

2. All correspondence concerning the realty, construction, maintenance, or business of a proposed or existing casino hotel or related facility;
3. Copies of all promotional material and advertising;
4. A personnel file on each employee of the licensee, including sales representatives;
5. Financial records of all transactions concerning the realty, construction, maintenance, or business of a proposed or existing casino hotel or related facility.

(b) The records listed in (a) above shall be held for at least five years.

Amended by R.1989 d.281, effective June 5, 1989.  
See: 21 N.J.R. 705(a), 21 N.J.R. 1525(a).

Reduction of recordkeeping to transactions directly related to the casino hotel or related facility. Requirement deleted for maintenance of personnel file beyond five years and submission of files to Commission upon closing.

#### 19:51-1.10 Causes for suspension, failure to renew or revocation of a license

(a) Any of the following shall be cause for suspension, refusal to renew or revocation of a casino service industry license, although suspension, refusal to renew or revocation may be made for sufficient cause other than those listed:

1. Violation of any provision of the Casino Control Act or these rules and regulations;
2. Conduct which would disqualify the applicant, or any other person required to be qualified, if such person were applying for original licensure;
3. Failure to comply with all applicable Federal, State and local statutes, ordinances and regulations;
4. A material departure from any representation made in the application for licensure.

#### 19:51-1.11 Equal employment opportunity

The rules relating to equal employment opportunity and affirmative action program requirements for casino service industry enterprises are set forth in N.J.A.C. 19:53-1.3, 1.5, 1.6 and 1.7.

#### 19:51-1.12 Fees

The general rules relating to the fees for the issuance and renewal of casino service industry and junket enterprise licenses are set forth in N.J.A.C. 19:41-9.8.

Amended by R.1992 d.412, effective October 19, 1992.  
See: 24 N.J.R. 2695(b), 24 N.J.R. 3738(a).

Junket enterprise added.

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

Amended N.J.A.C. references and deleted reference to additional rules.

#### 19:51-1.13 Exemption

(a) The general rules relating to exemption of persons or fields of commerce from licensure as casino service industries are set forth in N.J.S.A. 5:12-92(c).

(b) The Commission may, upon the written request of any person, or upon its own initiative, exempt any person or field of commerce, other than a junket enterprise, from the casino service industry licensure requirements of sections 92c and d of the Act, pursuant to the standards contained in N.J.S.A. 5:12-92(c).

Amended by R.1992 d.412, effective October 19, 1992.  
See: 24 N.J.R. 2695(b), 24 N.J.R. 3738(a).

Exemption not allowed for junket enterprise.

#### 19:51-1.14 Persons required to be qualified

(a) No casino service industry license shall be issued or renewed unless the individual qualifications of each of the following persons shall have first been established in accordance with all provisions, including those cited, of the Act and the rules of the Commission. The Commission shall apply the following provisions to both corporate and non-corporate applicants or licensees or, if that is not possible, the Commission will in its discretion apply comparable standards to non-corporate applicants and licensees.

1. In the case of casino service industry licenses issued in accordance with subsections 92a and b of the Act:

- i. The applicant or licensee;
- ii. If the applicant or licensee is, or if it is to become a subsidiary, each holding company and each intermediary company;
- iii. Each natural person who directly or indirectly holds any beneficial or ownership interest of five percent or more of the applicant or licensee;
- iv. Each person who directly or indirectly holds any beneficial or ownership interest of five percent or more of a holding company or intermediary company of the applicant or licensee;
- v. Each director of the applicant or licensee or of a holding or intermediary company thereof;
- vi. Each officer of the applicant or licensee or of a holding or intermediary company thereof;
- vii. The management employee supervising the regional or local office which employs the sales representative who will solicit business or deal directly with a casino licensee;
- viii. Each employee who will act as a sales representative or otherwise regularly engage in the solicitation of business from casino licensees.

2. In the case of casino service industry or junket enterprise licenses issued in accordance with subsections 92c and d or section 102 of the Act:

i. The applicant or licensee;

ii. Each natural person who directly holds any beneficial or ownership interest of five percent or more or who indirectly holds any beneficial or ownership interest of 10 percent or more of the applicant or licensee;

iii. Each holding company that directly holds any beneficial or ownership interest of five percent or more of the applicant or licensee.

iv. Each director of the applicant or licensee;

v. Each officer of the applicant or licensee;

vi. The management employee supervising the regional or local office which employs the sales representative or junket representative soliciting business or dealing directly with a casino licensee;

vii. Each employee who will act as a sales representative or otherwise regularly engage in the solicitation of business from casino licensees and each junket representative who will deal directly with casino licensees or their employees.

(b) Notwithstanding (a) above, any of the following persons may request in writing that the Commission waive their obligation to qualify as part of a casino service industry license issuance or renewal by making the appropriate showing required in (b)1 through 4 below.

1. If the person is required to qualify as an officer, the person shall be required to demonstrate that he or she is not significantly involved in and has no authority over the conduct of business with a casino licensee. Such request shall include, at a minimum, the following:

i. A description of his or her title, duties and responsibilities with the applicant, licensee or with any affiliate thereof;

ii. The terms of his or her compensation; and

iii. A certification by the officer or, if the applicant or licensee is governed by N.J.S.A. 5:12-92c and d, by counsel for the applicant or licensee, stating that the officer is not significantly involved in and has no authority over the conduct of business with any casino licensee or applicant.

2. If the person is required to qualify as a director of an applicant or licensee governed by N.J.S.A. 5:12-92c and d or as a director of a holding company of an applicant or licensee governed by N.J.S.A. 5:12-92a, the person shall be required to demonstrate that he or she is not significantly involved in the management or ownership of the applicant or licensee. Notwithstanding the foregoing, an inside director of an applicant or licensee governed by N.J.S.A. 5:12-92c and d or an inside director of the holding or intermediary company of an applicant or licensee governed by N.J.S.A. 5:12-92a shall not be eligible for a waiver of qualification pursuant to this subsection. Such request shall include, at a minimum, the following:

i. A description of his or her title, duties and responsibilities with the applicant, licensee or with any affiliate thereof;

ii. The terms of his or her compensation;

iii. Any board committee memberships, including a description of the functions and responsibilities of any such committee;

iv. His or her ownership interest; and

v. A certification by the director or, if the applicant or licensee is governed by N.J.S.A. 5:12-92c and d, by counsel for the applicant or licensee, stating that the director is not significantly involved in the management or ownership of the applicant or licensee.

3. If the person is required to qualify as an owner of the applicant or licensee or a holding or intermediary company thereof and requests a waiver as an institutional investor, the person shall be required to demonstrate compliance with the standards for institutional investor status set forth in N.J.S.A. 5:12-27.1 as well as the standards for waiver set forth in N.J.S.A. 5:12-85f, as applied to the casino service industry applicant or licensee, regardless of whether such applicant or licensee is publicly traded or privately held. Such request shall include, at a minimum, the following:

i. The number of shares held and percent of ownership;

ii. A copy of the most recent notice filed with the Securities and Exchange Commission;

iii. A list of any direct or indirect owners;

iv. An explanation as to why such investor should be considered an institutional investor pursuant to N.J.S.A. 5:12-27.1; and

v. A certification by the investor stating that the investor has no present involvement in, and no intention of influencing the business activities of, the applicant or licensee or any holding or intermediary company thereof and will give the Commission 30 days notice if the investor determines to become involved in or influence such activities in the future.

4. If the person is required to qualify as an owner of the applicant or licensee or of a holding or intermediary company of the applicant or licensee, the person shall be required to demonstrate their inability to control such applicant, licensee or holding or intermediary company. For a publicly traded corporation, any person who owns or beneficially holds five percent or more of the equity securities of such corporation shall be presumed to have the ability to control such corporation, unless such presumption is rebutted by clear and convincing evidence.

(c) Notwithstanding (a) and (b) above, the Commission may require a casino service industry applicant or licensee to establish the qualifications of any person if the Commission determines that the qualification of such person would further the policies of the Act. In making such determination, the Commission shall consider, without limitation, the following:

1. Title, duties and responsibilities;
2. Terms of compensation;
3. Ownership interest;
4. Prior status as a qualifier;
5. Ability to appoint a member of the board of directors;
6. Commonality of interest with other owners of the applicant or licensee, or holding or intermediary company thereof;
7. Business relationship with the applicant or licensee;
8. Criminal conduct or associations; and
9. The recommendations of the Division.

(d) In addition to the persons required to qualify pursuant to (a) above, each applicant for a junket enterprise license may be required, upon directive from the Commission, to establish the qualifications of any junket representative employed by that junket enterprise, regardless of whether such junket representative deals directly with a casino licensee.

1. The Division may request the Commission to require a junket representative employed by a junket enterprise licensee or applicant to establish his or her qualifications at any time.
2. Any junket enterprise required to establish the qualifications of a junket representative pursuant to this subsection may be required, subject to the provisions of N.J.A.C. 19:41-8.6, to pursue a determination as to the qualifications of the junket representative regardless of whether the employment relationship with the junket representative has been terminated.
3. Any person required to establish his or her qualifications as a junket representative pursuant to this subsection may be required to pursue a determination as to his or her qualifications as a junket representative regardless of whether the employment relationship with the junket enterprise has been terminated.

R.1979 d.376, effective September 26, 1979.  
See: 11 N.J.R. 265(a), 11 N.J.R. 599(b).  
Amended by R.1989 d.281, effective June 5, 1989.  
See: 21 N.J.R. 705(a), 21 N.J.R. 1525(a).

Technical changes.  
Amended by R.1992 d.412, effective October 19, 1992.  
See: 24 N.J.R. 2695(b), 24 N.J.R. 3738(a).

Junket enterprise added; open to review at any time.  
Amended by R.1993 d.37, effective January 19, 1993.  
See: 24 N.J.R. 3695(a), 25 N.J.R. 348(b).

Stylistic changes.

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

Amended section name.

Amended by R.1998 d.475, effective September 21, 1998.  
See: 30 N.J.R. 2370(b), 30 N.J.R. 3515(a).

Rewrote (a); and added new (b) and (c).

Amended by R.2001 d.94, effective March 19, 2001.  
See: 32 N.J.R. 3757(a), 33 N.J.R. 1019(b).

Rewrote section.

**19:51-1.14A Notification of changes in qualifiers of gaming-related casino service industry licensees or applicants and holding companies**

(a) Each casino service industry licensee or applicant required to be licensed in accordance with N.J.S.A. 5:12-92a and N.J.A.C. 19:51-1.2 shall notify the Commission and the Division, in writing, within five business days, of the following:

1. The appointment, nomination, election, resignation, termination, incapacitation or death of any natural person required to qualify pursuant to N.J.A.C. 19:51-1.14(a)1 or (c);
2. The identity of any person required to be qualified pursuant to N.J.A.C. 19:51-1.14(a)1iii or iv on the basis of a newly acquired ownership interest; or
3. The identity of any person whose obligation to qualify was waived pursuant to N.J.A.C. 19:51-1.14(b)3 or 4 if that person subsequently attains an ownership interest that is:
  - i. At least five percent greater than the interest held at the time the most recent waiver was granted; and
  - ii. At least 10 percent or more of the applicant, licensee or holding or intermediary company thereof.

(b) For each new qualifier identified pursuant to (a)1 or 2 above, the following forms, as applicable, shall be filed with the Commission within 30 days of the mailing of the required notice; provided, however, that the Commission may, upon written request from the licensee or applicant and for good cause shown, grant an additional 30 days within which to file the required forms:

1. A complete application for qualification as set forth in N.J.A.C. 19:41-7.1A for each new natural person qualifier, except that an outside director of a holding or intermediary company shall be permitted to file a Personal History Disclosure Form—2A (PHD-2A) as set forth in N.J.A.C. 19:41-5.4; or
2. A complete Business Entity Disclosure Form—Gaming (BED-Gaming) as set forth in N.J.A.C. 19:41-5.15 for each new entity qualifier.

(c) For each person identified pursuant to (a)3 above, a new petition for a waiver of qualification pursuant to N.J.A.C. 19:51-1.14(b)3 or 4 shall be filed with the Commission within 30 days of the mailing of the required notice.

(d) All notices and filings required by this section shall be directed to the Enterprise License Bureau of the Commission at the address provided in N.J.A.C. 19:40-3.1(a) and to the Service Industry Licensing Section of the Division at the address provided in N.J.A.C. 19:40-3.1(c)1.

(e) If a casino service industry licensee fails to file the notices and forms required by this section, the Commission may, upon the filing of a written complaint by the Division and after appropriate hearings and factual determinations, impose any of the sanctions authorized by N.J.S.A. 5:12-129, including the suspension or revocation of the casino service industry license. If an applicant for an initial casino service industry license fails to file the notices and forms required by this section, the pending application shall be considered incomplete for purposes of N.J.A.C. 19:51-1.2b and the Commission may, after an appropriate hearing, prohibit the applicant from transacting any business with casino licensees or applicants.

New Rule, R.2001 d.94, effective March 19, 2001.  
See: 32 N.J.R. 3757(a), 33 N.J.R. 1019(b).

#### 19:51-1.15 Advertising

(a) Any advertisement by an applicant for or holder of a casino service industry license issued pursuant to N.J.S.A. 5:12-92a and b or by any agent thereof shall be subject to the provisions of N.J.A.C. 19:43-14 to the same extent as if such advertisement were by a casino licensee or applicant.

(b) Notwithstanding the provisions of (a) above, an applicant for or holder of a casino service industry license issued pursuant to N.J.S.A. 5:12-92a and b and any agent thereof shall not be subject to the provisions of N.J.A.C. 19:43-14.3(b).

New Rule, R.1992 d.500, effective December 21, 1992.  
See: 24 N.J.R. 3225(a), 24 N.J.R. 4563(a).

## SUBCHAPTER 2. GAMING SCHOOLS

### 19:51-2.1 License requirements

Except as otherwise provided in N.J.A.C. 19:51-1.2B, no gaming school shall enroll any student or offer any course concerning gaming or dealing techniques or conduct any business whatsoever with a casino licensee or applicant, its employees or agents unless such gaming school is licensed in accordance with N.J.S.A. 5:12-92a and b and has complied with all applicable requirements of the State Department of Education necessary to conduct business as a vocational school in this State.

### 19:51-2.2 Gaming equipment

(a) All gaming equipment utilized by a gaming school, including gaming chips and plaques, shall be used for training, instructional and practice purposes only. The use of any such gaming equipment for actual gaming by any person is prohibited and may constitute cause for the suspension or revocation of the gaming school license.

(b) Unless the Commission otherwise determines, all gaming chips and plaques utilized by a gaming school shall be distinctly dissimilar to any gaming chips and plaques utilized by a casino licensee.

(c) No gaming school shall possess any slot machine or remove or transport any slot machine except in accordance with the Act and N.J.A.C. 19:46-1.22, 1.23 and 1.24.

(d) Each slot machine on the premises of a gaming school shall have permanently affixed on it a serial number which, together with the location of the machine, shall be filed with the Commission.

(e) Each gaming school shall provide adequate security for the slot machines on the gaming school premises.

(f) No gaming school shall sell or transfer any slot machine except upon prior written notice to the Commission and the Division and the removal of all serial numbers required by this section.