NEW JERSEY REGISTER VOLUME 38, ISSUE 6 ISSUE DATE: MARCH 20, 2006 RULE ADOPTIONS LAW AND PUBLIC SAFETY DIVISION OF CONSUMER AFFAIRS LEGALIZED GAMES OF CHANCE CONTROL COMMISSION

38 N.J.R. 1462(a)

Adopted Amendments: N.J.A.C. 13:47-1.1, 2.5, 3.3, 4.1, 4.2, 4.3, 5.3, 6.3, 6.10, 7.8, 7.9 and 7.18

Raffles and Bingos

Proposed: April 18, 2005 at 37 N.J.R. 1165(a).

Adopted: July 13, 2005 by the Legalized Games of Chance Control Commission, Marilou Halvorsen, Chairperson.

Filed: February 17, 2006 as R.2006 d.109, with substantive and technical changes not requiring additional public notice and comment (see N.J.A.C. 1:30-6.3).

Authority: N.J.S.A. 5:8-6, 5:8-51 and 5:8-61.

Effective Date: March 20, 2006.

Expiration Date: July 12, 2007.

Federal Standards Statement

A Federal standards analysis is not required because there are no applicable Federal laws or standards applicable to the adopted amendments.

Full text of the adoption follows (additions to proposal indicated in boldface with asterisks *thus*; deletions from proposal indicated in brackets with asterisks *[thus]*):

13:47-1.1 Words and phrases defined

The following words and terms, when used in this chapter, shall have the following meanings unless the context clearly indicates otherwise:

["Authorized municipal clerk" means a person to whom a municipal governing body has delegated by ordinance the authority to approve the granting of raffle and bingo licensees.]

"Authorized purpose" means an educational, charitable, patriotic, religious or public-spirited purpose, which terms are defined to be the purpose of benefiting an indefinite number of persons either by bringing their minds or hearts under the influence of education or religion, by relieving their bodies from disease, suffering, or constraint, by assisting them to establish themselves in life or by erecting or maintaining public buildings or works, or otherwise lessening the burden of government or, in the case of a senior citizen association or club, the support of such organization. Authorized purpose includes capital improvements to a facility owned by the licensee as limited by N.J.A.C. 13:47-6.3. Authorized purpose does not include the erection or acquisition of property, real, personal or mixed, unless such property is and shall be used exclusively for one or more of the purposes hereinabove stated.

"Capital improvements" means the improvement, maintenance or repair of a facility.

"Card" means a non-reusable card which is indelibly marked by the player upon which bingo is played.

"Issuing authority" means the governing body of a municipality or *[an authorized municipal clerk]* *a person to whom a municipal governing body has delegated by ordinance the authority to approve the granting of raffle and bingo licenses*.

SUBCHAPTER 2. REGISTRATION AND IDENTIFICATION

13:47-2.5 Municipal approval

Neither registration nor the assignment of an identification number shall entitle any organization to hold, operate or conduct, or assist in the holding, operating or conducting of, any game or games of chance without the approval of the issuing authority of the municipality in which the game or games are to be held, operated or conducted.

SUBCHAPTER 3. APPLICATIONS

13:47-3.3 Filing

License applications shall be filed in quadruplicate with the municipal clerk. One copy shall be retained by the municipal clerk, the second copy shall be returned to the applicant after a license has been granted or denied by the issuing authority. The third copy shall be forwarded to the Control Commission by the municipal clerk and the fourth copy shall be delivered to the Law Enforcement Agency in the municipality.

SUBCHAPTER 4. LICENSE ISSUANCE

13:47-4.1 Findings and determination

(a) Upon reviewing and determining whether to approve or deny a license application or an amendment to a license, the issuing authority shall record its findings and determination as to each of the conditions established by law.

(b) Upon investigating and passing upon a suspension or revocation of license, the governing body shall record its findings and determination as to each of the conditions established by law.

(c) (No change.)

13:47-4.2 Transmittal of copies of findings and determination

Upon making its findings and determinations, the issuing authority shall within three days transmit a copy of its findings and determination to the Control Commission. The findings and determination together with the third copy of the application as provided in N.J.A.C. 13:47-3.3 shall be received by the Control Commission prior to the holding of the first game authorized.

13:47-4.3 Duties of municipal clerk; computation of fees; notice of denial; license issuance

(a) Upon receiving the finding and determination of the issuing authority, the municipal clerk shall, if the license is granted, compute the fee payable by law, collect any fee due the municipality or the State from the applicant organization and forward any fee due the State together with the application to the Control Commission.

(b) If the Control Commission has not taken action on the application within 15 business days after the municipality has mailed the application and licensing fee to the Control Commission, the application is deemed approved.

(c) If the license is denied, the municipal clerk shall forward a copy of the application marked denied, together with a copy of the findings and determinations of the issuing authority to the Control Commission and notify the applicant by regular mail. The notification to the Control Commission and the applicant shall be made within three days of the issuing authority's decision to deny the license.

SUBCHAPTER 5. LICENSE AMENDMENT

13:47-5.3 Approval

When the issuing authority approves an amendment of a license, the original license shall be returned by the license holder and exchanged for the amended license, upon payment of any additional fee required.

SUBCHAPTER 6. GENERAL CONDUCT OF GAMES OF CHANCE

13:47-6.3 Use of proceeds; capital improvements

(a) The entire net proceeds of the games of chance must be devoted to authorized purposes.

(b) A bona fide organization or association of veterans of any war in which the United States has been engaged, church or religious congregation or religious organization, charitable, educational or fraternal organization, civic or service club, officially recognized volunteer fire company, or officially recognized volunteer first aid or rescue squad licensed to hold and operate games of chance may use the net proceeds of games of chance for capital improvements to a facility owned by the licensee only if:

1. The facility is devoted full-time to an authorized purpose;

2. A portion of the facility is devoted full-time to an authorized purpose, in which case all of the net proceeds may be used for capital improvements to that portion of the facility so devoted; or

3. All or a portion of the facility is devoted part-time to an authorized purpose, in which case a percentage of the net proceeds may be used for capital improvements to the facility or to that portion of a facility so devoted. The percentage of the net proceeds which may be used for capital improvements under this paragraph shall be equal to the percentage that represents the number of days of the preceding calendar year during which the facility or portion thereof was devoted to an authorized purpose.

(c) In determining the amount of net proceeds a licensee may use for capital improvements pursuant to (b) above, an amount not to exceed 25 percent of the total cost of the capital improvement shall be allowed for facility space used full-time for administrative or operational activities of the licensee, provided the space is located in a facility at least half of which was devoted to an authorized purpose for at least 70 days in the previous calendar year.

(d) The use of a facility or a portion thereof for an authorized purpose for at least three hours in any one day shall be sufficient to substantiate that the facility or portion thereof was devoted that day to an authorized purpose.

13:47-6.10 Player age limitation

(a)-(b) (No change.)

(c) Except for the serving or selling of food and beverages, no person under the age of 18 years shall hold, operate or conduct or assist in the holding, operating or conducting of any game of change held, operated or conducted under any license issued pursuant to the Bingo Licensing Law, N.J.S.A. 5:8-24 et seq. or the Raffles Licensing Law, N.J.S.A. 5:8-50 et seq., and the rules set forth in this chapter.

(d) (No change.)

SUBCHAPTER 7. CONDUCT OF BINGO

13:47-7.8 Person conducting bingo; restriction; minimum age

(a) (No change.)

(b) No licensed organization shall permit any person under the age of 18 years to conduct or assist in the conduct of bingo including the sale or distribution of any bingo card, merchandise or service, except for food or beverages, at any time after the room or area where bingo games are to be played is open to the players.

13:47-7.9 Equipment; general operation of bingo

(a) (No change.)

(b) Effective *[(six months from the effective date of this amendment)]* *September 20, 2006*, all bingo games shall be played on non-reusable cards which are to be indelibly marked when played.

Recodify existing (b)-(m) as (c)-(n) (No change in text.)

13:47-7.18 Physical presence

(a)-(c) (No change.)

(d) No person under the age of 18 years shall be physically present in any room or area where bingo is held, operated or conducted, except for a person between the ages of 13 and 18 years of age who has the express written permission of his or her parent or legal guardian to serve or sell food and beverages.