

LEGISLATIVE HISTORY CHECKLIST

NJSA: 5:12-1 et al (Casino Control Act-- amendments)
LAWS OF: 1987 CHAPTER: 410

BILL NO: S2898

Sponsor(s): Codey

Date Introduced: December 18, 1986

Committee: Assembly: -----

Senate: Institutions, Health and Welfare

Amended during passage: Yes Substituted for A3566 (not attached since identical to S2898).

Date of Passage: Assembly: January 11, 1988

Senate: November 12, 1987

Date of Approval: January 14, 1988

following statements are attached if available:

Sponsor statement: Yes

Committee statement: Assembly No

Senate Yes

Fiscal Note: No

Veto Message: No

Message on Signing: No

Following were printed:

Reports: No

Hearings: Yes

974.90 New Jersey. Legislature.
G191 Assembly. Independent and Regional Authorities Committee.
1987 Public meeting on . . . A3566, held 1-12-87, 2-5-87, 2-27-87, Trenton.

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SENATE, No. 2898

STATE OF NEW JERSEY

INTRODUCED DECEMBER 18, 1986

By Senator CODEY

Referred to Committee on Institutions, Health and Welfare

AN ACT concerning casinos, amending P. L. 1977, c. 110, P. L. 1978, c. 7 and P. L. 1980, c. 69, and repealing section 11 of P. L. 1978, c. 7.

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

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

3 1. Short title; Declaration of Policy and Legislative Findings.

4 a. This act shall be known and may be cited as the "Casino
5 Control Act."

6 b. The Legislature hereby finds and declares to be the public
7 policy of this State, the following:

8 (1) The tourist, resort and convention industry of this State
9 constitutes a critical component of its economic structure and, if
10 properly developed, controlled and fostered, is capable of providing
11 a substantial contribution to the general welfare, health and pros-
12 perity of the State and its inhabitants.

13 (2) By reason of its location, natural resources and worldwide
14 prominence and reputation, the city of Atlantic City and its resort,
15 tourist and convention industry represent a critically important
16 and valuable asset in the continued viability and economic strength
17 of the tourist, convention and resort industry of the State of New
18 Jersey.

19 (3) The rehabilitation and redevelopment of existing tourist and
20 convention facilities in Atlantic City, and the fostering and en-

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:

*—Senate committee amendments adopted November 9, 1987.

21 couragement of new construction and the replacement of lost con-
22 vention, tourist, entertainment and cultural centers in Atlantic City
23 will offer a unique opportunity for the inhabitants of the entire
24 State to make maximum use of the natural resources available in
25 Atlantic City for the expansion and encouragement of New Jersey's
26 hospitality industry, and to that end, the restoration of Atlantic
27 City as the Playground of the World and the major hospitality
28 center of the Eastern United States is found to be a program of
29 critical concern and importance to the inhabitants of the State of
30 New Jersey.

31 (4) Legalized casino gaming has been approved by the citizens of
32 New Jersey as a unique tool of urban redevelopment for Atlantic
33 City. In this regard, the introduction of a limited number of casino
34 rooms in major hotel convention complexes, permitted as an
35 additional element in the hospitality industry of Atlantic City,
36 will facilitate the redevelopment of existing blighted areas and the
37 refurbishing and expansion of existing hotel, convention, tourist,
38 and entertainment facilities; encourage the replacement of lost
39 hospitality-oriented facilities; provide for judicious use of open
40 space for leisure time and recreational activities; and attract new
41 investment capital to New Jersey in general and to Atlantic City
42 in particular.

43 (5) Restricting the issuance of casino licenses to major hotel
44 and convention facilities is designed to assure that the existing
45 nature and tone of the hospitality industry in New Jersey and in
46 Atlantic City is preserved, and that the casino rooms licensed pursu-
47 ant to the provisions of this act are always offered and maintained
48 as an integral element of such hospitality facilities, rather than as
49 the industry unto themselves that they have become in other juris-
50 dictions.

51 (6) An integral and essential element of the regulation and
52 control of such casino facilities by the State rests in the public
53 confidence and trust in the credibility and integrity of the regula-
54 tory process and of casino operations. To further such public
55 confidence and trust, the regulatory provisions of this act are
56 designed to extend strict State regulation to all persons, locations,
57 practices and associations related to the operation of licensed casino
58 enterprises and all related service industries as herein provided.
59 In addition, licensure of a limited number of casino establishments,
60 with the comprehensive law enforcement supervision attendant
61 thereto, is further designed to contribute to the public confidence
62 and trust in the efficacy and integrity of the regulatory process.

63 (7) Legalized casino gaming in New Jersey can attain, maintain
64 and retain integrity, public confidence and trust, and remain
65 compatible with the general public interest only under such a
66 system of control and regulation as insures, so far as practicable,
67 the exclusion from participation therein of persons with known
68 criminal records, habits or associations, and the exclusion or re-
69 moval from any positions of authority or responsibility within
70 casino gaming operations and establishments of any persons known
71 to be so deficient in business probity, ability or experience, either
72 generally or with specific reference to gaming, as to create or en-
73 hance the dangers of unsound, unfair or illegal practices, methods
74 and activities in the conduct of gaming or the carrying on of the
75 business and financial arrangements incident thereto.

76 (8) Since the public has a vital interest in casino operations in
77 Atlantic City and has established an exception to the general policy
78 of the State concerning gaming for private gain, participation in
79 casino operations as a licensee or registrant under this act shall
80 be deemed a revocable privilege conditioned upon the proper and
81 continued qualification of the individual licensee or registrant and
82 upon the discharge of the affirmative responsibility of each such
83 licensee or registrant to provide to the regulatory and investiga-
84 tory authorities established by this act any assistance and informa-
85 tion necessary to assure that the policies declared by this act are
86 achieved. Consistent with this policy, it is the intent of this act to
87 preclude the creation of any property right in any license, registra-
88 tion, certificate or reservation permitted by this act, the accrual of
89 any value to the privilege of participation in gaming operations, or
90 the transfer of any license, registration, certificate, or reservation,
91 and to require that participation in gaming be solely conditioned
92 upon the individual qualifications of the person seeking such
93 privilege.

94 (9) Since casino operations are especially sensitive and in need
95 of public control and supervision, and since it is vital to the inter-
96 ests of the State to prevent entry, directly or indirectly, into such
97 operations or the ancillary industries regulated by this act of
98 persons who have pursued economic gains in an occupational
99 manner or context which are in violation of the criminal or civil
100 public policies of this State, the regulatory and investigatory
101 powers and duties shall be exercised to the fullest extent consistent
102 with law to avoid entry of such persons into the casino operations
103 or the ancillary industries regulated by this act.

104 (10) Since the development of casino gaming operations in
105 Atlantic City will substantially alter the environment of New
106 Jersey's coastal areas, and since it is necessary to insure that this
107 substantial alteration be beneficial to the overall ecology of the
108 coastal areas, the regulatory and investigatory powers and duties
109 conferred by this act shall include, in cooperation with other public
110 agencies, the power and the duty to monitor and regulate casinos
111 and the growth of casino operations to respond to the needs of
112 the coastal areas.

113 (11) The facilities in which licensed casinos are to be located
114 are of vital law enforcement and social interest to the State, and
115 it is in the public interest that the regulatory and investigatory
116 powers and duties conferred by this act include the power and duty
117 to review architectural and site plans to assure that the proposal
118 is suitable by law enforcement, aesthetic and architectural stan-
119 dards.

120 (12) Since the economic stability of casino operations is in the
121 public interest and competition in the casino operations in Atlantic
122 City is desirable and necessary to assure the residents of Atlantic
123 City and of this State and other visitors to Atlantic City varied
124 attractions and exceptional facilities, the regulatory and investi-
125 gatory powers and duties conferred by this act shall include the
126 power and duty to regulate, control and prevent economic concen-
127 tration in the casino operations and the ancillary industries regu-
128 lated by this act, and to encourage and preserve competition.

129 (13) It is in the public interest that the institution of licensed
130 casino establishments in New Jersey be strictly regulated and
131 controlled pursuant to the above findings and pursuant to the
132 provisions of this act, which provisions are designed to engender
133 and maintain public confidence and trust in the regulation of the
134 licensed enterprises, to provide an effective method of rebuilding
135 and redeveloping existing facilities and of encouraging new capital
136 investment in Atlantic City, and to provide a meaningful and per-
137 manent contribution to the economic viability of the resort, con-
138 vention, and tourist industry of New Jersey.

139 (14) Confidence in casino gaming operations is eroded to the
140 extent the State of New Jersey does not provide a regulatory
141 framework for casino gaming that permits and promotes stability
142 and continuity in casino gaming operations.

143 (15) Continuity and stability in casino gaming operations cannot
144 be achieved at the risk of permitting persons with unacceptable
145 backgrounds and records of behavior to control casino gaming

146 operations contrary to the vital law enforcement interest of the
147 State.

148 (16) The aims of continuity and stability and of law enforcement
149 will best be served by a system in which applicant entities and
150 investors in those applicant entities can be assured of prompt and
151 continuous casino operation under certain circumstances wherein
152 the applicant has not yet been fully licensed, or has had a license
153 suspended or revoked, as long as control of the applicant's opera-
154 tion under such circumstances may be placed in the possession of
155 a person or persons in whom the public may feel a confidence and
156 a trust.

157 (17) A system [whereby the satisfaction of certain appropriate
158 criteria, including the execution of a voting trust agreement, per-
159 mits temporary casino operation prior to licensure and] whereby
160 the suspension or revocation of casino operations under certain
161 appropriate circumstances causes the imposition of a conservator-
162 ship upon the suspended or revoked casino operation serves both
163 the economic and law enforcement interests involved in casino
164 gaming operations.

1 2. Section 10 of P. L. 1977, c. 110 (C. 5:12-10) is amended to
2 read as follows:

3 10. "Casino License"—Any license issued pursuant to this act
4 which authorizes the holder thereof to own or operate a casino.
5 [The term "casino license" shall not include a "temporary casino
6 permit".]

1 3. Section 48 of P. L. 1977, c. 110 (C. 5:12-48) is amended to
2 read as follows:

3 48. "Work Permit"—[A writing provided by the commission]
4 *An authorization granted* to a casino licensee [which authorizes]
5 *for* the employment of a particular casino hotel employee, casino
6 employee or casino key employee in a particular capacity by a
7 casino licensee.

1 4. Section 69 of P. L. 1977, c. 110 (C. 5:12-69) is amended to
2 read as follows:

3 69. Regulations. a. The commission shall be authorized to adopt,
4 amend, or repeal such regulations, consistent with the policy and
5 objectives of this act, as it may deem necessary or desirable for
6 the public interest in carrying out the provisions of this act.

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

10 c. Any interested person may, *in accordance with the provisions*
 11 *of the "Administrative Procedure Act," P. L. 1968, c. 410 (C.*
 12 *52:14B-1 et seq.),* file a petition with the commission requesting
 13 the adoption, amendment or repeal of a regulation. [Such petition
 14 shall state clearly and concisely:

15 (1) The substance and nature of the regulation, amendment or
 16 repeal requested;

17 (2) The reason for the request; and

18 (3) Reference to the authority of the commission to take the
 19 action requested.

20 Upon receipt of the petition, the commission shall schedule the
 21 matter for hearing within 90 days and shall render a decision
 22 within 30 days after the completion of said hearing.]

23 d. The commission may, in emergency circumstances, summarily
 24 adopt, amend or repeal any regulation pursuant to the "Adminis-
 25 trative Procedure Act" (P. L. 1968, c. 410; C. 52:14B-1 et seq.).

1 5. Section 74 of P. L. 1977, c. 110 (C. 5:12-74) is amended to
 2 read as follows:

3 74. Minutes and Records. a. The commission shall cause to be
 4 made and kept a verbatim record of all proceedings held at public
 5 meetings of the commission, which record shall be open to public
 6 inspection.

7 A true copy of the minutes of every meeting of the commission
 8 and of any regulations finally adopted by the commission shall be
 9 forthwith delivered, by and under the certification of the executive
 10 secretary, to the Governor, the Secretary of the Senate, and the
 11 Clerk of the General Assembly.

12 b. The commission shall keep and maintain a list of all appli-
 13 cants for licenses and registrations under this act together with a
 14 record of all actions taken with respect to such applicants, which
 15 file and record shall be open to public inspection; provided, how-
 16 ever, that the foregoing information regarding any applicant
 17 whose license or registration has been denied, revoked, or not
 18 renewed shall be removed from such list after five years from
 19 the date of such action.

20 c. The commission shall maintain such other files and records
 21 as may be deemed desirable.

22 d. Except as provided in subsection h. of this section, all in-
 23 formation and data required by the commission to be furnished
 24 hereunder, or which may otherwise be obtained, relative to the
 25 internal controls specified in section 99a. of this act or to the earn-
 26 ings or revenue of any applicant, registrant, or licensee shall be

27 considered to be confidential and shall not be revealed in whole or
28 in part except in the course of the necessary administration of this
29 act, or upon the lawful order of a court of competent jurisdiction,
30 or, with the approval of the Attorney General, to a duly authorized
31 law enforcement agency.

32 e. All information and data pertaining to an applicant's criminal
33 record, family, and background furnished to or obtained by the
34 commission from any source shall be considered confidential and
35 **[may]** *shall* be withheld in whole or in part, except that any in-
36 formation shall be released upon the lawful order of a court of
37 competent jurisdiction or, with the approval of the Attorney Gen-
38 eral, to a duly authorized law enforcement agency.

39 f. Notice of the contents of any information or data released,
40 except to a duly authorized law enforcement agency pursuant to
41 subsection d. or e. of this section, **[may]** *shall* be given to any
42 applicant, registrant, or licensee in a manner prescribed by the
43 rules and regulations adopted by the commission.

44 g. Files, records, reports and other information in the possession
45 of the New Jersey Division of Taxation pertaining to licensees
46 shall be made available to the commission and the division as may
47 be necessary to the effective administration of this act.

48 h. The following information to be reported periodically to the
49 commission shall not be considered confidential and shall be made
50 available for public inspection:

51 (1) A licensee's operating revenues and expenses from all au-
52 thorized games as herein defined;

53 (2) (a) The dollar amount of patron checks initially accepted by
54 a licensee, (b) the dollar amount of patron checks deposited to the
55 licensee's bank account, (c) the dollar amount of such checks
56 initially dishonored by the bank and returned to the licensee as
57 "uncollected," and (d) the dollar amount ultimately uncollected
58 after all reasonable efforts;

59 (3) The amount of gross revenue tax or investment alternative
60 tax actually paid and the amount of investment, if any, required
61 and allowed, pursuant to section 144 of P. L. 1977, c. 110 (C.
62 5:12-144) and section 3 of P. L. 1984, c. 218 (C. 5:12-144.1);

63 (4) A list of the premises and the nature of improvements,
64 costs thereof and the payees for all such improvements, which
65 were the subject of an investment required and allowed pursuant
66 to section 144 of P. L. 1977, c. 110 (C. 5:12-144) and section 3
67 of P. L. 1984, c. 218 (C. 5:12-144.1);

68 (5) The amount, if any, of tax in lieu of full local real property
69 tax paid pursuant to section 146, and the amount of profits, if any,
70 recaptured pursuant to section 147;

71 (6) A list of the premises, nature of improvements and costs
72 thereof which constitute the cumulative investments by which a
73 licensee has recaptured profits pursuant to section 147; and

74 (7) All information and data submitted to the commission re-
75 lating to the licensee's annual revenues and expenditures, includ-
76 ing annual audits.

77 Nothing in this subsection shall be construed to limit access by
78 the public to those forms and documents required to be filed pur-
79 suant to Article 11 of this act.

1 6. Section 82 of P. L. 1977, c. 110 (C. 5:12-82) is amended to
2 read as follows:

3 82. Casino License—Applicant Eligibility. a. No casino shall
4 operate unless all necessary licenses and approvals therefor have
5 been obtained in accordance with law.

6 b. Only the following persons shall be eligible to hold a casino
7 license; and, unless otherwise determined by the commission with
8 the concurrence of the Attorney General which may not be un-
9 reasonably withheld in accordance with subsection c. of this section,
10 each of the following persons shall be required to hold a casino
11 license prior to the operation of a casino in the hotel with respect
12 to which the casino license has been applied for:

13 (1) Any person who either owns an approved hotel building or
14 owns or has a contract to purchase or construct a hotel which in
15 the judgment of the commission can become an approved hotel
16 building within 30 months or within such additional time period
17 as the commission may, upon a showing of good cause therefor,
18 establish;

18A (2) Any person who, whether as lessor or lessee, either leases
18B an approved hotel building or leases or has an agreement to lease
18C a hotel which in the judgment of the commission can become an
18D approved hotel building within 30 months or within such addi-
18E tional time period as the commission may, upon a showing of good
18F cause therefor, establish;

19 (3) Any person who has a written agreement with a casino
20 licensee or with an eligible applicant for a casino license for the
21 complete management of a casino; and

22 (4) Any other person who has any control over either an ap-
23 proved hotel building or the land thereunder or the operation
24 of a casino.

25 c. Prior to the operation of the casino, every agreement to lease
26 an approved hotel building or the land thereunder and every
27 agreement for the management of the casino shall be in writing
28 and filed with the commission. No such agreement shall be effective
29 unless expressly approved by the commission. The commission may
30 require that any such agreement include within its terms any
31 provision reasonably necessary to best accomplish the policies of
32 this act. Consistent with the policies of this act:

33 (1) The commission, with the concurrence of the Attorney Gen-
34 eral which may not be unreasonably withheld, may determine that
35 any person who does not have the ability to exercise any signifi-
36 cant control over either the approved hotel building or the opera-
37 tion of the casino contained therein shall not be eligible to hold
38 or required to hold a casino license;

39 (2) The commission, with the concurrence of the Attorney Gen-
40 eral which may not be unreasonably withheld, may determine that
41 any owner, lessor or lessee of an approved hotel building or the
42 land thereunder who does not own or lease the entire approved
43 hotel building shall not be eligible to hold or required to hold
44 a casino license;

45 (3) The commission shall require that any person or persons
46 eligible to apply for a casino license organize itself or themselves
47 into such form or forms of business association as the commission
48 shall deem necessary or desirable in the circumstances to carry
49 out the policies of this act;

50 (4) The commission may issue separate casino licenses to any
51 persons eligible to apply therefor;

52 (5) As to agreements to lease an approved hotel building or the
53 land thereunder, unless it expressly and by formal vote for good
54 cause determines otherwise, the commission shall require that each
55 party thereto hold either a casino license or casino service industry
56 license and that such an agreement be for a durational term ex-
57 ceeding 30 years, concern 100% of the entire approved hotel build-
58 ing or of the land upon which same is located, and include within
59 its terms a buy-out provision conferring upon the casino licensee-
60 lessee who controls the operation of the approved hotel the abso-
61 lute right to purchase for an expressly set forth fixed sum the
62 entire interest of the lessor or any person associated with the
63 lessor in the approved hotel building or the land thereunder in
64 the event that said lessor or said person associated with the lessor
65 is found by the commission to be unsuitable to be associated with
66 a casino enterprise;

67 (6) The commission shall not permit an agreement for the leas-
68 ing of an approved hotel building or the land thereunder to provide
69 for the payment of an interest, percentage or share of money
70 gambled at the casino or derived from casino gaming activity or
71 of revenues or profits of the casino unless the party receiving pay-
72 ment of such interest, percentage or share is a party to the ap-
73 proved lease agreement; unless each party to the lease agreement
74 holds either a casino license or casino service industry license
75 and unless the agreement is for a durational term exceeding 30
76 years, concerns a significant portion of the entire approved hotel
77 building or of the land upon which same is located, and includes
78 within its terms a buy-out provision conforming to that described
79 in paragraph (5) above;

80 (7) As to agreements for the management of a casino, the com-
81 mission shall require that each party thereto hold a casino license,
82 that the party thereto who is to manage the casino own at least
83 10% of all outstanding equity securities of any casino licensee or
84 of any eligible applicant for a casino license if the said licensee or
85 applicant is a corporation and the ownership of an equivalent
86 interest in any casino licensee or in any eligible applicant for a
87 casino license if same is not a corporation, and that such an
88 agreement be for the complete management of the casino, provide
89 for the **[sale]** sole and unrestricted power to direct the casino
90 operations of the casino which is the subject of the agreement,
91 and be for such a durational term as to assure reasonable con-
92 tinuity, stability and independence in the management of the
93 casino;

94 (8) The commission may permit an agreement for the manage-
95 ment of a casino to provide for the payment to the managing
96 party of an interest, percentage or share of money gambled at
97 the casino or derived from casino gaming activity or of revenues
98 or profits of the casino; and,

99 (9) As to agreements to lease an approved hotel building or the
100 land thereunder, agreements to jointly own an approved hotel
101 building or the land thereunder and agreements for the manage-
102 ment of a casino, the commission shall require that each party
103 thereto shall be jointly and severally liable for all acts, omissions
104 and violations of this act by any party thereto regardless of actual
105 knowledge of such act, omission or violation and notwithstanding
106 any provision in such agreement to the contrary.

107 d. No corporation shall be eligible to apply for a casino license
108 unless the corporation shall;

109 (1) Be incorporated in the State of New Jersey, although such
110 corporation may be a wholly or partially owned subsidiary of a
111 corporation which is organized pursuant to the laws of another
112 state of the United States or of a foreign country;

113 (2) Maintain an office of the corporation in the premises licensed
114 or to be licensed;

115 (3) Comply with all the requirements of the laws of the State
116 of New Jersey pertaining to corporations;

117 (4) Maintain a ledger in the principal office of the corporation
118 in New Jersey which shall at all times reflect the current owner-
119 ship of every class of security issued by the corporation and shall
120 be available for inspection by the commission or the division and
121 authorized agents of the commission and the division at all rea-
122 sonable times without notice;

123 (5) Maintain all operating accounts required by the commission
124 in a bank in New Jersey;

125 (6) Include among the purposes stated in its certificate of in-
126 corporation the conduct of casino gaming and provide that the
127 certificate of incorporation includes all provisions required by
128 this act;

129 (7) If it is not a publicly traded corporation, file with the com-
130 mission such adopted corporate charter or bylaws provisions as
131 may be necessary to establish the right of the commission to
132 approve future transfers of corporate securities, shares, and other
133 interests in the applicant corporation and in any non-publicly
134 traded holding company, intermediary company, or subsidiary
135 thereof; and, if it is a publicly traded corporation, said corpora-
136 tion shall provide in its corporate charter or bylaws that any
137 securities of such corporation are held subject to the condition
138 that if a holder thereof is found to be disqualified by the com-
139 mission pursuant to the provisions of this act, such holder shall
140 dispose of his interest in the corporation; provided, however, that,
141 notwithstanding the provisions of N. J. S. 14A:7-12 and N. J. S.
142 12A:8-101 et seq., nothing herein shall be deemed to require that
143 any security of such corporation bear any legend to this effect; and

144 (8) If it is not a publicly traded corporation, establish to the
145 satisfaction of the commission that appropriate charter or bylaw
146 provisions create the absolute right of such non-publicly traded
147 corporations and companies to repurchase at the market price or
148 the purchase price, whichever is the lesser, any security, share or
149 other interest in the corporation in the event that the commission
150 disapproves a transfer in accordance with the provisions of this act.

151 e. No person shall be issued or be the holder of more than three
152 casino licenses. For the purpose of this subsection a person shall be
153 considered the holder of a casino license if such license is issued to
154 such person or if such license is held by any holding, intermediary
155 or subsidiary company thereof, or by any officer, director, casino
156 key employee or principal employee of such person, or of any
157 holding, intermediary or subsidiary company thereof.

1 7. 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 for
4 a casino license must produce information, documentation and
5 assurances concerning the following qualification criteria:

6 a. Each applicant shall produce such information, documenta-
7 tion and assurances concerning financial background and resources
8 as may be required to establish by clear and convincing evidence
9 the 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 appli-
14 cant shall, in writing, authorize the examination of all bank
15 accounts and records as may be deemed necessary by the com-
16 mission or the 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]** in-
24 tegrity of financial sources shall be judged upon the same stan-
25 dards as the applicant. In addition, the applicant shall produce
26 whatever information, documentation or **[assurance]** *assurances*
27 may be required to establish by clear and convincing evidence the
28 adequacy of financial resources both as to the completion of the
29 casino proposal and the operation of the casino.

30 c. Each applicant shall produce such information, documenta-
31 tion and assurances **[of good character]** as may be required to
32 establish by clear and convincing evidence the applicant's good
33 **[reputation for]** *character*, honesty and integrity. Such informa-
34 tion shall include, without limitation, information pertaining to
35 family, habits, character, *reputation*, criminal and arrest record,

36 business activities, financial affairs, and business, professional and
37 personal associates, covering at least the 10-year period immedi-
38 ately preceding the filing of the application. Each applicant shall
39 notify the commission of any civil judgments obtained against
40 any such applicant pertaining to antitrust or security regulation
41 laws of the federal government, of this State or of any other
42 state, jurisdiction, province or country. In addition, each applicant
43 shall produce letters of reference from law enforcement agencies
44 having jurisdiction in the applicant's place of residence and prin-
45 cipal place of business, which letters of reference shall indicate
46 that such law enforcement agencies do not have any pertinent
47 information concerning the applicant, or if such law enforcement
48 agency does have information pertaining to the applicant, shall
49 specify what the information is. If the applicant has conducted
50 gaming operations in a jurisdiction which permits such activity,
51 the applicant shall produce letters of reference from the gaming
52 or casino enforcement or control agency which shall specify the
53 experiences of such agency with the applicant, his associates, and
54 his gaming operation; provided, however, that if no such letters
55 are received within 60 days of request therefor, the applicant may
56 submit a statement under oath that he is or was during the period
57 such activities were conducted in good standing with such gaming
58 or casino enforcement or control agency.

59 d. Each applicant shall produce such information, documenta-
60 tion and assurances as may be required to establish by clear and
61 convincing evidence that the applicant has sufficient business abil-
62 ity and casino experience as to establish the likelihood of creation
63 and maintenance of a successful, efficient casino operation. The
64 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, documenta-
70 tion and assurances to establish to the satisfaction of the com-
71 mission the suitability of 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, with-
75 out limitation, architectural and site plans which establish that
76 the proposed facilities comply in all respects with the require-
77 ments of this act, the requirements of the master plan and zoning

78 and planning ordinances of Atlantic City, without any use vari-
79 ance from the provisions thereof, and the requirements of the
80 "Coastal Area Facility Review Act," P. L. 1973, c. 185 (C. 13:19-1
81 et seq.), a market impact study which analyzes the adequacy of
82 the patron market and the effect of the proposal on such market
83 and on the existing casino facilities licensed under this act; and an
84 analysis of the effect of the proposal on the overall environment,
85 including, without limitation, economic, social, demographic and
86 competitive conditions as well as the natural resources of Atlantic
87 City and the State of New Jersey.

1 8. Section 89 of P. L. 1977, c. 110 (C. 5:12-89) is amended to
2 read as follows:

3 89. Licensing of Casino Key Employees. a. No person may be
4 employed as a casino key employee unless he is the holder of a
5 valid casino key employee license issued by the commission.

6 b. Each applicant must, prior to the issuance of any casino key
7 employee license, produce information, documentation and assur-
8 ances concerning the following qualification criteria:

9 (1) Each applicant for a casino key employee license shall pro-
10 duce such information, documentation and assurances as may be
11 required to establish by clear and convincing evidence the financial
12 stability, integrity and responsibility of the applicant, including
13 but not limited to bank references, business and personal income
14 and disbursements schedules, tax returns and other reports filed
15 with governmental agencies, and business and personal accounting
16 and check records and ledgers. In addition, each applicant shall, in
17 writing, authorize the examination of all bank accounts and rec-
18 ords as may be deemed necessary by the commission or the division.

19 (2) Each applicant for a casino key employee license shall pro-
20 duce such information, documentation and assurances as may be
21 required to establish by clear and convincing evidence the appli-
22 cant's [reputation for] good character, honesty and integrity.
23 Such information shall include, without limitation, data pertaining
24 to family, habits, character, *reputation*, criminal and arrest record,
25 business activities, financial affairs, and business, professional and
26 personal associates, covering at least the 10-year period immedi-
27 ately preceding the filing of the application. Each applicant shall
28 notify the commission of any civil judgments obtained against
29 such applicant pertaining to antitrust or security regulation laws
30 of the federal government, of this State or of any other state,
31 jurisdiction, province or country. In addition, each applicant shall,
32 upon request of the commission or the division, produce letters

33 of reference from law enforcement agencies having jurisdiction
34 in the applicant's place of residence and principal place of busi-
35 ness, which letters of reference shall indicate that such law en-
36 forcement agencies do not have any pertinent information con-
37 cerning the applicant, or if such law enforcement agency does
38 have information pertaining to the applicant, shall specify what
39 that information is. If the applicant has been associated with
40 gaming or casino operations in any capacity, position or employ-
41 ment in a jurisdiction which permits such activity, the applicant
42 shall, upon request of the commission or division, produce letters
43 of reference from the gaming or casino enforcement or control
44 agency, which shall specify the experience of such agency with
45 the applicant, his associates and his participation in the gaming
46 operations of that jurisdiction; provided, however, that if no such
47 letters are received from the appropriate law enforcement agencies
48 within 60 days of the applicant's request therefor, the applicant
49 may submit a statement under oath that he is or was during the
50 period such activities were conducted in good standing with such
51 gaming or casino enforcement or control agency.

52 (3) Each applicant shall produce such information, documen-
53 tation and assurances as may be required to establish by clear and
54 convincing evidence that the applicant has sufficient business
55 ability and casino experience as to establish the reasonable like-
56 lihood of success and efficiency in the particular position involved.

57 (4) Each applicant shall be a resident of the State of New
58 Jersey prior to the issuance of a casino key employee license;
59 provided, however, that upon petition by the holder of a casino
60 license, the commission may waive this residency requirement
61 for any applicant whose particular position will require him to
62 be employed outside the State.

63 The commission may also, by regulation, require that all appli-
64 cants for casino key employee licenses be residents of this State
65 for a period not to exceed six months immediately prior to the
66 issuance of such license, but application may be made prior to the
67 expiration of the required period of residency. The commission
68 shall, by resolution, waive the required residency period for an
69 applicant upon a showing that the residency period would cause
70 undue hardship upon the casino licensee which intends to employ
71 said applicant, or upon a showing of other good cause.

72 c. The commission shall endorse upon any license issued here-
73 under the particular positions as defined by this act or by regula-
74 tion which the licensee is qualified to hold.

75 d. The commission shall deny a casino key employee license to
76 any applicant who is disqualified on the basis of the criteria con-
77 tained in section 86 of this act.

78 e. Upon petition by the holder of a casino license [or the holder
79 of a temporary casino permit], the commission may, no earlier
80 than 30 days after the date of the petition, issue a temporary
81 license to an applicant for a casino key employee license, pro-
82 vided that:

83 (1) The applicant for the casino key employee license has filed
84 a complete application as required by the commission;

85 (2) The division certifies to the commission that the complete
86 casino key employee license application as specified in paragraph
87 (1) of this subsection has been in the possession of the division for
88 at least 30 days;

89 (3) The information provided by the applicant indicates that
90 the applicant meets the requirements of subsection b. (3) of this
91 section;

92 (4) The petition for a temporary casino key employee license
93 certifies, and the commission finds, that an existing casino key
94 employee position of the petitioner is vacant and that the issuance
95 of a temporary key employee license is necessary to fill the said
96 vacancy on an emergency basis to continue the efficient operation
97 of the casino, and that such circumstances are extraordinary and
98 not designed to circumvent the normal licensing procedures of
99 this act;

100 (5) The division does not object to the issuance of the temporary
101 casino key employee license.

102 In the event that an applicant for a casino key employee license
103 is the holder of a valid casino employee license issued pursuant to
104 section 90 of this act, and if the provisions of paragraphs (1), (2),
105 (3), and (5) of this subsection are satisfied, the commission may
106 issue a temporary casino key employee license upon petition by the
107 holder of a casino license [or the holder of a temporary casino
108 permit], if the commission finds the issuance of a casino key
109 employee license will be delayed by necessary investigations and
110 the said temporary casino key employee license is necessary for
111 the operation of the casino.

112 Unless otherwise terminated pursuant to this act, any tempo-
113 rary casino key employee license issued pursuant to this subsection
114 shall expire *~~six~~* *nine** months from the date of its issuance*,
115 and shall be renewable by the commission, in the absence of ob-
116 jection by the division as specified in paragraph (5) of this sub-
117 section, for one additional three-month period*.

1 9. Section 106 of P. L. 1977, c. 110 (C. 5:12-106) is amended
2 to read as follows:

3 106. Work Permits. a. A casino licensee shall not appoint or
4 employ any person not registered or not possessing a current and
5 valid license permitting such appointment or employment. [Prior
6 to the effective date of such appointment or employment, the]
7 A casino licensee shall, *in accordance with the rules of the com-*
8 *mission*, apply for a work permit for *each* such employee, which
9 shall be granted [by the commission] if the employee is [regis-
10 tered or is] the holder of a current and valid *registration or*
11 *license which permits employment in the position to be held.* [The
12 casino licensee shall return such work permit to the commission
13 within five days of the termination or cessation of such appoint-
14 ment or employment for any cause whatsoever.] Each work permit
15 shall be renewed annually in accordance with rules and regulations
16 promulgated by the commission.

17 b. A casino licensee shall, within 24 hours of receipt of written
18 notice thereof, terminate the appointment or employment of any
19 person whose license or registration has been revoked or has
20 expired. A casino licensee shall comply in all respects with any
21 order of the commission imposing limitations or restrictions upon
22 the terms of employment or appointment in the course of any in-
23 vestigation or hearing.

1 10. Section 117 of P. L. 1977, c. 110 (C. 5:12-117) is amended
2 to read as follows:

3 117. Employment Without License, Registration, or Work
4 Permit; Penalty.

5 a. Any person who, without obtaining the requisite license or
6 registration as provided in this act, works or is employed in a
7 position whose duties would require licensing or registration under
8 the provisions of this act is guilty of a misdemeanor and subject
9 to not more than three years' imprisonment or a fine of \$10,000.00
10 or both, and in the case of a person other than a natural person,
11 to a fine of not more than \$50,000.00.

12 b. Any person who employs or continues to employ an indi-
13 vidual not duly licensed or registered under the provisions of this
14 act in a position whose duties require a license or registration
15 under the provisions of this act is guilty of a misdemeanor and
16 subject to not more than three years' imprisonment or a fine of
17 \$10,000.00 or both, and in the case of a person other than a natural
18 person, to a fine of not more than \$50,000.00.

19 c. Any person who employs an individual without obtaining a
20 work permit [or does not return such permit] as required by
21 this act, is guilty of a misdemeanor and subject to a fine of not
22 more than \$10,000.00, and in the case of a person other than a
23 natural person, to a fine of not more than \$50,000.00.

24 d. Any person violating the provisions of subsection 101 e. of
25 this act shall be guilty of a misdemeanor, and shall be subject to
26 imprisonment for not more than seven years or a fine of not more
27 than \$25,000.00, or both. Any licensee permitting or allowing such
28 a violation shall also be punishable under this subsection, in addi-
29 tion to any other sanctions the commission may impose.

1 11. Section 5 of P. L. 1980, c. 69 (C. 5:12-117.1) is amended
2 to read as follows:

3 5. a. No applicant or person or organization licensed by or
4 registered with the commission shall employ or offer to employ
5 any person who is prohibited from accepting employment from
6 a licensee or applicant or any holding or intermediary company
7 under [subsection b. of section 5 of P. L. 1971, c. 182 (C.
8 52:13D-16) or section 3 of P. L. 1981, c. 142] *section 4 of P. L.*
9 *1981, c. 142 (C. 52:13D-17.2).*

10 b. An applicant or person or organization who violates the
11 provisions of this section is guilty of a crime of the fourth degree.

1 12. Section 120 of P. L. 1977, c. 110 (C. 5:12-120) is amended
2 to read as follows:

3 120. Prohibited Political Contributions; Penalty. Any person
4 who makes or causes to be made a political contribution prohibited
5 by the provisions of this act[, or files or causes to be filed any
6 report of political contributions which misstates or omits any
7 material fact with respect to such contribution] is guilty of a
8 misdemeanor and subject to not more than three years imprison-
9 ment or a fine of \$100,000.00 or both, and in the case of a person
10 other than a natural person, to a fine of not more than \$250,000.00.

1 13. Section 123 of P. L. 1977, c. 110 (C. 5:12-123) is amended
2 to read as follows:

3 123. Continuing Offenses. a. A violation of any of the provisions
4 of this act *which is an offense of a continuing nature* shall be
5 deemed to be a separate offense on each day during which it occurs.
6 *Nothing herein shall be deemed to preclude the commission of*
7 *multiple violations within a day of those provisions of this act*
8 *which establish offenses consisting of separate and distinct acts.*

9 b. Any person who aids, abets, counsels, commands, induces,
10 procures or causes another to violate a provision of this act is

11 punishable as a principal and subject to all sanctions and penalties,
12 both civil and criminal, provided by this act.

1 14. Section 124 of P. L. 1977, c. 110 (C. 5:12-124) is amended
2 to read as follows:

3 124. Exemption from Gambling Statutes. The provisions of
4 N. J. S. 2A:40-1, 2A:112-1 and 2A:112-2 shall not apply to any
5 person who, as a licensee operating pursuant to the provisions of
6 this act, or as a player in any game authorized pursuant to the
7 provisions of this act, engages in gaming as authorized herein.

1 15. Section 31 of P. L. 1978, c. 7 (C. 5:12-130.1) is amended
2 to read as follows:

3 31. Institution of Conservatorship and Appointment of Con-
4 servators.

5 a. Notwithstanding any other provision of the Casino Control
6 Act, (1) upon the revocation of a casino license, (2) upon, in the
7 discretion of the commission, the suspension of a casino license or
8 operation certificate for a period of in excess of 120 days, or
9 (3) upon the failure or refusal to renew a casino license, and
10 notwithstanding the pendency of any appeal therefrom, the com-
11 mission shall appoint and constitute a conservator to, among other
12 things, take over and into his possession and control all the
13 property and business of the licensee relating to the casino and the
14 approved hotel; provided, however, that this subsection shall not
15 apply in any instance in which the casino in the casino hotel
16 facility for which the casino license had been issued has not been,
17 in fact, in operation and open to the public, and provided further
18 that no person shall be appointed as conservator unless the com-
19 mission is satisfied that he is individually qualified according to
20 the standard applicable to casino key employees, except that casino
21 experience shall not be necessary for qualification.

22 b. [Notwithstanding any other provision of the Casino Control
23 Act, (1) upon, in the discretion of the commission, the expiration
24 of a temporary casino permit, except in those instances where
25 (a) a casino license has been issued, or (b) a casino license has
26 not been issued because of the inaction of the commission, (2)
27 upon the revocation of a temporary casino permit, (3) upon, in the
28 discretion of the commission, the suspension of a temporary casino
29 permit or operation certificate for a period of in excess of 60 days,
30 or (4) upon the denial of a casino license to a temporary casino
31 permittee, and notwithstanding the pendency of any appeal there-
32 from, the commission shall appoint and constitute a conservator to,
33 among other things, take over and into his possession and control

34 all the property and business of the temporary casino permittee
 35 relating to the casino and the approved hotel; provided, however,
 36 that this subsection shall not apply in any instance in which the
 37 casino in the casino hotel facility for which the temporary casino
 38 permit has been issued has not been, in fact, in operation and open
 39 to the public, and provided further that no person shall be ap-
 40 pointed as conservator unless the commission is satisfied that he
 41 is individually qualified according to the standard applicable to
 42 casino key employees, except that casino experience shall not be
 43 necessary for qualification]. (*Deleted by amendment, P. L.,*
 44 *c.*)

45 c. The commission may proceed in a conservatorship action in a
 46 summary manner or otherwise and shall have the power to appoint
 47 and remove one or more conservators and to enjoin the former
 48 or suspended licensee [or permittee] from exercising any of its
 49 privileges and franchises, from collecting or receiving any debts
 50 and from paying out, selling, assigning or transferring any of its
 51 property to other than a conservator, except as the commission
 52 may otherwise order. The commission shall have such further
 53 powers as shall be appropriate for the fulfillment of the pur-
 54 poses of this act.

55 d. Every conservator shall, before assuming his duties, execute
 56 and file a bond for the faithful performance of his duties payable
 57 to the commission in the office of the commission with such surety
 58 or sureties and in such form as the commission shall approve and
 59 in such amount as the commission shall prescribe.

60 e. When more than one conservator is appointed pursuant to
 61 this section, the provisions of this article applicable to one con-
 62 servator shall be applicable to all; the debts and property of the
 63 former or suspended licensee [or permittee] may be collected
 64 and received by any of them; and the powers and rights conferred
 65 upon them shall be exercised by a majority of them.

1 16. Section 32 of P. L. 1978, c. 7 (C. 5:12-130.2) is amended to
 2 read as follows:

3 32. Powers, Authorities and Duties of Conservators.

4 a. Upon his appointment, the conservator shall become vested
 5 with the title of all the property of the former or suspended licensee
 6 [or permittee] relating to the casino and the approved hotel, sub-
 7 ject to any and all valid liens, claims, and encumbrances. The
 8 conservator shall have the duty to conserve and preserve the assets
 9 so acquired to the end that such assets shall continue to be operated
 10 on a sound and businesslike basis.

11 b. Subject to the general supervision of the commission and
12 pursuant to any specific order it may deem appropriate, a con-
13 servator shall have power to:

14 (1) Take into his possession all the property of the former or
15 suspended licensee [or permittee] relating to the casino and the
16 approved hotel, including its books, records and papers;

17 (2) Institute and defend actions by or on behalf of the former
18 or suspended licensee [or permittee];

19 (3) Settle or compromise with any debtor or creditor of the
20 former or suspended licensee [or permittee], including any taxing
21 authority;

22 (4) Continue the business of the former or suspended licensee
23 [or permittee] and to that end enter into contracts, borrow money
24 and pledge, mortgage or otherwise encumber the property of the
25 former or suspended licensee [or permittee] as security for the
26 repayment of the conservator's loans; provided, however, that such
27 power shall be subject to any provisions and restrictions in any
28 existing credit documents;

29 (5) Hire, fire and discipline employees;

30 (6) Review all outstanding agreements to which the former or
31 suspended licensee [or permittee] is a party that fall within the
32 purview of section 104b. of P. L. 1977, c. 110 (C. 5:12-104b.) and
33 advise the commission as to which, if any, of such agreements
34 should be the subject of scrutiny, examination or investigation by
35 the commission; and

36 (7) Do all further acts as shall best fulfill the purposes of the
37 Casino Control Act.

38 c. Except during the pendency of a suspension or during the
39 pendency of any appeal from any action or event set forth in
40 section 31 a. [or b.] of this amendatory and supplementary act
41 which precipitated the conservatorship or in instances in which
42 the commission finds that the interests of justice so require, the
43 conservator, subject to the prior approval of and in accordance
44 with such terms and conditions as may be prescribed by the com-
45 mission, and after appropriate prior consultation with the former
46 licensee [or permittee] as to the reasonableness of such terms and
47 conditions, shall endeavor to and be authorized to sell, assign,
48 convey or otherwise dispose of in bulk, subject to any and all valid
49 liens, claims, and encumbrances, all the property of a former
50 licensee [or permittee] relating to the casino and the approved
51 hotel only upon prior written notice to all creditors and other

52 parties in interest and only to such persons who shall be eligible
 53 to apply for and shall qualify as a casino licensee [or temporary
 54 casino permittee] in accordance with the provisions of the Casino
 55 Control Act. Prior to any such sale, the former licensee [or per-
 56 mittee] shall be granted, upon request, a summary review by the
 57 commission of such proposed sale.

58 d. The commission may direct that the conservator, for an
 59 indefinite period of time, retain the property and continue the
 60 business of the former or suspended licensee [or permittee] re-
 61 lating to the casino and the approved hotel. During such period
 62 of time or any period of operation by the conservator, he shall pay
 63 when due, without in any way being personally liable, all secured
 64 obligations and shall not be immune from foreclosure or other legal
 65 proceedings to collect the secured debt, nor with respect thereto
 66 shall such conservator have any legal rights, claims, or defenses
 67 other than those which would have been available to the former or
 68 suspended licensee [or permittee].

1 17. Section 34 of P. L. 1978, c. 7 (C. 5:12-130.4) is amended to
 2 read as follows:

3 34. Assumption of Outstanding Debts. As an incident of its prior
 4 approval pursuant to section 32c. of this amendatory and supple-
 5 mentary act of the sale, assignment, conveyance or other disposition
 6 in bulk of all property of the former licensee [or permittee]
 7 relating to the casino and the approved hotel, the commission may,
 8 in its discretion, require that the purchaser thereof assume in a
 9 form and substance acceptable to the commission all of the out-
 10 standing debts of the former licensee [or permittee] that arose
 11 from or were based upon the operation of either or both the casino
 12 or the approved hotel.

1 18. Section 35 of P. L. 1978, c. 7 (C. 5:12-130.5) is amended to
 2 read as follows:

3 35. Payment of Net Earnings During the Period of the Con-
 4 servatorship. No payment of net earnings during the period of
 5 the conservatorship may be made by the conservator without the
 6 prior approval of the commission, which may, in its discretion, di-
 7 rect that all or any part of same be paid either to the suspended or
 8 former licensee [or permittee] or to the Casino Revenue Fund
 9 in accordance with regulations of the commission; provided, how-
 10 ever, that the former or suspended licensee [or permittee] shall
 11 be entitled to a fair rate of return out of net earnings, if any,
 12 during the period of the conservatorship on the property retained
 13 by the conservator, taking into consideration that which amounts

14 to a fair rate of return in the casino industry or the hotel industry,
15 as the case may be.

1 19. Section 35A of P. L. 1978, c. 7 (C. 5:12-130.6) is amended to
2 read as follows:

3 35A. Payments Following a Bulk Sale. Following any sale,
4 assignment, conveyance or other disposition in bulk of all the
5 property subject to the conservatorship, the net proceeds there-
6 from, if any, after payment of all obligations owing to the State
7 of New Jersey and any political subdivision thereof and of those
8 allowances set forth in section 33 of this amendatory and supple-
9 mentary act, shall be paid by the conservator to the former or
10 suspended licensee [or permittee].

1 20. Section 37 of P. L. 1978, c. 7 (C. 5:12-130.8) is amended to
2 read as follows:

3 37. Discontinuation of a Conservatorship.

4 a. The commission shall direct the discontinuation of any
5 conservatorship action instituted pursuant to section 31 of this
6 amendatory and supplementary act when the conservator has,
7 pursuant to subsection 32 of this amendatory and supplementary
8 act and with the prior approval of the commission, consummated
9 the sale, assignment, conveyance or other disposition in bulk of
10 all the property of the former licensee [or permittee] relating to
11 the casino and the approved hotel.

12 b. The commission may direct the discontinuation of any such
13 conservatorship action when it determines that for any reason the
14 cause for which the action was instituted no longer exists.

15 c. Upon the discontinuation of the conservatorship action and
16 with the approval of the commission, the conservator shall take
17 such steps as may be necessary in order to effect an orderly
18 transfer of the property of the former or suspended licensee [or
19 permittee].

20 d. The sale, assignment, transfer, pledge or other disposition of
21 the securities issued by a former or suspended licensee [or per-
22 mittee] during the pendency of a conservatorship action instituted
23 pursuant to this article shall neither divest, have the effect of
24 divesting, nor otherwise affect the powers conferred upon a con-
25 servator by this amendatory and supplementary act.

1 21. Section 134 of P. L. 1977, c. 110 (C. 5:12-134) is amended
2 to read as follows:

3 134. Equal Employment Opportunity; Requirements of License.

4 a. Each applicant at the time of submitting architectural plans
5 or site plans to the commission for approval of proposed con-

6 construction, renovation or reconstruction of any structure or facility
7 to be used as an approved hotel or casino shall accompany same
8 with a written guaranty that all contracts and subcontracts to be
9 awarded in connection therewith shall contain appropriate pro-
10 visions by which contractors and subcontractors or their assignees
11 agree to afford an equal employment opportunity to all prospective
12 employees and to all actual employees to be employed by the con-
13 tractor or subcontractor in accordance with an affirmative action
14 program approved by the commission and consonant with the pro-
15 visions of the "Law Against Discrimination," P. L. 1945, c. 169
16 (C. 10:5-1 et seq.). On and after the effective date of this amenda-
17 tory act an applicant shall also be required to demonstrate that
18 equal employment opportunities in accordance with the aforesaid
19 affirmative-action program in compliance with P. L. 1945, c. 169
20 have been afforded to all prospective employees and to all actual
21 employees employed by a contractor or subcontractor in connection
22 with the actual construction, renovation or reconstruction of any
23 structure or facility to be used as an approved hotel or casino
24 prior to submission of architectural plans or site plans to the com-
25 mission.

26 b. No license shall be issued by the commission to any applicant,
27 including a casino service industry as defined in section 12 of this
28 act, who has not agreed to afford an equal employment opportunity
29 to all prospective employees in accordance with an affirmative-
30 action program approved by the commission and consonant with
31 the provisions of the "Law Against Discrimination," P. L. 1945,
32 c. 169 (C. 10:5-1 et seq.).

33 c. Each applicant shall formulate for commission approval and
34 abide by an affirmative-action program of equal opportunity
35 whereby the applicant guarantees to provide equal employment
36 opportunity to rehabilitated offenders eligible under [section]
37 sections 90 and 91 of this act and members of minority groups
38 qualified for licensure in all employment categories, including the
39 handicapped, in accordance with the provisions of the "Law Against
40 Discrimination," P. L. 1945, c. 169 (C. 10:5-1 et seq.), except in
41 the case of the mentally handicapped, if it can be clearly shown
42 that such handicap would prevent such person from performing
43 a particular job.

44 d. Any license issued by the commission in violation of this sec-
45 tion shall be null and void.

1 22. Section 142 of P. L. 1977, c. 110 (C. 5:12-142) is amended
2 to read as follows:

3 142. Work Permit Fee. The commission shall, by regulation,
4 establish annual fees for the issuance and renewal of work permits
5 **【for the various classes of employees】**, which fees shall be pay-
6 able by the employer licensee.

1 23. Section 11 of P. L. 1978, c. 7 (C. 5:12-47.1) is repealed.

1 24. This act shall take effect immediately.

GAMBLING—CASINOS

Amends "Casino Control Act" to update act and make technical
corrections.

21 employees employed by a contractor or subcontractor in connection
 22 with the actual construction, renovation or reconstruction of any
 23 structure or facility to be used as an approved hotel or casino
 24 prior to submission of architectural plans or site plans to the com-
 25 mission.

26 b. No license shall be issued by the commission to any applicant,
 27 including a casino service industry as defined in section 12 of this
 28 act, who has not agreed to afford an equal employment opportunity
 29 to all prospective employees in accordance with an affirmative-
 30 action program approved by the commission and consonant with
 31 the provisions of the "Law Against Discrimination," P. L. 1945,
 32 c. 169 (C. 10:5-1 et seq.).

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 34 abide by an affirmative-action program of equal opportunity
 35 whereby the applicant guarantees to provide equal employment
 36 opportunity to rehabilitated offenders eligible under [section]
 37 sections 90 and 91 of this act and members of minority groups
 38 qualified for licensure in all employment categories, including the
 39 handicapped, in accordance with the provisions of the "Law Against
 40 Discrimination," P. L. 1945, c. 169 (C. 10:5-1 et seq.), except in
 41 the case of the mentally handicapped, if it can be clearly shown
 42 that such handicap would prevent such person from performing
 43 a particular job.

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 2 to read as follows:

3 142. Work Permit Fee. The commission shall, by regulation,
 4 establish annual fees for the issuance and renewal of work permits
 5 [for the various classes of employees], which fees shall be pay-
 6 able by the employer licensee.

1 23. Section 11 of P. L. 1978, c. 7 (C. 5:12-47.1) is repealed.

1 24. This act shall take effect immediately.

STATEMENT

This bill amends the "Casino Control Act" to eliminate outdated references and make other technical corrections and to conform the provisions of the statute to current practice or interpretation by the courts.

The bill eliminates references to temporary casino permits, which were terminated in 1983; revises work permit requirements; conforms certain procedures with those required under the "Admin-

istative Procedure Act”; mandates the confidentiality of applicant information; requires an applicant for licensure to prove good character and not simply the reputation for it; and clarifies what constitutes continuing offenses. The section of law defining “temporary casino permit” is repealed.

GAMBLING—CASINOS

Amends “Casino Control Act” to update act and make technical corrections.

SENATE INSTITUTIONS, HEALTH AND WELFARE
COMMITTEE

STATEMENT TO

SENATE, No. 2898

with Senate committee amendments

STATE OF NEW JERSEY

DATED: NOVEMBER 9, 1987

The Senate Institutions, Health and Welfare Committee favorably reports Senate Bill No. 2898 with committee amendments.

As amended, this bill amends the "Casino Control Act," P. L. 1977, c. 110 (C. 5:12-1 et seq.) to make technical corrections to the law, eliminate outdated references and make other changes to conform the provisions of the law to current practice or interpretation by the courts.

The bill makes the following changes in the act:

(1) eliminates references to temporary casino permits, inasmuch as authority for temporary casino permits expired at the end of 1982, and also repeals the section defining "temporary casino permit," section 11 of P. L. 1978, c. 7 (C. 5:12-47.1);

(2) revises work permit requirements to conform to actual practice (at present, the law provides for approval and issuance by the commission of individual work permits geared to specific employee positions but in practice, computer-generated lists of employees are submitted and then compared to lists of currently licensed and registered persons);

(3) conforms procedures which allow an individual to petition the commission for appropriate rule-making actions, to the "Administrative Procedure Act," P. L. 1968, c. 410 (C. 52:14B-1 et seq.);

(4) mandates that all information pertaining to an applicant's criminal record, family and background furnished to or obtained by the commission from any source shall remain confidential, to conform subsections e. and f. of section 74 of the act to present judicial and commission interpretations of these provisions, and requires the applicant to be notified in the event that information is released to an authorized law enforcement agency;

(5) requires an applicant for licensure to prove good character rather than the reputation for good character, as the law currently provides;

(6) provides that a temporary casino key employee license shall expire nine months from the date of issuance, instead of six months

as the law currently provides, and deletes the provision that permitted the license to be renewed for an additional three-month period;

(7) clarifies what constitutes offenses of a continuing nature; and

(8) eliminates certain references to gambling offenses in Title 2A of the New Jersey Statutes which have been repealed since the enactment of the act and replaced by applicable provisions of the State's Code of Criminal Justice.

The committee amended the bill to be identical to Assembly Bill No. 3566 (Arango/Muziani), which is currently pending before the General Assembly. The amendments extend the duration for temporary casino key employee licenses from six to nine months and remove the three-month extension for these licenses.
