

5:12-218

LEGISLATIVE HISTORY CHECKLIST

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LAWS OF: 2011 **CHAPTER:** 18

NJSA: 5:12-218 (Directs establishment of Atlantic City Tourism District; broadens powers and duties of CRDA; transfers Atlantic City Convention and Visitors Authority and its functions to CRDA)

BILL NO: S11 (Substituted for A3581)

SPONSOR(S) Sweeney and others

DATE INTRODUCED: November 15, 2010

COMMITTEE: **ASSEMBLY:** ---

SENATE: State Government, Wagering, Tourism & Historic Preservation

AMENDED DURING PASSAGE: Yes

DATE OF PASSAGE: **ASSEMBLY:** January 10, 2011

SENATE: January 10, 2011

DATE OF APPROVAL: February 1, 2011

FOLLOWING ARE ATTACHED IF AVAILABLE:

FINAL TEXT OF BILL (Fourth reprint enacted)

S11

SPONSOR'S STATEMENT: (Begins on page 20 of original bill) Yes

COMMITTEE STATEMENT: **ASSEMBLY:** No

SENATE: Yes

(Audio archived recordings of the committee meetings, corresponding to the date of the committee statement, *may possibly* be found at www.njleg.state.nj.us)

FLOOR AMENDMENT STATEMENT: Yes 11-22-10
12-13-10
1-6-11
1-10-11

LEGISLATIVE FISCAL ESTIMATE: Yes

A3581

SPONSOR'S STATEMENT: (Begins on page 20 of original bill) Yes

COMMITTEE STATEMENT: **ASSEMBLY:** Yes Regulatory
Budget

SENATE: No

FLOOR AMENDMENT STATEMENT: Yes

LEGISLATIVE FISCAL ESTIMATE: Yes

(continued)

VETO MESSAGE: No

GOVERNOR'S PRESS RELEASE ON SIGNING: Yes

FOLLOWING WERE PRINTED:

To check for circulating copies, contact New Jersey State Government Publications at the State Library (609) 278-2640 ext.103 or <mailto:refdesk@njstatelib.org>

REPORTS: No

HEARINGS: No

NEWSPAPER ARTICLES: Yes

"Gov. Christie signs bipartisan legislation designed to revitalize Atlantic City," NewJerseyNewsroom.com, 2-2-11

"State bets \$261M on stalled casino site," The Star-Ledger, 2-2-11

"Christie drops \$261M on casino site," The times, 2-2-11

"Christie expands his reach in A.C.," The Philadelphia Inquirer, 2-2-11

"Christie signs Tourism District bill, says Revel casino to open June 2012," The Press of Atlantic City, 2-2-11

"Comparing Christie's original plan with what is now law," The Press of Atlantic City, 2-2-11

"How key officials reacted to the new Atlantic City legislation," The Press of Atlantic City, 2-2-11

"Reorganizing agencies in Atlantic City as part of overhaul will take time," The Press of Atlantic City, 2-2-11

"New Jersey approves \$261 million tax reimbursement for Revel casino," The Press of Atlantic City, 2-2-11

"Christie Signs AC bills, Says construction Will Resume on Revel," New Jersey 101.5 FM Radio, 2-2-11

"2 laws signed, aim to lift A.C.," Courier-Post, 2-2-11

"Betting on A.C., Christie Oks gaming district, aid for megacasino," Courier News, 2-2-11

"Christie Oks A.C. renewal measures," Asbury Park Press, 2-2-11

"Christie says Atlantic City Mayor Lorenzo Langford 'should be ashamed of himself' for calling tourism plan an apartheid," The Press of Atlantic City, 2-2-11

"Langford voices objections," Courier-Post, 2-2-11

"Atlantic City mayor unhappy with new laws' changes," Asbury Park Press, 2-2-11

"Christie Oks law to revamp casinos, track," The Record, 2-2-11

"Revel on track for 2012 opening," Asbury Park Press, 2-2-11

"Deal removes obstacle for Revel," Courier-Post, 2-2-11

"New Jersey Passes Tax Breaks for Stalled Revel Casino," Bloomberg Press, 2-2-11

"Christie has much political capital riding on success of Atlantic City plan," 2-2-11

OTHER:

Report of the Governor's Advisory Commission on New Jersey Gaming, Sports and Entertainment: an economic recovery plan for the State of New Jersey / Governor's Advisory Commission on New Jersey Gaming, Sports and Entertainment.

by New Jersey. Governor's Gaming, Sports and Entertainment Advisory Commission.

[Trenton, NJ: New Jersey Office of the governor, 2010]

[974.90 G191, 2010](#)

LAW

Title 5.
Chapter 12.
Article 16. (New)
Atlantic City
Tourism District
§§1, 5-19 -
C.5:12-218 to
5:12-233
§20 - Note

P.L.2011, CHAPTER 18, *approved February 1, 2011*
Senate, No. 11 (*Fourth Reprint*)

1 AN ACT providing for the establishment of the Atlantic City
2 Tourism District and for the transfer of the Atlantic City
3 Convention and Visitors Authority, together with its functions,
4 powers, and duties, to the Casino Reinvestment Development
5 Authority, amending P.L.1984, c.218 and supplementing
6 P.L.1977, c.110 ²(C.5:12-1 et seq.)².

7
8 **BE IT ENACTED** by the Senate and General Assembly of the State
9 of New Jersey:

10
11 1. (New section) As used in P.L. , c. (C.) (pending
12 before the Legislature as this bill):

13 “Atlantic City” or “city” means the City of Atlantic City,
14 Atlantic County.

15 “Atlantic City convention center project” or “convention center
16 project” means the project authorized by paragraph (9) of
17 subsection a. of section 6 of P.L.1971, c.137 (C.5:10-6).

18 “Atlantic City Tourism District” or “tourism district” means the
19 district within Atlantic City established pursuant to section ⁴[4] 5.⁴
20 of P.L. , c. (C.) (pending before the Legislature as this bill).

21 “Authority” means the Casino Reinvestment Development
22 Authority established pursuant to section 5 of P.L.1984, c.218,
23 (C.5:12-153).

24 “Convention center authority” means the Atlantic City
25 Convention and Visitors Authority established pursuant to section 3
26 of P.L.1981, c.459 (C.52:27H-31).

27 ¹“Convention Center Division” or “division” means the division
28 created pursuant to paragraph (1) of subsection b. of section ⁴[11]
29 12⁴ of P.L. , c. (C.) (pending before the Legislature as this
30 bill) to exist within the authority as a division of the authority.

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.

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate floor amendments adopted November 22, 2010.

²Senate floor amendments adopted December 13, 2010.

³Assembly floor amendments adopted January 6, 2011.

⁴Assembly floor amendments adopted January 10, 2011.

1 “Corporation” means the not-for-profit corporation with which
2 the authority is to undertake an agreement pursuant to subsection a.
3 of section ⁴[6] 7.⁴ of P.L. , c. (C.) (pending before the
4 Legislature as this bill).¹

5 “Development and design guidelines” means the development
6 and design guidelines for site plan applications, which guidelines
7 are to be adopted by the authority pursuant to section ⁴[5] 6.⁴ of
8 P.L. , c. (C.) (pending before the Legislature as this bill).

9 “District land use regulations” means the regulations, applicable
10 within the tourism district, that are to be adopted by the authority
11 pursuant to P.L. , c. (C.) (pending before the Legislature as
12 this bill).

13 “Gaming” means, in addition to any meaning otherwise provided
14 by law, any legalized form of gambling in New Jersey including,
15 but not limited to, casino gambling and horse racing.

16 ²[“Master plan” or “plan” means the authority’s comprehensive
17 master plan for the redevelopment of the tourism district.]²

18 “Nonconforming use” means a legal or pre-existing use or
19 activity which fails to conform to the development and design
20 guidelines or land use regulations adopted by the authority pursuant
21 to P.L. , c. (C.) (pending before the Legislature as this bill).

22 “Public safety improvements” means the development of
23 infrastructure in the tourism district made for the purpose of
24 increasing safety. Such improvements would include the
25 development of appropriate security technology and the installation
26 of increased lighting in outdoor areas, the installation of
27 surveillance cameras, and the installation of emergency phones and
28 lights throughout the tourism district for use by appropriate security
29 ³and law enforcement⁴ personnel ⁴[and the ²[Joint Law
30 Enforcement Task Force] Tourism District Division of the Atlantic
31 City Police Department² established pursuant to section 7 of P.L. ,
32 c. (C.) (pending before the Legislature as this bill)]⁴.

33 “Road and highway authority” means any State or local entity,
34 including, but not limited to, Atlantic City or any agency thereof,
35 Atlantic County or any agency thereof, the New Jersey Department
36 of Transportation, and the South Jersey Transportation Authority
37 established under section 4 of P.L.1991, c.252 (C.27:25A-4), or any
38 other State or local entity having jurisdiction over (a) the roads and
39 highways in the tourism district, (b) the roads and highways
40 adjacent to the tourism district, (c) the land area in which the
41 authority is an interested party pursuant to subsection c. of section
42 ⁴[5] 6.⁴ of P.L. , c. (C.) (pending before the Legislature as
43 this bill), or (d) the portion of the roads and highways in Atlantic
44 City which provide direct access the tourism district.

45 ²”Tourism district master plan” or “Master plan,” or “plan,”
46 means the authority’s comprehensive master plan for the
47 redevelopment of the tourism district.²

1 "Transfer Date" means, with respect to the assumption by the
2 authority of the powers, duties, assets, and responsibilities of the
3 convention center authority, the date on which (a) the chairs of the
4 authority and the convention center authority certify to the
5 Governor that all of the bonds issued by the convention center
6 authority cease to be outstanding within the meaning of the
7 resolutions pursuant to which the bonds were issued, and (b) the
8 authority assumes all debts and statutory responsibilities of the
9 convention center authority.

10
11 ⁴2. Section 8 of P.L.1984, c.218 (C.5:12-156) is amended to
12 read as follows:

13 8. Each appointed and voting public member of the Casino
14 Reinvestment Development Authority other than the chairman shall
15 receive compensation of \$18,000.00 per annum. The compensation
16 of the chairman shall be \$23,000.00 per annum. The casino
17 industry representatives shall not be deemed to be public members
18 and shall not receive this compensation. All members shall be
19 reimbursed for actual expenses necessarily incurred in the discharge
20 of their duties. Notwithstanding the provisions of any other law, no
21 officer or employee of the State shall be deemed to have forfeited or
22 shall forfeit his office or employment, or any benefits or
23 emoluments thereof by reason of his acceptance of the office of an
24 ex officio or appointed member of the Casino Reinvestment
25 Development Authority or his services therein. Upon enactment of
26 P.L. , c. (C.) (pending before the Legislature as this bill),
27 any member of the authority, reappointed upon expiration of the
28 member's initial term, shall be eligible to receive compensation
29 pursuant to this section; provided, however, that any such member
30 shall not, upon reappointment, be eligible to receive any benefit or
31 compensation in the form of health benefits or pension credits for
32 service with the Casino Reinvestment Development Authority.⁴

33 (cf: P.L.1993, c.292, s.3)

34
35 ⁴[2.] ⁴3. Section 12 of P.L.1984, c.218 (C.5:12-160) is
36 amended to read as follows:

37 12. The purposes of the Casino Reinvestment Development
38 Authority shall be:

39 a. to maintain public confidence in the casino gaming industry
40 as a unique tool of urban redevelopment for the city of Atlantic City
41 and to directly facilitate the redevelopment of existing blighted
42 areas and to address the pressing social and economic needs of the
43 residents of the city of Atlantic City and the State of New Jersey by
44 providing eligible projects in which licensees shall invest;

45 b. to provide licensees with an effective method of encouraging
46 new capital investment in Atlantic City which investment capital
47 would not otherwise be attracted by major casino-hotel convention
48 complexes or by normal market conditions and which will not

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- 1 supplant capital, either public or private, that would otherwise be
2 invested in the city of Atlantic City or in the jurisdiction in which
3 the investment is to be made and which will have the effect of
4 benefiting the public at large and increasing opportunities and
5 choices of those of low and moderate income in particular;
- 6 c. to provide, further and promote tourist industries in New
7 Jersey and especially Atlantic county, by providing financial
8 assistance for the planning, acquisition, construction, improvement,
9 maintenance and operation of facilities for the recreation and
10 entertainment of the public which may include an arts center,
11 cultural center, historic site or landmark, or sports center;
- 12 d. to provide loans and other financial assistance for the
13 planning, acquisition, construction, reconstruction, demolition,
14 rehabilitation, conversion, repair or alteration of buildings or
15 facilities to provide decent, safe and sanitary dwelling units for
16 persons of low, moderate, median range, and middle income in need
17 of housing, and to provide mortgage financing for such units;
- 18 e. to assist in the financing of structures, franchises, equipment
19 and facilities for operation of, expansion of and the development of
20 public transportation or for terminal purposes, including but not
21 limited to development and improvement of port terminal
22 structures, facilities and equipment for public use;
- 23 f. to provide loans and other financial assistance for the
24 construction, reconstruction, demolition, rehabilitation, conversion,
25 repair or alteration of convention halls in Atlantic county and the
26 State of New Jersey, including but not limited to office facilities,
27 commercial facilities, community service facilities, parking
28 facilities, hotel facilities and other facilities for the accommodation
29 and entertainment of tourists and visitors;
- 30 g. to make loans and assist in the financing of the construction,
31 reconstruction, rehabilitation, repair or acquisition of infrastructure
32 projects, including but not limited to sewage disposal facilities,
33 water facilities, solid waste disposal facilities, roads, highways and
34 bridges;
- 35 h. to assist in financing buildings, structures and other property
36 to increase opportunities in manufacturing, industrial, commercial,
37 recreational, retail and service enterprises in the State so as to
38 induce and to accelerate opportunity for employment in these
39 enterprises, particularly of unemployed and underemployed
40 residents of the jurisdiction in which the investment is to be made;
41 to provide loans and other financial assistance for the planning,
42 developing or preservation of new and existing small businesses as
43 well as the planning, acquisition, construction, reconstruction,
44 rehabilitation, conversion or alteration of the facilities that house
45 these enterprises, particularly those which provide services or
46 employment to unemployed or underemployed residents of the
47 State; and to provide loans and other financial assistance to provide

1 employment training and retraining, particularly for unemployed
2 and underemployed residents of the State;

3 i. to cooperate with and assist local governmental units in
4 financing any eligible project;

5 j. to encourage investment in, or financing of, any plan,
6 project, facility, or program which directly serves pressing social
7 and economic needs of the residents of the jurisdiction or region in
8 which the investment is to be made, including but not limited to
9 **[schools,]** supermarkets, commercial establishments, day care
10 centers, parks and community service centers, and any other plan,
11 project, facility or program which best serves the interest of the
12 public in accordance with section 25 of this 1984 amendatory and
13 supplementary act;

14 k. to encourage investment in, or financing of, projects which
15 are made as part of a comprehensive plan to improve blighted or
16 redevelopment areas or are targeted to benefit low through middle
17 income residents of the jurisdiction or region in which the
18 investments are to be made;

19 l. to make loans for those eligible projects according to the
20 projected allocated amounts to be available;

21 m. to establish and exercise authority over the Atlantic City
22 Tourism District pursuant to the provisions of P.L. , c. (C.)
23 (pending before the Legislature as this bill); and

24 **[m.] n.** any combination of the foregoing.

25 (cf. P.L.1984, c.218, s.12)

26

27 ⁴**[3.] 4.** Section 13 of P.L.1984, c.218 (C.5:12-161) is
28 amended to read as follows:

29 13. The Casino Reinvestment Development Authority shall have
30 the following powers:

31 a. To adopt and have a common seal and to alter the same at
32 pleasure;

33 b. To sue or be sued;

34 c. To acquire, hold, use and dispose of any eligible project in
35 which it is making an investment;

36 d. To acquire, rent, hold, use, and dispose of other personal
37 property for the purposes of the Casino Reinvestment Development
38 Authority;

39 e. To acquire by purchase, gift, or otherwise, or lease as lessee,
40 real property or easements or interests therein necessary or useful
41 and convenient for the purposes of the Casino Reinvestment
42 Development Authority which real property, easements or interests
43 may be subject to mortgages, deeds of trust, or other liens or
44 otherwise, and to hold and to use the same, and to dispose of the
45 property so acquired no longer necessary for the purposes of the
46 Casino Reinvestment Development Authority;

- 1 f. To make and enforce bylaws or rules and regulations for the
2 management and regulation of its business and affairs and for the
3 use, maintenance, and operation of any facility, and to amend the
4 same;
- 5 g. To enter into any agreements or contracts, execute any
6 instruments, and do and perform any acts or things necessary,
7 convenient, or desirable for the purposes of the Casino
8 Reinvestment Development Authority, including the entering into
9 of agreements or contracts with any governmental unit to provide
10 for the payment of principal of and interest on any obligation issued
11 by that governmental unit, the maintenance of necessary reserves in
12 connection with these obligations or the payments under any lease
13 entered into in connection with any eligible project;
- 14 h. To determine eligibility for investments in eligible projects
15 in order to accomplish the purposes of the Casino Reinvestment
16 Development Authority;
- 17 i. To collect and invest any proceeds received under subsection
18 b. of section 3 and section 14 of this act;
- 19 j. To invest in obligations of local governmental units issued
20 to finance eligible projects, provided that the investment shall only
21 be effected through direct negotiation by the Casino Reinvestment
22 Development Authority with the local governmental unit;
- 23 k. To make agreements of any kind with any governmental unit
24 or person for the use or operation of all or any part of any eligible
25 project for consideration and for periods of time and upon other
26 terms and conditions as the Casino Reinvestment Development
27 Authority may fix and agree upon, which agreements may include a
28 partnership, limited partnership, joint venture or association in
29 which the Casino Reinvestment Development Authority is a general
30 or limited partner or participant;
- 31 l. To require and collect fees and charges as the Casino
32 Reinvestment Development Authority shall determine to be
33 reasonable in connection with the exercise of any power given to
34 the Casino Reinvestment Development Authority under the act;
- 35 m. To the extent permitted under a contract of the Casino
36 Reinvestment Development Authority with purchasers of its bonds
37 entered into pursuant to section 3 of this 1984 amendatory and
38 supplementary act, to invest and reinvest any of its moneys not
39 required for immediate use, including moneys received for the
40 purchase of its bonds prior to the bonds being issued as it shall
41 deem prudent. A pro rata share of $66 \frac{2}{3}$ % of all interest earned
42 by the Casino Reinvestment Development Authority on any such
43 investments shall be paid to the licensees who entered into a
44 contract with the Casino Reinvestment Development Authority for
45 the purchase of its bonds and who contributed to the moneys which
46 were received by the Casino Reinvestment Development Authority
47 and were invested pursuant to this subsection. All functions,
48 powers and duties relating to the investment or reinvestment of

1 these funds, including the purchase, sale or exchange of any
2 investments or securities, may, upon the request of the Casino
3 Reinvestment Development Authority, be exercised and performed
4 by the Director of the Division of Investment, in accordance with
5 written directions of the Casino Reinvestment Development
6 Authority signed by an authorized officer, without regard to any
7 other law relating to investments by the Director of the Division of
8 Investment;

9 n. To the extent permitted under the contract of the Casino
10 Reinvestment Development Authority with the holders of its bonds,
11 to invest and reinvest any of its moneys not required for immediate
12 use, including proceeds from the sale of any obligations, securities
13 or other investments as it shall deem prudent. All functions,
14 powers and duties relating to the investment or reinvestment of
15 these funds, including the purchase, sale or exchange of any
16 investments or securities, may upon the request of the Casino
17 Reinvestment Development Authority be exercised and performed
18 by the Director of the Division of Investment, in accordance with
19 written directions of the Casino Reinvestment Development
20 Authority signed by an authorized officer, without regard to any
21 other law relating to investments by the Director of the Division of
22 Investment;

23 o. To enter into all agreements or contracts with any
24 governmental unit or person, execute any instruments, and do and
25 perform any acts or things necessary, convenient or desirable for
26 the purposes of the Casino Reinvestment Development Authority to
27 carry out any power expressly given in this act;

28 p. To exercise the right of eminent domain in the city of
29 Atlantic City;

30 q. To establish and exercise authority over the Atlantic City
31 Tourism District established pursuant to section 4 of P.L. _____,
32 c. (C. _____) (pending before the Legislature as this bill) and, in
33 addition to the powers provided in this section, to exercise, with
34 regard to the tourism district, those powers granted to the authority
35 pursuant to P.L. _____, c. (C. _____) (pending before the Legislature as
36 this bill);

37 **[q.] r.** To meet and hold hearings at places as it shall designate;
38 and

39 **[r.] s.** To establish, develop, construct, acquire, own, operate,
40 manage, promote, maintain, repair, reconstruct, restore, improve
41 and otherwise effectuate, either directly or indirectly, through
42 lessees, licensees or agents, projects consisting of facilities, at a site
43 or sites within the State of New Jersey, that are related to, incidental
44 to, necessary for or complementary to, the accomplishment of any
45 of the purposes of the authority or of any project of the authority
46 authorized in accordance with P.L.1984, c.218 (C.5:12-144.1 et
47 seq.), as amended.

48 (cf: P.L.2001, c.221, s.15)

1 ⁴[4.] 5.⁴ (New section) a. ⁴(1)⁴ There shall be established by
2 resolution of the authority the Atlantic City Tourism District, which
3 shall consist of those lands within Atlantic City that comprise an
4 area to be designated by ³the³ resolution ³[of the authority]³. The
5 area so designated shall include the facilities comprising licensed
6 Atlantic City casinos, casino hotels, and any appurtenant property,
7 any property under the ownership or control of the authority, the
8 Atlantic City Special Improvement District established by
9 ordinance of the City of Atlantic City, any property under the
10 ownership or control of the convention center authority prior to the
11 transfer date, any property within Atlantic City under the ownership
12 or control of the New Jersey Sports and Exposition Authority
13 established pursuant to P.L.1971, c.137 (C.5:10-1 et seq.) prior to
14 the transfer date, the Atlantic City Convention Center, Boardwalk
15 Hall and any part of the property consisting of the Atlantic City
16 convention center project prior to the transfer date, and any
17 specified ³[parts] part³ of Atlantic City which the authority finds
18 by resolution to be an area in which the majority of private entities
19 are engaged primarily in the tourism trade, and the majority of
20 public entities, if any, serve the tourism industry. ³[The]
21 Notwithstanding section 7 of P.L.1984, c.218 (C.5:12-155), the³
22 authority shall adopt the resolution by an affirmative vote of two-
23 thirds of the voting members of the authority no more than 90 days
24 after the effective date of P.L. , c. (C.) (pending before the
25 Legislature as this bill). ³[¹Adoption] Notwithstanding section 7 of
26 P.L.1984, c.218, adoption³ by the authority of any subsequent
27 resolution to revise, in a manner consistent with this subsection, the
28 area designated as comprising the tourism district shall also be by
29 an affirmative vote of two-thirds of the voting members of the
30 authority.¹

31 ⁴(2) If, on the 91st day after the effective date of P.L. ,
32 c. (C.) (pending before the Legislature as this bill), the
33 authority has not adopted the resolution establishing the tourism
34 district as provided pursuant to paragraph (1) of this subsection, the
35 authority shall carry out the purposes of P.L. , c. (C.)
36 (pending before the Legislature as this bill) within the following
37 areas of Atlantic City:

38 (a) the area known as Bader Field;

39 (b) the area known as the Marina District beginning at a point
40 north of White Horse Pike and continuing northwesterly along State
41 Route 87 and Huron Avenue, and the casinos and hotels adjacent
42 thereto, and bounded to the east by the body of water known as
43 Clam Thorofare and bounded to the west by Huron Avenue and
44 which area shall also encompass the area known as Farley Marina;
45 and

46 (c) all that certain area bounded by a line, having as its point of
47 origin the intersection of Kingston Avenue and Ventnor Avenue,

1 which line of boundary proceeds from that point of origin as
2 follows: Northeasterly along Ventnor Avenue to its junction
3 with Capt. John A. O'Donnell Parkway;
4 Thence northeasterly along that Parkway to its intersection with
5 Atlantic Avenue;
6 Thence northeasterly along Atlantic Avenue to its junction with
7 Florida Avenue;
8 Thence northwesterly along Florida Avenue to its junction with
9 North Turnpike Road;
10 Thence northwesterly along North Turnpike Road to its junction
11 with Sunset Avenue;
12 Thence along Sunset Avenue as it curves to its intersection with
13 Mediterranean Avenue;
14 Thence northeasterly along Mediterranean Avenue to its junction
15 with North Mississippi Avenue;
16 Thence continuing southeasterly along North Mississippi Avenue
17 to its junction with Fairmont Avenue;
18 Thence northeasterly along Fairmount Avenue to its intersection
19 with Christopher Columbus Boulevard;
20 Thence northwesterly along Christopher Columbus Boulevard to
21 the point at which it borders the Atlantic City Expressway, to its
22 junction with the Atlantic City Expressway and Arkansas Avenue;
23 Thence continuing westerly and northerly along the perimeter of
24 the Atlantic City Expressway along the points of that perimeter to
25 the point at which the perimeter is parallel to the northwest facing
26 perimeter of the property encompassing the Atlantic City
27 Convention Center;
28 Thence continuing southerly and westerly along the northwest
29 facing perimeter of the property encompassing the Atlantic City
30 Convention Center to the point at which such property, and any
31 property immediately adjacent thereto, intersects with Bacharach
32 Boulevard;
33 Thence continuing southerly and easterly along Bacharach
34 Boulevard to its junction with Arctic Avenue;
35 Thence continuing northeasterly along Arctic Avenue to its
36 junction with Tennessee Avenue;
37 Thence continuing southeasterly along Tennessee Avenue to its
38 junction with Atlantic Avenue;
39 Thence continuing northeasterly along Atlantic Avenue at a
40 width extending westerly of 100 feet from all points along the
41 western side of Atlantic Avenue to its junction with Maine Avenue;
42 Thence continuing from the intersection of Maine Avenue and
43 Atlantic Avenue easterly in a line extending through the Boardwalk
44 and beach, to the tidal shore of Atlantic City;
45 Thence continuing from the intersection of the end point of that
46 line and the tidal shore, southerly along the tidal shores as it jogs
47 and curves to the point the tidal shore turn to a southwesterly
48 direction;

1 Thence continuing along such southwesterly direction of the tidal
2 shores as it jobs and curves to the point on the tidal shore at which
3 the shoreline would intersect with a straight-line projection
4 oceanward of southern Kingston Avenue;

5 Thence continuing northerly and westerly along Kingston
6 Avenue to its junction with Ventnor Avenue.⁴

7 b. Upon and after the adoption, pursuant to subsection a. of this
8 section, of the resolution establishing the tourism district, ⁴or upon
9 and after the establishment of the tourism district under paragraph
10 (2) of subsection a. of this section, as appropriate⁴ the authority
11 shall have jurisdiction within the tourism district to impose land use
12 regulations, implement development and design guidelines and
13 implement initiatives that promote cleanliness, commercial
14 development, and safety, undertake redevelopment projects, and
15 institute public safety improvements in coordination with the
16 ²~~Joint Law Enforcement Task Force~~ ⁴~~Tourism District Division²~~
17 established pursuant to section 7 of P.L. , c. (C.) (pending
18 before the Legislature as this bill)] security and law enforcement
19 personnel⁴.

20 c. (1) Notwithstanding any law, rule, or regulation to the
21 contrary, upon and after the adoption, pursuant to subsection a. of
22 this section, of the resolution establishing the tourism district, ⁴or
23 upon and after the establishment of the tourism district under
24 paragraph (2) of subsection a. of this section, as appropriate,⁴ the
25 authority shall have, in conjunction with the appropriate road and
26 highway authority or authorities, as appropriate, jurisdiction with
27 respect to the approval of development projects upon those roads
28 and highways over which such road and highway authority or
29 authorities have jurisdiction as of the date of enactment of
30 P.L. , c. (C.) (pending before the Legislature as this bill).

31 (2) Notwithstanding any law, rule, or regulation to the contrary,
32 upon and after the adoption, pursuant to subsection a. of this
33 section, of the resolution establishing the tourism district, ⁴or upon
34 and after this establishment of the tourism district under paragraph
35 (2) of subsection a. of this section, as appropriate⁴ the authority
36 shall have, with respect to the roads and highways located within
37 the tourism district, exclusive jurisdiction with respect to the
38 promulgation of rules ¹and¹ regulations affecting the control and
39 direction of traffic within the tourism district.

40 d. The authority may, by resolution, authorize the
41 commencement of studies and the development of preliminary plans
42 and specifications relating to the creation and maintenance of the
43 tourism district. These studies and plans shall include, whenever
44 possible, estimates of construction and maintenance costs, and may
45 include criteria to regulate the construction and alteration of facades
46 of buildings and structures in a manner which promotes unified or
47 compatible design.

1 e. In furtherance of the development of an economically viable
2 and sustainable tourism district, the authority shall, within one year
3 ²[of] after² the date of² enactment of P.L. , c. (C.)
4 (pending before the Legislature as this bill), adopt a tourism district
5 master plan. The authority shall initiate a joint planning process
6 with the participation of: State departments and agencies,
7 corporations, commissions, boards, and, prior to the transfer date,
8 the convention center authority; metropolitan planning
9 organizations; Atlantic County; Atlantic City; and appropriate
10 private interests.

11 f. After the creation of the tourism district pursuant to
12 subsection a. of this section, the authority shall create a commission
13 to be known as the Atlantic City Tourism District Advisory
14 Commission, or “ACT Commission,” consisting of members to be
15 appointed by the authority. Persons appointed as members of the
16 commission shall include public officials of Atlantic City and
17 Atlantic County, representatives of the casino and tourism
18 industries, public citizens, and any other individual or organization
19 the authority deems appropriate. The commission shall be
20 authorized to review the authority’s annual budget and the
21 authority’s plans concerning the tourism district. The commission
22 shall, from time to time, make recommendations to the authority
23 concerning the authority’s development and implementation of the
24 tourism district master plan, and the authority shall give due
25 consideration to those recommendations. ⁴In order to ensure
26 coordination, compatibility, and consistency between the tourism
27 district master plan and the city’s master plan, the authority shall
28 consult with the city in developing the tourism district master plan.⁴

29 g. The tourism district master plan shall establish goals,
30 policies, needs, and improvement of the tourism district, the
31 implementation of clean and safe initiatives, and the expansion of
32 the Atlantic City boardwalk area to reflect an authentic New Jersey
33 boardwalk experience. The authority may consult with public and
34 private entities, including, but not limited to, those entities that are
35 present in, or that have been involved with the development of,
36 boardwalk areas in New Jersey such as the boardwalk areas of
37 Ocean City, the Wildwoods, and Cape May.

38 h. In developing the tourism district master plan, the authority
39 shall place special emphasis upon the following:

40 (1) the facilitation, with minimal government direction, of the
41 investment of private capital in the tourism district in a manner that
42 promotes economic development;

43 (2) making use of marina facilities in a way that increases
44 economic activity;

45 (3) the development of the boardwalk area;

46 (4) the development of the Marina District; and

47 (5) the development of nongaming, family centered tourism
48 related activities such as amusement parks.

1 i. The authority shall solicit funds from private sources to aid in
2 support of the tourism district.

3 j. The authority shall administer and manage the tourism
4 district and carry out such additional functions as ³[are]³ provided
5 ³[herein] under P.L. , c. (C.) (pending before the
6 Legislature as this bill)³. The authority shall oversee the
7 redevelopment of the tourism district and implementation of the
8 tourism district master plan. The authority shall enter into
9 agreements with public and private entities for the purposes of
10 promoting the economic and general welfare of Atlantic City and
11 the tourism district. ²Any resolution adopted by the city of Atlantic
12 City to establish a program of municipal financial assistance, in the
13 form of grants, loans, tax credits or abatements, or other incentives,
14 or to enter into an agreement providing such financial assistance, to
15 support a development or redevelopment project located within the
16 tourism district shall require the approval of the authority. If such
17 resolution shall receive the approval of the authority, then
18 notwithstanding any law, rule, or order to the contrary, the program
19 may be implemented by the mayor without the adoption of any
20 municipal ordinance. A program adopted pursuant to this
21 subsection shall not be subject to repeal or suspension by voter
22 initiative.²

23 k. The authority shall provide that all available assets and
24 revenues of the authority shall be devoted to the purposes of the
25 tourism district and community development in Atlantic City,
26 unless otherwise provided by contract entered into prior to the
27 effective date of P.L. , c. (C.) (pending before the
28 Legislature as this bill) or by law.

29 ¹1. ²(1) If the owner of a building or structure fails to comply
30 with a removal or demolition order issued by the authority, the
31 authority may cause such building or structure to be removed or
32 demolished or may notify the city of the need to contract for the
33 removal or demolition thereof in accordance with the provisions of
34 the "Local Public Contracts Law," P.L.1971, c.198 (C.40A:11-1 et
35 seq.). Such removal or demolition shall include the clearance, and
36 any necessary leveling, of the site.

37 (2) The cost of any such removal or demolition, together with
38 the cost of filing legal papers, expert witnesses' fees, search fees
39 and advertising charges incurred in the course of any proceeding
40 taken pursuant to this subsection, less any proceeds received by the
41 authority from the sale of the materials of the building or structure,
42 shall be a lien, and shall be enforceable by the authority as a
43 municipal lien, against the real property upon which such cost was
44 incurred. In the event that costs were paid by any governmental
45 entity other than the authority, the lien shall be assigned to that
46 governmental entity. The lien shall be filed and shall be
47 enforceable in the same manner as are other municipal liens.¹

1 m.] The authority shall coordinate and collaborate with the city
 2 of Atlantic City ⁴Planning and Zoning Departments [, and any of its
 3 departments, agencies, and authorities,] with respect to code
 4 enforcement ⁴[and] , planning and zoning. The authority shall
 5 coordinate and collaborate with any of the city's departments,
 6 agencies, and authorities with respect to ⁴ administrative operations
 7 relating to the implementation of the tourism district master plan. If
 8 the city determines that it is unable to coordinate and collaborate
 9 with the authority pursuant to this subsection, the Department of
 10 Community Affairs, shall, at the request of the authority, assume
 11 jurisdiction over ³[the city, and]³ ⁴the Atlantic City Planning and
 12 Zoning Departments and⁴ any ⁴other⁴ appropriate departments,
 13 agencies, or authorities of the city responsible for code enforcement
 14 and administrative operations of the city to provide that the
 15 authority shall receive necessary assistance regarding code
 16 enforcement and administrative actions undertaken in its
 17 implementation of the tourism district master plan. ³The assumption
 18 of jurisdiction by the Department of Community Affairs over any
 19 department, agency, or authority of the city, undertaken pursuant to
 20 this subsection, shall not be construed as affecting the jurisdiction
 21 of any such department, agency, or authority, or of the city, with
 22 respect to regulatory control or the provision of services by the city,
 23 unless such regulatory control or provision of services is directly
 24 related to the provision of assistance to the authority regarding code
 25 enforcement and administrative actions undertaken in furtherance of
 26 the implementation of the tourism district master plan. ³

27 m. Two years after the adoption of the tourism district master
 28 plan, the authority shall conduct a formal evaluation of the plan to
 29 assess the functionality of its implementation. The authority may
 30 make any changes concerning its implementation of the master
 31 plan, as necessary, to improve its functionality. Such changes may
 32 include the reallocation of the resources of any division under the
 33 authority's jurisdiction and the reorganization of the functions and
 34 operations of those entities which pertain to the tourism district
 35 master plan. The authority may make any changes concerning the
 36 employment of authority employees which would improve the
 37 functionality of the authority's implementation of the master plan. ²

38
 39 ⁴[5.] 6. ⁴ (New section) a. In conjunction with the adoption,
 40 pursuant to section ⁴[4] 5. ⁴ of P.L. , c. (C.) (pending before
 41 the Legislature as this bill), of the resolution establishing the
 42 tourism district, ⁴or in conjunction with the establishment of the
 43 tourism district under paragraph (2) of subsection a. of section 5, as
 44 appropriate, ⁴ the authority shall propose and adopt development and
 45 design guidelines and land use regulations for the tourism district.
 46 Such guidelines and regulations shall be consistent with and in
 47 furtherance of the tourism district master plan. Provisions may be

1 made by the authority for the waiver, according to definite criteria
2 adopted by regulation of the authority pursuant to the
3 “Administrative Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et
4 seq.), of strict compliance with the standards promulgated, where
5 necessary to alleviate hardship. Upon and after the adoption of the
6 resolution establishing the tourism district, ⁴or upon and after the
7 establishment of the tourism district under paragraph (2) of
8 subsection a. of section 5, as appropriate,⁴ the development and
9 design guidelines and land use regulations adopted by the authority
10 shall supersede the master plans, the zoning and land use ordinances
11 and regulations, and the zoning maps of Atlantic City adopted
12 pursuant to the “Municipal Land Use Law,” P.L.1975, c.291
13 (C.40:55D-1 et seq.) or any other State or local law. ⁴Until such
14 time as the authority proposes development and design guidelines
15 and land use regulations for the tourism district as authorized
16 pursuant to P.L. , c. (C.) (pending before the Legislature as
17 this bill), the master plan, zoning and land use ordinances and
18 regulations, and the zoning maps adopted by the city pursuant to the
19 “Municipal Land Use Law,” P.L.1975, c.291 (C.40:55D-1 et seq.)
20 or any other State or local law shall remain in full force and effect
21 within the tourism district. The authority shall consult with the city
22 concerning site development of development and design guidelines
23 and land use regulations.⁴

24 b. Notwithstanding the provisions to the contrary of the
25 “Municipal Land Use Law,” P.L.1975, c.291 (C.40:55D-1 et seq.)
26 or any other law, rule, or regulation, upon and after the adoption of
27 the resolution establishing the tourism district, ⁴or upon and after
28 the establishment of the tourism district under paragraph (2) of
29 subsection a. of section 5, as appropriate,⁴ the review and approval
30 or denial of site plans and development proposals for development
31 upon and improvements to land within the tourism district that
32 would otherwise be performed by the governing bodies or agencies
33 of the county or municipality in which the tourism district is located
34 shall instead be performed by the authority, but this assignment of
35 responsibility to the authority shall not be deemed to supersede
36 requirements of State or federal law pertaining to the review and
37 approval of such plans or proposals by other agencies. In
38 performing the review, the authority shall utilize the development
39 and design guidelines and land use regulations that it shall have
40 adopted in conjunction with its adoption of the resolution
41 establishing the tourism district ⁴or in conjunction with the
42 establishment of the tourism district under paragraph (2) of
43 subsection a. of section 5, as appropriate,⁴. The procedures used by
44 the authority for the approval of site plans and developments within
45 the tourism district shall be the same as the procedures that would
46 otherwise be used by a county or municipal governing body or other
47 local entity pursuant to the “Municipal Land Use Law,” P.L.1975,

1 c.291 (C.40:55D-1 et seq.), including, but not limited to, procedures
2 for hearings and for the issuance of notice thereof, for the payment
3 of application fees, for appeals, and for the posting of escrow
4 deposits, if any. The authority shall establish an office to issue
5 permits for site plans and development projects. The authority shall
6 by regulation provide for mandatory conceptual review, by or on
7 behalf of the authority, of site plan and development applications;
8 provided, however, that unless accompanied by a request for a
9 variance to be granted by the authority pursuant to subsection d. of
10 this section, any such mandatory conceptual review shall be
11 completed within 45 days of the authority's receipt of the
12 application, or within such later time period if agreed to by the
13 applicant. ⁴The authority shall consult with the city concerning site
14 plans and development proposals.⁴

15 c. The authority shall be deemed an interested party entitled to
16 notice of all applications for properties within the tourism district or
17 within 200 feet of the tourism district's boundaries, irrespective of
18 whether the authority owns the portion of the project area within
19 200 feet.

20 d. (1) The provisions of subsection d. of section 57 of
21 P.L.1975, c.291 (C.40:55D-70) notwithstanding and except as
22 provided in paragraph (2) of this subsection, the authority shall
23 have sole and exclusive jurisdiction to grant for special reasons
24 shown, a variance from the requirements that it shall have
25 established in conjunction with the adoption pursuant to section
26 ⁴[4] 5.⁴ of P.L. , c. (C.) (pending before the Legislature as
27 this bill)^{2, 2} of the resolution establishing the tourism district, ⁴or in
28 conjunction with the establishment of the tourism district under
29 paragraph (2) of subsection a. of section 5, as appropriate.⁴
30 including development and design guidelines or land use
31 regulations adopted by the authority, or from the requirements of
32 the master plan, as appropriate, to permit: (a) a use or principal
33 structure in the district restricted against such use or principal
34 structure, (b) a continuation or an expansion of a nonconforming
35 use, (c) deviation from a specification or standard pursuant to land
36 use regulations adopted by the authority pertaining solely to a
37 conditional use, (d) an increase in the permitted floor area ratio as
38 established by the land use regulations adopted by the authority, (e)
39 an increase in the permitted density as established by the land use
40 regulations adopted by the authority, or (f) a height of a principal
41 structure which exceeds by 10 feet or 10 percent the maximum
42 height permitted in the district for a principal structure. Such
43 variances shall not be granted unless the applicant demonstrates to
44 the satisfaction of the authority that special reasons exist for the
45 granting of such variance, that the granting of the requested
46 variance will not substantially impair the intent and purpose of the
47 master plan, and that the variance can be granted without

1 substantial detriment to the public good. Application for such a
2 variance shall be submitted together with or prior to an application
3 for mandatory conceptual review pursuant to subsection b. of this
4 section, and the authority shall approve or deny the application
5 within 120 days of a complete submission unless the applicant
6 agrees to extend the time. In lieu of granting a variance, the
7 authority in its discretion may require the adoption of a plan
8 amendment.

9 (2) Variances granted pursuant to subparagraphs (a) through (e)
10 of paragraph (1) of this subsection shall require the affirmative vote
11 of a majority of the members of the authority.

12 e. Notwithstanding any other provision of P.L. , c. (C.)
13 (pending before the Legislature as this bill) or any other law, rule or
14 regulation to the contrary, upon and after the adoption pursuant to
15 section 4 of P.L. , c. (C.) (pending before the Legislature as
16 this bill) of the resolution establishing the tourism district, ⁴or upon
17 and after the establishment of the tourism district under paragraph
18 (2) of subsection a. of section 5, as appropriate,⁴ the filing of a
19 petition with the authority upon or after commencement of a
20 redevelopment project undertaken in furtherance of the master plan
21 shall not effect a delay in or cessation of any action concerning the
22 redevelopment project.

23 f. Notwithstanding any other provision of P.L. , c. (C.)
24 (pending before the Legislature as this bill) or any other law, rule or
25 regulation to the contrary, upon and after the adoption pursuant to
26 section ⁴~~[4]~~ 5.⁴ of P.L. , c. (C.) (pending before the
27 Legislature as this bill)^{2, 2} of the resolution establishing the tourism
28 district, ⁴or upon and after the establishment of the tourism district
29 under paragraph (2) of subsection a. of section 5, as appropriate.⁴
30 Atlantic City shall not designate the tourism district or any portion
31 thereof as an area in need of redevelopment or an area in need of
32 rehabilitation, or adopt a redevelopment plan for any property
33 within the tourism district pursuant to the “Local Redevelopment
34 and Housing Law,” P.L.1992, c.79 (C.40A:12A-1 et al.) without the
35 consent of the authority.

36 ²g. The authority may prescribe penalties for the violation of its
37 regulations concerning the enforcement of construction codes,
38 development and design guidelines, and land use regulations in
39 conformance with the master plan by a fine, the amount of which
40 shall be determined by resolution of the authority and shall be
41 reasonable with regard to the violation.

42 The authority may prescribe that for the violation of any
43 particular regulation at least a minimum penalty shall be imposed
44 which shall consist of a fine which may be fixed at an amount not
45 exceeding \$100.

46 The court before which any person is convicted of violating any
47 regulation of the authority shall have power to impose any fine not

1 less than the minimum and not exceeding the maximum fixed in
2 such regulation.

3 Any person who is convicted of violating a regulation within
4 one year of the date of a previous violation of the same ordinance
5 and who was fined for the previous violation, shall be subject to an
6 additional fine as a repeat offender. The additional fine imposed by
7 the court upon a person for a repeated offense shall not be less than
8 the minimum or exceed the maximum fine fixed for a violation of
9 the regulation, but shall be calculated separately from the fine
10 imposed for the violation of the regulation.

11 If the authority imposes a fine in an amount greater than \$1,250
12 upon an owner for violations of building or zoning codes, the
13 authority shall provide a 30-day period in which the owner shall be
14 afforded the opportunity to cure or abate the condition and shall
15 also be afforded an opportunity for a hearing before a court of
16 competent jurisdiction for an independent determination concerning
17 the violation. Subsequent to the expiration of the 30-day period, a
18 fine greater than \$1,250 may be imposed if a court has not
19 determined otherwise or, upon reinspection of the property, it is
20 determined that the abatement has not been substantially completed.

21 A fine imposed as permitted by this subsection against an owner
22 of real property for a zoning or property maintenance violation shall
23 be filed with the authority, or the city, or any department, agency,
24 or authority thereof, as determined through coordination and
25 collaboration undertaken pursuant to subsection 1. of section ⁴[4]
26 5.⁴ of P.L. , c. (C.) (pending before the Legislature as this
27 bill), as appropriate, as a lien against the property cited in the
28 offense, if such fine is not paid in full within 20 days of its
29 imposition, upon the certification of the authority employee or code
30 enforcement officer who issued the citation. The authority code
31 enforcement officer or authority employee shall file a copy of the
32 lien and certification with the city's municipal tax collector. This
33 lien shall be added to and become and form part of the taxes next to
34 be assessed and levied upon such dwelling or lands, the same to
35 bear interest at the same rate as taxes, and shall be collected and
36 enforced by the same officers and in the same manner as taxes and
37 the amounts collected shall be payable by the city to the authority
38 for the support of the tourism district.²

39
40 ⁴[6.] 7.⁴ (New section) ¹a.¹ After the creation of the tourism
41 district pursuant to section ⁴[4] 5.⁴ of P.L. , c. (C.) (pending
42 before the Legislature as this bill) ¹[,];

43 (1) The authority shall enter into an agreement establishing a
44 public-private partnership with a not-for-profit corporation
45 comprising a majority of the casino licensees of this State whose
46 investors have invested a minimum of \$1 billion in Atlantic City.
47 The purpose of the partnership shall be to undertake a full scale,

1 ²[national] broad-based², five-year, marketing program; provided,
2 however, that the corporation shall be primarily responsible for the
3 development and implementation of the program. If such not-for-
4 profit corporation is created after the Transfer Date, the authority
5 shall delegate its duty to enter into such an agreement to the
6 Convention Center Division created pursuant to paragraph (1) of
7 subsection b. of section ⁴[11] 12.⁴ of P.L. , c. (C.) (pending
8 before the Legislature as this bill). In its implementation of the
9 marketing program, the corporation shall develop a brand identity
10 for Atlantic City and the tourism district that can be effectively ²and
11 widely² communicated ²[nationwide]². The brand identity shall be
12 designed in a manner that will emphasize, to potential investors and
13 tourists, Atlantic City's unique character, boardwalk attractions, and
14 appeal as a destination resort. The corporation shall submit its
15 plans for the marketing program, and any revisions thereto, to the
16 authority, or division, as appropriate, for recommendations. The
17 agreement between the authority, or the division, and the
18 corporation shall have a term of five years, and may be extended for
19 an addition term as determined by the authority, or the division, and
20 the corporation. ²In addition to providing for the establishment of
21 the marketing program, the agreement may provide that the
22 corporation provide assistance to the authority concerning the
23 establishment of the tourism district and implementation of the
24 master plan.² The agreement shall provide that the corporation
25 ²[must], or the casino licensees which shall comprise its
26 membership, will² make a contribution of \$5,000,000 ²[in 2011]
27 prior to 2012² toward the formation of the corporation and the
28 marketing plan, or for the support ²and furtherance² of the tourism
29 district ²[. The agreement shall provide that each casino licensee
30 that is a member of the corporation shall make a contribution to the
31 corporation in proportion to the casino licensee's gross revenues
32 generated in the preceding fiscal year.] , and the percentage of such
33 contribution by each casino licensee shall be made in proportion to
34 such casino licensee's gross revenue in the preceding fiscal year.²
35 The authority, or the Convention Center Division, as the case may
36 be, shall not enter into an agreement with the corporation, unless
37 the corporation provides evidence that it has taken appropriate steps
38 to ensure that it has the necessary administrative resources to assess
39 and collect the ²[fees] contributions². Such ²[fees] contributions²
40 shall be allocated for the support of the marketing program, but any
41 ²[fees] contributions² not utilized ²or allocated² for ²[the
42 marketing program] such purposes during the term of the
43 agreement or any extension thereof² shall be remitted to the
44 authority for its use to support the marketing program or the
45 tourism district.

1 Any public-private partnership or similar arrangement under this
2 paragraph shall, subject to the oversight of the authority or the
3 Convention Center Division, permit the corporation to control and
4 employ other public and private funds made available to further
5 implement the marketing program and advance the purposes of the
6 tourism district.

7 (2) The authority or the Convention Center Division, as
8 appropriate, shall assess a fee upon each casino licensee that does
9 not make a contribution to the corporation as prescribed under
10 paragraph (1) of this subsection, calculated in the same manner as
11 the contribution. The fee so assessed shall be collected by the
12 authority, and shall be remitted to and held by the corporation in
13 trust for expenditure exclusively in accordance with the terms of the
14 agreement with the authority or the division.

15 (3) The corporation shall file with the authority, or the division,
16 a quarterly report of its expenditures made pursuant to the
17 agreement.

18 (4) Assessment and collection of the contributions under
19 paragraph (1) and fees under paragraph (2) of this subsection shall
20 commence on January 1 ²[of],² 2012. ²If the establishment of the
21 agreement created pursuant to paragraph (1) of this subsection shall
22 commence after January 1, 2012, such assessment and collection
23 shall commence upon the date the agreement is established.² The
24 total amount to be assessed ², as contributions or fees, as
25 appropriate,² collectively upon all casino licensees for each year
26 shall be \$30,000,000, ²in proportion to the casino licensee's gross
27 revenues generated in the preceding fiscal year,² but the authority
28 and not-for-profit corporation described in paragraph (1) of ²this²
29 subsection ²[a. of this section]² shall provide in the agreement
30 ²[created] entered into² pursuant to ²[subsection a.] paragraph (1)²
31 of this ²[section] subsection² that the assessed ²contributions and²
32 fees may be increased for the marketing program, or for the support
33 of the tourism district ², and allocation of the revenue from any
34 such additional contributions and fees shall be made in accordance
35 with the terms of the agreement entered into pursuant to paragraph
36 (1) of this subsection. Any moneys collected pursuant to this
37 subsection not used for the marketing program shall be allocated to
38 the support of the tourism district according to terms set forth in the
39 agreement established pursuant to paragraph (1) of this subsection.

40 (5) Any moneys collected pursuant to this subsection not used
41 for or obligated to any purpose prior to the expiration of the
42 agreement entered into pursuant to paragraph (1) of this subsection,
43 or any extension thereof, shall be allocated by the authority for the
44 support of the tourism district².

45 b. If within one year after the effective date of
46 P.L. , c. (C.) (pending before the Legislature as this bill), the
47 not-for-profit corporation described under paragraph (1) of

1 subsection a. of this section does not exist or is unable to perform
2 its obligations under an agreement with the authority, or if the
3 agreement is not renewed upon expiration of the term of the
4 agreement,¹ the authority¹, or the Convention Center Division,¹
5 shall create a commission to be known as the Atlantic City Tourism
6 Marketing Advisory Commission, consisting of members to be
7 appointed by the authority. The authority shall appoint to the
8 commission representatives of the casino and tourism industries,
9 public citizens, and any other individual or organization the
10 authority deems appropriate. The ¹~~commission~~ division¹ shall
11 develop and implement a full scale, ²~~national~~ broad-based²,
12 ¹~~ten-year~~ five-year¹ marketing program. The commission shall
13 be authorized to review the authority's annual budget and the
14 authority's plans concerning the marketing program, and the
15 authority shall give due consideration to those recommendations.
16 The commission shall, from time to time, make recommendations to
17 the authority concerning the authority's development and
18 implementation of the marketing program. In its implementation of
19 the marketing program, the ¹~~authority~~ ²authority, or the²
20 Convention Center Division^{1 2}, as the case may be,² shall develop a
21 brand identity for Atlantic City and the tourism district that can be
22 effectively ²and widely² communicated ²~~nationwide~~². The brand
23 identity shall be designed in a manner that will emphasize, to
24 potential investors and tourists, Atlantic City's unique character,
25 boardwalk attractions, and appeal as a destination resort.

26 ¹c. After the Transfer Date, all duties assumed by the authority
27 pursuant to subsection a. of this section shall be delegated by the
28 authority to the Convention Center Division.¹
29

30 ²[7. (New section) a. In conjunction with the establishment of
31 the tourism district pursuant to section 4 of P.L. , c. (C.)
32 (pending before the Legislature as this bill), the ¹city shall establish
33 a precinct of its police department located within the boundaries of
34 the district. If and to the extent necessary, the authority shall
35 exercise its power of eminent domain on behalf of the city to
36 acquire the physical premises for the precinct. The city shall be
37 permitted to establish a temporary precinct location pending
38 acquisition or construction, or both, of a permanent precinct
39 location.

40 b. The precinct shall be staffed, operated and funded by the city
41 pursuant to an operational plan issued by the Superintendent of the
42 Division of State Police in the Department of Law and Public
43 Safety following consultation with the city, the city's police chief,
44 and the authority, and shall take into account criteria used for
45 operational decision-making in other precincts in the city and those
46 utilized for law enforcement activities in other major tourist
47 destinations nationally. The precinct commander shall report to,

1 and receive direction from, the city police chief with respect to day-
2 to-day command and control matters. With respect to law
3 enforcement policy and strategy within the district, the precinct
4 commander and the police chief shall report to, and receive
5 direction from, the authority and the superintendent. The authority
6 shall be required to consult with the mayor regarding the
7 establishment of law enforcement policy and strategy within the
8 district.

9 c. If the authority determines, by resolution, that the operation
10 of the precinct is unsatisfactory in respect of the furtherance of the
11 purposes of P.L. , c. (C.) (pending before the Legislature as
12 this bill), the authority shall by written memorandum advise the
13 superintendent of its determination. Upon receipt of such
14 memorandum, the superintendent shall assume direct command
15 responsibilities for the precinct, including, but not limited to, the
16 responsibility for determining the respective operational authority
17 and responsibilities of the precinct and the balance of the city's
18 police department. In carrying out such responsibility, the
19 superintendent may require the city police department to enter into
20 an agreement with respect to police aid within and without the
21 district, upon such terms as the superintendent shall prescribe in
22 writing. During any period in which the superintendent has
23 assumed command responsibilities for the precinct, the
24 superintendent shall serve the authority with respect to all law
25 enforcement matters within the district. Subject to subsection d. of
26 this section, the superintendent shall retain command
27 responsibilities until such time as the superintendent determines that
28 a return to the law enforcement structure set forth in subsection b. is
29 appropriate and the authority adopts a resolution approving same.

30 d. The¹ Superintendent of the Division of State Police in the
31 Department of Law and Public Safety ¹~~shall~~ may, in furtherance
32 of the purposes of P.L. , c. (C.) (pending before the
33 Legislature as this bill),¹ establish a Joint Law Enforcement Task
34 Force composed of a Task Force Director appointed jointly by the
35 chairman of the authority and the superintendent, law enforcement
36 officers offered employment pursuant to subsection ¹~~d.~~ g.¹ of this
37 section, and such other law enforcement and supervisory officers of
38 the Division of State Police as the superintendent and Task Force
39 Director shall determine to be necessary, to assume general
40 responsibility for and supervision of the conduct of all law
41 enforcement operations and activities within the tourism district and
42 the Atlantic City Special Improvement District established by
43 ordinance of the City of Atlantic City. The Task Force Director
44 shall be appointed for a term of four years and may be reappointed
45 upon expiration of a term.

1 **'[b.] e.'**¹ Upon its establishment, the Joint Law Enforcement
2 Task Force shall assume exclusive responsibility for conducting the
3 law enforcement operations and activities in the tourism district.

4 **'[c.] f.'**¹ The Joint Law Enforcement Task Force shall have a
5 governing body composed of representatives of the Superintendent
6 of the Division of State Police who shall be employees of the
7 division. The Task Force Director shall be the head of the task
8 force governing body. The task force shall:

9 (1) develop and implement the policies, guidelines, and
10 procedures pursuant to which the task force shall conduct law
11 enforcement operations, activities, and programs within the district;

12 (2) effectuate the transfer of responsibility for the conduct of
13 law enforcement to the task force from the police department of
14 Atlantic City;

15 (3) enhance public awareness of the transfer of law enforcement
16 to the task force from the police department of Atlantic City;

17 (4) develop and implement law enforcement initiatives for the
18 district; and

19 (5) study, classify, and evaluate the criminal activities and
20 threats to effective and efficient law enforcement within the tourism
21 district.

22 The law enforcement officers of the Joint Law Enforcement Task
23 Force shall be under the supervision of the Task Force Director.
24 The Task Force Director, together with any officers of the Division
25 of State Police designated by the superintendent, shall be
26 responsible for all decisions regarding the law enforcement
27 operations and activities within the tourism district.

28 'On or before July 15 in each State fiscal year for which the
29 Joint Law Enforcement Task Force shall have been established, the
30 Attorney General shall report to the State Treasurer the amount that
31 shall have been included in the annual appropriations act for that
32 State fiscal year to fund for that fiscal year the expenses of the
33 Division of the State Police and other expenses of the Department
34 of Law and Public Safety in connection with the supervision and
35 law enforcement operations, including training and the undertaking
36 of law enforcement projects, of the Task Force. Not later than the
37 15th day after receiving the report, the State Treasurer shall review
38 the report and, subject to any revision or adjustment as the State
39 Treasurer deems appropriate, shall certify the amount, as revised or
40 adjusted, to the authority; such revisions and adjustments shall
41 include an adjustment to reflect any amount by which the
42 department's Task Force-related expenditures in the preceding State
43 fiscal year were greater or less than the amount certified for that
44 fiscal year. On or before October 1 next following its receipt of the
45 certification, the authority shall remit the amount so certified to the
46 State Treasurer.

47 **[d.] g.'**¹ Law enforcement officers employed by the Atlantic
48 City police department, as well as those officers that were laid off

1 from the Atlantic City police department during the 24 months
2 preceding the effective date of P.L. , c. (C.) (pending before
3 the Legislature as this bill), shall be granted the right of first refusal
4 of employment by the Department of Law and Public Safety¹ for the
5 positions established with the Joint Law Enforcement Task Force at
6 its formation¹, and if they meet the qualification and training
7 requirements ¹for those positions¹, shall be employed as law
8 enforcement officers for assignment exclusively to the Joint Law
9 Enforcement Task Force. ¹In the event that the number of qualified
10 individuals exceeds the number of available positions, selection
11 shall be accomplished through competitive examination in
12 accordance with the provisions of Title 11A of the New Jersey
13 Statutes.¹ These officers shall be employed pursuant to this
14 subsection notwithstanding any provision of ¹that¹ Title 11A of the
15 New Jersey Statutes to the contrary.

16 ¹[e.] h.¹ All other provisions of law concerning the operations
17 of the Division of State Police and of the police department of the
18 city of Atlantic City shall apply except to the extent inconsistent
19 with this section.

20 ¹[f.] i.¹ The authority shall coordinate with other appropriate
21 federal, State, county, and local law enforcement agencies to ensure
22 the efficient and cost-effective implementation of the functions and
23 duties of the task force under this section. ²

24
25 ⁴[²⁷. (New section) a. In conjunction with the establishment of
26 the tourism district pursuant to section 4 of P.L. , c. (C.)
27 (pending before the Legislature as this bill), the Superintendent of
28 the Division of State Police in the Department of Law and Public
29 Safety shall, in furtherance of the purposes of P.L. , c. (C.)
30 (pending before the Legislature as this bill) and in coordination with
31 the Chief of Police of the city of Atlantic City, establish, within the
32 Atlantic City Police Department, the Tourism District Division,
33 which shall be headquartered in the Boardwalk area. If, and to the
34 extent necessary, the authority shall exercise its power of eminent
35 domain on behalf of the city to acquire the physical premises for the
36 district. The city may establish a temporary division location
37 pending acquisition or construction, or both, of a permanent
38 division headquarters. Upon establishment of the Tourism District
39 Division, the superintendent shall appoint a Division Commander
40 who shall be retained as an employee of the Department of Law and
41 Public Safety. The Department of Law and Public Safety shall fund
42 the costs associated with the commander's employment.

43 The division shall be comprised of the division commander, law
44 enforcement officers offered employment pursuant to subsection c.
45 of this section, and such other law enforcement and supervisory
46 officers of the Atlantic City Police Department which the
47 superintendent shall determine to be necessary, in coordination with

1 the Atlantic City Police Department, to provide for the supervision
2 of the conduct of all law enforcement operations and activities
3 within the tourism district and the Atlantic City Special
4 Improvement District established by ordinance of the City of
5 Atlantic City. The division commander shall serve at the pleasure
6 of the superintendent.

7 b. Upon its establishment, the Tourism District Division shall, in
8 coordination with the Atlantic City Police Department, assume
9 primary responsibility for conducting the law enforcement
10 operations and activities in the tourism district and the Atlantic City
11 Special Improvement District established by ordinance of the City
12 of Atlantic City. The division commander shall establish law
13 enforcement policy and strategy within the tourism district. The
14 city police chief shall oversee the day-to-day law enforcement
15 command and control matters within the district, and shall report
16 directly to the division commander. The division commander shall
17 coordinate with other appropriate federal, State, county, and local
18 law enforcement agencies, including, but not limited to, the New
19 Jersey Transit Corporation and the Division of Gaming
20 Enforcement in the Department of Law and Public Safety to ensure
21 the efficient, effective, and cost-effective implementation of the
22 functions and duties of the division in accordance with the law
23 enforcement policy and strategy established by the division
24 pursuant to this section.

25 The division shall:

26 (1) develop and implement the policies, guidelines, and
27 procedures pursuant to which the division shall conduct law
28 enforcement operations, activities, and programs within the district;

29 (2) enhance public awareness of the establishment, purposes,
30 and duties of the division;

31 (3) develop and implement law enforcement initiatives for the
32 district including the utilization of public safety improvements and
33 new technologies; and

34 (4) study, classify, and evaluate the criminal activities and
35 threats throughout the city which may affect the tourism district.

36 The division shall not establish law enforcement policy or
37 strategy concerning the tourism district, or undertake its operations
38 in the implementation of such policy or strategy, in a manner
39 detrimental to the safety, security, and law enforcement efforts
40 within those portions of the city not included within the district.

41 c. Law enforcement officers employed by the Atlantic City
42 police department, as well as those officers that were laid off from
43 the Atlantic City police department during the 24 months preceding
44 the effective date of P.L. , c. (C.) (pending before the
45 Legislature as this bill), shall be granted the right of first refusal of
46 employment for the positions established within the Tourism
47 District Division at its formation, and if they meet the qualification
48 and training requirements for those positions, shall be employed as

1 law enforcement officers for assignment exclusively to the Tourism
2 District Division. In the event that the number of qualified
3 individuals exceeds the number of available positions, selection
4 shall be accomplished through competitive examination in
5 accordance with the provisions of Title 11A of the New Jersey
6 Statutes. These officers shall be employed pursuant to this
7 subsection notwithstanding any provision of that Title 11A of the
8 New Jersey Statutes to the contrary.

9 d. All other provisions of law concerning the operations of the
10 Division of State Police and of the police department of the city of
11 Atlantic City shall apply except to the extent inconsistent with this
12 section.²]⁴

13
14 ⁴8. (New section) In conjunction with the establishment of the
15 tourism district pursuant to section 5 of P.L. _____, c. _____
16 (pending before the Legislature as this bill), the Attorney General
17 and Superintendent of State Police in the Department of Law and
18 Public Safety, in consultation with the Mayor of Atlantic City, the
19 Director of Public Safety and the Police Chief of the Atlantic City
20 Police Department, and the Atlantic County Prosecutor, shall work
21 collaboratively to develop a public safety plan to address law
22 enforcement strategies and public safety in the tourism district. In
23 constructing the plan, the Attorney General and Superintendent
24 shall solicit input and recommendations from key stakeholders,
25 including Atlantic City residents, local business owners, and
26 representatives from the casino and entertainment industries.

27 The plan shall be designed with the following goals: to utilize
28 and enhance the existing leadership and competencies of the
29 Atlantic City Police Department, and to promote sustainable best
30 practices by leveraging improved communications, data collection
31 and information-sharing processes. Components of the plan shall
32 include, but shall not be limited to: deploying or detailing of sworn
33 law enforcement officers, who may be Division of State Police
34 personnel, special investigators assigned to the Department of Law
35 and Public Safety, current or former Atlantic City Police Officers,
36 or other law enforcement officers assigned to the detail; the
37 procurement and implementation of new technological equipment
38 upgrades to the Atlantic City Police Department systems, with
39 related training and support provided to the detailed officers and to
40 the Atlantic City Police Department personnel by the Division of
41 State Police, and featuring appropriate compliance monitoring; and
42 the development and implementation of a coordinated law
43 enforcement strategy to address crime and public safety concerns
44 both within and outside of the casino tourism district.

45 The plan shall include policy, technical and operational
46 benchmarks, which, when met and sustained, will promote the
47 ultimate goal of improved safety and efficiency, both within and
48 outside the tourism district. As part of the Public Safety Plan, the

1 Superintendent shall appoint a District Commander, who shall be
 2 charged with overseeing and coordinating the implementation and
 3 monitoring of the public safety plan. The District Commander shall
 4 coordinate with the Director of Public Safety and the Chief of the
 5 Atlantic City Police Department, and shall report directly to the
 6 Superintendent of the State Police.⁴

7
 8 ⁴[8.] 9.⁴ (New section) a. ¹[The superintendent and chair of
 9 the authority shall jointly determine annually that portion of the
 10 operating cost of the division attributable to assuming the general
 11 responsibility for and the supervision of the conduct of all law
 12 enforcement operations and activities within the tourism district
 13 through the Joint Law Enforcement Task Force, including the cost
 14 to the department of employing and training those law enforcement
 15 officers of the Atlantic City police department granted the right of
 16 first refusal, and shall jointly certify to the authority the amount of
 17 that attributable cost. The total amount so certified shall not exceed
 18 the total amount of any reduction in payments by those casino
 19 licensees resulting from any reduction in annual costs of the Casino
 20 Control Commission and the Division of Gaming Enforcement in
 21 the Department of Law and Public Safety for investigation and
 22 consideration of license applications and license renewals, for
 23 maintaining control and regulatory activities and enforcement
 24 functions, and for such other services, equipment or other expenses,
 25 as a direct result of laws enacted or regulations changed on or after
 26 the effective date of P.L. , c. (C.) (pending before the
 27 Legislature as this bill), regarding the commission's and division's
 28 functions, duties, and responsibilities under the "Casino Control
 29 Act," P.L.1977, c.110 (C.5:12-1 et seq.).

30 b. After the development of each authority annual budget,
 31 Notwithstanding any law, rule, or regulation to the contrary, the
 32 Division of Gaming Enforcement in the Department of Law and
 33 Public Safety shall in each of the first three State fiscal years
 34 commencing in the State fiscal year in which P.L. , c. (C.)
 35 (pending before the Legislature as this bill),⁴ determine the amount
 36 of cost savings effected by the reduction in fees paid by casino
 37 licensees pursuant to revisions to law concerning regulation of the
 38 casino industry, and provide that ⁴[such] an⁴ amount², as
 39 determined by the New Jersey Racing Commission in the
 40 Department of Law and Public Safety pursuant to this subsection²
 41 shall be paid annually by casino licensees to the authority², and
 42 such payment shall be made ⁴[for the greater of (1) the first five
 43 State fiscal years commencing in the State fiscal year in which
 44 P.L. , c. (C.) (pending before the Legislature as this bill) is
 45 enacted, or (2) the number of State fiscal years, commencing in the
 46 State fiscal year in which P.L. , c. is enacted, necessary to
 47 offset any deficiency in the collection of the amount required for

1 allocation to the augmentation of purses in any of the three State
 2 fiscal years described in subsection b. of this section²] in each of
 3 the first three State fiscal years commencing in the State fiscal year
 4 in which P.L. , c. (C.) (pending before the Legislature as
 5 this bill).The New Jersey Racing Commission shall determine an
 6 amount to be allocated from the amounts collected by the Division
 7 of Gaming Enforcement pursuant to this section, in an amount not
 8 exceeding \$15,000,000 in the first State fiscal year; \$10,000,000 in
 9 the second State fiscal year; and \$5,000,000 in the third State fiscal
 10 year. The moneys collected pursuant to this subsection shall be
 11 allocated to the authority, and allocated by the authority to the New
 12 Jersey Racing Commission to the support of the horse racing
 13 industry in this State through the augmentation of purses. The
 14 amount of any funds authorized in this section to be collected and
 15 allocated in support of horse racing through the augmentation of
 16 purses shall be established by the New Jersey Racing Commission
 17 at a regular meeting of the commission held during the fiscal year in
 18 which any such payment is authorized, which amount shall be
 19 reflected in the meeting minutes delivered by the executive director
 20 to the Governor with respect to the meeting at which such action is
 21 taken in the manner provided under section 31 of
 22 P.L.2001,c.199,s.31 (C.5:5-22.1) ⁴ .

23 b. ⁴[²[(1)]² Of the amount paid to the authority pursuant to
 24 subsection a. of this section, in the State fiscal year in which
 25 P.L. , c. (C.) (pending before the Legislature as this bill) is
 26 enacted, the authority shall allocate ²[the first \$30,000,000 for the
 27 support of the tourism district and]² \$15,000,000 for the support of
 28 the horse racing industry in this State through the augmentation of
 29 purses. For the State fiscal year commencing after the enactment
 30 of P.L. , c. ²[(C.) (pending before the Legislature as this
 31 bill)]² , the authority shall allocate ²[the first \$30,000,000 for the
 32 support of the tourism district, and]² \$10,000,000 for the support of
 33 the horse racing industry in this State through the augmentation of
 34 purses. For the second State fiscal year commencing after the
 35 enactment of P.L. , c. , the authority shall allocate ²[the first
 36 \$30,000,000 for the support of the tourism district, and]²
 37 \$5,000,000 for the support of the horse racing industry in this State
 38 through the augmentation of purses. Payments made ²[to]² for the
 39 support of the horse racing industry through the augmentation of
 40 ²[pursues] purses² shall be made to the New Jersey Racing
 41 Commission for allocation to the augmentation of purses; provided,
 42 however, that no such funds shall be allocated by the authority for
 43 the support of the horse racing industry through the augmentation of
 44 purses if an assessment is authorized by law to be collected from
 45 revenues generated by Internet wagering and the allocation is made
 46 from such revenues pursuant to section 10 of P.L. , c.
 47 ²[(C.) (pending before the Legislature as this bill)]² , ²unless

1 otherwise required to offset any deficiency as provided in that
2 section 10,² but would instead be allocated to the support of the
3 tourism district.²]⁴ If the amount paid to the authority pursuant to
4 subsection a. of this section in the first three State fiscal years
5 described herein is insufficient to allocate the amount required to
6 the augmentation of purses in any one of ³[the]³ those three State
7 fiscal years, the authority shall, from ⁴any appropriate revenue
8 source or account, allocate the amount necessary to cover the
9 difference between the amounts to be allocated to the horse racing
10 industry in this State through the augmentation of purses in the first
11 three State fiscal years and the amount paid to the authority
12 pursuant to subsection a. of this section and shall be reimbursed
13 from⁴ the amount collected ⁴by the Division of Gaming
14 Enforcement⁴ pursuant to subsection a. of this section in the
15 subsequent State fiscal year ⁴[, make an allocation to the
16 augmentation of purses to offset any deficiency in the allocation
17 made in any previous State fiscal year.² Any remaining funds
18 retained by the authority pursuant to subsection a. of this section in
19 any of the first three State fiscal years described herein shall be
20 allocated to the support of the tourism district, unless otherwise
21 provided by law. Any remaining funds retained by the authority
22 pursuant to subsection a. of this section ²in the two State fiscal
23 years commencing² after the first three State fiscal years shall be
24 allocated to the support of the tourism district, unless otherwise
25 provided by law. ²[(2) The authority shall allocate from any
26 appropriate revenue source or account, the amount necessary to
27 cover the difference between the amounts to be allocated to the
28 horse racing industry in this State through the augmentation of
29 purses in the first three State fiscal years and the amount paid to the
30 authority pursuant to subsection a. of this section. Payments by the
31 authority pursuant to this paragraph shall be made to the New
32 Jersey Racing Commission provided, however, that no such funds
33 shall be allocated by the authority for the support of the horse
34 racing industry through the augmentation of purses if an assessment
35 is authorized by law to be collected from revenues generated by
36 Internet wagering and the allocation is made from such revenues
37 pursuant to section 10 of P.L. , c. The amounts paid to the New
38 Jersey Racing Commission by the authority pursuant to this
39 paragraph shall be recovered by the authority through assessments
40 payable by casino licensees. Such assessments shall be paid within
41 five years of the date upon which the initial assessment is made,
42 and such payments shall be made upon a schedule to be established
43 by the authority.] ³[Any remaining funds retained by the authority
44 pursuant to subsection a. of this section in the two State fiscal years
45 commencing after the first three State fiscal years shall be allocated
46 to the support of the tourism district, unless otherwise provided by
47 law.]³ Any funds retained by the authority pursuant to subsection

1 a. of this section after the first five State fiscal years, which are not
 2 necessary for allocation to the augmentation of purses as an offset
 3 to any deficiency in the allocation made in any previous State fiscal
 4 year, shall be transferred to the Division of Gaming Enforcement
 5 and such funds shall be returned as a rebate to the several casino
 6 licensees in proportion to the fees paid by each of those licensees in
 7 that State fiscal year.²].⁴

8 c. If, one year after ²[of]² the effective date of P.L. , c.
 9 (C.) (pending before the Legislature as this bill), the not-for-
 10 profit corporation does not exist as provided in section ⁴[6] ⁷.⁴ in
 11 P.L. , c. (C.) (pending before the Legislature as this bill), or
 12 is unable to perform its obligations under an agreement with the
 13 authority, or Convention Center Division, or ³[upon termination
 14 of] if³ the agreement ³is terminated³, as provided under that
 15 section, and ³[such agreement terminated]³ is not renewed,¹ the
 16 authority shall assess a fee payable by each casino licensee for the
 17 ²State² fiscal year², for a period of five State fiscal years². ¹[The
 18 cumulative total of the fees so assessed shall include an amount
 19 sufficient to reimburse the Division of State Police and the
 20 Department of Law and Public Safety for their costs during the
 21 preceding fiscal year of assuming supervisory and operational
 22 responsibilities for law enforcement activities with the tourism
 23 district, as certified pursuant to subsection a. of this section.

24 c.]¹ The fee assessed under this ¹[section] subsection¹ shall be
 25 in proportion to the casino licensee's gross revenues generated in
 26 the fiscal year preceding the assessment. The total fees assessed
 27 collectively upon all casino licensees shall be no less than
 28 ¹[\$22,500,000 for the State fiscal year in which
 29 P.L. , c. (C.) (pending before the Legislature as this bill) is
 30 enacted, and no less than]¹ \$30,000,000 for each State fiscal year
 31 ¹[thereafter]¹ ²for which the fees are assessed².

32 d. Such fees shall be used exclusively to facilitate the
 33 development of the tourism district, enhance the cleanliness and
 34 safety of the tourism district, ¹and¹ fund the ²[authority's¹, or
 35 Convention Center Division's]² marketing efforts ²of the authority
 36 or of the Convention Center Division, as the case may be,²
 37 concerning tourism in the district ¹[, reimburse law enforcement
 38 costs certified pursuant to subsection a. of this section, and support
 39 gaming in the State; provided, however, that if the cumulative total
 40 amount of any cost savings realized by all casino licenses as the
 41 result of a reduction in fees pursuant to revisions to the law
 42 concerning regulation of the casino industry exceeds \$22,500,000 in
 43 the first fiscal year, or \$30,000,000 in the second and third fiscal
 44 years following the effective date of P.L. , c. (C.) (pending
 45 before the Legislature as this bill), the amount from the fees
 46 imposed pursuant to this section that is allocated in those respective

1 fiscal years to the support of gaming shall be not less than the
2 amount of that excess in those respective fiscal years, up to
3 \$15,000,000 in the first fiscal year, \$10,000,000 in the second fiscal
4 year, and \$5,000,000 in the third fiscal year. Fees assessed pursuant
5 to this subsection may be increased pursuant to a resolution of the
6 authority finding that increased fees are necessary to facilitate the
7 development of the tourism district, the authority's marketing
8 efforts concerning tourism in the district, and the support of gaming
9 in the State. The authority shall be responsible for collection of the
10 fees assessed pursuant to this section. The portion of the total
11 amount of the collected fees equal to the amount certified pursuant
12 to subsection a. of this section shall be appropriated annually to the
13 Department of Law and Public Safety¹.

14

15 ⁴[9.(New section) a. Notwithstanding any law, rule, or
16 regulation to the contrary, if the South Jersey Transportation
17 Authority shall ¹[sell] transfer for consideration, by sale, lease,
18 mortgage, exchange or other conveyance or disposition, all or any
19 part of its interest in¹ the airport known as the Atlantic City
20 International Airport and any other lands and improvements as the
21 South Jersey Transportation Authority has acquired pursuant to
22 section 24 of P.L.1991, c.252 (C.27:25A-24) and all related
23 facilities and activities, the South Jersey Transportation Authority
24 shall assign and pay ¹or otherwise transfer¹ to the authority ¹, after
25 payment of bonds or other obligations pursuant to law, contract, or
26 other form of agreement,¹ any revenues ¹[or] ¹ proceeds ¹[from
27 such sale] ¹, or other property received as such consideration¹.

28 b. Notwithstanding any other provision of law or regulation to
29 the contrary, the authority shall give priority in the expenditure of
30 any funds, derived from ¹property received as consideration for¹ the
31 ¹[sale] transfer¹ of ¹any interest in¹ the airport pursuant to
32 subsection a. of this section or otherwise designated by law for the
33 authority, to redevelopment projects, including development,
34 infrastructure improvements and enhancements, and public safety
35 improvements, within the tourism district.]⁴

36

37 ⁴10. (New section) a. Notwithstanding any law, rule, or
38 regulation to the contrary, if the South Jersey Transportation
39 Authority shall transfer for consideration, by sale or lease, all or any
40 part, of its interest in the airport known as the Atlantic City
41 International Airport and any other lands and improvements as the
42 South Jersey Transportation Authority has acquired pursuant to
43 section 24 of P.L.1991, c.252 (C.27:25A-24) and all related
44 facilities and activities, the South Jersey Transportation Authority
45 shall assign and pay, or otherwise transfer, after payment of bonds
46 or other obligations pursuant to law, contract, or other form of
47 agreement, any revenues or proceeds from such sale or lease in

1 equal amounts to the governing body of the following counties:
 2 Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester,
 3 Ocean, and Salem.

4 b. The revenues or proceeds distributed to the governing body
 5 of the counties pursuant to subsection a. of this section shall be used
 6 solely for the planning, acquisition, engineering, construction,
 7 reconstruction, repair, resurfacing and rehabilitation of public
 8 highways and the planning, acquisition, engineering, construction,
 9 reconstruction, repair, maintenance and rehabilitation of public
 10 transportation projects and of other transportation projects, which a
 11 county may be authorized by law to undertake and which has been
 12 approved by the governing body of that county. Nothing in this
 13 subsection shall be construed to mean that the revenues or proceeds
 14 distributed to the governing bodies of the counties shall be in lieu of
 15 any other State or federal monies for transportation purposes.

16 Within three months of receipt of any revenues or proceeds from
 17 the sale or lease of all, or any part of, Atlantic City International
 18 Airport, the governing body of each county shall submit to the
 19 Commissioner of Transportation a report detailing how the county
 20 intends to use the revenues or proceeds, the projects the governing
 21 body of the county is planning to undertake, or currently
 22 undertaking with the revenues or proceeds, and any other relevant
 23 information concerning the use of the money for public highway,
 24 public transportation projects, and other transportation projects.
 25 Thereafter, the governing body of each county shall submit annually
 26 such information to the Commissioner of Transportation.⁴

27
 28 ⁴[10. (New section) ¹[Upon] ³a.³ The authority, upon¹
 29 enactment of P.L. , c. (C.) (pending before the Legislature
 30 as this bill), ¹[after the investment alternative tax is authorized by
 31 law to be collected from revenues generated by Internet wagering,
 32 the authority shall allocate the first] shall ²[be responsible for
 33 allocating], for each State fiscal year for a period of not more than
 34 the first five State fiscal years commencing³[after] in the State
 35 fiscal year in which a³ tax is authorized by law to be collected from
 36 revenues generated by Internet wagering, annually allocate² the
 37 first¹ \$30,000,000 ¹[from such tax,] ²[annually¹ for each State
 38 fiscal year for a period of not more than the first five State fiscal
 39 years commencing after]² ¹[such tax] ²[the alternative minimum
 40 assessment¹ is authorized by law to be collected from ¹revenues
 41 generated by¹ Internet wagering, ¹from the sum of such
 42 assessment¹] of the revenue from such tax² to the New Jersey
 43 Racing Commission to be used for the benefit of ¹the¹ horse racing
 44 ¹industry¹ in this State ¹through the augmentation of purses¹,
 45 provided, however, that the use of those funds for that purpose shall
 46 cease one State fiscal year after wagering on sports events is
 47 implemented in this State. ³Amounts collected pursuant to this

1 subsection in excess of \$30,000,000 in any one State fiscal year
 2 shall be allocated to the authority for the support of the tourism
 3 district.³
 4 ³(b.)³ ²If ³[the amount collected from]³ the tax described in
 5 ³subsection a. of³ this section ³is authorized by law to be collected
 6 in the State fiscal year in which P.L. , c. (C.) (pending
 7 before the Legislature as this bill) is enacted, and the revenue from
 8 such tax¹ is not sufficient to ¹[.] fund an allocation, for the support
 9 of the horse racing industry in this State through the augmentation
 10 of purses, in the amount of (1)\$15,000,000 in ³[the] that³ State
 11 fiscal year ³[in which P.L. , c. (C.) (pending before the
 12 Legislature as this bill) is enacted, allocate \$15,000,000 for the
 13 support of the horse racing industry in this State through the
 14 augmentation of purses,] , (2) \$10,000,000 in [for]³ the State fiscal
 15 year commencing after the enactment of P.L. , c. (C.)
 16 ³[(pending before the Legislature as this bill), allocate \$10,000,000
 17 for the support of the horse racing industry in this State through the
 18 augmentation of purses]³, and ³[for] (3) \$5,000,000 in³ the second
 19 State fiscal year commencing after the enactment of P.L. , c. ,
 20 ³[allocate \$5,000,000 for the support of the horse racing industry in
 21 this State through the augmentation of purses,] then³ the Division
 22 of Gaming Enforcement shall, ³[in] no more than 30 days
 23 following the last day of³ the State fiscal year in which the
 24 deficiency occurs, determine the amount of cost savings effected by
 25 the reduction in fees paid by casino licensees pursuant to revisions
 26 to law concerning regulation of the casino industry, assess a fee
 27 payable from such amount to offset such deficiency, in an amount
 28 not exceeding such deficiency, and provide that ³casino licensees
 29 shall pay³ such amount ³[shall be paid] to the authority³ in ³[that]
 30 the State fiscal year commencing after the³ State fiscal year ³[by
 31 casino licensees to the authority]² in which the deficiency
 32 occurred³ ¹Amounts collected pursuant to this ³[section]
 33 subsection³ in excess of ³[\$30,000,000] the amount necessary to
 34 offset any deficiency in the previous State fiscal year³ shall be
 35 allocated to the authority for the support of the tourism district.¹]⁴
 36

37 ⁴11. (New section) a. The authority, upon enactment of P.L. ,
 38 c. (C.) (pending before the Legislature as this bill), shall, for
 39 each State fiscal year for a period of not more than the first five
 40 State fiscal years commencing in the State fiscal year in which a tax
 41 is authorized by law to be collected from revenues generated by
 42 Internet wagering, annually allocate the first \$30,000,000 of the
 43 revenue from such tax to the New Jersey Racing Commission to be
 44 used for the benefit of the horse racing industry in this State
 45 through the augmentation of purses, provided, however, that the use
 46 of those funds for that purpose shall cease one State fiscal year after

1 wagering on sports events is implemented in this State. Amounts
2 collected pursuant to this subsection in excess of \$30,000,000 in
3 any one State fiscal year shall be allocated to the authority for the
4 support of the tourism district.

5 b. If the tax described in subsection a. of this section is
6 authorized by law to be collected in the State fiscal year in which
7 P.L. , c. (C.) (pending before the Legislature as this bill) is
8 enacted , and such tax is not sufficient to, in the State fiscal year in
9 which P.L. , c. (C.) (pending before the Legislature as this
10 bill) is enacted, allocate \$15,000,000 for the support of the horse
11 racing industry in this State through the augmentation of purses, for
12 the State fiscal year commencing after the enactment of P.L. , c.
13 (C.) (pending before the Legislature as this bill), allocate
14 \$10,000,000 for the support of the horse racing industry in this
15 State through the augmentation of purses, and for the second State
16 fiscal year commencing after the enactment of P.L. , c. ,
17 allocate \$5,000,000 for the support of the horse racing industry in
18 this State through the augmentation of purses, the authority shall
19 allocate, from any appropriate revenue source or account, such
20 amounts necessary to cover the difference between the amounts to
21 be allocated to the horse racing industry in this State through the
22 augmentation of purses to offset any deficiency in the first three
23 State fiscal years as described in this subsection, in an amount to be
24 determined by the New Jersey Racing Commission, and the amount
25 collected pursuant to subsection a. of this section and the Division
26 of Gaming Enforcement shall, every 30 days, beginning no more
27 than 30 days following the last day of the State fiscal year in which
28 the deficiency occurred, and the authority made any allocation to
29 cover such deficiency, determine the amount of cost savings
30 effected by the reduction in fees paid by casino licensees pursuant
31 to revisions to law concerning regulation of the casino industry,
32 assess and collect a fee payable from such amount to offset such
33 deficiency, in an amount not exceeding such payment made by the
34 authority, and provide that such amount shall be allocated to the
35 authority in the State fiscal year commencing after the State fiscal
36 year within 30 days after collection. The Division of Gaming
37 Enforcement shall continue assessment and collection as provided
38 in this subsection for the number of State fiscal years necessary to
39 reimburse the authority for allocations made by the authority under
40 this subsection.

41 Amounts collected pursuant to this subsection in excess of the
42 amount necessary to reimburse the authority shall be allocated to
43 the authority for the support of the tourism district.⁴

44
45 ²[11.] 12.² (New section) a. Until the Transfer Date, the
46 authority shall not exercise any powers, rights, or duties conferred
47 by P.L. , c. (C.) (pending before the Legislature as this bill)
48 or by any other law in any way which will interfere with the

1 powers, rights, and duties of the convention center authority. The
2 authority shall not before the Transfer Date exercise any powers of
3 the convention center authority. The authority and the convention
4 center authority are directed to cooperate with each other so that the
5 Transfer Date shall occur as soon as practicable after the date of
6 enactment of P.L. , c. (C.) (pending before the Legislature
7 as this bill), and the convention center authority shall make
8 available information concerning its property and assets,
9 outstanding bonds and other debts, obligations, liabilities and
10 contracts, operations, and finances as the authority may require to
11 provide for the retirement of any outstanding bonds, notes, or other
12 obligations of the convention center authority, and the efficient
13 exercise by the authority of all powers, rights, and duties conferred
14 upon them by P.L. , c. (C.) (pending before the Legislature
15 as this bill).

16 b. On the Transfer Date: (1) The authority shall assume all of
17 the powers, rights, assets, and duties of the convention center
18 authority to the extent provided by P.L. , c. (C.) (pending
19 before the Legislature as this bill), and such powers shall then and
20 thereafter be vested in and shall be exercised by the authority and
21 the chair thereof ¹provided, however, that the functions,
22 organizational structure, and operations of the convention center
23 authority shall be continued as a division existing within the
24 authority, to be known as the Convention Center Division.¹

25 (2) The terms of office of the members of the convention center
26 authority shall terminate, the officers having custody of the funds of
27 the convention center authority shall deliver those funds into the
28 custody of the chair of the authority, the property and assets of the
29 convention center authority shall, without further act or deed,
30 become the property and assets of the authority, and the convention
31 center authority shall cease to exist.

32 (3) The officers and employees of the convention center
33 authority shall be transferred to the authority and shall become
34 employees of the authority ¹[until determined otherwise by the
35 authority] and the authority shall retain those employees transferred
36 to the authority pursuant to this section as employees of the
37 division¹⁴; provided, however, that any employee transferred to the
38 authority pursuant to this section may be dismissed for cause, and
39 any such employee may be dismissed if the authority determines
40 that the transfer of the convention center authority to the authority
41 has resulted in the duplication of responsibility of the position held
42 by such employee, but such an employee shall be given a right of
43 first refusal offer of similar employment if such employment shall
44 become available as determined by the authority⁴.

45 Nothing in P.L. , c. (C.) (pending before the Legislature
46 as this bill) shall be construed to deprive any officers or employees
47 of the convention center authority of their rights, privileges,

1 obligations, or status with respect to any pension or retirement
2 system. The employees shall retain all of their rights and benefits
3 under existing collective negotiation agreements or contracts until
4 such time as new or revised agreements or contracts are agreed to.
5 All existing employee representatives shall be retained to act on
6 behalf of those employees until such time as the employees shall,
7 pursuant to law, elect to change those representatives. Nothing in
8 P.L. , c. (C.) (pending before the Legislature as this bill)
9 shall affect the civil service status, if any, of those officers or
10 employees. ¹【Upon expiration of any agreement or contract
11 pertaining to the employment of convention center employees, the
12 authority shall make reasonable efforts to retain former employees
13 of the convention center authority transferred hereunder to the
14 authority.】¹

15 (4) All debts, liabilities, obligations and contracts of the
16 convention center authority, except to the extent specifically
17 provided or established to the contrary in P.L. , c. (C.)
18 (pending before the Legislature as this bill), are imposed upon the
19 authority, and all creditors of the convention center authority and
20 persons having claims against or contracts with the convention
21 center authority of any kind or character may enforce those debts,
22 claims, and contracts against the authority as successor to the
23 convention center authority in the same manner as they might have
24 against the convention center authority, and the rights and remedies
25 of those holders, creditors, and persons having claims against or
26 contracts with the convention center authority shall not be limited
27 or restricted in any manner by P.L. , c. (C.) (pending before
28 the Legislature as this bill).

29 (5) In continuing the functions, contracts, obligations and duties
30 of the convention center authority, the authority is authorized to act
31 in its own name¹, in the name of the Convention Center Division,¹
32 or in the name of the convention center authority as may be
33 convenient or advisable under the circumstances from time to time.

34 (6) Any references to the convention center authority in any
35 other law or regulation shall be deemed to refer and apply to the
36 authority.

37 (7) All rules and regulations of the convention center authority
38 shall continue in effect as the rules and regulations of the authority
39 until amended, supplemented or rescinded by the authority in
40 accordance with law. Notwithstanding any requirements of the
41 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
42 seq.) to the contrary, the authority may adopt regulations, after
43 notice and an opportunity for public comment, amending,
44 supplementing, modifying, or repealing the regulations of the
45 convention center authority. Such regulations shall be effective
46 immediately upon filing with the Office of Administrative Law and
47 shall be effective for a period not to exceed 18 months from the
48 Transfer Date and they may, thereafter, be amended, adopted or

1 readopted in accordance with the "Administrative Procedure Act."
2 Regulations of the convention center authority inconsistent with the
3 provisions of this act or of regulations of the authority shall be
4 deemed void if so judged by the authority acting pursuant to the
5 provisions of this paragraph.

6 (8) All operations of the convention center authority shall
7 continue as operations of the authority until altered by the authority
8 as may be permitted pursuant to P.L. , c. (C.) (pending
9 before the Legislature as this bill).

10 (9) The powers vested in the authority by P.L. , c. (C.)
11 (pending before the Legislature as this bill) shall be construed as
12 being in addition to and not in diminution of the powers heretofore
13 vested by law in the authority to the extent not otherwise altered or
14 provided for in P.L. , c. (C.) (pending before the Legislature
15 as this bill).

16 c. As soon as practicable after the Transfer Date, the chairman
17 shall notify the Governor and the presiding officers of each house
18 of the Legislature that the transfer has occurred, the date of the
19 transfer, and any other information concerning the transfer the
20 chairman deems appropriate.

21

22 ⁴[12.] 13.⁴ (New section) Upon the transfer of the convention
23 center authority as provided in section 11 of P.L. , c. (C.)
24 (pending before the Legislature as this bill), all convention center
25 authority projects, including the Atlantic City convention center
26 project, shall be maintained by the authority.

27

28 ⁴[13.] 14.⁴ (New section) a. Prior to the Transfer Date, the
29 authority is authorized to issue bonds, refunding bonds, notes, or
30 other indebtedness to facilitate the timely occurrence of the
31 Transfer Date, including but not limited to, the issuance of bonds,
32 refunding bonds, notes, or other indebtedness to provide that all
33 bonds or notes issued by the convention center authority to finance
34 any projects, and the interest thereon, have been paid, or a sufficient
35 amount for the payment of all those bonds or notes, and the interest
36 thereon, has been set aside in trust for the benefit of the
37 bondholders.

38 b. On the Transfer Date, the power of the convention center
39 authority to issue bonds, refunding bonds, notes, or other
40 indebtedness is continued but transferred to the authority and shall
41 thereafter be exercised and administered by the authority.

42 c. The convention center authority and the authority are
43 authorized to enter into such agreements as are necessary to
44 facilitate the transfers contemplated by this section.

45

46 ⁴[14.] 15.⁴ (New section) Upon the transfer of the convention
47 center authority, the provisions of P.L.1981, c.459 (C.52:27H-29 et
48 seq.) and P.L.2008, c.47 (C.52:27H-31.1 et al.) insofar as they are

1 not inconsistent with the provisions of P.L. , c. (C.)
2 (pending before the Legislature as this bill), shall continue in effect,
3 and any reference therein or in any other law to the convention
4 center authority, to the chair of the convention center authority, or
5 to any member thereof, shall be deemed to mean and refer to the
6 chair of the authority.
7

8 ⁴**[15.] 16.**⁴ (New section) Upon the establishment of the
9 tourism district by resolution of the authority pursuant to the
10 provisions of section ⁴**[4] 5.**⁴ of P.L. , c. (C.) (pending
11 before the Legislature as this bill), ⁴or upon the establishment of
12 the tourism district under paragraph 2 of subsection a. of section 5,
13 as appropriate,⁴ the authority shall assume all functions, powers,
14 and duties of Atlantic City, and of any agency or instrumentality
15 thereof, with respect to the Atlantic City Special Improvement
16 District, and the City of Atlantic City shall repeal the ordinance or
17 ordinances establishing that special improvement district¹;
18 provided, however, that the functions, organizational structure, and
19 operations of the Atlantic City Special Improvement District shall
20 be continued as a division existing within the authority. The
21 Atlantic City Special Improvement District, continued as a division
22 within the authority, shall continue to assess and collect
23 assessments payable to the special improvement district as of the
24 effective date of the establishment of the tourism district by
25 resolution of the authority pursuant to the provisions of section ⁴**[4]**
26 5.⁴ of P.L. , c. (C.) (pending before the Legislature as this
27 bill)¹. ⁴Officers and employees of the special improvement district
28 shall be transferred to the authority and shall become employees of
29 the authority and the authority shall retain those employees
30 transferred to the authority pursuant to this section as employees of
31 the special improvement district division; provided, however, that
32 any employee transferred to the authority pursuant to this section
33 may be dismissed for cause, and any such employee may be
34 dismissed if the authority determines that the transfer of the special
35 improvement district to the authority has resulted in the duplication
36 of responsibility of the position held by such employee, but such an
37 employee shall be given a right of first refusal offer of similar
38 employment if such employment shall become available as
39 determined by the authority.⁴
40

41 ⁴**[16.] 17.**⁴ (New section) P.L. , c. (C.) (pending before
42 the Legislature as this bill) shall be subject to the provisions of the
43 "State Agency Transfer Act," P.L.1971, c.375 (C.52:14D-1 et seq.),
44 except as may otherwise be provided under P.L. , c. .
45

46 ⁴**[17.] 18.**⁴ (New section) The authority shall exercise due
47 regard for the rights of the holders of bonds of the authority, at any

1 time outstanding, and nothing in, or done pursuant to, the
 2 provisions of P.L. , c. (C.) (pending before the Legislature
 3 as this bill), shall in any way limit, impair, restrict, or alter the
 4 obligation or powers of the authority to carry out and perform in
 5 every detail each and every covenant, agreement, or contract at any
 6 time made or entered into by, or on behalf of, the authority with
 7 respect to its bonds or for the benefit, protection, or security of the
 8 holders thereof.

9
 10 ⁴[18.] 19.⁴ (New section) The authority, in implementing any
 11 of its functions involving the tourism district, including but not
 12 limited to, the regulation and encouragement of economic
 13 development and the promotion of cleanliness, safety, and
 14 commerce, is authorized and directed, notwithstanding any law,
 15 rule, or regulation to the contrary, to¹, in addition to any public-
 16 private partnership entered into pursuant to section 6 of P.L. ,
 17 c. (C.) (pending before the Legislature as this bill),¹ enter into
 18 public-private partnerships or similar arrangements with private
 19 entities in implementing the provisions of ¹[this act] P.L. ,
 20 c. (C.) (pending before the Legislature as this bill). Such
 21 partnerships shall include descriptions of those responsibilities to be
 22 carried out by the private entity, mechanisms for allocation of funds
 23 among such responsibilities, authority audit rights, and restrictions
 24 on the expenditure of funds for purposes other than as set forth in
 25 P.L. , c. ²[(C.) (pending before the Legislature as this
 26 bill)]².¹

27
 28 ⁴[19.] 20.⁴ This act shall take effect immediately, but the
 29 provisions of P.L. , c. (C.) (pending before the Legislature
 30 as this bill) shall not be construed as affecting terms of any contract
 31 or agreement in effect as of the effective date of P.L. , c. .
 32
 33
 34
 35

36 Directs establishment of Atlantic City Tourism District; broadens
 37 powers and duties of CRDA; transfers Atlantic City Convention and
 38 Visitors Authority and its functions to CRDA.

SENATE, No. 11

STATE OF NEW JERSEY 214th LEGISLATURE

INTRODUCED NOVEMBER 15, 2010

Sponsored by:

Senator STEPHEN M. SWEENEY

District 3 (Salem, Cumberland and Gloucester)

Senator JIM WHELAN

District 2 (Atlantic)

Senator JEFF VAN DREW

District 1 (Cape May, Atlantic and Cumberland)

SYNOPSIS

Directs establishment of Atlantic City Tourism District; broadens powers and duties of CRDA; transfers Atlantic City Convention and Visitors Authority and its functions to CRDA.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT providing for the establishment of the Atlantic City
2 Tourism District and for the transfer of the Atlantic City
3 Convention and Visitors Authority, together with its functions,
4 powers, and duties, to the Casino Reinvestment Development
5 Authority, amending P.L.1984, c.218 and supplementing
6 P.L.1977, c.110.

7
8 **BE IT ENACTED** by the Senate and General Assembly of the State
9 of New Jersey:

10
11 1. (New section) As used in P.L. , c. (C.) (pending
12 before the Legislature as this bill):

13 “Atlantic City” means the City of Atlantic City, Atlantic County.

14 “Atlantic City convention center project” or “convention center
15 project” means the project authorized by paragraph (9) of
16 subsection a. of section 6 of P.L.1971, c.137 (C.5:10-6).

17 “Atlantic City Tourism District” or “tourism district” means the
18 district within Atlantic City established pursuant to section 4 of
19 P.L. , c. (C.) (pending before the Legislature as this bill).

20 “Authority” means the Casino Reinvestment Development
21 Authority established pursuant to section 5 of P.L.1984, c.218,
22 (C.5:12-153).

23 “Convention center authority” means the Atlantic City
24 Convention and Visitors Authority established pursuant to section 3
25 of P.L.1981, c.459 (C.52:27H-31).

26 “Development and design guidelines” means the development
27 and design guidelines for site plan applications, which guidelines
28 are to be adopted by the authority pursuant to section 5 of P.L. ,
29 c. (C.) (pending before the Legislature as this bill).

30 “District land use regulations” means the regulations, applicable
31 within the tourism district, that are to be adopted by the authority
32 pursuant to P.L. , c. (C.) (pending before the Legislature as
33 this bill).

34 “Gaming” means, in addition to any meaning otherwise provided
35 by law, any legalized form of gambling in New Jersey including,
36 but not limited to, casino gambling and horse racing.

37 “Master plan” or “plan” means the authority’s comprehensive
38 master plan for the redevelopment of the tourism district.

39 “Nonconforming use” means a legal or pre-existing use or
40 activity which fails to conform to the development and design
41 guidelines or land use regulations adopted by the authority pursuant
42 to P.L. , c. (C.) (pending before the Legislature as this bill).

43 “Public safety improvements” means the development of
44 infrastructure in the tourism district made for the purpose of
45 increasing safety. Such improvements would include the

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 development of appropriate security technology and the installation
2 of increased lighting in outdoor areas, the installation of
3 surveillance cameras, and the installation of emergency phones and
4 lights throughout the tourism district for use by appropriate security
5 personnel and the Joint Law Enforcement Task Force established
6 pursuant to section 7 of P.L. , c. (C.) (pending before the
7 Legislature as this bill).

8 "Road and highway authority" means any State or local entity,
9 including, but not limited to, Atlantic City or any agency thereof,
10 Atlantic County or any agency thereof, the New Jersey Department
11 of Transportation, and the South Jersey Transportation Authority
12 established under section 4 of P.L.1991, c.252 (C.27:25A-4), or any
13 other State or local entity having jurisdiction over (a) the roads and
14 highways in the tourism district, (b) the roads and highways
15 adjacent to the tourism district, (c) the land area in which the
16 authority is an interested party pursuant to subsection c. of section 5
17 of P.L. , c. (C.) (pending before the Legislature as this bill),
18 or (d) the portion of the roads and highways in Atlantic City which
19 provide direct access the tourism district.

20 "Transfer Date" means, with respect to the assumption by the
21 authority of the powers, duties, assets, and responsibilities of the
22 convention center authority, the date on which (a) the chairs of the
23 authority and the convention center authority certify to the
24 Governor that all of the bonds issued by the convention center
25 authority cease to be outstanding within the meaning of the
26 resolutions pursuant to which the bonds were issued, and (b) the
27 authority assumes all debts and statutory responsibilities of the
28 convention center authority.

29

30 2. Section 12 of P.L.1984, c.218 (C.5:12-160) is amended to
31 read as follows:

32 12. The purposes of the Casino Reinvestment Development
33 Authority shall be:

34 a. to maintain public confidence in the casino gaming industry
35 as a unique tool of urban redevelopment for the city of Atlantic City
36 and to directly facilitate the redevelopment of existing blighted
37 areas and to address the pressing social and economic needs of the
38 residents of the city of Atlantic City and the State of New Jersey by
39 providing eligible projects in which licensees shall invest;

40 b. to provide licensees with an effective method of encouraging
41 new capital investment in Atlantic City which investment capital
42 would not otherwise be attracted by major casino-hotel convention
43 complexes or by normal market conditions and which will not
44 supplant capital, either public or private, that would otherwise be
45 invested in the city of Atlantic City or in the jurisdiction in which
46 the investment is to be made and which will have the effect of
47 benefiting the public at large and increasing opportunities and
48 choices of those of low and moderate income in particular;

- 1 c. to provide, further and promote tourist industries in New
2 Jersey and especially Atlantic county, by providing financial
3 assistance for the planning, acquisition, construction, improvement,
4 maintenance and operation of facilities for the recreation and
5 entertainment of the public which may include an arts center,
6 cultural center, historic site or landmark, or sports center;
- 7 d. to provide loans and other financial assistance for the
8 planning, acquisition, construction, reconstruction, demolition,
9 rehabilitation, conversion, repair or alteration of buildings or
10 facilities to provide decent, safe and sanitary dwelling units for
11 persons of low, moderate, median range, and middle income in need
12 of housing, and to provide mortgage financing for such units;
- 13 e. to assist in the financing of structures, franchises, equipment
14 and facilities for operation of, expansion of and the development of
15 public transportation or for terminal purposes, including but not
16 limited to development and improvement of port terminal
17 structures, facilities and equipment for public use;
- 18 f. to provide loans and other financial assistance for the
19 construction, reconstruction, demolition, rehabilitation, conversion,
20 repair or alteration of convention halls in Atlantic county and the
21 State of New Jersey, including but not limited to office facilities,
22 commercial facilities, community service facilities, parking
23 facilities, hotel facilities and other facilities for the accommodation
24 and entertainment of tourists and visitors;
- 25 g. to make loans and assist in the financing of the construction,
26 reconstruction, rehabilitation, repair or acquisition of infrastructure
27 projects, including but not limited to sewage disposal facilities,
28 water facilities, solid waste disposal facilities, roads, highways and
29 bridges;
- 30 h. to assist in financing buildings, structures and other property
31 to increase opportunities in manufacturing, industrial, commercial,
32 recreational, retail and service enterprises in the State so as to
33 induce and to accelerate opportunity for employment in these
34 enterprises, particularly of unemployed and underemployed
35 residents of the jurisdiction in which the investment is to be made;
36 to provide loans and other financial assistance for the planning,
37 developing or preservation of new and existing small businesses as
38 well as the planning, acquisition, construction, reconstruction,
39 rehabilitation, conversion or alteration of the facilities that house
40 these enterprises, particularly those which provide services or
41 employment to unemployed or underemployed residents of the
42 State; and to provide loans and other financial assistance to provide
43 employment training and retraining, particularly for unemployed
44 and underemployed residents of the State;
- 45 i. to cooperate with and assist local governmental units in
46 financing any eligible project;
- 47 j. to encourage investment in, or financing of, any plan,
48 project, facility, or program which directly serves pressing social

1 and economic needs of the residents of the jurisdiction or region in
2 which the investment is to be made, including but not limited to
3 **[schools,]** supermarkets, commercial establishments, day care
4 centers, parks and community service centers, and any other plan,
5 project, facility or program which best serves the interest of the
6 public in accordance with section 25 of this 1984 amendatory and
7 supplementary act;

8 k. to encourage investment in, or financing of, projects which
9 are made as part of a comprehensive plan to improve blighted or
10 redevelopment areas or are targeted to benefit low through middle
11 income residents of the jurisdiction or region in which the
12 investments are to be made;

13 l. to make loans for those eligible projects according to the
14 projected allocated amounts to be available;

15 m. to establish and exercise authority over the Atlantic City
16 Tourism District pursuant to the provisions of P.L. , c. (C.)
17 (pending before the Legislature as this bill); and

18 **[m.] n.** any combination of the foregoing.

19 (cf. P.L.1984, c.218, s.12)

20

21 3. Section 13 of P.L.1984, c.218 (C.5:12-161) is amended to
22 read as follows:

23 13. The Casino Reinvestment Development Authority shall have
24 the following powers:

25 a. To adopt and have a common seal and to alter the same at
26 pleasure;

27 b. To sue or be sued;

28 c. To acquire, hold, use and dispose of any eligible project in
29 which it is making an investment;

30 d. To acquire, rent, hold, use, and dispose of other personal
31 property for the purposes of the Casino Reinvestment Development
32 Authority;

33 e. To acquire by purchase, gift, or otherwise, or lease as lessee,
34 real property or easements or interests therein necessary or useful
35 and convenient for the purposes of the Casino Reinvestment
36 Development Authority which real property, easements or interests
37 may be subject to mortgages, deeds of trust, or other liens or
38 otherwise, and to hold and to use the same, and to dispose of the
39 property so acquired no longer necessary for the purposes of the
40 Casino Reinvestment Development Authority;

41 f. To make and enforce bylaws or rules and regulations for the
42 management and regulation of its business and affairs and for the
43 use, maintenance, and operation of any facility, and to amend the
44 same;

45 g. To enter into any agreements or contracts, execute any
46 instruments, and do and perform any acts or things necessary,
47 convenient, or desirable for the purposes of the Casino
48 Reinvestment Development Authority, including the entering into

1 of agreements or contracts with any governmental unit to provide
2 for the payment of principal of and interest on any obligation issued
3 by that governmental unit, the maintenance of necessary reserves in
4 connection with these obligations or the payments under any lease
5 entered into in connection with any eligible project;

6 h. To determine eligibility for investments in eligible projects
7 in order to accomplish the purposes of the Casino Reinvestment
8 Development Authority;

9 i. To collect and invest any proceeds received under subsection
10 b. of section 3 and section 14 of this act;

11 j. To invest in obligations of local governmental units issued
12 to finance eligible projects, provided that the investment shall only
13 be effected through direct negotiation by the Casino Reinvestment
14 Development Authority with the local governmental unit;

15 k. To make agreements of any kind with any governmental unit
16 or person for the use or operation of all or any part of any eligible
17 project for consideration and for periods of time and upon other
18 terms and conditions as the Casino Reinvestment Development
19 Authority may fix and agree upon, which agreements may include a
20 partnership, limited partnership, joint venture or association in
21 which the Casino Reinvestment Development Authority is a general
22 or limited partner or participant;

23 l. To require and collect fees and charges as the Casino
24 Reinvestment Development Authority shall determine to be
25 reasonable in connection with the exercise of any power given to
26 the Casino Reinvestment Development Authority under the act;

27 m. To the extent permitted under a contract of the Casino
28 Reinvestment Development Authority with purchasers of its bonds
29 entered into pursuant to section 3 of this 1984 amendatory and
30 supplementary act, to invest and reinvest any of its moneys not
31 required for immediate use, including moneys received for the
32 purchase of its bonds prior to the bonds being issued as it shall
33 deem prudent. A pro rata share of $66 \frac{2}{3}$ % of all interest earned
34 by the Casino Reinvestment Development Authority on any such
35 investments shall be paid to the licensees who entered into a
36 contract with the Casino Reinvestment Development Authority for
37 the purchase of its bonds and who contributed to the moneys which
38 were received by the Casino Reinvestment Development Authority
39 and were invested pursuant to this subsection. All functions,
40 powers and duties relating to the investment or reinvestment of
41 these funds, including the purchase, sale or exchange of any
42 investments or securities, may, upon the request of the Casino
43 Reinvestment Development Authority, be exercised and performed
44 by the Director of the Division of Investment, in accordance with
45 written directions of the Casino Reinvestment Development
46 Authority signed by an authorized officer, without regard to any
47 other law relating to investments by the Director of the Division of
48 Investment;

1 n. To the extent permitted under the contract of the Casino
2 Reinvestment Development Authority with the holders of its bonds,
3 to invest and reinvest any of its moneys not required for immediate
4 use, including proceeds from the sale of any obligations, securities
5 or other investments as it shall deem prudent. All functions,
6 powers and duties relating to the investment or reinvestment of
7 these funds, including the purchase, sale or exchange of any
8 investments or securities, may upon the request of the Casino
9 Reinvestment Development Authority be exercised and performed
10 by the Director of the Division of Investment, in accordance with
11 written directions of the Casino Reinvestment Development
12 Authority signed by an authorized officer, without regard to any
13 other law relating to investments by the Director of the Division of
14 Investment;

15 o. To enter into all agreements or contracts with any
16 governmental unit or person, execute any instruments, and do and
17 perform any acts or things necessary, convenient or desirable for
18 the purposes of the Casino Reinvestment Development Authority to
19 carry out any power expressly given in this act;

20 p. To exercise the right of eminent domain in the city of
21 Atlantic City;

22 q. To establish and exercise authority over the Atlantic City
23 Tourism District established pursuant to section 4 of P.L. _____,
24 c. (C. _____) (pending before the Legislature as this bill) and, in
25 addition to the powers provided in this section, to exercise, with
26 regard to the tourism district, those powers granted to the authority
27 pursuant to P.L. _____, c. (C. _____) (pending before the Legislature as
28 this bill);

29 **[q.]** r. To meet and hold hearings at places as it shall designate;
30 and

31 **[r.]** s. To establish, develop, construct, acquire, own, operate,
32 manage, promote, maintain, repair, reconstruct, restore, improve
33 and otherwise effectuate, either directly or indirectly, through
34 lessees, licensees or agents, projects consisting of facilities, at a site
35 or sites within the State of New Jersey, that are related to, incidental
36 to, necessary for or complementary to, the accomplishment of any
37 of the purposes of the authority or of any project of the authority
38 authorized in accordance with P.L.1984, c.218 (C.5:12-144.1 et
39 seq.), as amended.

40 (cf: P.L.2001, c.221, s.15)

41

42 4. (New section) a. There shall be established by resolution of
43 the authority the Atlantic City Tourism District, which shall consist
44 of those lands within Atlantic City that comprise an area to be
45 designated by resolution of the authority. The area so designated
46 shall include the facilities comprising licensed Atlantic City
47 casinos, casino hotels, and any appurtenant property, any property
48 under the ownership or control of the authority, the Atlantic City

1 Special Improvement District established by ordinance of the City
2 of Atlantic City, any property under the ownership or control of the
3 convention center authority prior to the transfer date, any property
4 within Atlantic City under the ownership or control of the New
5 Jersey Sports and Exposition Authority established pursuant to
6 P.L.1971, c.137 (C.5:10-1 et seq.) prior to the transfer date, the
7 Atlantic City Convention Center, Boardwalk Hall and any part of
8 the property consisting of the Atlantic City convention center
9 project prior to the transfer date, and any specified parts of Atlantic
10 City which the authority finds by resolution to be an area in which
11 the majority of private entities are engaged primarily in the tourism
12 trade, and the majority of public entities, if any, serve the tourism
13 industry. The authority shall adopt the resolution by an affirmative
14 vote of two-thirds of the voting members of the authority no more
15 than 90 days after the effective date of P.L. , c. (C.) (pending
16 before the Legislature as this bill).

17 b. Upon and after the adoption, pursuant to subsection a. of this
18 section, of the resolution establishing the tourism district, the
19 authority shall have jurisdiction within the tourism district to
20 impose land use regulations, implement development and design
21 guidelines and implement initiatives that promote cleanliness,
22 commercial development, and safety, undertake redevelopment
23 projects, and institute public safety improvements in coordination
24 with the Joint Law Enforcement Task Force established pursuant to
25 section 7 of P.L. , c. (C.) (pending before the Legislature as
26 this bill).

27 c. (1) Notwithstanding any law, rule, or regulation to the
28 contrary, upon and after the adoption, pursuant to subsection a. of
29 this section, of the resolution establishing the tourism district, the
30 authority shall have, in conjunction with the appropriate road and
31 highway authority or authorities, as appropriate, jurisdiction with
32 respect to the approval of development projects upon those roads
33 and highways over which such road and highway authority or
34 authorities have jurisdiction as of the date of enactment of P.L. ,
35 c. (C.) (pending before the Legislature as this bill).

36 (2) Notwithstanding any law, rule, or regulation to the contrary,
37 upon and after the adoption, pursuant to subsection a. of this
38 section, of the resolution establishing the tourism district, the
39 authority shall have, with respect to the roads and highways located
40 within the tourism district, exclusive jurisdiction with respect to the
41 promulgation of rules regulations affecting the control and direction
42 of traffic within the tourism district.

43 d. The authority may, by resolution, authorize the
44 commencement of studies and the development of preliminary plans
45 and specifications relating to the creation and maintenance of the
46 tourism district. These studies and plans shall include, whenever
47 possible, estimates of construction and maintenance costs, and may
48 include criteria to regulate the construction and alteration of facades

1 of buildings and structures in a manner which promotes unified or
2 compatible design.

3 e. In furtherance of the development of an economically viable
4 and sustainable tourism district, the authority shall, within one year
5 of the enactment of P.L. , c. (C.) (pending before the
6 Legislature as this bill), adopt a tourism district master plan. The
7 authority shall initiate a joint planning process with the
8 participation of: State departments and agencies, corporations,
9 commissions, boards, and, prior to the transfer date, the convention
10 center authority; metropolitan planning organizations; Atlantic
11 County; Atlantic City; and appropriate private interests.

12 f. After the creation of the tourism district pursuant to
13 subsection a. of this section, the authority shall create a commission
14 to be known as the Atlantic City Tourism District Advisory
15 Commission, or "ACT Commission," consisting of members to be
16 appointed by the authority. Persons appointed as members of the
17 commission shall include public officials of Atlantic City and
18 Atlantic County, representatives of the casino and tourism
19 industries, public citizens, and any other individual or organization
20 the authority deems appropriate. The commission shall be
21 authorized to review the authority's annual budget and the
22 authority's plans concerning the tourism district. The commission
23 shall, from time to time, make recommendations to the authority
24 concerning the authority's development and implementation of the
25 tourism district master plan, and the authority shall give due
26 consideration to those recommendations.

27 g. The tourism district master plan shall establish goals,
28 policies, needs, and improvement of the tourism district, the
29 implementation of clean and safe initiatives, and the expansion of
30 the Atlantic City boardwalk area to reflect an authentic New Jersey
31 boardwalk experience. The authority may consult with public and
32 private entities, including, but not limited to, those entities that are
33 present in, or that have been involved with the development of,
34 boardwalk areas in New Jersey such as the boardwalk areas of
35 Ocean City, the Wildwoods, and Cape May.

36 h. In developing the tourism district master plan, the authority
37 shall place special emphasis upon the following:

38 (1) the facilitation, with minimal government direction, of the
39 investment of private capital in the tourism district in a manner that
40 promotes economic development;

41 (2) making use of marina facilities in a way that increases
42 economic activity;

43 (3) the development of the boardwalk area;

44 (4) the development of the Marina District; and

45 (5) the development of nongaming, family centered tourism
46 related activities such as amusement parks.

47 i. The authority shall solicit funds from private sources to aid
48 in support of the tourism district.

1 j. The authority shall administer and manage the tourism
2 district and carry out such additional functions as are provided
3 herein. The authority shall oversee the redevelopment of the
4 tourism district and implementation of the tourism district master
5 plan. The authority shall enter into agreements with public and
6 private entities for the purposes of promoting the economic and
7 general welfare of Atlantic City and the tourism district.

8 k. The authority shall provide that all available assets and
9 revenues of the authority shall be devoted to the purposes of the
10 tourism district and community development in Atlantic City,
11 unless otherwise provided by contract entered into prior to the
12 effective date of P.L. , c. (C.) (pending before the
13 Legislature as this bill) or by law.

14
15 5. (New section) a. In conjunction with the adoption, pursuant
16 to section 4 of P.L. , c. (C.) (pending before the Legislature
17 as this bill), of the resolution establishing the tourism district, the
18 authority shall propose and adopt development and design
19 guidelines and land use regulations for the tourism district. Such
20 guidelines and regulations shall be consistent with and in
21 furtherance of the tourism district master plan. Provisions may be
22 made by the authority for the waiver, according to definite criteria
23 adopted by regulation of the authority pursuant to the
24 “Administrative Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et
25 seq.), of strict compliance with the standards promulgated, where
26 necessary to alleviate hardship. Upon and after the adoption of the
27 resolution establishing the tourism district, the development and
28 design guidelines and land use regulations adopted by the authority
29 shall supersede the master plans, the zoning and land use ordinances
30 and regulations, and the zoning maps of Atlantic City adopted
31 pursuant to the “Municipal Land Use Law,” P.L.1975, c.291
32 (C.40:55D-1 et seq.) or any other State or local law.

33 b. Notwithstanding the provisions to the contrary of the
34 “Municipal Land Use Law,” P.L.1975, c.291 (C.40:55D-1 et seq.)
35 or any other law, rule, or regulation, upon and after the adoption of
36 the resolution establishing the tourism district, the review and
37 approval or denial of site plans and development proposals for
38 development upon and improvements to land within the tourism
39 district that would otherwise be performed by the governing bodies
40 or agencies of the county or municipality in which the tourism
41 district is located shall instead be performed by the authority, but
42 this assignment of responsibility to the authority shall not be
43 deemed to supersede requirements of State or federal law pertaining
44 to the review and approval of such plans or proposals by other
45 agencies. In performing the review, the authority shall utilize the
46 development and design guidelines and land use regulations that it
47 shall have adopted in conjunction with its adoption of the resolution
48 establishing the tourism district. The procedures used by the

1 authority for the approval of site plans and developments within the
2 tourism district shall be the same as the procedures that would
3 otherwise be used by a county or municipal governing body or other
4 local entity pursuant to the “Municipal Land Use Law,” P.L.1975,
5 c.291 (C.40:55D-1 et seq.), including, but not limited to, procedures
6 for hearings and for the issuance of notice thereof, for the payment
7 of application fees, for appeals, and for the posting of escrow
8 deposits, if any. The authority shall establish an office to issue
9 permits for site plans and development projects. The authority shall
10 by regulation provide for mandatory conceptual review, by or on
11 behalf of the authority, of site plan and development applications;
12 provided, however, that unless accompanied by a request for a
13 variance to be granted by the authority pursuant to subsection d. of
14 this section, any such mandatory conceptual review shall be
15 completed within 45 days of the authority’s receipt of the
16 application, or within such later time period if agreed to by the
17 applicant.

18 c. The authority shall be deemed an interested party entitled to
19 notice of all applications for properties within the tourism district or
20 within 200 feet of the tourism district’s boundaries, irrespective of
21 whether the authority owns the portion of the project area within
22 200 feet.

23 d. (1) The provisions of subsection d. of section 57 of
24 P.L.1975, c.291 (C.40:55D-70) notwithstanding and except as
25 provided in paragraph (2) of this subsection, the authority shall
26 have sole and exclusive jurisdiction to grant for special reasons
27 shown, a variance from the requirements that it shall have
28 established in conjunction with the adoption pursuant to section 4 of
29 P.L. , c. (C.) (pending before the Legislature as this bill) of
30 the resolution establishing the tourism district, including
31 development and design guidelines or land use regulations adopted
32 by the authority, or from the requirements of the master plan, as
33 appropriate, to permit: (a) a use or principal structure in the district
34 restricted against such use or principal structure, (b) a continuation
35 or an expansion of a nonconforming use, (c) deviation from a
36 specification or standard pursuant to land use regulations adopted
37 by the authority pertaining solely to a conditional use, (d) an
38 increase in the permitted floor area ratio as established by the land
39 use regulations adopted by the authority, (e) an increase in the
40 permitted density as established by the land use regulations adopted
41 by the authority, or (f) a height of a principal structure which
42 exceeds by 10 feet or 10 percent the maximum height permitted in
43 the district for a principal structure. Such variances shall not be
44 granted unless the applicant demonstrates to the satisfaction of the
45 authority that special reasons exist for the granting of such variance,
46 that the granting of the requested variance will not substantially
47 impair the intent and purpose of the master plan, and that the
48 variance can be granted without substantial detriment to the public

1 good. Application for such a variance shall be submitted together
2 with or prior to an application for mandatory conceptual review
3 pursuant to subsection b. of this section, and the authority shall
4 approve or deny the application within 120 days of a complete
5 submission unless the applicant agrees to extend the time. In lieu of
6 granting a variance, the authority in its discretion may require the
7 adoption of a plan amendment.

8 (2) Variances granted pursuant to subparagraphs (a) through (e)
9 of paragraph (1) of this subsection shall require the affirmative vote
10 of a majority of the members of the authority.

11 e. Notwithstanding any other provision of P.L. , c. (C.)
12 (pending before the Legislature as this bill) or any other law, rule or
13 regulation to the contrary, upon and after the adoption pursuant to
14 section 4 of P.L. , c. (C.) (pending before the Legislature as
15 this bill) of the resolution establishing the tourism district, the filing
16 of a petition with the authority upon or after commencement of a
17 redevelopment project undertaken in furtherance of the master plan
18 shall not effect a delay in or cessation of any action concerning the
19 redevelopment project.

20 f. Notwithstanding any other provision of P.L. , c. (C.)
21 (pending before the Legislature as this bill) or any other law, rule or
22 regulation to the contrary, upon and after the adoption pursuant to
23 section 4 of P.L. , c. (C.) (pending before the Legislature as
24 this bill) of the resolution establishing the tourism district, Atlantic
25 City shall not designate the tourism district or any portion thereof as
26 an area in need of redevelopment or an area in need of
27 rehabilitation, or adopt a redevelopment plan for any property
28 within the tourism district pursuant to the "Local Redevelopment
29 and Housing Law," P.L.1992, c.79 (C.40A:12A-1 et al.) without the
30 consent of the authority.

31
32 6. (New section) After the creation of the tourism district
33 pursuant to section 4 of P.L. , c. (C.) (pending before the
34 Legislature as this bill), the authority shall create a commission to
35 be known as the Atlantic City Tourism Marketing Advisory
36 Commission, consisting of members to be appointed by the
37 authority. The authority shall appoint to the commission
38 representatives of the casino and tourism industries, public citizens,
39 and any other individual or organization the authority deems
40 appropriate. The commission shall develop and implement a full
41 scale, national, ten-year marketing program. The commission shall
42 be authorized to review the authority's annual budget and the
43 authority's plans concerning the marketing program, and the
44 authority shall give due consideration to those recommendations.
45 The commission shall, from time to time, make recommendations to
46 the authority concerning the authority's development and
47 implementation of the marketing program. In its implementation
48 of the marketing program, the authority shall develop a brand

1 identity for Atlantic City and the tourism district that can be
2 effectively communicated nationwide. The brand identity shall be
3 designed in a manner that will emphasize, to potential investors and
4 tourists, Atlantic City's unique character, boardwalk attractions, and
5 appeal as a destination resort.

6
7 7. (New section) a. In conjunction with the establishment of
8 the tourism district pursuant to section 4 of P.L. , c. (C.)
9 (pending before the Legislature as this bill), the Superintendent of
10 the Division of State Police in the Department of Law and Public
11 Safety shall establish a Joint Law Enforcement Task Force
12 composed of a Task Force Director appointed jointly by the
13 chairman of the authority and the superintendent, law enforcement
14 officers offered employment pursuant to subsection d. of this
15 section, and such other law enforcement and supervisory officers of
16 the Division of State Police as the superintendent and Task Force
17 Director shall determine to be necessary, to assume general
18 responsibility for and supervision of the conduct of all law
19 enforcement operations and activities within the tourism district and
20 the Atlantic City Special Improvement District established by
21 ordinance of the City of Atlantic City. The Task Force Director
22 shall be appointed for a term of four years and may be reappointed
23 upon expiration of a term.

24 b. Upon its establishment, the Joint Law Enforcement Task
25 Force shall assume exclusive responsibility for conducting the law
26 enforcement operations and activities in the tourism district.

27 c. The Joint Law Enforcement Task Force shall have a
28 governing body composed of representatives of the Superintendent
29 of the Division of State Police who shall be employees of the
30 division. The Task Force Director shall be the head of the task
31 force governing body. The task force shall:

32 (1) develop and implement the policies, guidelines, and
33 procedures pursuant to which the task force shall conduct law
34 enforcement operations, activities, and programs within the district;

35 (2) effectuate the transfer of responsibility for the conduct of
36 law enforcement to the task force from the police department of
37 Atlantic City;

38 (3) enhance public awareness of the transfer of law enforcement
39 to the task force from the police department of Atlantic City;

40 (4) develop and implement law enforcement initiatives for the
41 district; and

42 (5) study, classify, and evaluate the criminal activities and
43 threats to effective and efficient law enforcement within the tourism
44 district.

45 The law enforcement officers of the Joint Law Enforcement Task
46 Force shall be under the supervision of the Task Force Director.
47 The Task Force Director, together with any officers of the Division
48 of State Police designated by the superintendent, shall be

1 responsible for all decisions regarding the law enforcement
2 operations and activities within the tourism district.

3 d. Law enforcement officers employed by the Atlantic City
4 police department, as well as those officers that were laid off from
5 the Atlantic City police department during the 24 months preceding
6 the effective date of P.L. , c. (C.) (pending before the
7 Legislature as this bill), shall be granted the right of first refusal of
8 employment by the Department of Law and Public Safety, and if
9 they meet the qualification and training requirements, shall be
10 employed as law enforcement officers for assignment exclusively to
11 the Joint Law Enforcement Task Force. These officers shall be
12 employed pursuant to this subsection notwithstanding any provision
13 of Title 11A of the New Jersey Statutes to the contrary.

14 e. All other provisions of law concerning the operations of the
15 Division of State Police and of the police department of the city of
16 Atlantic City shall apply except to the extent inconsistent with this
17 section.

18 f. The authority shall coordinate with other appropriate federal,
19 State, county, and local law enforcement agencies to ensure the
20 efficient and cost-effective implementation of the functions and
21 duties of the task force under this section.

22
23 8. (New section) a. The superintendent and chair of the
24 authority shall jointly determine annually that portion of the
25 operating cost of the division attributable to assuming the general
26 responsibility for and the supervision of the conduct of all law
27 enforcement operations and activities within the tourism district
28 through the Joint Law Enforcement Task Force, including the cost
29 to the department of employing and training those law enforcement
30 officers of the Atlantic City police department granted the right of
31 first refusal, and shall jointly certify to the authority the amount of
32 that attributable cost. The total amount so certified shall not exceed
33 the total amount of any reduction in payments by those casino
34 licensees resulting from any reduction in annual costs of the Casino
35 Control Commission and the Division of Gaming Enforcement in
36 the Department of Law and Public Safety for investigation and
37 consideration of license applications and license renewals, for
38 maintaining control and regulatory activities and enforcement
39 functions, and for such other services, equipment or other expenses,
40 as a direct result of laws enacted or regulations changed on or after
41 the effective date of P.L. , c. (C.) (pending before the
42 Legislature as this bill), regarding the commission's and division's
43 functions, duties, and responsibilities under the "Casino Control
44 Act," P.L.1977, c.110 (C.5:12-1 et seq.).

45 b. After the development of each authority annual budget, the
46 authority shall assess a fee payable by each casino licensee for the
47 fiscal year. The cumulative total of the fees so assessed shall
48 include an amount sufficient to reimburse the Division of State

1 Police and the Department of Law and Public Safety for their costs
2 during the preceding fiscal year of assuming supervisory and
3 operational responsibilities for law enforcement activities with the
4 tourism district, as certified pursuant to subsection a. of this section.

5 c. The fee assessed under this section shall be in proportion to
6 the casino licensee's gross revenues generated in the fiscal year
7 preceding the assessment. The total fees assessed collectively upon
8 all casino licensees shall be no less than \$22,500,000 for the State
9 fiscal year in which P.L. , c. (C.) (pending before the
10 Legislature as this bill) is enacted, and no less than \$30,000,000 for
11 each State fiscal year thereafter.

12 d. Such fees shall be used exclusively to facilitate the
13 development of the tourism district, enhance the cleanliness and
14 safety of the tourism district, fund the authority's marketing efforts
15 concerning tourism in the district, reimburse law enforcement costs
16 certified pursuant to subsection a. of this section, and support
17 gaming in the State; provided, however, that if the cumulative total
18 amount of any cost savings realized by all casino licenses as the
19 result of a reduction in fees pursuant to revisions to the law
20 concerning regulation of the casino industry exceeds \$22,500,000 in
21 the first fiscal year, or \$30,000,000 in the second and third fiscal
22 years, following the effective date of P.L. , c. (C.) (pending
23 before the Legislature as this bill), the amount from the fees
24 imposed pursuant to this section that is allocated in those respective
25 fiscal years to the support of gaming shall be not less than the
26 amount of that excess in those respective fiscal years, up to
27 \$15,000,000 in the first fiscal year, \$10,000,000 in the second fiscal
28 year, and \$5,000,000 in the third fiscal year. Fees assessed
29 pursuant to this subsection may be increased pursuant to a
30 resolution of the authority finding that increased fees are necessary
31 to facilitate the development of the tourism district, the authority's
32 marketing efforts concerning tourism in the district, and the support
33 of gaming in the State. The authority shall be responsible for
34 collection of the fees assessed pursuant to this section. The portion
35 of the total amount of the collected fees equal to the amount
36 certified pursuant to subsection a. of this section shall be
37 appropriated annually to the Department of Law and Public Safety.

38
39 9. (New section) a. Notwithstanding any law, rule, or
40 regulation to the contrary, if the South Jersey Transportation
41 Authority shall sell the airport known as the Atlantic City
42 International Airport and any other lands and improvements as the
43 South Jersey Transportation Authority has acquired pursuant to
44 section 24 of P.L.1991, c.252 (C.27:25A-24) and all related
45 facilities and activities, the South Jersey Transportation Authority
46 shall assign and pay to the authority any revenues or proceeds from
47 such sale.

1 b. Notwithstanding any other provision of law or regulation to
2 the contrary, the authority shall give priority in the expenditure of
3 any funds, derived from the sale of the airport pursuant to
4 subsection a. of this section or otherwise designated by law for the
5 authority, to redevelopment projects, including development,
6 infrastructure improvements and enhancements, and public safety
7 improvements, within the tourism district.

8
9 10. (New section) Upon enactment of P.L. , c. (C.)
10 (pending before the Legislature as this bill), after the investment
11 alternative tax is authorized by law to be collected from revenues
12 generated by Internet wagering, the authority shall allocate the first
13 \$30,000,000 from such tax, for each State fiscal year for a period of
14 not more than the first five State fiscal years commencing after such
15 tax is authorized by law to be collected from Internet wagering, to
16 the New Jersey Racing Commission to be used for the benefit of
17 horse racing in this State, provided, however, that the use of those
18 funds for that purpose shall cease one State fiscal year after
19 wagering on sports events is implemented in this State.

20
21 11. (New section) a. Until the Transfer Date, the authority shall
22 not exercise any powers, rights, or duties conferred by P.L. ,
23 c. (C.) (pending before the Legislature as this bill) or by any
24 other law in any way which will interfere with the powers, rights,
25 and duties of the convention center authority. The authority shall
26 not before the Transfer Date exercise any powers of the convention
27 center authority. The authority and the convention center authority
28 are directed to cooperate with each other so that the Transfer Date
29 shall occur as soon as practicable after the date of enactment of
30 P.L. , c. (C.) (pending before the Legislature as this bill),
31 and the convention center authority shall make available
32 information concerning its property and assets, outstanding bonds
33 and other debts, obligations, liabilities and contracts, operations,
34 and finances as the authority may require to provide for the
35 retirement of any outstanding bonds, notes, or other obligations of
36 the convention center authority, and the efficient exercise by the
37 authority of all powers, rights, and duties conferred upon them by
38 P.L. , c. (C.) (pending before the Legislature as this bill).

39 b. On the Transfer Date: (1) The authority shall assume all of
40 the powers, rights, assets, and duties of the convention center
41 authority to the extent provided by P.L. , c. (C.) (pending
42 before the Legislature as this bill), and such powers shall then and
43 thereafter be vested in and shall be exercised by the authority and
44 the chair thereof.

45 (2) The terms of office of the members of the convention center
46 authority shall terminate, the officers having custody of the funds of
47 the convention center authority shall deliver those funds into the
48 custody of the chair of the authority, the property and assets of the

1 convention center authority shall, without further act or deed,
2 become the property and assets of the authority, and the convention
3 center authority shall cease to exist.

4 (3) The officers and employees of the convention center
5 authority shall be transferred to the authority and shall become
6 employees of the authority until determined otherwise by the
7 authority.

8 Nothing in P.L. , c. (C.) (pending before the Legislature
9 as this bill) shall be construed to deprive any officers or employees
10 of the convention center authority of their rights, privileges,
11 obligations, or status with respect to any pension or retirement
12 system. The employees shall retain all of their rights and benefits
13 under existing collective negotiation agreements or contracts until
14 such time as new or revised agreements or contracts are agreed to.
15 All existing employee representatives shall be retained to act on
16 behalf of those employees until such time as the employees shall,
17 pursuant to law, elect to change those representatives. Nothing in
18 P.L. , c. (C.) (pending before the Legislature as this bill)
19 shall affect the civil service status, if any, of those officers or
20 employees. Upon expiration of any agreement or contract pertaining
21 to the employment of convention center employees, the authority
22 shall make reasonable efforts to retain former employees of the
23 convention center authority transferred hereunder to the authority.

24 (4) All debts, liabilities, obligations and contracts of the
25 convention center authority, except to the extent specifically
26 provided or established to the contrary in P.L. , c. (C.)
27 (pending before the Legislature as this bill), are imposed upon the
28 authority, and all creditors of the convention center authority and
29 persons having claims against or contracts with the convention
30 center authority of any kind or character may enforce those debts,
31 claims, and contracts against the authority as successor to the
32 convention center authority in the same manner as they might have
33 against the convention center authority, and the rights and remedies
34 of those holders, creditors, and persons having claims against or
35 contracts with the convention center authority shall not be limited
36 or restricted in any manner by P.L. , c. (C.) (pending before
37 the Legislature as this bill).

38 (5) In continuing the functions, contracts, obligations and duties
39 of the convention center authority, the authority is authorized to act
40 in its own name or in the name of the convention center authority as
41 may be convenient or advisable under the circumstances from time
42 to time.

43 (6) Any references to the convention center authority in any
44 other law or regulation shall be deemed to refer and apply to the
45 authority.

46 (7) All rules and regulations of the convention center authority
47 shall continue in effect as the rules and regulations of the authority
48 until amended, supplemented or rescinded by the authority in

1 accordance with law. Notwithstanding any requirements of the
2 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
3 seq.) to the contrary, the authority may adopt regulations, after
4 notice and an opportunity for public comment, amending,
5 supplementing, modifying, or repealing the regulations of the
6 convention center authority. Such regulations shall be effective
7 immediately upon filing with the Office of Administrative Law and
8 shall be effective for a period not to exceed 18 months from the
9 Transfer Date and they may, thereafter, be amended, adopted or
10 readopted in accordance with the "Administrative Procedure Act."
11 Regulations of the convention center authority inconsistent with the
12 provisions of this act or of regulations of the authority shall be
13 deemed void if so judged by the authority acting pursuant to the
14 provisions of this paragraph.

15 (8) All operations of the convention center authority shall
16 continue as operations of the authority until altered by the authority
17 as may be permitted pursuant to P.L. , c. (C.) (pending
18 before the Legislature as this bill).

19 (9) The powers vested in the authority by P.L. , c. (C.)
20 (pending before the Legislature as this bill) shall be construed as
21 being in addition to and not in diminution of the powers heretofore
22 vested by law in the authority to the extent not otherwise altered or
23 provided for in P.L. , c. (C.) (pending before the Legislature
24 as this bill).

25 c. As soon as practicable after the Transfer Date, the chairman
26 shall notify the Governor and the presiding officers of each house
27 of the Legislature that the transfer has occurred, the date of the
28 transfer, and any other information concerning the transfer the
29 chairman deems appropriate.

30
31 12. (New section) Upon the transfer of the convention center
32 authority as provided in section 11 of P.L. , c. (C.) (pending
33 before the Legislature as this bill), all convention center authority
34 projects, including the Atlantic City convention center project, shall
35 be maintained by the authority.

36
37 13. (New section) a. Prior to the Transfer Date, the authority is
38 authorized to issue bonds, refunding bonds, notes, or other
39 indebtedness to facilitate the timely occurrence of the Transfer
40 Date, including but not limited to, the issuance of bonds, refunding
41 bonds, notes, or other indebtedness to provide that all bonds or
42 notes issued by the convention center authority to finance any
43 projects, and the interest thereon, have been paid, or a sufficient
44 amount for the payment of all those bonds or notes, and the interest
45 thereon, has been set aside in trust for the benefit of the
46 bondholders.

47 b. On the Transfer Date, the power of the convention center
48 authority to issue bonds, refunding bonds, notes, or other

1 indebtedness is continued but transferred to the authority and shall
2 thereafter be exercised and administered by the authority.

3 c. The convention center authority and the authority are
4 authorized to enter into such agreements as are necessary to
5 facilitate the transfers contemplated by this section.

6
7 14. (New section) Upon the transfer of the convention center
8 authority, the provisions of P.L.1981, c.459 (C.52:27H-29 et seq.)
9 and P.L.2008, c.47 (C.52:27H-31.1 et al.) insofar as they are not
10 inconsistent with the provisions of P.L. , c. (C.) (pending
11 before the Legislature as this bill), shall continue in effect, and any
12 reference therein or in any other law to the convention center
13 authority, to the chair of the convention center authority, or to any
14 member thereof, shall be deemed to mean and refer to the chair of
15 the authority.

16
17 15. (New section) Upon the establishment of the tourism district
18 by resolution of the authority pursuant to the provisions of section 4
19 of P.L. , c. (C.) (pending before the Legislature as this bill),
20 the authority shall assume all functions, powers, and duties of
21 Atlantic City, and of any agency or instrumentality thereof, with
22 respect to the Atlantic City Special Improvement District, and the
23 City of Atlantic City shall repeal the ordinance or ordinances
24 establishing that special improvement district.

25
26 16. (New section) P.L. , c. (C.) (pending before the
27 Legislature as this bill) shall be subject to the provisions of the
28 "State Agency Transfer Act," P.L.1971, c.375 (C.52:14D-1 et seq.),
29 except as may otherwise be provided under P.L. , c. .

30
31 17. (New section) The authority shall exercise due regard for
32 the rights of the holders of bonds of the authority, at any time
33 outstanding, and nothing in, or done pursuant to, the provisions of
34 P.L. , c. (C.) (pending before the Legislature as this bill),
35 shall in any way limit, impair, restrict, or alter the obligation or
36 powers of the authority to carry out and perform in every detail
37 each and every covenant, agreement, or contract at any time made
38 or entered into by, or on behalf of, the authority with respect to its
39 bonds or for the benefit, protection, or security of the holders
40 thereof.

41
42 18. (New section) The authority, in implementing any of its
43 functions involving the tourism district, including but not limited to,
44 the regulation and encouragement of economic development and the
45 promotion of cleanliness, safety, and commerce, is authorized and
46 directed, notwithstanding any law, rule, or regulation to the
47 contrary, to enter into public-private partnerships or similar

1 arrangements with private entities in implementing the provisions
2 of this act.

3

4 19. This act shall take effect immediately, but the provisions of
5 P.L. , c. (C.) (pending before the Legislature as this bill)
6 shall not be construed as affecting terms of any contract or
7 agreement in effect as of the effective date of P.L. , c. .

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9

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STATEMENT

11

12 This bill directs the Casino Reinvestment Development
13 Authority (“CRDA”) to establish, by resolution, the Atlantic City
14 Tourism District (“tourism district”) within Atlantic City, Atlantic
15 County.

16 The tourism district would be an area in which the CRDA would
17 have authority to impose land use regulations, implement a tourism
18 district master plan promoting cleanliness, commercial
19 development, and safety within the tourism district, undertake
20 redevelopment projects, and institute public safety infrastructure
21 improvements. The tourism district would encompass the casinos,
22 and appurtenant property, casino hotels and appurtenant property,
23 any property under the ownership or control of the CRDA, the
24 Atlantic City Special Improvement District, any property under the
25 ownership or control of the Atlantic City Convention and Visitors
26 Authority, property within Atlantic City that is under the ownership
27 or control of the New Jersey Sports and Exposition Authority, any
28 part of the property consisting of the Atlantic City convention
29 center project, including the Atlantic City Convention Center and
30 Boardwalk Hall, and any specified parts of Atlantic City which the
31 CRDA finds by resolution to be an area in which the majority of
32 entities are engaged primarily in the tourism trade.

33 The CRDA is given extensive powers to redevelop and manage
34 the tourism district. Among these are the powers to:

35 (1) undertake redevelopment projects;

36 (2) authorize the commencement of studies and the development
37 of preliminary plans and specifications relating to the creation and
38 maintenance of the tourism district and including, whenever
39 possible, estimates of construction and maintenance costs;

40 (3) authorize or deny, in conjunction with relevant State or local
41 authorities as defined in the bill, road and highway projects within
42 and approximate to the tourism district;

43 (4) establish regulations concerning control and direction of
44 traffic within the tourism district;

45 (5) adopt development and design guidelines and land use
46 regulations which would supersede guidelines and regulations of
47 Atlantic City and Atlantic County with respect to the tourism
48 district;

1 (6) implement a full scale, ten-year, national marketing program
2 for Atlantic City and the tourism district and establish the Atlantic
3 City Tourism Marketing Advisory Commission to make
4 recommendations concerning implementation of the program;

5 (7) establish the Atlantic City Tourism District Advisory
6 Commission to make recommendations concerning implementation
7 of the tourism district master plan; and

8 (8) oversee the redevelopment of the tourism district and
9 implementation of the tourism district master plan.

10 In developing the tourism district master plan, the CRDA would
11 be required to place special emphasis upon the following:

12 (1) making use of marina facilities in a way that increases
13 economic activity;

14 (2) development of the boardwalk area;

15 (3) development of the Marina District;

16 (4) development of the development of nongaming, family
17 centered tourism related activities such as amusement parks; and

18 (5) the facilitation, with minimal government direction, of the
19 investment of private capital in the tourism district in a manner that
20 promotes economic development.

21 In addition, the bill grants the CRDA the power to allocate funds
22 for the benefit of the gaming industry in New Jersey and removes
23 its obligation to encourage investment in, or financing of projects,
24 plans, or programs involving schools.

25 The bill assigns to the CRDA any proceeds from the sale of the
26 airport known as the Atlantic City International Airport. The bill
27 directs the CRDA to solicit private funds to support the tourism
28 district. It also directs the CRDA to assess and collect annually a
29 fee payable by each casino licensee in proportion to the licensee's
30 gross revenues generated in the fiscal year preceding the
31 assessment. The total fees assessed collectively upon all casino
32 licensees are to be no less than \$22.5 million for the State fiscal
33 year in which the bill is enacted and \$30 million for each
34 subsequent State fiscal year. The fees would be used to facilitate
35 the development of the tourism district, enhance the cleanliness and
36 safety of the tourism district, fund the authority's marketing efforts
37 concerning tourism in the district, reimburse law enforcement costs
38 related to the district, and support gaming in the State; provided,
39 however, that if the cumulative total amount of any cost savings
40 realized by all casino licenses as the result of a reduction in fees
41 pursuant to revisions to the law concerning regulation of the casino
42 industry exceeds \$22.5 million in the first fiscal year, or \$30 million
43 in the second and third fiscal years, following the bill's effective
44 date, the amount from the fees that is allocated in those respective
45 fiscal years to the support of gaming shall be not less than the
46 amount of that excess in those respective fiscal years, up to \$15
47 million in the first fiscal year, \$10 million in the second fiscal year,
48 and \$5 million in the third fiscal year. Fees may be increased

1 pursuant to a resolution of the authority finding that increased fees
2 are necessary to facilitate the development of the tourism district,
3 the authority's marketing efforts concerning tourism in the district,
4 and the support of gaming in the State. It is the sponsor's
5 understanding that certain pending legislation regarding the law
6 concerning regulation of the casino industry would effect a
7 reduction in fees payable by casino licensees.

8 In addition, the bill would direct the Superintendent of the
9 Division of State Police in the Department of Law and Public
10 Safety to establish a Joint Law Enforcement Task Force ("task
11 force"), composed of a Task Force Director to be appointed jointly
12 by the superintendent and CRDA chair, Atlantic City officers
13 offered employment pursuant to the provisions of the bill, and such
14 supervisory officers of the Division of State Police as the
15 superintendent determines to be necessary, to assume general
16 responsibility for and supervision of the conduct of all law
17 enforcement operations and activities within the tourism district.
18 The superintendent would certify that the former Atlantic City
19 officers meet the qualifications to serve as State Police. The Task
20 Force Director will serve as the head of the task force. The
21 division's operating costs of carrying out its task force
22 responsibilities will be reimbursed from a fee assessed upon casino
23 licensees.

24 Law enforcement officers employed by the Atlantic City police
25 department, as well as those who have been laid off from the
26 Atlantic City police department within 24 months preceding the
27 enactment of the bill, would be granted the right of first refusal for
28 employment with the Department of Law and Public Safety and, if
29 they meet the appropriate qualification and training requirements,
30 will be employed for assignment exclusively to the task force.

31 The bill makes the CRDA responsible for allocating \$30 million
32 annually to the New Jersey Racing Commission for a maximum five
33 years from revenues generated from an investment alternative tax
34 imposed upon Internet wagering (the assessment is not imposed
35 pursuant to the provisions of this bill). The money would be used
36 for the benefit of the horse racing industry provided, however, that
37 the use of those funds for that purpose would cease one year after
38 wagering on sports events is implemented in New Jersey.

39 Finally, the bill provides for the transfer of the Atlantic City
40 Convention and Visitors Authority ("ACCVA"), together with its
41 functions, powers and duties, to the CRDA. All projects of the
42 ACCVA, including the Atlantic City convention center project
43 would be transferred to the CRDA and would thereafter be
44 maintained by the CRDA.

SENATE STATE GOVERNMENT, WAGERING, TOURISM &
HISTORIC PRESERVATION COMMITTEE

STATEMENT TO

SENATE, No. 11

STATE OF NEW JERSEY

DATED: NOVEMBER 15, 2010

The Senate State Government, Wagering, Tourism & Historic Preservation Committee reports favorably Senate, No. 11.

This bill directs the Casino Reinvestment Development Authority (“CRDA”) to establish, by resolution, the Atlantic City Tourism District (“tourism district”) within Atlantic City, Atlantic County.

The tourism district would be an area in which the CRDA would have authority to impose land use regulations, implement a tourism district master plan promoting cleanliness, commercial development, and safety within the tourism district, undertake redevelopment projects, and institute public safety infrastructure improvements. The tourism district would encompass the casinos and appurtenant property, casino hotels and appurtenant property, any property under the ownership or control of the CRDA, the Atlantic City Special Improvement District, any property under the ownership or control of the Atlantic City Convention and Visitors Authority, property under the ownership or control of the New Jersey Sports and Exposition Authority, any part of the property consisting of the Atlantic City convention center project, including the Atlantic City Convention Center and Boardwalk Hall, and any specified parts of Atlantic City which the CRDA finds by resolution to be an area in which the majority of entities are engaged primarily in the tourism trade.

The CRDA is given extensive powers to redevelop and manage the tourism district. Among these are the powers to:

- (1) undertake redevelopment projects;
- (2) authorize the commencement of studies and the development of preliminary plans and specifications relating to the creation and maintenance of the tourism district and including, whenever possible, estimates of construction and maintenance costs;
- (3) authorize or deny, in conjunction with relevant State or local authorities as defined in the bill, road and highway projects within and approximate to the tourism district;
- (4) establish regulations concerning control and direction of traffic within the tourism district;

(5) adopt development and design guidelines and land use regulations which would supersede guidelines and regulations of Atlantic City and Atlantic County with respect to the tourism district;

(6) implement a full scale, ten-year, national marketing program for Atlantic City and the tourism district and establish the Atlantic City Tourism Marketing Advisory Commission to make recommendations concerning implementation of the program;

(7) establish the Atlantic City Tourism District Advisory Commission to make recommendations concerning implementation of the tourism district master plan; and

(8) oversee the redevelopment of the tourism district and implementation of the tourism district master plan.

In developing the tourism district master plan, the CRDA would be required to place special emphasis upon the following:

(1) making use of marina facilities in a way that increases economic activity;

(2) development of the boardwalk area;

(3) development of the Marina District;

(4) development of nongaming, family centered tourism-related activities, such as amusement parks; and

(5) the facilitation, with minimal government direction, of the investment of private capital in the tourism district in a manner that promotes economic development.

In addition, the bill grants the CRDA the power to allocate funds for the benefit of the gaming industry in New Jersey and removes its obligation to encourage investment in, or financing of projects, plans, or programs involving schools.

The bill assigns to the CRDA any proceeds from the sale of the airport known as the Atlantic City International Airport. The bill directs the CRDA to solicit private funds to support the tourism district. It also directs the CRDA to assess and collect annually a fee payable by each casino licensee in proportion to the licensee's gross revenues generated in the fiscal year preceding the assessment. The total fees assessed collectively upon all casino licensees are to be no less than \$22.5 million for the State fiscal year in which the bill is enacted and \$30 million for each subsequent State fiscal year. The fees would be used to facilitate the development of the tourism district, enhance the cleanliness and safety of the tourism district, fund the authority's marketing efforts concerning tourism in the district, reimburse law enforcement costs related to the district, and support gaming in the State; provided, however, that if the cumulative total amount of any cost savings realized by all casino licenses as the result of a reduction in fees pursuant to revisions to the law concerning regulation of the casino industry exceeds \$22.5 million in the first fiscal year, or \$30 million in the second and third fiscal years, following the bill's effective date, the amount from the fees that is allocated in those respective fiscal years to the support of gaming shall

be not less than the amount of that excess in those respective fiscal years, up to \$15 million in the first fiscal year, \$10 million in the second fiscal year, and \$5 million in the third fiscal year. Fees may be increased pursuant to a resolution of the authority finding that increased fees are necessary to facilitate the development of the tourism district, the authority's marketing efforts concerning tourism in the district, and the support of gaming in the State. It is the sponsor's understanding that certain pending legislation regarding the law concerning regulation of the casino industry would effect a reduction in fees payable by casino licensees.

In addition, the bill would direct the Superintendent of the Division of State Police in the Department of Law and Public Safety to establish a Joint Law Enforcement Task Force ("task force"), composed of a Task Force Director to be appointed jointly by the superintendent and CRDA chair, Atlantic City officers offered employment pursuant to the provisions of the bill, and such supervisory officers of the Division of State Police as the superintendent determines to be necessary, to assume general responsibility for and supervision of the conduct of all law enforcement operations and activities within the tourism district. The superintendent would certify that the former Atlantic City officers meet the qualifications to serve as State Police. The Task Force Director will serve as the head of the task force. The division's operating costs of carrying out its task force responsibilities will be reimbursed from a fee assessed upon casino licensees.

Law enforcement officers employed by the Atlantic City police department, as well as those who have been laid off from the Atlantic City police department within 24 months preceding the enactment of the bill, would be granted the right of first refusal for employment with the Department of Law and Public Safety and, if they meet the appropriate qualification and training requirements, will be employed for assignment exclusively to the task force.

The bill makes the CRDA responsible for allocating \$30 million annually to the New Jersey Racing Commission for a maximum of five years from revenues generated from an investment alternative tax imposed upon Internet wagering (the assessment is not imposed pursuant to the provisions of this bill). The money would be used for the benefit of the horse racing industry provided, however, that the use of those funds for that purpose would cease one year after wagering on sports events is implemented in New Jersey.

Finally, the bill provides for the transfer of the Atlantic City Convention and Visitors Authority ("ACCVA"), together with its functions, powers and duties, to the CRDA. All projects of the ACCVA, including the Atlantic City convention center project would be transferred to the CRDA and would thereafter be maintained by the CRDA.

STATEMENT TO

SENATE, No. 11

with Senate Floor Amendments

(Proposed by Senators SWEENEY, WHELAN and VAN DREW)

ADOPTED: NOVEMBER 22, 2010

These assembly floor amendments amend Senate Bill No. 11 to provide that the Atlantic City Convention Center and Visitors Authority (“ACCVA”) is transferred to the Casino Reinvestment Development Authority (“CRDA”) as a division to exist within the CRDA, known as the Convention Center Division (“division”). The division would retain the functions, organization structure, and operations of the ACCVA prior to the transfer. ACCVA employees would be retained as employees of the division.

The amendments direct the CRDA to enter into a public-private partnership with a not-for-profit corporation consisting of a majority of New Jersey casino licensees whose investors have invested a minimum of \$1 billion in Atlantic City. The partnership would be established for the purpose of undertaking a full scale, national, five-year, marketing program, the development and implementation of which the corporation would be primarily responsible. If the partnership is entered into after the ACCVA is transferred to the CRDA, the division would enter into the partnership. The partnership would be for a term of five years and may be extended.

The agreement would provide that a corporation member would contribute to the corporation in proportion to its gross revenues generated in the preceding fiscal year and that, in calendar year 2011, the corporation would contribute \$5 million to the marketing program or, for the support of the tourism district. The total amount to be assessed collectively upon all casino licensees shall be equal to \$30,000,000 for each calendar year, beginning in 2012, but may be increased pursuant to an agreement between the corporation and the authority, or division. Fees would be allocated for the support of the marketing program, but any fees not utilized for the marketing program would be allocated to the CRDA in support of the tourism district. The CRDA or division would assess fees upon licensees not making contributions to the corporation and such fees would be allocated to the corporation.

If, one year after the bill’s effective date, the corporation does not exist or is unable to perform its obligations under an agreement with the CRDA, or the division, or upon termination of the agreement, and the agreement is not renewed, the CRDA would assess a fee payable by each casino licensee for the fiscal year. The fee assessed would be in proportion to the casino licensee’s gross revenues generated in the fiscal year preceding the assessment. The total fees assessed

collectively upon all casino licensees would be no less than \$30,000,000 for each State fiscal year. Such fees shall be used exclusively to facilitate the development of the tourism district, enhance the cleanliness and safety of the tourism district, and fund marketing efforts concerning tourism in the district.

The amendments direct the Division of Gaming Enforcement in the Department of Law and Public Safety to determine the amount of cost savings effected by the reduction in fees paid by casino licensees pursuant to revisions to law concerning regulation of the casino industry, and provide that such amount shall be paid annually to the CRDA (this bill does not revise law concerning regulation of the casino industry which would reduce fees payable by casino licensees). The CRDA is directed to, in the first State fiscal year in which the bill's provisions are enacted, allocate the first \$30,000,000 for the support of the tourism district and \$15,000,000 for the support of the horse racing industry in New Jersey through the augmentation of purses. For the fiscal year commencing after the bill's enactment, the authority would allocate \$30,000,000 for the support of the tourism district, and \$10,000,000 to the augmentation of horse racing purses. For the second fiscal year commencing after the bill's enactment, the authority would allocate \$30,000,000 for the support of the tourism district, and \$5,000,000 to the augmentation of horse racing purses. Any remaining funds retained by the authority in the first three State fiscal years would be allocated to the support of the tourism district and funds retained by the authority after the first three State fiscal years would be allocated to the support of the tourism district. Such funds would instead be allocated to the support of the tourism district. Any remaining funds retained by the CRDA in the first three State fiscal years would be allocated to the support of the tourism district and funds retained by the CRDA after the first three State fiscal years would be allocated to the support of the tourism district. The CRDA would, from any appropriate revenue source, allocate to the augmentation of purses, the difference between the assessments collected and the amounts described in the first three fiscal years. The CRDA is authorized to recover such funds from the assessment of fees upon casino licensees, payable over a term of five years, upon a schedule to be established by the CRDA. The allocation of funds to the augmentation of purses shall cease upon if an assessment is authorized by law to be collected from revenues generated by Internet wagering and the allocation is made from such revenues pursuant to section 10 of the bill.

The amendments provide the CRDA with the power to enforce an order of removal or demolition through the placing of a lien upon the property to be removed or demolished.

The amendments provide that the Atlantic City Special Improvement District shall be assumed by the CRDA as a division existing within the CRDA, and that the functions, organizational structure, and the improvement district shall be retained within the CRDA. Under the amendments, the improvement district division would continue to assess and collect assessments payable to it as of the bill's effective date.

Finally, the amendments provide that public-private partnerships entered into by the CRDA concerning the tourism district shall include descriptions of those responsibilities to be carried out by the private entity, mechanisms for allocation of funds among such responsibilities, CRDA audit rights, and restrictions on the expenditure of funds for purposes other than those provided in the bill.

STATEMENT TO

[First Reprint]

SENATE, No. 11

with Senate Floor Amendments

(Proposed by Senators SWEENEY, WHELAN and VAN DREW)

ADOPTED: DECEMBER 13, 2010

These Senate floor amendments require or authorize the Casino Reinvestment Development Authority (“authority”), in implementing the purposes of this bill, to: coordinate and collaborate with Atlantic City (“city”) concerning code enforcement and administrative activities related to the tourism district master plan to be implemented by the authority; coordinate with the city’s police department regarding law enforcement in the tourism district; and institute and enforce fines. The amendments also revise the bill concerning the agreement between the authority and the not-for-profit corporation and the allocation of funds to be made by the authority in support of the racing industry in New Jersey.

The authority would coordinate and collaborate with the city concerning code enforcement and administrative duties relating to the implementation of the tourism district master plan. If the city is unable assist the authority, the authority may request the Department of Community Affairs to assert jurisdiction over the city with respect to code enforcement and administrative operations to provide that the authority receive proper assistance.

The amendments permit the authority to issue fines for violation of construction codes, development and design guidelines, and land use regulations established in furtherance of the master plan. Such fines may be converted into liens against real property of violating owners, which, if not paid in full within 20 days of its imposition, would become part of the owner’s property tax assessment.

The amendments direct the authority to conduct, two years after the adoption of the tourism district master plan, a formal evaluation of the plan to assess the functionality of its implementation. The authority would be authorized to make changes to the allocation of resources and personnel under its control to improve the functionality of the authority’s implementation of the master plan.

The amendments provide, with regard to the agreement between the authority and the not-for-profit corporation designated to develop a marketing program for Atlantic City and the tourism district: that the corporation may provide assistance to the authority concerning the establishment of the tourism district and implementation of the master plan; that the \$5,000,000 contribution made by the corporation toward its formation, marketing, and support of the tourism district may also be made in furtherance of the district; that if the agreement is

established after January 1, 2012, the assessment and collection of marketing program contributions upon the corporation members and casinos would commence upon the date the agreement is established; and that funds resulting from an increase in marketing program contributions would be allocated in accordance with the terms of the agreement. Any funds not used for the marketing program, or used or obligated prior to the expiration of the agreement, would be allocated to the support of the tourism district according to terms of the agreement.

The amendments provide that any resolution adopted by the city to establish a program of municipal financial assistance to support a development or redevelopment project located within the tourism district shall require the approval of the authority. If such resolution shall receive the approval of the authority, then the program may be implemented by the mayor without the adoption of any municipal ordinance and such program shall not be subject to repeal or suspension by voter initiative.

The amendments delete the provisions of the bill regarding the establishment of a Joint Law Enforcement Task Force or a precinct within the Atlantic City Police Department. Under the amendments, the Superintendent of State Police is directed to coordinate with the Chief of Police of the city of Atlantic City to establish within the Atlantic City Police Department, the Tourism District Division, which would be headquartered in the city's Boardwalk area. The superintendent would appoint a Division Commander who would be retained as an employee of the Department of Law and Public Safety, which would fund the commander's employment. The division would be comprised of the division commander, city law enforcement officers laid off within the 24 months preceding the bill's effective date, and such other law enforcement and supervisory officers of the Atlantic City Police Department as the superintendent determines to be necessary. The division's responsibilities would include the establishment of law enforcement policy and strategy within the district and the evaluation of criminal activities and threats throughout the city which may affect the district. The Chief of Police would manage the day-to-day operations of the division.

The amendments change the allocation of moneys paid to the authority from fees assessed upon casino licensees by the Division of Gaming Enforcement in relation to savings realized from changes to existing casino regulation laws. The amendments revise language in the bill providing that the authority is to allocate the first \$30 million to the support of the tourism district for each of the first three State fiscal years during which the legislation is in effect, and allocate to the New Jersey Racing Commission for the augmentation of purses, \$15 million in the first State fiscal year in which the moneys are paid, \$10 million in the second, and \$5 million in the third. Under the amendments, for those first three State fiscal years, the authority would first make the foregoing allocations for the augmentation of purses, with any additional moneys only then being allocated to the tourism district. The authority would offset any deficiency in the

amounts to be allocated to purses by allocating funds from fees to be imposed under the amendments in any subsequent State fiscal year. The amendments limit the period during which fees may be collected to the greater of five State fiscal years, or the number of years needed to collect the amount necessary to offset any deficiency in the allocation to purses. Moneys paid to the authority in the fourth and fifth State fiscal years not needed to offset any deficiency would be allocated to the support of the tourism district. Moneys paid to the authority in a succeeding State fiscal year, which are not needed to offset any deficiency, would be paid back to the casino licensees in proportion to each licensee's contribution in that State fiscal year.

Finally, the amendments insert an exception to the requirement that the authorization by law of a tax on Internet wagering would trigger a cessation of the assessment of fees payable by casino licensees in relation to savings realized pursuant to revisions to law concerning casino regulations. If moneys collected from the tax are less than \$15 million for the State fiscal year in which the bill is enacted; or \$10 million for the subsequent State fiscal year; or \$5 million for the second State fiscal year, fees assessed against the savings resulting from those statutory revisions would be collected and forwarded to the authority for allocation to the augmentation of horse racing purses.

The amendments make the bill identical to the Assembly Committee Substitute for Assembly Bill No. 3581.

LEGISLATIVE FISCAL ESTIMATE

[Second Reprint]

SENATE, No. 11

STATE OF NEW JERSEY 214th LEGISLATURE

DATED: DECEMBER 29, 2010

SUMMARY

- Synopsis:** Directs establishment of Atlantic City Tourism District; broadens powers and duties of CRDA; transfers Atlantic City Convention and Visitors Authority and its functions to CRDA.
- Type of Impact:** Possible increase in State expenditures.
- Agencies Affected:** Casino Reinvestment Development Authority (CRDA), Department of Law and Public Safety, Department of Community Affairs, New Jersey Sports and Exposition Authority, New Jersey Racing Commission, South Jersey Transportation Authority, Atlantic City, Atlantic City Convention and Visitors Authority, Atlantic County

Office of Legislative Services Estimate

Fiscal Impact	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
State Cost	Indeterminate – See comments below		

- The Office of Legislative Services (OLS) cannot quantify the fiscal impact of this bill due to the lack of available information on the costs that will be incurred by the State, and the total amount of revenue that would be realized with the establishment of the Atlantic City Tourism District.
- It is possible the State would incur some costs relating to the establishment, development, administration, and regulation of the tourism district.
- Beginning 2012, the total amount that would be assessed upon all casino licensees would be at least \$30 million for the support of a marketing program and the tourism district.
- The bill directs the CRDA to solicit private funds to support the tourism district and enter into public-private partnerships.

BILL DESCRIPTION

Senate Bill No. 11 (2R) of 2010 directs the Casino Reinvestment Development Authority (“CRDA”) to establish, by resolution, the Atlantic City Tourism District (“tourism district”) within Atlantic City, Atlantic County. The tourism district would be an area in which the CRDA would have authority to impose land use regulations, implement a tourism district master plan promoting cleanliness, commercial development, and safety, undertake redevelopment projects, and institute public safety infrastructure improvements. The tourism district would encompass the casinos, and appurtenant property, casino hotels and appurtenant property, the area encompassing the Atlantic City Special Improvement District, any property under the ownership or control of the CRDA, any property under the ownership or control of the Atlantic City Convention and Visitors Authority (“ACCVA”), property within Atlantic City that is under the ownership or control of the New Jersey Sports and Exposition Authority prior to the transfer of the ACCVA to the CRDA as provided in the bill, any part of the property consisting of the Atlantic City convention center project, including the Atlantic City Convention Center and Boardwalk Hall, and any specified parts of Atlantic City which the CRDA finds by resolution to be an area in which the majority of entities are engaged primarily in the tourism trade.

The CRDA is given extensive powers to redevelop and manage the tourism district. Among these are the powers to:

(1) authorize or deny, in conjunction with relevant State or local authorities as defined in the bill, road and highway projects within and approximate to the tourism district and establish regulations concerning control and direction of traffic within the tourism district;

(2) adopt development and design guidelines and land use regulations which would supersede guidelines and regulations of Atlantic City and Atlantic County with respect to the tourism district and impose fines for deviation from such guidelines and regulations; and

(3) undertake redevelopment projects and oversee implementation of the tourism district master plan.

In developing the tourism district master plan, the CRDA would be required to place special emphasis upon the following:

(1) making use of marina facilities in a way that increases economic activity and development of the Marina District;

(2) development of the Boardwalk area and nongaming, family centered tourism related activities such as amusement parks; and

(3) the facilitation, with minimal government direction, of the investment of private capital in the tourism district in a manner that promotes economic development.

The bill directs that the Atlantic City Convention and Visitors Authority (ACCVA) would be transferred to and become a division of the CRDA, to be known as the Convention Center Division (“division”). The division would retain the functions, organizational structure, and operations of the ACCVA. ACCVA employees would be retained as employees of the division.

The bill directs the authority to coordinate and collaborate with Atlantic City for the purpose of assisting the authority with code enforcement and administrative duties relating to the implementation of the tourism district master plan. If the city does not provide the CRDA with such assistance, the CRDA is authorized to request that the Department of Community Affairs assert jurisdiction over city operations involving the provision of such assistance.

The Superintendent of State Police is directed to coordinate with the Chief of Police of the city of Atlantic City to establish, within the Atlantic City Police Department, the Tourism District Division which would be headquartered in the Boardwalk area. The division’s responsibilities would include the establishment of law enforcement policy and strategy within the district and evaluation of criminal activities and threats throughout the city which may affect

the district. The superintendent would appoint a Division Commander who would be retained as an employee of the Department of Law and Public Safety. The Chief of Police of the city of Atlantic City would manage the day-to-day operations of the division.

The bill directs the CRDA to enter into a public-private partnership with a not-for-profit corporation consisting of a majority of New Jersey casino licensees whose investors have invested a minimum of \$1 billion in Atlantic City. The partnership would be established for the purpose of undertaking a five year marketing program, primarily developed and implemented by the corporation. The authority would direct the division to enter into the partnership, if the division exists at the time of the agreement. The partnership would be for a term of five years and may be extended. The partnership agreement would provide that a corporation member would contribute to the corporation in proportion to its gross revenues generated in the preceding fiscal year and that, prior to 2012, the corporation members would have contributed collectively \$5 million to the marketing program or for the support of the tourism district, pursuant to terms of the agreement. The total amount to be assessed collectively upon all casino licensees would be equal to \$30 million for each calendar year, beginning in 2012, or upon commencement of the agreement, but may be increased under the agreement. Contributions would be allocated for the support of the marketing program. Any funds not utilized for the marketing program would be allocated to the CRDA in support of the tourism district. The CRDA or division would assess fees upon licensees not making contributions to the corporation and such fees would be allocated to the corporation. If, one year after the bill's effective date, the corporation does not exist or is unable to perform its obligations under the agreement, or upon termination of the agreement, the CRDA would assess a fee payable by casino licensees for the State fiscal year in proportion to the casino licensee's gross revenues generated in the State fiscal year preceding the assessment for no less than \$30 million for each State fiscal year. Moneys derived from the fees would be used exclusively for the tourism district.

The bill directs the Division of Gaming Enforcement in the Department of Law and Public Safety to determine the amount of cost savings effected by the reduction in fees paid by casino licensees pursuant to revisions to law concerning regulation of the casino industry, and provide that such amount shall be paid annually to the CRDA for five State fiscal years, or until a total of \$30 million is allocated to the augmentation of horse racing purses, whichever comes first. The bill itself does not revise the law concerning regulation of the casino industry to reduce fees payable by casino licensees. The CRDA is directed to, in the first State fiscal year in which the bill's provisions are enacted, allocate \$15 million to the augmentation of purses; \$10 million in the year commencing after the bill's enactment to that purpose and \$5 million for that purpose in the second fiscal year, but if a tax is authorized by law to be collected from revenues generated by Internet wagering, the revenue from the savings that casinos realize through changes in regulation would only be collected to offset any deficiency in the amount required to allocate, from revenue generated by a tax on Internet wagering, the amounts described above. If Internet wagering is not authorized by law during the State fiscal years for which moneys from the savings described herein would be collected, and moneys collected from casino licensees are insufficient to cover the amounts to be allocated in those three State fiscal years, the authority shall allocate from collections made in subsequent years to cover the deficiency of any previous State fiscal year. Any remaining funds retained by the authority in those five State fiscal years would be allocated to the support of the tourism district.

Finally, the bill directs the authority to allocate the first \$30 million annually for each State fiscal year for a period of no more than the first five State fiscal years commencing after the tax is authorized by law to be collected from revenues generated by Internet wagering to the New Jersey Racing Commission to be used for the benefit of the horse racing industry in New Jersey through the augmentation of purses, but the use of those funds for that purpose would cease one

State fiscal year after wagering on sports events is implemented in this State. If amounts collected are less than \$15 million for the State fiscal year in which the bill is enacted; or \$10 million for the subsequent State fiscal year; or \$5 million for the second State fiscal year after the bill's enactment, the authority would allocate moneys provided to it through fees assessed on casino licensees in relation to savings realized as a result of revisions to law concerning casino regulations. Amounts collected in excess of \$30 million would be allocated to the support of the tourism district.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS cannot quantify the fiscal impact of several of the provisions of this bill, but provides the comments below.

This bill imposes various responsibilities, and the costs associated with carrying out those responsibilities, on the State, the Casino Reinvestment Development Authority, and the City of Atlantic City. The bill provides in part for recovery of those costs from the casino industry.

State. *Department of Law and Public Safety (DLPS).* The bill requires the DLPS to fund the costs associated with the employment of the commander of the Tourism District Division to be established within the Atlantic City Police Department (sec. 7, subsec. a.). While it is not possible to project the amount of the annual salary payable to that position in advance of its establishment, that salary would be payable from the General Fund and is likely to exceed \$100,000, but presumably would not exceed the annual salary of the Superintendent of the State Police (most recently reported to be \$132,000). Fringe benefit costs (estimated by the Office of Management and Budget at 36 percent for FY2011) would further increase the cost of funding the position.

Department of Community Affairs. The bill provides for assumption by the New Jersey Department of Community Affairs (DCA) of jurisdiction over Atlantic City code enforcement and administrative agencies if needed to ensure collaboration with the CRDA in its implementation of the tourism district master plan. The State could incur significant ongoing costs for so long as the DCA retained such jurisdiction.

Division of Gaming Enforcement. The costs incurred by the Division of Gaming Enforcement to perform an analysis of the casinos' savings from the reduction of fees are expected to be minimal and absorbable by the division.

CRDA. The cost of the five-year marketing program to promote Atlantic City and the tourism district to investors and visitors (sec. 6 of the bill) will be funded out of assessments collected (either by the nonprofit corporation that is to develop and implement the program or by the CRDA itself) from casino licensees, and those assessments can be increased above the annual \$30 million level initially established under the bill if necessary to cover the program. Funding for the three-year purse supplement subsidy program will derive from either the casinos' regulation-related savings recovered by the CRDA (sec. 8) or the revenue from taxation of Internet wagering (sec. 10), but the availability of either or both of these resources rests on the enactment of separate legislation.

The OLS has no information upon which to base an estimate of the CRDA's operating costs of establishing, developing, administering, and regulating the Atlantic City Tourism District,

and the associated transfer of the Atlantic City Special Improvement District, Atlantic City Convention and Visitors Authority, and other properties to the CRDA, as the exact scope of these responsibilities will depend on the decisions of CRDA concerning its redevelopment policy for the tourism district. The OLS notes that the bill's provision for the general assessment upon casinos authorizes that assessment to be increased "for the support of the tourism district," and that moneys collected to fund the marketing program and the purse supplement subsidy program are, to the extent not used for the cost of those respective programs, to be allocated by the authority for the support of the tourism district.

With respect to the transfer of the ACCVA to the CRDA, the OLS notes that under P.L.2008, c.47, ownership of the Atlantic City Convention Center was to be transferred from the New Jersey Sports and Exposition Authority (NJSEA) to the ACCVA upon consent of the holders of NJSEA bonds issued to finance construction of the convention center. In recent years, the State has subsidized the NJSEA's debt service obligation on the bonds in the amount of roughly \$15 million annually. The OLS has been informed that recently, the bondholder consent has been obtained, so that the convention center asset is or may soon be available for inclusion with other ACCVA properties in the transfer of the convention center authority to the CRDA. Senate Bill No. 11 (2R) does not affect the obligation of the State under its contract with the NJSEA to provide the debt service subsidy, and that obligation will therefore presumably continue for so long as the NJSEA's convention center-related bonds remain outstanding.

Atlantic City. The city of Atlantic City will be responsible for funding the Tourism District Division within its police department, except for the cost of compensation for the Division Commander. The extent to which the city's policing costs increase (if at all) as a result of the creation of the Division will depend upon the absorption into the force of officers previously laid off from the department and the recruitment of new officers to the department to replace those transferred to the Division.

Section: Authorities, Utilities, Transportation and Communications

*Analyst: Joseph A. Hroncich
Associate 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.).

STATEMENT TO

[Second Reprint] **SENATE, No. 11**

with Assembly Floor Amendments
(Proposed by Assemblyman BURZICHELLI)

ADOPTED: JANUARY 6, 2011

These Assembly floor amendments amend the second reprint for Senate Bill No. 11 to revise the provision of the bill which directs the authority to allocate money to the augmentation of horse racing purses from revenues generated by a tax on Internet wagering. The amendments change the initial year of that allocation from the first State fiscal year after revenues derived from the tax is authorized by law to be collected, to the State fiscal year in which such an authorization occurs.

The amendments revise the bill to clarify that amounts allocated to the authority for the support of the tourism district, resulting from the requirement that those amounts be collected to offset any deficiency in the minimum amounts of \$15 million for the State fiscal year in which the bill is enacted; \$10 million for the following year; and \$5 million for the year after that, of the amount to be allocated from revenues derived from a tax on Internet wagering, are those amounts in excess of that minimum.

In addition, the amendments make certain technical revisions to the bill.

STATEMENT TO

[Third Reprint]

SENATE, No. 11

with Assembly Floor Amendments
(Proposed by Assemblyman BURZICHELLI)

ADOPTED: JANUARY 10, 2011

These Assembly floor amendments amend Senate Bill No. 11 (3R). The amendments set forth specific metes and bounds for the boundaries of the Atlantic City Tourism District, which would take effect if the Casino Reinvestment Development Authority (“CRDA”) does not adopt a resolution to establish the district within 90 days of the bill’s enactment.

The amendments provide that members serving terms beyond their initial terms are ineligible for receipt of health benefits and pension credits in relation to their service with the CRDA for those subsequent terms. In addition, the amendments provide the CRDA with the authority to dismiss employees transferred from the Atlantic City Convention and Visitors Authority (“ACCVA”) and the Atlantic City Special Improvement District for cause. Those employees may also be dismissed if it is determined that the transfer resulted in the duplication of responsibility of the position held by the employee, but an employee dismissed under those circumstances would be given a right of first refusal offer of similar employment with the authority.

The amendments delete the provisions of the bill which direct the establishment of a Tourism District Division in the Atlantic City Police Department and, instead direct that the Attorney General and Superintendent of State Police in, in consultation with the Mayor of Atlantic City, the Director of Public Safety and the Police Chief of the Atlantic City Police Department, and the Atlantic County Prosecutor, to work collaboratively to develop a public safety plan to address law enforcement strategies and public safety in Atlantic City, both in the tourism district and throughout the city. The Superintendent would appoint a District Commander, who shall be charged with overseeing and coordinating the implementation and monitoring of the public safety plan. The District Commander shall coordinate with the Director of Public Safety and the Chief of the Atlantic City Police Department, and shall report directly to the Superintendent of the State Police.

The amendments provide that the New Jersey Racing Commission would determine the amount to be allocated to the benefit of the horse racing industry in New Jersey through the augmentation of purses, up to \$15,000,000 in the State fiscal year in which the bill is enacted, \$10,000,000 in the next year and \$5,000,000 in the third year. The Casino Reinvestment Development Authority (“CRDA”) would

allocate, from any appropriate revenue source available to it, sufficient funds to offset any deficiency in the amounts to be collected. The CRDA would be reimbursed through moneys collected from casino licensees, which moneys would be derived from savings to those licensees pursuant to revisions to law concerning casino regulation.

The amendments revise the bill to clarify that the CRDA shall coordinate and collaborate with the Atlantic City Planning and Zoning Board to obtain assistance with the undertaking of administrative actions concerning code enforcement.

Finally, the amendments change the bill to provide that the allocation of those revenues derived from the sale or lease of the Atlantic City International Airport to provide that such revenues would not be allocated to the tourism district, but instead would be allocated to the following counties in Southern New Jersey: Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Ocean, and Salem. The revenues would be used to supplement transportation projects in those eight counties.

ASSEMBLY, No. 3581

STATE OF NEW JERSEY 214th LEGISLATURE

INTRODUCED DECEMBER 6, 2010

Sponsored by:

Assemblyman JOHN J. BURZICHELLI

District 3 (Salem, Cumberland and Gloucester)

Assemblyman RALPH R. CAPUTO

District 28 (Essex)

SYNOPSIS

Directs establishment of Atlantic City Tourism District; broadens powers and duties of CRDA; transfers Atlantic City Convention and Visitors Authority and its functions to CRDA.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 12/10/2010)

A3581 BURZICHELLI, CAPUTO

2

1 AN ACT providing for the establishment of the Atlantic City
2 Tourism District and for the transfer of the Atlantic City
3 Convention and Visitors Authority, together with its functions,
4 powers, and duties, to the Casino Reinvestment Development
5 Authority, amending P.L.1984, c.218 and supplementing
6 P.L.1977, c.110.

7

8 **BE IT ENACTED** by the Senate and General Assembly of the State
9 of New Jersey:

10

11 1. (New section) As used in P.L. , c. (C.) (pending
12 before the Legislature as this bill):

13 “Atlantic City” means the City of Atlantic City, Atlantic County.

14 “Atlantic City convention center project” or “convention center
15 project” means the project authorized by paragraph (9) of
16 subsection a. of section 6 of P.L.1971, c.137 (C.5:10-6).

17 “Atlantic City Tourism District” or “tourism district” means the
18 district within Atlantic City established pursuant to section 4 of
19 P.L. , c. (C.) (pending before the Legislature as this bill).

20 “Authority” means the Casino Reinvestment Development
21 Authority established pursuant to section 5 of P.L.1984, c.218,
22 (C.5:12-153).

23 “Convention center authority” means the Atlantic City
24 Convention and Visitors Authority established pursuant to section 3
25 of P.L.1981, c.459 (C.52:27H-31).

26 “Development and design guidelines” means the development
27 and design guidelines for site plan applications, which guidelines
28 are to be adopted by the authority pursuant to section 5 of P.L. ,
29 c. (C.) (pending before the Legislature as this bill).

30 “District land use regulations” means the regulations, applicable
31 within the tourism district, that are to be adopted by the authority
32 pursuant to P.L. , c. (C.) (pending before the Legislature as
33 this bill).

34 “Gaming” means, in addition to any meaning otherwise provided
35 by law, any legalized form of gambling in New Jersey including,
36 but not limited to, casino gambling and horse racing.

37 “Master plan” or “plan” means the authority’s comprehensive
38 master plan for the redevelopment of the tourism district.

39 “Nonconforming use” means a legal or pre-existing use or
40 activity which fails to conform to the development and design
41 guidelines or land use regulations adopted by the authority pursuant
42 to P.L. , c. (C.) (pending before the Legislature as this bill).

43 “Public safety improvements” means the development of
44 infrastructure in the tourism district made for the purpose of
45 increasing safety. Such improvements would include the

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 development of appropriate security technology and the installation
2 of increased lighting in outdoor areas, the installation of
3 surveillance cameras, and the installation of emergency phones and
4 lights throughout the tourism district for use by appropriate security
5 personnel and the Joint Law Enforcement Task Force established
6 pursuant to section 7 of P.L. , c. (C.) (pending before the
7 Legislature as this bill).

8 "Road and highway authority" means any State or local entity,
9 including, but not limited to, Atlantic City or any agency thereof,
10 Atlantic County or any agency thereof, the New Jersey Department
11 of Transportation, and the South Jersey Transportation Authority
12 established under section 4 of P.L.1991, c.252 (C.27:25A-4), or any
13 other State or local entity having jurisdiction over (a) the roads and
14 highways in the tourism district, (b) the roads and highways
15 adjacent to the tourism district, (c) the land area in which the
16 authority is an interested party pursuant to subsection c. of section 5
17 of P.L. , c. (C.) (pending before the Legislature as this bill),
18 or (d) the portion of the roads and highways in Atlantic City which
19 provide direct access the tourism district.

20 "Transfer Date" means, with respect to the assumption by the
21 authority of the powers, duties, assets, and responsibilities of the
22 convention center authority, the date on which (a) the chairs of the
23 authority and the convention center authority certify to the
24 Governor that all of the bonds issued by the convention center
25 authority cease to be outstanding within the meaning of the
26 resolutions pursuant to which the bonds were issued, and (b) the
27 authority assumes all debts and statutory responsibilities of the
28 convention center authority.

29

30 2. Section 12 of P.L.1984, c.218 (C.5:12-160) is amended to
31 read as follows:

32 12. The purposes of the Casino Reinvestment Development
33 Authority shall be:

34 a. to maintain public confidence in the casino gaming industry
35 as a unique tool of urban redevelopment for the city of Atlantic City
36 and to directly facilitate the redevelopment of existing blighted
37 areas and to address the pressing social and economic needs of the
38 residents of the city of Atlantic City and the State of New Jersey by
39 providing eligible projects in which licensees shall invest;

40 b. to provide licensees with an effective method of encouraging
41 new capital investment in Atlantic City which investment capital
42 would not otherwise be attracted by major casino-hotel convention
43 complexes or by normal market conditions and which will not
44 supplant capital, either public or private, that would otherwise be
45 invested in the city of Atlantic City or in the jurisdiction in which
46 the investment is to be made and which will have the effect of
47 benefiting the public at large and increasing opportunities and
48 choices of those of low and moderate income in particular;

- 1 c. to provide, further and promote tourist industries in New
2 Jersey and especially Atlantic county, by providing financial
3 assistance for the planning, acquisition, construction, improvement,
4 maintenance and operation of facilities for the recreation and
5 entertainment of the public which may include an arts center,
6 cultural center, historic site or landmark, or sports center;
- 7 d. to provide loans and other financial assistance for the
8 planning, acquisition, construction, reconstruction, demolition,
9 rehabilitation, conversion, repair or alteration of buildings or
10 facilities to provide decent, safe and sanitary dwelling units for
11 persons of low, moderate, median range, and middle income in need
12 of housing, and to provide mortgage financing for such units;
- 13 e. to assist in the financing of structures, franchises, equipment
14 and facilities for operation of, expansion of and the development of
15 public transportation or for terminal purposes, including but not
16 limited to development and improvement of port terminal
17 structures, facilities and equipment for public use;
- 18 f. to provide loans and other financial assistance for the
19 construction, reconstruction, demolition, rehabilitation, conversion,
20 repair or alteration of convention halls in Atlantic county and the
21 State of New Jersey, including but not limited to office facilities,
22 commercial facilities, community service facilities, parking
23 facilities, hotel facilities and other facilities for the accommodation
24 and entertainment of tourists and visitors;
- 25 g. to make loans and assist in the financing of the construction,
26 reconstruction, rehabilitation, repair or acquisition of infrastructure
27 projects, including but not limited to sewage disposal facilities,
28 water facilities, solid waste disposal facilities, roads, highways and
29 bridges;
- 30 h. to assist in financing buildings, structures and other property
31 to increase opportunities in manufacturing, industrial, commercial,
32 recreational, retail and service enterprises in the State so as to
33 induce and to accelerate opportunity for employment in these
34 enterprises, particularly of unemployed and underemployed
35 residents of the jurisdiction in which the investment is to be made;
36 to provide loans and other financial assistance for the planning,
37 developing or preservation of new and existing small businesses as
38 well as the planning, acquisition, construction, reconstruction,
39 rehabilitation, conversion or alteration of the facilities that house
40 these enterprises, particularly those which provide services or
41 employment to unemployed or underemployed residents of the
42 State; and to provide loans and other financial assistance to provide
43 employment training and retraining, particularly for unemployed
44 and underemployed residents of the State;
- 45 i. to cooperate with and assist local governmental units in
46 financing any eligible project;
- 47 j. to encourage investment in, or financing of, any plan,
48 project, facility, or program which directly serves pressing social

1 and economic needs of the residents of the jurisdiction or region in
2 which the investment is to be made, including but not limited to
3 **[schools,]** supermarkets, commercial establishments, day care
4 centers, parks and community service centers, and any other plan,
5 project, facility or program which best serves the interest of the
6 public in accordance with section 25 of this 1984 amendatory and
7 supplementary act;

8 k. to encourage investment in, or financing of, projects which
9 are made as part of a comprehensive plan to improve blighted or
10 redevelopment areas or are targeted to benefit low through middle
11 income residents of the jurisdiction or region in which the
12 investments are to be made;

13 l. to make loans for those eligible projects according to the
14 projected allocated amounts to be available;

15 m. to establish and exercise authority over the Atlantic City
16 Tourism District pursuant to the provisions of P.L. , c. (C.)
17 (pending before the Legislature as this bill); and

18 **[m.] n.** any combination of the foregoing.

19 (cf. P.L.1984, c.218, s.12)

20

21 3. Section 13 of P.L.1984, c.218 (C.5:12-161) is amended to
22 read as follows:

23 13. The Casino Reinvestment Development Authority shall have
24 the following powers:

25 a. To adopt and have a common seal and to alter the same at
26 pleasure;

27 b. To sue or be sued;

28 c. To acquire, hold, use and dispose of any eligible project in
29 which it is making an investment;

30 d. To acquire, rent, hold, use, and dispose of other personal
31 property for the purposes of the Casino Reinvestment Development
32 Authority;

33 e. To acquire by purchase, gift, or otherwise, or lease as lessee,
34 real property or easements or interests therein necessary or useful
35 and convenient for the purposes of the Casino Reinvestment
36 Development Authority which real property, easements or interests
37 may be subject to mortgages, deeds of trust, or other liens or
38 otherwise, and to hold and to use the same, and to dispose of the
39 property so acquired no longer necessary for the purposes of the
40 Casino Reinvestment Development Authority;

41 f. To make and enforce bylaws or rules and regulations for the
42 management and regulation of its business and affairs and for the
43 use, maintenance, and operation of any facility, and to amend the
44 same;

45 g. To enter into any agreements or contracts, execute any
46 instruments, and do and perform any acts or things necessary,
47 convenient, or desirable for the purposes of the Casino
48 Reinvestment Development Authority, including the entering into

1 of agreements or contracts with any governmental unit to provide
2 for the payment of principal of and interest on any obligation issued
3 by that governmental unit, the maintenance of necessary reserves in
4 connection with these obligations or the payments under any lease
5 entered into in connection with any eligible project;

6 h. To determine eligibility for investments in eligible projects
7 in order to accomplish the purposes of the Casino Reinvestment
8 Development Authority;

9 i. To collect and invest any proceeds received under subsection
10 b. of section 3 and section 14 of this act;

11 j. To invest in obligations of local governmental units issued
12 to finance eligible projects, provided that the investment shall only
13 be effected through direct negotiation by the Casino Reinvestment
14 Development Authority with the local governmental unit;

15 k. To make agreements of any kind with any governmental unit
16 or person for the use or operation of all or any part of any eligible
17 project for consideration and for periods of time and upon other
18 terms and conditions as the Casino Reinvestment Development
19 Authority may fix and agree upon, which agreements may include a
20 partnership, limited partnership, joint venture or association in
21 which the Casino Reinvestment Development Authority is a general
22 or limited partner or participant;

23 l. To require and collect fees and charges as the Casino
24 Reinvestment Development Authority shall determine to be
25 reasonable in connection with the exercise of any power given to
26 the Casino Reinvestment Development Authority under the act;

27 m. To the extent permitted under a contract of the Casino
28 Reinvestment Development Authority with purchasers of its bonds
29 entered into pursuant to section 3 of this 1984 amendatory and
30 supplementary act, to invest and reinvest any of its moneys not
31 required for immediate use, including moneys received for the
32 purchase of its bonds prior to the bonds being issued as it shall
33 deem prudent. A pro rata share of $66 \frac{2}{3}$ % of all interest earned
34 by the Casino Reinvestment Development Authority on any such
35 investments shall be paid to the licensees who entered into a
36 contract with the Casino Reinvestment Development Authority for
37 the purchase of its bonds and who contributed to the moneys which
38 were received by the Casino Reinvestment Development Authority
39 and were invested pursuant to this subsection. All functions,
40 powers and duties relating to the investment or reinvestment of
41 these funds, including the purchase, sale or exchange of any
42 investments or securities, may, upon the request of the Casino
43 Reinvestment Development Authority, be exercised and performed
44 by the Director of the Division of Investment, in accordance with
45 written directions of the Casino Reinvestment Development
46 Authority signed by an authorized officer, without regard to any
47 other law relating to investments by the Director of the Division of
48 Investment;

1 n. To the extent permitted under the contract of the Casino
2 Reinvestment Development Authority with the holders of its bonds,
3 to invest and reinvest any of its moneys not required for immediate
4 use, including proceeds from the sale of any obligations, securities
5 or other investments as it shall deem prudent. All functions, powers
6 and duties relating to the investment or reinvestment of these funds,
7 including the purchase, sale or exchange of any investments or
8 securities, may upon the request of the Casino Reinvestment
9 Development Authority be exercised and performed by the Director
10 of the Division of Investment, in accordance with written directions
11 of the Casino Reinvestment Development Authority signed by an
12 authorized officer, without regard to any other law relating to
13 investments by the Director of the Division of Investment;

14 o. To enter into all agreements or contracts with any
15 governmental unit or person, execute any instruments, and do and
16 perform any acts or things necessary, convenient or desirable for
17 the purposes of the Casino Reinvestment Development Authority to
18 carry out any power expressly given in this act;

19 p. To exercise the right of eminent domain in the city of
20 Atlantic City;

21 q. To establish and exercise authority over the Atlantic City
22 Tourism District established pursuant to section 4 of P.L. _____,
23 c. (C. _____) (pending before the Legislature as this bill) and, in
24 addition to the powers provided in this section, to exercise, with
25 regard to the tourism district, those powers granted to the authority
26 pursuant to P.L. _____, c. (C. _____) (pending before the Legislature as
27 this bill):

28 **[q.] r.** To meet and hold hearings at places as it shall designate;
29 and

30 **[r.] s.** To establish, develop, construct, acquire, own, operate,
31 manage, promote, maintain, repair, reconstruct, restore, improve
32 and otherwise effectuate, either directly or indirectly, through
33 lessees, licensees or agents, projects consisting of facilities, at a site
34 or sites within the State of New Jersey, that are related to, incidental
35 to, necessary for or complementary to, the accomplishment of any
36 of the purposes of the authority or of any project of the authority
37 authorized in accordance with P.L.1984, c.218 (C.5:12-144.1 et
38 seq.), as amended.

39 (cf: P.L.2001, c.221, s.15)

40

41 4. (New section) a. There shall be established by resolution of
42 the authority the Atlantic City Tourism District, which shall consist
43 of those lands within Atlantic City that comprise an area to be
44 designated by resolution of the authority. The area so designated
45 shall include the facilities comprising licensed Atlantic City
46 casinos, casino hotels, and any appurtenant property, any property
47 under the ownership or control of the authority, the Atlantic City
48 Special Improvement District established by ordinance of the City

1 of Atlantic City, any property under the ownership or control of the
2 convention center authority prior to the transfer date, any property
3 within Atlantic City under the ownership or control of the New
4 Jersey Sports and Exposition Authority established pursuant to
5 P.L.1971, c.137 (C.5:10-1 et seq.) prior to the transfer date, the
6 Atlantic City Convention Center, Boardwalk Hall and any part of
7 the property consisting of the Atlantic City convention center
8 project prior to the transfer date, and any specified parts of Atlantic
9 City which the authority finds by resolution to be an area in which
10 the majority of private entities are engaged primarily in the tourism
11 trade, and the majority of public entities, if any, serve the tourism
12 industry. The authority shall adopt the resolution by an affirmative
13 vote of two-thirds of the voting members of the authority no more
14 than 90 days after the effective date of P.L. , c. (C.) (pending
15 before the Legislature as this bill).

16 b. Upon and after the adoption, pursuant to subsection a. of this
17 section, of the resolution establishing the tourism district, the
18 authority shall have jurisdiction within the tourism district to
19 impose land use regulations, implement development and design
20 guidelines and implement initiatives that promote cleanliness,
21 commercial development, and safety, undertake redevelopment
22 projects, and institute public safety improvements in coordination
23 with the Joint Law Enforcement Task Force established pursuant to
24 section 7 of P.L. , c. (C.) (pending before the Legislature as
25 this bill).

26 c. (1) Notwithstanding any law, rule, or regulation to the
27 contrary, upon and after the adoption, pursuant to subsection a. of
28 this section, of the resolution establishing the tourism district, the
29 authority shall have, in conjunction with the appropriate road and
30 highway authority or authorities, as appropriate, jurisdiction with
31 respect to the approval of development projects upon those roads
32 and highways over which such road and highway authority or
33 authorities have jurisdiction as of the date of enactment of P.L. ,
34 c. (C.) (pending before the Legislature as this bill).

35 (2) Notwithstanding any law, rule, or regulation to the contrary,
36 upon and after the adoption, pursuant to subsection a. of this
37 section, of the resolution establishing the tourism district, the
38 authority shall have, with respect to the roads and highways located
39 within the tourism district, exclusive jurisdiction with respect to the
40 promulgation of rules and regulations affecting the control and
41 direction of traffic within the tourism district.

42 d. The authority may, by resolution, authorize the
43 commencement of studies and the development of preliminary plans
44 and specifications relating to the creation and maintenance of the
45 tourism district. These studies and plans shall include, whenever
46 possible, estimates of construction and maintenance costs, and may
47 include criteria to regulate the construction and alteration of facades

1 of buildings and structures in a manner which promotes unified or
2 compatible design.

3 e. In furtherance of the development of an economically viable
4 and sustainable tourism district, the authority shall, within one year
5 of the enactment of P.L. , c. (C.) (pending before the
6 Legislature as this bill), adopt a tourism district master plan. The
7 authority shall initiate a joint planning process with the
8 participation of: State departments and agencies, corporations,
9 commissions, boards, and, prior to the transfer date, the convention
10 center authority; metropolitan planning organizations; Atlantic
11 County; Atlantic City; and appropriate private interests.

12 f. After the creation of the tourism district pursuant to
13 subsection a. of this section, the authority shall create a commission
14 to be known as the Atlantic City Tourism District Advisory
15 Commission, or "ACT Commission," consisting of members to be
16 appointed by the authority. Persons appointed as members of the
17 commission shall include public officials of Atlantic City and
18 Atlantic County, representatives of the casino and tourism
19 industries, public citizens, and any other individual or organization
20 the authority deems appropriate. The commission shall be
21 authorized to review the authority's annual budget and the
22 authority's plans concerning the tourism district. The commission
23 shall, from time to time, make recommendations to the authority
24 concerning the authority's development and implementation of the
25 tourism district master plan, and the authority shall give due
26 consideration to those recommendations.

27 g. The tourism district master plan shall establish goals,
28 policies, needs, and improvement of the tourism district, the
29 implementation of clean and safe initiatives, and the expansion of
30 the Atlantic City boardwalk area to reflect an authentic New Jersey
31 boardwalk experience. The authority may consult with public and
32 private entities, including, but not limited to, those entities that are
33 present in, or that have been involved with the development of,
34 boardwalk areas in New Jersey such as the boardwalk areas of
35 Ocean City, the Wildwoods, and Cape May.

36 h. In developing the tourism district master plan, the authority
37 shall place special emphasis upon the following:

38 (1) the facilitation, with minimal government direction, of the
39 investment of private capital in the tourism district in a manner that
40 promotes economic development;

41 (2) making use of marina facilities in a way that increases
42 economic activity;

43 (3) the development of the boardwalk area;

44 (4) the development of the Marina District; and

45 (5) the development of nongaming, family centered tourism
46 related activities such as amusement parks.

47 i. The authority shall solicit funds from private sources to aid
48 in support of the tourism district.

1 j. The authority shall administer and manage the tourism
2 district and carry out such additional functions as are provided
3 herein. The authority shall oversee the redevelopment of the
4 tourism district and implementation of the tourism district master
5 plan. The authority shall enter into agreements with public and
6 private entities for the purposes of promoting the economic and
7 general welfare of Atlantic City and the tourism district.

8 k. The authority shall provide that all available assets and
9 revenues of the authority shall be devoted to the purposes of the
10 tourism district and community development in Atlantic City,
11 unless otherwise provided by contract entered into prior to the
12 effective date of P.L. , c. (C.) (pending before the
13 Legislature as this bill) or by law.

14
15 5. (New section) a. In conjunction with the adoption, pursuant
16 to section 4 of P.L. , c. (C.) (pending before the Legislature
17 as this bill), of the resolution establishing the tourism district, the
18 authority shall propose and adopt development and design
19 guidelines and land use regulations for the tourism district. Such
20 guidelines and regulations shall be consistent with and in
21 furtherance of the tourism district master plan. Provisions may be
22 made by the authority for the waiver, according to definite criteria
23 adopted by regulation of the authority pursuant to the
24 “Administrative Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et
25 seq.), of strict compliance with the standards promulgated, where
26 necessary to alleviate hardship. Upon and after the adoption of the
27 resolution establishing the tourism district, the development and
28 design guidelines and land use regulations adopted by the authority
29 shall supersede the master plans, the zoning and land use ordinances
30 and regulations, and the zoning maps of Atlantic City adopted
31 pursuant to the “Municipal Land Use Law,” P.L.1975, c.291
32 (C.40:55D-1 et seq.) or any other State or local law.

33 b. Notwithstanding the provisions to the contrary of the
34 “Municipal Land Use Law,” P.L.1975, c.291 (C.40:55D-1 et seq.)
35 or any other law, rule, or regulation, upon and after the adoption of
36 the resolution establishing the tourism district, the review and
37 approval or denial of site plans and development proposals for
38 development upon and improvements to land within the tourism
39 district that would otherwise be performed by the governing bodies
40 or agencies of the county or municipality in which the tourism
41 district is located shall instead be performed by the authority, but
42 this assignment of responsibility to the authority shall not be
43 deemed to supersede requirements of State or federal law pertaining
44 to the review and approval of such plans or proposals by other
45 agencies. In performing the review, the authority shall utilize the
46 development and design guidelines and land use regulations that it
47 shall have adopted in conjunction with its adoption of the resolution
48 establishing the tourism district. The procedures used by the

1 authority for the approval of site plans and developments within the
2 tourism district shall be the same as the procedures that would
3 otherwise be used by a county or municipal governing body or other
4 local entity pursuant to the "Municipal Land Use Law," P.L.1975,
5 c.291 (C.40:55D-1 et seq.), including, but not limited to, procedures
6 for hearings and for the issuance of notice thereof, for the payment
7 of application fees, for appeals, and for the posting of escrow
8 deposits, if any. The authority shall establish an office to issue
9 permits for site plans and development projects. The authority shall
10 by regulation provide for mandatory conceptual review, by or on
11 behalf of the authority, of site plan and development applications;
12 provided, however, that unless accompanied by a request for a
13 variance to be granted by the authority pursuant to subsection d. of
14 this section, any such mandatory conceptual review shall be
15 completed within 45 days of the authority's receipt of the
16 application, or within such later time period if agreed to by the
17 applicant.

18 c. The authority shall be deemed an interested party entitled to
19 notice of all applications for properties within the tourism district or
20 within 200 feet of the tourism district's boundaries, irrespective of
21 whether the authority owns the portion of the project area within
22 200 feet.

23 d. (1) The provisions of subsection d. of section 57 of
24 P.L.1975, c.291 (C.40:55D-70) notwithstanding and except as
25 provided in paragraph (2) of this subsection, the authority shall
26 have sole and exclusive jurisdiction to grant for special reasons
27 shown, a variance from the requirements that it shall have
28 established in conjunction with the adoption pursuant to section 4 of
29 P.L. , c. (C.) (pending before the Legislature as this bill) of
30 the resolution establishing the tourism district, including
31 development and design guidelines or land use regulations adopted
32 by the authority, or from the requirements of the master plan, as
33 appropriate, to permit: (a) a use or principal structure in the district
34 restricted against such use or principal structure, (b) a continuation
35 or an expansion of a nonconforming use, (c) deviation from a
36 specification or standard pursuant to land use regulations adopted
37 by the authority pertaining solely to a conditional use, (d) an
38 increase in the permitted floor area ratio as established by the land
39 use regulations adopted by the authority, (e) an increase in the
40 permitted density as established by the land use regulations adopted
41 by the authority, or (f) a height of a principal structure which
42 exceeds by 10 feet or 10 percent the maximum height permitted in
43 the district for a principal structure. Such variances shall not be
44 granted unless the applicant demonstrates to the satisfaction of the
45 authority that special reasons exist for the granting of such variance,
46 that the granting of the requested variance will not substantially
47 impair the intent and purpose of the master plan, and that the
48 variance can be granted without substantial detriment to the public

1 good. Application for such a variance shall be submitted together
2 with or prior to an application for mandatory conceptual review
3 pursuant to subsection b. of this section, and the authority shall
4 approve or deny the application within 120 days of a complete
5 submission unless the applicant agrees to extend the time. In lieu of
6 granting a variance, the authority in its discretion may require the
7 adoption of a plan amendment.

8 (2) Variances granted pursuant to subparagraphs (a) through (e)
9 of paragraph (1) of this subsection shall require the affirmative vote
10 of a majority of the members of the authority.

11 e. Notwithstanding any other provision of P.L. , c. (C.)
12 (pending before the Legislature as this bill) or any other law, rule or
13 regulation to the contrary, upon and after the adoption pursuant to
14 section 4 of P.L. , c. (C.) (pending before the Legislature as
15 this bill) of the resolution establishing the tourism district, the filing
16 of a petition with the authority upon or after commencement of a
17 redevelopment project undertaken in furtherance of the master plan
18 shall not effect a delay in or cessation of any action concerning the
19 redevelopment project.

20 f. Notwithstanding any other provision of P.L. , c. (C.)
21 (pending before the Legislature as this bill) or any other law, rule or
22 regulation to the contrary, upon and after the adoption pursuant to
23 section 4 of P.L. , c. (C.) (pending before the Legislature as
24 this bill) of the resolution establishing the tourism district, Atlantic
25 City shall not designate the tourism district or any portion thereof as
26 an area in need of redevelopment or an area in need of
27 rehabilitation, or adopt a redevelopment plan for any property
28 within the tourism district pursuant to the "Local Redevelopment
29 and Housing Law," P.L.1992, c.79 (C.40A:12A-1 et al.) without the
30 consent of the authority.

31
32 6. (New section) After the creation of the tourism district
33 pursuant to section 4 of P.L. , c. (C.) (pending before the
34 Legislature as this bill), the authority shall create a commission to
35 be known as the Atlantic City Tourism Marketing Advisory
36 Commission, consisting of members to be appointed by the
37 authority. The authority shall appoint to the commission
38 representatives of the casino and tourism industries, public citizens,
39 and any other individual or organization the authority deems
40 appropriate. The commission shall develop and implement a full
41 scale, national, ten-year marketing program. The commission shall
42 be authorized to review the authority's annual budget and the
43 authority's plans concerning the marketing program, and the
44 authority shall give due consideration to those recommendations.
45 The commission shall, from time to time, make recommendations to
46 the authority concerning the authority's development and
47 implementation of the marketing program. In its implementation of
48 the marketing program, the authority shall develop a brand identity

1 for Atlantic City and the tourism district that can be effectively
2 communicated nationwide. The brand identity shall be designed in
3 a manner that will emphasize, to potential investors and tourists,
4 Atlantic City's unique character, boardwalk attractions, and appeal
5 as a destination resort.

6
7 7. (New section) a. In conjunction with the establishment of
8 the tourism district pursuant to section 4 of P.L. , c. (C.)
9 (pending before the Legislature as this bill), the Superintendent of
10 the Division of State Police in the Department of Law and Public
11 Safety shall establish a Joint Law Enforcement Task Force
12 composed of a Task Force Director appointed jointly by the
13 chairman of the authority and the superintendent, law enforcement
14 officers offered employment pursuant to subsection d. of this
15 section, and such other law enforcement and supervisory officers of
16 the Division of State Police as the superintendent and Task Force
17 Director shall determine to be necessary, to assume general
18 responsibility for and supervision of the conduct of all law
19 enforcement operations and activities within the tourism district and
20 the Atlantic City Special Improvement District established by
21 ordinance of the City of Atlantic City. The Task Force Director
22 shall be appointed for a term of four years and may be reappointed
23 upon expiration of a term.

24 b. Upon its establishment, the Joint Law Enforcement Task
25 Force shall assume exclusive responsibility for conducting the law
26 enforcement operations and activities in the tourism district.

27 c. The Joint Law Enforcement Task Force shall have a
28 governing body composed of representatives of the Superintendent
29 of the Division of State Police who shall be employees of the
30 division. The Task Force Director shall be the head of the task
31 force governing body. The task force shall:

32 (1) develop and implement the policies, guidelines, and
33 procedures pursuant to which the task force shall conduct law
34 enforcement operations, activities, and programs within the district;

35 (2) effectuate the transfer of responsibility for the conduct of
36 law enforcement to the task force from the police department of
37 Atlantic City;

38 (3) enhance public awareness of the transfer of law enforcement
39 to the task force from the police department of Atlantic City;

40 (4) develop and implement law enforcement initiatives for the
41 district; and

42 (5) study, classify, and evaluate the criminal activities and
43 threats to effective and efficient law enforcement within the tourism
44 district.

45 The law enforcement officers of the Joint Law Enforcement Task
46 Force shall be under the supervision of the Task Force Director.
47 The Task Force Director, together with any officers of the Division
48 of State Police designated by the superintendent, shall be

1 responsible for all decisions regarding the law enforcement
2 operations and activities within the tourism district.

3 d. Law enforcement officers employed by the Atlantic City
4 police department, as well as those officers that were laid off from
5 the Atlantic City police department during the 24 months preceding
6 the effective date of P.L. , c. (C.) (pending before the
7 Legislature as this bill), shall be granted the right of first refusal of
8 employment by the Department of Law and Public Safety, and if
9 they meet the qualification and training requirements, shall be
10 employed as law enforcement officers for assignment exclusively to
11 the Joint Law Enforcement Task Force. These officers shall be
12 employed pursuant to this subsection notwithstanding any provision
13 of Title 11A of the New Jersey Statutes to the contrary.

14 e. All other provisions of law concerning the operations of the
15 Division of State Police and of the police department of the city of
16 Atlantic City shall apply except to the extent inconsistent with this
17 section.

18 f. The authority shall coordinate with other appropriate federal,
19 State, county, and local law enforcement agencies to ensure the
20 efficient and cost-effective implementation of the functions and
21 duties of the task force under this section.

22
23 8. (New section) a. The superintendent and chair of the
24 authority shall jointly determine annually that portion of the
25 operating cost of the division attributable to assuming the general
26 responsibility for and the supervision of the conduct of all law
27 enforcement operations and activities within the tourism district
28 through the Joint Law Enforcement Task Force, including the cost
29 to the department of employing and training those law enforcement
30 officers of the Atlantic City police department granted the right of
31 first refusal, and shall jointly certify to the authority the amount of
32 that attributable cost. The total amount so certified shall not exceed
33 the total amount of any reduction in payments by those casino
34 licensees resulting from any reduction in annual costs of the Casino
35 Control Commission and the Division of Gaming Enforcement in
36 the Department of Law and Public Safety for investigation and
37 consideration of license applications and license renewals, for
38 maintaining control and regulatory activities and enforcement
39 functions, and for such other services, equipment or other expenses,
40 as a direct result of laws enacted or regulations changed on or after
41 the effective date of P.L. , c. (C.) (pending before the
42 Legislature as this bill), regarding the commission's and division's
43 functions, duties, and responsibilities under the "Casino Control
44 Act," P.L.1977, c.110 (C.5:12-1 et seq.).

45 b. After the development of each authority annual budget, the
46 authority shall assess a fee payable by each casino licensee for the
47 fiscal year. The cumulative total of the fees so assessed shall
48 include an amount sufficient to reimburse the Division of State

1 Police and the Department of Law and Public Safety for their costs
2 during the preceding fiscal year of assuming supervisory and
3 operational responsibilities for law enforcement activities with the
4 tourism district, as certified pursuant to subsection a. of this section.

5 c. The fee assessed under this section shall be in proportion to
6 the casino licensee's gross revenues generated in the fiscal year
7 preceding the assessment. The total fees assessed collectively upon
8 all casino licensees shall be no less than \$22,500,000 for the State
9 fiscal year in which P.L. , c. (C.) (pending before the
10 Legislature as this bill) is enacted, and no less than \$30,000,000 for
11 each State fiscal year thereafter.

12 d. Such fees shall be used exclusively to facilitate the
13 development of the tourism district, enhance the cleanliness and
14 safety of the tourism district, fund the authority's marketing efforts
15 concerning tourism in the district, reimburse law enforcement costs
16 certified pursuant to subsection a. of this section, and support
17 gaming in the State; provided, however, that if the cumulative total
18 amount of any cost savings realized by all casino licenses as the
19 result of a reduction in fees pursuant to revisions to the law
20 concerning regulation of the casino industry exceeds \$22,500,000 in
21 the first fiscal year, or \$30,000,000 in the second and third fiscal
22 years, following the effective date of P.L. , c. (C.) (pending
23 before the Legislature as this bill), the amount from the fees
24 imposed pursuant to this section that is allocated in those respective
25 fiscal years to the support of gaming shall be not less than the
26 amount of that excess in those respective fiscal years, up to
27 \$15,000,000 in the first fiscal year, \$10,000,000 in the second fiscal
28 year, and \$5,000,000 in the third fiscal year. Fees assessed
29 pursuant to this subsection may be increased pursuant to a
30 resolution of the authority finding that increased fees are necessary
31 to facilitate the development of the tourism district, the authority's
32 marketing efforts concerning tourism in the district, and the support
33 of gaming in the State. The authority shall be responsible for
34 collection of the fees assessed pursuant to this section. The portion
35 of the total amount of the collected fees equal to the amount
36 certified pursuant to subsection a. of this section shall be
37 appropriated annually to the Department of Law and Public Safety.

38
39 9. (New section) a. Notwithstanding any law, rule, or
40 regulation to the contrary, if the South Jersey Transportation
41 Authority shall sell the airport known as the Atlantic City
42 International Airport and any other lands and improvements as the
43 South Jersey Transportation Authority has acquired pursuant to
44 section 24 of P.L.1991, c.252 (C.27:25A-24) and all related
45 facilities and activities, the South Jersey Transportation Authority
46 shall assign and pay to the authority any revenues or proceeds from
47 such sale.

1 b. Notwithstanding any other provision of law or regulation to
2 the contrary, the authority shall give priority in the expenditure of
3 any funds, derived from the sale of the airport pursuant to
4 subsection a. of this section or otherwise designated by law for the
5 authority, to redevelopment projects, including development,
6 infrastructure improvements and enhancements, and public safety
7 improvements, within the tourism district.

8
9 10. (New section) Upon enactment of P.L. , c. (C.)
10 (pending before the Legislature as this bill), after the investment
11 alternative tax is authorized by law to be collected from revenues
12 generated by Internet wagering, the authority shall allocate the first
13 \$30,000,000 from such tax, for each State fiscal year for a period of
14 not more than the first five State fiscal years commencing after such
15 tax is authorized by law to be collected from Internet wagering, to
16 the New Jersey Racing Commission to be used for the benefit of
17 horse racing in this State, provided, however, that the use of those
18 funds for that purpose shall cease one State fiscal year after
19 wagering on sports events is implemented in this State.

20
21 11. (New section) a. Until the Transfer Date, the authority shall
22 not exercise any powers, rights, or duties conferred by P.L. ,
23 c. (C.) (pending before the Legislature as this bill) or by any
24 other law in any way which will interfere with the powers, rights,
25 and duties of the convention center authority. The authority shall
26 not before the Transfer Date exercise any powers of the convention
27 center authority. The authority and the convention center authority
28 are directed to cooperate with each other so that the Transfer Date
29 shall occur as soon as practicable after the date of enactment of
30 P.L. , c. (C.) (pending before the Legislature as this bill),
31 and the convention center authority shall make available
32 information concerning its property and assets, outstanding bonds
33 and other debts, obligations, liabilities and contracts, operations,
34 and finances as the authority may require to provide for the
35 retirement of any outstanding bonds, notes, or other obligations of
36 the convention center authority, and the efficient exercise by the
37 authority of all powers, rights, and duties conferred upon them by
38 P.L. , c. (C.) (pending before the Legislature as this bill).

39 b. On the Transfer Date: (1) The authority shall assume all of
40 the powers, rights, assets, and duties of the convention center
41 authority to the extent provided by P.L. , c. (C.) (pending
42 before the Legislature as this bill), and such powers shall then and
43 thereafter be vested in and shall be exercised by the authority and
44 the chair thereof.

45 (2) The terms of office of the members of the convention center
46 authority shall terminate, the officers having custody of the funds of
47 the convention center authority shall deliver those funds into the
48 custody of the chair of the authority, the property and assets of the

1 convention center authority shall, without further act or deed,
2 become the property and assets of the authority, and the convention
3 center authority shall cease to exist.

4 (3) The officers and employees of the convention center
5 authority shall be transferred to the authority and shall become
6 employees of the authority until determined otherwise by the
7 authority.

8 Nothing in P.L. , c. (C.) (pending before the Legislature
9 as this bill) shall be construed to deprive any officers or employees
10 of the convention center authority of their rights, privileges,
11 obligations, or status with respect to any pension or retirement
12 system. The employees shall retain all of their rights and benefits
13 under existing collective negotiation agreements or contracts until
14 such time as new or revised agreements or contracts are agreed to.
15 All existing employee representatives shall be retained to act on
16 behalf of those employees until such time as the employees shall,
17 pursuant to law, elect to change those representatives. Nothing in
18 P.L. , c. (C.) (pending before the Legislature as this bill)
19 shall affect the civil service status, if any, of those officers or
20 employees. Upon expiration of any agreement or contract pertaining
21 to the employment of convention center employees, the authority
22 shall make reasonable efforts to retain former employees of the
23 convention center authority transferred hereunder to the authority.

24 (4) All debts, liabilities, obligations and contracts of the
25 convention center authority, except to the extent specifically
26 provided or established to the contrary in P.L. , c. (C.)
27 (pending before the Legislature as this bill), are imposed upon the
28 authority, and all creditors of the convention center authority and
29 persons having claims against or contracts with the convention
30 center authority of any kind or character may enforce those debts,
31 claims, and contracts against the authority as successor to the
32 convention center authority in the same manner as they might have
33 against the convention center authority, and the rights and remedies
34 of those holders, creditors, and persons having claims against or
35 contracts with the convention center authority shall not be limited
36 or restricted in any manner by P.L. , c. (C.) (pending before
37 the Legislature as this bill).

38 (5) In continuing the functions, contracts, obligations and duties
39 of the convention center authority, the authority is authorized to act
40 in its own name or in the name of the convention center authority as
41 may be convenient or advisable under the circumstances from time
42 to time.

43 (6) Any references to the convention center authority in any
44 other law or regulation shall be deemed to refer and apply to the
45 authority.

46 (7) All rules and regulations of the convention center authority
47 shall continue in effect as the rules and regulations of the authority
48 until amended, supplemented or rescinded by the authority in

1 accordance with law. Notwithstanding any requirements of the
2 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
3 seq.) to the contrary, the authority may adopt regulations, after
4 notice and an opportunity for public comment, amending,
5 supplementing, modifying, or repealing the regulations of the
6 convention center authority. Such regulations shall be effective
7 immediately upon filing with the Office of Administrative Law and
8 shall be effective for a period not to exceed 18 months from the
9 Transfer Date and they may, thereafter, be amended, adopted or
10 readopted in accordance with the "Administrative Procedure Act."
11 Regulations of the convention center authority inconsistent with the
12 provisions of this act or of regulations of the authority shall be
13 deemed void if so judged by the authority acting pursuant to the
14 provisions of this paragraph.

15 (8) All operations of the convention center authority shall
16 continue as operations of the authority until altered by the authority
17 as may be permitted pursuant to P.L. , c. (C.) (pending
18 before the Legislature as this bill).

19 (9) The powers vested in the authority by P.L. , c. (C.)
20 (pending before the Legislature as this bill) shall be construed as
21 being in addition to and not in diminution of the powers heretofore
22 vested by law in the authority to the extent not otherwise altered or
23 provided for in P.L. , c. (C.) (pending before the Legislature
24 as this bill).

25 c. As soon as practicable after the Transfer Date, the chairman
26 shall notify the Governor and the presiding officers of each house
27 of the Legislature that the transfer has occurred, the date of the
28 transfer, and any other information concerning the transfer the
29 chairman deems appropriate.

30
31 12. (New section) Upon the transfer of the convention center
32 authority as provided in section 11 of P.L. , c. (C.) (pending
33 before the Legislature as this bill), all convention center authority
34 projects, including the Atlantic City convention center project, shall
35 be maintained by the authority.

36
37 13. (New section) a. Prior to the Transfer Date, the authority is
38 authorized to issue bonds, refunding bonds, notes, or other
39 indebtedness to facilitate the timely occurrence of the Transfer
40 Date, including but not limited to, the issuance of bonds, refunding
41 bonds, notes, or other indebtedness to provide that all bonds or
42 notes issued by the convention center authority to finance any
43 projects, and the interest thereon, have been paid, or a sufficient
44 amount for the payment of all those bonds or notes, and the interest
45 thereon, has been set aside in trust for the benefit of the
46 bondholders.

47 b. On the Transfer Date, the power of the convention center
48 authority to issue bonds, refunding bonds, notes, or other

1 indebtedness is continued but transferred to the authority and shall
2 thereafter be exercised and administered by the authority.

3 c. The convention center authority and the authority are
4 authorized to enter into such agreements as are necessary to
5 facilitate the transfers contemplated by this section.

6
7 14. (New section) Upon the transfer of the convention center
8 authority, the provisions of P.L.1981, c.459 (C.52:27H-29 et seq.)
9 and P.L.2008, c.47 (C.52:27H-31.1 et al.) insofar as they are not
10 inconsistent with the provisions of P.L. , c. (C.) (pending
11 before the Legislature as this bill), shall continue in effect, and any
12 reference therein or in any other law to the convention center
13 authority, to the chair of the convention center authority, or to any
14 member thereof, shall be deemed to mean and refer to the chair of
15 the authority.

16
17 15. (New section) Upon the establishment of the tourism district
18 by resolution of the authority pursuant to the provisions of section 4
19 of P.L. , c. (C.) (pending before the Legislature as this bill),
20 the authority shall assume all functions, powers, and duties of
21 Atlantic City, and of any agency or instrumentality thereof, with
22 respect to the Atlantic City Special Improvement District, and the
23 City of Atlantic City shall repeal the ordinance or ordinances
24 establishing that special improvement district.

25
26 16. (New section) P.L. , c. (C.) (pending before the
27 Legislature as this bill) shall be subject to the provisions of the
28 "State Agency Transfer Act," P.L.1971, c.375 (C.52:14D-1 et seq.),
29 except as may otherwise be provided under P.L. , c. .

30
31 17. (New section) The authority shall exercise due regard for
32 the rights of the holders of bonds of the authority, at any time
33 outstanding, and nothing in, or done pursuant to, the provisions of
34 P.L. , c. (C.) (pending before the Legislature as this bill),
35 shall in any way limit, impair, restrict, or alter the obligation or
36 powers of the authority to carry out and perform in every detail
37 each and every covenant, agreement, or contract at any time made
38 or entered into by, or on behalf of, the authority with respect to its
39 bonds or for the benefit, protection, or security of the holders
40 thereof.

41
42 18. (New section) The authority, in implementing any of its
43 functions involving the tourism district, including but not limited to,
44 the regulation and encouragement of economic development and the
45 promotion of cleanliness, safety, and commerce, is authorized and
46 directed, notwithstanding any law, rule, or regulation to the
47 contrary, to enter into public-private partnerships or similar

1 arrangements with private entities in implementing the provisions
2 of this act.

3

4 19. This act shall take effect immediately, but the provisions of
5 P.L. , c. (C.) (pending before the Legislature as this bill)
6 shall not be construed as affecting terms of any contract or
7 agreement in effect as of the effective date of P.L. , c. .

8

9

10 STATEMENT

11

12 This bill directs the Casino Reinvestment Development
13 Authority (“CRDA”) to establish, by resolution, the Atlantic City
14 Tourism District (“tourism district”) within Atlantic City, Atlantic
15 County.

16 The tourism district would be an area in which the CRDA would
17 have authority to impose land use regulations, implement a tourism
18 district master plan promoting cleanliness, commercial
19 development, and safety within the tourism district, undertake
20 redevelopment projects, and institute public safety infrastructure
21 improvements. The tourism district would encompass the casinos,
22 and appurtenant property, casino hotels and appurtenant property,
23 any property under the ownership or control of the CRDA, the
24 Atlantic City Special Improvement District, any property under the
25 ownership or control of the Atlantic City Convention and Visitors
26 Authority, property within Atlantic City that is under the ownership
27 or control of the New Jersey Sports and Exposition Authority, any
28 part of the property consisting of the Atlantic City convention
29 center project, including the Atlantic City Convention Center and
30 Boardwalk Hall, and any specified parts of Atlantic City which the
31 CRDA finds by resolution to be an area in which the majority of
32 entities are engaged primarily in the tourism trade.

33 The CRDA is given extensive powers to redevelop and manage
34 the tourism district. Among these are the powers to:

35 (1) undertake redevelopment projects;

36 (2) authorize the commencement of studies and the development
37 of preliminary plans and specifications relating to the creation and
38 maintenance of the tourism district and including, whenever
39 possible, estimates of construction and maintenance costs;

40 (3) authorize or deny, in conjunction with relevant State or local
41 authorities as defined in the bill, road and highway projects within
42 and approximate to the tourism district;

43 (4) establish regulations concerning control and direction of
44 traffic within the tourism district;

45 (5) adopt development and design guidelines and land use
46 regulations which would supersede guidelines and regulations of
47 Atlantic City and Atlantic County with respect to the tourism
48 district;

1 (6) implement a full scale, ten-year, national marketing program
2 for Atlantic City and the tourism district and establish the Atlantic
3 City Tourism Marketing Advisory Commission to make
4 recommendations concerning implementation of the program;

5 (7) establish the Atlantic City Tourism District Advisory
6 Commission to make recommendations concerning implementation
7 of the tourism district master plan; and

8 (8) oversee the redevelopment of the tourism district and
9 implementation of the tourism district master plan.

10 In developing the tourism district master plan, the CRDA would
11 be required to place special emphasis upon the following:

12 (1) making use of marina facilities in a way that increases
13 economic activity;

14 (2) development of the boardwalk area;

15 (3) development of the Marina District;

16 (4) development of the development of nongaming, family
17 centered tourism related activities such as amusement parks; and

18 (5) the facilitation, with minimal government direction, of the
19 investment of private capital in the tourism district in a manner that
20 promotes economic development.

21 In addition, the bill grants the CRDA the power to allocate funds
22 for the benefit of the gaming industry in New Jersey and removes
23 its obligation to encourage investment in, or financing of projects,
24 plans, or programs involving schools.

25 The bill assigns to the CRDA any proceeds from the sale of the
26 airport known as the Atlantic City International Airport. The bill
27 directs the CRDA to solicit private funds to support the tourism
28 district. It also directs the CRDA to assess and collect annually a
29 fee payable by each casino licensee in proportion to the licensee's
30 gross revenues generated in the fiscal year preceding the
31 assessment. The total fees assessed collectively upon all casino
32 licensees are to be no less than \$22.5 million for the State fiscal
33 year in which the bill is enacted and \$30 million for each
34 subsequent State fiscal year. The fees would be used to facilitate
35 the development of the tourism district, enhance the cleanliness and
36 safety of the tourism district, fund the authority's marketing efforts
37 concerning tourism in the district, reimburse law enforcement costs
38 related to the district, and support gaming in the State; provided,
39 however, that if the cumulative total amount of any cost savings
40 realized by all casino licenses as the result of a reduction in fees
41 pursuant to revisions to the law concerning regulation of the casino
42 industry exceeds \$22.5 million in the first fiscal year, or \$30 million
43 in the second and third fiscal years, following the bill's effective
44 date, the amount from the fees that is allocated in those respective
45 fiscal years to the support of gaming shall be not less than the
46 amount of that excess in those respective fiscal years, up to \$15
47 million in the first fiscal year, \$10 million in the second fiscal year,
48 and \$5 million in the third fiscal year. Fees may be increased

1 pursuant to a resolution of the authority finding that increased fees
2 are necessary to facilitate the development of the tourism district,
3 the authority's marketing efforts concerning tourism in the district,
4 and the support of gaming in the State. It is the sponsor's
5 understanding that certain pending legislation regarding the law
6 concerning regulation of the casino industry would effect a
7 reduction in fees payable by casino licensees.

8 In addition, the bill would direct the Superintendent of the
9 Division of State Police in the Department of Law and Public
10 Safety to establish a Joint Law Enforcement Task Force ("task
11 force"), composed of a Task Force Director to be appointed jointly
12 by the superintendent and CRDA chair, Atlantic City officers
13 offered employment pursuant to the provisions of the bill, and such
14 supervisory officers of the Division of State Police as the
15 superintendent determines to be necessary, to assume general
16 responsibility for and supervision of the conduct of all law
17 enforcement operations and activities within the tourism district.
18 The superintendent would certify that the former Atlantic City
19 officers meet the qualifications to serve as State Police. The Task
20 Force Director will serve as the head of the task force. The
21 division's operating costs of carrying out its task force
22 responsibilities will be reimbursed from a fee assessed upon casino
23 licensees.

24 Law enforcement officers employed by the Atlantic City police
25 department, as well as those who have been laid off from the
26 Atlantic City police department within 24 months preceding the
27 enactment of the bill, would be granted the right of first refusal for
28 employment with the Department of Law and Public Safety and, if
29 they meet the appropriate qualification and training requirements,
30 will be employed for assignment exclusively to the task force.

31 The bill makes the CRDA responsible for allocating \$30 million
32 annually to the New Jersey Racing Commission for a maximum five
33 years from revenues generated from an investment alternative tax
34 imposed upon Internet wagering (the assessment is not imposed
35 pursuant to the provisions of this bill). The money would be used
36 for the benefit of the horse racing industry provided, however, that
37 the use of those funds for that purpose would cease one year after
38 wagering on sports events is implemented in New Jersey.

39 Finally, the bill provides for the transfer of the Atlantic City
40 Convention and Visitors Authority ("ACCVA"), together with its
41 functions, powers and duties, to the CRDA. All projects of the
42 ACCVA, including the Atlantic City convention center project
43 would be transferred to the CRDA and would thereafter be
44 maintained by the CRDA.

ASSEMBLY REGULATORY OVERSIGHT AND GAMING
COMMITTEE

STATEMENT TO

ASSEMBLY COMMITTEE SUBSTITUTE FOR
ASSEMBLY, No. 3581

STATE OF NEW JERSEY

DATED: DECEMBER 9, 2010

The Assembly Regulatory Oversight and Gaming Committee reports favorably Assembly Committee Substitute for Assembly, No. 3581.

This assembly committee substitute for Assembly Bill No. 3581 directs the Casino Reinvestment Development Authority (“CRDA”) to establish, by resolution, the Atlantic City Tourism District (“tourism district”) within Atlantic City, Atlantic County.

The tourism district would be an area in which the CRDA would have authority to impose land use regulations, implement a tourism district master plan promoting cleanliness, commercial development, and safety, undertake redevelopment projects, and institute public safety infrastructure improvements. The tourism district would encompass the casinos, and appurtenant property, casino hotels and appurtenant property, the area encompassing the Atlantic City Special Improvement District, any property under the ownership or control of the CRDA, any property under the ownership or control of the Atlantic City Convention and Visitors Authority (“ACCVA”), property within Atlantic City that is under the ownership or control of the New Jersey Sports and Exposition Authority prior to the transfer of the ACCVA to the CRDA as provided in the bill, any part of the property consisting of the Atlantic City convention center project, including the Atlantic City Convention Center and Boardwalk Hall, and any specified parts of Atlantic City which the CRDA finds by resolution to be an area in which the majority of entities are engaged primarily in the tourism trade. The CRDA is given extensive powers to redevelop and manage the tourism district. Among these are the powers to:

(1) authorize or deny, in conjunction with relevant State or local authorities as defined in the bill, road and highway projects within and approximate to the tourism district and establish regulations concerning control and direction of traffic within the tourism district;

(2) adopt development and design guidelines and land use regulations which would supersede guidelines and regulations of Atlantic City and Atlantic County with respect to the tourism district

and impose fines for deviation from such guidelines and regulations;
and

(3) undertake redevelopment projects and oversee implementation of the tourism district master plan.

In developing the tourism district master plan, the CRDA would be required to place special emphasis upon the following:

(1) making use of marina facilities in a way that increases economic activity and development of the Marina District;

(2) development of the Boardwalk area and nongaming, family centered tourism related activities such as amusement parks; and

(3) the facilitation, with minimal government direction, of the investment of private capital in the tourism district in a manner that promotes economic development.

The substitute bill directs that the Atlantic City Special Improvement District would be assumed by the CRDA, as a division within the CRDA. The ACCVA would be transferred to the CRDA as a division within the CRDA, known as the Convention Center Division (“division”). The division would retain the functions, organizational structure, and operations of the ACCVA prior to the transfer. ACCVA employees would be retained as employees of the division.

The substitute bill directs the authority to coordinate and collaborate with Atlantic City for the purpose of assisting the authority with code enforcement and administrative duties relating to the implementation of the tourism district master plan. If the city does not provide the CRDA with such assistance, the CRDA is authorized to request that the Department of Community Affairs assert jurisdiction over city operations involving the provision of such assistance.

The Superintendent of State Police is directed to coordinate with the Chief of Police of the city of Atlantic City to establish, within the Atlantic City Police Department, the Tourism District Division which would be headquartered in the Boardwalk area. The division’s responsibilities would include the establishment of law enforcement policy and strategy within the district and evaluation of criminal activities and threats throughout the city which may affect the district. The superintendent would appoint a Division Commander who would be retained as an employee of the Department of Law and Public Safety. The division would be comprised of the division commander, city law enforcement officers laid off within the 24 months preceding the bill’s effective date, and such other law enforcement and supervisory officers of the Atlantic City Police Department which the superintendent, in coordination with the city’s Police Department, determines to be necessary. The Chief of Police of the city of Atlantic City would manage the day-to-day operations of the division.

The substitute bill directs the CRDA to enter into a public-private partnership with a not-for-profit corporation consisting of a majority of New Jersey casino licensees whose investors have invested a

minimum of \$1 billion in Atlantic City. The partnership would be established for the purpose of undertaking a five year marketing program, primarily developed and implemented by the corporation. The authority would direct the division to enter into the partnership, if it division exists at the time of the agreement. The partnership would be for a term of five years and may be extended. The partnership agreement would provide that a corporation member would contribute to the corporation in proportion to it's gross revenues generated in the preceding fiscal year and that, prior to 2012, the corporation members would have contributed collectively \$5 million to the marketing program or for the support of the tourism district, pursuant to terms of the agreement. The total amount to be assessed collectively upon all casino licensees would be equal to \$30 million for each calendar year, beginning in 2012, or upon commencement of the agreement, but may be increased under the agreement. Contributions would be allocated for the support of the marketing program. Any funds not utilized for the marketing program would be allocated to the CRDA in support of the tourism district. The CRDA or division would assess fees upon licensees not making contributions to the corporation and such fees would be allocated to the corporation. If, one year after the bill's effective date, the corporation does not exist or is unable to perform its obligations under the agreement, or upon termination of the agreement, the CRDA would assess a fee payable casino licensees for the State fiscal year in proportion to the casino licensee's gross revenues generated in the State fiscal year preceding the assessment for no less than \$30 million for each State fiscal year. Moneys derived from the fees would be used exclusively for the tourism district.

The substitute bill directs the Division of Gaming Enforcement in the Department of Law and Public Safety to determine the amount of cost savings effected by the reduction in fees paid by casino licensees pursuant to revisions to law concerning regulation of the casino industry, and provide that such amount shall be paid annually to the CRDA for five State fiscal years, or until a total of \$30 million is allocated to the augmentation of horse racing purses, whichever comes first (this bill does not revise law concerning regulation of the casino industry which would reduce fees payable by casino licensees). The CRDA is directed to, in the first State fiscal year in which the bill's provisions are enacted, allocate \$15 million to the augmentation of purses; \$10 million in the year commencing after the bill's enactment to that purpose and \$5 million for that purpose in the second fiscal year, but if a tax is authorized by law to be collected from revenues generated by Internet wagering, such funds would only be collected to offset any deficiency in the amount required to allocate, from revenue generated by a tax on Internet wagering, the amounts described above. If Internet wagering is not authorized by law during the State fiscal years for which moneys from the savings described herein would be collected, and moneys collected from casino licensees are insufficient

to cover the amounts to be allocated in those three State fiscal years, the authority shall allocate from collections made in subsequent years to cover the deficiency of any previous State fiscal year. Any remaining funds retained by the authority in those five State fiscal years would be allocated to the support of the tourism district.

The substitute bill provides that any resolution adopted by the city to establish a program of municipal financial assistance to support a development or redevelopment project located within the tourism district shall require the approval of the authority. If such resolution shall receive the approval of the authority, then the program may be implemented by the mayor without the adoption of any municipal ordinance and such program shall not be subject to repeal or suspension by voter initiative.

Finally, the substitute bill directs the authority to allocate the first \$30 million annually for each State fiscal year for a period of no more than the first five State fiscal years commencing after the tax is authorized by law to be collected from revenues generated by Internet wagering to the New Jersey Racing Commission to be used for the benefit of the horse racing industry in New Jersey through the augmentation of purses, but the use of those funds for that purpose would cease one State fiscal year after wagering on sports events is implemented in this State. If amounts collected are less than \$15 million for the State fiscal year in which the bill is enacted; or \$10 million for the subsequent State fiscal year; or \$5 million for the second State fiscal year after the bill's enactment, the authority would allocate moneys provided to it through fees assessed on casino licensees in relation to savings realized as a result of revisions to law concerning casino regulations. Amounts collected in excess of \$30 million would be allocated to the support of the tourism district.

ASSEMBLY BUDGET COMMITTEE

STATEMENT TO

ASSEMBLY COMMITTEE SUBSTITUTE

ASSEMBLY, No. 3581

STATE OF NEW JERSEY

DATED: DECEMBER 16, 2010

The Assembly Budget Committee reports favorably Assembly Bill No. 3581 (ACS).

Assembly Bill No. 3581 (ACS) directs the Casino Reinvestment Development Authority (“CRDA”) to establish, by resolution, the Atlantic City Tourism District (“tourism district”) within Atlantic City, Atlantic County.

The tourism district would be an area in which the CRDA would have authority to impose land use regulations, implement a tourism district master plan promoting cleanliness, commercial development, and safety, undertake redevelopment projects, and institute public safety infrastructure improvements.

This bill requires or authorizes the Casino Reinvestment Development Authority (“authority”), in implementing the purposes of this bill, to: coordinate and collaborate with Atlantic City (“city”) concerning code enforcement and administrative activities related to the tourism district master plan to be implemented by the authority; coordinate with the city’s police department regarding law enforcement in the tourism district; and institute and enforce fines. The bill concerns the agreement between the authority and the not-for-profit corporation and the allocation of funds to be made by the authority in support of the racing industry in New Jersey.

The authority will coordinate and collaborate with the city concerning code enforcement and administrative duties relating to the implementation of the tourism district master plan. If the city is unable assist the authority, the authority may request the Department of Community Affairs to assert jurisdiction over the city with respect to code enforcement and administrative operations to provide that the authority receive proper assistance.

The authority may issue fines for violation of construction codes, development and design guidelines, and land use regulations established in furtherance of the master plan. Such fines may be converted into liens against real property of violating owners, which, if not paid in full within 20 days of its imposition, would become part of the owner’s property tax assessment.

The authority is to conduct, two years after the adoption of the tourism district master plan, a formal evaluation of the plan to assess the functionality of its implementation. The authority will be authorized to make changes to the allocation of resources and personnel under its control to improve the functionality of the authority's implementation of the master plan.

This bill is identical to Senate Bill No. 11 (2R).

FISCAL IMPACT:

The bill directs the Division of Gaming Enforcement in the Department of Law and Public Safety to determine the amount of cost savings affected by the reduction in fees paid by casino licensees pursuant to revisions to law concerning regulation of the casino industry, and provide that such amount shall be paid annually to the CRDA for five State fiscal years, or until a total of \$30 million is allocated to the augmentation of horse racing purses, whichever comes first (this bill does not revise law concerning regulation of the casino industry which would reduce fees payable by casino licensees). The CRDA is directed to, in the first State fiscal year in which the bill's provisions are enacted, allocate \$15 million to the augmentation of purses; \$10 million in the year commencing after the bill's enactment to that purpose and \$5 million for that purpose in the second fiscal year, but if a tax is authorized by law to be collected from revenues generated by Internet wagering, such funds would only be collected to offset any deficiency in the amount required to allocate, from revenue generated by a tax on Internet wagering, the amounts described above. If Internet wagering is not authorized by law during the State fiscal years for which moneys from the savings described herein would be collected, and moneys collected from casino licensees are insufficient to cover the amounts to be allocated in those three State fiscal years, the authority shall allocate from collections made in subsequent years to cover the deficiency of any previous State fiscal year. Any remaining funds retained by the authority in those five State fiscal years would be allocated to the support of the tourism district.

The bill directs the authority to allocate the first \$30 million annually for each State fiscal year for a period of no more than the first five State fiscal years commencing after the tax is authorized by law to be collected from revenues generated by Internet wagering to the New Jersey Racing Commission to be used for the benefit of the horse racing industry in New Jersey through the augmentation of purses, but the use of those funds for that purpose would cease one State fiscal year after wagering on sports events is implemented in this State. If amounts collected are less than \$15 million for the State fiscal year in which the bill is enacted; or \$10 million for the subsequent State fiscal year; or \$5 million for the second State fiscal year after the bill's enactment, the authority would allocate moneys provided to it through fees assessed on casino licensees in relation to savings realized as a

result of revisions to law concerning casino regulations. Amounts collected in excess of \$30 million would be allocated to the support of the tourism district.

LEGISLATIVE FISCAL ESTIMATE
ASSEMBLY COMMITTEE SUBSTITUTE FOR
ASSEMBLY, No. 3581
STATE OF NEW JERSEY
214th LEGISLATURE

DATED: JANUARY 5, 2011

SUMMARY

- Synopsis:** Directs establishment of Atlantic City Tourism District; broadens powers and duties of CRDA; transfers Atlantic City Convention and Visitors Authority and its functions to CRDA.
- Type of Impact:** Possible increase in State expenditures.
- Agencies Affected:** Casino Reinvestment Development Authority, Department of Law and Public Safety, Department of Community Affairs, New Jersey Sports and Exposition Authority, New Jersey Racing Commission, South Jersey Transportation Authority, Atlantic City, Atlantic City Convention and Visitors Authority, Atlantic County

Office of Legislative Services Estimate

Fiscal Impact	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
State Cost	Indeterminate – See comments below		

- The Office of Legislative Services (OLS) cannot quantify the fiscal impact of this bill due to the lack of available information on the costs that will be incurred by the State, and the total amount of revenue that would be realized with the establishment of the Atlantic City Tourism District.
- It is possible the State would incur some costs relating to the establishment, development, administration, and regulation of the tourism district.
- Beginning 2012, the total amount that would be assessed upon all casino licensees would be at least \$30 million for the support of a marketing program and the tourism district.
- The bill directs the Casino Reinvestment Development Authority (CRDA) to solicit private funds to support the tourism district and enter into public-private partnerships.

BILL DESCRIPTION

Assembly Committee Substitute for Assembly Bill No. 3581 of 2010 directs the CRDA to establish, by resolution, the Atlantic City Tourism District (“tourism district”) within Atlantic City, Atlantic County. The tourism district would be an area in which the CRDA would have authority to impose land use regulations, implement a tourism district master plan promoting cleanliness, commercial development, and safety, undertake redevelopment projects, and institute public safety infrastructure improvements. The tourism district would encompass the casinos, casino hotels and appurtenant property, the area encompassing the Atlantic City Special Improvement District, any property under the ownership or control of the CRDA, any property under the ownership or control of the Atlantic City Convention and Visitors Authority (“ACCVA”), property within Atlantic City that is under the ownership or control of the New Jersey Sports and Exposition Authority prior to the transfer of the ACCVA to the CRDA as provided in the bill, any part of the property consisting of the Atlantic City convention center project, including the Atlantic City Convention Center and Boardwalk Hall, and any specified parts of Atlantic City which the CRDA finds by resolution to be an area in which the majority of entities are engaged primarily in the tourism trade.

The CRDA is given extensive powers to redevelop and manage the tourism district. Among these are the powers to:

(1) authorize or deny, in conjunction with relevant State or local authorities as defined in the bill, road and highway projects within and approximate to the tourism district and establish regulations concerning control and direction of traffic within the tourism district;

(2) adopt development and design guidelines and land use regulations which would supersede guidelines and regulations of Atlantic City and Atlantic County with respect to the tourism district and impose fines for deviation from such guidelines and regulations; and

(3) undertake redevelopment projects and oversee implementation of the tourism district master plan.

In developing the tourism district master plan, the CRDA would be required to place special emphasis upon the following:

(1) making use of marina facilities in a way that increases economic activity and development of the Marina District;

(2) development of the Boardwalk area and nongaming, family centered tourism related activities such as amusement parks; and

(3) the facilitation, with minimal government direction, of the investment of private capital in the tourism district in a manner that promotes economic development.

The bill directs that the ACCVA would be transferred to and become a division of the CRDA, to be known as the Convention Center Division (“division”). The division would retain the functions, organizational structure, and operations of the ACCVA. ACCVA employees would be retained as employees of the division.

The bill directs the authority to coordinate and collaborate with Atlantic City for the purpose of assisting the authority with code enforcement and administrative duties relating to the implementation of the tourism district master plan. If the city does not provide the CRDA with such assistance, the CRDA is authorized to request that the Department of Community Affairs assert jurisdiction over city operations involving the provision of such assistance.

The Superintendent of State Police is directed to coordinate with the Chief of Police of the city of Atlantic City to establish, within the Atlantic City Police Department, the Tourism District Division which would be headquartered in the Boardwalk area. The division’s responsibilities would include the establishment of law enforcement policy and strategy within the district and evaluation of criminal activities and threats throughout the city which may affect

the district. The superintendent would appoint a Division Commander who would be retained as an employee of the Department of Law and Public Safety. The Chief of Police of the city of Atlantic City would manage the day-to-day operations of the division.

The bill directs the CRDA to enter into a public-private partnership with a not-for-profit corporation consisting of a majority of New Jersey casino licensees whose investors have invested a minimum of \$1 billion in Atlantic City. The partnership would be established for the purpose of undertaking a five year marketing program, primarily developed and implemented by the corporation. The authority would direct the division to enter into the partnership, if the division exists at the time of the agreement. The partnership would be for a term of five years and may be extended. The partnership agreement would provide that a corporation member would contribute to the corporation in proportion to its gross revenues generated in the preceding fiscal year and that, prior to 2012, the corporation members would have contributed collectively \$5 million to the marketing program or for the support of the tourism district, pursuant to terms of the agreement. The total amount to be assessed collectively upon all casino licensees would be equal to \$30 million for each calendar year, beginning in 2012, or upon commencement of the agreement, but may be increased under the agreement. Contributions would be allocated for the support of the marketing program. Any funds not utilized for the marketing program would be allocated to the CRDA in support of the tourism district. The CRDA or division would assess fees upon licensees not making contributions to the corporation and such fees would be allocated to the corporation. If, one year after the bill's effective date, the corporation does not exist or is unable to perform its obligations under the agreement, or upon termination of the agreement, the CRDA would assess a fee payable by casino licensees for the State fiscal year in proportion to the casino licensee's gross revenues generated in the State fiscal year preceding the assessment for no less than \$30 million for each State fiscal year. Moneys derived from the fees would be used exclusively for the tourism district.

The bill directs the Division of Gaming Enforcement in the Department of Law and Public Safety to determine the amount of cost savings effected by the reduction in fees paid by casino licensees pursuant to revisions to law concerning regulation of the casino industry, and provide that such amount shall be paid annually to the CRDA for five State fiscal years, or until a total of \$30 million is allocated to the augmentation of horse racing purses, whichever comes first. The bill itself does not revise the law concerning regulation of the casino industry to reduce fees payable by casino licensees. The CRDA is directed to, in the first State fiscal year in which the bill's provisions are enacted, allocate \$15 million to the augmentation of purses; \$10 million in the year commencing after the bill's enactment to that purpose and \$5 million for that purpose in the second fiscal year, but if a tax is authorized by law to be collected from revenues generated by Internet wagering, the revenue from the savings that casinos realize through changes in regulation would only be collected to offset any deficiency in the amount required to allocate, from revenue generated by a tax on Internet wagering, the amounts described above. If Internet wagering is not authorized by law during the State fiscal years for which moneys from the savings described herein would be collected, and moneys collected from casino licensees are insufficient to cover the amounts to be allocated in those three State fiscal years, the authority shall allocate from collections made in subsequent years to cover the deficiency of any previous State fiscal year. Any remaining funds retained by the authority in those five State fiscal years would be allocated to the support of the tourism district.

Finally, the bill directs the authority to allocate the first \$30 million annually for each State fiscal year for a period of no more than the first five State fiscal years commencing after the tax is authorized by law to be collected from revenues generated by Internet wagering to the New Jersey Racing Commission to be used for the benefit of the horse racing industry in New Jersey through the augmentation of purses, but the use of those funds for that purpose would cease one

State fiscal year after wagering on sports events is implemented in this State. If amounts collected are less than \$15 million for the State fiscal year in which the bill is enacted; or \$10 million for the subsequent State fiscal year; or \$5 million for the second State fiscal year after the bill's enactment, the authority would allocate moneys provided to it through fees assessed on casino licensees in relation to savings realized as a result of revisions to law concerning casino regulations. Amounts collected in excess of \$30 million would be allocated to the support of the tourism district.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS cannot quantify the fiscal impact of several of the provisions of this bill, but provides the comments below.

This bill imposes various responsibilities, and the costs associated with carrying out those responsibilities, on the State, the CRDA, and the City of Atlantic City. The bill provides in part for recovery of those costs from the casino industry.

State. *Department of Law and Public Safety.* The bill requires the Department of Law and Public Safety to fund the costs associated with the employment of the commander of the Tourism District Division to be established within the Atlantic City Police Department (sec. 7, subsec. a.). While it is not possible to project the amount of the annual salary payable to that position in advance of its establishment, that salary would be payable from the General Fund and is likely to exceed \$100,000, but presumably would not exceed the annual salary of the Superintendent of the State Police (most recently reported to be \$132,000). Fringe benefit costs (estimated by the Office of Management and Budget at 36 percent for FY2011) would further increase the cost of funding the position.

Department of Community Affairs. The bill provides for assumption by the New Jersey Department of Community Affairs of jurisdiction over Atlantic City code enforcement and administrative agencies if needed to ensure collaboration with the CRDA in its implementation of the tourism district master plan. The State could incur significant ongoing costs for so long as the Department of Community Affairs retained such jurisdiction.

Division of Gaming Enforcement. The costs incurred by the Division of Gaming Enforcement to perform an analysis of the casinos' savings from the reduction of fees are expected to be minimal and absorbable by the division.

CRDA. The cost of the five-year marketing program to promote Atlantic City and the tourism district to investors and visitors (sec. 6 of the bill) will be funded out of assessments collected (either by the nonprofit corporation that is to develop and implement the program or by the CRDA itself) from casino licensees, and those assessments can be increased above the annual \$30 million level initially established under the bill if necessary to cover the program. Funding for the three-year purse supplement subsidy program will derive from either the casinos' regulation-related savings recovered by the CRDA (sec. 8) or the revenue from taxation of Internet wagering (sec. 10), but the availability of either or both of these resources rests on the enactment of separate legislation.

The OLS has no information upon which to base an estimate of the CRDA's operating costs of establishing, developing, administering, and regulating the Atlantic City Tourism District,

and the associated transfer of the Atlantic City Special Improvement District, ACCVA, and other properties to the CRDA, as the exact scope of these responsibilities will depend on the decisions of CRDA concerning its redevelopment policy for the tourism district. The OLS notes that the bill's provision for the general assessment upon casinos authorizes that assessment to be increased "for the support of the tourism district," and that moneys collected to fund the marketing program and the purse supplement subsidy program are, to the extent not used for the cost of those respective programs, to be allocated by the authority for the support of the tourism district.

With respect to the transfer of the ACCVA to the CRDA, the OLS notes that under P.L.2008, c.47, ownership of the Atlantic City Convention Center was to be transferred from the New Jersey Sports and Exposition Authority (NJSEA) to the ACCVA upon consent of the holders of NJSEA bonds issued to finance construction of the convention center. In recent years, the State has subsidized the NJSEA's debt service obligation on the bonds in the amount of roughly \$15 million annually. The OLS has been informed that recently, the bondholder consent has been obtained, so that the convention center asset is or may soon be available for inclusion with other ACCVA properties in the transfer of the convention center authority to the CRDA. Senate Bill No. 11 (2R) of 2010 does not affect the obligation of the State under its contract with the NJSEA to provide the debt service subsidy, and that obligation will therefore presumably continue for so long as the NJSEA's convention center-related bonds remain outstanding.

Atlantic City. The city of Atlantic City will be responsible for funding the Tourism District Division within its police department, except for the cost of compensation for the Division Commander. The extent to which the city's policing costs increase (if at all) as a result of the creation of the Division will depend upon the absorption into the force of officers previously laid off from the department and the recruitment of new officers to the department to replace those transferred to the Division.

Section: Authorities, Utilities, Transportation and Communications

*Analyst: Joseph A. Hroncich
Associate 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.).

STATEMENT TO

**ASSEMBLY COMMITTEE SUBSTITUTE FOR
ASSEMBLY, No. 3581**

with Assembly Floor Amendments
(Proposed by Assemblyman BURZICHELLI)

ADOPTED: JANUARY 6, 2011

These Assembly floor amendments amend the Assembly Committee Substitute for Assembly Bill No. 3581 to revise the provision of the bill which directs the authority to allocate money to the augmentation of horse racing purses from revenues generated by a tax on Internet wagering. The amendments change the initial year of that allocation from the first State fiscal year after revenues derived from the tax is authorized by law to be collected, to the State fiscal year in which such an authorization occurs.

The amendments revise the bill to clarify that amounts allocated to the authority for the support of the tourism district, resulting from the requirement that those amounts be collected to offset any deficiency in the minimum amounts of \$15 million for the State fiscal year in which the bill is enacted; \$10 million for the following year; and \$5 million for the year after that, of the amount to be allocated from revenues derived from a tax on Internet wagering, are those amounts in excess of that minimum.

In addition, the amendments make certain technical and editorial revisions to the bill.



Governor Christie Signs Landmark Legislation to Revitalize Atlantic City

Tuesday, February 1, 2011 Tags: [Jobs and the Economy](#)

Trenton, NJ - Today, Governor Chris Christie signed into law sweeping legislation to enact his reform plans to revitalize the ailing gaming and tourism industries in Atlantic City, and set the region on a new course for economic growth, job creation and prosperity. Recognizing the significance and importance of Atlantic City's regional economy to the state as a whole, Governor Christie put forward a comprehensive, bold reform plan in July aimed at turning around the deep and unprecedented challenges facing Atlantic City's gaming and tourism industries.

The bills signed by Governor Christie today, S-11 and S-12, represent critical steps in following through on his commitment to the tens of thousands of New Jersey families whose livelihoods depend on the regional economy, and will set the stage for Atlantic City to once again be a world-class destination resort and an engine of job creation and economic growth. S-11 authorizes the creation of a tourism district within Atlantic City, with the charge of improving public safety, public health, marketing and infrastructure projects and improvements; S-12 provides for the reform and modernization of New Jersey's casino regulatory structure.

"The challenges faced today by the Atlantic City tourism and gaming industries have been a long time in the making, and significant steps are needed to stop the decline and set a new course of economic growth, job creation and return Atlantic City to the ranks of the best destinations in the world. But, it can and must be done for the economic health of New Jersey as a whole," said Governor Christie. "Since we announced our plan for reform just over six months ago, we have already taken steps to secure that future – to stabilize the City's finances and create jobs through new business investment. Today, we are going much further to signal to businesses, to the public and to the people who call Atlantic City home that a new, brighter and more prosperous future is coming again."

The signing took place at the site of the Revel casino resort, a 53-story, 6.3 million square foot, 3,800 room hotel and casino that, upon completion, will be the biggest such property in Atlantic City. Governor Christie also announced the approval of \$260 million in tax-increment financing by the New Jersey Economic Development Authority that will support much needed infrastructure improvements in the South Inlet neighborhood adjacent to the Revel development and pave the way for completion of the \$2.8 billion project and thousands of new jobs. The project estimates the creation of 5,500 permanent jobs, 2,600 construction jobs, 1,100 manufacturing jobs, 400 vendor/supplies jobs and 250 professional/consulting jobs. Along with job creation associated with ancillary utility and infrastructure improvement projects, total job creation for the Revel project is estimated at more than 10,000 jobs.

The New Jersey Economic Development Authority also today approved a new policy requiring as a condition of any tax increment financing package of \$50 million or more, including the Revel financing approved today, that the state receive success reimbursement payments from the project commensurate with the extent of state financial participation.

S-11 implements several critical elements of Governor Christie's revitalization plan for Atlantic City. The bill authorizes the Casino Reinvestment Development Authority (CRDA) to establish a tourism district within Atlantic City. Within the territorial limits of the tourism district, CRDA will be authorized to establish land use regulations, implement a tourism district master plan, promote public health and safety initiatives, advance commercial development, undertake redevelopment projects and institute infrastructure improvements. The bill also provides for the merger of the Atlantic City Convention and Visitors Authority into CRDA. CRDA will also enter into a public-private partnership with a not-for-profit consisting of a majority of New Jersey casino licensees, through which they will commit funds totaling \$30 million annually for the development and implementation of a marketing program aimed at promoting Atlantic City. In October, the Casino Association of New Jersey announced the formation of such a non-profit and the commitment of the casino industry to contribute at least \$30 million annually to promote Atlantic City and support the tourism district.

S-11 directs the Attorney General and Superintendent of State Police, in consultation with the Mayor of Atlantic City and municipal law enforcement officials, to develop a public safety plan for Atlantic City to be implemented by a District Commander appointed by the Superintendent. The plan will include the development of law enforcement best practices, the procurement and deployment of new technology and equipment, and the development and implementation of a coordinated law enforcement strategy to address public safety concerns both inside and outside of the tourism district.

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S-12 reforms the state's regulatory structure for casinos by modernizing, streamlining, and eliminating duplication in the regulatory statutes, many of which were authored more than 30 years ago. Under the bill, the Casino Control Commission (CCC) is assigned the lead role in initial casino licensing matters as well as in adjudicating regulatory disputes. The Division of Gaming Enforcement (DGE) is charged with focusing on the day-to-day regulation of all casino operations. These changes move away from the duplicative and overlapping investigative, oversight, and regulatory functions previously held by the two-bodies and creates a more well-defined system of regulatory authority by the entities.

In addition, S-12 accounts for the significant technological advancements that have taken place since the inception of the regulatory statute by eliminating the current requirement that the Casino Control Commission be continuously present, through inspectors and agents, at all times during the operation of a casino. The bill provides for registration as opposed to licensure of certain casino-related employees and removes certain periodic license renewal requirements. The bill would, however, add a requirement for designated information to be provided periodically by licensees to the CCC and DGE in order to verify ongoing compliance with all legal requirements.

Finally, the bill makes various other changes to state law to remove impediments to efficient and productive casino operations and provide additional flexibility in their operation.

On July 21st, Governor Christie welcomed and endorsed the recommendations of the New Jersey Gaming, Sports and Entertainment Advisory Commission chaired by Jon F. Hanson. The actions taken today fulfill many of the goals outlined in that report, and move forward Governor Christie's commitment to ensuring the growth and success of Atlantic City's economy, and the state's gaming and tourism industries.

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