

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

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

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

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

Amended by R.1993 d.35, effective January 19, 1993.

See: 24 N.J.R. 4241(b), 25 N.J.R. 368(a).

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

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

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

Added simulcasting provisions.

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

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

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

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

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

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

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

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

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

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

Added (b)liv; and rewrote (b)2.

#### Case Notes

Application for casino service industry license denied; good character, honesty and integrity. Application of Woodbury Fabrication, Inc. for a Casino Service Industry License, 94 N.J.A.R.2d (CCC) 83.

Relationship with career offender; grant of casino industry service license for limousine business. In the Matter of the Application of Gaines Service Leasing Corp. for a Casino Service Industry license, 94 N.J.A.R.2d (CCC) 9.

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

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

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

1. Suppliers of alcoholic beverages, food and nonalcoholic beverages, gaming table layouts and non-value gaming chip sorters;
2. In-State and out-of-State sending tracks;

3. Licensors of authorized games to casino licensees and applicants;

4. Garbage handlers, vending machine providers, linen suppliers and maintenance companies;

5. Shopkeepers located within the approved hotel;

6. Limousine services and construction companies contracting with casino licensees or applicants or their employees or agents; and

7. Electronic funds transfer companies or debit card verification agencies engaging in transactions governed by N.J.A.C. 19:45-1.18A or 19:45-1.25(i).

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

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

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

(e) Notwithstanding the provisions of (d) above, persons and enterprises which conduct business as a junket enterprise or provide, or imminently will provide, goods or services regarding the realty, construction, maintenance, or business of a proposed or existing casino hotel or related facility to casino licensees or applicants, their employees or agents shall, unless otherwise determined by the Commission, be deemed to be transacting such business on a regular or continuing basis if:

1. The total dollar amount of such transactions with a single casino licensee or applicant, its employees or

agents, is or will be equal to or greater than \$75,000 within any 12-month period;

2. The total dollar amount of such transactions with all casino licensees or applicants, their employees or agents, is or will be equal to or greater than \$225,000 within any 12-month period;

3. The total dollar amount of such transactions with any single casino licensee or applicant, its employees or agents, is or will be equal to or greater than \$40,000 within each of three consecutive 12-month periods;

4. The total dollar amount of such transactions with all casino licensees or applicants, their employees or agents, is or will be equal to or greater than \$100,000 within each of three consecutive 12-month periods; or

5. The enterprise transacts business which satisfies either (e)3 or 4 above within each of three consecutive 12-month periods.

(f) Based upon an analysis of the factors contained in (d) above, the Commission may, in its discretion, require an enterprise which is otherwise governed by the provisions of N.J.S.A. 5:12-92c and (a) above to be licensed as a subsection 92c casino service industry enterprise prior to conducting any business whatsoever with a casino licensee or applicant if the Commission determines that such action is necessary in order to contribute to the public confidence and trust in the credibility and integrity of the gaming industry in New Jersey. Enterprises subject to this requirement shall include manufacturers, suppliers and distributors of non-value chip sorters, licensors of authorized games to casino licensees and applicants, and electronic funds transfer companies or debit card verification agencies engaging in transactions governed by N.J.A.C. 19:45-1.18A or 19:45-1.25(i).

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

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

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

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

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

New Rule, R.1994 d.220, effective May 2, 1994.

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

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

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

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

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.2001 d.25, effective January 16, 2001.

See: 32 N.J.R. 3217(a), 33 N.J.R. 290(a).

In (e)3, increased the total dollar amount of transactions with licensees, applicants, employees or agents.

#### 19:51-1.2B Permission to conduct business prior to licensure

(a) Notwithstanding N.J.A.C. 19:51-1.2(a), N.J.A.C. 19:51-1.2A(f) or N.J.A.C. 19:51-2.1;

1. The Commission may, upon the petition of a casino licensee or applicant for each business transaction, permit an applicant for a casino service industry license to conduct a business transaction with the casino licensee or applicant prior to the licensure of the casino service industry license applicant if:

i. A completed application for the appropriate casino service industry license has been filed by the applicant in accordance with N.J.A.C. 19:51-1.3A;

ii. At least 30 days has elapsed since the filing of such completed application, unless the Division reports on a petition for permission to conduct business prior thereto;

iii. The Division does not object to the granting of the petition;

iv. The petitioner shows good cause for granting the petition; and

v. The applicant for a casino service industry license, if seeking licensure to operate a gaming school, has obtained all approvals from the New Jersey Department of Education necessary to conduct business as a gaming school in this State;