

### **ARTICLE 3. CONTROL AUTHORITY RESTRICTIONS**

#### **5:12-58 Restrictions on pre-employment by commissioners, commission employees and division employees and agents**

a. Deleted by amendment.

b. No person shall be appointed to or employed by the commission or division if, during the period commencing 3 years prior to appointment or employment, said person held any direct or indirect interest in, or any employment by, any person which is licensed as a casino licensee pursuant to section 87 of P.L.1977, c. 110 (C. 5:12-87) or as a casino service industry enterprise pursuant to subsection a. of section 92 of P.L.1977, c. 110 (C. 5:12-92a.) or has an application for such a license pending before the commission; provided, however, that notwithstanding any other provision of this act to the contrary, any such person may be appointed to or employed by the commission or division if his interest in any such casino licensee or casino service industry enterprise which is publicly traded would not, in the opinion of the employing agency, interfere with the objective discharge of such person's employment obligations, but in no instance shall any person be appointed to or employed by the commission or division if his interest in such a casino licensee or casino service industry enterprise which is publicly traded constituted a controlling interest in that casino licensee or casino service industry enterprise; and provided further, however, that notwithstanding any other provision of this act to the contrary, any such person may be employed by the commission or division in a secretarial or clerical position if, in the opinion of the employing agency, his previous employment by, or interest in, any such casino licensee or casino service industry enterprise would not interfere with the objective discharge of such person's employment obligations.

c. Prior to appointment or employment, each member of the commission, each employee of the commission, the director of the Division of Gaming Enforcement and each employee and agent of the division shall swear

or affirm that he possesses no interest in any business or organization licensed by or registered with the commission.

d. Each member of the commission and the director of the division shall file with the State Ethics Commission a financial disclosure statement listing all assets and liabilities, property and business interests, and sources of income of said member or director and said member's or director's spouse and shall provide to the State Ethics Commission a financial disclosure statement listing all assets and liabilities, property and business interests, and sources of income of the parents, brothers, sisters, and children of said member or director. Such statement shall be under oath and shall be filed at the time of appointment and annually thereafter.

e. Each employee of the commission, except for secretarial and clerical personnel, and each employee and agent of the division, except for secretarial and clerical personnel, shall file with the State Ethics Commission a financial disclosure statement listing all assets and liabilities, property and business interests, and sources of income of said employee or agent and said employee's or agent's spouse. Such statement shall be under oath and shall be filed at the time of employment and annually thereafter. Notwithstanding the provisions of subsection (n) of section 10 of P.L.1971, c.182 (C.52:13D-21), only financial disclosure statements filed by a commission or division employee or agent who is in a policy-making management position shall be posted on the Internet site of the State Ethics Commission.

L.1977, c. 110, § 58, eff. June 2, 1977.

Amended by:

L.1979, c. 282, § 11, eff. Jan. 9, 1980.

L.1987, c. 354, § 2, eff. Jan. 4, 1988.

L.1991, c. 182, § 12, eff. June 29, 1991.

L.2007, c. 154, § 154, eff. August 21, 2007.

L.2009, c. 36, § 4, eff. April 8, 2009.

**5:12-59 Employment restrictions on commissioners, commission employees and division employees**

a. The "New Jersey Conflicts of Interest Law" (P.L. 1971, c. 182; C. 52:131)-12 et seq.) shall apply to members of the commission and to all employees of the commission and the division, except as herein specifically provided.

b. The commission shall, no later than January 1, 1981, promulgate a Code of Ethics that is modeled upon the Code of Judicial Conduct of the American Bar Association, as amended and adopted by the Supreme Court of New Jersey. This Code of Ethics shall include, but not be limited to, provisions that address the propriety of relationships and dealings between the commission and its staff, and licensees and applicants for licensure under this act.

c. The division shall promulgate a Code of Ethics governing its specific needs.

d. The Codes of Ethics promulgated by the commission and the division shall not be in conflict with the laws of this State, except, however, that said Codes of Ethics may be more restrictive than any law of this State.

e. The Codes of Ethics promulgated by the commission and the division shall be submitted to the Executive Commission on Ethical Standards for approval. The Codes of Ethics shall include, but not be limited to provisions that:

(1) No commission member or employee or division employee or agent shall be permitted to gamble in any establishment licensed by the commission except in the course of his duties.

(2) No commission member or employee or division employee or agent shall solicit or accept employment from any person licensed by or registered with the commission or from any applicant for a period of four years after termination of service with the commission or division, except as otherwise provided in section 60 of this act.

(3) No commission member or employee or any division employee or agent shall act in his official capacity in any matter wherein he or his spouse, child, parent or sibling has a direct or indirect personal financial interest that might reasonably be expected to impair his objectivity or independence of judgment.

(4) No commission employee or any division employee or agent shall act in his official capacity in a matter concerning an applicant for licensure or a licensee who is the employer of a spouse, child, parent or sibling of said commission or division employee or agent when the fact of the employment of such spouse, child, parent or sibling might reasonably be expected to impair the objectivity and independence of judgment of said commission employee or division employee or agent.

(5) No spouse, child, parent or sibling of a commission member shall be employed in any capacity by an applicant for a casino license or a casino licensee nor by any holding, intermediary or subsidiary company thereof.

(6) No commission member shall meet with any person, except for any other member of the commission or employee of the commission, or discuss with any issues involving any pending or proposed application or any matter whatsoever which may reasonably be expected to come before the commission, or any member thereof, for determination unless the meeting or discussion takes place on the business premises of the commission, provided, however, that commission members may meet to consider matters requiring the physical inspection of equipment or premises at the location of the equipment or premises. All meetings or discussions subject to this paragraph shall be noted in a log maintained for this purpose and available for inspection pursuant to the provisions of P.L.1963, c. 73 (C. 47:1A-1 et seq.).

f. No commission member or employee or division employee or agent shall have any interest, direct or indirect, in any applicant or in any person licensed by or registered with the commission during his term of office or

employment.

g. Each commission member and employee of the commission, including legal counsel, and each employee and agent of the division shall devote his entire time and attention to his duties and shall not pursue any other business or occupation or other gainful employment; provided, however, that secretarial and clerical personnel may engage in such other gainful employment as shall not interfere with their duties to the commission or division, unless otherwise directed; and provided further, however, that other employees of the commission and division and agents of the division may engage in such other gainful employment as shall not interfere or be in conflict with their duties to the commission or division, upon approval by the commission or the director of the division, as the case may be.

h. No member of the commission, employee of the commission, or employee or agent of the division shall:

(1) Use his official authority or influence for the purpose of interfering with or affecting the result of an election or a nomination for office;

(2) Directly or indirectly coerce, attempt to coerce, command or advise any person to pay, lend or contribute anything of value to a party, committee, organization, agency or person for political purposes; or

(3) Take any active part in political campaigns or the management thereof; provided, however, that nothing herein shall prohibit a person from voting as he chooses or from expressing his personal opinions on political subjects and candidates.

i. For the purpose of applying the provisions of the "New Jersey Conflicts of Interest Law," any consultant or other person under contract for services to the commission and the division shall be deemed to be a special State employee, except that the restrictions of section 4 of P.L.1981, c. 142 (C. 52:13D-17.2) shall not apply to such person. Such person and any corporation, firm or partnership in which he has an interest or by which he is employed shall not represent any person or party other than the commission or

the division before the commission.

L.1977, c. 110, § 59, eff. June 2, 1977.

Amended by:

L.1978, c. 7, § 13, eff. March 17, 1978.

L.1979, c. 282, § 12, eff. Jan. 9, 1980.

L.1980, c. 69, § 2, eff. July 14, 1980.

L.1983, c. 406, § 1, eff. Jan. 3, 1984.

L.1987, c. 354, § 3, eff. Jan. 4, 1988.

L.1989, c. 150, § 1, eff. Aug. 9, 1989.

L.1995, c. 18, § 12, eff. Jan. 25, 1995.

### **5:12-60 Post-employment restrictions**

a. No member of the commission shall hold any direct or indirect interest in, or be employed by, any applicant or by any person licensed by or registered with the commission for a period of 4 years commencing on the date his membership on the commission terminates.

b. (1) No employee of the commission or employee or agent of the division may acquire any direct or indirect interest in, or accept employment with, any applicant or any person licensed by or registered with the commission, for a period of 2 years commencing at the termination of employment with the commission or division, except that a secretarial or clerical employee of the commission or the division may accept such employment at any time after the termination of employment with the commission or division. At the end of 2 years and for a period of 2 years thereafter, a former employee or agent who held a policy-making management position at any time during the five years prior to termination of employment may acquire an interest in, or accept employment with, any applicant or person licensed by or registered with the commission upon application to and the approval of the commission upon a finding that the interest to be acquired or the employment will not create the appearance of a conflict of interest and does not evidence a conflict of interest in fact.

(2) Notwithstanding the provisions of this subsection, if the employment of a commission employee or a division employee or agent, other than an employee or agent who held a policy-making management position at any time during the five years prior to termination of employment, is terminated as a result of a reduction in the workforce at the commission or division, the employee or agent may, at any time prior to the end of the 2-year period, accept employment with any applicant or person licensed by or registered with the commission upon application to and the approval of the commission upon a finding that the employment will not create the appearance of a conflict of interest and does not evidence a conflict of interest in fact. The decision of the commission shall be final, and the employee or agent shall not be subject to a determination by the Executive Commission on Ethical Standards under section 4 of P.L.1981, c.142 (C.52:13D-17.2).

c. No commission member or person employed by the commission or division shall represent any person or party other than the State before or against the commission for a period of 2 years from the termination of his office or employment with the commission or division.

d. No partnership, firm or corporation in which a former commission member or employee or former division employee or agent has an interest, nor any partner, officer or employee of any such partnership, firm or corporation shall make any appearance or representation which is prohibited to said former member, employee, or agent; provided, however, that nothing herein shall prohibit such partnership, firm or corporation from making such appearance or representation on behalf of a casino service industry enterprise licensed under subsection c. of section 92 of P.L.1977, c. 110 (C. 5:12-92c.).

e. Notwithstanding any post-employment restriction imposed by this section, nothing herein shall prohibit a former commission member or employee or former division employee or agent, at any time after termination of such membership or employment, from acquiring an interest in, or soliciting or obtaining employment with, any person licensed as a casino service industry

enterprise under subsection c. of section 92 of this act or any applicant for such licensure.

L.1977, c. 110, § 60, eff. June 2, 1977.

Amended By:

L.1979, c. 282, § 13, eff. Jan. 9, 1980.

L.1995, c. 18, § 13, eff. Jan. 25, 1995.

L.2009, c. 36, § 5, eff. April 8, 2009.

### **5:12-61 Applicant and licensee liability for violations**

a. No applicant or person or organization licensed by or registered with the commission shall employ or offer to employ, or provide, transfer or sell, or offer to provide, transfer or sell any interest, direct or indirect, in any person licensed by or registered with the commission to any person restricted from such transactions by the provisions of sections 58, 59, and 60 of this act.

b. The commission shall impose such sanctions upon an applicant or a licensed or registered person for violations of this section as authorized by Article 9 of this act.

L.1977, c. 110, § 61, eff. June 2, 1977.

### **5:12-62 Enforcement**

a. The Executive Commission on Ethical Standards, established pursuant to the "New Jersey Conflicts of Interest Law" (P.L. 1971, c. 182; C. 52:13D-12 et seq.) shall enforce the provisions of sections 58, 59, and 60 of this act.

b. Penalties for violation of sections 58, 59, and 60 shall be those set forth in P.L. 1971, c. 182 (C. 52:13D-12 et seq.).

L.1977, c. 110, § 62, eff. June 2, 1977.