

SENATE, No. 2156

STATE OF NEW JERSEY
221st LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2024 SESSION

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

Introduced Pending Technical Review by Legislative Counsel.



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

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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.