

# SENATE, No. 4021

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# STATE OF NEW JERSEY

## 220th LEGISLATURE

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INTRODUCED JUNE 26, 2023

**Sponsored by:**

**Senator JOSEPH P. CRYAN**

**District 20 (Union)**

**SYNOPSIS**

Restricts advertising for casino games and sports pools under certain circumstances.

**CURRENT VERSION OF TEXT**

As introduced.



1 AN ACT concerning the advertisement of casino games and sports  
2 wagering and amending P.L.1977, c.110 and P.L.2018, c.33.

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State  
5 of New Jersey:

6

7 1. Section 70 of P.L.1977, c.110 (C.5:12-70) is amended to  
8 read as follows:

9 70. Required Regulations. a. The division shall, without  
10 limitation include the following specific provisions in its  
11 regulations in accordance with the provisions of this act:

12 (1) Prescribing the methods and forms of application and  
13 registration which any applicant or registrant shall follow and  
14 complete;

15 (2) Prescribing the methods, procedures and form for delivery of  
16 information concerning any person's family, habits, character,  
17 associates, criminal record, business activities and financial affairs;

18 (3) Prescribing such procedures for the fingerprinting of an  
19 applicant, employee of a licensee, or registrant, and methods of  
20 identification which may be necessary to accomplish effective  
21 enforcement of restrictions on access to the casino floor, the  
22 simulcasting facility, and other restricted areas of the casino hotel  
23 complex;

24 (4) Prescribing the method of notice to an applicant, registrant  
25 or licensee concerning the release of any information or data  
26 provided to the commission or division by such applicant, registrant  
27 or licensee;

28 (5) Prescribing the manner and procedure of all hearings  
29 conducted by the division or any hearing examiner, including  
30 special rules of evidence applicable thereto and notices thereof;

31 (6) Prescribing the manner and method of collection of  
32 payments of taxes, fees, and penalties;

33 (7) Defining and limiting the areas of operation, the rules of  
34 authorized games, including games played upon and wagered  
35 through the Internet, odds, and devices permitted, and the method of  
36 operation of such games and devices;

37 (8) Regulating the practice and procedures for negotiable  
38 transactions involving patrons, including limitations on the  
39 circumstances and amounts of such transactions, and the  
40 establishment of forms and procedures for negotiable instrument  
41 transactions, redemptions, and consolidations;

42 (9) Prescribing grounds and procedures for the revocation or  
43 suspension of operating certificates, licenses and registrations;

44 (10) Governing the manufacture, distribution, sale, deployment,  
45 and servicing of gaming devices and equipment;

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

**Matter underlined thus is new matter.**

1 (11) Prescribing for gaming operations the procedures, forms and  
2 methods of management controls, including employee and  
3 supervisory tables of organization and responsibility, and minimum  
4 security and surveillance standards, including security personnel  
5 structure, alarm and other electrical or visual security measures;  
6 provided, however, that the division shall grant an applicant for a  
7 casino license or a casino licensee broad discretion concerning the  
8 organization and responsibilities of management personnel who are  
9 not directly involved in the supervision of gaming or simulcast  
10 wagering operations;

11 (12) Prescribing the qualifications of, and the conditions  
12 pursuant to which, engineers, accountants, and others shall be  
13 permitted to practice before the division or to submit materials on  
14 behalf of any applicant or licensee; provided, however, that no  
15 member of the Legislature, nor any firm with which said member is  
16 associated, shall be permitted to appear or practice or act in any  
17 capacity whatsoever before the commission or division regarding  
18 any matter whatsoever, nor shall any member of the family of the  
19 Governor or of a member of the Legislature be permitted to so  
20 practice or appear in any capacity whatsoever before the  
21 commission or division regarding any matter whatsoever;

22 (13) Prescribing minimum procedures for the exercise of  
23 effective control over the internal fiscal affairs of a licensee,  
24 including provisions for the safeguarding of assets and revenues,  
25 the recording of cash and evidence of indebtedness, and the  
26 maintenance of reliable records, accounts, and reports of  
27 transactions, operations and events, including reports to the  
28 division;

29 (14) Providing for a minimum uniform standard of accountancy  
30 methods, procedures and forms; a uniform code of accounts and  
31 accounting classifications; and such other standard operating  
32 procedures, including those controls listed in subsection a. of  
33 section 99 of P.L.1977, c.110 (C.5:12-99), as may be necessary to  
34 assure consistency, comparability, and effective disclosure of all  
35 financial information, including calculations of percentages of  
36 profit by games, tables, gaming devices and slot machines;

37 (15) Requiring quarterly financial reports and the form thereof,  
38 and an annual audit prepared by a certified public accountant  
39 licensed to do business in this State, attesting to the financial  
40 condition of a licensee and disclosing whether the accounts, records  
41 and control procedures examined are maintained by the licensee as  
42 required by this act and the regulations promulgated hereunder;

43 (16) Governing the gaming-related advertising of casino  
44 licensees, their employees and agents, with the view toward  
45 assuring that such advertisements are in no way deceptive or  
46 fraudulent; provided, however, that such regulations shall require  
47 the words "Bet with your head, not over it," or some comparable  
48 language approved by the division, to appear on all billboards,

1 signs, and other on-site advertising of a casino operation and shall  
2 require the words "If you or someone you know has a gambling  
3 problem and wants help, call 1-800 GAMBLER," or some  
4 comparable language approved by the division, which language  
5 shall include the words "gambling problem" and "call 1-800  
6 GAMBLER," to appear legibly on all print, billboard, and sign  
7 advertising of a casino operation; **[and]**

8 (17) (Deleted by amendment, P.L.1991, c.182).

9 (18) Concerning the distribution and consumption of alcoholic  
10 beverages on the premises of the licensee, which regulations shall  
11 be insofar as possible consistent with Title 33 of the Revised  
12 Statutes, and shall deviate only insofar as necessary because of the  
13 unique character of the hotel casino premises and operations; and

14 (19) (Deleted by amendment, P.L.1991, c.182)

15 (20) Governing the gaming-related advertising of casino  
16 licensees, and their contracted operators, to ensure their  
17 advertisements are not deceptive or fraudulent, do not direct  
18 unsolicited advertisements toward individuals on the list of self-  
19 excluded persons established pursuant to section 1 of P.L.2001, c.39  
20 (C.5:12-71.2), and do not appeal directly to individuals under the  
21 legal age to gamble.

22 b. The commission shall, in its regulations, prescribe the  
23 manner and procedure of all hearings conducted by the commission,  
24 including special rules of evidence applicable thereto and notices  
25 thereof.

26 (cf: P.L.2013, c.27, s.7)

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28 2. Section 4 of P.L.2018, c.33 (C.5:12A-13) is amended to read  
29 as follows:

30 4. a. Except as otherwise provided by this act, the division shall  
31 have the authority to regulate sports pools, online sports pools, and  
32 the conduct of sports wagering under this act to the same extent that  
33 the division regulates casino games. No casino or racetrack shall be  
34 authorized to operate a sports pool or online sports pool unless it  
35 has produced, to the satisfaction of the agency issuing the sports  
36 wagering license, information, documentation, and assurances  
37 concerning its financial background and resources, including cash  
38 reserves, that are sufficient to demonstrate that it has the financial  
39 stability, integrity, and responsibility to operate a sports pool or  
40 online sports pool. In developing rules and regulations applicable  
41 to sports wagering, the division may examine the regulations  
42 implemented in other states where sports wagering is conducted and  
43 may, as far as practicable, adopt a similar regulatory framework.  
44 The division, in consultation with the commission, shall promulgate  
45 regulations necessary to carry out the provisions of this act,  
46 including, but not limited to, regulations governing the:

47 (1) amount of cash reserves to be maintained by operators to  
48 cover winning wagers;

- 1 (2) acceptance of wagers on a series of sports events;
- 2 (3) maximum wagers which may be accepted by an operator
- 3 from any one patron on any one sports event;
- 4 (4) type of wagering tickets which may be used;
- 5 (5) method of issuing tickets;
- 6 (6) method of accounting to be used by operators;
- 7 (7) types of records which shall be kept;
- 8 (8) use of credit and checks by patrons;
- 9 (9) type of system for wagering;
- 10 (10) protections for a person placing a wager; **[and]**
- 11 (11) display of the words, "If you or someone you know has a
- 12 gambling problem and wants help, call 1-800 GAMBLER," or some
- 13 comparable language approved by the division, which language
- 14 shall include the words "gambling problem" and "call 1-800
- 15 GAMBLER," in all print, billboard, sign, online, or broadcast
- 16 advertisements of a sports pool and online sports pool and in every
- 17 sports wagering lounge; and
- 18 (12) sports pool related advertising of sports wagering licensees,
- 19 and their contracted operators, to ensure their advertisements are
- 20 not deceptive or fraudulent, do not direct unsolicited advertisements
- 21 toward individuals on the list of self-excluded persons established
- 22 pursuant to section 1 of P.L.2001, c.39 (C.5:12-71.2), and do not
- 23 appeal directly to individuals under the legal age to wager.
- 24 b. Notwithstanding any other provision of P.L.2018, c.33
- 25 (C.5:12A-10 et al.) or of the "Administrative Procedure Act,"
- 26 P.L.1968, c.410 (C.52:14B-1 et seq.), to the contrary, during the 90-
- 27 day period following the effective date of this act, the division and
- 28 the racing commission may, after notice provided in accordance
- 29 with this subsection, summarily adopt, amend, or repeal any order,
- 30 rule, or regulation for a period not to exceed 270 days for the
- 31 purpose of ensuring the expeditious and effective implementation of
- 32 sports wagering at casinos or racetracks in accordance with this act.
- 33 Any summary rulemaking authorized by this subsection shall be
- 34 subject to such terms and conditions as the division and the racing
- 35 commission may deem appropriate. Such rules shall be effective
- 36 when published by the division and the racing commission on their
- 37 respective websites and shall allow for the immediate application of
- 38 any racetrack licensed by the racing commission, or casino licensed
- 39 by the division, to the respective agency by which they are licensed
- 40 or permitted, for a transactional waiver to immediately commence
- 41 sports wagering. Upon the filing of such application, these rules
- 42 shall further provide that, upon a showing therein that the applicant
- 43 is licensed or permitted by the appropriate agency, a sports
- 44 wagering license shall immediately be issued to the respective
- 45 applicant allowing for its immediate commencement of sports
- 46 wagering subject to the condition that it conform to the entity and
- 47 individual or other licensing, facility and any other requirements set
- 48 forth in the respective rules of each within 270 days. In the event

1 such rules are not complied with within such time period, the non-  
2 complying racetrack or casino will not thereafter be eligible to  
3 conduct sports wagering until such compliance is achieved. Notice  
4 of any emergency rulemaking action taken by the division or the  
5 racing commission pursuant to this subsection shall be published in  
6 the New Jersey Register, and provided to the newspapers designated  
7 by the division and racing commission pursuant to subsection d. of  
8 section 3 of P.L.1975, c.231 (C.10:4-8), not later than 30 days  
9 subsequent to the implementation of the emergency rules. The text  
10 of any emergency rule adopted by the division and the racing  
11 commission pursuant to this section shall be available in each  
12 racetrack, casino, sports wagering lounge, and simulcasting facility  
13 implementing the provisions of emergency rulemaking.

14 c. Any person employed on the effective date of this act,  
15 P.L.2018, c.33 (C.5:12A-10 et al.), by a permitholder in the  
16 admissions department or parimutuel clerk department of a  
17 racetrack operated by the permitholder shall be given a one-time  
18 right of first refusal offer of employment at the sports pool,  
19 including an online sports pool, that opens at that racetrack, for the  
20 then available positions of similar employment in that sports pool,  
21 or with any vendor contracting with the licensee to operate the  
22 sports pool.

23 (cf: P.L.2018, c.33, s.4)

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25 3. This act shall take effect immediately.

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#### STATEMENT

29

30 Gambling on casino games or sporting events is a potentially  
31 addictive behavior that can result in mental, social, and financial  
32 stresses to an individual, their family, and their community. While  
33 gambling in various forms and through various mediums is legal in  
34 this State, it is necessary to take steps to protect vulnerable  
35 populations in this State from the adverse effects associated with  
36 gambling. This bill narrowly targets gambling advertisements that  
37 are fraudulent, or designed to entice individuals on the self-  
38 exclusion list, or who are under the legal age to gamble, while  
39 leaving available all other means and methods of advertising.

40 This bill requires the Division of Gaming Enforcement to  
41 promulgate rules to restrict advertisements made by casino  
42 licensees and sports wagering licensees, and their contracted  
43 operators, that relate to casino games or sports wagering, only if  
44 those advertisements (1) are fraudulent or deceptive, (2) are  
45 directed at individuals on the lawfully established self-exclusion  
46 list, or (3) directly appeal to individuals under the legal age to  
47 gamble or wager.