

5:12-101

LEGISLATIVE HISTORY CHECKLIST

NJSA: 5:12-101

(Casinos--acceptance of checks--specify conditions)

LAWS OF: 1985

CHAPTER: 245

Bill No: A2625

Sponsor(s): Bryant

Date Introduced: October 11, 1984

Committee: Assembly: Independent Authorities and Commissions

Senate: State Government, Federal and Interstate Relations and Veterans' Affairs.

Amended during passage: Yes Amendments during passage denoted by asterisks. Substituted for S2640 (original attached)

Date of Passage: Assembly: February 25, 1985

Senate: June 27, 1985

Date of Approval: July 17, 1985

Following statements are attached if available:

Sponsor statement: Yes (Below)

Committee statement: Assembly Yes

Senate Yes

Fiscal Note: No

Veto Message: No

Message on Signing: No

Following were printed:

Reports: No

Hearings: No

Sponsor's statement:

This bill permits a casino licensee to cash a check issued by another casino licensee in Atlantic City.

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ASSEMBLY, No. 2625

STATE OF NEW JERSEY

INTRODUCED OCTOBER 11, 1984

By Assemblyman BRYANT

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

3 101. Credit. a. Except as otherwise provided in this section,
4 no casino licensee or any person licensed under this act, and no
5 person acting on behalf of or under any arrangement with a
6 casino licensee or other person licensed under this act, shall:

7 (1) Cash any check, make any loan, or otherwise provide or
8 allow to any person any credit or advance of anything of value
9 or which represents value to enable any person to take part in
10 gaming activity as a player; or

11 (2) Release or discharge any debt, either in whole or in part,
12 or make any loan which represents any losses incurred by any
13 player in gaming activity without maintaining a written record
14 thereof in accordance with the rules of the commission.

15 b. No casino licensee or any person licensed under this act, and
16 no person acting on behalf of or under any arrangement with a
17 casino licensee or other person licensed under this act, may accept
18 a check, other than a recognized traveler's check or other cash
19 equivalent, ***[or a check issued by another casino licensee,]*** from
20 any person to enable such person to take part in gaming activity as
21 a player, or may give cash or cash equivalents in exchange for such
22 check unless:

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 February 14, 1985.

- 23 (1) The check is made payable to the casino licensee ;
24 (2) The check is dated, but not postdated ;
25 (3) The check is presented to the cashier or his representative
26 and is exchanged only for a credit slip or slips which total an
27 amount equal to the amount for which the check is drawn, which
28 slip or slips may be presented for chips at a gaming table ; and
29 (4) The regulations concerning check cashing procedures are
30 observed by the casino licensee and its employees and agents.

31 Nothing in this subsection shall be deemed to preclude the
32 establishment of an account by any person with a casino licensee
33 by a deposit of cash or recognized traveler's check or other cash
34 equivalent, or to preclude the withdrawal, either in whole or in
35 part, of any amount contained in such account.

36 c. When a casino licensee or other person licensed under this
37 act, or any person acting on behalf of or under any arrangement
38 with a casino licensee or other person licensed under this act,
39 cashes a check in conformity with the requirements of subsection
40 b. of this section, the casino licensee shall cause the deposit of such
41 check in a bank for collection or payment within (1) seven banking
42 days of the date of the transaction for a check in an amount less
43 than \$1,000.00; (2) 14 banking days of the date of the trans-
44 action for a check of at least \$1,000.00 but less than \$2,500.00;
45 or (3) 90 banking days of the date of the transaction for a
46 check of \$2,500.00 or more. Notwithstanding the foregoing, the
47 drawer of the check may redeem the check by exchanging cash or
48 chips in an amount equal to the amount for which the check is
49 drawn; or he may redeem the check in part by exchanging cash
50 or chips and another check which meets the requirements of sub-
51 section b. of this section for the difference between the original
52 check and the cash or chips tendered; or he may issue one check
53 which meets the requirements of subsection b. of this section in
54 an amount sufficient to redeem two or more checks drawn to the
55 order of the casino licensee. If there has been a partial redemp-
56 tion or a consolidation in conformity with the provisions of this
57 subsection, the newly issued check shall be delivered to a bank
58 for collection or payment within the period herein specified. No
59 casino licensee or any person licensed under this act, and no per-
60 son acting on behalf of or under any arrangement with a casino
61 licensee or other person licensed under this act shall accept any
62 check or series of checks in redemption or consolidation of another
63 check or checks in accordance with this subsection for the purpose
64 of avoiding or delaying the deposit of a check in a bank for col-
65 lection or payment within the time period prescribed by this
66 subsection.

67 d. No casino licensee or any other person licensed under this
68 act, or any other person acting on behalf of or under any arrange-
69 ment with a casino licensee or other person licensed under this
70 act, shall transfer, convey, or give, with or without consideration,
71 a check cashed in conformity with the requirements of this section
72 to any person other than:

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

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

76 (3) A purchaser of the casino license as approved by the
77 commission.

78 The limitation on transferability of checks imposed herein shall
79 apply to checks returned by any bank to the casino licensee without
80 full and final payment.

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

86 f. Notwithstanding the provisions of any law to the contrary,
87 checks cashed in conformity with the requirements of this act
88 shall be valid instruments, enforceable at law in the courts of this
89 State. Any check cashed, transferred, conveyed or given in vio-
90 lation of this act shall be invalid and unenforceable.

91 **g. Notwithstanding the provisions of subsection b. of this sec-*
92 *tion to the contrary, a casino licensee may accept a check from a*
93 *person to enable the person to take part in gaming activity as a*
94 *player, or may give cash or cash equivalents in exchange for the*
95 *check, provided that:*

96 (1) *The check is drawn by a casino licensee pursuant to the pro-*
97 *visions of subsection k. of section 100 of P. L. 1977, c. 110 (C.*
98 *5:12-100 k.) or upon a withdrawal of funds from an account*
99 *established in accordance with the provisions of subsection b. of*
100 *this section;*

101 (2) *The check is identifiable in a manner approved by the com-*
102 *mission as a check issued for a purpose listed in paragraph (1) of*
103 *this subsection;*

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

105 (4) *The check is presented to the cashier or the cashier's repre-*
106 *sentative by the original payee and its validity is verified by the*
107 *drawer; and*

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

110 *No casino licensee shall issue a check for the purpose of making*
111 *a loan or otherwise providing or allowing any advance or credit to*
112 *a person to enable the person to take part in gaming activity as a*
113 *player.**

1 2. This act shall take effect immediately.

SENATE, No. 2640

STATE OF NEW JERSEY

INTRODUCED JANUARY 28, 1985

By Senator GORMLEY

Referred to Committee on State Government, Federal and Interstate
Relations and Veterans Affairs

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

3 101. Credit. a. Except as otherwise provided in this section,
4 no casino licensee or any person licensed under this act, and no
5 person acting on behalf of or under any arrangement with a casino
6 licensee or other person licensed under this act, shall:

7 (1) Cash any check, make any loan, or otherwise provide or
8 allow to any person any credit or advance of anything of value
9 or which represents value to enable any person to take part in
10 gaming activity as a player; or

11 (2) Release or discharge any debt, either in whole or in part,
12 or make any loan which represents any losses incurred by any
13 player in gaming activity without maintaining a written record
14 thereof in accordance with the rules of the commission.

15 b. No casino licensee or any person licensed under this act, and
16 no person acting on behalf of or under any arrangement with a
17 casino licensee or other person licensed under this act, may accept
18 a check, other than a recognized traveler's check or other cash
19 equivalent, from any person to enable such person to take part
20 in gaming activity as a player, or may give cash or cash equivalents
21 in exchange for such check unless:

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

Matter printed in italics thus is new matter.

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

24 (3) The check is presented to the cashier or his representative
25 and is exchanged only for a credit slip or slips which total
26 an amount equal to the amount for which the check is drawn,
27 which slip or slips may be presented for chips at a gaming table;
28 and

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

31 Nothing in this subsection shall be deemed to preclude the
32 establishment of an account by any person with a casino licensee
33 by a deposit of cash or recognized traveler's check or other cash
34 equivalent, or to preclude the withdrawal, either in whole or in
35 part, of any amount contained in such account.

36 c. When a casino licensee or other person licensed under this
37 act, or any person acting on behalf of or under any arrangement
38 with a casino licensee or other person licensed under this act,
39 cashes a check in conformity with the requirements of subsection
40 b. of this section, the casino licensee shall cause the deposit of such
41 check in a bank for collection or payment within (1) seven banking
42 days of the date of the transaction for a check in an amount less
43 than \$1,000.00; (2) 14 banking days of the date of the trans-
44 action for a check of at least \$1,000.00 but less than \$2,500.00;
45 or (3) 90 banking days of the date of the transaction for a
46 check of \$2,500.00 or more. Notwithstanding the foregoing, the
47 drawer of the check may redeem the check by exchanging cash or
48 chips in an amount equal to the amount for which the check is
49 drawn; or he may redeem the check in part by exchanging cash
50 or chips and another check which meets the requirements of sub-
51 section b. of this section for the difference between the original
52 check and the cash or chips tendered; or he may issue one check
53 which meets the requirements of subsection b. of this section in
54 an amount sufficient to redeem two or more checks drawn to the
55 order of the casino licensee. If there has been a partial redemp-
56 tion or a consolidation in conformity with the provisions of this
57 subsection, the newly issued check shall be delivered to a bank
58 for collection or payment within the period herein specified. No
59 casino licensee or any person licensed under this act, and no per-
60 son acting on behalf of or under any arrangement with a casino
61 licensee or other person licensed under this act shall accept any
62 check or series of checks in redemption or consolidation of another
63 check or checks in accordance with this subsection for the purpose
64 of avoiding or delaying the deposit of a check in a bank for collec-

65 tion or payment within the time period prescribed by this subsec-
66 tion.

67 d. No casino licensee or any other person licensed under this
68 act, or any other person acting on behalf of or under any arrange-
69 ment with a casino licensee or other person licensed under this
70 act, shall transfer, convey, or give, with or without consideration,
71 a check cashed in conformity with the requirements of this section
72 to any person other than:

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

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

76 (3) A purchaser of the casino license as approved by the com-
77 mission.

78 The limitation on transferability of checks imposed herein shall
79 apply to checks returned by any bank to the casino licensee without
80 full and final payment.

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

86 f. Notwithstanding the provisions of any law to the contrary,
87 checks cashed in conformity with the requirements of this act
88 shall be valid instruments, enforceable at law in the courts of this
89 State. Any check cashed, transferred, conveyed or given in vio-
90 lation of this act shall be invalid and unenforceable.

91 *g. Notwithstanding the provisions of subsection b. of this section*
92 *to the contrary, a casino licensee may accept a check from a person*
93 *to enable the person to take part in gaming activity as a player, or*
94 *may give cash or cash equivalents in exchange for the check, pro-*
95 *vided that:*

96 (1) *The check is drawn by a casino licensee pursuant to the pro-*
97 *visions of subsection k. of section 100 of P. L. 1977, c. 110 (C.*
98 *5:12-100k.) or upon a withdrawal of funds from an account estab-*
99 *lished in accordance with the provisions of subsection b. of this*
100 *section;*

101 (2) *The check is identifiable in a manner approved by the com-*
102 *mission as a check issued for a purpose listed in paragraph (1)*
103 *of this subsection;*

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

105 (4) *The check is presented to the cashier or the cashier's repre-*
106 *sentative by the original payee and its validity is verified by the*
107 *drawer; and*

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

110 *No casino licensee shall issue a check for the purpose of making*
111 *a loan or otherwise providing or allowing any advance or credit to*
112 *a person to enable the person to take part in gaming activity as a*
113 *player.*

1 2. This act shall take effect immediately.

STATEMENT

This bill specifies the conditions under which a casino licensee may accept a check from a person and give cash or cash equivalents for a check.

ASSEMBLY INDEPENDENT AUTHORITIES AND
COMMISSIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 2625

with Assembly committee amendments

STATE OF NEW JERSEY

DATED: FEBRUARY 14, 1985

This bill, as amended, specifies the conditions under which a casino licensee may cash a check drawn by a casino licensee and made payable to the person presenting the check.

At present, a casino licensee may cash a check only if it is "a recognized traveler's check or other cash equivalent" or if it is a check made payable to the casino licensee, is not postdated, and is presented to the casino cashier and is exchanged for a credit slip or slips.

The committee reported the bill favorably as amended.

COMMITTEE ACTION

The committee amended the bill to incorporate language recommended by the Casino Control Commission.

SENATE STATE GOVERNMENT, FEDERAL AND
INTERSTATE RELATIONS AND VETERANS AFFAIRS
COMMITTEE

STATEMENT TO
ASSEMBLY, No. 2625

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STATE OF NEW JERSEY

DATED: APRIL 29, 1985

This bill specifies the conditions under which a casino licensee may cash a check drawn by a casino licensee and made payable to the person presenting the check.

At present, a casino licensee may cash a check only if it is "a recognized traveler's check or other cash equivalent" or if it is a check made payable to the casino licensee, is not postdated, and is presented to the casino cashier and is exchanged for a credit slip or slips. This bill would allow a check issued by a casino licensee to be cashed if it is presented to the cashier or the cashier's representative by the original payee and its validity is verified by the drawer.

The bill also provides that no casino licensee shall issue a check for the purpose of making a loan or otherwise providing any advance or credit to a person to enable that person to take part in gaming activity as a player.