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"Christie signature makes CCC a 3-member panel," The Press of Atlantic City, 1-19-11

LAW/RWH

P.L.2011, CHAPTER 196, *approved January 17, 2012*

Senate No. 2767

1 AN ACT reducing the membership of the Casino Control
2 Commission, and amending P.L.1977, c.110.

3
4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*

6
7 1. Section 50 of P.L.1977, c.110 (C.5:12-50) is amended to
8 read as follows:

9 50. Creation of Casino Control Commission; number of
10 members.

11 a. The New Jersey Casino Control Commission, consisting of
12 five members, is hereby created in, but not of, the Department of
13 the Treasury. Beginning on the effective date of P.L. , c.
14 (pending before the Legislature as this bill), the membership shall
15 be reduced, pursuant to the provisions of paragraph (2) of
16 subsection c. of section 52 of P.L.1977, c.110 (C.5:12-52), from
17 five to three members.

18 b. The commission shall be principally located in Atlantic City.
19 (cf: P.L.1995, c.18, s.10)

20
21 2. Section 51 of P.L.1977, c.110 (C.5:12-51) is amended to
22 read as follows:

23 51. Members of the Commission; Qualifications and Eligibility.

24 a. Each member of the commission shall be a citizen of the
25 United States and a resident of the State of New Jersey.

26 b. No member of the Legislature, or person holding any
27 elective or appointive office in the federal, State or local
28 government shall be eligible to serve as a member of the
29 commission.

30 c. **[No]** So long as the commission consists of five members
31 pursuant to subsection a. of section 50 of P.L.1977, c.110 (C.5:12-
32 50), or is reduced to four members pursuant to paragraph (2) of
33 subsection c. of section 52 of P.L.1977, c.110 (C.5:12-52), no more
34 than three members of the commission may be of the same political
35 affiliation. Upon the reduction of the membership to three members
36 pursuant to the provisions of paragraph (2) of subsection c. of
37 section 52 of P.L.1977, c.110 (C.5:12-52), no more than two
38 members of the commission may be of the same political affiliation.
39 (cf: P.L.1977, c.110, s.51)

40
41 3. Section 52 of P.L.1977, c.110 (C.5:12-52) is amended to
42 read as follows:

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 52. a. (Deleted by amendment, P.L.2011, c.19)
- 2 b. (Deleted by amendment, P.L.2011, c.19)
- 3 c. (1) The commission shall, pursuant to subsection a. of
4 section 50 of P.L.1977, c.110 (C.5:12-50), consist of five members
5 who shall be appointed for terms of 5 years; provided, however, that
6 [no] beginning on the effective date of P.L. , c. (pending before
7 the Legislature as this bill), the commission membership shall be
8 reduced from five to three members in accordance with paragraph
9 (2) of this subsection. No member shall serve more than two terms
10 of 5 years each.
- 11 (2) Beginning on the effective date of P.L. , c. (pending
12 before the Legislature as this bill), the commission membership
13 shall be reduced from five to three members as follows:
- 14 (a) If there is a vacancy on the commission on the effective date
15 of that act, the membership associated with that vacancy shall be
16 eliminated.
- 17 (b) If there are more than three members remaining after the
18 elimination of any membership pursuant to subparagraph (a) of this
19 paragraph, then any necessary further reduction shall occur by
20 eliminating the membership, or two memberships, as the case may
21 be, associated with the first term, or the first and second terms, that
22 expire next following the effective date of P.L. , c. (pending
23 before the Legislature as this bill). Any elimination of a
24 membership pursuant to this subparagraph shall occur upon the
25 expiration of the current member's term in that position.
- 26 d. Appointments to the commission and designation of the
27 chairman shall be made by the Governor with the advice and
28 consent of the Senate. Prior to nomination, the Governor shall cause
29 an inquiry to be conducted by the Attorney General into the
30 nominee's background, with particular regard to the nominee's
31 financial stability, integrity, and responsibility and his reputation
32 for good character, honesty, and integrity.
- 33 e. Appointments to fill vacancies on the commission shall be
34 for the unexpired term of the member to be replaced.
- 35 f. The member designated by the Governor to serve as
36 chairman shall serve in such capacity throughout such member's
37 entire term and until his successor shall have been duly appointed
38 and qualified. No such member, however, shall serve in such
39 capacity for more than 10 years. The chairman shall be the chief
40 executive officer of the commission. All members shall devote full
41 time to their duties of office and shall not pursue or engage in any
42 other business, occupation or other gainful employment.
- 43 g. A commissioner may be removed from office for misconduct
44 in office, willful neglect of duty, or other conduct evidencing
45 unfitness for his office, or for incompetence. A proceeding for
46 removal may be instituted by the Attorney General in the Superior
47 Court. Notwithstanding any provision of this or any other act, any
48 commissioner or employee of the commission shall automatically

1 forfeit his office or position upon conviction of any crime. Any
2 commissioner or employee of the commission shall be subject to the
3 duty to appear and testify and to removal from his office, position
4 or employment in accordance with the provisions of P.L.1970, c.72
5 (C.2A:81-17.2a et seq.).

6 h. **【Each】** Upon the reduction of the membership to three
7 members pursuant to the provisions of paragraph (2) of subsection
8 c. of this section, each remaining member of the commission, and
9 each subsequent member appointed thereafter, shall serve for the
10 duration of his term and until his successor shall be duly appointed
11 and qualified, subject to the limitations in subsections c. and f. of
12 this section **【**; provided, however, that in the event that a successor
13 is not duly appointed and qualified within 120 days after the
14 expiration of the member's term, a vacancy shall be deemed to
15 exist**】**.

16 (cf: P.L.2011, c.19, s.27)

17

18 4. Section 73 of P.L.1977, c.110 (C.5:12-73) is amended to
19 read as follows:

20 73. Meetings and Quorum.

21 a. Meetings of the commission will be held at the discretion of
22 the chairman at such times and places as he may deem necessary
23 and convenient, or at the call of **【three】** a majority of the members
24 of the commission.

25 b. The commission shall in all respects comply with the
26 provisions of the "Senator Byron M. Baer Open Public Meetings
27 Act," **【(P.L. 1975, c. 231; C. 10:4-6 et seq.)】** P.L.1975, c.231
28 (C.10:4-6 et seq.).

29 c. Any other law, rule or regulation to the contrary
30 notwithstanding, the commission shall take all necessary steps to
31 ensure that all interested persons are given adequate notice of
32 commission meetings, and the agenda of such meetings, through the
33 utilization of all media engaged in the dissemination of information.

34 d. **【A】** (1) So long as the commission consists of five
35 members pursuant to subsection a. of section 50 of P.L.1977, c.110
36 (C.5:12-50), a majority of the full commission shall determine any
37 action of the commission, except that no casino license or interim
38 casino authorization may be issued without the approval of four
39 members. **【In the event that a vacancy has existed in the**
40 commission for more than 60 days,**】**

41 (2) Upon the reduction of the commission to four members, and
42 then to three members, pursuant to paragraph (2) of subsection c. of
43 section 52 of P.L.1977, c.110 (C.5:12-52), a majority of the full
44 commission **【may act with respect to】** shall determine any **【matter】**
45 action of the commission, including the issuance of a casino license
46 or interim casino authorization.

47 (cf: P.L.1987, c.409, s.2)

1 5. This act shall take effect immediately.

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STATEMENT

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5 This bill reduces the membership of the Casino Control
6 Commission from five to three. Under the bill, the membership
7 shall be reduced as follows:

8 (1) If there is a vacancy on the commission on the effective date
9 of the bill, the membership associated with that vacancy shall be
10 eliminated.

11 (2) If there are more than three members remaining after the
12 elimination of any membership due to an existing vacancy, then any
13 necessary further reduction shall occur gradually by eliminating the
14 membership, or two memberships, as the case may be, associated
15 with the first term, or the first and second terms, that expire next
16 following the effective date of the bill. Any such elimination of a
17 membership shall occur upon the expiration of the current
18 member's term in that position.

19 Upon the reduction of the commission's membership to three
20 members, each remaining member of the commission, and each
21 subsequent member appointed thereafter, shall serve for the
22 duration of the member's term and until a successor is duly
23 appointed and qualified. The intent of such provision in the bill is
24 to ensure that the three-member commission always operates with
25 the full complement of its membership.

26 Also, to account for the reduction in membership, so long as the
27 commission consists of five members, or is reduced to four
28 members pursuant to the provisions of the bill, no more than three
29 members of the commission may be of the same political affiliation.
30 Upon the reduction of the membership to three members, no more
31 than two members of the commission may be of the same political
32 affiliation.

33 Additionally, the bill updates the existing legal requirements for
34 scheduling meetings and establishing a quorum for conducting
35 business. First, the bill clarifies that a "majority of the members"
36 may call for a hearing, instead of specifying the actual number
37 needed to make such a call (the existing law expressly requires a
38 call by "three" of the five members). Second, with respect to
39 establishing a quorum, so long as the commission consists of five
40 members, a majority of the full commission shall determine any
41 action of the commission, except that no casino license or interim
42 casino authorization may be issued without the approval of four
43 members; these are the same quorum requirements as applied to the
44 five-member commission under existing law. However, upon the
45 reduction of the commission to four members and then to three
46 members pursuant to the bill, a majority of the full commission
47 shall determine any action of the commission, including issuance of
48 a casino license or interim casino authorization.

S2767

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Reduces membership of Casino Control Commission from five

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to three.

SENATE, No. 2767

STATE OF NEW JERSEY 214th LEGISLATURE

INTRODUCED MARCH 10, 2011

Sponsored by:

Senator JIM WHELAN

District 2 (Atlantic)

Senator KEVIN J. O'TOOLE

District 40 (Bergen, Essex and Passaic)

Assemblyman JOHN J. BURZICHELLI

District 3 (Salem, Cumberland and Gloucester)

Assemblyman MATTHEW W. MILAM

District 1 (Cape May, Atlantic and Cumberland)

Assemblyman NELSON T. ALBANO

District 1 (Cape May, Atlantic and Cumberland)

Assemblyman VINCENT J. POLISTINA

District 2 (Atlantic)

SYNOPSIS

Reduces membership of Casino Control Commission from five to three.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 1/10/2012)

1 AN ACT reducing the membership of the Casino Control
2 Commission, and amending P.L.1977, c.110.

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4 **BE IT ENACTED** by the Senate and General Assembly of the State
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13 the Treasury. Beginning on the effective date of P.L. _____, c.
14 (pending before the Legislature as this bill), the membership shall
15 be reduced, pursuant to the provisions of paragraph (2) of
16 subsection c. of section 52 of P.L.1977, c.110 (C.5:12-52), from
17 five to three members.

18 b. The commission shall be principally located in Atlantic City.
19 (cf: P.L.1995, c.18, s.10)

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22 read as follows:

23 51. Members of the Commission; Qualifications and Eligibility.

24 a. Each member of the commission shall be a citizen of the
25 United States and a resident of the State of New Jersey.

26 b. No member of the Legislature, or person holding any
27 elective or appointive office in the federal, State or local
28 government shall be eligible to serve as a member of the
29 commission.

30 c. **[No]** So long as the commission consists of five members
31 pursuant to subsection a. of section 50 of P.L.1977, c.110 (C.5:12-
32 50), or is reduced to four members pursuant to paragraph (2) of
33 subsection c. of section 52 of P.L.1977, c.110 (C.5:12-52), no more
34 than three members of the commission may be of the same political
35 affiliation. Upon the reduction of the membership to three members
36 pursuant to the provisions of paragraph (2) of subsection c. of
37 section 52 of P.L.1977, c.110 (C.5:12-52), no more than two
38 members of the commission may be of the same political affiliation.
39 (cf: P.L.1977, c.110, s.51)

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42 read as follows:

43 52. a. (Deleted by amendment, P.L.2011, c.19)

44 b. (Deleted by amendment, P.L.2011, c.19)

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not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

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2 section 50 of P.L.1977, c.110 (C.5:12-50), consist of five members
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13 of that act, the membership associated with that vacancy shall be
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16 elimination of any membership pursuant to subparagraph (a) of this
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23 expiration of the current member's term in that position.

24 d. Appointments to the commission and designation of the
25 chairman shall be made by the Governor with the advice and
26 consent of the Senate. Prior to nomination, the Governor shall cause
27 an inquiry to be conducted by the Attorney General into the
28 nominee's background, with particular regard to the nominee's
29 financial stability, integrity, and responsibility and his reputation
30 for good character, honesty, and integrity.

31 e. Appointments to fill vacancies on the commission shall be
32 for the unexpired term of the member to be replaced.

33 f. The member designated by the Governor to serve as
34 chairman shall serve in such capacity throughout such member's
35 entire term and until his successor shall have been duly appointed
36 and qualified. No such member, however, shall serve in such
37 capacity for more than 10 years. The chairman shall be the chief
38 executive officer of the commission. All members shall devote full
39 time to their duties of office and shall not pursue or engage in any
40 other business, occupation or other gainful employment.

41 g. A commissioner may be removed from office for misconduct
42 in office, willful neglect of duty, or other conduct evidencing
43 unfitness for his office, or for incompetence. A proceeding for
44 removal may be instituted by the Attorney General in the Superior
45 Court. Notwithstanding any provision of this or any other act, any
46 commissioner or employee of the commission shall automatically
47 forfeit his office or position upon conviction of any crime. Any
48 commissioner or employee of the commission shall be subject to the

1 duty to appear and testify and to removal from his office, position
2 or employment in accordance with the provisions of P.L.1970, c.72
3 (C.2A:81-17.2a et seq.).

4 h. **【Each】** Upon the reduction of the membership to three
5 members pursuant to the provisions of paragraph (2) of subsection
6 c. of this section, each remaining member of the commission, and
7 each subsequent member appointed thereafter, shall serve for the
8 duration of his term and until his successor shall be duly appointed
9 and qualified, subject to the limitations in subsections c. and f. of
10 this section **【**; provided, however, that in the event that a successor
11 is not duly appointed and qualified within 120 days after the
12 expiration of the member's term, a vacancy shall be deemed to
13 exist**】**.

14 (cf: P.L.2011, c.19, s.27)

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16 4. Section 73 of P.L.1977, c.110 (C.5:12-73) is amended to
17 read as follows:

18 73. Meetings and Quorum.

19 a. Meetings of the commission will be held at the discretion of
20 the chairman at such times and places as he may deem necessary
21 and convenient, or at the call of **【three】** a majority of the members
22 of the commission.

23 b. The commission shall in all respects comply with the
24 provisions of the "Senator Byron M. Baer Open Public Meetings
25 Act," **【(P.L. 1975, c. 231; C. 10:4-6 et seq.)】** P.L.1975, c.231
26 (C.10:4-6 et seq.).

27 c. Any other law, rule or regulation to the contrary
28 notwithstanding, the commission shall take all necessary steps to
29 ensure that all interested persons are given adequate notice of
30 commission meetings, and the agenda of such meetings, through the
31 utilization of all media engaged in the dissemination of information.

32 d. **【A】** (1) So long as the commission consists of five
33 members pursuant to subsection a. of section 50 of P.L.1977, c.110
34 (C.5:12-50), a majority of the full commission shall determine any
35 action of the commission, except that no casino license or interim
36 casino authorization may be issued without the approval of four
37 members. 【In the event that a vacancy has existed in the
38 commission for more than 60 days,】

39 (2) Upon the reduction of the commission to four members, and
40 then to three members, pursuant to paragraph (2) of subsection c. of
41 section 52 of P.L.1977, c.110 (C.5:12-52), a majority of the full
42 commission 【may act with respect to】 shall determine any 【matter】
43 action of the commission, including the issuance of a casino license
44 or interim casino authorization.

45 (cf: P.L.1987, c.409, s.2)

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47 5. This act shall take effect immediately.

STATEMENT

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This bill reduces the membership of the Casino Control Commission from five to three. Under the bill, the membership shall be reduced as follows:

(1) If there is a vacancy on the commission on the effective date of the bill, the membership associated with that vacancy shall be eliminated.

(2) If there are more than three members remaining after the elimination of any membership due to an existing vacancy, then any necessary further reduction shall occur gradually by eliminating the membership, or two memberships, as the case may be, associated with the first term, or the first and second terms, that expire next following the effective date of the bill. Any such elimination of a membership shall occur upon the expiration of the current member's term in that position.

Upon the reduction of the commission's membership to three members, each remaining member of the commission, and each subsequent member appointed thereafter, shall serve for the duration of the member's term and until a successor is duly appointed and qualified. The intent of such provision in the bill is to ensure that the three-member commission always operates with the full complement of its membership.

Also, to account for the reduction in membership, so long as the commission consists of five members, or is reduced to four members pursuant to the provisions of the bill, no more than three members of the commission may be of the same political affiliation. Upon the reduction of the membership to three members, no more than two members of the commission may be of the same political affiliation.

Additionally, the bill updates the existing legal requirements for scheduling meetings and establishing a quorum for conducting business. First, the bill clarifies that a "majority of the members" may call for a hearing, instead of specifying the actual number needed to make such a call (the existing law expressly requires a call by "three" of the five members). Second, with respect to establishing a quorum, so long as the commission consists of five members, a majority of the full commission shall determine any action of the commission, except that no casino license or interim casino authorization may be issued without the approval of four members; these are the same quorum requirements as applied to the five-member commission under existing law. However, upon the reduction of the commission to four members and then to three members pursuant to the bill, a majority of the full commission shall determine any action of the commission, including issuance of a casino license or interim casino authorization.

SENATE STATE GOVERNMENT, WAGERING, TOURISM &
HISTORIC PRESERVATION COMMITTEE

STATEMENT TO

SENATE, No. 2767

STATE OF NEW JERSEY

DATED: MAY 19, 2011

The Senate State Government, Wagering, Tourism & Historic Preservation Committee reports favorably Senate, No. 2767.

This bill reduces the membership of the Casino Control Commission from five to three. Under the bill, the membership shall be reduced as follows:

(1) If there is a vacancy on the commission on the effective date of the bill, the membership associated with that vacancy shall be eliminated.

(2) If there are more than three members remaining after the elimination of any membership due to an existing vacancy, then any necessary further reduction shall occur gradually by eliminating the membership, or two memberships, as the case may be, associated with the first term, or the first and second terms, that expire next following the effective date of the bill. Any such elimination of a membership shall occur upon the expiration of the current member's term in that position.

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so long as the commission consists of five members, a majority of the full commission shall determine any action of the commission, except that no casino license or interim casino authorization may be issued without the approval of four members; these are the same quorum requirements as applied to the five-member commission under existing law. However, upon the reduction of the commission to four members and then to three members pursuant to the bill, a majority of the full commission shall determine any action of the commission, including issuance of a casino license or interim casino authorization.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE, No. 2767

STATE OF NEW JERSEY

DATED: JUNE 16, 2011

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 2767.

This bill reduces the membership of the Casino Control Commission from five to three. Under the bill, the membership shall be reduced as follows:

(1) If there is a vacancy on the commission on the effective date of the bill, the membership associated with that vacancy shall be eliminated.

(2) If there are more than three members remaining after the elimination of any membership due to an existing vacancy, then any necessary further reduction shall occur gradually by eliminating the membership, or two memberships, as the case may be, associated with the first term, or the first and second terms, that expire next following the effective date of the bill. Any such elimination of a membership shall occur upon the expiration of the current member's term in that position.

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that no casino license or interim casino authorization may be issued without the approval of four members; these are the same quorum requirements as applied to the five-member commission under existing law. However, upon the reduction of the commission to four members and then to three members pursuant to the bill, a majority of the full commission shall determine any action of the commission, including issuance of a casino license or interim casino authorization.

FISCAL IMPACT:

The Office of Legislative Services (OLS) projects that this bill will lower annual State expenditures by up to \$340,000. The amount reflects the estimated annual cost of the salaries and benefits of two Casino Control Commission members.

The full \$340,000 in cost savings will be realized in years in which the bill will lead to the elimination of two commissioner positions that otherwise would have been filled. The annual savings will be \$170,000 in years in which the bill will prompt the abolition of one commissioner position that otherwise would have been filled. The legislation will have no fiscal impact in years in which the bill will not cause a reduction in filled commissioner positions as two or more positions would have been vacant anyhow.

The OLS notes that the five-member Casino Control Commission currently has two vacancies. The Governor's FY 2012 Budget recommendations, however, include \$641,000 to fund five commissioner salaries (one \$141,000 salary for the commission's chair and four \$125,000 commissioner salaries).

LEGISLATIVE FISCAL ESTIMATE
SENATE, No. 2767
STATE OF NEW JERSEY
214th LEGISLATURE

DATED: JUNE 21, 2011

SUMMARY

Synopsis: Reduces membership of Casino Control Commission from five to three.

Type of Impact: A recurring expenditure decrease to the State Casino Control Fund.

Agencies Affected: Casino Control Commission.

Office of Legislative Services Estimate

Fiscal Impact	<u>Fiscal Year 2012</u>	<u>Fiscal Year 2013</u>	<u>Fiscal Year 2014</u>
State Cost Reduction	Up to \$340,000 per Fiscal Year		

- The Office of Legislative Services (OLS) estimates that a member of the Casino Control Commission receives about \$170,000 in salary and benefits per year. Therefore, \$340,000 in cost savings will be realized in years in which the bill will lead to the elimination of two commissioner positions that otherwise would have been filled. The annual savings will be \$170,000 in years in which the bill will prompt the abolition of one commissioner position that otherwise would have been filled. The legislation will have no fiscal impact in years in which the bill will not cause a reduction in filled commissioner positions as two or more positions would have been vacant anyhow.
- As of June 15, 2011, the five-member Casino Control Commission had two vacancies. The Governor's FY 2012 Budget recommendations, however, include \$641,000 to fund five commissioner salaries (one \$141,000 salary for the commission's chair and four \$125,000 commissioner salaries).

BILL DESCRIPTION

Senate Bill No. 2767 of 2011 reduces the membership of the Casino Control Commission from five to three. Any vacant commissioner position will be eliminated first. If necessary, additional commissioner positions will be eliminated as current terms of office expire.

FISCAL ANALYSIS***EXECUTIVE BRANCH***

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS projects that this bill will lower annual State Casino Control Fund expenditures by up to \$340,000. The amount reflects the estimated annual cost of the salaries and benefits of two Casino Control Commission members.

The full \$340,000 in cost savings will be realized in years in which the bill will lead to the elimination of two commissioner positions that otherwise would have been filled. The annual savings will be \$170,000 in years in which the bill will prompt the abolition of one commissioner position that otherwise would have been filled. The legislation will have no fiscal impact in years in which the bill will not cause a reduction in filled commissioner positions as two or more positions would have been vacant anyhow.

The OLS notes that, as of June 15, 2011, the five-member Casino Control Commission had two vacancies. The Governor's FY 2012 Budget recommendations, however, include \$641,000 to fund five commissioner salaries (one \$141,000 salary for the commission's chair and four \$125,000 commissioner salaries).

The OLS calculates that a commissioner receives about \$170,000 in salary and benefits per year. The annual salary is \$125,000, according to yourmoney.nj.gov, the State of New Jersey Transparency Center. In fiscal year 2011, benefits were another \$43,000 pursuant to the benefit formula outlined for members of the Public Employees' Retirement System by the Office of Management and Budget in Circular Letter 11-08, "Employee Benefit" Reimbursement Rates. The elimination of two commissioner positions will thus lower annual State spending by up to \$340,000.

Section: Revenue, Finance and Appropriations

*Analyst: Thomas Koenig
Senior Fiscal Analyst*

*Approved: David J. Rosen
Legislative Budget and Finance Officer*

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).

ASSEMBLY REGULATORY OVERSIGHT AND GAMING
COMMITTEE

STATEMENT TO

SENATE, No. 2767

STATE OF NEW JERSEY

DATED: DECEMBER 8, 2011

The Assembly Regulatory Oversight and Gaming Committee reports favorably Senate, No. 2767.

This bill reduces the membership of the Casino Control Commission from five to three. Under the bill, the membership shall be reduced as follows:

(1) If there is a vacancy on the commission on the effective date of the bill, the membership associated with that vacancy shall be eliminated.

(2) If there are more than three members remaining after the elimination of any membership due to an existing vacancy, then any necessary further reduction shall occur gradually by eliminating the membership, or two memberships, as the case may be, associated with the first term, or the first and second terms, that expire next following the effective date of the bill. Any such elimination of a membership shall occur upon the expiration of the current member's term in that position.

Upon the reduction of the commission's membership to three members, each remaining member of the commission, and each subsequent member appointed thereafter, shall serve for the duration of the member's term and until a successor is duly appointed and qualified. The intent of such provision in the bill is to ensure that the three-member commission always operates with the full complement of its membership.

Also, to account for the reduction in membership, so long as the commission consists of five members, or is reduced to four members pursuant to the provisions of the bill, no more than three members of the commission may be of the same political affiliation. Upon the reduction of the membership to three members, no more than two members of the commission may be of the same political affiliation.

Additionally, the bill updates the existing legal requirements for scheduling meetings and establishing a quorum for conducting business. First, the bill clarifies that a "majority of the members" may call for a hearing, instead of specifying the actual number needed to make such a call (the existing law expressly requires a call by "three" of the five members). Second, with respect to establishing a quorum,

so long as the commission consists of five members, a majority of the full commission shall determine any action of the commission, except that no casino license or interim casino authorization may be issued without the approval of four members; these are the same quorum requirements as applied to the five-member commission under existing law. However, upon the reduction of the commission to four members and then to three members pursuant to the bill, a majority of the full commission shall determine any action of the commission, including issuance of a casino license or interim casino authorization.

This bill is identical to Assembly, No. 3907.

ASSEMBLY, No. 3907

STATE OF NEW JERSEY 214th LEGISLATURE

INTRODUCED MARCH 7, 2011

Sponsored by:

Assemblyman JOHN J. BURZICHELLI

District 3 (Salem, Cumberland and Gloucester)

Assemblyman MATTHEW W. MILAM

District 1 (Cape May, Atlantic and Cumberland)

Assemblyman NELSON T. ALBANO

District 1 (Cape May, Atlantic and Cumberland)

Assemblyman VINCENT J. POLISTINA

District 2 (Atlantic)

SYNOPSIS

Reduces membership of Casino Control Commission from five to three.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 12/9/2011)

1 AN ACT reducing the membership of the Casino Control
2 Commission, and amending P.L.1977, c.110.

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6

7 1. Section 50 of P.L.1977, c.110 (C.5:12-50) is amended to
8 read as follows:

9 50. Creation of Casino Control Commission; number of
10 members.

11 a. The New Jersey Casino Control Commission, consisting of
12 five members, is hereby created in, but not of, the Department of
13 the Treasury. Beginning on the effective date of P.L. _____, c.
14 (pending before the Legislature as this bill), the membership shall
15 be reduced, pursuant to the provisions of paragraph (2) of
16 subsection c. of section 52 of P.L.1977, c.110 (C.5:12-52), from
17 five to three members.

18 b. The commission shall be principally located in Atlantic City.
19 (cf: P.L.1995, c.18, s.10)

20

21 2. Section 51 of P.L.1977, c.110 (C.5:12-51) is amended to
22 read as follows:

23 51. Members of the Commission; Qualifications and Eligibility.

24 a. Each member of the commission shall be a citizen of the
25 United States and a resident of the State of New Jersey.

26 b. No member of the Legislature, or person holding any
27 elective or appointive office in the federal, State or local
28 government shall be eligible to serve as a member of the
29 commission.

30 c. **[No]** So long as the commission consists of five members
31 pursuant to subsection a. of section 50 of P.L.1977, c.110 (C.5:12-
32 50), or is reduced to four members pursuant to paragraph (2) of
33 subsection c. of section 52 of P.L.1977, c.110 (C.5:12-52), no more
34 than three members of the commission may be of the same political
35 affiliation. Upon the reduction of the membership to three members
36 pursuant to the provisions of paragraph (2) of subsection c. of
37 section 52 of P.L.1977, c.110 (C.5:12-52), no more than two
38 members of the commission may be of the same political affiliation.
39 (cf: P.L.1977, c.110, s.51)

40

41 3. Section 52 of P.L.1977, c.110 (C.5:12-52) is amended to
42 read as follows:

43 52. a. (Deleted by amendment, P.L.2011, c.19)

44 b. (Deleted by amendment, P.L.2011, c.19)

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 c. (1) The commission shall, pursuant to subsection a. of
2 section 50 of P.L.1977, c.110 (C.5:12-50), consist of five members
3 who shall be appointed for terms of 5 years; provided, however, that
4 [no] beginning on the effective date of P.L. , c. (pending before
5 the Legislature as this bill), the commission membership shall be
6 reduced from five to three members in accordance with paragraph
7 (2) of this subsection. No member shall serve more than two terms
8 of 5 years each.

9 (2) Beginning on the effective date of P.L. , c. (pending
10 before the Legislature as this bill), the commission membership
11 shall be reduced from five to three members as follows:

12 (a) If there is a vacancy on the commission on the effective date
13 of that act, the membership associated with that vacancy shall be
14 eliminated.

15 (b) If there are more than three members remaining after the
16 elimination of any membership pursuant to subparagraph (a) of this
17 paragraph, then any necessary further reduction shall occur by
18 eliminating the membership, or two memberships, as the case may
19 be, associated with the first term, or the first and second terms, that
20 expire next following the effective date of P.L. , c. (pending
21 before the Legislature as this bill). Any elimination of a
22 membership pursuant to this subparagraph shall occur upon the
23 expiration of the current member's term in that position.

24 d. Appointments to the commission and designation of the
25 chairman shall be made by the Governor with the advice and
26 consent of the Senate. Prior to nomination, the Governor shall cause
27 an inquiry to be conducted by the Attorney General into the
28 nominee's background, with particular regard to the nominee's
29 financial stability, integrity, and responsibility and his reputation
30 for good character, honesty, and integrity.

31 e. Appointments to fill vacancies on the commission shall be
32 for the unexpired term of the member to be replaced.

33 f. The member designated by the Governor to serve as chairman
34 shall serve in such capacity throughout such member's entire term
35 and until his successor shall have been duly appointed and
36 qualified. No such member, however, shall serve in such capacity
37 for more than 10 years. The chairman shall be the chief executive
38 officer of the commission. All members shall devote full time to
39 their duties of office and shall not pursue or engage in any other
40 business, occupation or other gainful employment.

41 g. A commissioner may be removed from office for misconduct
42 in office, willful neglect of duty, or other conduct evidencing
43 unfitness for his office, or for incompetence. A proceeding for
44 removal may be instituted by the Attorney General in the Superior
45 Court. Notwithstanding any provision of this or any other act, any
46 commissioner or employee of the commission shall automatically
47 forfeit his office or position upon conviction of any crime. Any
48 commissioner or employee of the commission shall be subject to the

1 duty to appear and testify and to removal from his office, position
2 or employment in accordance with the provisions of P.L.1970, c.72
3 (C.2A:81-17.2a et seq.).

4 h. **【Each】** Upon the reduction of the membership to three
5 members pursuant to the provisions of paragraph (2) of subsection
6 c. of this section, each remaining member of the commission, and
7 each subsequent member appointed thereafter, shall serve for the
8 duration of his term and until his successor shall be duly appointed
9 and qualified, subject to the limitations in subsections c. and f. of
10 this section **【**; provided, however, that in the event that a successor
11 is not duly appointed and qualified within 120 days after the
12 expiration of the member's term, a vacancy shall be deemed to
13 exist**】**.

14 (cf: P.L.2011, c.19, s.27)

15

16 4. Section 73 of P.L.1977, c.110 (C.5:12-73) is amended to
17 read as follows:

18 73. Meetings and Quorum.

19 a. Meetings of the commission will be held at the discretion of
20 the chairman at such times and places as he may deem necessary
21 and convenient, or at the call of **【three】** a majority of the members
22 of the commission.

23 b. The commission shall in all respects comply with the
24 provisions of the "Senator Byron M. Baer Open Public Meetings
25 Act," **【(P.L. 1975, c. 231; C. 10:4-6 et seq.)】** P.L.1975, c.231
26 (C.10:4-6 et seq.).

27 c. Any other law, rule or regulation to the contrary
28 notwithstanding, the commission shall take all necessary steps to
29 ensure that all interested persons are given adequate notice of
30 commission meetings, and the agenda of such meetings, through the
31 utilization of all media engaged in the dissemination of information.

32 d. **【A】** (1) So long as the commission consists of five
33 members pursuant to subsection a. of section 50 of P.L.1977, c.110
34 (C.5:12-50), a majority of the full commission shall determine any
35 action of the commission, except that no casino license or interim
36 casino authorization may be issued without the approval of four
37 members. 【In the event that a vacancy has existed in the
38 commission for more than 60 days,】

39 (2) Upon the reduction of the commission to four members, and
40 then to three members, pursuant to paragraph (2) of subsection c. of
41 section 52 of P.L.1977, c.110 (C.5:12-52), a majority of the full
42 commission 【may act with respect to】 shall determine any 【matter】
43 action of the commission, including the issuance of a casino license
44 or interim casino authorization.

45 (cf: P.L.1987, c.409, s.2)

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47 5. This act shall take effect immediately.

STATEMENT

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This bill reduces the membership of the Casino Control Commission from five to three. Under the bill, the membership shall be reduced as follows:

(1) If there is a vacancy on the commission on the effective date of the bill, the membership associated with that vacancy shall be eliminated.

(2) If there are more than three members remaining after the elimination of any membership due to an existing vacancy, then any necessary further reduction shall occur gradually by eliminating the membership, or two memberships, as the case may be, associated with the first term, or the first and second terms, that expire next following the effective date of the bill. Any such elimination of a membership shall occur upon the expiration of the current member's term in that position.

Upon the reduction of the commission's membership to three members, each remaining member of the commission, and each subsequent member appointed thereafter, shall serve for the duration of the member's term and until a successor is duly appointed and qualified. The intent of such provision in the bill is to ensure that the three-member commission always operates with the full complement of its membership.

Also, to account for the reduction in membership, so long as the commission consists of five members, or is reduced to four members pursuant to the provisions of the bill, no more than three members of the commission may be of the same political affiliation. Upon the reduction of the membership to three members, no more than two members of the commission may be of the same political affiliation.

Additionally, the bill updates the existing legal requirements for scheduling meetings and establishing a quorum for conducting business. First, the bill clarifies that a "majority of the members" may call for a hearing, instead of specifying the actual number needed to make such a call (the existing law expressly requires a call by "three" of the five members). Second, with respect to establishing a quorum, so long as the commission consists of five members, a majority of the full commission shall determine any action of the commission, except that no casino license or interim casino authorization may be issued without the approval of four members; these are the same quorum requirements as applied to the five-member commission under existing law. However, upon the reduction of the commission to four members and then to three members pursuant to the bill, a majority of the full commission shall determine any action of the commission, including issuance of a casino license or interim casino authorization.

LEGISLATIVE FISCAL ESTIMATE
ASSEMBLY, No. 3907
STATE OF NEW JERSEY
214th LEGISLATURE

DATED: JUNE 21, 2011

SUMMARY

Synopsis: Reduces membership of Casino Control Commission from five to three.

Type of Impact: A recurring expenditure decrease to the State Casino Control Fund.

Agencies Affected: Casino Control Commission.

Office of Legislative Services Estimate

Fiscal Impact	<u>Fiscal Year 2012</u>	<u>Fiscal Year 2013</u>	<u>Fiscal Year 2014</u>
State Cost Reduction	Up to \$340,000 per Fiscal Year		

- The Office of Legislative Services (OLS) estimates that a member of the Casino Control Commission receives about \$170,000 in salary and benefits per year. Therefore, \$340,000 in cost savings will be realized in years in which the bill will lead to the elimination of two commissioner positions that otherwise would have been filled. The annual savings will be \$170,000 in years in which the bill will prompt the abolition of one commissioner position that otherwise would have been filled. The legislation will have no fiscal impact in years in which the bill will not cause a reduction in filled commissioner positions as two or more positions would have been vacant anyhow.
- As of June 15, 2011, the five-member Casino Control Commission had two vacancies. The Governor's FY 2012 Budget recommendations, however, include \$641,000 to fund five commissioner salaries (one \$141,000 salary for the commission's chair and four \$125,000 commissioner salaries).

BILL DESCRIPTION

Assembly Bill No. 3907 of 2011 reduces the membership of the Casino Control Commission from five to three. Any vacant commissioner position will be eliminated first. If necessary, additional commissioner positions will be eliminated as current terms of office expire.

FISCAL ANALYSIS***EXECUTIVE BRANCH***

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS projects that this bill will lower annual State Casino Control Fund expenditures by up to \$340,000. The amount reflects the estimated annual cost of the salaries and benefits of two Casino Control Commission members.

The full \$340,000 in cost savings will be realized in years in which the bill will lead to the elimination of two commissioner positions that otherwise would have been filled. The annual savings will be \$170,000 in years in which the bill will prompt the abolition of one commissioner position that otherwise would have been filled. The legislation will have no fiscal impact in years in which the bill will not cause a reduction in filled commissioner positions as two or more positions would have been vacant anyhow.

The OLS notes that, as of June 15, 2011, the five-member Casino Control Commission had two vacancies. The Governor's FY 2012 Budget recommendations, however, include \$641,000 to fund five commissioner salaries (one \$141,000 salary for the commission's chair and four \$125,000 commissioner salaries).

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Section: Revenue, Finance and Appropriations
Analyst: Thomas Koenig
Senior Fiscal Analyst
Approved: David J. Rosen
Legislative Budget and Finance Officer

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).

ASSEMBLY REGULATORY OVERSIGHT AND GAMING
COMMITTEE

STATEMENT TO

ASSEMBLY, No. 3907

STATE OF NEW JERSEY

DATED: DECEMBER 8, 2011

The Assembly Regulatory Oversight and Gaming Committee reports favorably Assembly, No. 3907.

This bill reduces the membership of the Casino Control Commission from five to three. Under the bill, the membership shall be reduced as follows:

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This bill is identical to Senate, No. 2767.