

40:52-7 and 40:52-8

LEGISLATIVE HISTORY CHECKLIST

(Municipal licensing fees--allow special assessment for promotion of tourist trade)

NJSA 40:52-7 and 40:52-8, 40:54C-1 to 40:54C-5

LAWS 1982

CHAPTER 68

Bill No. A1153

Sponsor(s) Muziani

Date Introduced March 15, 1982

Committee: Assembly Municipal Government

Senate County and Municipal Government

Amended during passage Yes

~~XXX~~ Substituted for S1198 (not attached since substantially similar to A1153)

Date of Passage: Assembly May 20, 1982

Senate June 10, 1982

Date of approval July 13, 1982

Following statements are attached if available:

Sponsor statement Yes ~~XXX~~

Committee Statement: Assembly Yes ~~XXX~~

Senate Yes ~~XXX~~

Fiscal Note Yes ~~XXX~~ No

Veto Message Yes ~~XXX~~ No

Message on signing Yes ~~XXX~~ No

Following were printed:

Reports Yes ~~XXX~~ No

Hearings Yes ~~XXX~~ No

6/22/81

7-13-82

[SECOND OFFICIAL COPY REPRINT]

ASSEMBLY, No. 1153

STATE OF NEW JERSEY

INTRODUCED MARCH 15, 1982

By Assemblyman MUZIANI

Referred to Committee on Municipal Government

AN ACT concerning municipal licensing fees and supplementing
Title 40 of the Revised Statutes.

1 BE IT ENACTED *by the Senate and General Assembly of the State*
2 *of New Jersey:*

1 1. The governing body of any municipality is ****[*bordering on**
2 *the Atlantic ocean, except a city which has adopted an ordinance*
3 *authorized by P. L. 1947, c. 71 (C. 40:48-8.15 et seq.),*] authorized
4 to enact an ordinance or ordinances imposing an additional assess-
5 ment to any fee imposed upon a license issued by the municipality
6 pursuant to **P. L. 1959, c. 109 (C. 5:8-100 et seq.)** R. S. 40:52-1
7 or R. S. 33:1-19. The additional assessment shall be imposed at the
8 rate as shall be determined by the governing body and set forth in
9 the ordinance ****[*but in no event shall the rate exceed 50% of the**
10 *license fee on which it is assessed] **** ****. *In no event shall the total*
11 *amount of the additional assessment imposed on any one license*
12 *exceed 50% of the license fee or \$50.00, whichever shall be less**.***

1 2. Every municipality adopting an ordinance or ordinances au-
2 thorized by section 1 of this act shall create a fund, which shall be
3 held by the commission created pursuant to section 3 of this act.
4 The fund shall be the exclusive repository of all revenues collected
5 by the municipality pursuant to the additional licensing assessment.
6 In no event shall moneys from any other source be allocated to the
7 fund. Revenues from the fund shall be disbursed to fulfill the pur-
8 pose expressed in section 5 **of this act** and are dedicated ****[*and**
9 *pledged]* ****** to that purpose exclusively.

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 printed in italics *thus* is new matter.

Matter enclosed in asterisks or stars has been adopted as follows:

*—Assembly committee amendments adopted May 3, 1982.

**—Senate committee amendments adopted June 3, 1982.

1 3. The governing body of any municipality enacting an ordinance
2 or ordinances authorized by section 1 of this act, shall by ordinance,
3 establish a "..... Tourist Development Commission,"
4 with all or any significant part of the name of the municipality
5 inserted. The commission shall constitute an agency and instru-
6 mentality of the municipality creating it. The commission shall
7 consist of five members who shall be appointed by resolution of
8 the governing body, one of whom shall be a representative of the
9 municipality and shall advise the governing body of the work of
10 the commission, the remaining four of whom shall be municipal
11 licensees **upon whom an additional assessment has been imposed*
12 *pursuant to section 1 of this act** or, if a license is issued in the
13 name of a corporation or partnership, their representative. The
14 commissioner representing the municipality shall serve at the
15 pleasure of the governing body. Except as provided in section 6
16 of this act, the terms of office of the remaining commissioners shall
17 be for 2 years, except that of the members first appointed, two shall
18 be appointed for terms of 1 year and two for terms of 2 years. A
19 vacancy on the commission occurring otherwise than by expiration
20 of term shall be filled for the unexpired term in the same manner
21 as the original appointment. The members shall serve without
22 compensation in performance of their duties as members of the
23 commission.

1 4. As soon as possible and in any event no later than 15 days
2 after its appointment, the commission shall organize and hold its
4 for the conduct of its business as it may deem necessary and ad-
3 first meeting, fix its hours and place of meeting, and adopt rules
5 visable. A majority of the members of **[said]** **the** commission
6 shall constitute a quorum for the transaction of business.

1 5. The commission shall have exclusive authority to **[appro-*
2 *priate and]** disburse all revenues allocated to the fund established
3 pursuant to section 2 of this act. It shall spend moneys from the
4 fund in the manner it deems advisable for the purpose of publicizing
5 and otherwise promoting the municipality it serves in order to
6 attract tourism. The purpose of this act shall be considered a public
7 purpose.

1 6. The commission shall keep records of its meetings, activities
2 and expenditures. At any time upon the request of the governing
3 body, and in no event less than once annually, the commission shall
4 make a report based on its records. The governing body shall
5 examine the report to determine whether all disbursements from
6 the fund have been made for the purpose stated in section 5 of this
7 act. If the governing body shall determine that disbursements

8 were not made pursuant to the stated purpose of this act, it may,
9 by resolution stating the reasons therefor, remove any or all mem-
10 bers of the commission.

1 7. Any commission created by this act in any municipality is
2 authorized to act jointly with any commission so created in any
3 other municipality, in furtherance of the purpose stated in section
4 5 of this act.

1 8. This act shall take effect immediately.

STATEMENT

The object of this bill is to create a fund to be used for promotion and publicity purposes by municipalities seeking the tourist trade. Revenues for the fund will be derived from a special assessment on municipal licensing fees. The general taxpayer will thereby be unaffected.

The fund is to be administered by a municipal tourist development commission to be made up of four representatives of the business community and one representative of the municipality. Municipalities electing to utilize the fund may act jointly.

11153 (1982)

ASSEMBLY MUNICIPAL GOVERNMENT COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1153

with Assembly committee amendments

STATE OF NEW JERSEY

DATED: MAY 3, 1982

Assembly Bill No. 1153, as received by the committee, would permit any municipality to establish and fund a commission to develop and stimulate local tourism.

The committee, at the sponsor's request, amended the bill to permit only municipalities bordering on the Atlantic ocean which have not imposed a local tax pursuant to the provisions of P. L. 1947, c. 71 (C. 40:48-8.15 et seq.) to establish and fund such commissions.

Under the provisions of the bill, the governing body of any eligible municipality may adopt an ordinance, or ordinances, to increase the local licensing fees it imposes pursuant to R. S. 33:1-19 and R. S. 40:52-1 by up to 50% in order to fund a local Tourist Development Commission. The fees which may be increased under the provisions of this bill include: alcoholic beverage licensing fees, local autobus licensing fees, taxi licensing fees, hotel, motel, boarding houses, campsite, and rooming house licensing fees, local real estate auctioneers or brokers licensing fees, and local licensing fees for stores, theatres, bowling alleys, pool halls and barber shops.

The moneys generated by such increases in local licensing fees are to be used by the local Tourist Development Commission. The commission, established by an ordinance of the governing body of the municipality, is to consist of five members appointed by a resolution of the governing body. Of the five members, one is to be a representative of the governing body, while the other four are to be local licensees (i.e., representatives of the local business community). The members are to serve without compensation. The licensee members are to serve for 2 year terms.

The commission is directed to use the moneys at its disposal to publicize and promote tourism in the municipality.

The bill specifically prohibits the allocation of any other moneys to the fund; only those moneys generated by the increase in licensing fees may be deposited in the fund.

At least once a year, or at the request of the governing body, the commission must report on its activities and disbursements. Should the governing body determine that the commission has no disbursed funds at its disposal for the purposes of publicizing and promoting tourism, it may, by resolution, remove any or all of the members of the commission.

The bill also permits the individual commissions established pursuant to this act to work in conjunction with one another if they so desire.

SENATE COUNTY AND MUNICIPAL
GOVERNMENT COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1153

with Senate committee amendments

STATE OF NEW JERSEY

DATED: JUNE 3, 1982

Assembly Bill No. 1153 would permit municipalities to establish Tourist Development Commissions, and to fund the operations of these commissions by increasing local licensing fees imposed under P. L. 1959, c. 109 (C. 5:8-100 et seq.), R. S. 40:52-1 or R. S. 33:1-19.

Under current statutory and common law, licenses are issued by a municipal governing body as a means of regulating various enterprises. It is generally held at common law that the purpose of licensing fees is to reimburse a public body for expenses incurred in regulating and providing services to such enterprises.

Under the provisions of this bill, the governing body of a municipality would levy an additional assessment—within certain limits—on existing licenses specifically for the purpose of funding a local Tourist Development Commission. The licensing fees covered by this bill would include: alcoholic beverage licensing fees, local autobus licensing fees, taxi licensing fees, hotel, motel, boarding house, campsite, and rooming house licensing fees, local real estate auctioneers' or brokers' licensing fees, and local licensing fees for stores, theatres, bowling alleys, pool halls and barber shops. The premise of the bill is that it is these enterprises which would benefit from the tourism promotional activities of the commission.

The Tourist Development Commission, to be established by ordinance, would consist of five members appointed pursuant to a resolution of the governing body. One member would be a representative of that governing body; the other four would be local business persons whose license fees would be increased under the provisions of the bill. The members would serve without compensation. The commission would use the moneys acquired through the additional licensing fees solely for the promotion of tourism.

The commission would be required to report on its activities to the municipal governing body at least once a year. The governing body could, by resolution, remove any or all members of the Commission for failing to disburse funds at their disposal to promote tourism.

The bill would allow the commission of any single municipality to engage in cooperative endeavors with commissions in other municipalities.

The bill, as amended, is identical to Senate Bill No. 1198, as amended by this committee. This bill was passed by the General Assembly on May 20, 1982, by a vote of 67-0. The Senate committee amendments make the provisions of the bill available to all municipalities in the State, not just to those bordering on the Atlantic ocean. The amendments also limit the maximum amount of assessment which could be imposed on any one license to 50% of the license fee or \$50.00, whichever is less. The Senate committee understands that the bill does not require a uniform fee on all licenses, but that the municipality may adopt a variable fee schedule imposing differing fees for different types of licenses, within the maximum set by the bill.
