

CHAPTER 50**CASINO HOTEL ALCOHOLIC
BEVERAGE CONTROL****Authority**

N.J.S.A. 5:12-63c, 69a, 70q and 103.

Source and Effective Date

R.1999 d.14, effective December 15, 1998.
See: 30 N.J.R. 3768(a), 31 N.J.R. 142(a).

Executive Order No. 66(1978) Expiration Date

Chapter 50, Casino Hotel Alcoholic Beverage Control, expires on December 15, 2003.

Chapter Historical Note

Chapter 50, Casino Hotel Alcoholic Beverage Control, was adopted as R.1978 d.13, effective January 23, 1978. See: 9 N.J.R. 602(a), 10 N.J.R. 81(d). Pursuant to Executive Order No. 66(1978), Chapter 50 was readopted as R.1983 d.210, effective May 23, 1983. See: 15 N.J.R. 539(a), 15 N.J.R. 932(b).

Pursuant to Executive Order No. 66(1978), Chapter 50, Casino Hotel Alcoholic Beverage Control, was readopted as R.1988 d.257, effective May 12, 1988. See: 20 N.J.R. 770(a), 20 N.J.R. 1210(a).

Pursuant to Executive Order No. 66(1978), Chapter 50, Casino Hotel Alcoholic Beverage Control, was readopted as R.1993 d.220, effective April 26, 1993. See: 25 N.J.R. 1085(a), 25 N.J.R. 1999(c).

Pursuant to Executive Order No. 66(1978), Chapter 50, Casino Hotel Alcoholic Beverage Control, was readopted as R.1994 d.29, effective December 15, 1993. See: 25 N.J.R. 4742(a), 26 N.J.R. 492(b).

Pursuant to Executive Order No. 66(1978), Chapter 50, Casino Hotel Alcoholic Beverage Control, was readopted as R.1999 d.14, effective December 15, 1998. See: Source and Effective Date. See, also, section annotations. As part of R.1999 d.14, Subchapter 5, Permits, was adopted as new rules, effective January 19, 1999. See: 30 N.J.R. 3768(a), 31 N.J.R. 142(a).

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SUBCHAPTER 1. GENERAL PROVISIONS**19:50-1.1 Definitions**

(a) For the purposes of this chapter, words shall be defined in accordance with the Act, the regulations of the Commission, Title 33 of the Revised Statutes (N.J.S.A. 33:1-1 et seq.), Title 13 of the New Jersey Administrative Code (N.J.A.C. 13:2) or according to their commonly understood meaning or usage except where such common meaning or usage would be inconsistent with the purpose or intent of the Act. Any definition contained herein or incorporated by reference shall apply to any form of the defined word. For example, "sell" means to make a "sale" as defined in N.J.S.A. 33:1-1(w).

(b) Where definitions set forth in the Act or Commission regulations conflict with those contained in Title 33 of the Revised Statutes or Title 13 of the New Jersey Administrative Code, the definitions contained in the Act or Commission regulations shall govern.

(c) For the purposes of this chapter, the following definitions shall apply:

"Alcohol" is defined in N.J.S.A. 33:1-1(a).

"Alcoholic beverage" is defined in N.J.S.A. 33:1-1(b).

"Approved restricted brewery location" is a site within the licensed CHAB premises which has been approved by the Commission for the brewing of malt alcoholic beverages pursuant to N.J.A.C. 19:50-1.4A.

"Authorized location" means any room or area which is in, on, or about the premises, and which has been approved by the Commission for the service, sale, consumption, or storage of alcoholic beverages pursuant to N.J.S.A. 5:12-103 and this chapter.

"Casino hotel alcoholic beverage (CHAB) licensee" means a person licensed to serve, sell or store alcoholic beverages pursuant to N.J.S.A. 5:12-103 and this chapter.

"Container" is defined in N.J.S.A. 33:1-1(e).

"Manufacturer" is defined in N.J.S.A. 33:1-1(m).

"Original container" means any container in which an alcoholic beverage has been delivered to a CHAB licensee.

"Premises" means the premises licensed as an approved hotel pursuant to N.J.S.A. 5:12-27.

"Retailer" is defined in N.J.S.A. 33:1-1(u).

"Sale" is defined in N.J.S.A. 33:17-1(w).

"Wholesaler" means any person who sells an alcoholic beverage for the purpose of resale to a licensed wholesaler, a licensed retailer, or a CHAB licensee.

Amended by R.1988 d.257, effective June 6, 1988.
See: 20 N.J.R. 770(a), 20 N.J.R. 1210(a).
Amended by R.1992 d.14, effective January 6, 1992.
See: 23 N.J.R. 3087(b), 24 N.J.R. 110(b).

Deleted definition and referenced statutory definition for "alcohol", "alcoholic beverage", "container", "manufacturer", "premises", "retailer" and "sale"; deleted definitions of "illicit beverage", "meals", "unlawful alcoholic beverage activity", "unlawful property" and deleted (d).

Amended by R.1997 d.460, effective November 3, 1997.
See: 29 N.J.R. 3706(a), 29 N.J.R. 4715(b).

In (c), added "Approved restricted brewery location".

19:50-1.2 Applicability of other laws

(a) Title 33 of the Revised Statutes and the rules, regulations and bulletins promulgated thereunder by the Director of the Division of Alcoholic Beverage Control shall, except as otherwise provided in section 103 of the Act or this chapter, apply to any premises and to any CHAB licensee.

(b) All CHAB licensees that are required to make informational and other filings by Title 33 of the Revised Statutes and Title 13 of the New Jersey Administrative Code shall make all such filings both to the Commission, in accordance with prescribed procedures, and to the Division of Alcoholic Beverage Control.

(c) A CHAB licensee engaging in off-premises storage, delivery or sale of alcoholic beverages shall obtain any necessary licenses or permits for such activities from the Division of Alcoholic Beverage Control. If these alcoholic beverage activities are in any way connected with or involve the licensed premises, copies of these licenses or permits shall be submitted to the Commission within three business days of their receipt by the licensee.

Amended by R.1988 d.257, effective June 6, 1988.
See: 20 N.J.R. 770(a), 20 N.J.R. 1210(a).
Amended by R.1992 d.14, effective January 6, 1992.
See: 23 N.J.R. 3087(b), 24 N.J.R. 110(b).
Repealed and replaced (c); added new (d).
Amended by R.1999 d.14, effective January 19, 1999.
See: 30 N.J.R. 3768(a), 31 N.J.R. 142(a).
Deleted a former (d).

19:50-1.3 License and authorization as conditions precedent to operation

(a) No casino licensee, nor any of its lessees, agents or employees, nor any other person except as otherwise provided in this chapter, shall expose for sale, solicit or promote the sale of, possess with intent to sell, sell, give, dispense, or otherwise transfer or dispose of alcoholic beverages in, on or about the premises unless such person possesses a CHAB license.

(b) No CHAB licensee, nor any of its agents or employees, shall expose for sale, solicit, or promote the sale of, possess with intent to sell, sell, give, dispense or otherwise transfer or dispose of alcoholic beverages except in an authorized location.

(c) No CHAB licensee, nor any of its agents or employees, shall conduct or participate in the brewing of malt alcoholic beverages unless the CHAB licensee has been granted a restricted brewery authorization.

(d) No CHAB licensee who possesses a restricted brewery authorization, nor any of its agents or employees, shall brew malt alcoholic beverages except in an approved restricted brewery location.

(e) In issuing a CHAB license or any authorization thereunder, or any permit pursuant to N.J.S.A. 5:12-103 and 33:1-1, et seq., the Commission may impose any conditions, limitations and restrictions as it deems necessary and reasonable.

(f) A CHAB license shall be granted for a term which coincides with the term of the casino license or casino service industry license held by the licensee.

Amended by R.1983 d.210, effective June 6, 1983.
See: 15 N.J.R. 539(a), 15 N.J.R. 932(b).
Amended by R.1987 d.109, effective February 17, 1987.
See: 18 N.J.R. 2379(a), 19 N.J.R. 381(a).
Amended by R.1988 d.257, effective June 6, 1988.
See: 20 N.J.R. 770(a), 20 N.J.R. 1210(a).
Amended by R.1992 d.14, effective January 6, 1992.
See: 23 N.J.R. 3087(b), 24 N.J.R. 110(b).

Added (d).
Amended by R.1997 d.460, effective November 3, 1997.
See: 29 N.J.R. 3706(a), 29 N.J.R. 4715(b).

Inserted new (c) and (d), and recodified existing (c) and (d) as (e) and (f).

19:50-1.4 Classification of authorized locations

(a) Authorized locations shall be classified as follows:

1. All locations authorized pursuant to N.J.S.A. 5:12-103(g)(1) shall be classified as Type I (casino/casino simulcasting facility) locations.

2. All locations authorized pursuant to N.J.S.A. 5:12-103(g)(2) shall be classified as Type II (hotel) locations.

3. All locations authorized pursuant to N.J.S.A. 5:12-103(g)(3) shall be classified as Type III (packaged goods) locations.

4. All locations authorized pursuant to N.J.S.A. 5:12-103(g)(4) shall be classified as Type IV (room service) locations.

5. All locations authorized pursuant to N.J.S.A. 5:12-103(g)(5) shall be classified as Type V (storage) locations.

(b) The activities permitted in each type of authorized location, subject to applicable laws, rules, and regulations, are as follows:

1. In a Type I location, a CHAB licensee shall be entitled to sell any alcoholic beverage by the glass or other open receptacle, but not in an original container, for on-premises consumption within a casino or casino simulcasting facility.

2. In a Type II location, a CHAB licensee shall be entitled to sell any alcoholic beverage by the glass or other open receptacle for on-premises consumption within a casino hotel but not in a casino or casino simulcasting facility, or from fixed locations outside a casino hotel, but on a casino hotel premises. Examples of Type II locations include, without limitation, showrooms, cabarets, restaurants, meeting rooms, pubs and lounges.

3. In a Type III location, a CHAB licensee shall be entitled to sell any alcoholic beverage in original containers from an enclosed package goods room, not in a casino or casino simulcasting facility, for consumption outside the authorized location.

4. In a Type IV location, a CHAB licensee shall be entitled to sell any alcoholic beverage from a room service location within an enclosed room, not in a casino or casino simulcasting facility, for delivery to a guest room or to any other room in the premises authorized by the Commission, other than a Type I, III or V location.

5. In a Type V location, a CHAB licensee shall be entitled to possess or to store in a fixed location on the premises, not in a casino or casino simulcasting facility, alcoholic beverages intended but not actually exposed for sale.

(c) Notwithstanding any other provision of this chapter to the contrary, a CHAB licensee shall be entitled to possess or store within any of its authorized locations alcoholic beverages intended but not actually exposed for sale in that

authorized location, without obtaining a separate or additional Type V location authorization.

(d) The Commission may, consistent with the requirements of (b) above, issue two or more types of authorizations for the same authorized location, or different types of authorizations for different areas of the same authorized location.

Amended by R.1988 d.257, effective June 6, 1988.

See: 20 N.J.R. 770(a), 20 N.J.R. 1210(a).

Amended by R.1992 d.14, effective January 6, 1992.

See: 23 N.J.R. 3087(b), 24 N.J.R. 110(b).

Revised pursuant to P.L. 1991, c.182.

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

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

Simulcast requirements added at (a)6 and (b)6.

Amended by R.1993 d.541, effective November 1, 1993.

See: 25 N.J.R. 3687(a), 25 N.J.R. 4928(a).

Amended by R.1994 d.284, effective June 6, 1994.

See: 26 N.J.R. 1211(a), 26 N.J.R. 2477(b).

19:50-1.4A Restricted brewery authorization

(a) A CHAB licensee with a restricted brewery authorization may, in an approved restricted brewery location, brew malt alcoholic beverages in quantities not in excess of 3,000 barrels of 31 fluid gallons per year. Such beverages may be offered for sale in open containers within any of the CHAB licensee's authorized Type I or Type II locations.

(b) The Commission shall issue a restricted brewery authorization to a CHAB licensee, provided that:

1. The licensed premises include a full-service restaurant authorized as a Type II location; and

2. The CHAB licensee submits the following to the Commission:

i. Proof of posting of a tax bond with the New Jersey Division of Taxation;

ii. Proof of registration as a brewer with the United States Bureau of Alcohol, Tobacco and Firearms;

iii. Proof of compliance with all applicable State, county and local requirements associated with manufacturing and waste water discharge;

iv. A description of the amount of malt alcoholic beverages to be brewed each year; and

v. Payment of any applicable fee required by N.J.A.C. 19:41-9.7.

New Rule, R.1997 d.460, effective November 3, 1997.

See: 29 N.J.R. 3706(a), 29 N.J.R. 4715(b).

19:50-1.5 Standards for qualification

(a) No CHAB license shall issue unless each person required to qualify shall have first qualified in accordance with the CHAB license standards set forth in section 103 of the Act, the regulations of the Commission, Title 33 of the Revised Statutes, and the rules, regulations and bulletins of

the Division of Alcoholic Beverage Control, except where inconsistent with the Act or the regulations of the Commission.

(b) No CHAB license which authorizes the sale of alcoholic beverages within a casino or casino simulcasting facility shall issue to any applicant who does not hold a casino license issued pursuant to the Act.

(c) No CHAB license which authorizes the possession, sale or storage of alcoholic beverages within any part of the premises, other than a casino or casino simulcasting facility, shall issue to any applicant who would not qualify under the standards for licensure of a non-gaming related casino service industry pursuant to N.J.S.A. 5:12-92(c).

(d) No Type V authorization shall issue to any applicant who does not hold a Type I, II, III, or IV CHAB authorization.

(e) No CHAB licensee shall knowingly employ an unlicensed or unregistered person as a CHAB employee if such person has been convicted of a disqualifying offense pursuant to N.J.S.A. 5:12-86c(1) unless such employment has been expressly authorized by the Commission pursuant to N.J.A.C. 19:41-8.11.

(f) No CHAB licensee shall allow, permit or suffer any wholesaler to sell, give, dispense, or otherwise transfer or dispose of alcoholic beverages to it unless the wholesaler possesses a valid license from the New Jersey Division of Alcoholic Beverage Council.

Amended by R.1988 d.257, effective June 6, 1988.
See: 20 N.J.R. 770(a), 20 N.J.R. 1210(a).
Amended by R.1992 d.14, effective January 6, 1992.
See: 23 N.J.R. 3087(b), 24 N.J.R. 110(b).
Revised pursuant to P.L. 1991 c.182.
Amended by R.1993 d.37, effective January 19, 1993.
See: 24 N.J.R. 3695(a), 25 N.J.R. 348(b).
Simulcasting added.

Amended by R.1993 d.541, effective November 1, 1993.
See: 25 N.J.R. 3687(a), 25 N.J.R. 4928(a).
Amended by R.1994 d.284, effective June 6, 1994.
See: 26 N.J.R. 1211(a), 26 N.J.R. 2477(b).
Amended by R.1996 d. 72, effective February 5, 1996.
See: 27 N.J.R. 3920(a), 28 N.J.R. 901(b).

19:50-1.5A—Application for Initial Casino Hotel Alcoholic Beverage License

(a) An application for an initial casino hotel alcoholic beverage (CHAB) license pursuant to N.J.S.A. 5:12-103(g) shall consist of the fee specified in N.J.A.C. 19:41-9.7 and the following:

1. For a casino service industry licensee or applicant, a completed original and one copy of a CHAB license application form as set forth in N.J.A.C. 19:41-5.16; or
2. For a casino licensee or applicant, the information required by N.J.A.C. 19:43-5.3(a)5.

(b) No initial CHAB license application shall be accepted by the Commission unless the applicant has also filed an application for an initial or renewal casino service industry license pursuant to N.J.S.A. 5:12-92c and N.J.A.C. 19:51-1.3A(b) or 1.3B, or an initial or renewal casino license pursuant to N.J.S.A. 5:12-84 and N.J.A.C. 19:43-5.3 or 11.2.

New Rule, R.1998 d.51, effective January 20, 1998.
See: 29 N.J.R. 4413(b), 30 N.J.R. 381(a).
Amended by R.1999 d.416, effective December 6, 1999.
See: 31 N.J.R. 1585(a), 31 N.J.R. 4122(a).
Rewrote the section.

19:50-1.5B—Application for renewal of Casino Hotel Alcoholic Beverage License

(a) An application for the renewal of a casino hotel alcoholic beverage (CHAB) license pursuant to N.J.S.A. 5:12-103(g) shall consist of the fee specified in N.J.A.C. 19:41-9.7 and the following:

1. For a casino service industry licensee, a completed original and one copy of a CHAB license renewal application form as set forth in N.J.A.C. 19:41-5.17; or
2. For a casino licensee, the information required by N.J.A.C. 19:43-11.3.

(b) An application for the renewal of a CHAB license shall not be accepted by the Commission unless the licensee has also filed an application for the renewal of its casino service industry license pursuant to N.J.S.A. 5:12-92c and N.J.A.C. 19:51-1.3B, or for the renewal of its casino license pursuant to N.J.S.A. 5:12-88 and N.J.A.C. 19:43-11.2.

New Rule, R.1998 d.51, effective January 20, 1998.
See: 29 N.J.R. 4413(b), 30 N.J.R. 381(a).
Amended by R.1999 d.416, effective December 6, 1999.
See: 31 N.J.R. 1585(a), 31 N.J.R. 4122(a).
Rewrote the section.

SUBCHAPTER 2. CONDUCT OF CHAB LICENSEES

19:50-2.1 Operating conditions of CHAB licensees

CHAB licensees shall comply with N.J.S.A. 33:1-1 et seq., N.J.A.C. 13:2-23 et seq. and all other rulings and bulletins of the Division of Alcoholic Beverage Control regarding the retail sale of alcoholic beverages, except as modified by regulations or rulings of the Commission.

Amended by R.1978 d.173, effective May 25, 1978.
See: 10 N.J.R. 210(d), 10 N.J.R. 305(e).
Amended by R.1981 d.438, effective November 16, 1981.
See: 13 N.J.R. 541(b), 13 N.J.R. 849(a).
Amended by R.1983 d.210, effective June 6, 1983.
See: 15 N.J.R. 539(a), 15 N.J.R. 932(b).
Amended by R.1986 d.364, effective September 8, 1986.
See: 18 N.J.R. 160(a), 18 N.J.R. 1840(a).
Amended by R.1987 d.165, effective April 6, 1987.
See: 18 N.J.R. 2439(b), 19 N.J.R. 567(b).

Recodified from 19:50-1.6 by R.1988 d.257, effective June 6, 1988.
See: 20 N.J.R. 770(a), 20 N.J.R. 1210(a).
Repeal and New Rule, R.1992 d.14, effective January 6, 1992.
See: 23 N.J.R. 3087(b), 24 N.J.R. 110(b).

Tose, C.A.3 (N.J.)1994, 34 F.3d 1227, rehearing and rehearing in banc denied.

Contributory negligence based on intoxication is not available to casino. Tose v. Greate Bay Hotel and Casino Inc., D.N.J.1993, 819 F.Supp. 1312.

Case Notes

Casino Control Commission did not have exclusive primary jurisdiction over claims for gambling losses. Greate Bay Hotel & Casino v.

Losses incurred by patron allowed to gamble while drunk were proximately caused by casino's negligence. Tose v. Greate Bay Hotel and Casino Inc., D.N.J.1993, 819 F.Supp. 1312.

19:50-2.2 Additional operating conditions of CHAB licensees

(a) No employees or agents of a CHAB licensee shall consume alcoholic beverages during their hours of employment or agency by a CHAB licensee, including overtime.

(b) Notwithstanding (a) above, the Commission shall, upon petition by a CHAB licensee, grant approval for certain persons to consume alcoholic beverages during their hours of employment, provided that:

1. Such petition specifies the position of all employees for whom approval is requested and the reason for the requested relief;

2. The CHAB licensee maintains on the licensed premises a complete list of all persons for whom approval is granted and the date of approval; and

3. The CHAB licensee submits a copy of the list maintained pursuant to (b)2 above to the Director of the Commission's Division of Licensing at the address specified in N.J.A.C. 19:40-3.1(a) and to the Director of the Division at the address specified in N.J.A.C. 19:40-3.1(c)2, by 5:00 P.M. on June 30 and December 31 of each calendar year.

(c) No CHAB licensee shall create, expand, close or change the name or type of a CHAB location without notifying the Commission and the Division in writing, as follows:

1. Creation, expansion or change in type of CHAB authorization: A petition for approval must be submitted at least 10 business days prior to construction or use of the CHAB location, whichever comes first, and shall include the name of the location, the floor of the premises where it is located, the type or types of CHAB authorizations, and a floor plan of the location.

2. Permanent closure of a CHAB location: Notification must be filed within five business days after closure.

3. Change in name of a CHAB location: Notification must be filed within five business days after change.

(d) Combination sales of any kind, consisting of more than one article, whether it be an alcoholic beverage or something else, at a single aggregate price are prohibited, except for:

1. A combination sale consisting of a meal and one alcoholic beverage or a show and one alcoholic beverage, provided that:

i. The alcoholic beverage shall not be advertised as "free," but may be advertised as "included" or "complimentary";

ii. The alcoholic beverage shall be limited to the glass from which the patron will drink, or a bottle of champagne or wine in its original container (not ex-

ceeding 187 milliliters (ml.) for one person or 750 ml. for two persons); and

iii. A complimentary non-alcoholic beverage is available and offered as an alternative to the complimentary alcoholic beverage;

2. A combination sale which includes a complimentary bottle of champagne or wine in its original container (not exceeding 187 ml. for one person or 750 ml. for two patrons) as part of a weekend, honeymoon, or other specialty promotional package for hotel guests; or

3. A combination sale which is part of a New Year's Eve promotional package.

(e) No CHAB licensee shall, directly or indirectly, allow, permit or suffer any practice or promotion that:

1. Offers to the public at large unlimited availability of any alcoholic beverage for a set price, except on New Year's Eve;

2. Offers to a patron or consumer a free drink, gift, prize or anything of value, conditioned upon the purchase of an alcoholic beverage or product, except branded or unique glassware or souvenirs in connection with a single purchase; or

3. Requires or allows a consumer to prepurchase more than one drink or product at a time via tickets, tokens, admission fees, two for one, or the like, as a condition for entry into its premises or its authorized location, or as a requirement for service or entertainment therein; provided, however that on New Year's Eve a patron may prepurchase no more than two drinks at a time.

(f) No CHAB licensee shall sell or offer to sell alcoholic beverages at a price below "cost," as defined by the Division of Alcoholic Beverage Control, except that CHAB licensees may serve complimentary alcoholic beverages as follows:

1. In Type I (casino/casino simulcasting facility) authorized locations, at a patron's request, pursuant to section 103(g)(1) of the Act;

2. In Type II (hotel), Type III (package goods) or Type IV (room service) authorized locations, pursuant to sections 99 and 102 of the Act and the Commission's regulations concerning complementaries;

3. In conjunction with certain combination sales, pursuant to (d) above;

4. Using free drink coupons, distributed to the general public pursuant to Bulletin 2452 (1988) of the Division of Alcoholic Beverage Control; or

5. A CHAB licensee holding a restricted brewery authorization may offer, without charge, samples of no more than five ounces of any malt alcoholic beverage brewed on the premises, limited to one sample per customer per day of each such beverage.

(g) No CHAB licensee shall discharge, suspend, discipline or demote an employee, or take any other action which would be adverse to the terms and conditions of his or her employment, by reason of the refusal of the employee, with regard to any person who is actually or apparently intoxicated, to:

1. Serve, or allow, permit or suffer the service of alcoholic beverages to such person;
2. Allow, permit or suffer the consumption of any alcoholic beverage in or upon the licensed premises by such person;
3. Deal any game, or allow, permit or suffer the dealing of a game to such person; or
4. Allow, permit or suffer the placement of a wager by such person.

(h) At the request of a CHAB licensee or any patron or employee thereof, any Commission employee or agent of the Division may observe and document, request a videotaping by the Division or surveillance department, or otherwise record the physical condition, appearance and activities of any person who is or is claimed to be actually or apparently intoxicated. The Commission shall refer to the Division for appropriate action any evidence of a violation of Commission regulations or applicable provisions of N.J.S.A. 33:1-1 et seq. and N.J.A.C. 13:2.

(i) It shall be the affirmative responsibility of each CHAB licensee to comply with the requirements of N.J.A.C. 19:43-9.2.

New Rule, R.1988 d.257, effective June 6, 1988.

See: 20 N.J.R. 770(a), 20 N.J.R. 1210(a).

Amended by R.1992 d.14, effective January 6, 1992.

See: 23 N.J.R. 3087(b), 24 N.J.R. 110(b).

Amended pursuant to P.L. 1991 c.182.

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.539, effective November 1, 1993.

See: 25 N.J.R. 3688(a), 25 N.J.R. 4928(b).

Amended by R.1994 d.284, effective June 6, 1994.

See: 26 N.J.R. 1211(a), 26 N.J.R. 2477(b).

Amended by R.1995 d.168, effective March 20, 1995.

See: 27 N.J.R. 60(a), 27 N.J.R. 1204(a).

Amended by R.1996 d.72, effective February 5, 1996.

See: 27 N.J.R. 3920(a), 28 N.J.R. 901(b).

Amended by R.1997 d.460, effective November 3, 1997.

See: 29 N.J.R. 3706(a), 29 N.J.R. 4715(b).

Added (f)5.

Amended by R.1999 d.14, effective January 19, 1999.

See: 30 N.J.R. 3768(a), 31 N.J.R. 142(a).

In (b)3, inserted "Director of the" preceding "Division at the" and updated an N.J.A.C. reference; and in (c)1, inserted "whichever comes first," following "CHAB location,".

19:50-2.3 Employee reporting and recordkeeping requirements

(a) Each CHAB licensee shall maintain on the licensed premises a complete, accurate and current record of each CHAB employee.

(b) If the CHAB licensee is a casino, the record shall be compiled and filed pursuant to N.J.A.C. 19:43-9.3.

(c) Each CHAB licensee, other than a casino licensee, shall submit the following information to the Commission by hard copy or by approved electronic data transfer on the first day of each calendar quarter:

1. For each current employee:
 - i. The license or registration number, if applicable;
 - ii. The Social Security number, if such information has been voluntarily provided in accordance with section 7 of the Privacy Act, 5 U.S.C. 522a;
 - iii. The last name, first name and middle initial;
 - iv. The date of birth;
 - v. The address, including zip code;
 - vi. A description of the employee's duties and responsibilities;
 - vii. The initial date of hire; and
 - viii. If the employee does not hold a valid license or registration, whether such employee has been convicted of a disqualifying offense pursuant to N.J.S.A. 5:12-86c(1);

2. For each person whose employment has been terminated since the date of the most recent report filed with the Commission pursuant to this subsection:

- i. The information in (b)1i through viii above; and
- ii. The effective date of termination; and

3. The date on which the information included in the report was compiled, if such date is other than the date on which the report is submitted or transferred to the Commission.

(d) Reports submitted by hard copy shall be mailed to the Director of the Commission's Division of Licensing at the address specified in N.J.A.C. 19:40-3.1(a) and to the Director of the Division at the address specified in N.J.A.C. 19:40-3.1(c)2.

New Rule, R.1996 d.72, effective February 5, 1996.

See: 27 N.J.R. 3920(a), 28 N.J.R. 901(b).

Amended by R.1999 d.14, effective January 19, 1999.

See: 30 N.J.R. 3768(a), 31 N.J.R. 142(a).

In (d), inserted "Director of the" preceding "Division" and updated an N.J.A.C. reference.

SUBCHAPTER 3. CONDITIONS OF OPERATION IN AUTHORIZED LOCATIONS

19:50-3.1 Conditions of operation in Type I (casino/casino simulcasting facility) locations

(a) No alcoholic beverage shall be sold, given or be available for consumption, offered, delivered or otherwise brought to a patron within a casino room or casino simulcasting facility unless so requested by the patron.

(b) No alcoholic beverage in an original container shall be brought into a Type I location except by the CHAB licensee authorized to sell alcoholic beverages in that Type I location.

(c) No CHAB licensee shall serve any alcoholic beverage in a Type I location except by the glass or other open receptacle, but not in an original container, for on-premises consumption within the authorized location.

(d) No alcoholic beverage shall be displayed in a Type I location except:

1. As required for the necessary operation of a bar;
2. During the customary and ordinary course of preparing a patron's drink order; or
3. Incidental to delivery or consumption by a patron.

(e) Alcoholic beverages may be served in a Type I location only when the casino room or casino simulcasting facility is open for gaming activity as provided in section 97(a) of the Act, but shall not be served later than 15 minutes prior to the closing of the casino room or casino simulcasting facility.

Amended by R.1983 d.210, effective June 6, 1983.
See: 15 N.J.R. 539(a), 15 N.J.R. 932(b).
Recodified from 19:50-1.7 by R.1988 d.257, effective June 6, 1988.
See: 20 N.J.R. 770(a), 20 N.J.R. 1210(a).
Amended by R.1992 d.14, effective January 6, 1992.
See: 23 N.J.R. 3087(b), 24 N.J.R. 110(b).
Amended pursuant to P.L. 1991 c.182.
Amended by R.1993 d.540, effective November 1, 1993.
See: 25 N.J.R. 3689(a), 25 N.J.R. 4929(a).
Amended by R.1994 d.284, effective June 6, 1994.
See: 26 N.J.R. 1211(a), 26 N.J.R. 2477(b).

19:50-3.2 Conditions of operation in Type II (hotel) locations (Reserved)

Amended by R.1983 d.210, effective June 6, 1983.
See: 15 N.J.R. 539(a), 15 N.J.R. 932(b).
Recodified from 19:50-1.8 by R.1988 d.257, effective June 6, 1988.
See: 20 N.J.R. 770(a), 20 N.J.R. 1210(a).
Repealed by R.1992 d.14, effective January 6, 1992.
See: 23 N.J.R. 3087(b), 24 N.J.R. 110(b).
Section was "Conditions of operation in Type II locations".

19:50-3.3 Conditions of operation in Type III (package goods) locations

(a) No CHAB licensee shall, in a Type III location, sell any alcoholic beverage for delivery to any other area in, on or about the premises.

(b) No CHAB licensee shall, in a Type III location, sell any alcoholic beverage in other than original sealed containers or for consumption within the Type III authorized location.

(c) Sale of alcoholic beverages may include the retail sale of distillers' and vintners' packaged holiday merchandise prepacked as a unit with suitable glassware as gift items to be sold only as a unit, cigars, cigarettes, packaged crackers,

chips, nuts and similar snacks, ice and non-alcoholic beverages as accessory beverages to alcoholic beverages and novelty wearing apparel identified with the name or the trade name(s) of the CHAB licensee.

(d) No CHAB licensee shall allow, permit or suffer any alcoholic beverage to be consumed in or upon a Type III location, nor shall any CHAB licensee possess or allow, permit or suffer any open containers of alcoholic beverages in or upon its Type III location; provided, however, that opened bottles of alcoholic beverages returned by a customer as allegedly defective may be so possessed pending return to the manufacturer or wholesaler; and further provided that the container is immediately resealed and labeled with the name and address of the customer and the date of return by the customer.

Amended by R.1983 d.210, effective June 6, 1983.
See: 15 N.J.R. 539(a), 15 N.J.R. 932(b).
Recodified from 19:50-1.9 by R.1988 d.257, effective June 6, 1988.
See: 20 N.J.R. 770(a), 20 N.J.R. 1210(a).
Repeal and New Rule, R.1992 d.14, effective January 6, 1992.
See: 23 N.J.R. 3087(b), 24 N.J.R. 110(b).
Section was "Conditions of operation in Type III locations".

19:50-3.4 (Reserved)

Amended by R.1983 d.210, effective June 6, 1983.
See: 15 N.J.R. 539(a), 15 N.J.R. 932(b).
Recodified from 19:50-1.10 by R.1988 d.257, effective June 6, 1988.
See: 20 N.J.R. 770(a), 20 N.J.R. 1210(a).
Administrative correction: in (b) replaced "than" with "open" describing type of receptacle.
See: 21 N.J.R. 1156(b).
Repealed by R.1992 d.14, effective January 6, 1992.
See: 23 N.J.R. 3087(b), 24 N.J.R. 110(b).
Section was "Conditions of operation in Type IV locations".

19:50-3.5 Conditions of operation in Type V (storage) locations

(a) A CHAB licensee may, in a Type V location, store alcoholic beverages intended for sale at other authorized locations in, on, or about the premises.

(b) A CHAB licensee shall transfer or deliver such alcoholic beverages from a Type V location only to authorized locations in, on or about the premises.

(c) A CHAB licensee shall not allow, permit or suffer access to or from a Type V authorized location, except to the extent that such access is necessary in the normal course of business to employees or agents of the CHAB licensee or to licensed employees or agents of wholesalers or distributors licensed pursuant to Title 33 of the Revised Statutes, Title 13 of the New Jersey Administrative Code, the Act and the regulations of the Commission.

(d) All Type V locations shall be fixed, enclosed areas within the premises, not in a casino, and not otherwise authorized for the sale, service or consumption of alcoholic beverages.

(e) No alcoholic beverage shall be sold, served or consumed in a Type V location.

(f) A CHAB licensee shall maintain its Type V locations in a secure manner.

Amended by R.1983 d.210, effective June 6, 1983.
See: 15 N.J.R. 539(a), 15 N.J.R. 932(b).
Recodified from 19:50-1.11 by R.1988 d.257, effective June 6, 1988.
See: 20 N.J.R. 770(a), 20 N.J.R. 1210(a).
Amended by R.1991 d.469, effective September 16, 1991.
See: 23 N.J.R. 2006(b), 23 N.J.R. 2868(b).

In (c): added phrase regarding novelty wearing apparel.
Repealed and Replaced, R.1992 d.14, effective January 6, 1992.
See: 23 N.J.R. 3087(b), 24 N.J.R. 110(b).

19:50-3.6 (Reserved)

Amended by R.1983 d.210, effective June 6, 1983.
See: 15 N.J.R. 539(a), 15 N.J.R. 932(b).
Recodified from 19:50-1.12 by R.1988 d.257, effective June 6, 1988.
See: 20 N.J.R. 770(a), 20 N.J.R. 1210(a).
Repealed by R.1992 d.14, effective January 6, 1992.
See: 23 N.J.R. 3087(b), 24 N.J.R. 110(b).

Section was "Conditions of operation in Type VI locations".
New Rule, R.1993 d.37, effective January 19, 1993.
See: 24 N.J.R. 3695(a), 25 N.J.R. 348(b).

Rule added on conditions of operating in simulcasting facilities.
Amended by R.1993 d.540, effective November 1, 1993.
See: 25 N.J.R. 3689(a), 25 N.J.R. 4929(a).
Repealed by R.1994 d.284, effective June 6, 1994.
See: 26 N.J.R. 1211(a), 26 N.J.R. 2477(b).

Section was "Conditions of operation in Type VI (casino simulcasting facility) locations".

19:50-3.7 (Reserved)

Amended by R.1983 d.210, effective June 6, 1983.
See: 15 N.J.R. 539(a), 15 N.J.R. 932(b).
Recodified from 19:50-1.13 by R.1988 d.257, effective June 6, 1988.
See: 20 N.J.R. 770(a), 20 N.J.R. 1210(a).
Repealed by R.1992 d.14, effective January 6, 1992.
See: 23 N.J.R. 3087(b), 24 N.J.R. 110(b).

Section was "Conditions of operation in Type VII locations".

SUBCHAPTER 4. DISCIPLINARY PROCEEDINGS

19:50-4.1 General provisions

(a) Any violation of Title 33 of the Revised Statutes or Title 13 of the New Jersey Administrative Code by an applicant or CHAB licensee, or its agents or employees shall be grounds for penalty, suspension, revocation, or other disciplinary action by the Commission unless the conduct involved is specifically permitted by the Act or by these regulations.

(b) In disciplinary proceedings it shall be sufficient, in order to establish the guilt of the licensee, to show that the violation was committed by an agent, servant or employee of the CHAB licensee. The fact that the CHAB licensee did not participate in the violation or that its agent, servant or employee acted contrary to instructions given by the CHAB licensee or that the violation did not occur in the CHAB licensee's presence shall constitute no defense to the charges preferred in such disciplinary proceedings.

Amended by R.1983 d.210, effective June 6, 1983.
See: 15 N.J.R. 539(a), 15 N.J.R. 932(b).
Recodified from 19:50-1.14 by R.1988 d.257, effective June 6, 1988.
See: 20 N.J.R. 770(a), 20 N.J.R. 1210(a).

SUBCHAPTER 5. PERMITS

19:50-5.1 Social affair permit

(a) For purposes of this section:

"Fee" means any amount charged in connection with attendance at an event, whether a direct charge for drinks, the purchase of tickets, admission, donations or other assessments, or an indirect charge for food, entertainment or any other costs.

"Social affair" means an event sponsored and conducted by a sponsoring organization in, on or about the premises of a CHAB licensee for which any fee is charged in connection with attendance.

"Sponsoring organization" means an organization which operates solely for civic, religious, educational, charitable, fraternal, social or recreational purposes and not for private gain and which sponsors an event in, on or about the premises of a CHAB licensee.

(b) The sponsoring organization may sell or serve alcoholic beverages to persons attending a social affair provided that such organization holds a social affair permit issued by the Commission. The holder of a social affair permit may purchase alcoholic beverages from a CHAB licensee or a New Jersey licensed wholesaler, distributor or retailer for resale for on-premises consumption.

19:50-5.2 Merchandising permit

A licensed wholesaler or other person may offer complimentary samples of alcoholic beverages in connection with a merchandising show, alcoholic beverage product introduction event or other promotional event held on the premises of a CHAB licensee, and may accept orders for alcoholic beverages from New Jersey retail licensees, provided that such wholesaler or person holds a merchandising permit issued by the Commission.

19:50-5.3 Consumer alcoholic beverage tasting permit

(a) A CHAB licensee may conduct an alcoholic beverage tasting or tasting dinner on its premises provided that it holds a consumer alcoholic beverage tasting permit issued by the Commission and provided further that:

1. The event is conducted and promoted in connection with an instructional program for alcoholic beverage product;

2. The event is limited to participants who purchase a ticket or are issued a complimentary ticket by a casino licensee;

3. Service of alcoholic beverages is limited to the following amounts per person:

i. No more than five ounces of any one malt alcoholic beverage, naturally fermented wine or sparkling wine at a tasting dinner;

ii. No more than four ounces of any one malt alcoholic beverage, or one and one-half ounces of any one naturally fermented wine or sparkling wine at a tasting; and

iii. No more than one-half ounce of any one fortified wine or distilled spirit at a tasting or tasting dinner; and

4. No later than five days in advance of the scheduled event, the CHAB licensee provides the Commission with a copy of each menu, program, or other written description of the tasting or tasting dinner event.

(b) Any supplier, manufacturer or wholesaler which holds an annual special permit for consumer tasting events issued by the Division of Alcoholic Beverage Control may hold a tasting or tasting dinner on the premises of a CHAB licensee provided that a copy of the permit is filed with the Commission no later than one day prior to the event.

Amended by R.2001 d.111, effective April 2, 2001.
See: 33 N.J.R. 27(a), 33 N.J.R. 1123(b).

Rewrote (a)2.

Amended by R.2002 d.285, effective September 3, 2002.
See: 34 N.J.R. 1605(a), 34 N.J.R. 3133(a).

In (a)2, inserted "or are issued a complimentary ticket by a casino licensee".

19:50-5.4 Special disposal permits

(a) A CHAB licensee may sell surplus alcohol in sealed containers at a price above cost to its employees who are 21 years of age or older, provided that the CHAB licensee holds a special disposal permit issued by the Commission and provided further that:

1. Such alcohol is sold for off-premise consumption only;

2. The CHAB licensee has filed the following with the Commission;

i. An application as set forth in N.J.A.C. 19:41-5.18;

ii. A list of the type and quantity of alcohol to be sold;

iii. Internal controls for conduct of the sale; and

iv. The job titles and a description of the duties of each employee involved in the conduct of the sale.

3. Only the alcohol specified in the application for the permit is sold;

4. The conduct of the sale is in accordance with internal controls approved by the Commission; and

5. The CHAB licensee compiles a list of each product purchased, the number of bottles purchased, the amount paid, and the name and identification number of the employee who made the purchase, which list shall be maintained on the premises by the licensee and made available to the Commission or Division on request.

19:50-5.5 Temporary miscellaneous contingency permits

(a) The Commission may, for good cause shown, issue a temporary miscellaneous contingency permit for the purchase or sale of alcoholic beverages in, on or about the premises of a CHAB licensee in those circumstances where a CHAB license or permit is not expressly provided for by law.

(b) A temporary miscellaneous contingency permit may be granted by the Commission when the issuance of such permit would be appropriate and consonant with the spirit of the Act, Title 33 of the Revised Statutes and Title 13 of the Administrative Code.

19:50-5.6 Application

(a) An application for any CHAB permit in this subchapter shall include the following, without limitation:

1. A completed CHAB Permit Application Form as set forth in N.J.A.C. 19:41-5.18; and

2. The fee specified in N.J.A.C. 19:41-9.7.

(b) Applications for CHAB permits shall be filed as follows:

1. For a social affair permit, at least 14 calendar days in advance of the scheduled event; and

2. For any other permit, at least 30 calendar days in advance of the scheduled event.

19:50-5.7 Permit conditions

(a) The failure of any holder of a CHAB permit to comply with applicable provisions of the Act and Commission rules, New Jersey Alcoholic Beverage Law, Division of Alcoholic Beverage Control rules and municipal ordinances shall be deemed cause for denial of future applications for any CHAB permit issued by the Commission.

(b) The holder of a CHAB permit and the CHAB licensee on whose premises the event is held shall be jointly and severally liable for any violation of applicable provisions of the Act and Commission rules relating to the event.

(c) The holder of a CHAB permit shall not sample, sell, serve or deliver, or allow, permit or suffer the sampling, sale, service or delivery of any alcoholic beverages directly or indirectly to or consumption by any person under the legal age at which a person is authorized to purchase and

consume alcoholic beverages, nor to any person who is actually or apparently intoxicated.

(d) No more than 12 CHAB permits shall be issued to any one applicant during any 12-month period, and no more than 25 CHAB permits shall be issued in any calendar year for any premises.

(e) The Commission may require the holder of a permit to file a notarized inventory report within 10 days of the event. Failure to file an inventory report upon request shall be deemed cause for denial of future applications for any CHAB permit issued by the Commission. Such report shall be in a format prescribed by the Commission and may include the following information:

1. Permit number issued;
2. Name and address of the permittee;
3. Date and place of the event;
4. Type and number of any alcoholic beverage license held by the permittee;
5. Type of event for which the permit was issued;
6. Number of persons in attendance;
7. Type and quantities of alcohol purchased for the event, the dates purchased, and the place of purchase;
8. Type and quantity of alcoholic beverages remaining at the end of the event;
9. A description of the disposition of any alcohol remaining on hand at the end of the event;
10. A copy of any ticket and program used for the event; and
11. The date and the signature of a representative of the permittee.