

5:12-191

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"Casino Simulcasting Act"

NJSA: 5:12-191 et al

LAWS OF: 1992 CHAPTER: 19

BILL NO: S653

SPONSOR(S): Dimon & Gormley

DATE INTRODUCED: March 30, 1992

COMMITTEE: ASSEMBLY: ---
SENATE: Judiciary

AMENDED DURING PASSAGE: Yes Amendments during passage denoted by asterisks

DATE OF PASSAGE: ASSEMBLY: May 28, 1992
SENATE: May 7, 1992

DATE OF APPROVAL: June 12, 1992

FOLLOWING STATEMENTS ARE ATTACHED IF AVAILABLE:

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COMMITTEE STATEMENT: ASSEMBLY: No
SENATE: Yes 4-6-92 & 5-4-92

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REPORTS:

HEARINGS:

974.90 New Jersey. Office of legislative Services. Public Information
H817 Office.
199X0 Public hearing on SCR112 (proposes simultaneous transmission
by picture of horse races), held 6-11-90. Trenton. 1990.

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[SECOND REPRINT]

SENATE, No. 653

STATE OF NEW JERSEY

INTRODUCED MARCH 30, 1992

By Senators DIMON, CODEY, Gormley and Palaia

1 AN ACT concerning wagering on the results of certain simulcast
2 horse races, supplementing Title 5 of the Revised Statutes,
3 2amending P.L.1940, c.17,² and amending and supplementing
4 P.L.1977, c.110 (C.5:12-1 et seq.).
5

6 BE IT ENACTED by the Senate and General Assembly of the
7 State of New Jersey:

8 1. (New section) Sections 1 through 20 of this act shall be
9 known and may be cited as the "Casino Simulcasting Act."

10 2. (New section) As used in sections 1 through 20 of this act:
11 "Casino" means a licensed casino or gambling house located in
12 Atlantic City at which casino gambling is conducted pursuant to
13 the provisions of P.L.1977, c.110 (C.5:12-1 et seq.).

14 "Casino simulcasting" means the simultaneous transmission by
15 picture of running or harness horse races conducted at race
16 tracks to casinos and parimutuel wagering at those gambling
17 establishments on the results of those races.

18 "In-State sending track" means a racetrack within this State
19 which is operated by a permit holder and is equipped to conduct
20 casino simulcasting.

21 "Interstate common pool" means a parimutuel pool established
22 within this State or in another state or foreign nation within
23 which is combined parimutuel pools of one or more receiving
24 tracks located in one or more states or foreign nations upon a
25 race at a sending track located outside of this State for the
26 purpose of establishing pay-off prices in the various jurisdictions.

27 "Out-of-State sending track" means a racetrack in a
28 jurisdiction other than the State of New Jersey which is equipped
29 to conduct casino simulcasting and the operator of which is
30 lawfully permitted to conduct a horse race meeting and to
31 provide simulcast horse races to a casino in this State.

32 "Outstanding parimutuel ticket" means a winning parimutuel
33 ticket which is not claimed within six months of sale.

34 "Permit holder" means the holder of an annual permit to
35 conduct a horse race meeting issued by the New Jersey Racing
36 Commission.

37 "Simulcast horse race" means a running or harness horse race
38 conducted at a racetrack which is simultaneously transmitted by
39 picture to a casino.

40 3. (New section) It shall be lawful for a casino to conduct
41 casino simulcasting with any in-State sending track and with any
42 out-of-State sending track in accordance with the provisions of
43 this act, the applicable regulations of the New Jersey Racing

EXPLANATION--Matter enclosed in bold-faced brackets [thus] in the
above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Senate SJU committee amendments adopted April 6, 1992.

² Senate SJU committee amendments adopted May 4, 1992.

1 Commission and the New Jersey Casino Control Commission and
2 any joint regulations of these commissions promulgated pursuant
3 to this act.

4 4. (New section) a. (1) A casino which wishes to conduct
5 casino simulcasting shall establish a simulcasting facility as part
6 of the casino hotel. The simulcasting facility may be adjacent to,
7 but shall not be part of, the room in which casino gaming is
8 conducted pursuant to the provisions of P.L.1977, c.110 (C.5:12-1
9 et seq.). The simulcast facility shall conform to all requirements
10 concerning square footage, equipment, security measures and
11 related matters which the Casino Control Commission shall by
12 regulation prescribe. The space required for the establishment of
13 a simulcasting facility shall not reduce the space authorized for
14 casino gaming activities as specified in section 83 of P.L.1977,
15 c.110 (C.5:12-83). The cost of establishing, maintaining and
16 operating a simulcasting facility shall be the sole responsibility of
17 the casino.

18 (2) Wagering on simulcast horse races shall be conducted only
19 in the simulcasting facility, which shall be open and operated
20 whenever simulcast horse races are being transmitted to the
21 casino during permitted hours of casino operation.

22 (3) Any authorized game, as defined in section 5 of P.L.1977,
23 c.110 (C.5:12-5), other than slot machines may be conducted in a
24 simulcasting facility subject to the rules and regulations of the
25 Casino Control Commission.

26 (4) The security measures for a simulcasting facility shall
27 include the installation by the casino of a closed circuit television
28 system according to specifications approved by the Casino
29 Control Commission. The Casino Control Commission and the
30 Division of Gaming Enforcement shall have access to the system
31 or its signal in accordance with regulations of the commission.

32 b. All persons engaged directly in wagering-related activities
33 conducted by a casino in a simulcasting facility shall be
34 employees of the casino and shall be licensed as casino employees
35 or casino key employees, as appropriate. All other employees of
36 the simulcasting facility shall be licensed or registered in
37 accordance with regulations of the Casino Control Commission.

38 Any employee at the Atlantic City Racetrack on or after the
39 effective date of this act who loses employment with that
40 racetrack as a direct result of the implementation of casino
41 simulcasting ¹[, as determined by the New Jersey Racing
42 Commission,]¹ and who has been licensed by ²[that commission]
43 the New Jersey Racing Commission² for five consecutive years
44 immediately preceding the loss of employment shall be given first
45 preference for employment whenever any comparable position
46 becomes available in any casino simulcasting facility, provided
47 the person is qualified pursuant to this subsection.

48 c. A casino which establishes a simulcasting facility and
49 conducts casino simulcasting shall, as a condition of continued
50 operation of casino simulcasting, receive all live races which are
51 transmitted by in-State sending tracks.

52 d. Agreements between a casino and an in-State or
53 out-of-State sending track for casino simulcasting shall be in
54 writing and shall be filed with the New Jersey Racing

1 Commission and with the Casino Control Commission in
2 accordance with section 104 of P.L.1977, c.110 (C.5:12-104).

3 e. If wagering at casinos on sports events is authorized ²by the
4 voters of this State and by enabling legislation enacted by the
5 Legislature,² and ²if² a casino conducts such wagering and casino
6 simulcasting, the two activities shall be conducted in the same
7 area, in accordance with such regulations as the Casino Control
8 Commission ²[and the New Jersey Racing Commission]² shall
9 prescribe ²with respect to wagering on sports events and in
10 accordance with this act and such regulations as may be adopted
11 pursuant to section 3 of this act with respect to casino
12 simulcasting².

13 5. (New section) A permit holder which wishes to conduct
14 casino simulcasting shall request the approval of the New Jersey
15 Racing Commission in its annual application for horse race
16 meeting dates filed with that commission pursuant to section 23
17 of P.L.1940, c.17 (C.5:5-43), or, if applying between the
18 submittal of annual applications, through such supplemental
19 application as that commission shall deem appropriate. The New
20 Jersey Racing Commission shall not approve the request of any
21 permit holder to conduct casino simulcasting unless the permit
22 holder will conduct a number of live racing programs during the
23 period for which the permit is issued which is equal to the
24 following:

25 a. in the case of harness races, each permit holder shall
26 conduct at least 75% of the average number of live racing
27 programs conducted by that permit holder during calendar years
28 1990 and 1991; and

29 b. in the case of running races, Monmouth Racetrack shall
30 conduct at least the same number of live racing programs
31 conducted in 1991, Garden State Racetrack shall conduct at least
32 60% of the live racing programs conducted by that permit holder
33 in calendar year 1990, and each of the other permit holders
34 conducting running races shall conduct at least 75% of the live
35 racing programs conducted by that permit holder in calendar year
36 1990.

37 For the purpose of satisfying the requirements of this section
38 for the conduct of live racing programs, any live racing program
39 or part thereof which is cancelled because of weather or another
40 act of God shall be deemed to have been conducted, subject to
41 the approval of the New Jersey Racing Commission.

42 6. (New section) A permit holder which is authorized to
43 conduct casino simulcasting shall have discretion to transmit all
44 or some of the live races conducted at the racetrack to casinos
45 which have established simulcasting facilities pursuant to this
46 act. However, any race which is transmitted from an in-State
47 sending track shall be transmitted to all casinos which have
48 established simulcasting facilities.

49 7. (New section) Sums wagered at a casino on the result of a
50 simulcast horse race at an in-State sending track shall be
51 included in the appropriate parimutuel pool generated at the
52 in-State sending track for the race being transmitted. The
53 parimutuel pool on the simulcast horse races originating at an
54 in-State sending track shall be divided pursuant to section 8 of

1 this act. Payments to persons holding winning tickets at a casino
2 shall be made according to the same odds as those generated at
3 the in-State sending track. A person placing a wager on a
4 simulcast horse race at a casino shall not be charged a fee for
5 placing the wager in addition to the amount wagered.

6 8. (New section) Sums wagered at a casino on races being
7 transmitted to that casino from an in-State sending track shall be
8 deposited in the parimutuel pool generated at the in-State
9 sending track for those races and shall be distributed in
10 accordance with the provisions of section 44 of P.L.1940, c.17
11 (C.5:5-64) or section 1 of P.L.1984, c.236 (C.5:5-64.1), as
12 appropriate. The sums wagered at a casino which remain
13 undistributed pursuant to those sections shall be distributed as
14 follows:

15 a. .50% of the parimutuel pool generated at the casino shall be
16 paid to the New Jersey Racing Commission for deposit in the
17 Casino Simulcasting Fund established pursuant to section 18 of
18 this act;

19 b. 8.25% of the pool generated at the casino for a race where
20 the patron is required to select one horse, 9.25% of the pool
21 generated at the casino for a race where the patron is required to
22 select two horses, and 12.25% of the pool generated at the casino
23 for a race where the patron is required to select three or more
24 horses shall be paid to the casino receiving the simulcast race;

25 c. .50% of the pool generated at the casino shall be set aside
26 as follows:

27 (1) in the case of harness races being transmitted from an
28 in-State sending track, in the special trust account established
29 pursuant to or specified in section 46a.(2) of P.L.1940, c.17
30 (C.5:5-66), section 2b. of P.L.1984, c.236 (C.5:5-66.1), section
31 5a.(1) of P.L.1982, c.201 (C.5:5-98), or section 7f.(1)(a) of
32 P.L.1971, c.137 (C.5:10-7), as appropriate, for use and
33 distribution as provided in section 46a.(2)(a), (b), and (c) of
34 P.L.1940, c.17 (C.5:5-66), section 2b.(1), (2), and (3) of P.L.1984,
35 c.236 (C.5:5-66.1), section 5a.(1)(a), (b), and (c) of P.L.1982, c.201
36 (C.5:5-98), or section 7f.(1)(a)(i), (ii), and (iii) of P.L.1971, c.137
37 (C.5:10-7), as appropriate; and

38 (2) in the case of running races being transmitted from an
39 in-State sending track, in the special trust account established
40 pursuant to or specified in section 46b.(1)(e) and (2)(e) of P.L.1940,
41 c.17 (C.5:5-66), section 5b.(3) of P.L.1982, c.201 (C.5:5-98), or
42 section 7f.(2)(c) of P.L.1971, c.137 (C.5:10-7), as appropriate, for
43 use and distribution as provided therein;

44 d. .03% of the parimutuel pool generated at the casino shall be
45 paid to the New Jersey Racing Commission and set aside in the
46 special trust account for horse breeding and development for
47 distribution and use as provided in section 5 of P.L.1967, c.40
48 (C.5:5-88); and

49 e. 7.72% of the pool generated at the casino for a race where
50 the patron is required to select one horse, 8.72% of the pool
51 generated at the casino for a race where the patron is required to
52 select two horses, and 11.72% of the pool generated at the casino
53 for a race where the patron is required to select three or more
54 horses shall be distributed as follows:

1 (1) 50% of that amount shall be retained by the sending track,
2 except that each sending track shall contribute, out of its share
3 of a pool generated for a race where the patron is required to
4 select three or more horses, a sum deemed necessary by the New
5 Jersey Racing Commission for use by the commission to finance a
6 prerace bloodtesting program and such other testing programs
7 which that commission shall deem proper and necessary and
8 which shall be subject to the regulation and control of that
9 commission; and

10 (2) 50% of that amount shall be distributed as follows:

11 (a) in the case of harness races being transmitted from an
12 in-State sending track, as overnight purse money at the sending
13 track and for programs designed to aid the horsemen and the
14 Standardbred Breeders' and Owners' Association of New Jersey,
15 as provided in section 46a.(4) of P.L.1940, c.17 (C.5:5-66), section
16 2d. of P.L.1984, c.236 (C.5:5-66.1), section 5a.(2) of P.L.1982,
17 c.201 (C.5:5-98), or section 7f.(1)(b) of P.L.1971, c.137
18 (C.5:10-7), as appropriate, including the retention, out of this
19 share of a parimutuel pool where the patron is required to select
20 three or more horses, of a sum deemed necessary by the New
21 Jersey Racing Commission for use by that commission to finance
22 a prerace blood testing program and such other testing programs
23 which that commission shall deem proper and necessary and
24 which shall be subject to the regulation and control of that
25 commission; and

26 (b) in the case of running races being transmitted from an
27 in-State sending track, as overnight purse money at the sending
28 track and for programs designed to aid the horsemen and the New
29 Jersey Thoroughbred Horseman's Benevolent Association, as
30 provided in section 46b.(1) (d) and (2) (d) of P.L.1940, c.17
31 (C.5:5-66), section 5b.(2) of P.L.1982, c.201 (C.5:5-98), or section
32 7f.(2)(b) of P.L.1971, c.137 (C.5:10-7), as appropriate, including
33 the retention, out of this share of a parimutuel pool where the
34 patron is required to select three or more horses, of a sum
35 deemed necessary by the New Jersey Racing Commission for use
36 by that commission to finance a prerace blood testing program
37 and such other testing programs which that commission shall
38 deem proper and necessary and which shall be subject to the
39 regulation and control of that commission.

40 9. (New section) A casino which chooses to conduct casino
41 simulcasting and which operates a simulcasting facility may, with
42 the approval of both the New Jersey Racing Commission and the
43 New Jersey Casino Control Commission, also receive simulcast
44 horse races conducted at out-of-State sending tracks in
45 accordance with the provisions of this act and any applicable
46 regulations of these commissions and joint regulations of these
47 commissions promulgated pursuant to this act.

48 In order to be eligible to participate in casino simulcasting, an
49 out-of-State sending track shall be approved by the New Jersey
50 Racing Commission and be subject to licensure by the Casino
51 Control Commission as a casino service industry pursuant to
52 subsection c. of section 92 of P.L.1977, c.110 (C.5:12-92). The
53 approval of the New Jersey Racing Commission shall only be
54 granted when that commission, in its discretion and after

1 consideration of the interests of the casino making application,
2 determines that approval is in the best interest of the public and
3 the racing industry in New Jersey.

4 10. (New section) A casino which has been authorized to
5 receive simulcast horse races from out-of-State sending tracks
6 may receive such races only during permitted hours of casino
7 operation. No limit shall be placed on the number of simulcast
8 horse races that may be received during the permitted hours of
9 operation except as otherwise provided herein.

10 11. (New section) a. Except as provided in subsection b. of
11 this section, a casino which receives a simulcast horse race from
12 an out-of-State sending track shall not pay the out-of-State
13 sending track for the transmission an amount equal to more than
14 3% of the parimutuel pool on each race. If the casino negotiates
15 an agreement to pay the out-of-State sending track an amount
16 equal to less than 3% of the parimutuel pool, the casino shall be
17 entitled to retain the difference between the amount agreed upon
18 and 3%.

19 b. Subject to the approval of the New Jersey Racing
20 Commission and with respect to no more than 20 races per casino
21 per calendar year, a casino may pay an out-of-State sending
22 track an amount equal to not more than 6% of the parimutuel
23 pool for the transmission of a race. If the casino negotiates an
24 agreement to pay the out-of-State sending track an amount equal
25 to less than 6% of the parimutuel pool, the casino shall be
26 entitled to retain the difference between the amount agreed upon
27 and 6%.

28 12. (New section) a. Except as provided in subsection b. of
29 this section, the New Jersey Racing Commission shall not permit
30 an out-of-State sending track to participate in casino
31 simulcasting unless the parimutuel pools in the casinos shall be
32 combined with comparable parimutuel pools at the out-of-State
33 sending track. The types of wagering, takeout, distribution of
34 winnings, rules of racing, method of calculating breakage, and the
35 percentage of deposits remaining undistributed from a parimutuel
36 pool after payment is made to winning ticket holders shall be
37 determined in accordance with the law or policy applicable to the
38 out-of-State sending track.

39 b. With the prior approval of the New Jersey Racing
40 Commission and the concurrence of the out-of-State sending
41 track, a casino and receiving tracks or entities in other states
42 other than the state in which the sending track is located may
43 form an interstate common pool. With respect to such interstate
44 common pools, the Racing Commission may approve types of
45 wagering, takeout, distribution of winnings, rules of racing,
46 method of calculating breakage, and a percentage of deposits
47 remaining undistributed from a parimutuel pool after payment is
48 made to winning ticket holders which are different from those
49 which would otherwise be applied in this State but which are
50 consistent for all parties to the interstate common pool.

51 c. Moneys resulting from breakage on amounts wagered at a
52 casino and from outstanding parimutuel tickets issued at a casino
53 simulcasting facility in all instances shall be distributed as
54 provided in section 13 of this act.

1 13. (New section) Sums wagered at a casino on races being
2 transmitted to that casino from an out-of-State sending track
3 shall be subject to the takeout rate determined pursuant to
4 section 12 of this act, and the sums resulting from that takeout
5 rate as applied to the parimutuel pool generated at the casino
6 shall be distributed as follows, subject to the provisions of section
7 16 of this act:

8 a. .50% of the parimutuel pool generated at the casino shall be
9 paid to the New Jersey Racing Commission for deposit in the
10 Casino Simulcasting Fund established pursuant to section 18 of
11 this act;

12 b. 3%, or if applicable 6%, of the parimutuel pool generated at
13 the casino shall be paid to the casino to be used for payment to
14 the out-of-State sending track for the transmission of the race,
15 as provided in section 11 of this act;

16 c. in calendar years 1993, 1994, and 1995, 2% of the
17 parimutuel pool generated at the casino shall be paid to the New
18 Jersey Racing Commission for payment to the Atlantic City
19 Racetrack until a total of \$100,000,000 in parimutuel pools has
20 been generated in wagering on simulcast races in each of those
21 calendar years; ¹[and]¹

22 d. of the amount remaining after the deduction of the amounts
23 under subsections a., b., and c. from the amount of the takeout
24 rate, 65% shall be paid to the casino during the first 18 months
25 after the effective date of this act; 60% shall be paid to the
26 casino during the next succeeding 12 months after that 18-month
27 period; 55% shall be paid to the casino during the next
28 succeeding 12 months after that 12-month period; and 50% shall
29 be paid to the casino commencing with the 43rd month after the
30 effective date; except that if, at any time during the 42-month
31 period following the effective date, wagering on sports events is
32 authorized by law and a casino commences such wagering, 50%
33 shall be paid to the casino upon the commencement of such
34 wagering by that casino;

35 e. .50% of the parimutuel pool generated at the casino shall be
36 paid to the New Jersey Racing Commission and shall be deposited
37 by that commission as follows:

38 (1) 50% in the special trust account established pursuant to or
39 specified in section 46a.(2) of P.L.1940, c.17 (C.5:5-66), section
40 2b. of P.L.1984, c.236 (C.5:5-66.1), section 5a.(1) of P.L.1982,
41 c.201 (C.5:5-98), or section 7f.(1)(a) of P.L.1971, c.137
42 (C.5:10-7), as appropriate, for use and distribution as provided in
43 section 46a.(2)(a), (b), and (c) of P.L.1940, c.17 (C.5:5-66), section
44 2b.(1), (2), and (3) of P.L.1984, c.236 (C.5:5-66.1), section
45 5a.(1)(a), (b), and (c) of P.L.1982, c.201 (C.5:5-98), or section
46 7f.(1)(a)(i), (ii), and (iii) of P.L.1971, c.137 (C.5:10-7), as
47 appropriate; and

48 (2) 50% in the special trust account established pursuant to or
49 specified in section 46b.(1)(e) and (2)(e) of P.L.1940, c.17
50 (C.5:5-66), section 5b.(3) of P.L.1982, c.201 (C.5:5-98), or section
51 7f.(2)(c) of P.L.1971, c.137 (C.5:10-7), as appropriate, for use and
52 distribution as provided therein;

53 f. .03% of the parimutuel pool generated at the casino shall be
54 paid to the New Jersey Racing Commission and set aside in the

1 special trust account for horse breeding and development for
 2 distribution and use as provided in section 5 of P.L.1967, c.40
 3 (C.5:5-88); and

4 g. the amount remaining after the deduction of the amounts
 5 under subsections a., b., c., d., e., and f. from the amount of the
 6 takeout rate shall be distributed as follows:

7 (1) 43% of that remaining amount shall be paid to the New
 8 Jersey Racing Commission and shall be distributed by that
 9 commission, on the basis of the following formula, among the
 10 New Jersey racetracks for their own use:

$$11 \quad \frac{A}{B} = \frac{C}{D}$$

12
 13
 14 where: A = the gross parimutuel pool generated at each
 15 racetrack during the preceding calendar year, including the
 16 parimutuel pool on simulcast races;

17 B = the gross parimutuel pool generated at racetracks
 18 Statewide during the preceding calendar year, including the
 19 parimutuel pool on simulcast races;

20 C = the amount to be paid to each racetrack from the
 21 moneys available for distribution pursuant this paragraph;

22 D = the total amount of moneys available for distribution
 23 pursuant to this paragraph;

24 (2) 43% of that remaining amount shall be paid to the New
 25 Jersey Racing Commission and, subject to the provisions of
 26 section 14 of this act, shall be distributed by that commission, in
 27 the following year and on the basis of the following formula,
 28 among the New Jersey racetracks for payment as purse money
 29 and for programs designed to aid horsemen and horsemen's
 30 organizations as provided in section 46a.(4) of P.L.1940, c.17
 31 (C.5:5-66), section 2d. of P.L.1984, c.236 (C.5:5-66.1), section
 32 5a.(2) of P.L.1982, c.201 (C.5:5-98), or section 7f.(1)(b) of
 33 P.L.1971, c.137 (C.5:10-7), in the case of harness races, and
 34 section 46b.(1)(d) or 46b.(2)(d) of P.L.1940, c.17 (C.5:5-66),
 35 section 5b.(2) of P.L.1982, c.201 (C.5:5-98), or section 7f.(2)(b) of
 36 P.L.1971, c.137 (C.5:10-7), in the case of running races:

37

$$38 \quad \frac{A}{B} = \frac{C}{D}$$

39

40
 41 where: A = the total amount distributed by each racetrack
 42 pursuant to section 46a.(4) of P.L.1940, c.17 (C.5:5-66), section
 43 2d. of P.L.1984, c.236 (C.5:5-66.1), section 5a.(2) of P.L.1982,
 44 c.201 (C.5:5-98), or section 7f.(1)(b) of P.L.1971, c.137
 45 (C.5:10-7), in the case of harness races, or section 46b.(1)(d) or
 46 46b.(2)(d) of P.L.1940, c.17 (C.5:5-66), section 5b.(2) of P.L.1982,
 47 c.201 (C.5:5-98), or section 7f.(2)(b) of P.L.1971, c.137
 48 (C.5:10-7), in the case of running races, during the preceding
 49 calendar year, plus any additional amounts paid out by each
 50 racetrack for overnight purses during the preceding calendar year
 51 from the permit holder's share of the parimutuel pool;

52 B = the total amount distributed by racetracks Statewide
 53 pursuant to section 46a.(4) of P.L.1940, c.17 (C.5:5-66), section
 54 2d. of P.L.1984, c.236 (C.5:5-66.1), section 5a.(2) of P.L.1982,

1 c.201 (C.5:5-98), and section 7f.(1)(b) of P.L.1971, c.137
 2 (C.5:10-7), in the case of harness races, and pursuant to section
 3 46b.(1)(d) and 46b.(2)(d) of P.L.1940, c.17 (C.5:5-66), section
 4 5b.(2) of P.L.1982, c.201 (C.5:5-98), and section 7f.(2)(b) of
 5 P.L.1971, c.137 (C.5:10-7), in the case of running races, during
 6 the preceding calendar year, plus any additional amounts paid out
 7 by racetracks for overnight purses during the preceding calendar
 8 year from the permit holders' share of the parimutuel pool;

9 C = the amount to be paid to each racetrack from the
 10 moneys available for distribution pursuant this paragraph;

11 D = the total amount of moneys available for distribution
 12 pursuant to this paragraph; and

13 (3) 14% of that remaining amount shall be paid to the New
 14 Jersey Racing Commission for deposit in the Casino Simulcasting
 15 Special Fund established pursuant to section 15 of this act.

16 In addition, all breakage moneys and outstanding parimutuel
 17 ticket moneys resulting from the wagering at the casino shall be
 18 paid to the New Jersey Racing Commission and deposited in the
 19 Casino Simulcasting Special Fund.

20 If a racetrack conducts both harness races and running races,
 21 the moneys the racetrack receives for payment pursuant to
 22 paragraph (2) of subsection g. above shall be distributed on the
 23 basis of the following formula:

$$\frac{A}{B} = \frac{C}{D}$$

24 where: A = the total amount distributed by the racetrack
 25 pursuant to section 46a.(4) of P.L.1940, c.17 (C.5:5-66), section
 26 2d. of P.L.1984, c.236 (C.5:5-66.1), section 5a.(2) of P.L.1982,
 27 c.201 (C.5:5-98), or section 7f.(1)(b) of P.L.1971, c.137
 28 (C.5:10-7), as appropriate, in the case of harness races, plus any
 29 additional amounts paid out by the racetrack for overnight purses
 30 for harness races during the preceding calendar year from the
 31 permit holder's share of the parimutuel pool, or pursuant to
 32 section 46b.(1)(d) or 46b.(2)(d) of P.L.1940, c.17 (C.5:5-66),
 33 section 5b.(2) of P.L.1982, c.201 (C.5:5-98), or section 7f.(2)(b) of
 34 P.L.1971, c.137 (C.5:10-7), as appropriate, in the case of running
 35 races, plus any additional amounts paid out by the racetrack for
 36 overnight purses for running races during the preceding calendar
 37 year from the permit holder's share of the parimutuel pool, as
 38 the case may be;

39 B = the total amount distributed by the racetrack pursuant
 40 to section 46a.(4) of P.L.1940, c.17 (C.5:5-66), section 2d. of
 41 P.L.1984, c.236 (C.5:5-66.1), section 5a.(2) of P.L.1982, c.201
 42 (C.5:5-98), or section 7f.(1)(b) of P.L.1971, c.137 (C.5:10-7), as
 43 appropriate, and pursuant to section 46b.(1)(d) or 46b.(2)(d) of
 44 P.L.1940, c.17 (C.5:5-66), section 5b.(2) of P.L.1982, c.201
 45 (C.5:5-98), or section 7f.(2)(b) of P.L.1971, c.137 (C.5:10-7), as
 46 appropriate, plus any additional amounts paid out by the
 47 racetrack for overnight purses for both harness and running races
 48 during the preceding calendar year from the permit holder's
 49 share of the parimutuel pool;

50 C = the amount to be paid by the racetrack for overnight
 51 purse money and for programs designed to aid horsemen and
 52 horsemen's organizations as provided in section 46a.(4) of
 53
 54

1 P.L.1940, c.17 (C.5:5-66), section 2d. of P.L.1984, c.236
2 (C.5:5-66.1), section 5a.(2) of P.L.1982, c.201 (C.5:5-98), or
3 section 7f.(1)(b) of P.L.1971, c.137 (C.5:10-7), in the case of
4 harness races, and section 46b.(1)(d) or 46b.(2)(d) of P.L.1940,
5 c.17 (C.5:5-66), section 5b.(2) of P.L.1982, c.201 (C.5:5-98), or
6 section 7f.(2)(b) of P.L.1971, c.137 (C.5:10-7), in the case of
7 running races;

8 D = the total amount of moneys available to the racetrack
9 for distribution as overnight purse money and for programs
10 designed to aid horsemen and horsemen's organizations pursuant
11 to this paragraph.

12 14. (New section) During the 36th month after the
13 commencement at any casino in Atlantic City of casino
14 simulcasting from an out-of-State sending track, any operating
15 racetrack, the Standardbred Breeders' and Owners' Association,
16 or the Thoroughbred Horseman's Benevolent Association may file
17 a petition with the New Jersey Racing Commission requesting
18 that the formula contained in section 13g.(2) be revised. The
19 petition shall be in writing and shall include a statement of
20 reasons in support of a revision. If such a petition is filed, the
21 racetracks, the Standardbred Breeders' and Owners' Association,
22 and the Thoroughbred Horseman's Benevolent Association shall
23 commence negotiations on the formula contained in section
24 13g.(2) of this act. If the parties agree on a formula, they shall
25 make their recommendation to the Racing Commission no later
26 than the end of the 39th month after the commencement of such
27 simulcasting.

28 If the parties cannot agree on a formula by the end of that 39th
29 month, the Racing Commission shall select a fact-finder, as
30 hereafter provided, to hear the matter. The fact-finder shall be
31 knowledgeable about the racing industry but shall not be a
32 current member or employee of the New Jersey Racing
33 Commission, any operating racetrack, the Standardbred
34 Breeders' and Owners' Association, or the Thoroughbred
35 Horseman's Benevolent Association.

36 No later than the fifth day after the end of that 39th month,
37 the Racing Commission shall submit to the operating racetracks,
38 the Standardbred Breeders' and Owners' Association, and the
39 Thoroughbred Horseman's Benevolent Association a list of at
40 least five names of persons to serve as the fact-finder. Each of
41 the recipients of the list shall rank in order of preference the
42 names submitted and shall return the list within five days. No
43 later than the fifth day after the return to the Racing
44 Commission of all such lists, the Racing Commission shall, in its
45 discretion, select the fact-finder after giving due consideration
46 to the rankings provided by the racetracks and associations.
47 Notwithstanding the provisions of section 15 of this act, the
48 Racing Commission may pay from the Casino Simulcasting
49 Special Fund the amount necessary to compensate the
50 fact-finder. The fact-finder shall make a report and
51 recommendation on a formula to the Racing Commission no later
52 than the end of 42nd month after the commencement of such
53 simulcasting from an out-of-State sending track.

54 The Racing Commission shall review any recommendation and

1 report made to it on a formula and may adopt any formula which,
2 in its judgment, is equitable to the parties concerned and is in the
3 best interest of racing in New Jersey. The commission shall
4 promulgate, in accordance with the "Administrative Procedure
5 Act," P.L.1968, c.410 (C.52:14B-1 et seq.), such rules and
6 regulations as are necessary to effectuate a revised formula,
7 which shall take effect upon the adoption by the commission of
8 the rules and regulations containing the formula and shall
9 supersede the formula in section 13g.(2).

10 If no petition is filed by the end of the 36th month after the
11 commencement of such simulcasting, the formula in section
12 13g.(2) shall continue to be operative.

13 15. (New section) The New Jersey Racing Commission shall
14 establish and administer a separate fund to be known as the
15 "Casino Simulcasting Special Fund," into which shall be deposited
16 the sums dedicated to the fund by section 13 of this act.

17 Moneys deposited in the special fund shall be annually disbursed
18 in their entirety by the New Jersey Racing Commission and used
19 for the following purposes in the following order of priority:

20 a. Moneys in the special fund shall first be used to pay the
21 difference between the amount paid to the Atlantic City
22 Racetrack pursuant to subsection c. of section 13 of this act and
23 \$2,000,000 in each calendar year during calendar years 1993,
24 1994, and 1995.

25 b. From any amounts remaining after the payments required
26 by subsection a. of this section are made, the New Jersey Racing
27 Commission shall pay to each casino which began to conduct
28 casino simulcasting within six months after the effective date of
29 this act an amount equal to the breakage moneys and outstanding
30 parimutuel ticket moneys resulting from wagering at the casino
31 on simulcast horse races from out-of-State sending tracks during
32 the first five years that the casino conducts casino simulcasting
33 and 50% of these amounts thereafter.

34 c. From any amounts remaining after the payments required
35 by subsections a. and b. of this section are made, the New Jersey
36 Racing Commission shall pay to each casino which begins to
37 conduct casino simulcasting later than six months after this act's
38 effective date, including casinos established after that date, an
39 amount equal to the breakage moneys and outstanding parimutuel
40 tickets moneys resulting from wagering at the casino on
41 simulcast horse races from out-of-State sending tracks during
42 the first two years that the casino conducts casino simulcasting
43 and 40% of these amounts thereafter.

44 d. From any amounts remaining after the payments required
45 by subsections a., b. and c. of this section are made, the New
46 Jersey Racing Commission shall compensate, in such amounts as
47 that commission deems appropriate, the following entities in the
48 following order of priority:

49 (1) any racetrack in this State which can demonstrate to the
50 satisfaction of that commission that its financial well-being has
51 been negatively affected by casino simulcasting;

52 (2) any racetrack in this State which that commission finds to
53 be financially distressed;

54 (3) any horsemen's organization which will use the money to

1 fund a project which that commission determines will be
2 beneficial to the racing industry; and

3 (4) all racetracks located in this State on an equal basis.

4 16. (New section) Payment to the Atlantic City Racetrack of
5 sums provided by subsection c. of section 13 or subsection a. of
6 section 14 of this act shall be made after the conclusion of each
7 calendar year for calendar years 1993 through 1995. In order to
8 be eligible to receive the amounts provided by those subsections,
9 the Atlantic City Racetrack shall not receive any simulcast horse
10 race under the provisions of the "Simulcasting Racing Act,"
11 P.L.1985, c.269 (C.5:5-110 et seq.) or the provisions of section 37
12 of this act during any part of an applicable calendar year other
13 than when a horse race meeting is being conducted at Atlantic
14 City Racetrack pursuant to a permit issued by the New Jersey
15 Racing Commission. If the Atlantic City Racetrack is not
16 eligible to receive the amount provided by subsection c. of
17 section 13, that amount shall be distributed on the basis of
18 subsections d. and g. of section 13 of this act.

19 17. (New section) The State revenue derived from casino
20 simulcasting pursuant to subsection a. of sections 8 and 13 of this
21 act shall be deposited in the "Casino Simulcasting Fund"
22 established pursuant to section 18 of this act and used for the
23 purposes provided by that section.

24 18. (New section) There is hereby created and established in
25 the Department of the Treasury a separate special account to be
26 known as the "Casino Simulcasting Fund," into which shall be
27 deposited all State revenues derived through subsection a. of
28 sections 8 and 13 of this act. Moneys in the Casino Simulcasting
29 Fund shall be appropriated exclusively for services to benefit
30 eligible senior citizens. On or about March 15 and September 15
31 of each year, the State Treasurer shall publish in at least 10
32 newspapers circulating generally in the State a report accounting
33 for the total revenues received in the Casino Simulcasting Fund
34 and the specific amounts of money appropriated therefrom for
35 specific expenditures during the preceding six months ending
36 December 31, and June 30.

37 19. (New section) All amounts generated from casino
38 simulcasting shall be placed in an interest-bearing account and
39 thereafter all accrued interest shall be distributed
40 proportionately to the parties entitled to the revenue pursuant to
41 the provisions of this act.

42 20. (New section) The Casino Control Commission and the
43 New Jersey Racing Commission shall individually and jointly
44 promulgate and adopt any rules and regulations, pursuant to the
45 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
46 seq.), which are necessary to effectuate the purposes of this act.

47 21. (New section) "Simulcasting facility"--A facility
48 established in a casino hotel pursuant to section 4 of the "Casino
49 Simulcasting Act," P.L. , c. (C.) (now pending before the
50 Legislature as this bill)

51 22. Section 5 of P.L.1977, c.110 (C.5:12-5) is amended to read
52 as follows:

53 5. "Authorized Game" or "Authorized Gambling Game"--
54 Roulette, baccarat, blackjack, craps, big six wheel, slot

1 machines, minibaccarat, red dog, pai gow, and sic bo; any
2 variations or composites of such games, provided that such
3 variations or composites are found by the commission suitable for
4 [casino] use after an appropriate test or experimental period
5 under such terms and conditions as the commission may deem
6 appropriate; and any other game which is authorized by the
7 commission pursuant to section 3 of this amendatory and
8 supplementary act, P.L.1991, c.182 (C.5:12-5.1). "Authorized
9 game" or "authorized gambling game" includes gaming
10 tournaments in which players compete against one another in one
11 or more of the games listed herein or in approved variations or
12 composites thereof if the tournaments are authorized by the
13 commission.

14 (cf: P.L.1991, c.182, s.2)

15 23. Section 7 of P.L.1977, c.110 (C.5:12-7) is amended to read
16 as follows:

17 7. "Casino Employee"--Any natural person employed in the
18 operation of a licensed casino or a simulcasting facility,
19 including, without limitation, boxmen; dealers or croupiers;
20 floormen; machine mechanics; casino security employees; count
21 room personnel; cage personnel; slot machine and slot booth
22 personnel; collection personnel; casino surveillance personnel;
23 simulcasting facility personnel involved in wagering-related
24 activities in a simulcasting facility; and data processing
25 personnel; or any other natural person whose employment duties
26 predominantly involve the maintenance or operation of gaming
27 activity or equipment and assets associated therewith or who, in
28 the judgment of the commission, is so regularly required to work
29 in a restricted casino area [in gaming-related activities] that
30 licensure as a casino employee is appropriate.

31 (cf: P.L.1991, c.182, s.5)

32 24. Section 9 of P.L.1977, c.110 (C.5:12-9) is amended to read
33 as follows:

34 9. "Casino Key Employee"--Any natural person employed in
35 the operation of a licensed casino or a simulcasting facility in a
36 supervisory capacity or empowered to make discretionary
37 decisions which regulate casino [operation] or simulcasting
38 facility operations, including, without limitation, pit bosses; shift
39 bosses; credit executives; casino cashier supervisors; casino or
40 simulcasting facility managers and assistant managers; and
41 managers or supervisors of casino security employees; or any
42 other natural person empowered to make discretionary decisions
43 which regulate the management of an approved hotel, including,
44 without limitation, hotel managers; entertainment directors; and
45 food and beverage directors; or any other employee so designated
46 by the Casino Control Commission for reasons consistent with the
47 policies of this act.

48 (cf: P.L.1987, c.355, s.1)

49 25. Section 12 of P.L.1977, c.110 (C.5:12-12) is amended to
50 read as follows:

51 12. "Casino Service Industry" -- Any form of enterprise which
52 provides casino applicants or licensees with goods or services
53 regarding the realty, construction, maintenance, or business of a
54 proposed or existing casino hotel or related facility on a regular

1 or continuing basis, including, without limitation, security
2 businesses, gaming schools, manufacturers, distributors and
3 servicers of gaming and casino simulcasting devices or
4 equipment, in-State and out-of-State sending tracks as defined in
5 section 2 of the "Casino Simulcasting Act," P.L. , c. (C.)
6 (now pending before the Legislature as this bill), garbage haulers,
7 maintenance companies, food purveyors, and construction
8 companies, or any other enterprise which purchases goods or
9 services from or which does any other business with licensed
10 casinos on a regular or continuing basis. Notwithstanding the
11 foregoing, any form of enterprise engaged in the manufacture,
12 sale, distribution or repair of slot machines within New Jersey,
13 other than antique slot machines as defined in N.J.S.2C:37-7,
14 shall be considered a casino service industry for the purposes of
15 this act regardless of the nature of its business relationship, if
16 any, with licensed casinos in this State.

17 For the purposes of this section, "casino applicant" includes
18 any person required to hold a casino license pursuant to section
19 82 of P.L.1977, c.110 (C.5:12-82) who has applied to the
20 commission for a casino license or any approval required under
21 P.L.1977, c.110 (C.5:12-1 et seq.).

22 (cf: P.L.1991, c.182, s.8)

23 26. Section 21 of P.L.1977, c.110 (C.5:12-21) is amended to
24 read as follows:

25 21. "Game" or "gambling game" -- Any banking or percentage
26 game located [exclusively] within the casino or simulcasting
27 facility played with cards, dice, tiles, dominoes, or any
28 electronic, electrical, or mechanical device or machine for
29 money, property, or any representative of value.

30 (cf: P.L.1991, c.182, s.9)

31 27. Section 24 of P.L.1977, c.110 (C.5:12-24) is amended to
32 read as follows:

33 24. "Gross Revenue"--The total of all sums, including checks
34 received by a casino licensee pursuant to section 101 of this act,
35 whether collected or not, actually received by a casino licensee
36 from gaming operations, less only the total of all sums paid out as
37 winnings to patrons and a deduction for uncollectible gaming
38 receivables not to exceed the lesser of a reasonable provision for
39 uncollectible patron checks received from gaming operations or
40 4% of the total of all sums including checks, whether collected or
41 not, less the amount paid out as winnings to patrons. "Gross
42 Revenue" shall not include any amount received by a casino from
43 casino simulcasting pursuant to the "Casino Simulcasting Act,"
44 P.L. , c. (C.) (now pending before the Legislature as this
45 bill).

46 For the purposes of this section, any check which is invalid and
47 unenforceable pursuant to subsection f. of section 101 of
48 P.L.1977, c.110 (C.5:12-101) shall be treated as cash received by
49 the casino licensee from gaming operations.

50 (cf: P.L.1987, c.426, s.2)

51 28. Section 69 of P.L.1977, c.110 (C.5:12-69) is amended to
52 read as follows:

53 69. Regulations. a. The commission shall be authorized to
54 adopt, amend, or repeal such regulations, consistent with the

1 policy and objectives of this act, as it may deem necessary or
2 desirable for the public interest in carrying out the provisions of
3 this act.

4 b. Such regulations shall be adopted, amended, and repealed in
5 accordance with the provisions of the "Administrative Procedure
6 Act," P.L.1968, c.410 (C.52:14B-1 et seq.).

7 c. Any interested person may, in accordance with the
8 provisions of the "Administrative Procedure Act," P.L.1968,
9 c.410 (C.52:14B-1 et seq.), file a petition with the commission
10 requesting the adoption, amendment or repeal of a regulation.

11 d. The commission may, in emergency circumstances,
12 summarily adopt, amend or repeal any regulation pursuant to the
13 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
14 seq.).

15 e. Notwithstanding any other provision of this act or the
16 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
17 seq.) to the contrary, the commission may, after notice provided
18 in accordance with this subsection, authorize the temporary
19 adoption, amendment or repeal of any rule concerning the
20 conduct of gaming or simulcast wagering or the use or design of
21 gaming or simulcast wagering equipment for an experimental
22 period not to exceed 180 days for the purpose of determining
23 whether such rules should be adopted on a permanent basis in
24 accordance with the requirements of this section. Any rules
25 experiment authorized by this subsection shall be conducted
26 under such terms and conditions as the commission may deem
27 appropriate. Notice of any temporary rulemaking action taken by
28 the commission pursuant to this subsection shall be published in
29 the New Jersey Register, and provided to the newspapers
30 designated by the commission pursuant to subsection d. of section
31 3 of P.L.1975, c.231 (C.10:4-8), at least seven days prior to the
32 initiation of the experimental period and shall be prominently
33 posted in each casino or simulcasting facility participating in the
34 experiment. Nothing herein shall be deemed to require the
35 publication of the text of any temporary rule adopted by the
36 commission or notice of any modification of a rules experiment
37 initiated in accordance with this subsection. The text of any
38 temporary rule adopted by the commission shall be posted in each
39 casino or simulcasting facility participating in the experiment
40 and shall be available upon request from the commission.

41 (cf: P.L. 1991, c.182, s.15)

42 29. Section 79 of P.L.1977, c.110 (C.5:12-79) is amended to
43 read as follows:

44 79. a. The division and its employees and agents, upon
45 approval of the director, shall have the authority, without notice
46 and without warrant:

47 (1) To inspect and examine all premises wherein casino gaming
48 or casino simulcasting, as defined in section 2 of the "Casino
49 Simulcasting Act," P.L. , c. (C.) (now pending before the
50 Legislature as this bill), is conducted; or gaming devices or
51 equipment are manufactured, sold, distributed, or serviced; or
52 wherein any records of such activities are prepared or maintained;

53 (2) To inspect all equipment and supplies in, about, upon or
54 around such premises;

1 (3) To seize summarily and remove from such premises and
2 impound any such equipment or supplies for the purposes of
3 examination and inspection;

4 (4) To inspect, examine and audit all books, records, and
5 documents pertaining to a casino licensee's operation;

6 (5) To seize, impound or assume physical control of any book,
7 record, ledger, game, device, cash box and its contents, counting
8 room or its equipment, or casino operations; and

9 (6) To inspect the person, and personal effects present in a
10 casino facility licensed under this act, of any holder of a license
11 or registration issued pursuant to this act while that person is
12 present in a licensed casino facility.

13 b. The provisions of subsection a. of this section shall in no
14 way be deemed to limit warrantless inspections except in
15 accordance with constitutional requirements.

16 c. To effectuate further the purposes of this act, the division
17 and its employees and agents may obtain administrative warrants
18 for the inspection and seizure of any property possessed,
19 controlled, bailed or otherwise held by any applicant, licensee,
20 registrant, intermediary company, or holding company.

21 d. Issuance and execution of warrants for administrative
22 inspection shall be in accordance with the following:

23 (1) Any judge of a court having jurisdiction in the municipality
24 where the inspection or seizure is to be conducted may, upon
25 proper oath or affirmation showing probable cause, issue warrants
26 for the purpose of conducting administrative inspections
27 authorized by this act or regulations thereunder and seizures of
28 property appropriate to such inspections. For the purposes of this
29 section, "probable cause" means a valid public interest in the
30 effective enforcement of the act or regulations sufficient to
31 justify administrative inspection of the area, premises, building
32 or conveyance in the circumstances specified in the application
33 for the warrant.

34 (2) A warrant shall issue only upon an affidavit of a person
35 duly designated and having knowledge of the facts alleged, sworn
36 to before the judge and establishing the grounds for issuing the
37 warrant. If the judge is satisfied that grounds for the application
38 exist or that there is probable cause to believe they exist, he
39 shall issue a warrant identifying the area, premises, building, or
40 conveyance to be inspected; the purpose of such inspection; and,
41 where appropriate, the type of property to be inspected, if any.
42 The warrant shall identify the item or types of property to be
43 seized, if any. The warrant shall be directed to a person
44 authorized to execute it. The warrant shall state the grounds for
45 its issuance and the name of the person or persons whose
46 affidavit has been taken in support thereof. It shall command the
47 person to whom it is directed to inspect the area, premises,
48 building, or conveyance identified for the purpose specified, and
49 where appropriate, shall direct the seizure of the property
50 specified. The warrant shall direct that it be served during
51 normal business hours of the licensee. It shall designate the judge
52 to whom it shall be returned.

53 (3) A warrant issued pursuant to this section must be executed
54 and returned within 10 days of its date. If property is seized

1 pursuant to a warrant, the person executing the warrant shall
2 give to the person from whom or from whose premises the
3 property was taken a copy of the warrant and a receipt for the
4 property taken or shall leave the copy and receipt at the place
5 from which the property was taken. The return of the warrant
6 shall be made promptly and shall be accompanied by a written
7 inventory of any property taken. The inventory shall be made in
8 the presence of the person executing the warrant and of the
9 person from whose possession or premises the property was taken,
10 if they are present, or in the presence of at least one credible
11 person other than the person executing the warrant. The clerk of
12 the court, upon request, shall deliver a copy of the inventory to
13 the person from whom or from whose premises the property was
14 taken and to the applicant for the warrant.

15 (4) The judge who has issued a warrant under this section shall
16 attach to the warrant a copy of the return and all papers filed in
17 connection therewith and shall cause them to be filed with the
18 court which issued such warrant.

19 e. The division is authorized to make administrative
20 inspections to check for compliance by any applicant, licensee,
21 registrant, intermediary company or holding company with the
22 provisions of this act or regulations promulgated thereunder, and
23 to investigate any violations thereof.

24 f. This section shall not be construed to prevent entries and
25 administrative inspections, including seizures of property,
26 without a warrant:

27 (1) With the consent of the owner, operator or agent in charge
28 of the controlled premises;

29 (2) In situations presenting imminent danger to health or
30 safety;

31 (3) In situations involving inspection of conveyances where
32 there is reasonable cause to believe that the mobility of the
33 conveyance makes it impractical to obtain a warrant or in any
34 other exceptional or emergency circumstance where time or
35 opportunity to apply for a warrant is lacking;

36 (4) In accordance with the provisions of this act; or

37 (5) In all other situations where a warrant is not
38 constitutionally required.

39 (cf: P.L.1981, c.503, s.8)

40 30. Section 92 of P.L.1977, c.110 (C.5:12-92) is amended to
41 read as follows:

42 92. Licensing and Registration of Casino Service Industries.

43 a. (1) All casino service industries offering goods or services
44 which directly relate to casino or gaming activity, including
45 gaming and simulcast wagering equipment manufacturers,
46 suppliers and repairers, schools teaching gaming and either
47 playing or dealing techniques, and casino security services, shall
48 be licensed in accordance with the provisions of this act prior to
49 conducting any business whatsoever with a casino applicant or
50 licensee, its employees or agents, and in the case of a school,
51 prior to enrollment of any students or offering of any courses to
52 the public whether for compensation or not; provided, however,
53 that upon a showing of good cause by a casino applicant or
54 licensee for each business transaction, the commission may

1 permit an applicant for a casino service industry license to
2 conduct business transactions with such casino applicant or
3 licensee prior to the licensure of that service industry applicant
4 under this subsection.

5 (2) In addition to the requirements of paragraph (1) of this
6 subsection, any casino service industry intending to manufacture,
7 sell, distribute or repair slot machines within New Jersey, other
8 than antique slot machines as defined in N.J.S.2C:37-7, shall be
9 licensed in accordance with the provisions of this act prior to
10 engaging in any such activities; provided, however, that upon a
11 showing of good cause by a casino applicant or licensee for each
12 business transaction, the commission may permit an applicant for
13 a casino service industry license to conduct business transactions
14 with the casino applicant or licensee prior to the licensure of that
15 service industry applicant under this subsection; and provided
16 further, however, that upon a showing of good cause by an
17 applicant required to be licensed as a casino service industry
18 pursuant to this paragraph, the commission may permit the
19 service industry applicant to initiate the manufacture of slot
20 machines or engage in the sale, distribution or repair of slot
21 machines with any person other than a casino applicant or
22 licensee, its employees or agents, prior to the licensure of that
23 service industry applicant under this subsection.

24 b. Each casino service industry in subsection a. of this section,
25 as well as its owners, management and supervisory personnel and
26 other principal employees must qualify under the standards,
27 except residency, established for qualification of a casino key
28 employee under this act. In addition, if the business or enterprise
29 is a school teaching gaming and either playing or dealing
30 techniques, each resident director, instructor, principal
31 employee, and sales representative employed thereby shall be
32 licensed under the standards established for qualification of a
33 casino employee under this act; provided, however, that nothing
34 in this subsection shall be deemed to require, in the case of a
35 public school district or a public institution of higher education,
36 the licensure or qualification of any individuals except those
37 instructors and other principal employees responsible for the
38 teaching of playing or dealing techniques. The commission, in its
39 discretion, may issue a temporary license to an applicant for an
40 instructor's license upon a finding that the applicant meets the
41 educational and experiential requirements for such license, that
42 the issuance of a permanent license will be restricted by
43 necessary investigations, and that temporary licensing is
44 necessary for the operation of the gaming school. Unless
45 otherwise terminated pursuant to this act, a temporary license
46 issued pursuant to this subsection shall expire six months from
47 the date of its issuance and be renewable, at the discretion of the
48 commission, for one additional six-month period.

49 c. All casino service industries not included in subsection a. of
50 this section shall be licensed in accordance with rules of the
51 commission prior to commencement or continuation of any
52 business with a casino applicant or licensee or its employees or
53 agents. Such casino service industries, whether or not directly
54 related to gaming operations, shall include suppliers of alcoholic

1 beverages, food and nonalcoholic beverages; in-State and
2 out-of-State sending tracks as defined in section 2 of the "Casino
3 Simulcasting Act," P.L. , c. (C.) (now pending before the
4 Legislature as this bill); garbage handlers; vending machine
5 providers; linen suppliers; maintenance companies; shopkeepers
6 located within the approved hotels; limousine services and
7 construction companies contracting with casino applicants or
8 licensees or their employees or agents. The commission may
9 exempt any person or field of commerce from the licensing
10 requirements of this subsection if the person or field of
11 commerce demonstrates (1) that it is regulated by a public
12 agency or that it will provide goods or services in insubstantial or
13 insignificant amounts or quantities, and (2) that licensing is not
14 deemed necessary in order to protect the public interest or to
15 accomplish the policies established by this act.

16 Upon granting an exemption or at any time thereafter, the
17 commission may limit or place such restrictions thereupon as it
18 may deem necessary in the public interest, and shall require the
19 exempted person to cooperate with the commission and the
20 division and, upon request, to provide information in the same
21 manner as required of a casino service industry licensed pursuant
22 to this subsection; provided, however, that no exemption be
23 granted unless the casino service industry complies with the
24 requirements of sections 134 and 135 of this act.

25 d. Licensure pursuant to subsection c. of this section of any
26 casino service industry may be denied to any applicant
27 disqualified in accordance with the criteria contained in section
28 86 of this act.

29 (cf: P.L.1987, c.355, s.5)

30 31. Section 99 of P.L.1977, c.110 (C.5:12-99) is amended to
31 read as follows:

32 99. Internal Controls. a. Each casino licensee shall submit to
33 the commission a description of its system of internal procedures
34 and administrative and accounting controls for gaming and
35 simulcast wagering operations and a description of any changes
36 thereof. Such submission shall be made at least 60 days before
37 [gaming] such operations are to commence or at least 60 days
38 before any change in those procedures or controls is to take
39 effect, unless otherwise directed by the commission. Each such
40 submission shall contain both narrative and diagrammatic
41 representations of the internal control system to be utilized by
42 the casino, including, but not limited to:

43 (1) Accounting controls, including the standardization of forms
44 and definition of terms to be utilized in the gaming and simulcast
45 wagering operations;

46 (2) Procedures, forms, and, where appropriate, formulas
47 covering the calculation of hold percentages, revenue drop,
48 expense and overhead schedules, complimentary services, junkets,
49 cash equivalent transactions, salary structure and personnel
50 practices;

51 (3) Job descriptions and the system of personnel and
52 chain-of-command, establishing a diversity of responsibility
53 among employees engaged in casino operations and identifying
54 primary and secondary supervisory positions for areas of

- 1 responsibility, which areas shall not be so extensive as to be
2 impractical for an individual to monitor;
- 3 (4) Procedures within the cashier's cage and simulcast facility
4 for the receipt, storage and disbursal of chips, cash, and other
5 cash equivalents used in gaming and simulcast wagering; the
6 cashing of checks; the redemption of chips and other cash
7 equivalents used in gaming and simulcast wagering; the pay-off
8 of jackpots and simulcast wagers; and the recording of
9 transactions pertaining to gaming and simulcast wagering
10 operations;
- 11 (5) Procedures for the collection and security of moneys at the
12 gaming tables and in the simulcasting facility;
- 13 (6) Procedures for the transfer and recordation of chips
14 between the gaming tables and the cashier's cage and the
15 transfer and recordation of moneys within the simulcasting
16 facility;
- 17 (7) Procedures for the transfer of moneys from the gaming
18 tables to the counting process and the transfer of moneys within
19 the simulcasting facility for the counting process;
- 20 (8) Procedures and security for the counting and recordation of
21 revenue;
- 22 (9) Procedures for the security, storage and recordation of
23 cash, chips and other cash equivalents utilized in the gaming
24 [operation] and simulcast wagering operations;
- 25 (10) Procedures for the transfer of moneys or chips from and
26 to the slot machines;
- 27 (11) Procedures and standards for the opening and security of
28 slot machines;
- 29 (12) Procedures for the payment and recordation of slot
30 machine jackpots;
- 31 (13) Procedures for the cashing and recordation of checks
32 exchanged by casino and simulcast wagering patrons;
- 33 (14) Procedures governing the utilization of the private
34 security force within the casino and simulcasting facility;
- 35 (15) Procedures and security standards for the handling and
36 storage of gaming apparatus including cards, dice, machines,
37 wheels and all other gaming equipment;
- 38 (16) Procedures and rules governing the conduct of particular
39 games and simulcast wagering and the responsibility of casino
40 personnel in respect thereto; and
- 41 (17) Procedures for separately recording all transactions
42 pursuant to section 101 of this act involving the Governor, any
43 State officer or employee, or any special State officer or
44 employee, any member of the Judiciary, any member of the
45 Legislature, or any officer of a municipality or county in which
46 casino gaming is authorized, and for the quarterly filing with the
47 Attorney General of a list reporting all such transactions.
- 48 In addition, each casino licensee shall submit to the commission
49 a description of its system of internal procedures and
50 administrative and accounting controls for non-gaming operations
51 and a description of any changes thereof no later than five days
52 after those operations commence or after any change in those
53 procedures or controls takes effect.
- 54 b. The commission shall review each submission required by

1 subsection a. hereof, and shall determine whether it conforms to
2 the requirements of this act and to the regulations promulgated
3 thereunder and whether the system submitted provides adequate
4 and effective controls for the operations of the particular casino
5 hotel submitting it. If the commission finds any insufficiencies, it
6 shall specify same in writing to the casino licensee, who shall
7 make appropriate alterations. When the commission determines a
8 submission to be adequate in all respects, it shall notify the
9 casino licensee of same. No casino licensee shall commence or
10 alter gaming operations unless and until such system of controls
11 is approved by the commission.

12 (cf: P.L.1991, c.182, s.37)

13 32. Section 100 of P.L.1977, c.110 (C.5:12-100) is amended to
14 read as follows:

15 100. Games and Gaming Equipment. a. This act shall not be
16 construed to permit any gaming except the conduct of authorized
17 games in a casino room in accordance with this act and the
18 regulations promulgated hereunder and in a simulcasting facility
19 to the extent provided by the "Casino Simulcasting Act," P.L. ,
20 c. (C.) (now pending before the Legislature as this bill).

21 b. Gaming equipment shall not be possessed, maintained or
22 exhibited by any person on the premises of a casino hotel complex
23 except in the casino room [and], in the simulcasting facility, or in
24 [secure] restricted casino areas used for the inspection, repair or
25 storage of such equipment and specifically designated for that
26 purpose by the casino licensee with the approval of the
27 commission. No gaming equipment shall be possessed,
28 maintained, exhibited, brought into or removed from a casino
29 room or simulcasting facility by any person unless such equipment
30 is necessary to the conduct of an authorized game, has
31 permanently affixed, imprinted, impressed or engraved thereon
32 an identification number or symbol authorized by the commission,
33 is under the exclusive control of a casino licensee or his
34 employees, and is brought into or removed from the casino room
35 or simulcasting facility at times authorized for that purpose by
36 the commission or at other times when prior notice has been
37 given to and written approval granted by an authorized agent of
38 the commission.

39 Notwithstanding the foregoing, a person may, with the prior
40 approval of the commission and under such terms and conditions
41 as may be required by the commission, possess, maintain or
42 exhibit gaming equipment in any other area of the casino hotel
43 complex; provided such equipment is used for nongaming purposes.

44 c. Each casino hotel shall contain a count room and such other
45 secure facilities as may be required by the commission for the
46 counting and storage of cash, coins, tokens and checks received in
47 the conduct of gaming and for the inspection, counting and
48 storage of dice, cards, chips and other representatives of value.
49 All drop boxes and other devices wherein cash, coins, or tokens
50 are deposited at the gaming tables or in slot machines, and all
51 areas wherein such boxes and devices are kept while in use, shall
52 be equipped with two locking devices, one key to which shall be
53 under the exclusive control of the commission and the other
54 under the exclusive control of the casino licensee, and said drop

1 boxes and other devices shall not be brought into or removed
2 from the casino room or simulcasting facility, or locked or
3 unlocked, except at such times, in such places, and according to
4 such procedures as the commission may require.

5 d. All chips used in gaming [at all casinos] shall be of such size
6 and uniform color by denomination as the commission shall
7 require by regulation.

8 e. All gaming shall be conducted according to rules
9 promulgated by the commission. All wagers and pay-offs of
10 winning wagers at table games shall be made according to rules
11 promulgated by the commission, which shall establish such
12 minimum wagers and other limitations as may be necessary to
13 assure the vitality of casino operations and fair odds to and
14 maximum participation by [casino] patrons; provided, however,
15 that a licensee may establish a higher minimum wager with the
16 prior approval of the commission. Each slot machine shall have a
17 minimum payout of 83%.

18 f. Each casino licensee shall make available in printed form to
19 any [casino] patron upon request the complete text of the rules of
20 the commission regarding games and the conduct of gaming,
21 pay-offs of winning wagers, an approximation of the odds of
22 winning for each wager, and such other advice to the player as
23 the commission shall require. Each casino licensee shall
24 prominently post within the casino room and simulcasting
25 facility, as appropriate, according to regulations of the
26 commission such information about gaming rules, pay-offs of
27 winning wagers, the odds of winning for each wager, and such
28 other advice to the player as the commission shall require.

29 g. Each gaming table shall be equipped with a sign indicating
30 the permissible minimum and maximum wagers pertaining
31 thereto. It shall be unlawful for a casino licensee to require any
32 wager to be greater than the stated minimum or less than the
33 stated maximum; provided, however, that any wager actually
34 made by a patron and not rejected by a casino licensee prior to
35 the commencement of play shall be treated as a valid wager.

36 h. No slot machine shall be used to conduct gaming unless it is
37 identical in all electrical, mechanical and other aspects to a
38 model thereof which has been specifically tested by the division
39 and licensed for use by the commission. The commission shall, by
40 regulation, establish such technical standards for licensure,
41 including mechanical and electrical reliability, security against
42 tampering, the comprehensibility of wagering, and noise and light
43 levels, as it may deem necessary to protect the player from fraud
44 or deception and to insure the integrity of gaming. In no event
45 shall slot machines, including walkways between them, occupy
46 more than 45% of the first 50,000 square feet of floor space of a
47 casino, or more than 32% of any additional floor space of a casino
48 larger than 50,000 square feet in the case of a casino hotel with
49 fewer than 1,200 qualifying sleeping units or more than 45% of
50 such additional floor space in the case of a casino hotel with at
51 least 1,200 qualifying sleeping units. In the case of casinos in
52 operation on the effective date of this amendatory and
53 supplementary act, P.L.1991, c.182, up to 10% of the number of
54 slot machines in operation on that effective date may be added

1 by the end of the first year after the effective date, up to 20% of
2 that number may be added by the end of the second year after
3 the effective date, and up to 30% of that number may be added
4 by the end of the third year after the effective date. The
5 commission shall, by regulation, determine the permissible
6 density of particular licensed slot machines or combinations
7 thereof, based upon their size and light and noise levels, so as to
8 create and maintain a gracious playing environment in the casino
9 and to avoid deception or frequent distraction to players at
10 gaming tables. The denominations of such machines shall be set
11 by the licensee, subject to the prior approval of the commission.

12 i. (Deleted by amendment, P.L.1991, c.182).

13 j. (Deleted by amendment, P.L.1991, c.182).

14 k. It shall be unlawful for any person to exchange or redeem
15 chips for anything whatsoever, except currency, negotiable
16 personal checks, negotiable counter checks or other chips. A
17 casino licensee shall, upon the request of any person, redeem that
18 licensee's gaming chips surrendered by that person in any amount
19 over \$25.00 with a check drawn upon the licensee's account at
20 any banking institution in this State and made payable to that
21 person.

22 l. It shall be unlawful for any casino licensee or its agents or
23 employees to employ, contract with, or use any shill or barker to
24 induce any person to enter a casino or simulcasting facility or
25 play at any game or for any purpose whatsoever.

26 m. It shall be unlawful for a dealer in any authorized game in
27 which cards are dealt to deal cards by hand or other than from a
28 device specifically designed for that purpose.

29 n. It shall be unlawful for any casino key employee, other than
30 a junket representative, or any casino employee, other than a
31 bartender, waiter, waitress, or other casino employee who in the
32 judgment of the commission is not directly involved with the
33 conduct of gaming operations, to wager at any game in any casino
34 in this State.

35 o. (1) It shall be unlawful for any casino key employee or
36 boxman, floorman, or any other casino employee who shall serve
37 in a supervisory position to solicit or accept, and for any other
38 casino employee to solicit, any tip or gratuity from any player or
39 patron at the casino or simulcasting facility where he is employed.

40 (2) A dealer may accept tips or gratuities from a patron at the
41 table at which such dealer is conducting play, subject to the
42 provisions of this subsection. All such tips or gratuities shall be
43 immediately deposited in a lockbox reserved for that purpose,
44 accounted for, and placed in a pool for distribution pro rata
45 among the dealers, with the distribution based upon the number
46 of hours each dealer has worked.

47 (cf: P.L.1991, c.182, s.38)

48 33. Section 101 of P.L.1977, c.110 (C.5:12-101) is amended to
49 read as follows:

50 101. Credit. a. Except as otherwise provided in this section,
51 no casino licensee or any person licensed under this act, and no
52 person acting on behalf of or under any arrangement with a
53 casino licensee or other person licensed under this act, shall:

54 (1) Cash any check, make any loan, or otherwise provide or

1 allow to any person any credit or advance of anything of value or
2 which represents value to enable any person to take part in
3 gaming or simulcast wagering activity as a player; or

4 (2) Release or discharge any debt, either in whole or in part, or
5 make any loan which represents any losses incurred by any player
6 in gaming or simulcast wagering activity, without maintaining a
7 written record thereof in accordance with the rules of the
8 commission.

9 b. No casino licensee or any person licensed under this act, and
10 no person acting on behalf of or under any arrangement with a
11 casino licensee or other person licensed under this act, may
12 accept a check, other than a recognized traveler's check or other
13 cash equivalent from any person to enable such person to take
14 part in gaming or simulcast wagering activity as a player, or may
15 give cash or cash equivalents in exchange for such check unless:

16 (1) The check is made payable to the casino licensee;

17 (2) The check is dated, but not postdated;

18 (3) The check is presented to the cashier or his representative
19 and is exchanged only for a credit slip or slips which total an
20 amount equal to the amount for which the check is drawn, which
21 slip or slips may be presented for chips at a gaming table; and

22 (4) The regulations concerning check cashing procedures are
23 observed by the casino licensee and its employees and agents.

24 Nothing in this subsection shall be deemed to preclude the
25 establishment of an account by any person with a casino licensee
26 by a deposit of cash, recognized traveler's check or other cash
27 equivalent, or a check which meets the requirements of
28 subsection g. of this section, or to preclude the withdrawal,
29 either in whole or in part, of any amount contained in such
30 account.

31 c. When a casino licensee or other person licensed under this
32 act, or any person acting on behalf of or under any arrangement
33 with a casino licensee or other person licensed under this act,
34 cashes a check in conformity with the requirements of subsection
35 b. of this section, the casino licensee shall cause the deposit of
36 such check in a bank for collection or payment within (1) seven
37 calendar days of the date of the transaction for a check in an
38 amount of \$1,000.00 or less; (2) 14 calendar days of the date of
39 the transaction for a check in an amount greater than \$1,000.00
40 but less than or equal to \$5,000.00; or (3) 45 calendar days of the
41 date of the transaction for a check in an amount greater than
42 \$5,000.00. Notwithstanding the foregoing, the drawer of the
43 check may redeem the check by exchanging cash, cash
44 equivalents, chips, or a check which meets the requirements of
45 subsection g. of this section in an amount equal to the amount for
46 which the check is drawn; or he may redeem the check in part by
47 exchanging cash, cash equivalents, chips, or a check which meets
48 the requirements of subsection g. of this section and another
49 check which meets the requirements of subsection b. of this
50 section for the difference between the original check and the
51 cash, cash equivalents, chips, or check tendered; or he may issue
52 one check which meets the requirements of subsection b. of this
53 section in an amount sufficient to redeem two or more checks
54 drawn to the order of the casino licensee. If there has been a

1 partial redemption or a consolidation in conformity with the
2 provisions of this subsection, the newly issued check shall be
3 delivered to a bank for collection or payment within the period
4 herein specified. No casino licensee or any person licensed under
5 this act, and no person acting on behalf of or under any
6 arrangement with a casino licensee or other person licensed under
7 this act, shall accept any check or series of checks in redemption
8 or consolidation of another check or checks in accordance with
9 this subsection for the purpose of avoiding or delaying the deposit
10 of a check in a bank for collection or payment within the time
11 period prescribed by this subsection.

12 In computing a time period prescribed by this subsection, the
13 last day of the period shall be included unless it is a Saturday,
14 Sunday, or a State or federal holiday, in which event the time
15 period shall run until the next business day.

16 d. No casino licensee or any other person licensed under this
17 act, or any other person acting on behalf of or under any
18 arrangement with a casino licensee or other person licensed under
19 this act, shall transfer, convey, or give, with or without
20 consideration, a check cashed in conformity with the
21 requirements of this section to any person other than:

22 (1) The drawer of the check upon redemption or consolidation
23 in accordance with subsection c. of this section;

24 (2) A bank for collection or payment of the check; or

25 (3) A purchaser of the casino license as approved by the
26 commission. The limitation on transferability of checks imposed
27 herein shall apply to checks returned by any bank to the casino
28 licensee without full and final payment.

29 e. No person other than one licensed as a casino key employee
30 or as a casino employee may engage in efforts to collect upon
31 checks that have been returned by banks without full and final
32 payment, except that an attorney-at-law representing a casino
33 licensee may bring action for such collection.

34 f. Notwithstanding the provisions of any law to the contrary,
35 checks cashed in conformity with the requirements of this act
36 shall be valid instruments, enforceable at law in the courts of this
37 State. Any check cashed, transferred, conveyed or given in
38 violation of this act shall be invalid and unenforceable for the
39 purposes of collection but shall be included in the calculation of
40 gross revenue pursuant to section 24 of P.L.1977, c.110
41 (C.5:12-24).

42 g. Notwithstanding the provisions of subsection b. of this
43 section to the contrary, a casino licensee may accept a check
44 from a person to enable the person to take part in gaming or
45 simulcast wagering activity as a player, may give cash or cash
46 equivalents in exchange for such a check, or may accept a check
47 in redemption or partial redemption of a check issued in
48 accordance with subsection b., provided that:

49 (1) (a) The check is drawn by a casino licensee pursuant to the
50 provisions of subsection k. of section 100 of P.L.1977, c.110
51 (C.5:12-100) or upon a withdrawal of funds from an account
52 established in accordance with the provisions of subsection b. of
53 this section or is drawn by a casino licensee for winnings from
54 slot machine payoffs or simulcast wagers;

1 (b) The check is issued by a banking institution which is
2 chartered in a country other than the United States on its
3 account at a federally chartered or state-chartered bank and is
4 made payable to "cash," "bearer," a casino licensee, or the
5 person presenting the check; or

6 (c) The check is issued by a banking institution which is
7 chartered in the United States on its account at another federally
8 chartered or state-chartered bank and is made payable to "cash,"
9 "bearer," a casino licensee, or the person presenting the check;

10 (2) The check is identifiable in a manner approved by the
11 commission as a check issued for a purpose listed in paragraph (1)
12 of this subsection;

13 (3) The check is dated, but not postdated;

14 (4) The check is presented to the cashier or the cashier's
15 representative by the original payee and its validity is verified by
16 the drawer in the case of a check drawn pursuant to subparagraph
17 (a) of paragraph (1) of this subsection, or the check is verified in
18 accordance with regulations promulgated by the commission in
19 the case of a check issued pursuant to subparagraph (b) or
20 subparagraph (c) of paragraph (1) of this subsection; and

21 (5) The regulations concerning check cashing procedures are
22 observed by the casino licensee and its employees and agents.

23 No casino licensee shall issue a check for the purpose of
24 making a loan or otherwise providing or allowing any advance or
25 credit to a person to enable the person to take part in gaming or
26 simulcast wagering activity as a player.

27 h. Notwithstanding the provisions of subsection b. and
28 subsection c. of this section to the contrary, a casino licensee
29 may, at a location outside the casino, accept a personal check or
30 checks from a person for up to \$1,500 in exchange for cash or
31 cash equivalents, and may, at such locations within the casino as
32 may be permitted by the commission, accept a personal check or
33 checks for up to \$1,500 in exchange for cash, cash equivalents,
34 tokens, chips, or plaques to enable the person to take part in
35 gaming activity as a player or non-gaming activity, as the case
36 may be, provided that:

37 (1) The check is drawn on the patron's bank or brokerage cash
38 management account;

39 (2) The check is for a specific amount;

40 (3) The check is made payable to the casino licensee;

41 (4) The check is dated but not post-dated;

42 (5) The patron's identity is established by examination of one
43 of the following: valid credit card, driver's license, passport, or
44 other form of identification credential which contains, at a
45 minimum, the patron's signature;

46 (6) The check is restrictively endorsed "For Deposit Only" to
47 the casino licensee's bank account and deposited on the next
48 banking day following the date of the transaction; and

49 (7) The total amount of personal checks accepted by any one
50 licensee pursuant to this subsection that are outstanding at any
51 time, including the current check being submitted, does not
52 exceed \$1,500.

53 i. Checks cashed pursuant to the provisions of subsection h. of
54 this section which are subsequently uncollectable may not be

1 deducted from the total of all sums received in calculating gross
2 revenue pursuant to section 24 of P.L.1977, c.110 (C.5:12-24).

3 j. A person may request the commission to put that person's
4 name on a list of persons to whom the extension of credit by a
5 casino as provided in this section would be prohibited by
6 submitting to the commission the person's name, address, and
7 date of birth. The person does not need to provide a reason for
8 this request. The commission shall provide this list to the credit
9 department of each casino; neither the commission nor the credit
10 department of a casino shall divulge the names on this list to any
11 person or entity other than those provided for in this subsection.
12 If such a person wishes to have that person's name removed from
13 the list, the person shall submit this request to the commission,
14 which shall so inform the credit departments of casinos no later
15 than three days after the submission of the request.

16 (cf: P.L.1991, c.182, s.39)

17 34. Section 103 of P.L.1977, c.110 (C.5:12-103) is amended to
18 read as follows:

19 103. a. Notwithstanding any law to the contrary, the authority
20 to grant any license for, or to permit or prohibit the presence of,
21 alcoholic beverages in, on, or about any premises licensed as part
22 of a casino hotel shall exclusively be vested in the commission.

23 b. Unless otherwise stated, and except where inconsistent with
24 the purpose or intent of this act or the common understanding of
25 usage thereof, definitions contained in Title 33 of the Revised
26 Statutes shall apply to this section. Any definition contained
27 therein shall apply to the same word in any form.

28 c. Notwithstanding any provision of Title 33 of the Revised
29 Statutes, the rules, regulations and bulletins promulgated by the
30 director of the Division of Alcoholic Beverage Control, or any
31 provision promulgated by any local authority, the authority to
32 issue, renew, transfer, revoke or suspend a Casino Hotel
33 Alcoholic Beverage License or any portion, location, privilege or
34 condition thereof; to fine or penalize a Casino Hotel Alcoholic
35 Beverage Licensee; to enforce all statutes, laws, rulings, or
36 regulations relating to such license; and to collect license fees
37 and establish application standards therefor, shall be, consistent
38 with this act, exclusively vested in the commission or the division.

39 d. Except as otherwise provided in this section, the provisions
40 of Title 33 of the Revised Statutes and the rules, regulations and
41 bulletins promulgated by the director of the Division of Alcoholic
42 Beverage Control shall apply to a Casino Hotel and Casino Hotel
43 Alcoholic Beverage Licensee licensed under this act.

44 e. Notwithstanding any provision to the contrary, the
45 commission may promulgate any regulations and special rulings
46 and findings as may be necessary for the proper enforcement,
47 regulation, and control of alcoholic beverages in casino hotels
48 when the commission finds that the uniqueness of casino
49 operations and the public interest require that such regulations,
50 rulings, and findings are appropriate. Regulations of the
51 commission may include but are not limited to: designation and
52 duties of enforcement personnel; all forms necessary or
53 convenient in the administration of this section; inspections,
54 investigations, searches, seizures; licensing and disciplinary

1 standards; requirements and standards for any hearings or
2 disciplinary or other proceedings that may be required from time
3 to time; the assessment of fines or penalties for violations; hours
4 of sale; sales in original containers; sales on credit; out-of-door
5 sales; limitations on sales; gifts and promotional materials;
6 locations or places for sale; control of signs and other displays;
7 identification of licensees and their employees; employment of
8 aliens and minors; storage, transportation and sanitary
9 requirements; records to be kept by the Casino Hotel Alcoholic
10 Beverage Licensees and availability thereof; practices unduly
11 designed to increase consumption of alcoholic beverages; and
12 such other matters whatsoever as are or may become necessary
13 and consistent with the administration of this act.

14 f. (1) It shall be unlawful for any person, including any casino
15 licensee or any of its lessees, agents or employees, to expose for
16 sale, solicit or promote the sale of, possess with intent to sell,
17 sell, give, dispense, or otherwise transfer or dispose of alcoholic
18 beverages in, on or about any portion of the premises of a casino
19 hotel, unless said person possesses a Casino Hotel Alcoholic
20 Beverage License.

21 (2) It shall be unlawful for any person issued a Casino Hotel
22 Alcoholic Beverage License to expose, possess, sell, give,
23 dispense, transfer, or otherwise dispose of alcoholic beverages,
24 other than within the terms and conditions of the Casino Hotel
25 Alcoholic Beverage License issued, the provisions of Title 33 of
26 the Revised Statutes, the rules and regulations promulgated by
27 the director of the Division of Alcoholic Beverage Control, and,
28 when applicable, the regulations promulgated pursuant to this act.

29 g. In issuing a Casino Hotel Alcoholic Beverage License the
30 commission shall describe the scope of the particular license and
31 the restrictions and limitations thereon as it deems necessary and
32 reasonable. The commission may, in a single Casino Hotel
33 Alcoholic Beverage License, permit the holder of such a license
34 to perform any or all of the following activities, subject to
35 applicable laws, rules and regulations:

36 (1) To sell any alcoholic beverage by the glass or other open
37 receptacle, but not in an original container, for on-premise
38 consumption within a casino; provided, however, that no alcoholic
39 beverage shall be sold, given or be available for consumption;
40 offered, delivered or otherwise brought to a patron; or consumed
41 at a gaming table unless so requested by the patron.

42 (2) To sell any alcoholic beverage by the glass or other open
43 receptacle for on-premise consumption within a casino hotel, but
44 not in a casino, or from a fixed location outside a building or
45 structure containing a casino but on a casino hotel premises.

46 (3) To sell any alcoholic beverage in original containers for
47 consumption outside the licensed area from an enclosed package
48 room not in a casino.

49 (4) To sell any alcoholic beverage by the glass or other open
50 receptacle or in original containers from a room service location
51 within an enclosed room not in a casino; provided, however, that
52 any sale of alcoholic beverages is delivered only to a guest room
53 or to any other room in the casino hotel authorized by the
54 commission, other than any room authorized by the commission

1 pursuant to paragraph (1), (3), or (5) of this subsection.

2 (5) To possess or to store alcoholic beverages in original
3 containers intended but not actually exposed for sale at a fixed
4 location on a casino hotel premises, not in a casino; and to
5 transfer or deliver such alcoholic beverages only to a location
6 approved pursuant to this section; provided, however, that no
7 access to or from a storage location shall be permitted except
8 during the normal course of business by employees or agents of
9 the licensee, or by licensed employees or agents of wholesalers or
10 distributors licensed pursuant to Title 33 of the Revised Statutes
11 and any applicable rules and regulations; and provided further,
12 however, that no provision of this section shall be construed to
13 prohibit a Casino Hotel Alcoholic Beverage Licensee from
14 obtaining an off-site storage license from the Division of
15 Alcoholic Beverage Control.

16 (6) To sell any alcoholic beverage by the glass or other open
17 receptacle, but not in an original container, for on-premises
18 consumption within a simulcasting facility.

19 h. (1) No Casino Hotel Alcoholic Beverage License which
20 authorizes the sale of alcoholic beverages within a casino
21 pursuant to subsection g.(1) of this section shall issue to any
22 applicant who does not hold a casino license issued pursuant to
23 this act.

24 (2) No Casino Hotel Alcoholic Beverage License which
25 authorizes the possession, sale or storage of alcoholic beverages
26 pursuant to subsection g.(2), (3), (4), or (5) of this section shall
27 issue to any applicant who would not qualify under the standards
28 for licensure of a casino service industry pursuant to subsection
29 c. of section 92 of P.L.1977, c.110 (C.5:12-92).

30 (3) No Casino Hotel Alcoholic Beverage License which
31 authorizes the possession or storage of alcoholic beverages
32 pursuant to subsection g. of this section shall issue to any
33 applicant who does not hold a Casino Hotel Alcoholic Beverage
34 License, permitting any activity pursuant to subsection g.(1), (2),
35 (3), or (4) of this section.

36 i. The commission may revoke, suspend, refuse to renew or
37 refuse to transfer any Casino Hotel Alcoholic Beverage License,
38 or fine or penalize any Casino Hotel Alcoholic Beverage Licensee
39 for violations of any provision of Title 33 of the Revised Statutes,
40 the rules and regulations promulgated by the director of the
41 Division of Alcoholic Beverage Control, and the regulations
42 promulgated by the commission.

43 j. Jurisdiction over all alcoholic beverage licenses previously
44 issued with respect to the casino hotel facility is hereby vested in
45 the commission, which in its discretion may by regulation provide
46 for the conversion thereof into a Casino Hotel Alcoholic
47 Beverage License as provided in this section.

48 (cf: P.L.1991, c.182, s.41)

49 35. Section 104 of P.L.1977, c.110 (C.5:12-104) is amended to
50 read as follows:

51 104. Casino Licensee--Leases and Contracts. a. (1) Unless
52 otherwise provided in this subsection, no agreement which
53 provides for the payment, however defined, of any direct or
54 indirect interest, percentage or share of any money or property

1 gambled at a casino or derived from casino gaming activity or of
2 any such interest, percentage, or share of any revenues, profits or
3 earnings of a casino shall be lawful.

4 (2) Agreements which provide only for the payment of a fixed
5 sum which is in no way affected by the amount of any such
6 money, property, revenues, profits or earnings shall not be
7 subject to the provisions of this subsection; and receipts, rentals
8 or charges for real property, personal property or services shall
9 not lose their character as payments of a fixed sum because of
10 contract, lease, or license provisions for adjustments in charges,
11 rentals or fees on account of changes in taxes or assessments,
12 cost-of-living index escalations, expansion or improvement of
13 facilities, or changes in services supplied.

14 (3) Agreements between a casino licensee and its employees
15 which provide for casino employee or casino key employee profit
16 sharing and which are in writing and have been filed with the
17 commission shall be lawful and effective only if expressly
18 approved as to their terms by the commission.

19 (4) Agreements to lease an approved hotel building or the land
20 thereunder and agreements for the complete management of a
21 casino shall not be subject to the provisions of this subsection but
22 shall rather be subject to the provisions of subsections b. and c.
23 of section 82 of this act.

24 (5) Agreements which provide for percentage charges between
25 the casino licensee and a holding company or intermediary
26 company of the casino licensee shall be in writing and filed with
27 the commission but shall not be subject to the provisions of this
28 subsection.

29 (6) Agreements between a casino licensee and an in-State or
30 out-of-State sending track licensed or exempt from licensure in
31 accordance with subsection c. of section 92 of P.L.1977, c.110
32 (C.5:12-92) shall be in writing, be filed with the commission, and
33 be subject to the terms of this section.

34 b. Each casino applicant or licensee shall maintain, in
35 accordance with the rules of the commission, a record of each
36 written or unwritten agreement regarding the realty,
37 construction, maintenance, or business of a proposed or existing
38 casino hotel or related facility. The foregoing obligation shall
39 apply regardless of whether the casino applicant or licensee is a
40 party to the agreement. Any such agreement may be reviewed by
41 the commission on the basis of the reasonableness of its terms,
42 including the terms of compensation, and of the qualifications of
43 the owners, officers, and directors of any enterprise involved in
44 the agreement, which qualifications shall be reviewed according
45 to the standards enumerated in section 86 of this act. If the
46 commission disapproves such an agreement or the owners,
47 officers, or directors of any enterprise involved therein, the
48 commission may require its termination.

49 Every agreement required to be maintained, and every related
50 agreement the performance of which is dependent upon the
51 performance of any such agreement, shall be deemed to include a
52 provision to the effect that, if the commission shall require
53 termination of an agreement pursuant to this subsection, such
54 termination shall occur without liability on the part of the casino

1 applicant or licensee or any qualified party to the agreement or
2 any related agreement. Failure expressly to include such a
3 provision in the agreement shall not constitute a defense in any
4 action brought to terminate the agreement. If the agreement is
5 not maintained or presented to the commission in accordance
6 with commission regulations, or the disapproved agreement is not
7 terminated, the commission may pursue any remedy or
8 combination of remedies provided in this act.

9 For the purposes of this subsection, "casino applicant" includes
10 any person required to hold a casino license pursuant to section
11 82 of P.L.1977, c. 110 (C. 5:12-82) who has applied to the
12 commission for a casino license or any approval required under
13 P.L.1977, c. 110 (C. 5:12-1 et seq.).

14 c. Nothing in this act shall be deemed to permit the transfer
15 of any license, or any interest in any license, or any certificate of
16 compliance or any commitment or reservation.

17 (cf: P.L.1987, c.355, s.8)

18 36. Section 119 of P.L.1977, c.110 (C.5:12-119) is amended to
19 read as follows:

20 119. Gaming by Certain Persons Prohibited; Penalties;
21 Defenses. a. No person under the age at which a person is
22 authorized to purchase and consume alcoholic beverages [, other
23 than a person licensed under the provisions of this act in the
24 regular course of his licensed activities,] shall enter, or wager at
25 any game in, a licensed casino or a casino simulcasting facility
26 established pursuant to the "Casino Simulcasting Act," P.L. ,
27 c. (C.) (now pending before the Legislature as this bill)
28 [except by way of passage to another room] ; provided, however,
29 that such a person may enter a casino or simulcasting facility by
30 way of passage to another room, and provided further, however,
31 that any such person who is licensed or registered under the
32 provisions of the Casino Control Act, P.L.1977, c.110 (C.5:12-1
33 et seq.), may enter a casino or casino simulcasting facility in the
34 regular course of the person's permitted activities.

35 b. Any licensee or employee of a casino who allows a person
36 under the age at which a person is authorized to purchase and
37 consume alcoholic beverages to remain in or wager in a casino or
38 a casino simulcasting facility established pursuant to the "Casino
39 Simulcasting Act," P.L. , c. (C.) (now pending before the
40 Legislature as this bill), is guilty of a disorderly persons offense;
41 except that the establishment of all of the following facts by a
42 licensee or employee allowing any such underage person to
43 remain shall constitute a defense to any prosecution therefor:

44 (1) That the underage person falsely represented in writing
45 that he or she was at or over the age at which a person is
46 authorized to purchase and consume alcoholic beverages;

47 (2) That the appearance of the underage person was such that
48 an ordinary prudent person would believe him or her to be at or
49 over the age at which a person is authorized to purchase and
50 consume alcoholic beverages; and

51 (3) That the admission was made in good faith, relying upon
52 such written representation and appearance, and in the
53 reasonable belief that the underage person was actually at or
54 over the age at which a person is authorized to purchase and

1 consume alcoholic beverages.

2 (cf: P.L.1991, c.182, s.51)

3 37. (New section) a. (1) Notwithstanding any other law to the
4 contrary, the New Jersey Racing Commission, upon application
5 by a receiving track, as defined in section 2 of P.L.1985, c.269
6 (C.5:5-111), and in accordance with applicable federal law, may
7 permit the track to receive, in addition to the horse races
8 authorized by section 10 of P.L.1985, c.269 (C.5:5-119), simulcast
9 transmissions of the racing program, in full or in part, from any
10 out-of-State sending track, as defined in section 2 of P.L.1985,
11 c.269 (C.5:5-111), during any time period, provided that the
12 receiving track agrees to receive all simulcast horse races which
13 any in-State sending track wishes to transmit to it during that
14 same time period, and provided further that, except as provided
15 in subsection b. of this section, the parimutuel pools at the
16 receiving track shall be combined with comparable parimutuel
17 pools at the out-of-State sending track. No limit shall be placed
18 on the number of racing programs the track may receive from
19 out-of-State sending tracks except as otherwise provided herein.

20 (2) Whenever an out-of-State sending track participates in
21 simulcasting pursuant to paragraph (1) of this subsection and the
22 parimutuel pools are combined at the out-of-State sending track,
23 the types of wagering, takeout, distribution of winnings, rules of
24 racing, method of calculating breakage, and the percentage of
25 deposits remaining undistributed from a parimutuel pool after
26 payment is made to winning ticket holders shall be determined in
27 accordance with the law or policy applicable to the out-of-State
28 sending track. However, moneys resulting from breakage on
29 amounts wagered at the receiving track and from outstanding
30 parimutuel tickets issued at the receiving track in all instances
31 shall be distributed as provided by section 38 of this act.

32 b. With the prior approval of the New Jersey Racing
33 Commission and the concurrence of the out-of-State sending
34 track, a receiving track and receiving tracks or entities in other
35 states other than the state in which the sending track is located
36 may form an interstate common pool, as defined in section 2 of
37 P.L.1985, c.269 (C.5:5-111). With respect to such interstate
38 common pools, the Racing Commission may approve types of
39 wagering, takeout, distribution of winnings, rules of racing,
40 method of calculating breakage, and a percentage of deposits
41 remaining undistributed from a parimutuel pool after payment is
42 made to winning ticket holders which are different from those
43 which would otherwise be applied in this State but which are
44 consistent for all parties to the interstate common pool.
45 However, moneys resulting from breakage on amounts wagered at
46 the receiving track and from outstanding parimutuel tickets
47 issued at the receiving track in all instances shall be distributed
48 as provided in section 38 of this act.

49 c. A receiving track which is authorized by the New Jersey
50 Racing Commission to receive the racing program, in full or in
51 part, from an out-of-State sending track pursuant to subsection
52 a. of this section shall pay the out-of-State sending track an
53 amount equal to not more than 3% of each parimutuel pool
54 generated at the receiving track. If the receiving track

1 negotiates an agreement to pay the out-of-State sending track an
2 amount equal to less than 3% of the parimutuel pool generated at
3 the receiving track, the receiving track shall be entitled to retain
4 the difference between the amount agreed upon and 3%.

5 38. a. If a receiving track which is authorized by the New
6 Jersey Racing Commission to receive the racing program, in full
7 or in part, from an out-of-State sending track pursuant to section
8 37 of this act is not conducting live racing at the time of
9 receiving the out-of-State races, the amount resulting from the
10 takeout rate shall be distributed as follows:

11 (1) .50% of the parimutuel pool generated at the in-State
12 receiving track shall be paid to the New Jersey Racing
13 Commission for deposit in the General Fund;

14 (2) .50% of the parimutuel pool generated at the in-State
15 receiving track shall be deposited as follows:

16 (a) in the case of an in-State receiving track which conducts
17 harness races, in the special trust account established pursuant to
18 or specified in section 46a.(2) of P.L.1940, c.17 (C.5:5-66),
19 section 2b. of P.L.1984, c.236 (C.5:5-66.1), section 5a.(1) of
20 P.L.1982, c.201 (C.5:5-98), or section 7f.(1)(a) of P.L.1971, c.137
21 (C.5:10-7), as appropriate, for use and distribution as provided in
22 section 46a.(2)(a), (b), and (c) of P.L.1940, c.17 (C.5:5-66), section
23 2b.(1), (2), and (3) of P.L.1984, c.236 (C.5:5-66.1), section
24 5a.(1)(a), (b), and (c) of P.L.1982, c.201 (C.5:5-98), or section
25 7f.(1)(a)(i), (ii), and (iii) of P.L.1971, c.137 (C.5:10-7); and

26 (b) in the case of an in-State receiving track which conducts
27 running races, in the special trust account established pursuant to
28 or specified in section 46b.(1)(e) or (2)(e) of P.L.1940, c.17
29 (C.5:5-66), section 5b.(3) of P.L.1982, c.201 (C.5:5-98), or section
30 7f.(2)(c) of P.L.1971, c.137 (C.5:10-7), as appropriate, for use and
31 distribution as provided therein;

32 (3) .03% of the parimutuel pool generated at the ²[casinol
33 in-State receiving track² shall be paid to the New Jersey Racing
34 Commission and set aside in the special trust account for horse
35 breeding and development for distribution and use as provided in
36 section 5 of P.L.1967, c.40 (C.5:5-88);

37 (4) on the basis of all races in each program, or if two or more
38 programs are being transmitted simultaneously, on the basis of all
39 races in all such programs running simultaneously, 3.5% of the
40 first \$100,000 of the total pool generated at the in-State
41 receiving track; 5% of the total pool from \$100,001 to \$150,000;
42 5.5% of the total pool from \$150,001 to \$250,000; 6% of the
43 total pool from \$250,001 to \$300,000; and, if the amount of the
44 total pool is above \$300,000, 6.25% of the total amount of the
45 pool or the percentage of the parimutuel pool for overnight
46 purses on live races that the receiving track and horsemen have
47 agreed to by contract, whichever is greater, shall be paid as
48 follows:

49 (a) in the case of an in-State receiving track which conducts
50 harness races, as overnight purse money at the next race meeting
51 at the receiving track, except that if the receiving track is
52 conducting a horse race meeting at the same time as the receipt
53 of the simulcast horse races, the receiving track shall use those
54 sums to supplement overnight purses at that horse race meeting,

1 and for programs designed to aid the horsemen and the
2 Standardbred Breeders' and Owners' Association of New Jersey,
3 as provided in section 46a.(4) of P.L.1940, c.17 (C.5:5-66), section
4 2d. of P.L.1984, c.236 (C.5:5-66.1), section 5a.(2) of P.L.1982,
5 c.201 (C.5:5-98), or section 7f.(1)(b) of P.L.1971, c.137
6 (C.5:10-7), as appropriate; and

7 (b) in the case of an in-State receiving track which conducts
8 running races, as overnight purse money at the next race meeting
9 at the receiving track, except that if the receiving track is
10 conducting a horse race meeting at the same time as the receipt
11 of the simulcast horse races, the receiving track shall use those
12 sums to supplement overnight purses at that horse race meeting,
13 and for programs designed to aid the horsemen and the New
14 Jersey Thoroughbred Horseman's Benevolent Association, as
15 provided in section 46b.(1)(d) or (2)(d) of P.L.1940, c.17
16 (C.5:5-66), section 5b.(2) of P.L.1982, c.201 (C.5:5-98), or section
17 7f.(2)(b) of P.L.1971, c.137 (C.5:10-7), as appropriate; and

18 (5) the amount remaining after the deduction of the amounts
19 under paragraphs (1), (2), (3), and (4) shall be paid to the receiving
20 track.

21 b. If a receiving track includes out-of-State races as part of
22 its live racing program in any way, the amount resulting from the
23 takeout rate shall be distributed as follows:

24 (1) .50% of the parimutuel pool generated at the in-State
25 receiving track shall be paid to the New Jersey Racing
26 Commission for deposit in the General Fund;

27 (2) .50% of the parimutuel pool generated at the in-State
28 receiving track shall be deposited as follows:

29 (a) in the case of an in-State receiving track which conducts
30 harness races, in the special trust account established pursuant to
31 or specified in section 46a.(2) of P.L.1940, c.17 (C.5:5-66),
32 section 2b. of P.L.1984, c.236 (C.5:5-66.1), section 5a.(1) of
33 P.L.1982, c.201 (C.5:5-98), or section 7f.(1)(a) of P.L.1971, c.137
34 (C.5:10-7), as appropriate, for use and distribution as provided in
35 section 46a.(2)(a), (b), and (c) of P.L.1940, c.17 (C.5:5-66), section
36 2b.(1), (2), and (3) of P.L.1984, c.236 (C.5:5-66.1), section
37 5a.(1)(a), (b), and (c) of P.L.1982, c.201 (C.5:5-98), or section
38 7f.(1)(a)(i), (ii), and (iii) of P.L.1971, c.137 (C.5:10-7); and

39 (b) in the case of an in-State receiving track which conducts
40 running races, in the special trust account established pursuant to
41 or specified in section 46b.(1)(e) or (2)(e) of P.L.1940, c.17
42 (C.5:5-66), section 5b.(3) of P.L.1982, c.201 (C.5:5-98), or section
43 7f.(2)(c) of P.L.1971, c.137 (C.5:10-7), as appropriate, for use and
44 distribution as provided therein;

45 (3) .03% of the parimutuel pool generated at the ²[casino]
46 in-State receiving track² shall be paid to the New Jersey Racing
47 Commission and set aside in the special trust account for horse
48 breeding and development for distribution and use as provided in
49 section 5 of P.L.1967, c.40 (C.5:5-88);

50 (4) 6% of the parimutuel pool generated at the in-State
51 receiving track or the percentage of the parimutuel pool for
52 overnight purses on live races that the racetrack and horsemen
53 have agreed to by contract, whichever is greater, shall be paid as
54 follows:

1 (a) in the case of an in-State receiving track which conducts
2 harness races, as overnight purse money at the current race
3 meeting at the receiving track and for programs designed to aid
4 the horsemen and the Standardbred Breeders' and Owners'
5 Association of New Jersey, as provided in section 46a.(4) of
6 P.L.1940, c.17 (C.5:5-66), section 2d. of P.L.1984, c.236
7 (C.5:5-66.1), section 5a.(2) of P.L.1982, c.201 (C.5:5-98), or
8 section 7f.(1)(b) of P.L.1971, c.137 (C.5:10-7), as appropriate; and

9 (b) in the case of an in-State receiving track which conducts
10 running races, as overnight purse money at the current race
11 meeting at the receiving track and for programs designed to aid
12 the horsemen and the New Jersey Thoroughbred Horseman's
13 Benevolent Association, as provided in section 46b.(1)(d) or (2)(d)
14 of P.L.1940, c.17 (C.5:5-66), section 5b.(2) of P.L.1982, c.201
15 (C.5:5-98), or section 7f.(2)(b) of P.L.1971, c.137 (C.5:10-7), as
16 appropriate; and

17 (5) the amount remaining after the deduction of the amounts
18 under paragraphs (1), (2), (3) and (4) shall be paid to the receiving
19 track.

20 c. All breakage moneys and outstanding parimutuel ticket
21 moneys resulting from the wagering at the receiving track on the
22 additional out-of-State simulcast races authorized by section 37
23 shall be divided as follows:

24 (1) 50% shall be paid to the receiving track; and

25 (2) 50% shall be paid as follows:

26 (a) in the case of an in-State receiving track which conducts
27 harness races, as overnight purse money at the receiving track
28 and for programs designed to aid the horsemen and the
29 Standardbred Breeders' and Owners' Association of New Jersey,
30 as provided in section 46a.(4) of P.L.1940, c.17 (C.5:5-66), section
31 2d. of P.L.1984, c.236 (C.5:5-66.1), section 5a.(2) of P.L.1982,
32 c.201 (C.5:5-98), or section 7f.(1)(b) of P.L.1971, c.137
33 (C.5:10-7), as appropriate; and

34 (b) in the case of an in-State receiving track which conducts
35 running races, as overnight purse money at the receiving track
36 and for programs designed to aid the horsemen and the New
37 Jersey Thoroughbred Horseman's Benevolent Association, as
38 provided in section 46b.(1)(d) or (2)(d) of P.L.1940, c.17
39 (C.5:5-66), section 5b.(2) of P.L.1982, c.201 (C.5:5-98), or section
40 7f.(2)(b) of P.L.1971, c.137 (C.5:10-7), as appropriate.

41 ²39. Section 42 of P.L.1940, c.17 (C.5:5-62) is amended to
42 read as follows:

43 42. A permit holder may provide a place or places in the race
44 meeting grounds or enclosure at which such holder of a permit
45 may conduct and supervise the parimutuel system of wagering by
46 patrons on the results of the horse races conducted by such
47 permit holder at a horse race meeting [or], on the results of
48 simulcast horse races as provided by the "Simulcasting Racing
49 Act," P.L. 1985, c. 269 (C. 5:5-110 et seq.), or on the results of
50 simulcast horse races as provided by section 37 of P.L. , c.
51 (C.) (now pending before the Legislature as this bill), and such
52 parimutuel system of wagering upon the results of such horse
53 races shall not under any circumstances, if conducted under the
54 provisions of this act and in conformity thereto, be held or

1 construed to be unlawful, other statutes of the State of New
2 Jersey to the contrary notwithstanding. Such place or places so
3 provided in conformity with this section shall be equipped with
4 such automatic ticket issuing and vending machines and with
5 adding machine equipment capable of accurate and speedy
6 determination of the amount of money in each pool and on each
7 horse and the amount of award or dividend to winning patrons and
8 displaying the same to the patrons. Such machine shall further be
9 equipped with automatic or hand operated machinery suitable for
10 displaying on the mutuel board across the track, in plain view of
11 the public, the total amount of sales on each and every race and
12 the amount of award or dividend to winning patrons.²

13 (cf: P.L.1985, c.269, s.13)

14 ²40. Section 43 of P.L.1940, c.17 (C.5:5-63) is amended to
15 read as follows:

16 43. The machine, or mutuel board, is also to display the
17 approximate odds on each horse in any race; the value of a \$2.00
18 mutuel ticket, straight, place and show, on the first three horses
19 in any race; the elapsed time of the race; the value of a \$2.00
20 daily double ticket, if conducted, and any other information that
21 may be necessary for the guidance of the general public. Any
22 such machine must be approved by the commission before it may
23 be used, and to prevent a monopoly in the use of any particular
24 machine or type thereof the commission may in its discretion
25 approve the use of any other machine. No other place or method
26 of betting, pool making, wagering or gambling shall be used or
27 permitted by the holder of a permit, nor shall the parimutuel
28 system of wagering be conducted on any races except horse races
29 at the racetrack where such parimutuel system of wagering is
30 conducted [or], simulcast horse races as provided by the
31 "Simulcasting Racing Act," sections 1 through 12 of P.L. 1985, c.
32 269 (C. 5:5-110 et seq.), or simulcast horse races as provided by
33 section 37 of P.L. , c. (C.) (now pending before the
34 Legislature as this bill).²

35 (cf: P.L.1985, c.269, s.14)

36 ²41. Section 73 of P.L.1940, c.17 (C.5:5-73) is amended to
37 read as follows:

38 73. Nothing herein, however, shall be construed to permit the
39 parimutuel system of wagering upon any racetrack unless such
40 racetrack be first granted a permit as provided by this act; and it
41 is hereby declared to be unlawful for any person, partnership,
42 association or corporation to permit, conduct or supervise upon
43 any racetrack the parimutuel system of wagering except in
44 accordance with the provisions of this act [or], the "Simulcasting
45 Racing Act," P.L. 1985, c. 269 (C. 5:5-110 et seq.), or section 37
46 of P.L. , c. (C.) (now pending before the Legislature as
47 this bill).²

48 (cf: P.L.1985, c.269, s.15)

49 ²[39.] 42.² This act shall take effect immediately.

1

2

3 The "Casino Simulcasting Act," authorizes wagering at casinos in
4 Atlantic City on the results of simulcast horse races; extends
5 simulcast horse races which may be received by New Jersey
6 racetracks.

1 P.L.1940, c.17 (C.5:5-66), section 2d. of P.L.1984, c.236
2 (C.5:5-66.1), section 5a.(2) of P.L.1982, c.201 (C.5:5-98), or
3 section 7f.(1)(b) of P.L.1971, c.137 (C.5:10-7), as appropriate; and

4 (b) in the case of an in-State receiving track which conducts
5 running races, as overnight purse money at the current race
6 meeting at the receiving track and for programs designed to aid
7 the horsemen and the New Jersey Thoroughbred Horseman's
8 Benevolent Association, as provided in section 46b.(1)(d) or (2)(d)
9 of P.L.1940, c.17 (C.5:5-66), section 5b.(2) of P.L.1982, c.201
10 (C.5:5-98), or section 7f.(2)(b) of P.L.1971, c.137 (C.5:10-7), as
11 appropriate; and

12 (5) the amount remaining after the deduction of the amounts
13 under paragraphs (1), (2), (3) and (4) shall be paid to the receiving
14 track.

15 c. All breakage moneys and outstanding parimutuel ticket
16 moneys resulting from the wagering at the receiving track on the
17 additional out-of-State simulcast races authorized by section 37
18 shall be divided as follows:

19 (1) 50% shall be paid to the receiving track; and

20 (2) 50% shall be paid as follows:

21 (a) in the case of an in-State receiving track which conducts
22 harness races, as overnight purse money at the receiving track
23 and for programs designed to aid the horsemen and the
24 Standardbred Breeders' and Owners' Association of New Jersey,
25 as provided in section 46a.(4) of P.L.1940, c.17 (C.5:5-66), section
26 2d. of P.L.1984, c.236 (C.5:5-66.1), section 5a.(2) of P.L.1982,
27 c.201 (C.5:5-98), or section 7f.(1)(b) of P.L.1971, c.137
28 (C.5:10-7), as appropriate; and

29 (b) in the case of an in-State receiving track which conducts
30 running races, as overnight purse money at the receiving track
31 and for programs designed to aid the horsemen and the New
32 Jersey Thoroughbred Horseman's Benevolent Association, as
33 provided in section 46b.(1)(d) or (2)(d) of P.L.1940, c.17
34 (C.5:5-66), section 5b.(2) of P.L.1982, c.201 (C.5:5-98), or section
35 7f.(2)(b) of P.L.1971, c.137 (C.5:10-7), as appropriate.

36 39. This act shall take effect immediately.

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STATEMENT

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41 This bill, the "Casino Simulcasting Act," implements the
42 constitutional amendment approved by the voters in November
43 1990 which authorized the simulcasting of horse races to casinos
44 in Atlantic City. It would allow casinos to receive simultaneous
45 transmissions by picture of running or harness horse races
46 conducted at in-State and out-of-State racetracks and to
47 conduct wagering on the results of the races.

48 A casino which wishes to conduct casino simulcasting would
49 establish a separate casino simulcasting facility on the casino's
50 premises to be operated by licensed employees of the casino; the
51 facility could be, but is not required to be, located adjacent to
52 the casino room. An in-State racetrack must be approved by the
53 New Jersey Racing Commission to conduct casino simulcasting.
54 An in-State racetrack may choose which of its races to transmit

1 to casinos; however, a casino which operates a simulcasting
2 facility must receive all races transmitted from New Jersey
3 racetracks. A casino also may negotiate to receive simulcast
4 horse races from out-of-State racetracks which have been
5 approved by the commission.

6 Sums wagered at a casino on the results of simulcast horse
7 races at an in-State racetrack would be included in the
8 appropriate parimutuel pool at the racetrack. After the
9 appropriate amounts have been paid to winning ticketholders in
10 accordance with existing laws, the remaining amount of the
11 parimutuel pool would be divided among a State fund dedicated
12 for programs for senior citizens, the casino, the sending
13 racetrack and the racing industry according to a formula in the
14 bill. Amounts wagered on races transmitted from out-of-State
15 racetracks which remain undistributed after payment to the
16 sending racetrack would be divided according to a formula
17 specified in the bill.

18 Limits are placed on the amount a casino may pay an
19 out-of-State racetrack for simulcasting a horse race. Casino
20 participation in interstate common pools is required in order to
21 receive a simulcast horse race from out-of-State. The bill also
22 would compensate the Atlantic City Racetrack during a specified
23 period for business it is expected to lose because of casino
24 simulcasting.

25 The bill authorizes casino games other than slot machines to be
26 conducted in a simulcasting facility in a casino subject to the
27 rules and regulations of the Casino Control Commission.

28 This bill would also allow the New Jersey Racing Commission
29 to authorize New Jersey racetracks to receive simulcast horse
30 races from out-of-State sending tracks in addition to those they
31 presently can receive. The parimutuel pool generated at the
32 in-State receiving tracks shall be distributed on the basis of a
33 formula specified in the bill.

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38 The "Casino Simulcasting Act," authorizes wagering at casinos in
39 Atlantic City on the results of simulcast horse races; extends
40 simulcast horse races which may be received by New Jersey
41 racetracks.

SENATE JUDICIARY COMMITTEE

STATEMENT TO

SENATE, No. 653

with Senate committee amendments

STATE OF NEW JERSEY

DATED: APRIL 6, 1992

The Senate Judiciary Committee reports favorably and with committee amendments Senate Bill No. 653.

The "Casino Simulcasting Act," implements the constitutional amendment approved by the voters in November 1990 which authorized the simulcasting of horse races to casinos in Atlantic City. The bill allows casinos to receive simultaneous transmissions by picture of running or harness horse races conducted at in-State and out-of-State racetracks and to conduct wagering on the results of the races. The major provisions of the bill are as follows:

1. Casinos which wish to conduct casino simulcasting would establish a separate casino simulcasting facility on the casino's premises to be operated by licensed employees of the casino. The facility could be but is not required to be located adjacent to the casino room. This bill authorizes casino games other than slot machines to be conducted in a simulcasting facility in a casino subject to the rules and regulations of the Casino Control Commission.

2. An in-State racetrack must be approved by the New Jersey State Racing Commission to conduct casino simulcasting. An in-State racetrack may choose which of its races to transmit to casinos; however, if it transmits races, it must transmit to all casinos, and a casino which operates a simulcasting facility must receive all races transmitted from New Jersey racetracks.

3. Casinos may also negotiate to receive simulcast horse races from out-of-State race tracks. Casinos may not pay out-of-State racetracks an amount equal to more than 3% of the parimutuel pool generated at the casino for the transmission of any race except casinos may pay up to 6% of the parimutuel pool with respect to no more than 20 races per year.

In order to be eligible to participate in simulcasting, an out-of-State track must be licensed as a casino service industry, although the Casino Control Commission may waive licensing if certain criteria are met. Casino participation in interstate common pools is required in order to receive a simulcast horse race from out-of-State.

4. Sums wagered at a casino on the results of simulcast horse races at an in-State racetrack would be included in the appropriate parimutuel pool at the racetrack. After the appropriate amounts have been paid to winning ticketholders in accordance with existing laws, the remaining amount of the parimutuel pool would be divided among a State fund established by the bill which would be dedicated for programs for senior citizens, the casino, and the racing industry according to a formula in the bill (i.e. the sending racetracks, purse

money and programs for horsemen, breeders' programs). Amounts wagered on races transmitted from out-of-State racetracks which remain undistributed after payment to the sending racetrack, would also be divided according to a formula specified in the bill among the fund for senior citizens programs, the casino and the racing industry.

5. In order to compensate Atlantic City Racetrack for business it is anticipated the track would lose because of simulcasting, Atlantic City Racetrack would be entitled to \$2,000,000 per year for calendar years 1993, 1994 and 1995. This money would be derived from sums bet at casinos on simulcasts from out-of-State tracks. In order to be eligible for this money, Atlantic City Racetrack may not simulcast any race except when a horse racing meeting is being held at the track.

The bill also provides that any employee of the Atlantic City Racetrack who had been licensed for the previous five years and who loses employment as a direct result of simulcasting would be given preference in hiring at any casino simulcasting facility. Language which would have required a determination by the Racing Commission that the person lost their job as a result of simulcasting was deleted by amendment.

This bill would also allow the New Jersey Racing Commission to authorize New Jersey racetracks to receive simulcast horse races from out-of-State sending tracks in addition to those they presently can receive. The parimutuel pool generated at the in-State receiving tracks shall be distributed on the basis of a formula specified in the bill between the State and the racing industry.

7. The bill establishes a procedure whereby racetracks and those in the racing industry may petition the Racing Commission for revision of the formula for dividing moneys derived from casino simulcasting of out-of-State racing which are designated for distribution among the State's racetracks for payment as purse money and for programs to aid horsemen. Such a petition could only be filed after simulcasting has been in operation for three years.

SENATE JUDICIARY COMMITTEE

STATEMENT TO

[FIRST REPRINT]

SENATE, No. 653

with committee amendments

STATE OF NEW JERSEY

DATED: MAY 4, 1992

The Senate Judiciary Committee reports favorably and with committee amendments Senate Bill No. 653 (1R).

S-653 (1R), the "Casino Simulcasting Act" was released by this committee on April 6. S-653 (1R) was recommitted to the committee for the purpose of considering several amendments. These amendments which are of a technical nature would:

1. Clarify that if sports wagering is permitted in the future in casinos, the Casino Control Commission would have rule making power with regard to sports betting. As drafted, S-653 (1R) appeared to grant rule making power to both the Casino Control Commission and the Racing Commission with regard to sports betting.

2. Clarify that certain funds which are to be distributed to the racing industry pursuant to the formula established by the bill would come out of parimutual pools generated at in-state receiving tracks rather than from the parimutual pools generated at the casinos.

3. Amends various sections of the "Simulcasting Racing Act" found in Title 5 to reflect the authority granted under the provisions of S-653 (1R) to New Jersey tracks to simulcast races from out-of-state tracks.