



Legislation Text

File #: 19-1431, Version: 1

AN ORDINANCE TO AMEND AND SUPPLEMENT TITLE V, AMUSEMENTS AND AMUSEMENT BUSINESSES, OF THE REVISED GENERAL ORDINANCES OF THE CITY OF NEWARK, NEW JERSEY, 2000, AS AMENDED AND SUPPLEMENTED, BY ADDING A NEW CHAPTER, REDEMPTION AMUSEMENT GAMES.

WHEREAS, the Municipal Council has adopted ordinances regulating the various amusements or amusement devices throughout the City of Newark; and

WHEREAS, technological advancements with computers, Smart phones and microchips, have yielded amusements and games that are available through electronic devices and hand-held computers; and

WHEREAS, many electronic devices and hand-held computers allow individuals to participate in games of skill or chance through interaction with the device; and

WHEREAS, effective May 1, 2017 the legislature amended the Amusement Games Licensing Law, N.J.S.A. 5:8-100, et seq. which had previously authorized municipalities to license owners and operators of amusement games, now included licensing electronic amusement offered through electronic devices; and

WHEREAS, N.J.S.A. 5:8-101.1 also provides that the holders of certain special concessionaire permits, with licensed premises located in an international airport terminal, on the departure level in the post-security checkpoint area, shall be eligible to be issued an amusement games license provided that all other requirements for licensure are met; and

WHEREAS, given these advancements in electronic amusement and gaming and the changes in the law, the Municipal Council is desirous of authorizing an additional amusement category known as Redemption Amusement Games; and

NOW, THEREFORE, BE IT ORDAINED BY THE MUNICIPAL COUNCIL OF THE CITY OF NEWARK, NEW JERSEY, THAT:

Note: Additions are shown in bold and underlined.

SECTION 1. The Newark Municipal Code, Title V, Amusement and Amusement Businesses, is

hereby amended to add a new Chapter, Redemption Amusement Games.

CHAPTER 13 REDEMPTION AMUSEMENT GAMES

5:13-1. DEFINITIONS.

As used in this chapter:

Amusement Games Licensing Law shall mean N.J.S.A. 5:8-78 through N.J.S.A. 5:8-130 and N.J.A.C. 13:3-1 through N.J.A.C. 13:3-7.9, including any amendments thereto duly enacted subsequent to the effective date of this section.

Certification shall mean a Certification of permissibility granted by the Commission pursuant to N.J.A.C. 13:3-7.1 et seq.

Commission shall mean the Legalized Games of Chance Control Commission as that office is created and empowered under the Amusement Games Licensing Law.

Director shall mean the Director of the Department of Finance and/or his/her designee.

Electronic Amusement shall mean any amusement offered through an electronic device that allows a player to participate in a game of skill or chance through interaction with the device.

Person shall mean any individual, firm, member of firm, partnership, member of partnership, corporation or any officer, director or stockholder of any corporation, or any agent, or any employees of any such firm, partnership or corporation.

Recognized Amusement Park means a commercially operated permanent business, open to the public at least 31 consecutive days annually, designed and themed for the primary purpose of providing participatory amusements incorporating skill-based attractions, rides or water slides licensed in accordance with P.L.1975, c.105 (C.5:3-31 et seq.), or Electronic Amusements, and food and merchandise concessions in permanent structures.

Redemption Amusement Game shall mean a game played for amusement or entertainment and certified as permissible by the Commission pursuant to the Amusement Games Licensing Law and that is a game in which a player actively participates, the outcome of which is not in the control of the game operator, and is so conducted that the sale of a right to participate, the event which determines whether a player wins or loses, and the award of the prize all occur as a continuous sequence at the time when and place where the player or players are all present.

Redemption Amusement License shall mean a license issued by the Director or the Commission as described in this Chapter.

5:13-2. LICENSE REQUIRED.

No Person shall keep, conduct, carry on or operate any Redemption Amusement Game without first obtaining the required Redemption Amusement License or Licenses from the Director

and the Commission as hereinafter provided.

5:13-3. CERTIFICATION AND LICENSE ELIGIBILITY REQUIREMENTS.

- a. No Redemption Amusement License shall be issued for the operation or conduct of any game for which a Certification has not been obtained.
- b. The holder of a plenary retail consumption license, as defined in N.J.S.A. 33:1-12 (relating to alcoholic beverages), whose premises is at least 20,000 square feet, shall be eligible to be issued a Redemption Amusement License for such licensed premises, provided that the licensed premises includes at least 100 Redemption Amusement Games and all other requirements for licensure to conduct Redemption Amusement Games are met pursuant to the Amusement Games Licensing Law.
- c. The holder of a special concessionaire permit, as provided for in N.J.S.A. 33:1-42, whose licensed premises is located in the post-security checkpoint area of the departure level of an international airport terminal and is at least 20,000 square feet in the aggregate, shall be eligible to be issued a Redemption Amusement License for such licensed premises, provided that all other requirements for licensure to conduct Redemption Amusement Games are met. With respect to the holder of a special concessionaire permit described in this Section, the term licensed premises refers to the entirety of the area or areas covered by the special concessionaire permit and not to the individual service locations authorized thereby.

5:13-4. APPLICATION FOR LICENSE.

- a. An application for a Redemption Amusement License shall be filed in duplicate with the Division of Tax Abatements and Special Taxes on forms furnished and approved by the Commission, along with the fees provided for in Section 5:13-6 below.
- b. The Director may require, as a condition of licensure, that any applicant for a Redemption Amusement License (or for applicants other than natural persons, the principals thereof) be fingerprinted under the supervision of the Division of Police and that the record thereof be submitted with and as a part of such application. Any additional direct fees for fingerprinting shall be paid by the applicant.

5:13-5. ISSUANCE OF LICENSE; TERM.

- a. Upon the applicant's compliance with all applicable requirements of this Chapter, pursuant to N.J.S.A. 5:8-103, the Municipal Council may by resolution authorize the issuance of a Redemption Amusement License for each specific kind of game for which a Certification is obtained, and a separate Redemption Amusement License for the premises where such applicant is authorized to operate such games, except that a single Redemption Amusement License may be issued for all games classified by the Commission as arcade games and operated at a single licensed premises. Said resolution shall specifically recite the finding of the Municipal Council that the premises to be licensed are located in a Recognized

Amusement Park or at a seashore or other resort in that part thereof customarily constituting an amusement or entertainment area.

- b. Within ten (10) business days of the date of the adoption of the resolution, the Director of Finance or his/her designee shall forward to the Commission a certified copy of the resolution, together with a copy of the application endorsed to show the granting of the Redemption Amusement License by the City of Newark.
- c. Each Redemption Amusement License shall be for a term commencing on the date of the resolution and expiring on December 31 next following such date; provided, however, that the Redemption Amusement License issued by the City of Newark shall be inoperative unless and until the licensee named therein shall also, within ninety (90) days from the issuance thereof, and prior to the conduct or operation of Redemption Amusement Games thereunder, procure and receive a Redemption Amusement License from the Commission authorizing the operation of Redemption Amusement Games. Any Redemption Amusement License issued by the City of Newark shall also be inoperative during any period of suspension or revocation of any Redemption Amusement License issued by the Commission.
- d. All licenses under this Chapter shall be issued by the Director of Finance. The Division of Tax Abatements/Special Taxes shall establish administrative procedures pertaining to the annual renewal or reissuance of Redemption Amusement Licenses and the scheduling thereof.
- e. Each licensed machine shall have affixed prominently on each such machine a sticker bearing the City of Newark's logo and the issue date and expiration date of the license, with such other language as may be determined by the Director of Finance or his/her designee to denote that the machine is duly licensed in accordance with the rules and regulations of the City of Newark. This provision shall not apply to machines that are tablet computers or multi-use computing devices that offer multiple other features or functions in addition to game play and for which Certification is not otherwise required by the Commission.

5:13-6. ANNUAL LICENSE FEES.

- a. The license fees payable to the City of Newark with respect to Redemption Amusement Games shall be as follows:
 - 1. The annual license fee for each licensed premises shall be Two Hundred Fifty (\$250.00) Dollars and Zero Cents.
 - 2. The annual license fee for all Redemption Amusement Games authorized to be held, operated and conducted on a licensed premises under Certification category No. 2 (Arcade Games) shall be Ten (\$10.00) Dollars and Zero Cents per operable game for each such game in excess of fifty (50) games, provided that if any game has more than one player position, each player position shall be considered a separate game for purposes of calculating the license

fee.

3. The annual license fee for each specific kind of Redemption Amusement Game authorized to be held, operated and conducted on a licensed premises under any other Certification categories authorized by the Commission shall be Two Hundred Fifty (\$250.00) Dollars and Zero Cents.
- b. The required Municipal fees, which shall be annual fees without proration, shall accompany each application for a Redemption Amusement License. In the event that the application for a Redemption Amusement License is denied or the application therefor is withdrawn, the City of Newark shall retain twenty-five (25%) percent of the application fees as an investigation fee, and the balance shall be returned to the applicant.
- c. In addition to the Municipal fees provided for in Section 5:13-6a above, each applicant for a Redemption Amusement License shall be accompanied by the applicant's certified check or money order made payable to the Legalized Games of Chance Control Commission in an amount equal to the license fees otherwise payable to the Commission. If the Municipal Council authorizes the issuance of a Redemption Amusement License to the applicant, then together with the other items to be forwarded under subsection **5:13-5b** hereof, the Director of Finance or his/her designee, shall forward the certified check or money order to the Commission. However, if the Municipal Council shall refuse or decline to authorize the issuance of a Redemption Amusement License to the applicant or if the application shall be withdrawn, then at the time when the Director of Finance or his/her designee, returns the required portion of the Municipal fee as provided in Section 5:13-6b above, the Director of Finance or his/her designee, shall also return to the applicant the certified check or money order.

5:13-7. OPERATION OF LICENSED GAMES.

- a. Every holder of a Redemption Amusement License shall comply with this ordinance, and such conditions and limitations as the Commission may include in any Certification with respect to the operation of any Redemption Amusement Game.
- b. Every holder of a Redemption Amusement License shall operate all Redemption Amusement Games in accordance with the Amusement Games Licensing Law and all rules and regulations promulgated by the Commission thereunder as same may be amended or otherwise in effect from time to time, including, without limitations, all rules relating to the method of operations, maximum fees for participation, types and value of prizes, and advertising.
- c. Every holder of a Redemption Amusement License shall be subject to rules relating to disciplinary proceedings and appeals contained Amusement Games Licensing Law and the

regulations of the Commission.

5:13-8. BUSINESS HOURS.

- a. Except as otherwise provided in paragraphs b. and c. of this Section, holders of Redemption Amusement Licenses may lawfully operate Redemption Amusement Games between the hours of 7:00 a.m. and midnight.
- b. Holders of Redemption Amusement Licenses that are also holders of plenary retail consumption licenses as described in Section 5:13-3b above may lawfully operate Redemption Amusement Games between the hours of 7:00 a.m. and 3:00 a.m. the following day.
- c. Holders of Redemption Amusement Licenses that are also holders of special concessionaire permits as described in Section 5:13-3c above may lawfully operate Redemption Amusement Games during the hours that it is open for business to the traveling public.

5:13-9. PENALTY FOR VIOLATIONS; FORFEITURE OF LICENSE FOR CERTAIN ACTS.

Any licensee or principal thereof who or which shall make any false statement in any application for a Redemption Amusement License, or shall fail to keep such books and records as required to be kept under the Amusement Games Licensing Law, or shall falsify such books or records, or shall violate any of the provisions of this Chapter, the Amusement Games Licensing Law, the rules and regulations promulgated from time to time by the Commission, or of any of the terms of such Redemption Amusement License, shall be a disorderly person; and if convicted as such, shall be subject to any penalty which may be lawfully imposed, including the forfeiture of any Redemption Amusement License issued to it by the City of Newark.

Violations of this Ordinance by any person or corporation shall be punishable by a fine of at least Two Hundred Fifty Dollars and Zero Cents (\$250.00) but not exceeding One Thousand Dollars and Zero Cents (\$1,000.00) or by imprisonment for a term not exceeding ninety (90) days or by a period of community service not to exceed ninety (90) days. Each day's violation of this Ordinance shall constitute a separate offense.

5:13-10. RECOGNIZED AMUSEMENT PARK.

The following location is designated as a Recognized Amusement Park:

1. Newark Liberty International Airport, Terminal C, New Jersey.

SECTION 2: If any provision of this Ordinance or application thereof to any person(s) or circumstance is judged invalid by a court of competent jurisdiction, the invalidity shall not affect other provisions or applications of the Ordinance that can be given effect without the invalidated provision or application, and to this end the provisions of this Ordinance are declared severable.

SECTION 3: The Ordinance shall take effect upon final passage and publication in accordance with the laws of the State of New Jersey.

STATEMENT

This Ordinance amends and supplement Title V entitled Amusements and Amusement Businesses of the Revised General Ordinances of the City of Newark, New Jersey, 2000, as amended and supplemented, by adding a new Chapter entitled Redemption Amusement Games.