

## Division of Compliance

The Division of Compliance consists of a Director's Office and two operating units – the Casino Operations Unit and the Inspection Unit. The Division of Compliance is the largest division in the Commission, comprising over half of the agency's work force.

The Casino Operations Unit is responsible for assuring that each casino licensee establishes adequate internal controls over gaming operations and is in compliance with pertinent sections of the Casino Control Act and related regulations. The unit also reviews submissions seeking approval of new gaming equipment, new games and new rule options on existing games.

The Inspection Unit continues to be the most visible unit within the Commission; Commission Inspectors are present in the casinos 24 hours a day, seven days a week. The Principal Inspectors and Inspectors assigned to each casino ensure the integrity of casino operations by monitoring gaming activities and certifying all gaming revenue. In addition they receive complaints from the public related to the conduct of gaming and simulcast wagering operations.

### The Division of Compliance's Year in Review:

- ▶ Reviewed more than 2,200 internal control submissions and approved more than 1,000 slot machine prototype modifications;
- ▶ Approved Bad Beat Progressive jackpots in the game of poker for eight casinos; reviewed several new poker card designs and tournament procedures, in conjunction with the continued popularity of this game;
- ▶ Approved the first table game with an automated wagering system and bill acceptor unit; Rapid Roulette is now offered at all four casinos owned by Harrah's Entertainment;
- ▶ Approved Trump Plaza to test the first automated table game with an automated wagering system (no currency or gaming chips accepted); Poker Pro was available for six months before the casino decided to withdraw it from play in December;
- ▶ Approved more than 120 software change control notices as part of our ongoing review of casino computer systems;
- ▶ Continued to participate with the industry and the Division of Gaming Enforcement in a review of technology-related regulations and internal controls, including a review of products intended to provide better customer service at slot machines such as express jackpots, slot bonus systems, jackpot-to-credit meter switches and cashier-generated gaming vouchers;
- ▶ Approved the automation of several functions such as the computerized reconciliation procedures for gaming voucher redemption machines, table game player ratings and cashier cage functions;
- ▶ Approved several new gaming chips for the industry including the first \$25,000 gaming chip at Caesars and a 30th anniversary chip for Resorts;
- ▶ Approved three new video display systems, which attach to slot machines and provide patrons with new options to view and redeem complimentary and promotional offers;
- ▶ Began reviewing plans for the proposed new Revel Casino;
- ▶ Approved automated procedures for all casinos to offer non-cashable complimentary and promotional electronic slot credits that can be used at slot machines;

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### CONTINUED:

▶ Provided assistance in developing legislative changes to the Casino Control Act related to various gaming issues; and

▶ Participated in meetings with Coastal Marina regarding its plans to acquire Trump Marina.

During 2008, the Inspection Unit accepted 268 complaints from gaming patrons and reported a total of 1,381 incidents that were resolved by casino management;

▶ Principal Inspectors approved in excess of 825 gaming-related submissions and petitions during the year, including more than 215 amended Certificates of Operation; and

▶ There were more than 77,000 Activity Reports generated by inspectors, which documented activities involving casino personnel, the public and the Division of Gaming Enforcement.

The Division of Compliance was also involved in facilitating numerous noteworthy events at casinos during the year:

▶ In May, Resorts celebrated 30 years of gaming in New Jersey. It was a significant media event for television stations and newspapers. The celebration included block parties, sky divers, a huge promotional craps table on the boardwalk and many events for public participation. Resorts closed its simulcast facility and renovated a high roller slot area.

▶ Harrah's expanded its casino floor from 160,337 square feet to 173,224 square feet. The first floor poker room was expanded from 24 tables to 40 tables, and the Brigantine Poker Tournament Room was expanded from 30 tables to 83 tables to accommodate the "World Series of Poker". Harrah's also added a Simulcasting Room, a modern Keno area, completed a new hotel tower and opened "The Pool", a major new attraction.

▶ Bally's Atlantic City tested three new table games. Rapid Roulette was introduced in May; Ultimate Texas Hold'em Poker and Supreme Pai Gow were offered to the public beginning in October and December, respectively. Two new gaming pits known as "Gateway Games", featuring low table minimums, were opened on Claridge's second level following the June closure of gaming areas on Claridge's first floor. On October 15, Bally's opened seven smoking lounges, including one lounge in Claridge and one in the Wild Wild West Casino.

▶ Trump Taj Mahal opened its long anticipated hotel expansion, dubbed the "Chairman's Tower", which consists of 927 hotel rooms and suites. With a total of 2,036 hotel rooms, Taj

Mahal can now actively compete for mid-level convention events with other large venues both in and out of state.

▶ In anticipation of an industry-wide smoking ban on the casino floor, Taj Mahal also constructed a 6,000 sq. ft. smoking lounge adjacent to the casino floor. The lounge includes floor to ceiling glass panels, large screen televisions and comfortable furniture. It utilizes the latest technology in air handling systems, which totally replaces the ambient air in the room every 15 minutes.

▶ The Tropicana continued to operate under observation of a conservator, who was appointed by the Commission on December 13, 2007. During this time, on-site staffing has continued to maintain a significant presence through the continual monitoring of IT procedures, surveillance procedures, and cage procedures as well as monitoring the staffing levels of various departments to ensure the casino continues to operate in compliance with all statutory and regulatory requirements.

▶ Tropicana introduced "The Rumba Lounge", a circular bar in its North Tower gaming space, modernized its configuration of gaming tables, and opened two new slot areas: "Havana Roof Top Slots" and "Palm Cove" premium slots.

▶ Trump Plaza completed a renovation project that began in 2007, upgrading and modernizing the look of its main casino floor. The renovated East Tower Casino remained open from Memorial Day until December 31. The East Tower included Poker Pro automated table games, 12 low limit blackjack tables and bar top slot machines.

▶ Showboat relocated its poker room from the second floor to the first floor "House of Blues" casino. Two hundred slot machines were replaced with 28 poker tables creating a new pit near the boardwalk. Showboat also installed the new game Rapid Roulette. Two smoking lounges were constructed near the casino floor to accommodate smokers. Although the local smoking ban has since been lifted, these areas remain in use.

▶ Caesars was the first casino in town to offer Rapid Roulette, beginning on May 9. It also introduced the new games of Asia Poker and Fortune Pai Gow Poker. Caesars was the first casino to receive approval for a \$25,000 chip.

▶ In June, Borgata opened its Water Club Hotel and Spa, consisting of 800 suites. The boutique-style hotel includes a new convention facility, bars, multiple swimming pools and a state-of-the-art spa.