coupons and/or coin or slot tokens.

(i) The slot cashier shall:

1. Prepare the form referenced in (h) above by recording the information in (h)1i through v above;

2. Sign the form; and

3. Place the duplicate and triplicate copy of the form in the automated coupon redemption machine for subsequent forwarding, at the end of the gaming day, to accounting.

(j) Upon removal from the automated coupon redemption machine, the slot cashier shall transport the coupons, currency, coin or slot tokens to the slot booth or master coin bank.

(k) A master coin bank cashier or a slot cashier, other than the slot cashier who removed the coupons and any currency, coin or slot tokens from the automated coupon redemption machine, shall:

1. Count the coupons, currency, coin or slot tokens and record such amounts on the original copy of the form;

2. Reconcile the amount(s) counted to the amount(s) recorded in accordance with (h)1iv and v above;

3. Sign the original form attesting to the reconciliation; and

4. Retain the original copy of the form for subsequent forwarding to accounting at the end of the gaming day.

(*l*) Each automated coupon redemption machine shall cause any coupon that is accepted to be cancelled immediately upon exchange, in a manner approved by the Commission, so that the coupon is not redeemable in accordance with N.J.A.C. 19:45-1.34(a) or acceptable by a slot machine's bill changer, an automated coupon redemption machine or a gaming voucher redemption machine.

(m) Whenever currency, coins or slot tokens are distributed to an automated coupon redemption machine, a serially prenumbered three-part form, at a minimum shall be prepared by a slot cashier. Each series of forms shall be used in sequential order, and the series numbers of all slips received by a casino shall be accounted for by employees with no incompatible functions. All original, duplicate and triplicate copies of void forms shall be marked "VOID" and shall require the signature of the preparer. The slot cashier shall:

1. Record the following information on the original and all copies of the form:

i. The date and time of preparation;

ii. The automated coupon redemption machine asset identification number;

iii. The dollar amount of currency or, if coin or slot tokens, the number of bags and the dollar amount of each bag to be distributed; and

iv. The total dollar amount of the fill.

2. Present the original and all copies of the form to the master coin bank cashier;

3. Obtain the signature of the master coin bank cashier who prepared the currency, coins or slot tokens for distribution to the automated coupon redemption machine;

4. Present the original copy of the form to the master coin bank cashier;

5. Transport the duplicate and triplicate copies of the form, along with the funds to the automated coupon redemption machine;

6. Sign the duplicate copy of the form; and

7. Place the duplicate copy of the form in the automated coupon redemption machine until forwarded to accounting at the end of the gaming day and return the triplicate copy to the master coin bank cashier to be matched with the original copy.

(n) At the end of each gaming day, at a minimum, the original, duplicate and triplicate copies of the forms referenced in (h), (i), (j), (k), (m) and (n) above shall be forwarded to the accounting department for agreement and shall be used to reconcile each automated coupon redemption machine in a manner as approved by the Commission.

(*o*) Notwithstanding this section, in addition to accepting coupons, an automated coupon redemption machine may accept currency for changing bills of one denomination into bills of a smaller denomination and coin in exchange for currency, provided the procedures governing the control and reconciliation of coupons, currency and coin removed from the machine are approved by the Commission.

(p) Prize tokens shall not be dispensed from automated coupon redemption machines.

New Rule, R.1991 d.152, effective March 18, 1991.
See: 22 N.J.R. 3708(b), 23 N.J.R. 885(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 (h) and (*o*): stylistic revisions.
Amended by R.1993 d.142, effective April 5, 1993.
See: 24 N.J.R. 278(a), 25 N.J.R. 1522(a).
In (f): added text regarding location of automated coupon machines.
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.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.2003 d.463, effective December 1, 2003.
See: 35 N.J.R. 2476(a), 35 N.J.R. 5436(b).
Rewrote the section.
Petition for Rulemaking.
See: 37 N.J.R. 677(a), 1256(a).
Amended by R.2007 d.117, effective April 16, 2007.
See: 38 N.J.R. 4669(a), 39 N.J.R. 1505(a).
In (b), inserted "either" and "or a serial number"; rewrote (c) and (*l*); in introductory paragraph of (m), deleted "and" following "original,"; in (m)7, inserted "and return the triplicate copy to the master coin bank cashier to be matched with the original copy"; deleted (n); and recodified (*o*) through (q) as (n) through (p).

19:45-1.46B Procedures and requirements for a bill changer which can accept coupons

(a) Each bill changer which can accept coupons shall either:

1. Be able to establish the dollar value and validity of each coupon inserted therein, by interpreting the coded information which must be contained on the coupon pursuant to (b) below; or

2. Be connected to an approved gaming voucher system which satisfies the requirements of N.J.A.C. 19:45-1.55 and is able to establish the dollar value and validity of each coupon inserted in the bill changer, by interpreting the coded information contained on the coupon pursuant to (b) below.

(b) In addition to complying with the requirements of N.J.A.C. 19:45-1.46, each coupon which can be accepted by a bill changer shall contain encoded data that identifies the dollar value of the coupon and such other information as the Commission may require. Each coupon shall also contain a unique code or other security measure, which can be interpreted only by the bill changer or gaming voucher system, to ensure that the coupon is valid.

(c) The methods by which a bill changer or gaming voucher system and each coupon which can be accepted thereby will comply with the requirements of (a) and (b) above shall be submitted to and approved by the Commission before any such bill changer, gaming voucher system or coupon may be used by a casino licensee.

(d) Unless the slot machine to which the bill changer is attached contains the coupon meters identified in N.J.A.C. 19:45-1.37(e)3 and 19:46-1.26(d), a bill changer which can accept coupons shall be equipped with mechanical, electrical or electronic devices as follows:

1. A "numerical coupon meter" that continuously, automatically and separately counts the total number of all coupons accepted by the bill changer; and

2. A "value coupon meter" that continuously, automatically and separately counts the total dollar value of all coupons accepted by the bill changer.

(e) Each coupon accepted by a bill changer shall be deposited and stored in the bill changer's slot cash storage box. Each such coupon shall be counted as part of the slot cash storage box drop in accordance with the count procedures in N.J.A.C. 19:45-1.33 and recorded on the Slot Win Sheet or supporting documentation in accordance with the requirements of N.J.A.C. 19:45-1.43.

(f) Each coupon accepted by a bill changer shall be cancelled in a manner approved by the Commission which shall prevent the acceptance of the cancelled coupon by any bill changer, any automated coupon redemption machine or any other form of authorized redemption. The coupon shall be cancelled:

1. By the bill changer, a gaming voucher system or another approved casino computer system immediately upon acceptance; or

2. In the count room prior to the conclusion of the count, pursuant to N.J.A.C. 19:45-1.33(h)10.

(g) Unless otherwise authorized by the Commission, any coupon which can be accepted by a bill changer shall be accounted for and controlled pursuant to N.J.A.C. 19:45-1.46.

New Rule, 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.504, effective October 3, 1994.

See: 26 N.J.R. 2872(a), 26 N.J.R. 3253(a), 26 N.J.R. 4089(a).
Petition for Rulemaking.
See: 34 N.J.R. 1750(c), 2344(a), 3546(b).
Amended by R.2003 d.4, effective January 6, 2003.
See: 34 N.J.R. 2012(a), 35 N.J.R. 259(a).
In (f), changed N.J.A.C. reference.
Petition for Rulemaking.
See: 37 N.J.R. 677(a), 1256(a).
Amended by R.2010 d.273, effective December 6, 2010.
See: 42 N.J.R. 1506(a), 42 N.J.R. 2981(a).
Rewrote (a) and (f); in (b), inserted "or gaming voucher system,"; in (c), inserted "or gaming voucher system", substituted "thereby" for "therein" and inserted ", gaming voucher system"; and in (e), inserted "and recorded on the Slot Win Sheet or supporting documentation in accordance with the requirements of N.J.A.C. 19:45-1.43".

19:45-1.47 Keno booths; satellite keno booths; keno lockers; roving keno work stations

(a) Keno gaming operations shall only be conducted in a separate and distinct area approved by the Commission, although a casino licensee may conduct the same keno game or different keno games in separate approved areas. Any area designated for keno gaming activity shall be located:

1. On the casino floor;

2. In a casino simulcasting facility; or

3. In a public keno area in accordance with the provisions of N.J.A.C. 19:45-1.47B.

(b) Any area designated for keno may contain a physical structure known as a keno booth to house the keno writers and to serve as the central location for the following:

1. The custody of the keno booth inventory, including currency, coin, coupons, gaming chips, slot tokens, and forms and documents normally associated with the operation of a keno booth;

2. The exchange by patrons of coupons for currency, coin or keno tickets in conformity with N.J.A.C. 19:45-1.46(j);

3. The receipt of currency, coin, gaming chips, coupons and slot tokens for wagering at the game of keno;

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

5. The payment of winning wagers at the game of keno; and

6. Such other functions normally associated with the operation of a keno booth.

(c) The keno booth shall be designed and constructed to provide maximum security for the materials housed therein and the activities performed therein, and shall include the following:

1. Separate work stations which shall include:

i. Manually triggered silent alarm systems connected directly to the monitoring rooms of the closed circuit television system, the security department office and the on-site office of the Division;

ii. A computer terminal which shall be used to issue keno tickets and calculate payouts for winning keno tickets; and

iii. An area for the storage of a keno drawer.

2. A segregated area for the storage of the keno computer equipment. The location and security of the keno computer equipment shall be approved by the Commission. Nothing herein shall preclude a casino licensee from storing its keno computer equipment in another segregated and secure area of the casino hotel facility, provided that the location of and the security measures for such area have been approved by the Commission.

(d) In addition to the requirements in (c) above, a keno booth may contain the following:

1. A segregated and secure area for the storage of locked keno drawers pursuant to N.J.A.C. 19:45-1.48; and

2. A segregated and secure area, maintained on an imprest basis by the keno supervisor, which may be used to establish opening keno inventories and complete keno fills and keno credits pursuant to the requirements of this chapter.

i. The casino licensee shall submit for review and approval procedures governing how this area will be maintained on an imprest basis. In addition, each keno supervisor shall prepare a count sheet to record the opening and closing balance for their shift which shall be signed by both the incoming and outgoing keno supervisor.

(e) If a keno booth is designed so as to be immediately adjacent to the cashiers' cage or a satellite cage and access to the keno booth is through the cashiers' cage or satellite cage, the casino security department escort otherwise required by N.J.A.C. 19:45-1.48, 1.49 and 1.50 for the transportation of keno drawers and keno fills and credits shall not be required.

(f) A casino licensee may, in its discretion, operate one or more satellite keno booths. All the provisions of this subchapter governing the operation of a keno booth shall apply to a satellite keno booth with the exception of the following:

1. The keno games for which wagers are accepted at a satellite keno booth must be the same keno games for which wagers are accepted at the keno booth;

2. The only keno computer equipment which may be located at a satellite keno booth shall be the computer terminals used by the keno writers to issue keno tickets and calculate payouts of winning keno tickets;

3. A satellite keno booth may not contain a separate area for the storage of currency and coin pursuant to (d) above; and

4. A satellite keno booth may operate without the presence of a keno supervisor; however, a keno writer at a satellite keno booth may not redeem a winning keno ticket for $1,500 or more unless the payment is authorized by obtaining the signature of a keno supervisor or a supervisor thereof in accordance with N.J.A.C. 19:47-15.6(b).

(g) A casino licensee may, in its discretion, permit a keno runner to generate and redeem keno tickets from a keno locker located on the casino floor, in the casino simulcasting facility or other secure location as approved by the Commission. Each keno locker shall be a fully enclosed structure and shall contain one keno work station. A keno locker shall be closed and locked whenever it is unattended by a keno runner. A keno work station in a keno locker shall include:

1. A manually triggered silent alarm system connected directly to the monitoring rooms of the closed circuit television system, the casino security department office and the on-site office of the Division;

2. A computer terminal which shall be used to issue keno tickets and calculate payouts for winning keno tickets;

3. An area for the storage of one or more keno drawers, which area shall only be used by a keno runner selling or redeeming keno tickets from that keno locker; and

4. A light that is located above the work station and is visible from outside the keno locker, which light shall automatically illuminate whenever the door to the keno locker is open.

(h) A casino licensee may, in its discretion, operate roving keno work stations which contain a keno terminal and a keno drawer. The roving keno work station shall be:

1. Operated by a keno writer in accordance with the rules of this Chapter and N.J.A.C. 19:47; and

2. Operated on the casino floor, in the casino simulcasting facility or in a public keno area in accordance with the provisions of N.J.A.C. 19:45-1.47B; provided, however, if a roving keno work station shall be operated in a public keno area, the keno writer shall receive and return his or her imprest funds and perform all fills and credits in a restricted casino area approved by the Commission for such activity.

New Rule, R.1995 d.285, effective June 5, 1995.
See: 27 N.J.R. 2218(a), 27 N.J.R. 2254(a).
Amended by R.1996 d.443, effective September 16, 1996.
See: 27 N.J.R. 3597(a), 28 N.J.R. 4235(b).
Amended by R.1998 d.148, effective March 16, 1998.
See: 30 N.J.R. 36(a), 30 N.J.R. 1059(a).
Added a new (b)4 and recodified former 4 and 5 as 5 and 6.
Amended by R.1998 d.164, effective April 6, 1998.
See: 29 N.J.R. 2632(a), 30 N.J.R. 1304(a).
In (a), deleted former 2, redesignated former 3 as 2, and added a new 3; in (b), substituted "may" for "shall" following "keno" in the introductory paragraph; inserted a new (g); and recodified former (g) as (h), deleted "Notwithstanding (a), (b) and (c) above," at the beginning, and rewrote 2.
Amended by R.2003 d.117, effective March 17, 2003.
See: 34 N.J.R. 3941(a), 35 N.J.R. 1428(a).
Rewrote (f)4.
Amended by R.2004 d.176, effective May 3, 2004.
See: 35 N.J.R. 1798(a), 36 N.J.R. 2204(c).
In (g), added "or other secure location as approved by the Commission" at the end of the first sentence in the introductory paragraph.

19:45-1.47A Keno runners

(a) A casino licensee may employ one or more "keno runners" to assist in the conduct of keno. A keno runner may act as an intermediary between a patron and a keno writer in order to facilitate the placement or redemption of a keno wager. A keno runner may also accept and redeem keno wagers at a keno booth, satellite keno booth or keno locker without the assistance of a keno writer provided that:

1. The keno runner operates out of his or her own keno drawer and, if applicable, pouch or wallet; and

2. The casino licensee's approved keno system can generate the reports necessary for the accounting and reconciliation of the assets and documents contained in the keno drawer of each keno runner.

(b) A keno runner may, in accordance with internal controls approved by the Commission, carry an imprest fund of currency for the purpose of and giving change to patrons who make keno wagers. Such funds may be issued from the keno vault, the main bank or the master coin bank, but shall not be issued by a keno writer. A keno runner who generates and redeems keno tickets at a keno work station and utilizes a winning keno ticket report to verify and directly redeem winning keno tickets pursuant to (d)2 below may carry funds from his or her keno drawer in a pouch or wallet for the purpose of redeeming winning keno tickets and giving change to patrons who make keno wagers. Any such pouch or wallet shall be approved by the Commission, contain an amount not to exceed $1,500, and be carried and used only by a keno runner to redeem winning keno tickets and give change to patrons who make keno wagers. A keno runner shall return all funds from the pouch or wallet to his or her keno drawer no later than the end of the keno runner's shift and prior to closing out pursuant to N.J.A.C. 19:45-1.48(j).

(c) If a patron wishes to use a keno runner to place a keno wager, the keno runner shall:

1. Require the patron to complete a two-part keno runner request and to present currency, coin, gaming chips, slot tokens or coupons in an amount sufficient to fund the request;

2. Provide a part of the keno runner request to the patron that will identify the patron to the keno wager;

3. Take the part of the keno runner request with the information regarding the wager together with the currency, coin, gaming chips, slot tokens or coupons to a keno writer at a keno work station or to a keno booth, satellite keno booth or keno locker where the keno runner has a keno drawer;

4. Receive the keno ticket or tickets and any change from the keno writer or generate them directly at his or her work station in a keno booth, satellite keno booth or keno locker; and

5. Deliver the keno ticket or tickets to the patron in exchange for the identifying part of the keno runner request, provided that, prior to the exchange, the keno runner shall compare the two parts of the keno runner request to ensure that the ticket is being delivered to the correct patron.

(d) If a patron wishes to use a keno runner to redeem a winning keno ticket, a keno runner shall:

1. Agree to assist the patron only if the winning keno ticket has a value that does not exceed $500.00;

2. Accept the ticket from the patron in exchange for a one-part keno ticket receipt; provided, however, a keno runner who generates and redeems keno tickets at a keno work station, utilizes a winning keno ticket report to verify the winning ticket and has sufficient funds in his or her pouch or wallet to redeem the ticket may accept the ticket in exchange for the winning payout;

3. Take the winning ticket to a keno writer at a keno work station or to a work station in a keno booth, satellite keno booth or keno locker where the keno runner has a keno drawer or, if the keno runner has paid the patron directly from his or her pouch or wallet pursuant to (d)2 above, redeem the winning keno ticket at a keno work station no later than the end of the keno runner's shift; and

4. Unless the keno runner has paid the patron directly from his or her pouch or wallet pursuant to (d)2 above, receive the proceeds of the ticket from the keno writer or take them from the keno runner's drawer in the keno booth, satellite keno booth or keno locker and deliver them to the patron in exchange for the keno ticket receipt.

(e) Each keno runner shall, in accordance with a casino licensee's approved internal controls, "sign in" prior to the start of each keno game for which the keno runner was authorized to accept keno wagers. This act shall constitute a representation by the keno runner that all wagers accepted for that game have been placed and that corresponding keno tickets have been issued, or that no wagers were accepted for that game. A keno runner may "sign in" manually, electronically on the keno computer system or by giving verbal notice to the keno supervisor or keno writer authorized to start the keno game. After "signing in," a keno runner shall not accept additional wagers for the game, but may deliver keno tickets to patrons for wagers that were placed prior to the keno runner "signing in."

(f) No keno supervisor or keno writer shall start a keno game until all keno runners who are authorized to accept wagers for that game have "signed in" in accordance with (e) above, and the keno supervisor or keno writer shall certify at the end of the shift that all keno runners "signed in" prior to the start of each keno game during the shift.

New Rule, R.1998 d.164, effective April 6, 1998.
See: 29 N.J.R. 2632(a), 30 N.J.R. 1304(a).
Amended by R.2004 d.176, effective May 3, 2004.
See: 35 N.J.R. 1798(a), 36 N.J.R. 2204(c).
Rewrote the section.

19:45-1.47B Public keno areas

(a) In addition to conducting keno operations on the casino floor or in a casino simulcasting facility in accordance with the provisions of N.J.A.C. 19:45-1.47, a casino licensee may conduct keno operations in other public areas of the casino hotel ("public keno areas") in accordance with the provisions of this section. Public keno areas shall be approved by the Commission and may include, without limitation, restaurants, lounges and bars, but shall not include qualifying sleeping units or other hotel rooms used for the lodging of guests. An area of the casino hotel that is leased to an on-premise shopkeeper may be a public keno area provided that the lessee holds a casino service industry license.

(b) Keno tickets shall only be issued and redeemed in public keno areas by a keno writer or keno runner operating in accordance with the provisions of N.J.A.C. 19:45-1.47 or 1.47A.

(c) An application to conduct keno operations in a public keno area pursuant to this section shall be made in accordance with the provisions of N.J.A.C. 19:43-7.6. Any such application shall, at a minimum, describe:

1. The public areas where keno tickets shall be sold and redeemed;

2. The method or methods that shall be used to sell and redeem keno tickets; and

3. If keno runners shall be used, the location of the keno work stations from which the keno runners shall purchase and redeem keno tickets and the routes that shall be used to get to and from such keno work stations in the public keno area or to and from the perimeter of the casino floor or casino simulcasting facility.

New Rule, R.1998 d.164, effective April 6, 1998.
See: 29 N.J.R. 2632(a), 30 N.J.R. 1304(a).

19:45-1.48 Accounting controls for the operation of keno booths and keno work stations

(a) Whenever a keno work station is opened for gaming, the keno work station shall commence operation with an amount of currency and coin known as the "keno inventory." The amount of the keno inventory shall be determined by the casino licensee, except that the keno inventory shall not exceed $1,500 for a keno writer working from a roving keno work station, a keno runner working from a keno locker, and a keno writer or keno runner working from a satellite keno booth located in a public keno area. No casino licensee shall cause or permit currency, coin or gaming chips to be added to, or removed from, the keno inventory during the gaming day except:

1. In exchange for a keno ticket purchased by a patron;

2. In order to make change for a patron buying a keno ticket;

3. In receipt of a coupon from a patron in exchange for currency, coin or a keno ticket in conformity with N.J.A.C. 19:45-1.46(j);

4. In payment of a winning or voided keno ticket in conformity with the provisions of N.J.A.C. 19:47-15.6; or

5. In conformity with the keno fill and keno credit procedures described in N.J.A.C. 19:45-1.49 and 1.50.

(b) Whenever a keno work station is opened for gaming activity, the keno inventory shall be stored in a lockable container known as a "keno drawer." For a given shift, each keno writer and each keno runner authorized to accept and redeem wagers shall have his or her own keno drawer and no other person shall operate out of the drawer of that keno writer or keno runner. A keno runner who utilizes a winning keno ticket report to verify and directly redeem winning keno tickets pursuant to N.J.A.C. 19:45-1.47A(d)2 may carry funds from the keno inventory in his or her keno drawer in a pouch or wallet as permitted by N.J.A.C. 19:47A(b)2, provided that all such funds are returned to the keno drawer no later than the end of the keno runner's shift. Nothing herein shall preclude a keno writer or keno runner from working at multiple keno work stations throughout the gaming day provided the keno writer or keno runner appropriately logs on and off each computer terminal and continues to operate from his or her assigned keno drawer.

(c) Keno drawers shall be prepared by a main bank cashier, master coin bank cashier, cage supervisor or keno supervisor.

(d) The keys to the keno drawers containing the keno inventories shall be maintained and controlled in a secure place approved by the Commission. Each key shall be signed-in and signed-out in accordance with procedures approved by the Commission.

(e) Immediately prior to opening a keno work station for gaming, each keno writer or keno runner assigned to a work station shall, if the drawer is not already located at that keno work station, transport the keno drawer, in the presence of a casino security department member, to the appropriate keno work station where the drawer shall be counted in accordance with the requirements of (h) below. If the keno writer or keno runner is assigned to a keno work station in a keno booth or satellite keno booth where his or her drawer is already located, the keno writer or keno runner shall count his or her drawer at the keno work station in accordance with the requirements of (h) below. Each keno runner assigned to work from a keno locker shall, prior to opening his or her work station for gaming, count his or her drawer in accordance with the requirements of (h) below at the keno booth, cashier's cage or other restricted casino area approved by the Commission.

(f) Nothing in this section shall preclude a casino licensee from developing approved internal control procedures pursuant to which the keno drawers for a shift are delivered to

the keno booth by a member of the casino security department, provided the casino security department does not have access to the keys to the keno drawers.

(g) Each keno drawer which is prepared shall contain a form in addition to the currency and coin. The form shall be, at a minimum, a two-part form with the preparer of the drawer maintaining the duplicate as a balancing item and the original being sent with the currency and coin. The preparer shall record, at a minimum, the following information on the original and duplicate form:

1. The date and time of preparation of the keno drawer;

2. The keno work station location number;

3. The total amount of each denomination of currency and coin to be distributed;

4. The total amount of all denominations of currency and coin to be distributed; and

5. The signature of the preparer.

(h) The keno writer or keno runner shall count the contents of the drawer in the presence of a keno supervisor or a supervisor thereof and shall assure the accurate comparison of the count to the figures recorded on the form referenced in (g) above.

1. If the count and figures agree, the keno writer or keno runner and keno supervisor or supervisor thereof shall sign the form attesting to the accuracy of the information recorded thereon.

2. If a discrepancy exists between the amount of currency and coins counted and the amount of currency and coins recorded on the form, the appropriate corrections shall be made on the form by the keno supervisor or supervisor thereof. The keno supervisor or supervisor thereof shall place his or her initials next to each correction. Once all appropriate corrections have been made, the keno writer and keno supervisor or supervisor thereof shall sign the form. The keno supervisor or supervisor thereof shall immediately prepare a discrepancy report and forward a copy of the report to casino accounting, the Commission booth, the security department and the on-site office of the Division.

(i) Upon compliance with the signature requirements of (g) and (h) above, the keno writer or keno runner shall input the opening inventory figure in total or by denomination into the computer terminal and maintain the form required by (g) above in the keno drawer until the end of the keno writer's or keno runner's shift. Notwithstanding the foregoing, the keno supervisor or a supervisor thereof may input the opening inventory figure or figures into the computer terminal provided the keno writer or keno runner verifies the opening inventory figure or figures input into the computer to the figures recorded on the form required by (g) above.

(j) At the end of each keno writer's or keno runner's shift, all currency, coin, slot tokens, coupons and gaming chips remaining in the keno drawer shall be counted by the keno writer or keno runner at the keno booth, satellite keno booth, cashier's cage or other restricted casino area approved by the Commission. The keno writer or keno runner shall record on the form required by (g) above or on a separate one-part form the following information:

1. The total value of each denomination of currency, coin, slot tokens and gaming chips in the keno drawer;

2. The total value of all coupons in the keno drawer;

3. The total value of all denominations of currency, coins, slot tokens and gaming chips in the keno drawer;

4. The total amount of all keno fill slips;

5. The total amount of all keno credit slips; and

6. The signature of the preparer.

(k) Once the form required by (g) above has been completed with the information required by (j) above, it shall be placed in the keno drawer. If the casino licensee uses a separate form to record the closing keno inventory pursuant to (j) above, both forms shall be placed in the keno drawer. The keno drawer shall then be locked by the keno writer or keno runner and either:

1. Immediately transported to the cashiers' cage, master coin bank or satellite cage by the keno writer or keno runner in the presence of a casino security department member; provided, however, that a casino security department escort shall not be required if a locked cart is used to transport the keno drawer and the surveillance department is notified in advance of the transport;

2. Placed in a secure storage area in the keno booth and held for subsequent transportation by the casino security department in a manner approved by the Commission, provided, however, that the casino security department shall not have access to the key to the keno drawer; or

3. Turned over to the keno supervisor for subsequent reissuance.

(*l*) Each casino licensee shall develop internal control procedures for the accounting and reconciliation of the assets and documents contained within the keno drawers used each gaming day. These procedures shall include reports generated by the keno computer system and shall provide for the verification of each keno drawer, including verification of the use of winning keno ticket reports, by a keno supervisor, main bank cashier or cage supervisor and the reporting of any overage or shortage including any problem associated with the use of winning keno ticket reports. Copies of all reports shall be forwarded to casino accounting on a daily basis.

(m) Nothing herein shall preclude a keno writer or keno runner from counting the contents of his or her drawer at an

area designed for this purpose within the keno booth rather than at the keno work station, provided however, that such area is approved by the Commission.

(n) Each keno writer and keno runner shall be required to independently count the contents of his or her own drawer and prepare the form required in (j) above without access to any information recorded on the reports referenced in (l) above.

New Rule, R.1995 d.285, effective June 5, 1995.
See: 27 N.J.R. 2218(a), 27 N.J.R. 2254(a).
Amended by R.1997 d.217, effective May 19, 1997.
See: 29 N.J.R. 325(b), 29 N.J.R. 2470(a).
In (a), inserted "or gaming chips".
Amended by R.1998 d.164, effective April 6, 1998.
See: 29 N.J.R. 2632(a), 30 N.J.R. 1304(a).
Inserted references to keno runners throughout; in (a), inserted a new second sentence and inserted a reference to gaming chips in the last sentence of the introductory paragraph; rewrote (e); and in (j), added "or keno runner at the keno booth, satellite keno booth, cashier's cage or other restricted casino area approved by the Commission" at the end of the first sentence.
Amended by R.2004 d.176, effective May 3, 2004.
See: 35 N.J.R. 1798(a), 36 N.J.R. 2204(c).
In (b), inserted the third sentence; in (l), rewrote the second sentence.
Amended by R.2006 d.123, effective April 3, 2006.
See: 37 N.J.R. 4905(a), 38 N.J.R. 1584(a).
In (k)1, added "provided, however, that a casino security department escort shall not be required if a locked cart is used to transport the keno drawer and the surveillance department is notified in advance of the transport;".

19:45-1.49 Keno drawer fill procedures

(a) Once a keno drawer has been opened for use by the keno writer or keno runner, if the keno writer or keno runner needs additional currency or coin the keno writer or keno runner shall prepare a keno fill slip.

(b) Keno fill slips shall be serially prenumbered forms. The series numbers of all keno fill slips shall be unique to the game of keno and each series of keno fill slips shall be used in sequential order. All original and duplicate void keno fill slips shall be marked "VOID" and shall require the signature of the keno writer or keno runner who prepared the slip.

(c) A keno fill slip shall be at least a two-part manual or computerized form and shall contain, at a minimum, the following information on the original and each copy of the slip:

1. The denomination of the currency and coin being requested;

2. The total amount of each denomination of currency and coin being requested;

3. The total amount of all denominations of currency and coin being requested;

4. The keno work station location number with which the currency and coin will be distributed;

5. The date and time of preparation; and

6. The signature of the keno writer or keno runner or, if computer-prepared, the identification code of the keno writer or keno runner.

(d) Upon completion of the keno fill slip by the keno writer, a keno supervisor shall either prepare the requested fill from the excess currency and coin maintained in the keno booth pursuant to N.J.A.C. 19:45-1.47 or transport all copies of the keno fill slip to the main bank or master coin bank where a cashier shall prepare the requested fill. Nothing herein shall preclude a main bank or master coin bank cashier or cage supervisor from picking up the completed keno fill slip at the keno booth.

(e) Once the requested funds have been prepared for transfer, either the keno supervisor or a supervisor thereof or the main bank or master coin bank cashier, as applicable, shall sign all copies of the keno fill slip and retain a copy as a balancing item. The funds shall be transported to the keno writer or keno runner by the keno supervisor or a supervisor thereof or by a main bank or master coin bank cashier or cage supervisor along with the original keno fill slip. If the funds have been prepared by a main bank or master coin bank cashier, the individual who will transport the funds shall sign for receipt of the funds and a member of the casino security department shall escort the funds. If the funds need to be transported outside of the keno booth they shall be placed in a sealed envelope or container.

(f) Once the funds have been given to the keno writer or keno runner, the casino security department employee, if applicable, shall sign the original keno fill slip as evidence of the transportation of the funds. The keno writer or keno runner shall then count the currency and coin and, if the amount is consistent with the amount recorded on the keno fill slip, sign the original keno fill slip and enter the amount of the fill into the computer terminal. Notwithstanding the foregoing, the keno supervisor may input the amount of the fill into the computer terminal provided the keno writer or keno runner verifies the amount input by the keno supervisor to the amount recorded on the original keno fill slip.

(g) Upon compliance with the signature requirements described in (f) above, the original keno fill slip shall be maintained in the keno drawer for subsequent reconciliation purposes.

New Rule, R.1995 d.285, effective June 5, 1995.
See: 27 N.J.R. 2218(a), 27 N.J.R. 2254(a).
Amended by R.1998 d.164, effective April 6, 1998.
See: 29 N.J.R. 2632(a), 30 N.J.R. 1304(a).
Inserted references to keno runners throughout.

19:45-1.50 Keno drawer credit procedures

(a) Prior to the end of each keno writer's or keno runner's shift or at such other times as may be necessary, the keno writer or keno runner may transfer excess currency, coin, gaming chips, slot tokens and coupons to either the main bank, master coin bank or keno supervisor by preparing a keno credit slip.

(b) Keno credit slips shall be serially prenumbered forms. The series numbers of all keno credit slips shall be unique to the game of keno and each series of keno credit slips shall be used in sequential order. All original and duplicate void keno credit slips shall be marked "VOID" and shall require the signature of the keno writer or keno runner who prepared the slip.

(c) A keno credit slip shall be at least a two-part manual or computerized form and shall contain, at a minimum, the following information on the original and duplicate of the slip:

1. The denomination of the currency, coin, gaming chips and slot tokens being exchanged;

2. The total amount of each denomination of currency, coin, gaming chips and slot tokens being exchanged;

3. The total amount of coupons being exchanged;

4. The total amount of currency, coin, gaming chips, coupons and slot tokens being exchanged;

5. The keno work station location number;

6. The date and time of preparation; and

7. The signature of the keno writer or keno runner or, if computer prepared, the identification code of the keno writer or keno runner.

(d) Upon completion of the keno credit slip by the keno writer or keno runner, a keno supervisor or a supervisor thereof, main bank cashier, master coin bank cashier or cage supervisor shall verify the items beings removed from the keno drawer and the information recorded on the keno credit slip. If the items to be removed and the recorded information agree, the keno supervisor or supervisor thereof, main bank cashier, master coin bank cashier or cage supervisor shall sign the original and duplicate keno credit slip and place the items into a secured envelope or container for transportation to the main bank or master coin bank or designated area of keno booth pursuant to N.J.A.C. 19:45–1.47. The duplicate keno credit slip shall be maintained by the keno writer or keno runner in the keno drawer as a balancing item and the original shall be transported by the keno supervisor or supervisor thereof, main bank cashier, master coin bank cashier or cage supervisor with the envelope or container. Prior to the transportation of the keno credit, the keno writer or keno runner shall enter the amount being credited into the computer terminal. Notwithstanding the foregoing, the keno supervisor may input the amount of the credit into the computer terminal provided the keno writer or keno runner verifies the amount input by the keno supervisor to the amount recorded on the duplicate keno credit slip.

(e) A casino security department employee shall be required to escort the keno supervisor or supervisor thereof, main bank cashier, master coin bank cashier or cage supervisor and the envelope or container if the credit is with the main bank or master coin bank. Once at the main bank or master coin bank, the casino security department employee shall sign the original keno credit slip as evidence of his or her escort of the funds.

(f) Upon receipt of the envelope or container, the receiving individual, if different from the individual who verified the credit in (d) above, shall count the contents and compare the amount counted to the total recorded on the keno credit slip. If the contents and the recorded totals agree, the receiving individual shall sign the original and maintain it for subsequent forwarding to the accounting department at the end of the gaming day or deposit it into a locked accounting box.

New Rule, R.1995 d.285, effective June 5, 1995.
See: 27 N.J.R. 2218(a), 27 N.J.R. 2254(a).
Amended by R.1998 d.164, effective April 6, 1998.
See: 29 N.J.R. 2632(a), 30 N.J.R. 1304(a).
Inserted references to keno runners throughout.

19:45–1.51 Keno computer system

(a) Each casino licensee shall submit for approval the internal control procedures governing the security and control of its keno computer system. Such internal controls shall, without limitation, include:

1. System access restrictions which shall, at a minimum, preclude multiple log-ons by the same individual;

2. Hardware and software controls;

3. A description of the information that shall be contained on all storage media, including, but not limited to, hard disk drives;

4. Floppy disc controls;

5. Override policies and restrictions;

6. Adequate documentation of keno tickets and payoff information; and

7. Backup and recovery procedures.

(b) The keno computer system shall have the capability of generating a hard (paper) copy of each keno transaction. Each keno transaction shall be identified with a unique identification number for the individual who performed said transaction. The identification number for each employee shall be different than that employee's computer password code.

(c) Each keno computer system shall:

1. Record the information identified by (a)3 above as it occurs and in a redundant manner as approved by the Commission, which shall permit a complete and prompt recovery of all information in the event of any malfunction; and

2. Immediately inform the casino licensee of any malfunction, in a manner approved by the Commission.

(d) Following any malfunction of a keno computer system, the casino licensee shall immediately notify the Commission and Division, and shall not utilize the system until the malfunction has been successfully repaired. Notwithstanding the foregoing, the Commission may permit a casino licensee to utilize the system prior to it being successfully repaired, for a period not to exceed 48 hours, provided that:

1. The malfunction is limited to a single storage media device, such as a hard disk drive;

2. In addition to the malfunctioning storage media device, the keno computer system contains a backup storage media device not utilized in the normal operation of the system, which backup device shall immediately and automatically replace the malfunctioning device, to permit a complete and prompt recovery of all information in the event of an additional malfunction; and

3. Continued use of the malfunctioning system would not limit the ability to perform a complete and prompt recovery of all information, and would not otherwise harm or affect the normal operation of the keno game.

(e) At any time, a representative of the Commission may count the contents of a selected keno drawer and compare that count to the computer-generated reports.

New Rule, R.1995 d.285, effective June 5, 1995.
See: 27 N.J.R. 2218(a), 27 N.J.R. 2254(a).
Amended by R.2001 d.218, effective July 2, 2001.
See: 33 N.J.R. 1173(a), 33 N.J.R. 2283(a).
In (a), inserted a new 3 and recodified former 3 through 6 as 4 through 7; inserted new (c) and (d) and recodified former (c) as (e).

19:45–1.52 Payment of table game progressive payout wagers

(a) Whenever a patron wins a table game progressive payout pursuant to N.J.A.C. 19:45–1.39B, the casino licensee may either:

1. Pay the wager from the gaming chips in the table inventory container;

2. Issue a receipt to the patron which may be exchanged for payment at the cashiers' cage; or

3. Bring the payment to the patron at the table from the cashiers' cage.

(b) If the casino licensee elects to pay the wager pursuant to either (a)2 or 3 above, the casino licensee shall submit for review and approval internal control procedures governing the payment to the patron. At a minimum, the procedures shall provide for the following:

1. Documentation prepared by a floorperson or supervisor thereof which records the configuration of the winning hand and the amount of the payment, with a copy deposited into the drop box attached to the table and a copy given to the patron;

2. A multi-part form which is prepared by the general cashier or cage supervisor which documents the issuance of the payment to the patron or a casino security department representative for transportation to the patron;

3. Procedures of the casino accounting department for verifying the payment of the table game progressive payment which shall include verifying the meter readings required by N.J.A.C. 19:45–1.39B; and

4. Procedures for the adjustment to the Master Game Report and the proper reporting of table game win/loss.

(c) All forms used for the payment of table game progressive payouts shall be serially prenumbered forms, each series of which shall be used in sequential order, with the series of numbers of all forms received by the casino being accounted for by employees independent of the cashiers' cage and the table games department. All voided forms shall be marked "VOID" and shall require the signature of the preparer.

(d) All forms used for the payment of table game progressive payouts shall be clearly identified as forms used for such purpose.

(e) All table game progressive payments shall be made in the presence of a casino supervisor.

(f) Prior to the payment of a table game progressive payout, a casino supervisor shall record the amount on the progressive meter in a manner as approved by the Commission.

New Rule, R.1995 d.430, effective August 7, 1995.
See: 27 N.J.R. 1767(b), 27 N.J.R. 2967(a).

19:45–1.53 Accounting controls for chippersons and chip carts

(a) A chipperson shall commence his or her shift with an imprest inventory of gaming chips and currency known as a "chipperson inventory." No casino licensee shall cause or permit coin, currency, coupons, gaming chips or slot tokens to be added to, or coin, currency or gaming chips to be removed from, the chip inventory during the gaming day except:

1. In an even exchange with a chipperson by a patron seated at a poker table while a game is in progress;

2. In order to make change for such a patron purchasing gaming chips; or

3. In receipt of a coupon from such a patron in exchange for gaming chips, in conformity with N.J.A.C. 19:45–1.46(j).

(b) The chipperson inventory shall be placed and kept in a lockable cart approved by the Commission, known as a "chip cart." For a given shift, each chipperson shall have his or her own chip cart, and no other person shall operate from the chip cart of that chipperson. When not in use, all chip carts shall be stored in a segregated and secure area approved by the Commission.

(c) The keys to the chip carts shall be maintained and controlled either by the accounting department or the security department, in a secure place approved by the Commission. Each key shall be signed-in and signed-out in accordance with procedures approved by the Commission.

(d) Each casino licensee shall develop internal control procedures for the accounting and reconciliation of all chipperson inventories used each gaming day. These procedures shall include the documentation used by the chip bank in issuing the inventories, the documentation used by the main bank in receiving the inventories, the verification of each inventory by a cage supervisor, and the reporting of any overage or shortage, provided that any shortages of $250.00 or more must also be reported immediately to the casino licensee's casino controller, the Commission and the Division. Copies of all documentation and reports shall be forwarded to casino accounting on a daily basis.

New Rule, R.1999 d.379, effective November 1, 1999.
See: 30 N.J.R. 4147(b), 31 N.J.R. 3527(a).

19:45-1.54 Gaming vouchers; physical characteristics; procedures for issuance and redemption

(a) In conjunction with, or in lieu of, the requirements of N.J.A.C. 19:45-1.36 for a hopper and either a slot drop bucket or slot drop box, a casino licensee may issue a gaming voucher to automatically pay a jackpot or the amount on a credit meter, which voucher shall be dispensed automatically from a slot machine to a patron, provided that:

1. The slot machine satisfies the requirements of N.J.A.C. 19:45-1.37(b)5 and (e)4, and such slot machine is connected to a computerized gaming voucher system ("system") that satisfies the requirements of N.J.A.C. 19:45-1.55;

2. The design specifications of the gaming voucher are submitted to and approved by the Commission prior to issuance, which specifications shall comply with the requirements of (b) below;

3. Each gaming voucher is redeemable only in accordance with the requirements of (c) through (e) below and shall, except as otherwise provided in N.J.A.C. 19:45-3.1(b), expire one year from its date of issuance, provided however, that nothing shall preclude a casino licensee from restricting the redemption location for a gaming voucher after a specified period of time, above a specified value, or both, in accordance with approved internal controls, provided that adequate written notice explaining the restriction or restrictions, as approved by the Commission, is provided to patrons in accordance with (b)8 below;

4. Except as permitted by (a)4i below, no gaming voucher shall result in a deduction from gross revenue unless the voucher is redeemed, the system is used to verify the validity of the serial number and value of the voucher, which verification shall be performed upon redemption except as provided in (d)5 through 7 below, and the voucher is forwarded to and accepted by the casino accounting department in accordance with the requirements of this section;

i. Consistent with the provisions of (g)1v(3) below, a casino licensee may obtain a deduction from gross revenue for an unverified gaming voucher in its physical possession provided that the casino licensee:

(1) Investigates the unverified gaming voucher and records the information required by (d)14ii below;

(2) Establishes that it paid the presenting patron the stated value of the gaming voucher in redemption thereof and did not pay any other patron in redemption of the voucher; and

(3) Produces sufficient documentation from its gaming voucher system or related systems to establish that the gaming voucher was validly issued by the gaming voucher system;

5. In addition to the requirements of (a)4 above, no gaming voucher redeemed at a slot machine shall result in a deduction from gross revenue unless the gaming voucher is counted in the count room in accordance with the requirements of N.J.A.C. 19:45-1.33; and

6. The casino licensee has approved internal controls in accordance with the requirements of this chapter.

(b) Each gaming voucher shall be designed and manufactured with sufficient graphics or other security measures, so as to permit, to the greatest extent possible, the proper verification of the voucher. Notwithstanding the foregoing, each gaming voucher shall contain, at a minimum, the following information:

1. The name or trade name of the casino licensee, and if the casino licensee is affiliated with a casino in any other jurisdiction with an identical or similar name or trade name, the words "Atlantic City" or "New Jersey";

2. The date and time of issuance;

3. The value of the voucher, printed in both numbers and words;

4. A conspicuous notice that the voucher must be redeemed within one year of the date of its issuance or the obligation of the casino licensee to pay the patron will expire;

5. A unique validation number, which the gaming voucher system shall cause to be automatically generated in accordance with N.J.A.C. 19:45-1.55(e)1 and shall also include a method of identifying the casino licensee issuing the voucher;

6. The asset number of the slot machine dispensing the voucher;

7. At least one anti-counterfeiting measure, which shall appear on one or both sides of the voucher;

8. The locations where the voucher may be redeemed and any restriction regarding redemption in accordance with (a)3 above; and

9. A bar code or magnetic strip which shall enable the system to identify the numeric information in (b)1 through 5 above when the voucher is subsequently presented for redemption.

(c) Except as provided in (i) below for employee redemption of gaming vouchers, each gaming voucher shall be redeemed by a patron for a specific value of cash, a casino check of that casino licensee in the amount of the gaming voucher surrendered, gaming voucher credits, or slot tokens, which value shall not exceed $10,000. Notwithstanding the forgoing, a casino licensee shall not permit a gaming voucher that is presented for redemption to be redeemed if it knows, or reasonably should know, that:

1. The gaming voucher is materially different from the sample of the gaming voucher approved by the Commission pursuant to this section;

2. The gaming voucher was previously redeemed or has expired; or

3. The gaming voucher was printed as a result of testing activity in accordance with the provisions of N.J.A.C. 19:45-1.37D.

(d) Prior to issuing a gaming voucher, each casino licensee shall establish a system of internal controls for the issuance and redemption of gaming vouchers, which internal controls shall be submitted to the Commission for approval and shall, at a minimum, provide for the following:

1. Prior to the redemption of a gaming voucher, the complete validation number of the unredeemed voucher shall be visible and displayed only on the original gaming voucher and any corresponding gaming voucher error receipt. The complete validation number of an unredeemed voucher shall also be recorded and maintained in the gaming voucher system, but the digits required to be concealed by N.J.A.C. 19:45-1.55(e)1ii shall not be visible in any computer menu, display, printout or written report.

i. Except as otherwise provided in (d)4 below with regard to the receipt or discovery of a suspicious gaming voucher, a general cashier, slot cashier, gaming voucher redemption machine or slot machine shall, upon the presentation of a gaming voucher for redemption, scan the gaming voucher into the gaming voucher system to verify the validity of the gaming voucher, including its validation number, value and date of expiration. If the gaming voucher is valid, the gaming voucher system shall immediately cancel the voucher electronically and permit the redemption of such voucher for the value printed thereon.

ii. At the end of each shift, gaming vouchers redeemed by a general cashier or slot cashier and verified and electronically cancelled by the gaming voucher system shall be transferred to the main bank or master coin bank separately from all other inventory items.

iii. Gaming vouchers presented for redemption at a slot machine shall be transported to the count room in accordance with the requirements of N.J.A.C. 19:45-1.42.

2. The casino licensee shall maintain a record of all transactions in the gaming voucher system for a period of time specified in the casino licensee's internal controls, which period shall not be less than 90 days from the date that the gaming voucher was redeemed, voided in the system or expired, provided that any such records removed from the system after 90 days shall be stored and controlled in a manner approved by the Commission.

3. At the end of each gaming day, the gaming voucher system shall generate reports, as approved by the Commission, which reports may be generated by the casino accounting department if they are not susceptible to alteration or deletion or provided to the casino accounting department by the MIS department. The casino accounting department shall utilize the reports for purposes of the reconciliation required by (h) below. Such reports shall contain the following information, at a minimum:

i. All gaming vouchers that have been issued by each slot machine, including at a minimum, the asset number of the slot machine and the value, date and time of issuance of each voucher;

ii. All gaming vouchers that have been redeemed and canceled by each slot machine, gaming voucher redemption machine or other redemption location, including at a minimum:

(1) The asset number of the slot machine or gaming voucher redemption machine;

(2) The location, if other than a slot machine or gaming voucher redemption machine;

(3) The validation number, value, date and time of redemption of each gaming voucher;

(4) The total value of all gaming vouchers redeemed at slot machines;

(5) The total value of all gaming vouchers redeemed at gaming voucher redemption machines; and

(6) The total value of all gaming vouchers redeemed at locations other than slot machines or gaming voucher redemption machines;

iii. All gaming vouchers that expired including, at a minimum, the validation number, value, date of issuance and date of expiration;

iv. The unredeemed liability for gaming vouchers;

v. If the system is approved to record meter readings in accordance with the provisions of N.J.A.C. 19:45-1.42(*o*), the readings of the slot machine meters required pursuant to N.J.A.C. 19:45-1.37(b)5 and (e)4, and a comparison of such readings to the number and value of issued and redeemed gaming vouchers, as applicable; and

vi. Exception reports and audit logs.

4. A casino licensee shall, in accordance with (d)4i, ii and iii below, immediately report to the Commission and Division, using a three-part form, (suspicious gaming voucher report) at a minimum, any suspicious gaming voucher that is presented for redemption or otherwise discovered; provided, however, that nothing herein shall preclude a casino licensee from issuing the presenting patron a gaming voucher receipt in accordance with (d)7 below.

i. The suspicious gaming voucher report shall be completed by a cage/slot cashier supervisor and shall contain, at a minimum, the following:

(1) The gaming date, shift and time of preparation;

(2) The issuance date and validation number of the suspicious gaming voucher;

(3) The location at which the suspicious gaming voucher was presented or discovered;

(4) The name and license number of the employee who received or discovered the suspicious gaming voucher;

(5) If applicable and available, the name and address of the patron who presented the suspicious gaming voucher;

(6) The reason(s) the gaming voucher was considered to be suspicious including, if applicable, the exact text displayed by the gaming voucher system when the voucher was scanned at the time of redemption;

(7) If there is evidence that the gaming voucher was previously redeemed, the date, value and location of the previous redemption;

(8) The signature and license number of the cage/slot cashier supervisor preparing the report; and

(9) The signature and license number of the casino security department member responsible for distributing the report pursuant to (d)4iii below.

ii. The cage/slot cashier supervisor who completes the suspicious gaming voucher report shall make two copies of the suspicious gaming voucher, sign all copies of the suspicious gaming voucher report, and forward the original and two copies of the gaming voucher together with the signed, three-part suspicious gaming voucher report to a casino security department member for distribution.

iii. The casino security department member who receives the documents pursuant to (d)4ii above shall:

(1) Sign all copies of the suspicious gaming voucher report;

(2) Place the original suspicious gaming voucher and the duplicate copy of the suspicious gaming voucher report in a sealed envelope, secure the envelope until it is picked up by the Division, and immediately notify the Division that the suspicious gaming voucher had been presented or discovered;

(3) Forward a copy of the suspicious gaming voucher and the triplicate copy of the suspicious gaming voucher report to the Commission's principal inspector; and

(4) Place a copy of the suspicious gaming voucher and the original copy of the suspicious gaming voucher report in a locked accounting box located in the main bank or master coin bank or such other location as approved by the Commission.

5. Notwithstanding the requirements of (d)1 above, if the gaming voucher system or any component thereof is inoperable and, as a result, the system is unable to determine the validity of a gaming voucher, a casino licensee may redeem a gaming voucher without first verifying its validity and without immediately canceling the voucher electronically in the system (unscanned gaming voucher) provided that:

i. The gaming voucher has not expired;

ii. The voucher is redeemed by a general cashier or slot cashier or above, at a location approved in accordance with the requirements of N.J.A.C. 19:45-1.55;

iii. If the value of the voucher exceeds $500.00, the cashier or supervisor shall identify the presenting patron and record the following information on the gaming voucher:

(1) The name of the patron; and

(2) The initials and license number of the cashier or supervisor who identified the patron;

iv. The voucher is physically canceled in a manner required by the casino licensee's approved internal controls and physically segregated and secured until it is scanned by the cashier or supervisor pursuant to (d)6iv below or transferred to the main bank or master coin bank pursuant to (d)6vi below;

v. Any unscanned gaming voucher that is subsequently scanned during the cashier's shift and verified and electronically canceled in the system shall, thereafter be processed together with the gaming vouchers redeemed during the shift pursuant to (d)1 above;

vi. Unscanned gaming vouchers remaining at the end of a cashier's shift shall be recorded on a form (unscanned gaming voucher transfer form), which with Commission approval may be combined with any other form(s) utilized by a cashier to transfer documents or paperwork, and shall contain, at a minimum, the following:

(1) The gaming date, shift and time of preparation;

(2) The total number and value of unscanned gaming vouchers redeemed during the cashier's shift; and

(3) The signature and license number of the cashier preparing the form;

vii. The unscanned gaming voucher transfer form shall be transferred with the corresponding unscanned gaming vouchers to the main bank or master coin bank at the end of the cashier's shift;

viii. Unscanned gaming vouchers transferred to the main bank or master coin bank shall remain in the main bank or master coin bank, where they shall be secured in a locked compartment, with access to the key limited to department supervisors, subject to the requirement that such vouchers be scanned or voided in the system within seven days;

ix. Unscanned gaming vouchers that are subsequently scanned in the main bank or master coin bank and verified and electronically canceled in the system subsequent to the cashier's shift during which they were redeemed shall be processed together with the gaming vouchers redeemed during the gaming day on which they were scanned pursuant to (d)1 above; and

x. Unscanned gaming vouchers that the system fails to verify and electronically cancel when they are subsequently scanned shall be treated as unverified gaming vouchers.

(1) If they are scanned during the cashier's shift during which they were redeemed, they shall be recorded and transferred in accordance with (d)8 and 9 below.

(2) If they are scanned in the main bank or master coin bank, a supervisor shall prepare an unverified gaming voucher transfer form summarizing the number and total value of the unverified gaming vouchers, and they shall be transferred to casino accounting in accordance with (d)10 below.

6. Notwithstanding the requirements of (d)1 above, a casino licensee may redeem a gaming voucher that the gaming voucher system fails to verify and electronically cancel when it is scanned (unverified gaming voucher) provided that:

i. The gaming voucher has not expired;

ii. The voucher is redeemed by a general cashier or slot cashier or above, at a location approved in accordance with the requirements of N.J.A.C. 19:45-1.55;

iii. If the value of the voucher exceeds $500.00, the cashier or supervisor shall identify the presenting patron and record the following information on the gaming voucher:

(1) The name of the patron; and

(2) The initials and license number of the cashier or supervisor who identified the patron;

iv. The voucher is physically cancelled in a manner required by the casino licensee's approved internal controls; and

v. The voucher is physically segregated and secured with other unverified gaming vouchers until transferred to the main bank or master coin bank in accordance with (d)8 and 9 below; provided, however, that nothing shall preclude the cashier or supervisor from re-scanning an unverified gaming voucher during the cashier's shift, and if the gaming voucher is verified and electronically cancelled in the system when it is re-scanned, the gaming voucher shall thereafter be processed with the gaming vouchers redeemed during the shift pursuant to (d)1 above.

7. If a casino licensee elects not to redeem an unverified gaming voucher, the casino licensee shall:

i. Retain the voucher;

ii. Require a general cashier or slot cashier or above to prepare a two-part receipt (gaming voucher receipt) containing, at a minimum, the following:

(1) The gaming date, shift and time of preparation;

(2) The validation number and stated value of the gaming voucher;

(3) The location at which the gaming voucher was presented for redemption;

(4) The name and address of the patron who presented the gaming voucher; and

(5) The name, license number and signature of the cashier or supervisor thereof preparing the gaming voucher receipt; and

iii. Distribute the completed gaming voucher receipt as follows:

(1) The original shall be attached to the corresponding unverified gaming voucher and transferred to the main bank or master coin bank at the end of the cashier's shift; and

(2) The duplicate shall be presented to the patron.

8. Unverified gaming vouchers redeemed or retained during a cashier's shift pursuant to (d)6 and 7 above shall be recorded on a form (unverified gaming voucher transfer form), which with Commission approval may be combined with any other form(s) utilized by a cashier to transfer documents or paperwork, and shall contain, at a minimum, the following:

i. The gaming date, shift and time of preparation;

ii. The total number and value of unverified gaming vouchers redeemed or retained during the cashier's shift; and

iii. The signature and license number of the cashier preparing the form.

9. The unverified gaming voucher transfer form shall be transferred with the corresponding unverified gaming vouchers to the main bank or master coin bank at the end of the cashier's shift.

10. At the end of each gaming day, all unverified gaming vouchers redeemed or retained pursuant to (d)6 and 7 above shall be transferred to casino accounting with the corresponding unverified gaming voucher transfer form, where they shall be separately accounted for.

11. If, in the course of an investigation conducted pursuant to (d)12 and 13 below, an unverified gaming voucher that was retained but not redeemed pursuant to (d)7 above is determined to be valid, the casino licensee shall, in accordance with its approved internal controls, pay the patron identified on the corresponding gaming voucher receipt in redemption of the gaming voucher.

12. A casino licensee shall investigate all unverified gaming vouchers for which it seeks a deduction from gross revenue pursuant to (a)4i above, all unverified gaming vouchers that it elects not to redeem pursuant to (d)7 above and, if necessary, a sufficient number of unverified gaming vouchers that it redeems pursuant to (d)6 above to represent a 10 percent sample of all unverified gaming vouchers. The investigation shall be conducted by the department responsible for the operation of slot machines and/or casino accounting in consultation, as necessary, with the MIS department to determine the reason the gaming voucher system failed to verify and electronically cancel the gaming vouchers.

13. The results of each investigation conducted pursuant to (d)12 above shall be recorded in a log (unverified gaming voucher log) that shall contain, at a minimum, the following:

i. The gaming date, shift and time of preparation;

ii. As to each unverified gaming voucher, the following:

(1) The issuance date and validation number of the voucher;

(2) The stated value of the voucher;

(3) The date the voucher was presented for redemption;

(4) If redeemed, the amount paid to the patron;

(5) The name of the patron if the voucher was redeemed for more than $500.00;

(6) The location at which the voucher was redeemed;

(7) The exact text displayed by the gaming voucher system when the voucher was scanned at the time of redemption;

(8) The manufacturer, product type and asset number of the slot machine that issued the gaming voucher;

(9) If applicable, the manufacturer, product type and asset number of the slot machine or gaming voucher redemption machine that failed to properly redeem the gaming voucher; and

(10) The actual reason that the system failed to verify and electronically cancel the gaming voucher or, if the actual reason cannot be determined after a diligent investigation, the probable reason; and

iii. The signature and license number of the employee preparing the log.

14. If the unverified gaming voucher log is not prepared by casino accounting, the original log shall be transferred to casino accounting within 48 hours. A copy of the log shall be maintained by the preparer of the log, and a copy shall be forwarded to the Commission's principal inspector.

15. The casino licensee shall, in accordance with the schedule set forth in (d)16 below, summarize the results of the investigations recorded on unverified gaming voucher logs in a report (unverified gaming voucher log summary report) that includes, at a minimum, the following:

i. The total number of unverified gaming vouchers that were, as applicable, issued or rejected for redemption, listed and grouped by the product type of each slot machine manufacturer or gaming voucher redemption machine manufacturer; and

ii. The total number and value of unverified gaming vouchers listed and grouped by the reported actual or probable cause for the failure of the system to verify and electronically cancel the vouchers.

16. An unverified gaming voucher log summary report shall be filed twice a month with the Division and the Commission's principal inspector, and all supporting documentation shall be retained. The first report shall summarize all unverified gaming voucher logs prepared for gaming vouchers presented for redemption from the 1st to the 15th of the month and shall be filed on or before the end of the month. The second report shall summarize all unverified gaming voucher logs prepared for gaming vouchers presented for redemption from the 16th to the end of the month and shall be filed on or before the 15th of the following month.

17. Any unverified gaming voucher determined to be a suspicious gaming voucher in the course of the investigation conducted pursuant to (d)12 above shall be transmitted to the Division with the Division's copy of the corresponding unverified gaming voucher log summary report, and a copy of the suspicious gaming voucher shall be retained by casino accounting. All remaining unverified gaming vouchers shall be retained by the casino licensee in accordance with the requirements of N.J.A.C. 19:45-1.8(c)3iv.

18. Notwithstanding the requirements of (d)1 above, upon presentation of a gaming voucher for redemption at a slot machine, the total value of which voucher cannot be completely converted into slot credits due to the denomination of the slot machine, the slot machine shall perform one of the following procedures, as specified in the casino licensee's approved internal controls:

i. If the slot machine was approved after January 1, 2011, the slot machine shall store the value of that portion of the gaming voucher that cannot be converted into slot credits in the memory of the slot machine and return the stored value along with any other slot credits belonging to the patron when the patron cashes out; or

ii. If the slot machine was approved prior to January 1, 2011, the slot machine shall:

(1) Automatically issue a new gaming voucher containing the value that cannot be completely converted, either immediately or upon the patron's request;

(2) Not redeem the gaming voucher and immediately return the voucher to the patron; or

(3) Comply with the provisions of (d)18i above.

19. Any casino licensee that issues a gaming voucher in lieu of equipping a slot machine with a hopper shall have a slot monitoring system with the capability to preclude the generation of a Hopper Fill in accordance with the provisions of N.J.A.C. 19:45-1.41 for such slot machine, with no cashier having the ability to override such restriction, and shall have approved internal controls that identify by whom and the manner by which the non-hopper feature is enabled and to identify slot machines with a hopper separately from those without a hopper to ensure the proper collection, recordation, and reconciliation of gross revenue.

(e) Notwithstanding the requirements of (d) above, if a patron requests by mail to redeem a gaming voucher in any value, the casino licensee may effectuate such redemption, however, only by a cage supervisor as defined in N.J.A.C. 19:45-1.1, in accordance with the casino licensee's approved internal controls, which shall include, at a minimum, the following:

1. Procedures for using the system to verify the validity of the serial number and value of the voucher, which, if valid, shall be immediately canceled electronically by the system; and

2. Procedures for the issuance of a casino check containing the value of the voucher.

(f) Any amount paid to a patron in redemption of an unverified gaming voucher shall not be required to be recorded as a cash complimentary in accordance with the provisions of N.J.A.C. 19:45-1.9.

(g) On a daily basis, with the exception of unscanned gaming vouchers held by the main bank or master coin bank for subsequent scanning pursuant to (d)6vii above, all gaming vouchers shall be counted in accordance with this subsection and transported to the casino accounting department in a manner approved by the Commission.

1. All gaming vouchers redeemed by a bill changer shall be counted in the count room in accordance with N.J.A.C. 19:45-1.33 and shall be transported to the casino accounting department upon conclusion of the count process.

2. All gaming vouchers redeemed at a gaming voucher redemption machine shall be counted in accordance with approved internal controls in a count room in accordance with N.J.A.C. 19:45-1.33A(a)10 or at the cashier's cage in accordance with N.J.A.C. 19:45-1.33A(a)9, documented on a Balance Receipt by a main bank or master coin bank cashier and thereafter transported to the casino accounting department separate from all other inventory items.

i. If the gaming vouchers have been counted in a count room, the main bank or master coin bank shall perform a piece count of 10 percent of the number of strapped gaming vouchers and, if in agreement, record the value of all gaming vouchers, currency and coupons, as a credit. The gaming vouchers shall be transported

with the Original Balance Receipt to the casino accounting department, and the currency shall be transported with the duplicate Balance Receipt to the main bank or master coin bank.

3. All gaming vouchers redeemed at a cashiering location shall be counted by the main bank or master coin bank, and either:

i. A casino accounting representative shall, prior to accepting a transfer of the vouchers, perform a piece count of the vouchers being transferred, compare the result of such count to a record of all vouchers recorded by the main bank or master coin bank, and sign the document attesting to the accuracy of the information recorded thereon. All gaming vouchers shall be then transported to the casino accounting department; or

ii. A casino accounting representative shall sign a document approved by the Commission acknowledging receipt of the vouchers, transport the vouchers in a sealed bag to the casino accounting department, perform a piece count of the vouchers, compare the result of such count to a record of all vouchers recorded by the main bank or master coin bank, and sign the document attesting to the accuracy of the information recorded thereon.

(h) Casino accounting department representatives with no incompatible functions shall perform, at a minimum, the following:

1. On a daily basis:

i. Review for the propriety of signatures and all other information on gaming voucher documentation as required in accordance with the provisions of this chapter;

ii. Compare gaming voucher system reports to gaming vouchers received in accordance with (g) above to ensure proper electronic cancellation of gaming vouchers;

iii. Calculate the unredeemed liability for gaming vouchers, such as by reconciling the total number and value of redeemed gaming vouchers to the total number and value of gaming vouchers issued through the use of system reports generated in accordance with the requirements of (d)4iii above, unless the system performs the calculation in a manner approved by the Commission;

iv. Calculate the cumulative total value of gaming vouchers that have expired during the current calendar month;

v. Unless the casino licensee utilizes counting equipment in its cashiers' cage or count room that enables its gaming voucher system to verify the serial number and obtain the value of gaming vouchers redeemed at locations other than slot machines, reconcile the serial number and value of gaming vouchers to the system report(s) generated pursuant to (d)4 above, by examining:

(1) No less than five percent of all gaming vouchers redeemed at such locations; or

(2) A random sample of all gaming vouchers redeemed at such locations, provided, however, that the random sample shall have a statistical confidence level of 95 percent with a precision of plus or minus two percent and that the Commission shall have approved the procedures for selecting the sample size and for assuring a proper selection of the sample.

vi. Verify that casino accounting has received:

(1) The closing paperwork for each cashier and supervisor who redeemed gaming vouchers during the gaming day; and

(2) The Balance Receipt prepared for each gaming voucher redemption machine in conjunction with the bill validator drop performed at the end of the gaming day.

vii. Complete the Slot Win Report for the recordation of all gaming voucher revenue and deductions for gaming vouchers redeemed in accordance with the following:

(1) Gaming voucher drop shall be the greater of the value of gaming vouchers redeemed, as recorded on the gaming voucher system report required by (d)4ii above, or the value of gaming vouchers counted in the count room, as recorded on the Slot Cash Storage Box Report, provided, however, that unsecured gaming vouchers shall be separately reported on the Slot Win Report in accordance with N.J.A.C. 19:45-1.42;

(2) Deductions for gaming voucher redemptions by a bill changer or at a cashiering location shall be the lesser of the value, as recorded on the gaming voucher system report required by (d)4ii above, or the total value of gaming vouchers counted in the count room, as recorded on the Slot Cash Storage Box Report, plus the value of gaming vouchers transferred in accordance with (g) above. Deductions for gaming voucher redemptions by a gaming voucher redemption machine shall be calculated in accordance with N.J.A.C. 19:45-1.33A(b); and

(3) No adjustment shall be made to the amounts recorded on the Slot Win Report in accordance with (g)1v(1) and (2) above unless the reason for the adjustment is adequately documented by casino accounting in accordance with the approved internal controls of the casino licensee and the adjustment is necessary in order to accurately report the casino licensee's gross revenue; and

viii. Attach or file with the Slot Win Report for the applicable gaming day any system reports and other items approved in the casino licensee's internal controls as supporting documentation;

2. On a weekly basis:

i. Compare the readings of the slot machine meters required pursuant to N.J.A.C. 19:45-1.37(b)5 and (e)4 to the number and value of issued and redeemed gaming vouchers, as applicable; and

ii. Review exception reports and audit logs;

3. On a monthly basis, prepare the report required by N.J.A.C. 19:45-3.1(c)1;

4. Sign each system report or item reviewed in accordance with internal controls approved pursuant to (h)1 through (3) above, attesting to the accuracy of the information recorded thereon; and

5. Maintain and control redeemed gaming vouchers until destruction in accordance with the requirements of N.J.A.C. 19:45-1.8.

(i) No adjustment to the value of any gaming voucher shall be made without the approval of the Commission.

(j) Employees of a casino licensee who are authorized to receive gaming vouchers as personal gratuities may redeem the gaming vouchers only at the cashiers' cage or a slot booth, subject to the terms and conditions set forth in (c) and (d) above. Gaming vouchers valued at more than $100.00 shall be redeemed at the cashiers' cage only with the approval of the supervisor of the cashier conducting the redemption transaction.

New Rule, R.2003 d.4, effective January 6, 2003.
See: 34 N.J.R. 2012(a), 35 N.J.R. 259(a).
Amended by R.2004 d.10, effective January 5, 2004.
See: 35 N.J.R. 3292(a), 36 N.J.R. 199(b).
Rewrote (g)iv.
Amended by R.2004 d.33, effective January 20, 2004.
See: 35 N.J.R. 4625(a), 36 N.J.R. 532(a).
In (c), substituted "Except as provided in (i) below for employee redemption of gaming vouchers, each" for "Each" in the introductory paragraph; added (i).
Amended by R.2005 d.196, effective June 20, 2005.
See: 36 N.J.R. 3245(a), 37 N.J.R. 2234(a).
In (g), rewrote 1v(1) and 1v(3).
Amended by R.2007 d.117, effective April 16, 2007.
See: 38 N.J.R. 4669(a), 39 N.J.R. 1505(a).
In (d)1, inserted "gaming voucher redemption machine"; in (d)1i, deleted "and" from the end; in (d)1ii, inserted "and" at the end; added (d)1iii; rewrote the introductory paragraph of (d)4 and (d)4ii; rewrote (g); inserted new designation (h); rewrote (h)1iv; added new (h)1v; recodified former (h)1v and (h)1vi as (h)1vi and (h)1vii; rewrote (h)1vi(2); and recodified former (h) and (i) as (i) and (j).
Amended by R.2008 d.13, effective January 7, 2008.
See: 39 N.J.R. 3289(a), 40 N.J.R. 206(a).
In the introductory paragraph of (a)4, substituted "Except as permitted by (a)4i below, no" for "No" and inserted "through 8"; added (a)4i; in the introductory paragraph of (d), substituted "implement the following requirements and procedures." for "provide for the following:"; rewrote the introductory paragraph of (d)1 and (d)1i; in (d)2 and the introductory paragraph of (d)3, inserted "gaming voucher"; in (d)2, (d)3iv, (d)4v and (d)19ii, substituted a period for the semicolon at the end; in the introductory paragraph of (d)3, inserted "the provisions of"; rewrote (d)5 and (d)6; added new (d)7 through (d)18; recodified former (d)7 through (d)9 as (d)19 through (d)21; in the introductory paragraph of (d)19, inserted a comma following "token"; and rewrote (d)20, (f), the introductory paragraph of (g) and (g)3.
Amended by R.2009 d.178, effective June 1, 2009.
See: 41 N.J.R. 396(a), 41 N.J.R. 2341(a).
In the introductory paragraph of (d)19, substituted "slot credits due to" for "an equivalent value of coins or slot tokens that matches", and deleted "coin or slot token, which that" preceding and "is designed to accept in order to activate play" following the second occurrence of "slot machine"; added new (d)19i and (d)19ii; recodified former (d)19i and (d)19ii as (d)19ii(1) and (d)19ii(2); in (d)19ii(1), deleted "or" from the end; in (d)19ii(2), substituted "; or" for a period at the end; and added (d)19ii(3).
Amended by R.2009 d.370, effective December 21, 2009.
See: 41 N.J.R. 3052(a), 41 N.J.R. 4826(a).
In (a)3, substituted ", except as otherwise provided in N.J.A.C. 19:45-3.1(b), expire one year from its date of issuance" for "not expire" and "(b)8" for "(b)7"; in (a)4, substituted "(d)5 through 7" for "(d)6 through 8"; added new (b)4; recodified former (b)4 through (b)8 as (b)5 through (b)9; in (c)2, inserted "or has expired"; in (c)3, substituted "(d)8" for "(d)9"; rewrote (d); added new (h)1iv and (h)3; recodified former (h)1iv through (h)1vii as (h)1v through (h)1viii; recodified former (h)3 and (h)4 as (h)4 and (h)5; and in (h)4, substituted "(h)1 through (3)" for "(g), (g)1, and (g)2".
Amended by R.2010 d.210, effective October 4, 2010.
See: 42 N.J.R. 1021(a), 42 N.J.R. 2326(b).
In (d)1iii, inserted "or a secure area approved by the Commission".
Amended by R.2010 d.273, effective December 6, 2010.
See: 42 N.J.R. 1506(a), 42 N.J.R. 2981(a).
In the introductory paragraph of (b), substituted "foregoing" for "forgoing"; in (b)3, inserted "printed"; rewrote (b)5 and (d); in (d)3ii(3), (d)4i(2), (d)7ii(2) and (d)13ii(1), substituted "validation" for "serial"; and in the introductory paragraph of (d)4, substituted "(suspicious gaming voucher report) at a minimum" for "at a minimum (suspicious gaming voucher report)".
Amended by R.2010 d.288, effective December 6, 2010.
See: 42 N.J.R. 1022(a), 42 N.J.R. 2987(a).
In (c)3, substituted "result of testing activity" for "test gaming voucher" and "N.J.A.C. 19:45-1.37D" for "(d)8 below"; and deleted (d)20.

19:45-1.55 Computerized gaming voucher systems; required procedures

(a) In order to issue or redeem gaming vouchers in accordance with the procedures at N.J.A.C. 19:45-1.54, a casino licensee shall operate a computerized gaming voucher system (system) which satisfies the requirements of this section. Each slot machine, gaming voucher redemption machine and other location that redeems gaming vouchers shall be connected to such a system, provided that no slot machine, gaming voucher redemption machine or other redemption location may be connected to, or disconnected from, such a system without approved internal controls and prior written approval of the Commission to connect or disconnect each slot machine and other redemption location. If the system is used by a gaming voucher redemption machine or count room equipment to obtain the value of a gaming voucher, the system shall perform a calculation or integrity check of the value of each gaming voucher. In the case of a gaming voucher redemption machine, the calculation or integrity check shall be performed prior to permitting the gaming voucher to be redeemed by the gaming voucher redemption machine.

(b) All aspects of a system, including all hardware and software utilized therein, shall be subject to testing by the Division pursuant to N.J.A.C. 19:46-1.28 and review and approval by the Commission prior to the implementation of the system by the casino licensee and following implementation, prior to any changes thereto.

(c) Each system shall perform the following functions, at a minimum, in order to control logical access to the system:

1. Generate daily monitoring logs of user access, security incidents and unusual transactions, and immediately notify the MIS department of critical security incidents and unusual transactions in a manner approved by the Commissioner;

2. Be capable of assigning rights and privileges to each user, including:

i. Allowance for the secure administration of a unique system account for each user to provide an adequate segregation of duties; and

ii. Contain adequate password parameters such as lockout, minimum length, and expiration interval;

3. Use appropriate access permissions to restrict unauthorized users from viewing, changing or deleting critical files and directories; and

4. Utilize encryption for files and directories containing critical or sensitive data, which at a minimum shall include the unredeemed gaming voucher record. Notwithstanding the foregoing, in lieu of utilizing encryption for files and directories containing critical or sensitive data, the system shall be designed to permit, and the casino licensee shall implement, internal controls approved by the Commission to restrict users from viewing the contents of such files and directories, which internal controls shall, at a minimum, provide for the following:

i. The effective segregation of duties and responsibilities with regard to the system in the MIS department; and

ii. The automatic monitoring and recording by the system of access by any person to such files and directories.

(d) Each system shall perform the following functions, at a minimum, in order to control system operations:

1. Generate daily monitoring logs and alert messages for system performance, hardware problems, and software errors;

2. Authenticate the identity of a slot machine, gaming voucher redemption machine or other redemption location from which a transmission of data is received;

3. Ensure that all data sent through a transmission is completely and accurately received;

4. Detect the presence of corrupt or lost data packets and, as necessary, reject the transmission; and

5. Utilize an appropriate cryptographic system, such as public/private key encryption, for all critical transmissions of data, such as transmissions that include a gaming voucher validation number, slot machine meter information, or any other information used in the calculation or verification of gross revenue.

(e) Each system shall perform the following functions, at a minimum, in order to control the integrity of data:

1. Cause a unique validation number to be generated for each gaming voucher, which validation number shall:

i. Be comprised of at least 18 numbers, symbols or characters;

ii. Be created in a manner that prevents a person from being able to determine the composition of the number or to predict the composition of any other validation number generated by the system and shall either:

(1) Contain at least three numbers, symbols or characters randomly generated in a manner approved by the Commission, and which numbers, symbols or characters shall not be visible or displayed in any computer menu, display, printout or written report of an unredeemed voucher; or

(2) Be generated by an alternate method approved by the Commission, in which case not more than the first or the last six numbers, symbols or characters of the number shall be visible or displayed in any computer menu, display, printout or written report;

iii. Contain at least one number, symbol or character to visually differentiate a gaming voucher from a coupon issued pursuant to N.J.A.C. 19:45-1.46; and

iv. Be printed in at least two locations on each gaming voucher.

2. Generate a date of issuance and corresponding date of expiration for each gaming voucher;

3. Validate the data type and format of all inputs to critical fields and reject any corrupt data;

4. Provide for the automatic and independent recordation of critical data upon gaming voucher generation and redemption, including at a minimum, the information specified in N.J.A.C. 19:45-1.54(b)1 through 5;

5. Provide for verification of the information contained on a gaming voucher presented for redemption and the unredeemed gaming voucher record to a source that separately records and maintains transaction data, such as an automated transaction log, or such other compensating procedure as approved by the Commission, which procedure shall:

i. Independently verify the accuracy of the gaming voucher validation number, its value, and that the gaming voucher has not expired prior to its redemption; and

ii. Not be used to satisfy any other requirements of this chapter; and

6. Segregate all security critical system programs, files and directories from all other programs and files and directories contained in the system.

(f) Each system shall be equipped with the following, at a minimum, in order to address continuity:

1. Data redundancy, such as disk mirroring, which writes a complete and duplicate copy of all data on the primary disk to a secondary disk as it occurs, to permit a complete and prompt recovery of all information in the event of any malfunction;

2. Environmental protection, such as an uninterruptible power supply, and fireproof and waterproof materials designed to protect critical hardware from a natural disaster; and

3. A backup capability, which enables the casino licensee to create, in accordance with procedures approved pursuant to (h)10 below, periodic backup copies of files and data on a removable storage device, such as magnetic tape, which shall be separate from the devices required in accordance with (f)1 above.

(g) Each system shall immediately inform the casino licensee of any malfunction, in a manner approved by the Commission. Following any malfunction of a system, the casino licensee shall immediately notify the Commission and Division, and shall not utilize the system until the malfunction has been successfully repaired. Notwithstanding the foregoing, the Commission may permit a casino licensee to utilize the system prior to it being successfully repaired, for a period not to exceed 72 hours, provided that:

1. The malfunction is limited to a single storage media device, such as a hard disk drive;

2. In addition to the malfunctioning storage media device, the system contains a backup storage media device not utilized in the normal operation of the system, which backup device shall immediately and automatically replace the malfunctioning device, to permit a complete and prompt recovery of all information in the event of an additional malfunction; and

3. Continued use of the malfunctioning system would not inhibit the ability to perform a complete and prompt recovery of all information, and would not otherwise harm or affect the normal operation of the system.

(h) Prior to implementing a system, each casino licensee shall establish a system of internal controls which addresses the integrity, security and control of its system which internal controls shall be submitted to the Commission for approval and shall, at a minimum, provide for the following:

1. Documentation of the system design and layout in both narrative and diagrammatic formats, user manuals, and a list of all configurable options and settings;

2. Copies of all documents generated in accordance with the requirements of (c)1 and (d)1 above;

3. Procedures for assigning a slot machine's asset number and identifying a gaming voucher redemption machine and other redemption locations in the system, and enabling and disabling voucher capabilities for such slot machines and redemption locations;

4. Procedures for issuance, modification, and termination of a unique system account for each user in accordance with the requirements of (c)2i above;

5. Constraints used to configure and maintain user passwords in accordance with the requirements of (c)2ii above;

6. Procedures for restricting special rights and privileges, such as "administrator" and override capabilities, in accordance with the requirements of (c)3 above;

7. The duties and responsibilities of the MIS, internal audit, slot and casino accounting departments, respectively, and the level of access for each position with regard to the system, in accordance with the requirements of (c)3 above;

8. Identification of all software files and directories, the location and a description of each, and the reports generated from such files, which software files, directories, and locations shall not be changed except in accordance with the provisions of (i) below;

9. A description of physical controls on all critical hardware such as locks and surveillance, including the location and security of each piece of equipment as approved by the Commission;

10. Procedures for the backup and timely recovery of critical data and failure analysis, in accordance with the requirements of (f)3 above;

11. Logs used to document and maintain the details of any hardware and software modifications upon implementation, which modifications shall be first approved in accordance with the provisions of (i) below and thereafter performed in accordance with the requirements of (j) below; and

12. Procedures for reviewing the system's operation and, the adequacy and effectiveness of policies and procedures.

(i) Prior to implementing any programming change, upgrade, or hardware addition or replacement to an existing system, the casino licensee shall provide at least 72 hours advanced written notice to the Commission and Division in accordance with the requirements of this subsection, except that the Commission may permit a casino licensee to change or upgrade non-critical software files or directories or hard-

ware, as recommended by the Division and specifically identified in the casino licensee's approved internal controls, provided that written notice in accordance with the requirements of this subsection shall be filed within 24 hours following the change. Any written notice filed by a casino licensee in accordance with this subsection shall include, without limitation, the following:

1. A description of the reasons for the proposed modification;

2. A list of the computer components and programs or versions to be modified or replaced;

3. A description of any screens, menus, reports, operating processes, configurable options, or settings that will be affected;

4. The method to be used to complete the proposed modification;

5. Date that the proposed modification will be installed and the estimated time for completion;

6. Name, title, and employer of the person(s) to perform the installation;

7. A diagrammatic representation of the proposed hardware design change;

8. Restriction on "update" access to the production code to the person implementing the modification; and

9. Procedures to ensure that user and operator manuals are updated to reflect changes in policies and procedures resulting from the proposed modification.

(j) Subject to any testing required pursuant to N.J.A.C. 19:46-1.28 and approval by the Commission upon receipt of the notification required by (i) above, modifications to the system shall be installed in the presence of an employee of the MIS department with no incompatible functions and a Commission inspector. Following completion of the modification, the casino licensee shall generate a record detailing the modification on the system or, if the system does not have the capability of generating such a record, such other record as may be required by the Commission. In the event the Commission determines that testing is required after the modification, the Commission shall establish the terms and conditions of such a test.

(k) In order to obtain a determination from the Commission that a system, as installed and configured by a casino licensee, can accurately perform the functions set forth in (c) through (f) above, the casino licensee shall, without limitation, perform the following:

1. Submit certifications from the manager of its MIS department and a qualifier of the company that manufactured the system, both initially and following any changes to the gaming voucher system as approved pursuant to N.J.A.C. 19:46-1.20, stating that the system, as installed and configured by the casino licensee, can accurately perform the functions set forth in (c) through (f) above;

2. Successfully complete a minimum 60-day test of the system under terms and conditions established by the Commission;

3. Have approved internal controls as required by (h) above; and

4. Provide access to the system to the Commission and Division in a manner and from such locations as approved by the Commission and Division.

(*l*) A gaming voucher system may, with Commission approval, also be utilized to redeem coupons issued pursuant to N.J.A.C. 19:45-1.46, provided that:

1. The gaming voucher system is able to establish the dollar value and validity of each coupon pursuant to N.J.A.C. 19:45-1.46B(a)2;

2. All coupon data and gaming voucher data in the system are contained in logically separate databases, provided however, that a single database may be used if:

i. Coupon data and gaming voucher data are logically segregated from each other through the use of separate tables in the database or, alternatively, differentiated from each other by at least four fields within a table;

ii. Except as provided in (*l*)2v below, until the insertion of a coupon into a bill changer or, alternatively, the insertion of a patron identification card into a card reader attached to a slot machine, no coupon data for that coupon or that patron shall be loaded into the gaming voucher system;

iii. Except as provided in (*l*)2v below, prior to coupon data being loaded into the gaming voucher system, another casino computer system shall automatically verify the value and validity of each coupon in a manner approved by the Commission, which verification shall include at a minimum, the comparison of the coupon's serial number and value to information contained in a coupon control file, provided that:

(1) The coupon control file is established and verified by the casino licensee when the coupon offer is created;

(2) The comparison process used by the other casino computer system and the coupon control file are appropriately segregated from other programs, files and directories contained in the other casino computer system and are tested and approved in accordance with (b) above; and

(3) The coupon control file is protected from any changes through the use of encryption or digital signatures in a manner approved by the Commission;

iv. Except as provided in (*l*)2v below, the gaming voucher system verifies each piece of coupon data received from the other casino computer system and precludes the acceptance of the data into the gaming voucher database if it contains any information not directly related to the validation of a coupon inserted into a bill changer or the insertion of a patron identification card into a card reader attached to a slot machine;

v. Data for a coupon not associated with a specific patron account or patron identification card at the time of its creation may be loaded into the gaming voucher system not more than seven days prior to the effective date of the coupon. The serial numbers, dollar values and total number of all such redeemed coupons shall be verified in the count room after redemption by comparing the data in a secure copy of the coupon mail file used to create such coupons with the serial numbers, dollar values and total number of all such redeemed coupons counted and recorded in the count room, in a manner approved by the Commission;

vi. If a verification required by (*l*)2v above is unsuccessful, the gaming voucher system automatically records the details of the failed verification in a log, which shall include, at a minimum, the date, time, and if available, patron name, slot machine asset number and location, as well as all information received from the other casino computer system, which log shall be reviewed in accordance with the requirements of (*l*)4 below;

vii. If a verification required by (*l*)2v above is unsuccessful, a report is made of the failed verification in a manner approved by the Commission, which shall include at a minimum, the date and time of creation, the date and time of redemption, patron name if available, slot machine asset number and location, serial number and dollar value of the coupon as created in the coupon mail file, and serial number and dollar value of the coupon as recorded and counted in the count room. This report shall be used by casino accounting and the IT department to immediately file an incident report with the Commission and to promptly conduct an investigation of the variance to determine the actual or probable cause thereof; and

viii. A report is generated of all expired coupons, containing at a minimum the serial number and dollar amount of each expired coupon, and such expired coupons together with all redeemed and voided coupons are purged from the gaming voucher system in accordance with procedures approved by the Commission and consistent with similar procedures for gaming vouchers contained in N.J.A.C. 19:45-1.54(d)2;

3. The gaming voucher system precludes any person or process from changing coupon data into gaming voucher data, or vice versa, and if any such attempt occurs, the gaming voucher system automatically generates an alert notification to the surveillance department, in a manner approved by the Commission, and records the details of the attempt in a log which shall include, at a minimum, the date, time, user name and location, and all other available information regarding the coupon data or gaming voucher data, which log shall be reviewed in accordance with the requirements of (*l*)4 below;

4. The logs and reports required by (*l*)2 and 3 above are reviewed on a daily basis by the MIS security officer, who shall promptly notify the Commission and Division of all logged events in a manner approved by the Commission and Division, respectively;

5. The passwords required by (c)2 above shall, at a minimum:

i. Contain at least six alphabetic and/or numeric characters and expire in no less than 90 days after creation;

ii. Be stored in an approved encrypted form, so that a stored encrypted password shall not be retrievable or readable; and

iii. Immediately disallow any further attempts to access the system following no more than five consecutive failed attempts within no less than 30 minutes by a user account to obtain access to the system, by automatically disabling the user account. Each disabled user account shall be reviewed by the MIS security officer, which may thereafter reactivate the user account upon verifying the identity of the person in accordance with approved internal controls; and

6. The casino licensee has internal control procedures approved by the Commission for the control and reconciliation of all coupons redeemed by the gaming voucher system in accordance with the requirements of N.J.A.C. 19:45-1.46B(g).

New Rule, R.2003 d.4, effective January 6, 2003.
See: 34 N.J.R. 2012(a), 35 N.J.R. 259(a).
Amended by R.2007 d.117, effective April 16, 2007.
See: 38 N.J.R. 4669(a), 39 N.J.R. 1505(a).
Rewrote (a); in (d)2, inserted ", gaming voucher redemption machine"; and in (h)3, inserted "a gaming voucher redemption machine and".
Amended by R.2009 d.370, effective December 21, 2009.
See: 41 N.J.R. 3052(a), 41 N.J.R. 4826(a).
Added new (e)2; recodified former (e)2 through (e)5 as (e)3 through (e)6; and in (e)5i, substituted "validation number, its value and that the gaming voucher has not expired" for "serial number and value".
Amended by R.2010 d.273, effective December 6, 2010.
See: 42 N.J.R. 1506(a), 42 N.J.R. 2981(a).
In (d)5, substituted "validation" for "serial"; rewrote (e); and added (*l*).

SUBCHAPTER 2. CASINO COMPUTER SYSTEMS

19:45-2.1 Definitions

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

"Casino computer system" means all aspects of a computer system which the rules of the Commission either require or permit to be utilized by a casino licensee in the conduct or monitoring of casino operations including, but not limited to hardware, software and network interfaces; provided, however, that a casino computer system shall not be construed to include the following:

1. A slot machine or bill changer;

2. A multi-casino progressive slot system;

3. A computer system that is connected to a casino computer system only through a firewall, which has been approved in accordance with the provisions of N.J.A.C. 19:46-1.20 and for which the casino licensee has approved internal controls in accordance with the requirements of N.J.A.C. 19:45-2.2(g); and

4. Any computer system used exclusively in the conduct of casino simulcasting, in accordance with the provisions of N.J.A.C. 19:55.

"Computer access" or "logical access" means the ability of a person or process to obtain information from, or execute an action in, a casino computer system in accordance with privileges established by a casino licensee pursuant to approved internal controls, which privileges shall be specified by an approved level of computer access.

"Computer functionality" means that a casino computer system functions as designed and approved.

"Computer security" means that a casino computer system contains sufficient devices or procedures that shall:

1. Preserve computer functionality, availability, and the confidentiality of data in accordance with the requirements of the Act and the Commission's rules;

2. Appropriately limit the ability of any person or process to deliberately or inadvertently interfere with the normal operation of the system or its data; and

3. Detect, record, preserve, and provide notice to the casino licensee of, in accordance with approved internal controls, each compromise, possible compromise, inadvertent disclosure, or deviation from computer functionality that occurs.

"Firewall" means dedicated computer hardware, software, and the related security policy that protects a casino computer system, its software, and data from access by other computer systems and users not specifically authorized to access the casino computer system, its software or data, through procedures approved by the Commission, such as monitoring and analyzing all data packets on a real-time basis and automatically rejecting all unauthorized communications. A firewall shall include, without limitation, logging and reporting, automatic alarms, and a user interface for controlling the firewall.

"Level of computer access" means the particular privileges granted to a person in a casino computer system by a casino licensee, such as read, read-write, execute, and modify, which privileges shall vary by casino computer system program, process, library, or directory, according to the following:

1. Position title and job code, for an employee of the casino licensee; and

2. Responsibilities and functions authorized to be performed, for any person not employed by the casino licensee.

19:45-2.2 Casino computer systems; authorized locations

(a) All aspects of a casino licensee's casino computer system shall be located within the casino hotel facility unless otherwise approved by the Commission in accordance with the provisions of this section.

(b) The Commission may permit a casino licensee to maintain the software and data of its casino computer system, or any portion thereof, in a computer located in a secure location outside the casino hotel facility, referred to herein as a "remote computer," provided that:

1. The remote computer is maintained in a secure location within the casino hotel facility of another casino licensee, referred to herein as a "host casino," except as otherwise permitted by the Commission in the event of a disaster pursuant to (e) below;

2. Communications between the remote computer and all other portions of the casino computer system shall occur using a dedicated and secure communication facility, such as a leased line, as approved by the Commission;

3. The remote computer shall automatically perform, at a minimum, the following functions:

i. Generate daily monitoring logs and real time alert messages to inform the casino licensee, host casino, or both, of any system performance problems and hardware problems;

ii. Generate daily monitoring logs and real time alert messages to inform the casino licensee of any software errors;

iii. Generate daily monitoring logs to inform the casino licensee of any unsuccessful attempts by a device, person or process to obtain computer access;

iv. Authenticate the identity of each device, person and process from which communication is received before granting computer access to such device, person or process;

v. Ensure that data sent through a transmission is completely and accurately received; and

vi. Detect the presence of corrupt or lost data and, as necessary, reject the transmission; and

4. Unless a remote computer is used exclusively to maintain a casino computer system of one casino licensee, it shall be partitioned in a manner approved by the Commission, and shall include, at a minimum, the following:

i. A partition manager that complies with the following requirements:

(1) The partition manager shall be comprised of hardware and/or software and shall perform all partition management tasks for a remote computer, including creating the partitions described in (b)4ii below and allocating system resources to each such partition, such as processors, communication buses, data storage devices, and memory;

(2) The casino licensee and host casino shall jointly designate and each shall identify in its approved internal controls the MIS security officer who shall be responsible for administering the partition manager and maintaining access codes to the partition manager, which MIS security officer shall be an employee of the casino licensee, host casino, or any holding, intermediary or subsidiary company thereof;

(3) Special rights and privileges in the partition manager such as "administrator" shall be restricted to the MIS department manager and the MIS security officer of the casino licensee, host casino, or any holding, intermediary or subsidiary company thereof, provided, however, that such rights and privileges may be delegated in accordance with N.J.A.C. 19:45-1.11(b)3;

(4) Access to the partition manager shall be limited to employees of the MIS departments of the casino licensee, host casino, or any holding, intermediary or subsidiary company thereof, unless otherwise approved by the Commission; and

(5) Software-based partition managers contained in a remote computer shall be functionally limited to performing partition management tasks for the remote

computer, while partition managers using hardware and software that are not part of a remote computer may be utilized to perform other functions for a remote computer that are approved by the Commission;

ii. A separate and distinct partition for each casino computer system, that complies with the following requirements:

(1) The partition shall be limited to maintaining the software and data of the casino licensee or affiliate for which the partition has been established;

(2) The MIS security officer of the casino licensee for which the partition has been established shall be responsible for maintenance of access codes to the partition;

(3) Special rights and privileges in the partition such as "administrator" shall be restricted to the MIS security officer and the MIS department manager of the casino licensee for which the partition has been established, provided, however, that such rights and privileges may be delegated in accordance with N.J.A.C. 19:45-1.11(b)3; and

(4) A partition shall not utilize or share a processor, communication bus, data storage device, and memory that is not partitioned or otherwise segregated from the partition manager and any other partition, in a manner approved by the Commission; and

iii. Separate and distinct operating system software, application software, and computer access controls for the partition manager and each partition required in accordance with the provisions of (b)4i and ii above.

(c) The Commission may permit a casino licensee to establish a partition, within a computer that contains a casino computer system, for any holding, intermediary or subsidiary company thereof, or any affiliate that holds a gaming license in any other jurisdiction in the United States, in accordance with the requirements of (b)4ii(1) and (4), and (b)4iii above.

(d) The Commission may permit a casino licensee to maintain duplicate copies of the software and data of a casino computer system, or any portion thereof, in removable storage media devices, such as magnetic tapes or disks, which reside in a secure location within the casino hotel facility or such other secure location outside the casino hotel facility within the State of New Jersey approved by the Commission, for the purposes of disaster recovery.

(e) Notwithstanding the provisions of (b) above, a casino licensee may maintain the software and data of its casino computer system, or any portion thereof, in a computer located in a secure location outside the casino hotel facility, only upon the declaration of a disaster affecting the casino computer system by the chief executive officer of the casino licensee and prior approval of the Commission.

(f) A casino licensee may locate software or data not related to a casino computer system, such as hotel-related software or data, in a computer located outside the casino hotel facility. The Commission may permit a casino licensee to connect such computer to a casino computer system, provided that:

1. Logical access to computer software and data of the casino computer system is appropriately limited as set forth in the casino licensee's approved internal controls; and

2. Communications with all portions of the casino computer system, shall occur as follows:

i. Using a dedicated and secure communication facility, such as a leased line, as approved by the Commission; and

ii. Only through a firewall or other comparable hardware and software, which has been approved in accordance with the provisions of N.J.A.C. 19:46-1.20 and for which the casino licensee has approved internal controls in accordance with the requirements of (g) below.

(g) Each firewall or comparable hardware and software required in accordance with the provisions of (b)3 or (f)2ii above shall perform the following:

1. Maintain a list of each device, person or process authorized to obtain computer access;

2. Generate daily monitoring logs to inform the casino licensee of any unsuccessful attempts by a device, person or process to obtain computer access; and

3. Authenticate the identity of each device, person and process from which communication is received before granting computer access to such device, person or process.

SUBCHAPTER 3. EXPIRATION OF GAMING-RELATED OBLIGATIONS OWED TO PATRONS

19:45-3.1 Expiration of gaming-related obligations owed to patrons; date of expiration; payment to Casino Revenue Fund

(a) Whenever a casino licensee owes a specific amount of money to a patron as the result of a gaming transaction due to the failure of the patron to claim the money or redeem a representation of gaming debt, regardless of whether the identity of the patron is known, the casino licensee shall maintain a record of the obligation in accordance with internal controls as approved by the Commission.

(b) Any money that is owed to a patron by a casino licensee as a result of a gaming transaction that occurred prior to April 8, 2009, must be claimed before April 8, 2010, or the obligation of the casino licensee to pay the patron will expire. Fifty percent of the total value of such gaming debts that

expire shall be paid to the Casino Revenue Fund, and 50 percent shall be retained by the casino licensee.

1. Each casino licensee shall provide reports to the Commission's Financial Division detailing the money it owes to patrons as of April 8, 2009, and April 8, 2010, as a result of gaming transactions. These reports shall be provided in electronic format no later than April 9, 2009, and April 9, 2010, respectively.

2. The Commission shall invoice each casino licensee for the money payable to the Casino Revenue Fund pursuant to (b) above in two installments, with each invoice being issued at least 30 days prior to the date that the payment is due.

i. The first invoice shall be for 25 percent of the total value of all gaming debts owed to patrons as of April 8, 2009, as a result of gaming transactions that occurred prior to April 8, 2008.

ii. The second invoice shall be for 50 percent of the total value of all gaming debts owed to patrons as of April 8, 2010, as a result of gaming transactions that occurred prior to April 8, 2009, minus a credit for the payment made in accordance with (b)2i above.

(c) Any money that is owed to a patron by a casino licensee as a result of a gaming transaction that occurs on or after April 8, 2009, must be claimed within one year of the date of the gaming transaction, or the obligation of the casino licensee to pay the patron will expire. Twenty-five percent of the total value of such gaming debts that expire shall be paid to the Casino Revenue Fund, and 75 percent shall be retained by the casino licensee to be used exclusively for marketing purposes.

1. Commencing in May 2010, each casino licensee shall, on or before the 20th day of each calendar month, report in a format prescribed by the Commission's Financial Division the total value of the gaming debts owed to its patrons that expired during the preceding calendar month.

2. Each casino licensee shall, together with the monthly report required by (c)1 above, make a payment to the Casino Revenue Fund equal to 25 percent of the total value of the gaming debts owed to its patrons that expired during the preceding month, as stated on the report.

(d) Failure to make any payment to the Casino Revenue Fund required by (b) or (c) above by the date that the payment is due shall result in the imposition of penalties and interest as prescribed in the State Uniform Tax Procedure Law, N.J.S.A. 54:48-1 et seq.

(e) Notwithstanding the provisions of (b)1 and (c)1 above, each casino licensee shall separately report any gaming debt that is subject to a complaint for forfeiture by the Division of Gaming Enforcement pursuant to N.J.S.A. 5:12-71.3(c).

(f) Each gaming voucher issued by a casino licensee shall comply with the requirements of N.J.A.C. 19:45-1.54(b), and each keno ticket issued by a casino licensee shall comply with the requirements of N.J.A.C. 19:47-15.4(c). Any other representation of gaming debt issued by a casino licensee shall be a document in a form approved by the Commission and shall include, without limitation, the following information:

1. The date of the gaming transaction;

2. The type of gaming transaction;

3. The amount of money owed to the patron as a result of the gaming transaction; and

4. A conspicuous notice that the representation of gaming debt must be redeemed within one year of its date of issuance or the obligation of the casino licensee to pay the patron will expire.

(g) Each casino licensee shall post signage in its establishment, in locations as approved by the Commission, advising its patrons that:

1. Gaming vouchers issued prior to April 8, 2009, must be redeemed before April 8, 2010, or the obligation of the casino licensee to pay the patron will expire. Such signage may be removed on or after July 1, 2010.

2. Gaming vouchers issued on or after April 8, 2009, must be redeemed within one year of their date of issuance or the obligation of the casino licensee to pay the patron will expire. Such signage may be removed on or after May 1, 2010.

(h) Nothing shall preclude a casino licensee from, in its discretion, issuing a cash complimentary to a patron to compensate the patron for a gaming debt that has expired.