

5:12-5

LEGISLATIVE HISTORY CHECKLIST
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(Casinos--24 hour gambling)

NJSA: 5:12-5 et al

LAWS OF: 1992 CHAPTER: 9 *J*

BILL NO: S652

SPONSOR(S): 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 7, 1992
SENATE: May 7, 1992

DATE OF APPROVAL: May 19, 1992

FOLLOWING STATEMENTS ARE ATTACHED IF AVAILABLE:

SPONSOR STATEMENT: Yes

COMMITTEE STATEMENT: ASSEMBLY: No
SENATE: Yes

FISCAL NOTE: No

VETO MESSAGE: No

MESSAGE ON SIGNING: Yes

FOLLOWING WERE PRINTED:

REPORTS: No

HEARINGS: No

KBG:pp

1 conduct of junket activities shall be permitted to act as, or
2 perform the services of a junket representative or junket
3 enterprise so long as such junket representative or junket
4 enterprise files with the commission an application for licensure
5 pursuant to the provisions of this 1987 amendatory act within
6 90 days of the effective date hereof. Any junket representative
7 or junket enterprise so filing shall be permitted to engage in
8 junket activities until the commission has acted upon such
9 application. Any junket representative or junket enterprise not
10 so filing shall not be permitted to act as, or perform the services
11 of, a junket representative or junket enterprise upon the
12 expiration of 90 days from and after the effective date of this
13 1987 amendatory act.

14 (cf: P.L.1991, c.182, s.40)] (Deleted by amendment, P.L. ,
15 c. .)

16 10. Section 3 of P.L.1991, c.182 (C.5:12-5.1) and section 24 of
17 P.L.1991, c.182 are repealed.

18 11. This act shall take effect immediately.

19

20 *SPONSORS'* STATEMENT

21

22 This bill (1) empowers the Casino Control Commission, on a
23 permanent basis, to authorize new casino games (at present, the
24 commission may authorize new games only for a trial period of
25 six months); (2) empowers the commission, on a permanent basis,
26 to authorize up to 24 hours of gambling on weekends, holidays,
27 and certain other days (at present, the commission may authorize
28 such gambling only for a three-year period dating from June 29,
29 1991); (3) removes the requirement imposed by P.L.1991, c.182
30 that present casinos continue to provide, for two years after the
31 effective date of that act (June 29, 1991), the qualifying indoor
32 public space required under the "Casino Control Act" prior to the
33 elimination of that space requirement by the 1991 law; (4)
34 empowers the commission to approve language comparable the
35 language presently required to appear on a casino licensee's
36 advertising; (5) removes the requirement that the commission's
37 rules must establish minimum wagers (but retains the broader
38 authority for the commission to establish "such limitations as
39 may be necessary to assure the vitality of casino operations and
40 fair odds to and maximum participation by casino patrons"); (6)
41 allows the exchange of coupons or other complimentary vouchers
42 for gaming chips (similar to the current exchange of bus coupons
43 and other complimentaries for slot tokens or coins to encourage
44 slot machine play); (7) allows certain gaming equipment which
45 supports the conduct of gaming, such as computers, to be
46 maintained by a casino in restricted casino areas specifically
47 designated for that purpose; (8) reestablishes temporary licensure
48 for junket representatives or junket enterprises (provisions for
49 such temporary licensure had been repealed in 1987); (9) deletes
50 the present specific restrictions on slot machines and provides
51 that the commission shall determine the permissible number and
52 density on the basis of criteria specified in the bill; (10) allows
53 the commission to permit cards to be dealt by hand; and (11)
54 makes several technical corrections in the law.

SENATE JUDICIARY COMMITTEE

STATEMENT TO

SENATE, No. 652

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. 652.

This bill proposes a series of amendments to the Casino Control Act. The following is a summary of the bill's major provisions:

1. The Casino Control Act (CCA) presently specifically lists the games which casinos are authorized to operate. In order for a new game to be authorized, the Casino Control Commission (commission) permits the game to be operated for a test period of not more than six months and then makes a recommendation of legislation authorizing the operation of that game. The bill would permit the commission to authorize any game which the commission determines to be compatible with public interest after such appropriate test or experimental period the commission deems appropriate. Legislation authorizing new games would not be required.

2. Presently, all forms of gaming-related advertising by casinos are required to include certain phrases ("Bet with your head, not over it" and "If you or someone you know has a gambling problem and wants help, call 1-800-GAMBLER"). This bill would permit advertisements to include comparable language approved by the commission instead of these specific phrases. The bill would also eliminate the requirement that electronic advertising include these phrases. The committee amended this provision to require that any comparable language approved by the commission include the words "gambling problem" and the 800-number.

3. Under the original CCA, casinos are required to maintain a certain amount of "qualifying indoor public space". Legislation passed in 1991 eliminated this "public space" requirement. Existing casinos were, however, required to continue to provide the required "public space" for a period of two years. The bill would repeal the language requiring casinos to maintain existing "public space" for that two year period.

4. The bill would empower the commission to authorize 24 hour gambling on weekends, holidays and on any other day which the commission determines that the economic impact on the casinos or Atlantic City would justify the extension of hours. Presently, the commission's power to authorize 24 hour gambling would expire on June 29, 1994.

5. Presently, casinos are required to maintain all gaming equipment on the casino floor. This bill would permit gaming equipment which supports the conduct of gaming such as computers but which do not permit or require patrons access to be maintained in a restricted area with the approval of the commission.

6. The bill removes the language requiring that minimum wagers be established by commission rules. Language generally authorizing the commission to establish such limitations as may be necessary to assure the vitality of casino operations and fair odds and maintain maximum participation by patrons would be retained.

7. Presently, the number of slot machines a casino may have is restricted by a formula based on the size of the casino. This bill would eliminate those restrictions and permit the commission to determine the number and density of slot machines a casino may operate based on criteria set forth in the bill.

8. The bill would permit the exchange of coupons or similar complimentary vouchers distributed pursuant to a program approved by the commission for gaming chips.

10. Prior to 1987, there was a procedure whereby junket representatives could obtain a temporary license while their application for a permanent license was being processed. This bill would reestablish this procedure. The committee adopted amendments clarifying that this temporary licensing procedure is for those junket representatives employed by casinos. A person not employed by a casino and any other enterprise engaged in the junket business would be subject to licensure as a casino service industry.

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OFFICE OF THE GOVERNOR NEWS RELEASE

CN-001
Contact:

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TRENTON, N.J. 08625

Release:

Tuesday
May 19, 1992

GOVERNOR SIGNS BILL ON 24-HOUR CASINO GAMBLING

ATLANTIC CITY -- Governor Jim Florio today signed a bill permanently extending the Casino Control Commission's authority to permit 24-hour gambling on weekends, holidays and certain weekdays. The bill also changes the restrictions on the number of slot machines and allows the Commission to permit new games on a permanent basis.

"This bill changes some of the outdated regulations governing the casinos. We'll always keep a close eye on how the casinos operate. That's a commitment to integrity that we'll keep," said Governor Florio. "But we've learned a few things in the last 12 years. And one of them is that casinos need to have the flexibility to respond to the changing conditions of the marketplace."

"Atlantic City is the jewel of our shore and of the entire South Jersey region. Today, we're going to make that jewel shine a little brighter. It's one more step in fulfilling the promise of Atlantic City and making it one of the nation's premier destinations for vacationers and travellers," he said. "The changes in this bill are going to help everyone -- from our visitors to the people who live here. They're another step forward for New Jersey."

The bill gives the Commission permanent authority to authorize 24-hour gambling on weekends, holidays and any other significant days determined by the Commission. Casino hours typically run from 10 a.m. to 4 a.m. weekdays, and from 10 a.m. to 6 a.m. on weekends.

The authority to permit 24-hour gambling was first granted to the Commission under legislation signed by the Governor last year, but the provision was set to expire in 1994. As a result of that legislation, increased operating hours and increased flexibility with slot machines, the casino industry was able to take advantage of the business climate and for the first four months of this year, the industry has shown a 10 percent increase over last year.

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The bill also:

- **Permits the Commission to authorize any new game which it determines to be compatible with public interest after a test period.** Previously, in order for a new game to be authorized, the Commission permitted the game to be operated for a test period up to six months and then made a recommendation to the Legislature to authorize operation. Under the new law, legislation authorizing new games would not be required.
- **Eliminates restrictions on the number of slot machines a casino may have.** Previously, the number of slot machines was restricted by a formula based on the size of the casino. Under the new law, the Commission will decide the number of slot machines based on standards in the bill.

The bill also makes changes regarding the maintenance of equipment, definitions of "public space" and other technical provisions. The bill was supported by the Casino Control Commission and the Casino Association.

"These changes are an important part of our effort to make sure that Atlantic City develops to its fullest potential. Fulfilling that potential is also the reason we're committed to expanding the Atlantic City airport and building a world-class convention center. These two economic growth projects will give our nearly \$18 billion tourism industry two powerful new magnets to attract visitors from all across the country, from Canada and from Europe," the Governor said.

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- Asbury Park Press
 Courier-Post
 Home News

- Philadelphia Inquirer
 The Press
 The Record

- Star-Ledger
 Trenton Times
 The Trentonian

Florio signs bill easing casino limits

Gaming panel could allow 24-hour betting every day

By DANIEL HENEGHAN
Staff Writer

ATLANTIC CITY — Gov. Jim Florio signed sweeping casino reform legislation Tuesday after which officials virtually demanded casino firms build more hotel rooms here.

Speaking before a group rich with casino officials — there were at least half a dozen chief executives in the audience — Florio said the changes “are an important part of our effort to make sure Atlantic City develops to its fullest potential.”

The new law will allow regulators to permit 24-hour gambling every day of the week and to authorize new games for casinos, while it ends regulation over non-casino parts of casino hotels.

In addition, the law lets casinos use more slot-machines and permits junket representatives to get temporary licenses.

“We cannot be oblivious to the things happening in other parts of the country,” Florio said, referring to the spread of casino gaming in several states.

He said the changes eliminate some “outdated regulations on casinos” and will create “a substantial number of jobs.”

Both Florio and State Sen. William Gormley, R-Atlantic, pointed to those changes and other legislation to fund a new convention center and airport facilities to show the state’s commitment to the city and the industry.

Florio said the airport and

convention center will “produce some large magnets that will be able to attract that much more economic development.”

While Florio was somewhat subtle, Gormley made it clear that government expects something from the casino industry in return — more hotel rooms.

Gormley said the city needs additional rooms to make sure that the new convention center can be a success.

He said the changes signed into law Tuesday will enable casinos to increase their cash flow and “the increased cash flow we would like to see dedicated to more hotel rooms.”

The senator said industry officials have long lamented the lack of good airport and convention facilities and the hostile atmosphere between the industry and government and used them as a reason not to expand. He said there are no more excuses.

“We need the rooms now,” Gormley stressed. “You’ll never get more cooperation.”

Mayor James Whalen said everyone involved must “find ways to make the rooms happen.”

Casino executives at the ceremony welcomed the changes and agreed that Atlantic City needs more hotel rooms, but would not or could not make any commitment to build.

Thomas Carver, president of the Casino Association of New

Jersey, said he was “encouraged” by the changes in the law and “overjoyed” that government officials are treating casinos as “legitimate businesses.”

He added that the public officials had “thrown down a challenge” to the industry to repay the state’s actions with additional investments in the city.

“I assume they will reflect on the challenge,” Carver said.

“We do need more rooms,” said Peter Boynton, president of Caesars Atlantic City Hotel Casino, noting that most of the casino hotels have occupancy rates of well above 90 percent.

While the casino’s parent company, Caesars World Inc., is pushing to get approval for a casino project in Chicago, Boynton said the firm could afford to expand here at the same time.

The executive said he “got the message” of what the state wants, but he stopped short of saying that the company would expand.

John Gallaway, president of TropWorld Casino and Entertainment Resort, said the changes to the gaming law are just the latest indication that “everyone is finally working together.”

He added, however, that the issue of building more hotel rooms is a difficult one because of the current state of the economy and the “cost problem.”

This isn’t the first time that officials have tried to use their powers — either legal or persuasive — to convince casino operators to build more rooms.

The issue was raised at a license renewal hearing recently for Harrah’s Atlantic City Casino Hotel.

Casino Control Commission Chairman Steven P. Perskie capped an otherwise routine renewal with a suggestion that the casino’s owners consider building more rooms as “a goal for the next license period.”

The regulators were also critical of owners of the Sands Hotel & Casino last week for failing to convert a floor of vacant offices into hotel rooms.

The new law expands the commission’s authority to authorize 24-hour casino operation.

Prior to Tuesday’s signing, regulators could approve around-the-clock gambling on weekends and holidays or in conjunction with major events.

Now, it can approve the extended hours for any day when it “would have an economic impact

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- Asbury Park Press
- Courier-Post
- Home News
- New York Times

- Philadelphia Inquirer
- The Press
- The Record

- Star-Ledger
- Trenton Times
- The Trentonian

on the casino industry or Atlantic City."

The law eliminates all restrictions on the number of slot machines a casino can have. For years, casinos could use no more than 30 percent of their floor space for slots, but that was increased to 45 percent last year.

The commission has proposed regulations that will allow casinos to use up to three-quarters of their floor space for gaming machines.

Until now, casinos had to get a new law passed to approve new casino games. The law signed Tuesday gives the commission complete authority to approve new games after conducting appropriate tests.

Perskie indicated recently that the regulators are already looking at approving a number of games, including poker and keno.

In addition, the law eliminates a requirement for the regulators to set minimum wagers for all games.

The new law eliminates a timetable established only last year for the state to get out of the business of dictating how much non-casino space is needed in

casino hotels.

Previously the law required casino developers to build certain minimum amounts of public space for meeting rooms, entertainment, restaurants and other purposes.

While casino advertising must have information about where compulsive gamblers can get help, the new law gives operators some flexibility in exactly what words to use. It does, however, require that the words be legible.

The new law reintroduces temporary licenses for junket representatives.

Casino operators have complained that changes made in 1987 made it extremely difficult to start attracting business from new markets because junket representatives — people who recruit customers in other cities and bring them to Atlantic City — had to go through an extensive licensing process before working for casinos.

Another change would enable casinos to issue coupons that could be redeemed for chips at gaming tables as long as they were part of a program approved by the commission.



Staff photo by Gregg Kohr

Florlo is embraced by Casino Control Commission Chairman Steven Perskie as Assemblyman Fred Nickles and Sen. William Gormley, both R-Atlantic, look on after the casino-reform signing.

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- Asbury Park Press
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 Home News

- Philadelphia Inquirer
 The Press
 The Record

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 Trenton Times
 The Trentonian

24-hour gambling OK'd by Florio

THE ASSOCIATED PRESS

ATLANTIC CITY — Gov. Florio signed a bill yesterday allowing gaming regulators to permit casinos to operate 24 hours on weekends, holidays and special occasions.

Flanked by politicians and members of the casino industry, Florio said the bill is "good for everybody." But one anti-gambling group said the legislation will increase the number of people hooked on gambling.

"The changes in the bill are going to help everyone, from the visitors who come here to the people who live here," Florio said.

Under the measure, the state Casino Control Commission has permanent authority to authorize 24-hour gambling on weekends, holidays and any other day the commission wants to.

Casinos usually operate from 10 a.m. to 4 a.m. during the week and from 10 a.m. to 6 a.m. on weekends. Florio signed legislation last year that gave the commission the same authority but that would have expired in 1994.

The bill also eliminates restrictions on the number of slot machines a casino can have and permits the commission to authorize new games without legislative approval.

"These changes are an important part of our effort to make sure that Atlantic City develops to its fullest potential," Florio said.

Arnold Wexler, executive director of the Council on Compulsive Gambling of New Jersey, described the measure as "a shame." He said it won't pump up the economy but will contribute to compulsive gambling.

In a letter to Wexler dated June 1990, Florio said he would not support any legislation that didn't include components to deal with compulsive gambling. The bill signed yesterday has no such provisions.

"We will not support any review or recommendations for new or expanding gambling initiatives without considering corresponding measures to address the needs of those persons with gambling problems," Florio wrote.

Yesterday, Florio defended the bill, saying it allows the commission to tightly regulate gaming. He noted that limited 24-hour gambling was already in effect before the measure he signed yesterday.

"It's a delegation of authority bill that allows gaming decisions to be made in a controlled setting rather than a political setting," he said.

N.J. officials denounce proposal to weaken strict gun-control law

By Melinda Burney
ASSOCIATED PRESS

New Jersey's top law enforcement officers yesterday denounced a proposed weakening of the state's tough gun-control law and demonstrated how out-gunned police would pose no match for heavily armed criminals.

At a state police firing range at Fort Dix, firearm experts displayed the deadly firepower of weapons currently banned by state law. Rapid gunfire reverberated as marksmen hit their targets.

"These semiautomatic weapons are designed to kill people as rapidly and effectively as possible," said state Attorney General Robert J. Del Tufo. "They should not be in our society."

Del Tufo angrily waved an AR-15 rifle that can fire 30 rounds in five seconds, then slammed it down on a table where a half dozen prohibited firearms were on display.

He and other state officials oppose a bill that would repeal the ban on semi-automatic weapons signed by Gov. Florio two years ago. The measure has cleared an Assembly committee.

"It's time that our legislators did a little soul-searching and did what's right for the police officers and citizens of our state," said State Police Superintendent Col. Justin J. Marino.

The measure by Assemblyman Frank Lofredo (R, Cumberland) would permit the possession of semiautomatic weapons now banned by state law, provided the owner holds a valid license.

Critics contend the bill would gut the gun-control law, which is regarded as the toughest in the nation. The gun ban outraged the National Rifle Association and sportsmen's groups, who charged the law unfairly penalized law-abiding citizens.

Weapons that would continue to be

outlawed, as they are under federal law, are all machine guns and assault weapons with selector switched or magazine capabilities.

Sen. Raymond Zeig (D, Gloucester), who has cosponsored a similar version, called yesterday's firepower display a "smoke screen to scare people."

"They were acting like the legislation that they're presently opposed to is for the purpose of law and order," Zeig said. "Whatever the risks that are posed by a gun today, it's not going to change one way or the other as a result of this legislation."

A state police firearms expert firing an AR-15 assault rifle at the firing range yesterday was able to fire nearly two more rounds per second than his partner, who was using a standard state police-issued 9 mm service revolver.

"Involved with a fight like that, I'm definitely out-gunned," said Trooper John Flynn, a 16-year veteran.

Florio signs bill to allow 24-hour gambling

By Terry Mutchler
ASSOCIATED PRESS

ATLANTIC CITY — Gov. Florio signed a bill yesterday allowing gaming regulators to permit casinos to operate 24 hours on weekends, holidays and special occasions.

The governor, flanked by politicians and members of the casino industry, said the bill is "good for everybody." But one anti-gambling group said the legislation would increase the number of people hooked on gambling.

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live here," Florio said.

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The bill also eliminates restrictions on the number of slot machines a casino may have and permits the commission to authorize new games

without legislative approval.

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In a letter to Wexler dated June 1990, Florio said he would not support legislation without considering components to deal with compulsive gambling. The bill signed Tuesday has no such provisions.

"We will not support any review or recommendations for new or expanding gambling initiatives without considering corresponding measures to address the needs of those persons with gambling problems," Florio wrote.

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"It's a delegation-of-authority bill that allows gaming decisions to be made in a controlled setting rather than a political setting," he said.