

5:12-83

LEGISLATIVE HISTORY CHECKLIST

NJSA: 5:12-83 (Casino hotels-- amend facilities requirements)

LAWS OF: 1987 **CHAPTER:** 352

Bill No: A2870

Sponsor(s): Riley

Date Introduced: June 23, 1986

Committee: **Assembly:** Independent and Regional Authorities

Senate: Institutions, Health and Welfare

Amended during passage: Yes Amendments during passage denoted by asterisks.

Date of Passage: **Assembly:** June 29, 1987
Senate: December 10, 1987

Date of Approval: June 4, 1988

Following statements are attached if available:

Sponsor statement: Yes

Committee statement: **Assembly** Yes
Senate Yes

Fiscal Note: No

Veto Message: No

Message on Signing: No

Following were printed:

Reports: No

Hearings: Yes

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1987
New Jersey. Legislature. General Assembly. Independent and Regional Authorities.
Public meeting on A2870 . . . held 1-12-87, 2-5-87, 2-27-87, Trenton. Atlantic City, N.J., 1987.

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ASSEMBLY, No. 2870

STATE OF NEW JERSEY

INTRODUCED JUNE 23, 1986

By Assemblyman RILEY

AN ACT to amend the "Casino Control Act," approved June 2, 1977 (P. L. 1977, c. 110).

1 BE IT ENACTED *by the Senate and General Assembly of the State*
2 *of New Jersey:*

1 1. Section 83 of P. L. 1977, c. 110 (C. 5:12-83) is amended to
2 read as follows:

3 83. Approved Hotel. An approved hotel for purposes of this
4 act shall be a hotel providing facilities in accordance with this
5 section. Nothing in this section shall be construed to limit the
6 authority of the commission to determine ***[whether]*** the **[suit-**
7 **ability of]** **suitability of** facilities **[as provided in]** ***[comply with**
8 **provisions of]** **as provided in** this act, and nothing in this section
9 shall be construed to require a casino to be larger than the minimum
10 size or smaller than the maximum size herein provided. An ap-
11 proved hotel shall, in accordance with the following table:

12 a. Contain qualifying sleeping units as defined in section 27 of
13 this act;

14 b. Contain qualifying **[meeting and exhibition space, consisting**
15 **of]** indoor public space available and of the sort regularly used
16 for conventions, exhibits, meetings, banquets and similar func-
17 tions, **[but not including space regularly used as restaurants,**
18 **lobbies, lounges, bars, show theaters, sports facilities, casinos,**
19 **or parking areas;**

20 c. Contain qualifying indoor public space used **] and** for dining,
21 entertainment, and sports facilities, including restaurants, bars,

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 printed in italics thus is new matter.

Matter enclosed in asterisks or stars has been adopted as follows:

***—Assembly committee amendments adopted May 21, 1987.**

22 lounges, show theaters, shops, dance halls, **[and]** swimming facil-
 23 ities, *and tennis facilities* but excluding lobbies, casinos, *and park-*
 24 ing areas **[and tennis facilities**. For purposes of this subsection,
 25 only the actual swimming pool and a 25-foot area on all sides
 26 thereof shall be eligible for inclusion in the allowable indoor
 27 sports space**]**; and

28 **[d.]** *c.* Contain a single casino room as defined in section 6 of
 29 this act, in accordance with the minimum number of qualifying
 30 sleeping units and minimum amount of qualifying indoor public
 31 space as provided in the following chart, but, except as herein-
 32 after provided, in no event may a casino room be permitted to
 33 exceed the maximum square footage stated:

	Minimum Number of Qualifying Sleeping Units	Minimum Square Footage of Qualifying Indoor Public Space Sq. Ft.	Maximum Square Footage of Casino Room Sq. Ft.
34	500	65,000	30,000
35	750	80,000	40,000
36	1,000	95,000	50,000
37	1,250	110,000	60,000
38	1,500	125,000	70,000
39	1,750	140,000	85,000
40	2,000	155,000	100,000

41 *d.* Once a hotel is initially approved, the commission shall there-
 42 after rely on the certification of the casino licensee with regard to
 43 the number of rooms and the amount of qualifying indoor public
 44 space and shall permit rehabilitation, renovation and alteration of
 45 any part of the approved hotel even if the rehabilitation, renova-
 46 tion, or alteration will mean that the casino licensee does not
 47 temporarily meet the requirements of subsection c. so long as the
 48 ***[applicant]* *licensee*** certifies that the rehabilitation, renovation,
 49 or alteration shall be completed within one year.

50 e. **[**The commission shall have the authority to insure a fair mix-
 51 ture of meeting, exhibition, dining, entertainment and indoor sports
 52 space within the indoor public space within a qualifying casino
 53 hotel facility in order to best promote the tourist, resort and con-
 54 vention industry of the State in accordance with the policies of
 55 this act and shall, unless for a good cause it otherwise determines,
 56 require that each such casino hotel facility contain no less than
 57 25,000 square feet of qualifying meeting and exhibition space and
 58 no less than 40,000 square feet of qualifying dining, entertainment
 59 and sports space.**]** (*Deleted by amendment, P. L., c.*)

60 f. If an approved hotel shall provide more than the minimum
 61 number of qualifying sleeping units as hereinbefore defined than is
 62 required by subsection [d.] c. hereof, the maximum casino space
 63 may be permitted to increase by 40 square feet for each such excess
 64 sleeping unit.

65 g. If a licensed facility shall provide more qualifying indoor
 66 public space as hereinbefore defined than is required by subsection
 67 [d.] c. hereof, the maximum allowable casino space may be per-
 68 mitted to increase by a figure representing one-half of the amount
 69 of such excess qualifying indoor public space, including space
 70 serving as kitchen support facilities.

71 h. In no event may the total of the increased allowable casino
 72 space be permitted to exceed a figure representing the original
 73 maximum casino size.

74 i. *The commission shall not impose any criteria or requirements*
 75 *regarding the *contents of the* hotel *~~or any of the facilities~~*
 76 *within the hotel* *including qualifying indoor public space,* in*
 77 *addition to the criteria and requirements expressly specified in the*
 78 *“Casino Control Act,” P. L. 1977, c. 110 (C. 5:12-1 et seq.);*
 79 *provided, however, that the commission shall be authorized to*
 80 *require each casino licensee to establish and maintain an approved*
 81 *hotel which is in all respects a superior, first-class facility of*
 82 *exceptional quality which will help restore Atlantic City as a resort,*
 83 *tourist and convention destination*.*

1 2. Section 84 of P. L. 1977, c. 110 (C. 5:12-84) is amended to
 2 read as follows:

3 84. Casino License—Applicant Requirements. Any applicant
 4 for a casino license must produce information, documentation and
 5 assurance concerning the following qualification criteria:

6 a. Each applicant shall produce such information, documentation
 7 and assurances concerning financial background and resources as
 8 may be required to establish by clear and convincing evidence the
 9 financial stability, integrity and responsibility of the applicant,
 10 including but not limited to bank references, business and personal
 11 income and disbursement schedules, tax returns and other reports
 12 filed with governmental agencies, and business and personal ac-
 13 counting and check records and ledgers. In addition, each applicant
 14 shall, in writing, authorize the examination of all bank accounts
 15 and records as may be deemed necessary by the commission or the
 16 division.

17 b. Each applicant shall produce such information, documenta-
 18 tion and assurances as may be necessary to establish by clear and

19 convincing evidence the integrity and reputation of all financial
20 backers, investors, mortgagees, bond holders, and holders of in-
21 dentures, notes or other evidences of indebtedness, either in effect
22 or proposed, which bears any relation to the casino proposal sub-
23 mitted by the applicant or applicants. The reputation and integrity
24 of financial sources shall be judged upon the same standards as
25 the applicant. In addition, the applicant shall produce whatever in-
26 formation, documentation or assurance as may be required to estab-
27 lish by clear and convincing evidence the adequacy of financial
28 resources both as to the completion of the casino proposal and
29 the operation of the casino.

30 c. Each applicant shall produce such information, documentation
31 and assurances of good character as may be required to establish
32 by clear and convincing evidence the applicant's good reputation
33 for honesty and integrity. Such information shall include, without
34 limitation, information pertaining to family, habits, character,
35 criminal and arrest record, business activities, financial affairs,
36 and business, professional and personal associates, covering at
37 least the 10-year period immediately preceding the filing of the
38 application. Each applicant shall notify the commission of any
39 civil judgments obtained against any such applicant pertaining to
40 antitrust or security regulation laws of the federal government,
41 of this State or of any other state, jurisdiction, province or country.
42 In addition, each applicant shall produce letters of reference from
43 law enforcement agencies having jurisdiction in the applicant's
44 place of residence and principal place of business, which letters of
45 reference shall indicate that such law enforcement agencies do not
46 have any pertinent information concerning the applicant, or if
47 such law enforcement agency does have information pertaining
48 to the applicant, shall specify what the information is. If the
49 applicant has conducted gaming operations in a jurisdiction which
50 permits such activity, the applicant shall produce letters of re-
51 ference from the gaming or casino enforcement or control agency
52 which shall specify the experiences of such agency with the
53 applicant, his associates, and his gaming operation; provided,
54 however, that if no such letters are received within 60 days of
55 request therefor, the applicant may submit a statement under oath
56 that he is or was during the period such activities were conducted
57 in good standing with such gaming or casino enforcement or con-
58 trol agency.

59 d. Each applicant shall produce such information, documentation
60 and assurances as may be required to establish by clear and

61 convincing evidence that the applicant has sufficient business
 62 ability and casino experience as to establish the likelihood of
 63 creation and maintenance of a successful, efficient casino operation.
 64 The applicant shall produce the names of all proposed casino key
 65 employees as they become known and a description of their respec-
 66 tive or proposed responsibilities, and a full description of security
 67 systems and management controls proposed for the casino and
 68 related facilities.

69 e. Each applicant shall produce such information, documentation
 70 and assurances to establish to the satisfaction of the commission
 71 ~~the suitability of~~ ~~that~~ *the suitability of* the casino and
 72 related facilities *subject to subsection i. of section 83 of P. L. 1977,*
 73 *c. 110 (C. 5:12-83)** and its proposed location, and that the pro-
 74 posal will not adversely affect casino operations or overall environ-
 75 mental conditions. Each applicant shall submit an impact statement
 76 which shall include, without limitation, architectural and site plans
 77 which establish that the proposed facilities comply in all respects
 78 with the requirements of this act, the requirements of the master
 79 plan and zoning and planning ordinances of Atlantic City, without
 80 any use variance from the provisions thereof, and the requirements
 81 of the "Coastal Area Facility Review Act," P. L. 1973, c. 185 (C.
 82 13:19-1 et seq.), a market impact study which analyzes the adequacy
 83 of the patron market and the effect of the proposal on such market
 84 and on the existing casino facilities licensed under this act; and an
 85 analysis of the effect of the proposal on the overall environment,
 86 including, without limitation, economic, social, demographic and
 87 competitive conditions as well as the natural resources of Atlantic
 88 City and the State of New Jersey.

1 3. This act shall take effect immediately.

GAMBLING—CASINOS

Amends "Casino Control Act" concerning casino-hotel facilities
 requirements.

71 [the suitability of] that the casino and related facilities and its
 72 proposed location, and that the proposal] will not adversely affect
 73 casino operations or overall environmental conditions. Each appli-
 74 cant shall submit an impact statement which shall include, without
 75 limitation, architectural and site plans which establish that the
 76 proposed facilities comply in all respects with the requirements
 77 of this act, the requirements of the master plan and zoning and
 78 planning ordinances of Atlantic City, without any use variance
 79 from the provisions thereof, and the requirements of the "Coastal
 80 Area Facility Review Act," P. L. 1973, c. 185 (C. 13:19-1 et seq.),
 81 a market impact study which analyzes the adequacy of the patron
 82 market and the effect of the proposal on such market and on the
 83 existing casino facilities licensed under this act; and an analysis
 84 of the effect of the proposal on the overall environment, including,
 85 without limitation, economic, social, demographic and competitive
 86 conditions as well as the natural resources of Atlantic City and
 87 the State of New Jersey.

1 3. This act shall take effect immediately.

STATEMENT

This bill (1) deletes language in the "Casino Control Act" concerning the Casino Control Commission's determining the "suitability" of casino-hotel facilities; (2) removes the requirement that there has to be a minimum amount of meeting and exhibition space and a minimum amount of dining, entertainment, and sports space (but allows to remain the overall minimum requirements for qualifying indoor public space); (3) removes the commission's authority "to insure a fair mixture" of indoor public space; (4) permits tennis facilities to be included as qualifying indoor public space; (5) states that the commission shall not impose any criteria regarding a casino hotel beyond the criteria specified in the "Casino Control Act"; (6) directs that after initial approval of a casino-hotel, the commission is to rely on the licensee's certification of the number of rooms and amount of qualifying indoor public space; and (7) permits the alteration of a casino-hotel even if minimum requirements of the law cannot be met temporarily.

GAMBLING—CASINOS

Amends "Casino Control Act" concerning casino-hotel facilities requirements.

A2870 (1987)

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ASSEMBLY INDEPENDENT AND REGIONAL
AUTHORITIES COMMITTEE

STATEMENT TO
ASSEMBLY, No. 2870
with Assembly committee amendments

STATE OF NEW JERSEY

DATED: MAY 21, 1987

The Assembly Independent and Regional Authorities Committee reports favorably Assembly Bill No. 2870 with committee amendments.

As amended, this bill amends sections 83 and 84 of the "Casino Control Act," P. L. 1977, c. 110 (C. 5:12-1 et seq.) concerning casino-hotel facilities requirements. As amended, this bill:

- (1) continues the authority of the casino control commission to determine the "suitability" of casino-hotel facilities as currently provided in section 83 of the act;
- (2) eliminates the present requirements in section 83 of the act that qualifying indoor public space must be allocated between meeting and exhibition space and dining, entertainment and sports space but retains the overall spatial mix requirement that casino-hotels maintain certain amounts of qualifying indoor public space corresponding to the number of qualifying sleeping units and square footage of the casino room;
- (3) removes authority presently granted to the commission to "insure a fair mixture" of indoor public space;
- (4) permits tennis facilities to be included as qualifying indoor space (currently, tennis facilities are excluded as qualifying indoor public space);
- (5) directs that after a casino-hotel receives initial approval by the commission, the commission shall thereafter rely on the licensee's certification as to the number of rooms and qualifying indoor public space and permits alteration of a casino-hotel even if the minimum space requirements of the act cannot be met temporarily (at present, the commission needs to independently verify square footage information supplied by a casino-hotel, and no provision is made for temporary suspension of space requirements during periods of alteration);
- (6) prohibits the commission from imposing any criteria or requirements regarding the content of the hotel including qualifying indoor public space in addition to the criteria or requirements specifically found in the act;

(7) provides that the commission shall have the authority to require casino licensees to establish and maintain a superior, first-class facility of exceptional quality to help restore Atlantic City as a destination resort; and

(8) provides that the commission's determination of "suitability" of the casino and related facilities pursuant to section 84 of the act shall be subject to subsection i. of section 83 of the act which prohibits the commission from imposing any criteria or requirements regarding the content of the hotel other than those expressly found in the act.

The amendments adopted by the committee restored the language to the bill concerning the commission's determining "suitability" of casino-hotel facilities as presently required except that the determination of "suitability" in section 84 of the act is made subject to subsection i. of section 83 of the act.

The amendments also clarify subsection i. of section 83 to provide that the commission shall not impose additional criteria or requirements regarding the content of the hotel and to insure that the commission retains a voice in the quality of the overall presentation of casino-hotel facilities.

SENATE INSTITUTIONS, HEALTH AND WELFARE
COMMITTEE

STATEMENT TO
ASSEMBLY, No. 2870

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STATE OF NEW JERSEY

DATED: NOVEMBER 9, 1987

The Senate Institutions, Health and Welfare Committee favorably reports Assembly Bill No. 2870 OCR.

This bill amends sections 83 and 84 of the "Casino Control Act," P. L. 1977, c. 110 (C. 5:12-1 et seq.) concerning casino-hotel facility requirements. The bill:

(1) Eliminates the present requirements that qualifying indoor public space must be allocated between meeting and exhibition space and dining, entertainment and sports space, but retains the overall spatial mix requirement that a casino-hotel must maintain certain amounts of qualifying indoor public space which corresponds to the number of qualifying sleeping units and square footage of the casino room;

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(2) Permits tennis facilities to be included as qualifying indoor space (currently, tennis facilities are excluded);

(3) Provides that after a casino-hotel receives initial approval by the commission, the commission shall thereafter rely on the licensee's certification as to the number of rooms and qualifying indoor public space and permits alteration of a casino-hotel even if the minimum space requirements of the act cannot be met temporarily (currently, the commission must independently verify square footage information supplied by a casino-hotel, and no provision is made for temporary suspension of space requirements during periods of alteration);

(4) Removes the authority presently granted to the commission to "insure a fair mixture" of indoor public space;

(5) Prohibits the commission from imposing any criteria or requirements regarding the contents of the hotel, including qualifying indoor public space, that would be in addition to the criteria or requirements specifically found in the Casino Control Act, but authorizes the commission to require casino licensees to establish and maintain a superior, first-class facility of exceptional quality to help restore Atlantic City as a destination resort and a tourist and convention center; and

(6) Provides that the commission's determination of "suitability" of the casino and related facilities pursuant to section 84 of the act shall be subject to the provisions of subsection i. of section 83 of the act, which prohibits the commission from imposing any criteria or requirements regarding the contents of the hotel other than those expressly found in the act.
