

## LEGISLATIVE HISTORY CHECKLIST

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(Tourism--convention center)

NJSA: 40:54D-3

LAWS OF: 1997 CHAPTER: 273

BILL NO: S1683

SPONSOR(S): Cafiero and others

DATE INTRODUCED: November 7, 1996

COMMITTEE: ASSEMBLY: Senior Issues; Appropriations

SENATE: Budget

AMENDED DURING PASSAGE: Yes  
Fourth reprint enacted

DATE OF PASSAGE: ASSEMBLY: May 8, 1997 Re-enacted 12-18-97

SENATE: November 25, 1996 Re-enacted 12-11-97

DATE OF APPROVAL: December 24, 1997

## FOLLOWING STATEMENTS ARE ATTACHED IF AVAILABLE:

SPONSOR STATEMENT: Yes

COMMITTEE STATEMENT: ASSEMBLY: Yes 12-9-96 &amp; 3-20-97

SENATE: Yes

FISCAL NOTE: No

VETO MESSAGE: Yes

MESSAGE ON SIGNING: No

## FOLLOWING WERE PRINTED:

REPORTS: No

HEARINGS: No

KBP:pp

P.L. 1997, CHAPTER 273, *approved December 24, 1997*  
Senate, No. 1683 (*Fourth Reprint*)

1 AN ACT concerning <sup>4</sup>[the imposition of certain taxes on retail receipts  
2 for]<sup>4</sup> the funding <sup>4</sup>construction and operation<sup>4</sup> of the projects of  
3 certain tourism improvement and development authorities <sup>2</sup>and the  
4 <sup>4</sup>[membership and]<sup>4</sup> powers of those authorities<sup>2</sup> <sup>4</sup>and the powers  
5 and projects of the New Jersey Sports and Exposition Authority<sup>4</sup>,  
6 amending <sup>2</sup>and supplementing<sup>2</sup> P.L.1992, c.165 <sup>4</sup>, amending  
7 P.L.1971, c.137, amending P.L.1991, c.375<sup>4</sup> and supplementing  
8 P.L.1966, c.30.  
9

10 **BE IT ENACTED** by the Senate and General Assembly of the State  
11 of New Jersey:

12  
13 <sup>2</sup>1. Section 3 of P.L. 1992, c. 165 (C.40:54D-3) is amended to read  
14 as follows:

15 3. As used in this act:

16 "Authority" means a tourism improvement and development  
17 authority created pursuant to section 18 of this act, P.L.1992, c.165  
18 (C.40:54D-18).

19 "Bond" means any bond or note issued by an authority pursuant to  
20 the provisions of this act.

21 **["Commissioner" means the Commissioner of Commerce, Energy  
22 and Economic Development.]** <sup>4</sup>"Commissioner" means the  
23 Commissioner of the Department of Commerce and Economic  
24 Development.<sup>4</sup>

25 "Construction" means the planning, designing, construction,  
26 reconstruction, rehabilitation, replacement, repair, extension,  
27 enlargement, improvement and betterment of a project, and includes  
28 the demolition, clearance and removal of buildings or structures on

**EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and intended to be omitted in the law.**

**Matter underlined thus is new matter.**

**Matter enclosed in superscript numerals has been adopted as follows:**

<sup>1</sup> Senate SBA committee amendments adopted November 18, 1996.

<sup>2</sup> Assembly ASI committee amendments adopted December 9, 1996.

<sup>3</sup> Assembly AAP committee amendments adopted March 20, 1997.

<sup>4</sup> Senate amendments adopted in accordance with Governor's recommendations December 1, 1997.

1 land acquired, held, leased or used for a project.

2 "Convention center facility" means any convention hall or center or  
3 like structure or building, and shall include all facilities, including  
4 commercial, office, community service, parking facilities and all  
5 property rights, easements and interests, and other facilities  
6 constructed for the accommodation and entertainment of tourists and  
7 visitors, constructed in conjunction with a convention center facility  
8 and forming reasonable appurtenances thereto <sup>4</sup>but does not mean the  
9 Wildwood convention center facility as defined in this section<sup>4</sup>.

10 "Tourism project" means the convention center facility or [similar  
11 tourism improvement or development project] outdoor special events  
12 arena, or both, located in the territorial limits of the district, and any  
13 costs associated therewith <sup>4</sup>but does not mean the Wildwood  
14 convention center facility as defined in this section<sup>4</sup>.

15 "Cost" means all or any part of the expenses incurred in connection  
16 with the acquisition, construction and maintenance of any real  
17 property, lands, structures, real or personal property rights,  
18 rights-of-way, franchises, easements, and interests acquired or used for  
19 a project; any financing charges and reserves for the payment of  
20 principal and interest on bonds or notes; the expenses of engineering,  
21 appraisal, architectural, accounting, financial and legal services; and  
22 other expenses as may be necessary or incident to the acquisition,  
23 construction and maintenance of a project, the financing thereof and  
24 the placing of the project into operation.

25 "County" means a county of the sixth class.

26 ["Department" means the Department of Commerce, Energy and  
27 Economic Development.]

28 "Director" means the Director of the Division of Taxation in the  
29 Department of the Treasury.

30 "Fund" means a Reserve Fund created pursuant to section 13 of  
31 <sup>4</sup>[this act,]<sup>4</sup> P.L.1992, c.165 (C.40:54D-13).

32 "Outdoor special events arena" means a facility or structure for the  
33 holding outdoors of public events, entertainments, sporting events,  
34 concerts or similar activities, and shall include all facilities, property  
35 rights and interests, and all appurtenances reasonably related thereto,  
36 constructed for the accommodation and entertainment of tourists and  
37 visitors.

38 "Participant amusement" means a sporting activity or amusement  
39 the charge for which is exempt from taxation under the "Sales and Use  
40 Tax Act," P.L.1966, c.30 (C.54:32B-1 et seq.) by virtue of the  
41 participation of the patron in the activity or amusement, such as  
42 bowling alleys, swimming pools, water slides, miniature golf,  
43 boardwalk or carnival games and amusements, baseball batting cages,  
44 tennis courts, and fishing and sightseeing boats.

45 "Predominantly tourism related retail receipts" means:

46 a. The rent for every occupancy of a room or rooms in a hotel

1 subject to taxation pursuant to subsection (d) of section 3 of the "Sales  
2 and Use Tax Act," P.L.1966, c.30 (C.54:32B-3);

3 b. Receipts from the sale of food and drink in or by restaurants,  
4 taverns, or other establishments in the district, or by caterers,  
5 including in the amount of such receipt any cover, minimum,  
6 entertainment or other charge made to patrons or customers, subject  
7 to taxation pursuant to subsection (c) of section 3 of the "Sales and  
8 Use Tax Act," P.L.1966, c.30 (C.54:32B-3) but excluding receipts  
9 from sales of food and beverages sold through coin operated vending  
10 machines; and

11 c. Admissions charges to or the use of any place of amusement or  
12 of any roof garden, cabaret or similar place, subject to taxation  
13 pursuant to subsection (e) of section 3 of the "Sales and Use Tax Act,"  
14 P.L.1966, c.30 (C.54:32B-3).

15 "Purchaser" means any person purchasing or hiring property or  
16 services from another person, the receipts or charges from which are  
17 taxable by an ordinance authorized under <sup>4</sup>[this act,]<sup>4</sup> P.L.1992, c.165  
18 (C.40:54D-1 et seq.).

19 <sup>4</sup>"Sports authority" means the New Jersey Sports and Exposition  
20 Authority established pursuant to P.L.1971, c.137 (C.5:10-1 et seq.).<sup>4</sup>

21 "Tourism" means activities involved in providing and marketing  
22 services and products, including accommodations, for nonresidents  
23 and residents who travel to and in New Jersey for recreation and  
24 pleasure.

25 "Tourism development fee" means a fee imposed by ordinance  
26 pursuant to section 15 of <sup>4</sup>[this act,]<sup>4</sup> P.L.1992, c.165 (C.40:54D-15),  
27 within a tourism improvement and development district on:

28 a. Persons making sales of tangible personal property or services,  
29 the receipts from which are subject to the "Sales and Use Tax Act,"  
30 P.L.1966, c.30 (C.54:32B-1 et seq.), but which are not predominately  
31 tourism related retail receipts as defined in this section;

32 b. Persons making charges for participant amusements as defined  
33 in this section;

34 c. Persons operating businesses that charge for parking, garaging  
35 or storing of motor vehicles;

36 d. Persons maintaining or operating coin-operated vending  
37 machines within the district, for the machines within the district,  
38 regardless of the types of commodities sold through the machines; and

39 e. Persons making sales of tangible personal property or services,  
40 the receipts from which are subject to the "Sales and Use Tax Act,"  
41 P.L.1966, c.30 (C.54:32B-1 et seq.), and which are predominately  
42 tourism related retail receipts as defined in this section, but only to the  
43 extent that the amount of tax on those receipts collected in a year by  
44 the person is less than the amount of the tourism development fee for  
45 that year.

46 "Tourism improvement and development district" or "district"

1 means an area within two or more contiguous municipalities within a  
 2 county of the sixth class established pursuant to ordinance enacted by  
 3 those municipalities, for the purposes of promoting the acquisition,  
 4 construction, maintenance, operation and support of a tourism project,  
 5 and to devote the revenue and the proceeds from taxes upon  
 6 predominantly tourism related retail receipts and from tourism  
 7 development fees to the purposes as herein defined.

8 "Tourist industry" means the industry consisting of private and  
 9 public organizations which directly or indirectly provide services and  
 10 products to nonresidents and residents who travel to and in New  
 11 Jersey for recreation and pleasure.

12 "Vendor" means a person selling or hiring property or services to  
 13 another person, the receipts or charges from which are taxable by an  
 14 ordinance authorized under <sup>4</sup>[this act,]<sup>4</sup> P.L.1992, c.165 (C.40:54D-1  
 15 et seq.).<sup>2</sup>

16 <sup>4</sup>"Wildwood convention center facility" means the project  
 17 authorized by paragraph (12) of subsection a. of section 6 of  
 18 P.L.1971, c.137 (C.5:10-6).<sup>4</sup>  
 19 (cf: P.L.1992, c.165, s.3)

20

21 <sup>2</sup>[1.] <sup>2</sup> Section 4 of P.L.1992, c.165 (C.40:54D-4) is amended to  
 22 read as follows:

23 4. a. Two or more contiguous municipalities located in a county  
 24 of the sixth class may, by ordinances of a substantially similar nature,  
 25 create a tourism improvement and development district for the purpose  
 26 of increasing public revenue and to levy taxes upon predominantly  
 27 tourism related retail receipts at a rate not to exceed [2 percent] <sup>4</sup>[five  
 28 percent, until certification by the director pursuant to subsection e. of  
 29 section 9 of P.L.1992, c.165 (C.40:54D-9), and thereafter at a rate not  
 30 to exceed 4 percent<sup>2</sup>, until the first day of the third month following  
 31 the certification by the State Treasurer that all payments for bonds  
 32 issued pursuant to section 20 of P.L. , c. (C. ) (now pending  
 33 before the Legislature as this bill) have been made, and thereafter at a  
 34 rate not to exceed<sup>4</sup> 2 percent<sup>2</sup>, and to devote the proceeds therefrom  
 35 for the purposes herein described. <sup>3</sup>[<sup>2</sup>The ordinances shall provide that  
 36 to the extent that the revenues derived annually from the taxes so  
 37 levied in the district exceed \$6,250,000 in any year prior to  
 38 certification by the director pursuant to that subsection e., or  
 39 \$5,500,000 in any year thereafter, the excess revenues shall not be  
 40 used for the purposes of the district but shall be deposited in the State  
 41 General Fund to be used for general State purposes.]<sup>3</sup> Municipal  
 42 ordinances so adopted shall not affect which retail receipts are subject  
 43 to the "Sales and Use Tax Act."

44 <sup>4</sup>[A rate of tax in excess of 2 percent shall be permitted only in a  
 45 district in which each municipality that enters into the creation of the  
 46 district and each municipality entering the district after creation does

1 not impose a fee in excess of \$2 per day for general public access to  
2 the beaches located within those municipalities. If any of those  
3 municipalities creating the district or the municipalities entering the  
4 district after creation impose a fee in excess of \$2 per day for general  
5 public access to the beaches within those municipalities in any calendar  
6 year, the tax rate upon predominantly tourism related retail receipts  
7 within the district shall automatically be considered reduced to a rate  
8 of 2 percent and this rate shall be deemed effective as of the first day  
9 of the second month following a determination by the State Treasurer  
10 that a beach fee in any of the municipalities exceeded \$2 per day for  
11 general public access.<sup>2]</sup><sup>4</sup>

12 For the same purposes, the ordinances establishing the district shall  
13 also provide for the imposition of tourism development fees authorized  
14 pursuant to section 15 of <sup>4</sup>[this act,]<sup>4</sup> P.L.1992, c.165 (C.40:54D-15).  
15 The taxes on predominantly tourism related retail receipts and tourism  
16 development fees so imposed shall be uniform throughout the district.

17 b. Notwithstanding any other law to the contrary, ordinances so  
18 adopted shall not be subject to referenda, and shall not be altered or  
19 repealed, except by mutual action of all such municipalities <sup>4</sup>and then  
20 only upon the written approval of the State Treasurer and, so long as  
21 the sports authority shall own and be responsible for the construction  
22 and operation of the Wildwood convention center facility, upon the  
23 written approval of the sports authority<sup>4</sup>. Each municipality which  
24 enters into the creation of the district shall covenant that the  
25 ordinance<sup>2</sup>, or a condition imposed by statute that each municipality  
26 is required to meet,<sup>2</sup> shall not be altered or repealed in such manner as  
27 to affect any bonds or other obligations pertaining to projects within  
28 the district which are outstanding. <sup>4</sup>Any alteration or repeal, or  
29 attempted alteration or repeal, in violation of this subsection, whether  
30 before or after the effective date of P.L. \_\_\_\_\_, c. \_\_\_\_\_ (C. \_\_\_\_\_) (now  
31 pending before the Legislature as this bill) shall be null and void.<sup>4</sup>

32 c. The district shall comprise all territory within the boundaries of  
33 the municipalities which create or enter into the district.

34 d. A contiguous municipality located in a county of the sixth class  
35 may, by such an ordinance, and with the mutual consent of the  
36 governing bodies of the municipalities which created the district, enter  
37 into the district so created after the date of the district's creation.

38 e. A copy of an ordinance adopted pursuant to this section shall be  
39 transmitted upon adoption or amendment to the State Treasurer. An  
40 ordinance so adopted or any amendment thereto shall provide that the  
41 retail receipts tax provisions of the ordinance or any amendment to the  
42 retail receipts tax provisions shall take effect on the first day of the  
43 first full month occurring 90 days after the date of transmittal to the  
44 State Treasurer.

45 (cf: P.L.1992, c.165, s.4)

46

1       <sup>4</sup>[<sup>2</sup>[2.] 3.<sup>2</sup> Section 9 of P.L.1992, c.165 (C.40:54D-9) is amended  
2 to read as follows:

3       9. a. A vendor required to collect the tax upon predominantly  
4 tourism related retail receipts imposed pursuant to this act shall on or  
5 before the dates required pursuant to section 17 of P.L.1966, c.30  
6 (C.54:32B-17), forward to the director the tax collected in the  
7 preceding month and make and file a return for the preceding month  
8 with the director on any form and containing any information as the  
9 Director of the Division of Taxation in the Department of the Treasury  
10 shall prescribe by rule or regulation as necessary to determine liability  
11 for the tax in the preceding month during which the person was  
12 required to collect the tax.

13       b. The director may permit or require returns to be made covering  
14 other periods and upon any dates as the director may specify. In  
15 addition, the director may require payments of tax liability at any  
16 intervals and based upon any classifications as the director may  
17 designate. In prescribing any other periods to be covered by the return  
18 or intervals or classifications for payment of tax liability, the director  
19 may take into account the dollar volume of tax involved as well as the  
20 need for ensuring the prompt and orderly collection of the tax  
21 imposed.

22       c. The director may require amended returns to be filed within  
23 20 days after notice and to contain the information specified in the  
24 notice.

25       d. The director shall inform the authority for each month in which  
26 this tax is collected and returns made of the amount so collected in  
27 each month.

28       e. From the date that substantially similar amendments to  
29 municipal ordinances to increase the tax rate <sup>2</sup>in excess of a rate of 2  
30 percent<sup>2</sup> pursuant to P.L. \_\_\_\_\_, c. (C. \_\_\_\_\_) (now pending before the  
31 Legislature as this bill), take effect in all municipalities in the district,  
32 the director shall maintain a running total of the amounts collected  
33 under the tax until such month as 20 percent of the amount collected  
34 under the increased tax rate equals the total amount collected under  
35 the tax during the time the tax was levied at a 2 percent rate pursuant  
36 to P.L.1992, c.165 (C.40:54D-1 et seq.). The director shall, within 10  
37 days of the receipt of that amount of tax collected, certify to the  
38 governing body of each municipality in the district that such amount  
39 has been collected.

40 (cf: P.L.1992, c.165, s.9)]<sup>4</sup>

41

42       <sup>4</sup>3. Section 6 of P.L.1992, c.165 (C.40:54D-6) is amended to read  
43 as follows:

44       6. a. The director shall collect and administer any tax imposed  
45 pursuant to the provisions of [this act,] P.L.1992, c.165 (C.40:54D-1  
46 et seq.) notwithstanding the provisions of any other law or ordinance

1 to the contrary. In carrying out the provisions of [this act] P.L.1992,  
2 c.165 (C.40:54D-1 et seq.) the director shall have all the powers  
3 granted in P.L. 1996. c.30 (C.54:32B-1 et seq.).

4 b. The director shall determine and certify to the State Treasurer  
5 on a monthly basis the amount of revenues [payable to any authority  
6 operating ] collected in a district [for which a tax] on predominantly  
7 tourism related retail receipts [is imposed and collected by the  
8 director] pursuant to [this act,] P.L.1992, c.165 (C.40:54D-1 et seq.).  
9 The State Treasurer, upon the certification of the director and upon  
10 the warrant of the State Comptroller, shall pay and distribute on a  
11 monthly basis to the fund established pursuant to section 13 of [this  
12 act,] P.L.1992, c.165 (C.40:54D-13) the amount so determined and  
13 certified [unless those amounts are otherwise required to be placed in  
14 the reserve fund pursuant to this act].<sup>4</sup>  
15 (cf: P.L.1992, c.165, s.6)

16

17 <sup>4</sup>[<sup>24</sup>. Section 12 of P.L.1992, c.165 (C.40:54D-12) is amended to  
18 read as follows:

19 12. [All] Of the revenues collected annually by the director under  
20 an ordinance adopted and authorized pursuant to this act, P.L.199,  
21 c.165 (C.40:54D-1 et seq.), an amount not to exceed \$6,250,000 in  
22 any year prior to certification by the director pursuant to subsection  
23 e. of section 9 of P.L.1992, c.165 (C.40:54D-9), or \$5,500,000 in any  
24 year thereafter, after deduction of administrative costs as provided  
25 herein, shall be retained by the State Treasurer for deposit in the fund  
26 established pursuant to section 13 of this act, P.L.1992, c.165  
27 (C.40:54D-13), to be used and distributed according to the terms  
28 herein provided. Amounts collected in excess of such amounts shall  
29 not be deposited to the fund but shall be deposited in the State General  
30 Fund to be used for general State purposes.

31 The State Treasurer may deduct from amounts so retained prior to  
32 deposit in the fund an amount equal to that necessary to compensate  
33 the Department of the Treasury for costs actually incurred by that  
34 department in administering the provisions of this act. The State  
35 Treasurer shall annually provide the authority to which the fund  
36 pertains with a written account of the amounts so deducted and of the  
37 costs so incurred in the previous fiscal year. Amounts deducted by the  
38 State Treasurer shall be retained by the Department of the Treasury  
39 and used exclusively for costs so incurred.<sup>2</sup>  
40 (cf: P.L.1992, c.165, s.12)]<sup>4</sup>

41

42 <sup>44</sup>. Section 13 of P.L.1992, c.165 (C.40:54D-13) is amended to read  
43 as follows:

44 13. There is created for a tourism improvement and development  
45 district established pursuant to [this act,] P.L.1992, c.165 (C.40:54D-  
46 1 et seq.), a reserve fund to be held by the State Treasurer, but not to



1 exist in the State Treasury, to be the repository for monies paid to the  
2 State Treasurer pursuant to [this act,] P.L.1992, c.165 (C.40:54D-1  
3 et seq.), and disbursed as provided herein.<sup>4</sup>

4 (cf: P.L.1992, c.165, s.13)

5

6 <sup>2</sup>[13.] 5.<sup>2</sup> Section 14 of P.L.1992, c.165 (C. 40:54D-14) is  
7 amended to read as follows:

8 14. a. Until such time as the conditions set forth in subsection b.  
9 of this section are met, the revenues deposited by the State Treasurer  
10 in the fund shall be applied for the purposes of financing the provision,  
11 advertising, promotion, improvement and operation of the tourism  
12 project within the district, and the acquisition, maintenance, operation  
13 and support of the tourism project designated by the authority  
14 authorized to undertake those activities pursuant to section 18 of  
15 <sup>4</sup>[this act,]<sup>4</sup> P.L.1992, c.165 (C.40:54D-18)<sup>4</sup> [: provided however, that  
16 all funds derived from taxes upon predominantly tourism related retail  
17 receipts<sup>2</sup> [, to the extent that the revenues are derived from taxes  
18 imposed at rates in excess of 2 percent.]<sup>2</sup> shall be used solely for the  
19 costs of capital construction or for the issuance of bonds for the  
20 acquisition, construction, maintenance and operation of a capital  
21 construction project and the payment of interest and principal on such  
22 bonds<sup>2</sup>, except as provided for operating expenses of the authority in  
23 subsection b. of section 20 of P.L. \_\_\_\_\_, c. \_\_\_\_\_ (C. \_\_\_\_\_) (now  
24 pending before the Legislature as this bill)]<sup>2</sup><sup>4</sup>.

25 b. Commencing on that date which is the later of (1) July 1, 1993,  
26 or (2) six months prior to the first date on which any payment of  
27 principal or interest on any bonds or notes issued for, or any payment  
28 of rent under any lease entered into <sup>2</sup>[by the authority]<sup>2</sup> in connection  
29 with the acquisition, construction, reconstruction, maintenance,  
30 operation or support of a convention center facility or other tourism  
31 project to accomplish the purposes <sup>2</sup>[of the authority as]<sup>2</sup> set forth in  
32 section 21 of <sup>4</sup>[this act,]<sup>4</sup> P.L.1992, c.165 (C.40:54D-21), are  
33 required to be made from the revenues collected pursuant to section  
34 4 of <sup>4</sup>[this act,]<sup>4</sup> P.L.1992, c.165 (C.40:54D-4), the revenues  
35 thereafter retained by the State Treasurer pursuant to section 12 of  
36 <sup>4</sup>[this act,]<sup>4</sup> P.L.1992, c.165 (C.40:54D-12), shall be applied  
37 exclusively in accordance with the provisions of the resolution or  
38 resolutions authorizing the issuance of bonds <sup>2</sup>[ by the authority]<sup>2</sup> for  
39 that tourism project, to the payment of principal of and interest on  
40 bonds so issued, the maintenance of necessary reserves and the  
41 allocation of monies for future debt service payments. On that date  
42 which is the later date determined pursuant to paragraph 1 or 2 of this  
43 subsection, all monies then accumulated in the fund shall be removed  
44 by the State Treasurer and the proceeds, with the interest thereon,  
45 shall be used for any of the purposes set forth in subsection a. of this  
46 section.

1 c. <sup>2</sup>[ At the end of any full calendar year occurring after the date  
2 which is the later date determined pursuant to paragraph 1 or 2 of  
3 subsection b. of this section and after all payments coming due during  
4 that calendar year of principal and interest on authority bonds or notes  
5 issued for a tourism project have been made, and all obligations to the  
6 holders of those bonds have been met, including the maintenance of  
7 necessary reserves and the allocation of monies for future debt service  
8 payments, any balance remaining in the fund in that calendar year shall  
9 be applied to any deficiency between the operating expense budget and  
10 the anticipated operating revenues available for the following fiscal  
11 year to the entity operating the tourism project.]<sup>4</sup>~~[(Deleted by  
12 amendment, P.L. , c. (now pending before the Legislature as this  
13 bill).]<sup>2</sup>] At the end of any full calendar year occurring after the date  
14 which is the later date determined pursuant to paragraph 1 or 2 of  
15 subsection b. of this section and after all payments coming due during  
16 that calendar year of principal and interest on authority bonds or notes  
17 issued for a tourism project have been made, and all obligations to the  
18 holders of those bonds have been met, including the maintenance of  
19 necessary reserves and the allocation of monies for future debt service  
20 payments, any balance remaining in the fund in that calendar year shall  
21 be applied to any deficiency between the operating expense budget and  
22 the anticipated operating revenues available for the following fiscal  
23 year to the entity operating the tourism project.<sup>4</sup>~~

24 d. At the end of each full calendar year occurring after the date  
25 which is the later date determined pursuant to paragraph 1 or 2 of  
26 subsection b. of this section and after all payments for that year have  
27 been made from the fund pursuant to <sup>2</sup>[subsections b. and c. of] <sup>2</sup>  
28 <sup>4</sup>subsections b. and c. of<sup>4</sup> this section, any monies remaining in the  
29 fund in that calendar year shall be used for the purposes set forth in  
30 subsection a. of this section.

31 e. Pending application to the purposes for which monies deposited  
32 in the fund may be used, the monies in the fund shall be invested by the  
33 State Treasurer pursuant to applicable regulations prescribed for the  
34 investment of State monies. Any income received from these  
35 investments shall be added to the fund from which earned, and used  
36 only for the purposes of the fund.<sup>1</sup>

37 <sup>4</sup>f. Notwithstanding any other law to the contrary, subsections a.  
38 through d. of this section shall not apply to any authority in existence  
39 on July 1, 1997 for the period of time beginning on the effective date  
40 of P.L. , c. (C. )(now pending before the Legislature as  
41 this bill) and continuing thereafter until the 60th day following the date  
42 on which the State Treasurer certifies that all bonds or notes issued by  
43 the sports authority pursuant to section 12 of P.L.1991, c.375  
44 (C.5:10-14.3) and section 18 of P.L. c. (C. )(now pending  
45 before the Legislature as this bill) to finance the Wildwood convention  
46 center facility, together with interest thereon, have been fully met and

1 discharged or provided for. During such period of time all revenues  
2 from a district with an authority in existence on July 1, 1997 shall be  
3 deposited by the State Treasurer in the fund created pursuant to  
4 section 13 of P.L.1992, c.165 (C.40:54D-13) and shall be allocated as  
5 follows: 90 percent of the revenues shall be transferred by the State  
6 Treasurer to the sports authority for purposes in connection with the  
7 Wildwood convention center facility to be applied as set forth in  
8 subsection g. of section 6 of P.L.1971, c.137 (C.5:10-6) and the  
9 remaining 10 percent of the revenues shall be transferred by the State  
10 Treasurer to the Greater Wildwood Tourism Improvement  
11 Development Authority to be applied set forth in section 21 of  
12 P.L.1992, c.165 (C.40:54D-21).<sup>4</sup>  
13 (cf: P.L.1992, c.165, s.14)

14  
15 <sup>26.</sup> Section 18 of P.L.1992, c.165 (C.40:54D-18) is amended to  
16 read as follows:

17 18. a. Ordinances adopted to create a tourism improvement and  
18 development district pursuant to <sup>4</sup>[this act,]<sup>4</sup> P.L.1992, c.165  
19 (C.40:54D-1 et seq.) shall provide for the creation of a public body  
20 corporate and politic for the district, under the name and style of "the  
21 Tourism Improvement and Development Authority."

22 b. Copies of the ordinances for the creation of the authority or  
23 amendments thereof shall be filed in the office of the Secretary of State  
24 and in the office of the Division of Local Government Services in the  
25 Department of Community Affairs. A copy of the certified ordinance  
26 or amendment shall be admissible in evidence in any action or  
27 proceeding and shall be conclusive evidence of due and proper  
28 adoption and filing thereof. After filing in the office of the Secretary  
29 of State, a copy of the ordinance or amendment shall be published at  
30 least once in a newspaper published or circulating in the adopting  
31 municipalities, together with a notice stating the fact and date of its  
32 adoption and the date of first publication of the notice. If no action  
33 questioning the validity of the creation of the authority is commenced  
34 within 45 days after the first publication of the notice, then the  
35 authority shall be conclusively deemed to have been validly created  
36 and authorized to transact business and exercise powers pursuant to  
37 this act, P.L.1992, c.165 (C.40:54D-1 et seq.).

38 c. An authority so established shall be subject to the provisions of  
39 the "Local Authorities Fiscal Control Law," P.L.1983, c.313  
40 (C.40A:5A-1 et seq.), except that the creation of the authority shall  
41 not be subject to approval of the Local Finance Board in the  
42 Department of Community Affairs.<sup>2</sup>  
43 (cf: P.L.1992, c.165, s.18)

1       <sup>2</sup>7. Section 19 of P.L.1992, c.165 (C.40:54D-19) is amended to  
2 read as follows:

3       19. The governing bodies of the municipalities which created an  
4 authority pursuant to <sup>4</sup>[this act,]<sup>4</sup> P.L.1992, c.165 (C.40:54D-1 et  
5 seq.) may by ordinance, dissolve the authority pursuant to the "Local  
6 Authorities Fiscal Control Law," P.L.1983, c.313 (C.40A:5A-1 et  
7 seq.) except that <sup>4</sup>[the] any<sup>4</sup> authority <sup>4</sup>in existence on July 1, 1997,<sup>4</sup>  
8 shall not be dissolved prior <sup>4</sup>to<sup>4</sup> the date certified by the State  
9 Treasurer that all <sup>4</sup>[payments for]<sup>4</sup> bonds <sup>4</sup>or notes<sup>4</sup> issued by the  
10 <sup>4</sup>[State] sports<sup>4</sup> authority pursuant to section <sup>4</sup>[20] 12 of P.L.1991,  
11 c.375 (C.5:10-14.3) and section 18<sup>4</sup> of P.L. \_\_\_\_\_, c. \_\_\_\_\_  
12 (C. \_\_\_\_\_) (now pending before the Legislature as this bill) <sup>4</sup>[have  
13 been made.<sup>2</sup>] to finance the Wildwood convention center facility,  
14 together with interest thereon, have been full met and discharged or  
15 provided for. Any dissolution, or attempted dissolution, of any such  
16 authority in violation of this section, whether before or after the  
17 effective date of P.L. \_\_\_\_\_, c. \_\_\_\_\_ (C. \_\_\_\_\_)(now pending before  
18 the Legislature as this bill) shall be null and void.<sup>4</sup>  
19 (cf: P.L.1992, c.165, s.19)  
20

21       <sup>4</sup>[<sup>2</sup>8. Section 20 of P.L. 1992, c. 165 (C.40:54D-20) is amended to  
22 read as follows:

23       20. a. The authority shall consist of <sup>3</sup>[nine] eleven<sup>3</sup> members. After  
24 the expiration of the period of 45 days following the first publication  
25 of the creating ordinances or amendments to those ordinances adopted  
26 pursuant to P.L. \_\_\_\_\_, c. \_\_\_\_\_ (C. \_\_\_\_\_) (now pending before the  
27 Legislature as this bill), the governing body of each municipality  
28 joining in the creation of the tourism improvement and development  
29 district shall appoint the <sup>4</sup>[first] municipal members to the authority.  
30 Each municipality shall be entitled to appoint <sup>4</sup>[three members]one  
31 member to the authority. <sup>4</sup>[Two of the three members so appointed  
32 shall be owners, or employees of vendors, for whom a regular part of  
33 a dominant line of their business generates retail receipts subject to  
34 taxation or who are subject to payment of municipal fees pursuant to  
35 this act, P.L.1992, c.165 (C.40:54D-1 et seq.). The remaining member  
36 appointed by each municipality shall be a resident of the municipality  
37 who is not such an owner or employee of a vendor. No member shall  
38 hold any elective public office] The member shall be appointed by the  
39 mayor of the municipality, and may be the mayor or other officer of  
40 the municipality.

41       b. The [Commissioner of the Department of Commerce, Energy  
42 and Economic Development] State Treasurer <sup>3</sup>and the Director of the  
43 Division of Travel and Tourism in the Department of Commerce and  
44 Economic Development<sup>3</sup> shall be <sup>3</sup>[an]<sup>3</sup> ex officio <sup>3</sup>[member]  
45 members<sup>3</sup> of the authority.

46       c. The Governor shall appoint, with the advice and consent of the

1 Senate, <sup>3</sup>[five]six<sup>3</sup> members to the authority<sup>3</sup> [, at least two of whom  
2 shall be residents] as follows: three public members who shall each be  
3 a resident of a different municipality joining in the creation of the  
4 district; and three tourism business members who shall each be a  
5 resident of a different municipality joining in the creation<sup>3</sup> of the  
6 tourism improvement and development district <sup>3</sup>[who are owners, or  
7 employees of vendors] and be an owner, or an employee of a vendor<sup>3</sup>,  
8 for whom a regular part of a dominant line of <sup>3</sup>[their]<sup>3</sup> business  
9 generates retail receipts subject to taxation or who <sup>3</sup>[are] is<sup>3</sup> subject  
10 to payment of municipal <sup>3</sup>[fees] fee<sup>3</sup> pursuant to P.L.1992, c.165  
11 (C.40:54D-1 et seq.). No more than three of the members so  
12 appointed shall be members of the same political party.

13 d. The terms of office of all members of the authority serving on  
14 the effective date of P.L. , c. (C. ) (now pending before the  
15 Legislature as this bill) shall terminate 45 days following the  
16 publication of amendments to the creating ordinances adopted  
17 pursuant to P.L. , c. (C. ) as provided for in subsection a. of  
18 this section and, thereafter, the Governor and the municipalities within  
19 the district shall proceed to appoint members as provided by this  
20 section.

21 e. Each member of the authority shall serve for a term of <sup>3</sup>[four]  
22 three<sup>3</sup> years, except of the members initially appointed by the  
23 Governor, <sup>3</sup>[two] one public member and one tourism business  
24 member shall be appointed for a term of one year, one public member  
25 and one tourism business member<sup>3</sup> shall be appointed for a term of two  
26 years and [one] <sup>3</sup>[three] one public member and one tourism business  
27 member<sup>3</sup> shall be appointed for a term of <sup>3</sup>[four] three<sup>3</sup> years<sup>3</sup>, and of  
28 the members initially appointed by the municipalities, one municipality  
29 shall appoint for a term of one year, one for a term of two years and  
30 one for a term of three years, as shall be determined by agreement of  
31 the mayors of the municipalities or by rank in population of the  
32 municipalities from least to greatest<sup>3</sup>. Each member shall hold office  
33 for the term of the member's appointment and until the member's  
34 successor is appointed and qualified. A member shall be eligible for  
35 reappointment. A vacancy in the membership occurring other than by  
36 expiration of term shall be filled in the same manner as the original  
37 appointment but for the unexpired term only.

38 [d.]f. The [commissioner] State Treasurer may designate an  
39 employee of the [department] Department of the Treasury<sup>3</sup>, and the  
40 Director of the Division of Travel and Tourism may designate an  
41 employee of the division,<sup>3</sup> to represent the member at meetings of the  
42 authority. The designee of the member may lawfully vote and  
43 otherwise act on behalf of the member. The designation shall be made  
44 annually in writing and delivered to the authority and shall be effective  
45 until revoked or amended by written notice delivered to the authority.

46 [e.]g. <sup>3</sup>The Governor shall designate one of the Governor's

1 appointees to serve as chairman at the pleasure of the Governor.<sup>3</sup> The  
2 authority, upon the first appointment of its members and thereafter at  
3 the same time in each year, shall annually elect from among its  
4 members, <sup>3</sup>[a chairman and]<sup>3</sup> a vice-chairman who shall hold office  
5 until a successor is elected. The authority may also appoint and  
6 employ, without regard to the provisions of Title 11A of the New  
7 Jersey Statutes, an executive director and other agents and employees  
8 as the authority may require, and shall determine their qualifications,  
9 terms of office, duties and compensation thereof.

10 [f.]h. The powers of the authority shall be vested in the voting  
11 members thereof in office from time to time; a majority of the members  
12 of the authority shall constitute a quorum and the affirmative vote of  
13 a majority of the full membership shall be necessary for any action  
14 taken by the authority unless the bylaws of the authority shall require  
15 a larger number. No vacancy in the membership of the authority shall  
16 impair the right of a quorum to exercise all the rights and perform all  
17 the duties of the authority.

18 [g.] i. The members of the authority shall serve without  
19 compensation, but the authority may reimburse its members for actual  
20 and necessary expenses incurred in the discharge of their duties.

21 [h.] j. Each appointed member of the authority may be removed by  
22 the appointing authority for cause after a public hearing and may be  
23 suspended by the authority pending the completion of the hearing.  
24 Each member of the authority before entering upon the duties of office  
25 shall take and subscribe an oath to perform the duties of the office  
26 faithfully, impartially, prudently and justly to the best of the member's  
27 ability. A record of these oaths shall be filed in the office of the  
28 Secretary of State.

29 k. A true copy of the minutes of every meeting of the authority  
30 shall be forthwith delivered by and under the certification of the  
31 secretary thereof to the Governor. No action taken at the meeting by  
32 the authority shall take effect until 15 days after the copy of the  
33 minutes is so delivered unless during that 15 day period the Governor  
34 approves the same, in which case the action shall take effect upon that  
35 approval. If in that 15 day period, the Governor returns the copy of  
36 the minutes with veto of any action taken by the authority, that action  
37 shall be null and void.<sup>2</sup>

38 (cf: P.L.1992, c.165, s.20)]<sup>4</sup>

39

40 <sup>4</sup>8. Section 20 of P.L.1992, c.165 (C.40:54D-20) is amended to  
41 read as follows:

42 20. a. After the expiration of the period of 45 days following the  
43 first publication of the creating ordinances, the governing body of each  
44 municipality joining in the creation of the tourism improvement and  
45 development district shall appoint the first members to the authority.  
46 Each municipality shall be entitled to appoint three members to the

1 authority. Two of the three members so appointed shall be owners, or  
2 employees of vendors, for whom a regular part of a dominant line of  
3 their business generates retail receipts subject to taxation or who are  
4 subject to payment of municipal fees pursuant to [this act,] P.L. 1992,  
5 c. 165 (C.40:54D-1 et seq.). The remaining member appointed by  
6 each municipality shall be a resident of the municipality who is not  
7 such an owner or employee of a vendor. No member shall hold any  
8 elective public office.

9 b. The Commissioner of the Department of Commerce[, Energy]  
10 and Economic Development shall be an ex officio member of the  
11 authority.

12 c. Each member of the authority shall serve for a term of four  
13 years, except of the members initially appointed, two shall be  
14 appointed for a term of two years and one shall be appoint for a term  
15 of two years and one shall be appointed for a term of four years. Each  
16 member shall hold office for the term of the member's appointment and  
17 until the member's successor is appointed and qualified. A member  
18 shall be eligible for reappointment.

19 A vacancy in the membership occurring other than by expiration of  
20 term shall be filled in the same manner s the original appointment bu  
21 for the unexpired term only.

22 d. The Commissioner may designate an employee of the  
23 department to represent the member at meetings of the authority. The  
24 designee of the member may lawfully vote and otherwise act on behalf  
25 of the member.

26 The designation shall be made annually in writing and delivered to  
27 the authority and shall be effective until revoked or amended by  
28 written notice delivered to the authority.

29 e. The authority, upon the first appointment of its members and  
30 thereafter at the same time in each year, shall annually elect from  
31 among its members, a chairman and a vice-chairman who shall hold  
32 office until a successor is elected. The authority may also appoint and  
33 employ, without regard to the provisions of Title 11A of the New  
34 Jersey Statutes, an executive director and other agents and employees  
35 as the authority may require, and shall determine their qualifications,  
36 terms of office, duties and compensation thereof.

37 f. The powers of he authority shall be vested in the voting members  
38 thereof in office from time to time; a majority of the members of the  
39 authority shall constitute a quorum and the affirmative vote of a  
40 majority of the full membership shall be necessary for any action taken  
41 by the authority unless the bylaws of the authority shall require a  
42 larger number. No vacancy in the membership of the authority shall  
43 impair the right of a quorum to exercise all the rights and perform all  
44 the duties of the authority.

45 g. The members of the authority shall serve without compensation,  
46 but the authority may reimburse its members for actual and necessary

1 expenses incurred in the discharge of their duties.

2 h. Each appointed member of the authority may be removed by the  
3 appointing authority for cause after a public hearing and may be  
4 suspended by the authority pending the completion of the hearing.  
5 Each member of the authority before entering upon the duties of office  
6 shall take and subscribe an oath to perform the duties of the office  
7 faithfully, impartially, prudently and justly to the best of the member's  
8 ability. A record of these oaths shall be filed in the office of the  
9 Secretary of State.<sup>4</sup>

10 (cf: P.L.1992, c.165, s.20)

11

12 <sup>2</sup>9. Section 21 of P.L.1992, c.165 (C.40:54D-21) is amended to  
13 read as follows:

14 21. The public purpose of an authority shall be to undertake a  
15 tourism project <sup>4</sup>[which] if it<sup>4</sup> is necessary or useful to the economic  
16 development and public welfare of the residents and tourist industry  
17 of the creating municipalities, and to promote, advertise and enhance  
18 the attractiveness of the district to visitors and tourists<sup>4</sup>[. An] ;  
19 provided however, that such promotion, advertisement and  
20 enhancement shall not be undertaken by any authority with respect to  
21 the Wildwood convention center facility unless any such authority is  
22 expressly authorized by the sports authority to undertake such  
23 activities. Except as otherwise provided in, and subject to any  
24 limitations in, P.L. , c. (C. )(now pending before the  
25 Legislature as this bill), an<sup>4</sup> authority shall have the following powers:

26 a. To adopt bylaws for the regulation of its affairs and the conduct  
27 of its business;

28 b. To adopt an official common seal and alter it at its pleasure;

29 c. To maintain an office at a place or places within the district as  
30 it may designate;

31 d. To sue and be sued in its own name;

32 e. To acquire from any predecessor owner or operator, and to  
33 construct, reconstruct, maintain, and operate a convention center  
34 facility or other tourism project;

35 f. [To] <sup>4</sup>[Except as otherwise provided in P.L. , c. (C. )  
36 (now pending before the Legislature as this bill), to]To<sup>4</sup> issue bonds  
37 or notes of the authority for the purposes of this act and to provide for  
38 the rights of the holders thereof all as provided in the "Local Bond  
39 Law," N.J.S.40A:2-1 et seq.;

40 g. To set and collect rents, fees, charges or other payments for the  
41 lease, use, occupancy or disposition of a convention center facility or  
42 other tourism project acquired, constructed or reconstructed by the  
43 authority pursuant to the provisions of <sup>4</sup>[this act,]<sup>4</sup> P.L.1992, c.165  
44 (C.40:54D-1 et seq.). Any revenues collected shall be available to the  
45 authority for use in furtherance of any of the purposes of this act;

46 h. To acquire, lease as lessee or lessor, own, rent, use, hold and



- 1 dispose of real property and personal property or any interest therein,  
2 in the exercise of its powers and the performance of its duties under  
3 this act;
- 4 i. To acquire in the name of the authority by purchase, gift or  
5 otherwise, on terms and conditions and in a manner as the authority  
6 may deem proper, or by the exercise of the power of eminent domain  
7 except as against the State of New Jersey, any land and other property  
8 which the authority may determine is necessary for the construction,  
9 reconstruction, maintenance, operation or support of [a convention  
10 center facility] tourism projects pursuant to the provisions of this act,  
11 P.L.1992, c.165 (C.40:54D-1 et seq.) or parts thereof or rights  
12 therein, and any fee simple absolute or any lesser interest in private  
13 property, and any fee simple absolute in, easements upon, or the  
14 benefit of restrictions upon abutting property to preserve and protect  
15 same;
- 16 j. To grant by franchise, lease or otherwise, the use of any property  
17 owned and controlled by the authority to any person for the  
18 consideration and for the period or periods of time and upon terms and  
19 conditions as are agreed upon;
- 20 k. To apply for, receive and accept from the United States of  
21 America or any agency thereof, or the State and any subdivision  
22 thereof, subject to the approval of the State Treasurer, grants for or  
23 in aid of the planning, acquisition or construction of a convention  
24 center facility or other tourism project, and to receive and accept aid  
25 or contributions from any other public or private source, of either  
26 money, property, labor or other things of value, to be held, used and  
27 applied only for the purposes for which those grants and contributions  
28 may be made;
- 29 l. Subject to the limitations of this act, to determine the location,  
30 type and character of its tourism project and all other matters in  
31 connection therewith;
- 32 m. [To] <sup>4</sup>[Except as otherwise provided in section 20 of  
33 P.L. , c. (C. ) (now pending before the Legislature as this  
34 bill), to] To<sup>4</sup> enter into contracts or agreements with any entity for the  
35 entity to issue bonds or notes on behalf of the authority and to make  
36 payments to the entity to secure those bonds or notes;
- 37 n. To procure and enter into contracts for any type of insurance  
38 and indemnify against loss or damage to property from any cause,  
39 including the loss of use and occupancy and business interruption,  
40 death or injury of any person, employee liability, any act of any  
41 member, officer, employee or servant of the authority, whether  
42 part-time, compensated or uncompensated, in the performance of the  
43 duties of office or employment or any other insurable risk or any other  
44 losses in connection with property, operations, assets or obligations in  
45 any amounts and from any insurers as are deemed desirable. In  
46 addition, the authority may carry its own liability insurance;

1 o. To promote and advertise the district and to promote the use of  
2 the [ convention center facility] tourism projects by tourists and  
3 visitors to the district; and

4 p. To enter into any and all agreements or contracts, execute any  
5 and all instruments, and do and perform any and all acts or things  
6 necessary, convenient or desirable for the purposes of the authority or  
7 to carry out any power expressly given in <sup>4</sup>[this act.] P.L.1992, c.165  
8 (C.40:54D-1 et seq.)<sup>4, 2</sup>

9 (cf: P.L.1992, c.165, s.21)

10

11 <sup>2</sup>10. Section 22 of P.L. 1992, c. 165 (C.40:54D-22) is amended to  
12 read as follows:

13 22. All purchases, contracts or agreements made by the authority  
14 pursuant to <sup>4</sup>[this act,]<sup>4</sup> P.L.1992, c.165 (C.40:54D-1 et seq.) shall be  
15 made or awarded pursuant to the "Local Public Contracts Law,"  
16 P.L.1971, c.198 (C.40A:11-1 et seq.).<sup>2</sup>

17 (cf: P.L.1992, c.165, s.22.)

18

19 <sup>2</sup>11. Section 23 of P.L. 1992, c. 165 (C.40:54D-23) is amended to  
20 read as follows:

21 23. Any convention center facility or other tourism project  
22 [constructed by] of the authority shall be maintained and kept in the  
23 condition and repair as the authority determines, or the bond  
24 covenants require. A project or any part thereof may be policed and  
25 operated by employees and other persons as the authority may employ  
26 or authorize.<sup>2</sup>

27 (cf: P.L.1992, c.165, s.23)

28

29 <sup>2</sup>12. Section 25 of P.L.1992, c.165 (C.40:54D-25) is amended to  
30 read as follows:

31 25. a. [ The] Except as otherwise provided in section <sup>4</sup>[20] 18<sup>4</sup> of  
32 P.L. \_\_\_\_\_, c. \_\_\_\_\_ (C. \_\_\_\_\_) (now pending before the Legislature as  
33 this bill), the authority may from time to time issue its bonds or notes  
34 for any of its purposes under this act, including the payment, funding,  
35 or refunding of principal or interest or redemption premiums on any  
36 bonds or notes issued by it whether the bonds or notes or interest to  
37 be funded or refunded have or have not become due. Bonds and notes  
38 so issued shall be subject to the "Local Bond Law," N.J.S.40A:2-1 et  
39 seq. and the "Local Authorities Fiscal Control Law," P.L.1983, c.313  
40 (C.40A:5A-1 et seq.).

41 b. Except <sup>4</sup>as otherwise provided in section 18 of P.L. \_\_\_\_\_, c. \_\_\_\_\_  
42 (C. \_\_\_\_\_)(now pending before the Legislature as this bill) and except<sup>4</sup> as  
43 may be otherwise expressly provided by the authority, every issue of  
44 bonds or notes shall be general obligations payable out of any monies  
45 or revenues of the authority, subject only to any agreements with the  
46 holders of particular bonds or notes pledging any particular revenues

1 or funds. The authority may issue the types of bonds or notes as it  
2 may determine, including, without limiting the generality of the  
3 foregoing, bonds or notes on which the principal and interest are  
4 payable: (1) exclusively from the income and revenues derived from  
5 a tax upon retail receipts of any vendor located within the tourism  
6 improvement and development district created pursuant to the  
7 provisions of section 4 of <sup>4</sup>[this act,]<sup>4</sup> P.L.1992, c.165 (C.40:54D-4);  
8 (2) exclusively from the income and revenues from rates, charges and  
9 fees of a convention center facility or other tourism project operated  
10 by the authority, whether or not the project is financed in whole or in  
11 part with the proceeds of the bonds or notes; or (3) from its revenues  
12 generally. Any bonds or notes may be additionally secured by a pledge  
13 of any grant or contribution from the federal government or any State  
14 or any agency or public subdivision thereof or any person or a pledge  
15 of any monies, income or revenues of the authority from any source  
16 whatsoever. In addition, the authority may, in anticipation of the  
17 issuance of the bonds or the receipt of appropriations, grants,  
18 reimbursements or other funds, including without limitation grants  
19 from the federal government, issue notes, the principal of or interest  
20 on which, or both, shall be payable out of the proceeds of notes, bonds  
21 or other obligations of the authority or appropriations, grants  
22 reimbursements or other funds or revenues of the authority.<sup>2</sup>  
23 (cf: P.L.1992, c.165, s.25.)

24

25 <sup>2</sup>13. Section 27 of P.L.1992, c.165 (C.40:54D-27) is amended to  
26 read as follows:

27 27. a. Within 30 days after the issuance of any bonds or notes [for,  
28 or the execution of lease in connection with, the acquisition,  
29 construction, reconstruction or improvement of a convention center  
30 facility or other tourism project] by the authority pursuant to <sup>4</sup>[this  
31 act,]<sup>4</sup> P.L.1992, c.165 (C.40:54D-1 et seq.), the authority shall file a  
32 report with the Local Finance Board setting forth, if applicable, the  
33 principal amount of bonds or notes issued [for that project,] and the  
34 annual payments of principal and interest to be made on the bonds or  
35 notes[ with respect to that project, the terms and provisions of the  
36 financing undertaken for, or the lease entered into in connection with,  
37 the project, and such engineering and feasibility studies as may have  
38 been commissioned and used by the authority in connection with  
39 financing the project].

40 b. At least 90 days prior to the date which is the later date  
41 determined pursuant to paragraph 1 or 2 of subsection b. of section 14  
42 of [this act] P.L.1992, c.165 (C.40:54D-14), <sup>4</sup>and subject to  
43 subsection f. of that section<sup>4</sup> an authorized officer of the authority  
44 issuing bonds or notes for, or entering into a lease in connection with,  
45 the acquisition, construction, reconstruction or improvement of the  
46 convention center facility or other tourism project shall notify the

1 Director of the Division of Local Government Services in the  
 2 Department of Community Affairs of the precise date determined  
 3 pursuant to subsection b. of section 14 of [this act] P.L.1992, c.165,  
 4 the amounts payable thereafter: (1) on account of the principal and  
 5 interest on, or reserve funding requirements on, those bonds or notes;  
 6 or (2) as rent under the lease, and the name and address of the paying  
 7 agent or agents for the bonds or notes, or of the lessor under the lease.  
 8 The director shall, upon the receipt of that notice, verify the facts  
 9 contained therein, and certify the same to the State Treasurer.

10 c. Following the certification in subsection b. of this section and  
 11 upon the date set forth therein, the State Treasurer shall thereafter pay  
 12 prior to each payment date from the fund the amounts certified to be  
 13 paid: (1) to the appropriate paying agent or agents for the principal  
 14 and interest on, or reserve funding requirements on, the bonds or  
 15 notes; or (2) to the lessor as rent under the lease.

16 <sup>4</sup>[d. With respect to the acquisition, construction, reconstruction  
 17 or improvement of a tourism project, the authorized officer of the  
 18 State authority designated under section 20 of P.L. , c. (C. )  
 19 (now pending before the Legislature as this bill) shall notify the State  
 20 Treasurer on the precise date determined pursuant to subsection b. of  
 21 section 14 of P.L.1992, c. 165 (C.40:54D-14) of the amounts payable  
 22 thereafter, and the State Treasurer shall thereafter pay prior to each  
 23 payment date from the fund the amounts required to be paid as  
 24 provided in subsection c. of this section.]<sup>4 2</sup>

25 (cf: P.L.1992, c.165, s.27)

26

27 <sup>2</sup>14. Section 29 of P.L.1992, c.165 (C.40:54D-29) is amended to  
 28 read as follows:

29 29. The State of New Jersey does hereby pledge to and covenant  
 30 and agree with the holders of any bonds or notes issued by [the] an  
 31 authority [or other entity] pursuant to the provisions of <sup>4</sup>[this act,]<sup>4</sup>  
 32 P.L.1992, c.165 (C.40:54D-1 et seq.) that the State will not limit or  
 33 alter the rights or powers vested in [the] an authority to acquire,  
 34 construct, maintain and operate any project, or to perform and fulfill  
 35 the terms of any agreement made with the holders of the bonds or  
 36 notes, or to fix, establish, charge and collect rates, fees or other  
 37 charges as may be convenient or necessary to produce sufficient  
 38 revenues to meet all expenses of [the ] that authority and fulfill the  
 39 terms of any contract with another entity or any agreement made with  
 40 the holders of the bonds or notes, and that the State will not in any  
 41 way impair the rights or remedies of the holders or modify in any way  
 42 the exemptions from taxation provided for in this act, until the bonds  
 43 and notes, together with interest thereon, with interest on any unpaid  
 44 installments of interest, and all costs and expenses in connection with  
 45 any action or proceedings by or on behalf of such holders, are fully  
 46 met and discharged or provided for.<sup>2</sup>

1 (cf: P.L.1992, c.165, s.29)

2

3 <sup>2</sup>15. Section 30 of P.L.1992, c.165 (C.40:54D-30) is amended to  
4 read as follows:

5 30. Neither the members of ~~the~~ an authority nor any person  
6 executing bonds or notes issued pursuant to <sup>4</sup>[this act,]<sup>4</sup> P.L.1992,  
7 c.165 (C.40:54D-1 et seq.) shall be liable personally on the bonds or  
8 notes by reason of the issuance thereof.<sup>2</sup>

9 (cf: P.L.1992, c.165, s.30)

10

11 <sup>4</sup><sup>2</sup>16. Section 32 of P.L.1992, c.165 (C.40:54D-32) is amended to  
12 read as follows:

13 32. In addition to the other powers conferred by this act or by any  
14 other law and not in limitation thereof, the relevant authority, in  
15 connection with construction or operation of a convention center  
16 facility or other tourism project, may make reasonable regulations for  
17 the installation, construction, maintenance, renewal and removal of  
18 tracks, pipes, mains, conduits, cables, wires, towers, poles or any  
19 other equipment and appliances, herein called "works," of any public  
20 utility as defined in R.S.48:2-13, in, on or along, over or under the  
21 project, public highway or real property, including public lands or  
22 waters. Whenever in connection with construction or operation of the  
23 project, the relevant authority shall determine that it is necessary that  
24 any works, which now are or hereafter may be located in, on, along,  
25 over under any project, public highway, or real property, should be  
26 relocated in the project, public highway, or real property or should be  
27 removed therefrom, the public utility owning or operating the works  
28 shall relocate or remove the same in accordance with the order of the  
29 relevant authority, provided, however, that the cost and expenses of  
30 the relocation or removal, including the cost of installing these works  
31 in a new location, and the cost of any lands or any rights or interest in  
32 lands or any other rights acquired to accomplish the relocation or  
33 removal, less the cost of any lands or any rights or interest in lands or  
34 any other rights of the public utility, paid to the public utility in  
35 connection with the relocation or removal of the works, shall be paid  
36 by the relevant authority and may be included in the cost of the  
37 project. In case of any relocation or removal of works, the public  
38 utility owning or operating the same, its successors or assigns, may  
39 maintain and operate the works, with the necessary appurtenances, in  
40 the new location for as long a period, and upon the same terms and  
41 conditions, as it had the right to maintain and operate the works in  
42 their former location.<sup>2</sup>

43 (cf: P.L.1992, c.165, s.32)]<sup>4</sup>

1       <sup>2</sup> ~~<sup>4</sup>[17.] 16.~~<sup>4</sup> Section 35 of P.L.1992, c.165 (C.40:54D-35) is  
2 amended to read as follows:

3       35. ~~<sup>4</sup>[All] Except as otherwise provided in section 17 of P.L. \_\_\_\_\_,~~  
4 ~~c. \_\_\_\_\_ (C. \_\_\_\_\_) (now pending before the Legislature as this bill).~~  
5 ~~all<sup>4</sup> property of the authority, except any property which is subjected~~  
6 ~~to a lien to secure any bonds or notes [issued by the authority], shall~~  
7 ~~be exempt from levy and sale by virtue of an execution and no~~  
8 ~~execution or other judicial process shall issue against the same, nor~~  
9 ~~shall any such judgment against the authority be a charge or lien upon~~  
10 ~~its property; provided that nothing herein contained shall apply to or~~  
11 ~~limit the rights of the holders of any bonds or notes to pursue any~~  
12 ~~remedy for the enforcement of any pledge or lien [given by the~~  
13 ~~authority on its revenues or other monies].<sup>2</sup>~~  
14 (cf: P.L.1992, c.165, s.35)

15  
16       <sup>4</sup>[<sup>2</sup>18. Section 39 of P.L.1992, c.39 (C.40:54D-39) is amended to  
17 read as follows:

18       39. a. The authority shall cause a financial audit of its books and  
19 accounts to be made at least once each year by certified public  
20 accountants pursuant to the "Local Authorities Fiscal Control Law,"  
21 P.L.1983, c.313 (C.40A:5A-1 et seq.), and copies thereof shall be filed  
22 with the State Treasurer and with the State Auditor.

23       b. The annual budget of the authority for administrative and  
24 operating costs, and the annual budget for any tourism project, shall  
25 be submitted for approval to the State Treasurer within 90 days after  
26 the effective date of P.L. \_\_\_\_\_, c. \_\_\_\_\_ (C. \_\_\_\_\_) (now pending  
27 before the Legislature as this bill), and, thereafter, on or before the last  
28 day of October in each year. The State Treasurer shall, within 30 days  
29 of submission, review and approve each requested budget. The State  
30 Treasurer may object in whole or in part to any item or items  
31 contained in a budget while approving the other portions of a budget.  
32 If so, the State Treasurer shall append to a budget, along with the  
33 treasurer's signature of approval, a statement of each item or part  
34 thereof to which the treasurer objects, and each item or part so  
35 objected to shall not take effect. A copy of each budget and any  
36 statement shall be transmitted to the appropriate authority.  
37 Expenditures associated with construction or a specific bond issue or  
38 investment shall be considered costs of the State authority designated  
39 under section 20 of P.L. \_\_\_\_\_, c. \_\_\_\_\_ (C. \_\_\_\_\_) (now pending before the  
40 Legislature as this bill).<sup>2</sup>  
41 (cf: P.L.1992, c.39, s.39)]<sup>4</sup>

42  
43       <sup>4</sup>[<sup>1</sup>[3.]<sup>2</sup>[ 4.1]19.<sup>2</sup> (New section) Receipts from sales of tangible  
44 personal property and services subject to a tax on predominantly  
45 tourism related retail receipts authorized by <sup>2</sup>corresponding<sup>2</sup> municipal  
46 ordinances which were adopted pursuant to P.L.1992, c.165

1 (C.40:54D-1 et seq.) are exempt from the tax rate imposed under the  
 2 "Sales and Use Tax Act" to the extent that the tax rate imposed by the  
 3 ordinances exceeds 2% <sup>2</sup>, except that the combined rate of taxation  
 4 imposed under the corresponding ordinances and under the "Sales and  
 5 Use Tax Act" shall not exceed 8%. Municipal ordinances so adopted  
 6 shall not affect which retail receipts are subject to the "Sales and Use  
 7 Tax Act." The exemption provided under this section shall terminate  
 8 on the first day of the third month following the certification by the  
 9 State Treasurer that all payments for bonds issued pursuant to section  
 10 20 of P.L. , c. (C. ) (now pending before the Legislature  
 11 as this bill) have been made <sup>2</sup>.]<sup>4</sup>

12  
 13 <sup>4</sup>17. (New section) a. The authority in existence on July 1, 1997  
 14 shall cooperate with the sports authority in the defeasing, refunding or  
 15 refinancing of any outstanding obligations of such authority as  
 16 authorized by this section and the authority shall take such steps as  
 17 are necessary in order to implement such defeasing, refunding or  
 18 refinancing.

19 b. On the 60th day following the effective day following the  
 20 effective date of P.L. , c. (C. )(now pending before the  
 21 Legislature as this bill):

22 (1) All right, title, and interest of the authority in existence on July  
 23 1, 1997 in any of its assets, funds and property, both real and personal,  
 24 as well as those obligations as set forth in paragraph (4) of this  
 25 subsection, are hereby transferred to the sports authority to be held,  
 26 used and applied for the purposes set forth herein.

27 (2) In addition to the powers vested in the sports authority  
 28 pursuant to P.L.1971, c.137 (C.5:10-1 et seq.), all powers and duties  
 29 which hitherto were exercised by the authority in existence on July 1,  
 30 1997 with respect to any property transferred pursuant to this section  
 31 may henceforth be exercised by the sports authority.

32 (3) All monies transferred pursuant to this act shall be deposited  
 33 in the fund created by the sports authority pursuant to subsection g. of  
 34 section 6 of P.L.1971, c.137 (C.5:10-6).

35 (4) The sports authority shall assume such obligations of the  
 36 authority as are necessary for the acquisition, construction and  
 37 operation of the Wildwood convention center facility which  
 38 obligations shall be as specified in a contract between the authority and  
 39 the sports authority. Any such obligations of the authority which are  
 40 assumed by the sports authority shall be payable from the fund created  
 41 by the sports authority pursuant to subsection g. of section 6 of  
 42 P.L.1971, c.137 (C.5:10-6) or from the proceeds of bonds or notes  
 43 issued pursuant to section 12 of P.L.1991, c.375 (C.5:10-14.3) and  
 44 section 18 of P.L. , c. (C. )(now pending before the  
 45 Legislature as this bill).<sup>4</sup>

46

1       <sup>2</sup> <sup>4</sup>[20.] 18.<sup>4</sup> (New section) a. The <sup>4</sup>[State Treasurer shall  
2 designate the New Jersey Economic Development Authority  
3 established pursuant to P.L.1974, c.80 (C.34:1B-1 et seq.), or any  
4 other State authority to issue bonds for the costs of construction, and  
5 to manage the construction of the tourism projects] sports authority  
6 is hereby authorized to acquire, finance through the issuance of bonds  
7 or notes, construct, operate and perform such other functions as  
8 provided in P.L.1971, c.167 (C.5:10-1 et seq.) regarding the  
9 Wildwood convention center facility<sup>4</sup> authorized herein. The  
10 <sup>4</sup>[authority shall delegate to the State authority so designated by the  
11 State Treasurer] sports authority shall have<sup>4</sup> sole responsibility to  
12 provide for the <sup>4</sup>[bonding] acquisition, financing through the issuance  
13 of bonds or notes<sup>4</sup> and construction <sup>4</sup>and operation<sup>4</sup> of the <sup>4</sup>[tourism  
14 projects] Wildwood convention center facility<sup>4</sup> within the district.  
15 Further, the authority <sup>4</sup>in existence on July 1, 1997<sup>4</sup> may advise the  
16 <sup>4</sup>[State]sports<sup>4</sup> authority with regard to the [tourism projects]  
17 Wildwood convention center facility<sup>4</sup>.

18       <sup>4</sup>[b. The State authority designated by the State Treasurer  
19 pursuant to this section shall utilize monies from the fund to issue  
20 bonds for the purpose of generating revenue for the construction of  
21 tourism projects; however, <sup>3</sup>[up to] the State Treasurer shall specify  
22 an amount of not less than<sup>3</sup> \$500,000 of the fund in any year <sup>3</sup>[may]  
23 to<sup>3</sup> be allocated to the authority for operating expenses <sup>3</sup>pursuant to  
24 a budget approved by the State Treasurer under section 39 of  
25 P.L.1992, c.39 (C.40:54D-39)<sup>3</sup>. <sup>3</sup>[In no event shall the annual  
26 revenues deposited in the fund exceed \$5,750,000 for bonding  
27 purposes in any year prior to certification by the director pursuant to  
28 subsection e. of section 9 of P.L.1992, c.165 (C.40:54D-9), and  
29 \$5,000,000 in any year thereafter, and \$500,000 for operating  
30 expenses of the authority.]<sup>3</sup> To the extent that revenue generated  
31 annually from taxes levied pursuant to section 4 of P.L.1992, c.165  
32 (C.40:54D-4) exceeds in any calendar year the amount <sup>3</sup>[permitted to  
33 be deposited in that fund under this section, the excess revenue shall  
34 be deposited in the State General Fund to be used for general State  
35 purposes] required to meet payments for principal and interest on  
36 bonds for the construction of tourism projects authorized herein and  
37 for approved operating expenses of the authority, the excess revenue  
38 shall be placed in a sinking fund to be used to redeem bonds issued  
39 pursuant to this section by the State authority prior to maturity at the  
40 price or prices and upon the terms and conditions as may be provided  
41 in the bonds<sup>3</sup>.

42       c. Any monies expended from the fund for the construction of  
43 tourism projects in excess of monies previously approved by the State  
44 Treasurer in the annual budget of those tourism projects, pursuant to  
45 section 39 of P.L.1992, c.165 (C.40:54D-39), shall be subject to  
46 annual review and approval of the State Treasurer.



1 d. The State authority designated by the State Treasurer pursuant  
2 to this section shall utilize competitive bidding measures in the  
3 selection of all contractors, sub-contractors, and vendors; and  
4 competitive request for proposal measures for selection of all  
5 professional firms necessary for the development of the tourism  
6 projects herein. The State authority shall also review any existing  
7 agreements relating to the tourism projects for compliance with this  
8 requirement.<sup>2]</sup><sup>4</sup>

9

10 <sup>4</sup>19. Section 3 of P.L.1971 c.137 (C.5:10-3) is amended to read  
11 as follows:

12 3. The following words or terms as used in this act shall have the  
13 following meaning unless a different meaning clearly appears from the  
14 context:

15 a. "Act" means this New Jersey Sports and Exposition Authority  
16 Law.

17 b. "Authority" means the New Jersey Sports and Exposition  
18 Authority created by section 4 of [this] the act.

19 c. "Bonds" means bonds issued by the authority pursuant to the  
20 act.

21 d. "Meadowlands complex" means the sports and exposition  
22 project authorized by paragraph (1) of subsection a. of section 6 of the  
23 act.

24 e. "Notes" means notes issued by the authority pursuant to the act.

25 f. "Projects" means and includes any project which the authority  
26 is authorized to undertake pursuant to [paragraphs 1 through 10 of]  
27 subsection a. of section 6 of P.L.1971, c.137 (C.5:10-6).

28 g. "State" means the State of New Jersey.

29 h. "Hackensack meadowlands" means the Hackensack  
30 Meadowlands District as delineated in P.L.1968, c.404, s.4  
31 (C.13:17-4).

32 i. "Meadowlands Commission" means the Hackensack  
33 Meadowlands Development Commission created by P.L.1968, c.404.

34 j. "Racing Commission" means the New Jersey Racing  
35 Commission created by P.L.1940, c.17.

36 k. "Credit agreement" as used herein includes loan agreement,  
37 revolving credit agreement, agreement establishing a line of credit,  
38 letter of credit, reimbursement agreement, interest exchange  
39 agreement, insurance contract, surety bond, commitment to purchase  
40 bonds, purchase or sale agreements, or commitments or other  
41 contracts or agreements authorized and approved by the authority in  
42 connection with the authorization, issuance, security, or payment of  
43 bonds.

44 l. "Luxury tax" means the tax levied and collected by the city of  
45 Atlantic City, county of Atlantic, pursuant to P.L.1947, c.71  
46 (C.40:48-8.15 et seq.).

1 m. "[Convention] Atlantic City convention center project" means  
2 the project authorized by paragraph 9 of subsection a. of section 6 of  
3 P.L.1971, c.137 (C.5:10-6).

4 n. "Wildwood convention center facility" means the project  
5 authorized by paragraph (12) of subsection a. of section 6 of  
6 P.L.1971, c.137 (C.5:10-6).

7 o. "Tourism related tax" means the tax levied and collected  
8 pursuant to P.L.1992, c.165 (C.40:54D-1 et seq.) for the tourism  
9 improvement and development district which includes the Wildwood  
10 convention center facility.<sup>4</sup>

11 (cf: P.L.1991, c.375, s.1)

12

13 <sup>4</sup>20. Section 6 of P.L.1971, c.137 (C.5:10-6) is amended to read  
14 as follows:

15 6. a. The authority, pursuant to the provisions of [the act]  
16 P.L.1971, c.137 (C.5:10-1 et seq.), is hereby authorized and  
17 empowered, either alone or in conjunction with others, and provided  
18 that, in the case of an arrangement with respect to any of the projects  
19 set forth in this section which shall be in conjunction with others, the  
20 authority shall have sufficient right and power to carry out the public  
21 purposes set forth in [this act] P.L.1971, c.137 (C.5:10-1 et seq.):

22 (1) To establish, develop, construct, operate, acquire, own,  
23 manage, promote, maintain, repair, reconstruct, restore, improve and  
24 otherwise effectuate, either directly or indirectly through lessees,  
25 licensees or agents, a project to be located in the Hackensack  
26 meadowlands upon a site not to exceed 750 acres and upon a site or  
27 sites outside of that acreage, but either immediately contiguous thereto  
28 or immediately across any public road which borders that acreage,  
29 consisting of one or more stadiums, coliseums, arenas, pavilions,  
30 stands, field houses, playing fields, recreation centers, courts,  
31 gymnasiums, clubhouses, a racetrack for the holding of horse race  
32 meetings, and other buildings, structures, facilities, properties and  
33 appurtenances related to, incidental to, necessary for, or  
34 complementary to a complex suitable for the holding of athletic  
35 contests or other sporting events, or trade shows, exhibitions,  
36 spectacles, public meetings, entertainment events or other expositions,  
37 including, but not limited to, driveways, roads, approaches, parking  
38 areas, parks, recreation areas, lodging facilities, vending facilities,  
39 restaurants, transportation structures, systems and facilities, and  
40 equipment, furnishings, and all other structures and appurtenant  
41 facilities, related to, incidental to, necessary for, or complementary to  
42 the purposes of that project or any facility thereof.

43 (2) To establish, develop, construct, acquire, lease or own,  
44 operate, manage, promote, maintain, repair, reconstruct, restore,  
45 improve and otherwise effectuate, either directly or indirectly through  
46 lessees, licensees or agents, a project, at a site within the State of New

1 Jersey, consisting of a baseball stadium and other buildings, structures,  
2 facilities, properties and appurtenances related thereto, or incidental  
3 to, necessary for, or complementary to a complex suitable for the  
4 holding of professional baseball games and other athletic contests or  
5 sporting events, or trade shows, exhibitions, spectacles, public  
6 meetings, entertainment events or other expositions, such project to  
7 include driveways, roads, approaches, parking areas, parks, recreation  
8 areas, vending facilities, restaurants, transportation structures, systems  
9 and facilities, and equipment, furnishings and all other structures and  
10 appurtenant facilities related to, incidental to, necessary for, or  
11 complementary to the purposes of that project or any facility thereof.

12 (3) To establish, develop, construct, acquire, lease or own,  
13 operate, manage, promote, maintain, repair, reconstruct, restore,  
14 improve and otherwise effectuate, either directly or indirectly through  
15 lessees, licensees or agents, projects located within the State of New  
16 Jersey, but outside of the meadowlands complex, consisting of  
17 aquariums and the buildings, structures, facilities, properties and  
18 appurtenances related thereto, or incidental to, necessary for, or  
19 complementary to those aquariums, such project to include driveways,  
20 roads, approaches, parking areas, parks, recreation areas, vending  
21 facilities, restaurants, transportation structures, systems and facilities,  
22 and equipment, furnishings and all other structures and appurtenant  
23 facilities related to, incidental to, necessary for, or complementary to  
24 the purposes of that project or any facility thereof. To provide for a  
25 project authorized under this paragraph:

26 (a) (Deleted by amendment, P.L.1988, c.172.)

27 (b) The authority is authorized to enter into agreements with the  
28 State Treasurer providing for the acquisition and construction of an  
29 aquarium by the authority, including the land necessary for the  
30 aquarium, and the costs thereof, ownership of the aquarium and its  
31 land which shall be conveyed to the State upon completion, and the  
32 operation by the authority of the aquarium pursuant to a lease or other  
33 agreement with the State containing such terms and conditions as the  
34 State Treasurer may establish prior to the acquisition and construction  
35 by the authority of the aquarium and the disbursements of funds  
36 therefor. The State Treasurer is authorized to enter into a lease or  
37 other agreement to effectuate the provisions of this subparagraph.

38 (4) To establish, develop, construct, acquire, own, operate,  
39 manage, promote, maintain, repair, reconstruct, restore, improve and  
40 otherwise effectuate, either directly or indirectly through lessees,  
41 licensees or agents, a project consisting of an exposition or  
42 entertainment center or hotel or office complex, including any  
43 buildings, structures, properties and appurtenances related thereto,  
44 incidental thereto, necessary therefor, or complementary thereto, such  
45 project to include driveways, roads, approaches, parking areas, parks,  
46 recreation areas, vending facilities, restaurants, transportation

1 structures, systems, and equipment, furnishings and all other structures  
2 and appurtenances related to, incidental to, necessary for, or  
3 complementary to, the purposes of that project. A project authorized  
4 under this paragraph may be located within, immediately contiguous  
5 to, or immediately across any public road which borders the site of any  
6 other project of the authority, except the site of a racetrack authorized  
7 by paragraph (5) of this subsection and acquired by the authority prior  
8 to 1986.

9 (5) To establish, develop, construct, acquire, own, operate,  
10 manage, promote, maintain, repair, reconstruct, restore, improve and  
11 otherwise effectuate, either directly or indirectly through lessees,  
12 licensees or agents, projects consisting of (a) racetrack facilities  
13 located within the State of New Jersey, but outside of the  
14 meadowlands complex, (b) their contiguous properties, and (c) their  
15 auxiliary facilities, including, without limitation, pavilions, stands, field  
16 houses, clubhouses, training tracks for horses, racetracks for the  
17 holding of horse race meetings, fairgrounds, other exposition facilities,  
18 and other buildings, structures, facilities, properties and appurtenances  
19 related to, incidental to, necessary for, or complementary to a complex  
20 suitable for the holding of horse race meetings, other sporting events,  
21 or trade shows, exhibitions, spectacles, public meetings, entertainment  
22 events or other expositions, including, but not limited to, driveways,  
23 roads, approaches, parking areas, parks, recreation areas, lodging  
24 facilities, vending facilities, restaurants, transportation structures,  
25 systems and facilities, equipment, furnishings, and all other structures  
26 and appurtenant facilities related to, incidental to, necessary for, or  
27 complementary to the purposes of any of those projects or any facility  
28 thereof.

29 Notwithstanding any law to the contrary, the acquisition of any  
30 existing racetrack facility in and licensed by the State of New Jersey  
31 shall be permitted on the condition that payments equivalent to all  
32 municipal, school board and county taxes due to each entity shall be  
33 paid by the authority to the extent and in accordance with the same  
34 payment schedule as taxes would have been paid each year, as though  
35 the racetrack facility remained in private ownership. In the event the  
36 authority conveys lands or other parts of the racetrack facility to  
37 others, the authority shall receive a reduction of such payments  
38 commensurate with the amount required to be paid by the subsequent  
39 owner of the lands and improvements disposed of by the authority. In  
40 addition, the authority shall be responsible for paying all existing local  
41 franchise fees, license and parking tax fees in effect at the time of the  
42 acquisition.

43 (6) To establish, develop, acquire, own, operate, manage,  
44 promote and otherwise effectuate, in whole or in part, either directly  
45 or indirectly through lessees, licensees or agents, projects consisting  
46 of events, expositions, teams, team franchises or membership in

1 professional sports leagues.

2 (7) To establish, develop, construct, acquire, own, operate,  
3 manage, promote, maintain, repair, reconstruct, restore, improve and  
4 otherwise effectuate, either directly or indirectly through lessees,  
5 licensees or agents, projects consisting of facilities, at a site or sites  
6 within the State of New Jersey and either within or without the  
7 meadowlands complex, that are related to, incidental to, necessary for,  
8 or complementary to the accomplishment or purpose of any project of  
9 the authority authorized by this section, including any buildings,  
10 structures, properties and appurtenances related thereto, incidental  
11 thereto, necessary therefor, or complementary thereto, such projects  
12 to include driveways, roads, approaches, parking areas, parks,  
13 recreation areas, vending facilities, restaurants, transportation  
14 structures, systems, and equipment, furnishings and all other structures  
15 and appurtenances related to, incidental to, necessary for, or  
16 complementary to the purposes of those projects.

17 (8) To establish, develop, acquire, construct, reconstruct,  
18 improve and otherwise effectuate for transfer to, and for use and  
19 operation by, Rutgers, the State University, either directly or indirectly  
20 through lessees, licensees or agents, facilities located or to be located  
21 on property owned, leased, or otherwise used by Rutgers, the State  
22 University, consisting of an upgraded and expanded football stadium  
23 and a new track and field, soccer and lacrosse facility and the  
24 buildings, structures, properties and appurtenances related thereto, or  
25 incidental to, necessary for, or ~~[complimentary]~~ complementary to the  
26 football stadium and track and field, soccer and lacrosse facility, such  
27 facilities to include driveways, access roads, approaches, parking  
28 areas, parks, recreation areas, vending facilities, restaurants,  
29 transportation structures, systems and equipment, furnishings and all  
30 other structures and appurtenances related or incidental to, necessary  
31 for, or complementary to the purposes of those facilities; provided  
32 however that construction shall not begin on the expansion of the  
33 seating capacity of Rutgers Stadium until the Commissioner of  
34 Transportation certifies that all funding necessary to complete the  
35 Route 18 project in Piscataway Township has been appropriated and  
36 construction has begun on the Route 18 project in Piscataway  
37 Township under the Department of Transportation's capital program.

38 (9) To acquire by purchase, lease or otherwise, and to develop,  
39 construct, operate, own, lease, manage, repair, reconstruct, restore,  
40 improve, enlarge or otherwise effectuate, either directly or through  
41 lessees, licensees or agents, a convention center project in the city of  
42 Atlantic City, Atlantic County, consisting of the existing convention  
43 hall and a new convention hall or center, and associated parking areas  
44 and railroad terminal facilities and including the leasing of adjacent  
45 land for hotel facilities. In connection therewith, the authority is  
46 authorized to:

1 (a) Assume existing leasehold or other contractual obligations  
2 pertaining to any such facilities or properties or to make provision for  
3 the payment or retirement of any debts and obligations of the  
4 governmental entity operating any such convention hall or center or of  
5 any bonds or other obligations payable from and secured by a lien on  
6 or pledge of the luxury tax revenues;

7 (b) Make loans or payments in aid of construction with respect  
8 to infrastructure and site development for properties located in the  
9 area between the sites of the existing convention hall and a new  
10 convention center or located contiguous to or across any public road  
11 which borders the area;

12 (c) Convert the existing convention hall or any facilities,  
13 structures or properties thereof, or any part thereof, not disposed of  
14 by the authority, to any sports, exposition, exhibition, or entertainment  
15 use or to use as a forum for public events or meetings, or to any other  
16 use which the authority shall determine to be consistent with its  
17 operation of the Atlantic City convention center project.

18 (10) To provide a feasibility study for the use and development  
19 of the existing convention center in the city of Asbury Park, county of  
20 Monmouth and to provide a feasibility study for the construction, use  
21 and development of a convention center or recreational facility in any  
22 other municipality.

23 (11) To provide funding to public or private institutions of higher  
24 education in the State to establish, develop, acquire, construct,  
25 reconstruct or improve facilities located or to be located on property  
26 owned, leased, or otherwise used by an institution, consisting of sports  
27 facilities and the buildings, structures, properties and appurtenances  
28 related thereto, or incidental to, necessary for, or complementary to  
29 those sports facilities, such facilities to include driveways, access  
30 roads, approaches, parking areas, parks, recreation areas, vending  
31 facilities, restaurants, transportation structures, systems and  
32 equipment, furnishings and all other structures and appurtenances  
33 related or incidental to, necessary for, or complementary to the  
34 purposes of those facilities.

35 (12) To acquire by purchase, lease, or otherwise, including all  
36 right, title and interest of the Greater Wildwood Tourism Improvement  
37 Development Authority in any property, and to develop, construct,  
38 operate, own, lease, manage, repair, reconstruct, restore, improve,  
39 enlarge or otherwise effectuate, either directly or through lessees,  
40 licensees or agents, a convention center facility in the City of  
41 Wildwood, Cape May County, consisting of and including any existing  
42 and acquired buildings, structures, properties and appurtenances and  
43 including restaurants, retail businesses, access roads, approaches,  
44 parking areas, transportation structures and systems, recreation areas,  
45 equipment, furnishings, vending facilities, and all other structures and  
46 appurtenances incidental to, necessary for, or complementary to the

1 purpose of such Wildwood convention center facility. In connection  
2 therewith, the authority is expressly authorized to

3 (a) assume any existing mortgages, leaseholds or other contractual  
4 obligations or encumbrances with respect to the site of the Wildwood  
5 convention center facility and any other existing and acquired  
6 buildings, structures, properties, and appurtenances;

7 (b) enter into agreements with a local public body or bodies  
8 providing for any necessary financial support or other assistance for  
9 the operation and maintenance of such Wildwood convention center  
10 facility from taxes or other sources of the local public body or bodies  
11 as shall be made available for such purposes;

12 (c) to the extent permitted by law and by the terms of the bonds  
13 or notes issued to finance the Wildwood convention center facility,  
14 transfer its ownership interest or other rights with respect to the  
15 convention center facility to another state authority or agency;

16 (d) upon payment of all outstanding bonds and notes issued  
17 therefore, transfer its ownership interest and other rights with respect  
18 thereto to such other public body as shall be authorized to own and  
19 operate such a facility; and

20 (e) convert any existing convention hall or any facilities, structures  
21 or properties thereof, or any part thereof, not disposed of by the  
22 authority, to any use which the authority shall determine to be  
23 consistent with the operation of the Wildwood convention center  
24 facility.

25 b. The authority, pursuant to the provisions of [the act]  
26 P.L.1971, c.137 (C.5:10-1 et seq.), is authorized (1) to make, as part  
27 of any of the projects, capital contributions to others for transportation  
28 and other facilities, and accommodations for the public's use of any of  
29 those projects, (2) to lease any part of any of those project sites not  
30 occupied or to be occupied by the facilities of any of those projects,  
31 for purposes determined by the authority to be consistent with or  
32 related to the purposes of those projects, including, but not limited to,  
33 hotels and other accommodations for transients and other facilities  
34 related to or incidental to any of those projects, and (3) to sell or  
35 dispose of any real or personal property, including, but not limited to,  
36 such portion of the site of any of those projects not occupied or to be  
37 occupied by the facilities of any of those projects, at not less than the  
38 fair market value of the property, except in the case of sale or  
39 disposition to the State, any political subdivision of the State or any  
40 agency or instrumentality of the State or any political subdivision of  
41 the State.

42 c. Revenues, moneys or other funds, if any, derived from the  
43 operation or ownership of the meadowlands complex, including the  
44 conduct of horse race meetings, shall be applied, in accordance with  
45 the resolution or resolutions authorizing or relating to the issuance of  
46 bonds or notes of the authority, to the following purposes and in the

1 following order:

2 (1) The costs of operation and maintenance of the meadowlands  
3 complex and reserves therefor;

4 (2) Principal, sinking fund installments and redemption premiums  
5 of and interest on any bonds or notes of the authority payable from  
6 such revenues, moneys or other funds and issued for the purposes of  
7 the meadowlands complex or for the purposes of refunding the same,  
8 including reserves and payments with respect to credit agreements  
9 therefor;

10 (3) The costs of any major or extraordinary repairs, renewals or  
11 replacements with respect to the meadowlands complex or incidental  
12 improvements thereto, not paid pursuant to paragraph (1) above,  
13 including reserves therefor;

14 (4) Payments required to be made pursuant to section 18b.;

15 (5) Payments authorized to be made pursuant to section 18c.;

16 (6) Except to the extent payments with respect to bonds or notes  
17 are provided with priority in accordance with paragraph (2) of this  
18 subsection, payments required to be made in accordance with the  
19 resolution authorizing or relating to the issuance of bonds or notes of  
20 the authority, for the purposes of any project authorized by this act,  
21 including payments and reserves with respect to any bonds or notes of  
22 the authority with respect to the meadowlands complex which are not  
23 provided with priority in accordance with paragraph (2) of this  
24 subsection;

25 (7) Payments required to be made to repay any obligation  
26 incurred by the authority to the State;

27 (8) The balance remaining after application in accordance with  
28 the above shall be deposited in the General State Fund, provided that  
29 (a) there shall be appropriated for authorized State purposes from the  
30 amount so deposited that amount which shall be calculated by the  
31 State Treasurer to be the debt service savings realized with respect to  
32 the refinancing of the initial project as defined in section 1 of  
33 P.L.1973, c.286 (C.5:10-14.1) at the meadowlands complex, by the  
34 issuance of bonds of the authority guaranteed by the State, and (b)  
35 after such appropriation, 40% of any balance remaining from the  
36 amounts so deposited shall be appropriated to the Meadowlands  
37 Commission for any of its purposes authorized by P.L.1968, c.404,  
38 and any amendments or supplements thereto.

39 d. Revenues, moneys or other funds, if any, derived from the  
40 operation or ownership of any project other than the meadowlands  
41 complex ~~or~~, the Atlantic City convention center project, or the  
42 Wildwood convention center facility and other than a baseball stadium  
43 project or an office complex project located on the site of a baseball  
44 stadium shall be applied for such purposes, in such manner and subject  
45 to such conditions as shall be provided in the resolution authorizing or  
46 relating to the issuance of bonds or notes of the authority for the



1 purposes of such project, and the balance, if any, remaining after such  
2 application may be applied, to the extent not contrary to or  
3 inconsistent with the resolution, in the following order (1) to the  
4 purposes of the meadowlands complex, unless otherwise agreed upon  
5 by the State Treasurer and the authority, (2) to the purposes of any  
6 other project of the authority; and, the balance remaining, if any, shall  
7 be deposited in the General Fund.

8 e. Revenues, moneys or other funds, if any, derived from the  
9 operation, ownership, or leasing of a baseball stadium project or an  
10 office complex project located on the site of a baseball stadium shall  
11 be applied for the purposes, in the manner and subject to the  
12 conditions as shall be provided in the resolution authorizing or relating  
13 to the issuance of bonds or notes of the authority for the purposes of  
14 a baseball stadium project or an office complex project located on the  
15 site of a baseball stadium, if any, and the balance, if any, remaining  
16 after such application shall be applied, to the extent not contrary to or  
17 inconsistent with the resolution, to the following purposes and in the  
18 following order:

19 (1) The costs of operation and maintenance of a baseball stadium  
20 project and an office complex project located on the site of a baseball  
21 stadium and reserves therefor;

22 (2) Payments made to repay the bonded indebtedness incurred by  
23 the authority for the purposes of a baseball stadium project or an  
24 office complex project located on the site of a baseball stadium;

25 (3) Payments equivalent to an amount required to be made by the  
26 State for payments in lieu of taxes pursuant to P.L.1977, c.272  
27 (C.54:4-2.2a et seq.);

28 (4) The balance remaining after application in accordance with  
29 the above shall be deposited in the General Fund.

30 f. Revenues, moneys or other funds, if any, derived from the  
31 operation, ownership or leasing of the Atlantic City convention center  
32 project shall be applied to the costs of operating and maintaining the  
33 Atlantic City convention center project and to the other purposes set  
34 forth in this subsection as shall be provided by resolution of the  
35 authority.

36 Luxury tax revenues paid to the authority by the State Treasurer  
37 pursuant to section 14 of P.L.1991, c.375 (C.5:10-14.4) shall be  
38 deposited by the authority in a separate fund or account and applied  
39 to the following purposes and in the following order:

40 (1) To pay the principal, sinking fund installments and  
41 redemption premiums of and interest on any bonds or notes of the  
42 authority, including bonds or notes of the authority issued for the  
43 purpose of refunding bonds or notes, issued for purposes of (i) the  
44 initial acquisition of the existing properties which will constitute part  
45 of the Atlantic City convention center project, if the bonds or notes  
46 shall be payable under the terms of the resolution of the authority

1 relating thereto from luxury tax revenues, or (ii) providing  
2 improvements, additions or replacements to the Atlantic City  
3 convention center project, if the bonds or notes shall be payable under  
4 the terms of the resolution of the authority relating thereto from luxury  
5 tax revenues; and to pay any amounts due from the authority under  
6 any credit agreement entered into by the authority in connection with  
7 the bonds or notes.

8 (2) To pay the costs of operation and maintenance of the Atlantic  
9 City convention center project.

10 (3) To establish and maintain a working capital and maintenance  
11 reserve fund for the Atlantic City convention center project in an  
12 amount as shall be determined by the authority to be necessary.

13 (4) To repay to the State those amounts paid by the State with  
14 respect to bonds or notes of the authority issued for the purposes of  
15 the Atlantic City convention center project.

16 (5) The balance of any luxury tax revenues not required for any  
17 of the foregoing purposes and remaining at the end of any calendar  
18 year shall be paid to the State Treasurer for application to purposes in  
19 the city of Atlantic City pursuant to section 5 of P.L.1981, c.461  
20 (C.40:48-8.30a).

21 The authority may pledge the luxury tax revenues paid to it as  
22 provided for in section 14 of P.L.1991, c.375 (C.5:10-14.4) as security  
23 for the payment of the principal of and interest or premium on its  
24 bonds or notes issued for the purposes set forth above in paragraph (1)  
25 of this subsection f. in the same manner, to the same extent and with  
26 the same effect as the pledge of any of its other revenues, receipts and  
27 funds authorized by [this act] P.L.1971, c.137 (C.5:10-1 et seq.).

28 g. Revenues, moneys or other funds, if any, derived from the  
29 ownership or operation of the Wildwood convention center facility  
30 shall be applied to the costs of operating and maintaining the  
31 Wildwood convention center facility and to the other purposes set  
32 forth in this subsection as shall be provided by resolution of the  
33 authority.

34 The tourism related tax revenues paid to the authority pursuant to  
35 subsection f. of section 14 of P.L.1992, c.165 (C.40:54D-14) shall be  
36 deposited by the authority in a separate fund or account and applied  
37 to any or all of the following purposes pursuant to an allocation of  
38 funds approved by the State Treasurer in writing and in advance of any  
39 application of such funds:

40 (1) to pay amounts due with respect to any obligations transferred  
41 to the authority pursuant to section 17 of P.L. \_\_\_\_\_, c. \_\_\_\_\_  
42 (now pending before the Legislature as this bill) pertaining to the  
43 Wildwood convention center facility:

44 (2) to repay to the State those amounts paid with respect to bonds  
45 or notes of the authority issued for the purposes of the Wildwood  
46 convention center facility:

1       (3) to pay the cost of operation and maintenance reserve for the  
2 Wildwood convention center facility;

3       (4) to establish and maintain a working capital and maintenance of  
4 the Wildwood convention center facility.

5       The balance, if any, of any tourism related tax revenues not  
6 allocated to any of the purposes set forth in the previous paragraphs  
7 and remaining at the end of the calendar year shall be paid to the State  
8 Treasurer for deposit in the General Fund.<sup>4</sup>

9 (cf: P.L.1991, c.375, s.3)

10

11       <sup>4</sup>21. Section 12 of P.L.1991, c. 375 (C.5:10-14.3) is amended to  
12 read as follows:

13       12. a. The State Treasurer shall establish a special fund to be  
14 known as the "Sports Authority Fund" and shall pay into the fund  
15 amounts from the General Fund as shall be necessary to pay the  
16 principal and interest on bonds or notes of the authority issued  
17 pursuant to this section and to pay any amounts due from the authority  
18 under any credit agreement entered into by the authority in connection  
19 with the bonds or notes, provided that all payments from the General  
20 Fund shall be subject and dependent upon appropriations made from  
21 time to time for those purposes.

22       b. (1) The State Treasurer and the authority are authorized to  
23 enter into agreements as shall be necessary to effectuate the purposes  
24 of this section, including without limitation, provisions for securing the  
25 payment of bonds or notes issued by the authority pursuant to  
26 subsection d. of this section and the interest thereon and providing for  
27 the investment of moneys in the fund; provided that the agreements  
28 shall be subject to approval by the presiding officers of both houses of  
29 the Legislature, and provided further that when the purposes of this  
30 section have been satisfied, and upon the earlier of:

31       (a) the certification by the State Treasurer that the revenues of  
32 the authority are sufficient to satisfy the requirements of paragraphs  
33 (1), (2), (3), (4), (5) and (6) of subsection c. of section 6 of P.L.1971,  
34 c.137 (C.5:10-6) for the term of bonds or notes issued pursuant to  
35 subsection d. of this section; or

36       (b) the satisfaction of the requirements for the payment of bonds  
37 or notes issued pursuant to P.L.1991, c.375 (C.5:10-3 et al.) or  
38 pursuant to P.L. \_\_\_\_\_, c. \_\_\_\_\_ (C. \_\_\_\_\_)(now pending before the  
39 Legislature as this bill); the State Treasurer and the authority shall not,  
40 except for the refunding of bonds or notes issued pursuant to  
41 subsection d. of this section which produces debt service savings, enter  
42 into any further agreements regarding payments by the State Treasurer  
43 into the "Sports Authority Fund" for any reason, including but not  
44 limited to, the financing or restructuring of the debt of the authority.

45       (2) The agreements shall indicate the nature and scope of the  
46 projects to be financed pursuant to this section.

1 (3) The agreements shall provide that with respect to the Atlantic  
2 City convention center project, the authority shall review all existing  
3 expert studies that present options as to the scope and nature of the  
4 project and the linkages between the project and the economic  
5 development of Atlantic City. Based upon its analysis of the available  
6 studies and such other expert studies as the authority may authorize,  
7 the authority shall report to the Legislature and include in the minutes  
8 of the authority its proposal for the development of the Atlantic City  
9 convention center. The report shall include an explanation for the  
10 selection of the project option proposed by the authority.

11 c. Notwithstanding anything to the contrary in [this act] P.L.1991,  
12 c.375 (C.5:10-3 et al.), if and to the extent provided in any agreement  
13 between the State Treasurer and the authority, all or part of the  
14 revenues of the authority, other than luxury tax revenues or revenues  
15 of the Atlantic City convention center project and other than tourism  
16 related tax revenues or other revenues of the Wildwood convention  
17 center facility, in excess of the requirements of the resolutions  
18 authorizing or relating to the issuance of any of the authority's bonds  
19 or notes, except those issued pursuant to this section, shall be paid  
20 into the General Fund in repayment to the State for amounts  
21 previously paid by the State pursuant to this section with respect to  
22 the payment of principal and interest on bonds or notes issued for any  
23 of the purposes set forth in this section, except the purposes set forth  
24 in paragraphs (3), (4) [and] (5) and (8) of subsection d. of this  
25 section, and any payments on account of any credit agreements with  
26 respect to the bonds or notes. Except as otherwise provided in this  
27 section, bonds or notes of the authority issued pursuant to this section  
28 shall be authorized, sold and issued in the manner and be entitled to  
29 the benefits, protection and provisions as apply to bonds and notes of  
30 the authority authorized to be issued pursuant to P.L.1971, c.137  
31 (C.5:10-1 et seq.).

32 d. In addition to its other powers to issue bonds and notes, the  
33 authority shall have power to issue from time to time bonds and notes  
34 payable from amounts in the Sports Authority Fund established  
35 pursuant to subsection a. of this section, as follows:

36 (1) To provide sufficient funds to refund from time to time  
37 outstanding bonds or notes of the authority issued for the  
38 meadowlands complex or the Monmouth racetrack project authorized  
39 pursuant to paragraph (5) of subsection a. of section 6 of P.L.1971,  
40 c.137 (C.5:10-6), whether or not the bonds or notes or interest  
41 thereon have become due, to provide for the establishment of funds or  
42 reserves to secure payment of the bonds or notes or any other bonds  
43 or notes issued or to be issued for those purposes or interest thereon,  
44 and to provide for the payment of all other costs or expenses of the  
45 authority incident to or necessary to carry out the refunding; provided  
46 that the refunding bonds issued at any time pursuant to this paragraph

1 shall not exceed that amount estimated to be necessary so that  
2 subsequent to the refunding, the revenues from the meadowlands  
3 complex or the Monmouth racetrack project, as the case may be, shall  
4 be sufficient to pay all costs payable from those revenues, as shall be  
5 estimated in a determination by the authority made in accordance with  
6 the agreement between the authority and the State Treasurer;

7 (2) To finance or refinance a capital program or programs for the  
8 meadowlands complex and the Monmouth racetrack project authorized  
9 pursuant to paragraph (5) of subsection a. of section 6 of P.L.1971,  
10 c.137 (C.5:10-6), adopted by the authority to provide for major  
11 repairs, reconstruction and improvements which are legally mandated  
12 or otherwise needed to meet environmental or safety requirements, to  
13 prevent a loss of revenues, to augment revenues or to continue or  
14 enhance the operations of any of the facilities thereof, or to upgrade  
15 any of the facilities thereof [provided that the aggregate cost of the  
16 projects financed pursuant to this paragraph shall not exceed  
17 \$30,000,000, exclusive of interest paid during construction];

18 (3) To provide for the financing or refinancing of the facilities for  
19 Rutgers, The State University pursuant to paragraph (8) of subsection  
20 a. of section 6 of P.L.1971, c.137 (C.5:10-6);

21 (4) To provide for the financing or refinancing of the Atlantic  
22 City convention center project;

23 (5) To finance or refinance feasibility studies for public projects  
24 consistent with the purposes of the authority;

25 (6) To provide for the financing or refinancing of any other  
26 project of the authority, but only if and to the extent expressly  
27 authorized by law enacted subsequent to the enactment of [this act]  
28 P.L.1991, c.375 (C.5:10-3 et al.); [and ]

29 (7) To provide for the financing of the facilities at institutions of  
30 higher education pursuant to paragraph (11) of subsection a. of section  
31 6 of P.L.1971, c.137 (C.5:10-6), based upon a list of projects  
32 recommended by the Commission on Higher Education following a  
33 competitive application process, provided that the aggregate financing  
34 of the projects undertaken pursuant to this paragraph shall not exceed  
35 \$5,000,000; and

36 (8) To provide for the financing or refinancing of a convention  
37 center facility in the City of Wildwood pursuant to paragraph (12) of  
38 subsection a. of section 6 of P.L.1971, c.137 (C.5:10-6).

39 e. Bonds and notes authorized pursuant to this section shall be  
40 special obligations of the authority payable as herein provided. Bonds  
41 and notes shall not be deemed to constitute a debt or liability of the  
42 State or a pledge of the faith and credit of the State but are dependent  
43 for repayment upon appropriations as provided by law from time to  
44 time. These bonds and notes and the interest thereon may also be  
45 payable from the proceeds thereof set aside for that purpose and  
46 income accruing therefrom.

1 (cf: P.L.1994, c.48, s.296)

2

3 <sup>1</sup>[4.] <sup>2</sup>[5.] <sup>1</sup><sup>4</sup>[21.] <sup>2</sup> 22. <sup>4</sup> This act shall take effect immediately.

4

5

6

7

8 Permits State funding for the construction of a convention center  
9 facility in certain tourism improvement and development districts  
10 under certain conditions and authorizes the New Jersey Sports and  
11 Exposition Authority to undertake certain additional projects.

1 at a 2 percent rate pursuant to P.L.1992, c.165 (C.40:54D-1 et seq.).  
2 The director shall, within 10 days of the receipt of that amount of tax  
3 collected, certify to the governing body of each municipality in the  
4 district that such amount has been collected.

5 (cf: P.L.1992, c.165, s.9)

6

7 3. (New section) Receipts from sales of tangible personal property  
8 and services subject to a tax on predominantly tourism related retail  
9 receipts authorized by municipal ordinances which were adopted  
10 pursuant to P.L.1992, c.165 (C.40:54D-1 et seq.) are exempt from the  
11 tax rate imposed under the "Sales and Use Tax Act" to the extent that  
12 the tax rate imposed by the ordinances exceeds 2%.

13

14 4. This act shall take effect immediately.

15

16

#### 17 STATEMENT

18

19 This bill increases the local share of the State and local taxes on  
20 tourism related receipts levied in municipalities that have formed a  
21 tourism improvement and development district. The local share of the  
22 taxes is a funding source for the advertising, promotion, improvement  
23 and support of tourism projects and for the issuance of bonds for the  
24 acquisition, construction, maintenance and operation of a convention  
25 center or tourism project and the payment of interest and principal on  
26 those bonds.

27 Currently, certain contiguous municipalities may form a tourism  
28 improvement and development authority. In these municipalities an  
29 8% tax is levied on certain tourism related retail receipts collected in  
30 a tourism improvement and development district. The tax is levied on  
31 hotel rentals, restaurant food and drink sales, and admissions charges  
32 in the district. The tax is shared by the State and the tourism  
33 authority, 6% going to the State and 2% going to the tourism  
34 authority. Currently, this tax is only levied in support of the projects  
35 of the Greater Wildwood Tourism Development Authority.

36 This bill makes the 8% tax a more cooperative revenue sharing  
37 effort between the State and the tourism improvement and  
38 development district by sharing the tax revenues more equally. While  
39 the total rate of tax will remain at 8%, the local share of the levy  
40 supporting tourism projects will increase, going from 6% State and 2%  
41 authority to 4% State and 4% authority.

42 This bill also provides an interim division of the 8% tax. For a  
43 period, the funds will be divided 3% to the State and 5% to the  
44 authority. This period will last until the 1% "extra" share to the  
45 authority yields funds to the authority equal to the additional amount  
46 that the authority would have received if the authority had received

1 4% of the funds for the entire period it was receiving 2% of the funds.

2

3

\_\_\_\_\_

4

5 Increases local share of State and local taxes on tourism related retail

6 receipts in certain tourism improvement and development districts.



ASSEMBLY SENIOR ISSUES, TOURISM AND GAMING  
COMMITTEE

STATEMENT TO

[First Reprint]

**SENATE, No. 1683**

with committee amendments

**STATE OF NEW JERSEY**

DATED: DECEMBER 9, 1996

The Assembly Senior Issues, Tourism and Gaming Committee reports favorably and with committee amendments Senate, No. 1683 (1R).

Currently, certain contiguous municipalities may form a tourism improvement and development authority. In these municipalities an 8% tax is levied on certain tourism related retail receipts collected in a tourism improvement and development district. The tax is levied on hotel rentals, restaurant food and drink sales, and admissions charges in the district. The tax is shared by the State and the tourism authority, 6% going to the State and 2% going to the tourism authority. The local share of the taxes is a funding source for the advertising, promotion, improvement and support of tourism projects and for the issuance of bonds for the acquisition, construction, maintenance and operation of a convention center or tourism project and the payment of interest and principal on those bonds. At present, this tax is only levied in support of the projects of the Greater Wildwood Tourism Development Authority.

This bill increases the local share of the State and local taxes on tourism related receipts levied in municipalities that have formed a tourism improvement and development district. While the total rate of tax will remain at 8%, the local share of the levy supporting tourism projects will increase, going from 6% State and 2% authority to 4% State and 4% authority, until all payments for bonds have been made. Thereafter the rate of tax shall return to 2%. For a period, the funds will be divided 3% to the State and 5% to the authority. This period will last until the 1% "extra" share to the authority yields funds to the authority equal to the additional amount that the authority would have received if the authority had received 4% of the funds for the entire period it was receiving 2% of the funds.

Under the bill, the tax revenues available to the authority shall be limited to \$5.75 million annually during the initial period and \$5

million annually thereafter, plus an additional \$500,000 for operating and administrative costs of the authority, and shall be used solely for the costs of capital construction of a tourism project, defined as a convention center facility or outdoor special events arena or both, or for the issuance of bonds and payment of interest and principal on such bonds. Any excess revenues shall be deposited in the General Fund for general State purposes. The municipalities within a district may increase the rate of tax in excess of 2% only if the beach fee imposed by each municipality does not exceed \$2 per day.

The bill provides that the State Treasurer shall designate the New Jersey Economic Development Authority or any other State authority to undertake the bonds financing and the construction of the tourism projects and shall review and approve the annual budget of the authority and the annual budget for any tourism project.

The bill also reconstitutes the membership of the tourism improvement and development authority by limiting the municipal appointments to one member for each municipality, by providing five members appointed by the Governor of whom at least two shall be residents of the tourism district engaged in business subject to the tourism sales tax or to merchant fees, and by placing the State Treasurer on the authority, ex officio. In addition, the Governor is provided with the power to review and veto the minutes of the authority.

#### COMMITTEE AMENDMENTS

The committee amended the bill to provide that:

- 1) Funds from taxes on tourism related receipts, as opposed to funds from an increase in tax, shall be used solely for the costs of capital construction, for the issuance of bonds and payment of interest and principal on such bonds, and for allocated authority operating expenses;
- 2) The municipalities within a district may increase the rate of tax only if the beach fee imposed by each municipality does not exceed \$2 per day;
- 3) The amount of tax revenues for the tourism project shall be limited to \$5.75 million annually during the initial period and \$5 million annually thereafter, plus an additional \$500,000 for operating and administrative costs of the authority, and the excess revenues shall be deposited in the General Fund for general State purposes;
- 4) An outdoor special events arena is a tourism project;
- 5) The State Treasurer shall designate the New Jersey Economic Development Authority or any other State authority to undertake the bonds financing and the construction of the tourism projects; and
- 6) The State Treasurer shall review and approve the annual budget of the authority and the annual budget for any tourism project.

The amendments also reconstitute the membership of the tourism improvement and development authority by limiting the municipal appointments to one member for each municipality, by providing five members appointed by the Governor of whom at least two shall be residents of the tourism district engaged in business subject to the tourism sales tax or to merchant fees, and by placing the State Treasurer on the authority, ex officio. In addition, the Governor is provided with the power to review and veto the minutes of the authority.

# ASSEMBLY APPROPRIATIONS COMMITTEE

## STATEMENT TO

[Second Reprint]

## **SENATE, No. 1683**

with Assembly committee amendments

# **STATE OF NEW JERSEY**

DATED: MARCH 20, 1997

The Assembly Appropriations Committee reports favorably Senate Bill No. 1683 (2R), with committee amendments.

Senate Bill No. 1683 (2R), as amended, increases the local share of the State and local taxes on tourism related receipts levied in municipalities that have formed a tourism improvement and development district.

Currently, certain contiguous municipalities may form a tourism improvement and development authority. In these municipalities an 8% sales tax is levied in a tourism improvement and development district on hotel rentals, restaurant food and drink sales, and admissions charges in the district. The tax is shared by the State and the tourism authority, 6% going to the State and 2% going to the tourism authority. The local share of the taxes is a funding source for the advertising, promotion, improvement and support of tourism projects and for the issuance of bonds for the acquisition, construction, maintenance and operation of a convention center or tourism project and the payment of interest and principal on those bonds. At present, this tax is only levied in support of the projects of the Greater Wildwood Tourism Development Authority.

This bill increases the local share of the State and local taxes on tourism related receipts levied in municipalities that have formed a tourism improvement and development district. While the total rate of tax will remain at 8%, the local share of the levy supporting tourism projects will increase, going from 6% State and 2% authority to 4% State and 4% authority, until all payments for bonds have been made. Thereafter the share of tax will return to 6% State and 2% authority. For a period, the funds will be divided 3% to the State and 5% to the authority. This period will last until the 1% "extra" share to the authority yields funds to the authority equal to the additional amount that the authority would have received if the authority had received 4% of the funds for the entire period it was receiving 2% of the funds.

Under the bill, the tax revenues available to the authority shall be

not less than \$500,000 for operating and administrative costs of the authority. The remainder of the funds shall be used solely for the costs of capital construction of a tourism project, defined as a convention center facility or outdoor special events arena or both, or for the issuance of bonds and payment of interest and principal on such bonds.

Any excess revenues shall be placed in a sinking fund to be used to retire, prior to maturity, State authority bonds issued for the tourism projects. The municipalities within a district may increase the rate of tax in excess of 2% only if the beach fee imposed by each municipality does not exceed \$2 per day.

The bill provides that the State Treasurer shall designate the New Jersey Economic Development Authority or any other State authority to undertake the bonds financing and the construction of the tourism projects and shall review and approve the annual budget of the authority and the annual budget for any tourism project.

The bill also reconstitutes the membership of the tourism improvement and development authority by limiting the municipal appointments to one member for each municipality, by providing six members appointed by the Governor of whom at least three shall be residents of the tourism district engaged in business subject to the tourism sales tax or to merchant fees, and by placing the State Treasurer and the Director of Travel and Tourism on the authority, ex officio. In addition, the Governor is provided with the power to appoint the chairman of the authority and review and veto the minutes of the authority.

As reported with amendments by this committee, Senate Bill No 1683 (2R) is identical to Assembly Bill No. 2504 (1R) as reported with amendments by this committee.

#### FISCAL IMPACT:

Based on calendar year funds transfer information supplied by the Greater Wildwood Tourism Development Authority, the tax currently imposed in the Wildwoods at 2 percent is expected to generate approximately \$2.6 million in State fiscal year 1997. Other things being equal, the increase to a 5 percent municipal rate is expected to be an increase of \$3.9 million annually, for a total municipal levy of \$6.5 million annually. If the higher rate could be implemented by July 1, 1997, the duration of the 5 percent rate would be approximately 7.5 years. Thereafter, the maximum rate would be 4 percent, expected to increase the municipal levy by \$2.6 million annually for the period that tourism project bonds are outstanding, for a total municipal levy of \$5.2 million for each full fiscal year in which it is in effect.

COMMITTEE AMENDMENTS:

The committee amendments:

- a. Increase the membership of the authority from nine to eleven members, by providing the Governor with six rather than five members and by adding the Director of Travel and Tourism as an ex officio member.
- b. Require that of the Governor's appointees, three shall be public members who are residents of different municipalities in the district and three shall be tourism business members who are residents of different municipalities in the district.
- c. Provide for three year, staggered terms for appointees of the Governor and of the municipalities in the district.
- d. Require the Governor to appoint the authority chairman from among the Governor's appointees.
- e. Remove the requirement that excess annual revenues over \$6,250,000 be placed in the State General Fund, and replace it with a requirement that excess annual revenues be placed in a sinking fund to be used to retire, prior to maturity, State authority bonds issued for the tourism projects.
- f. Permit the State Treasurer to allow more than \$500,000 to be used for authority operating expenses pursuant to a budget approved by the State Treasurer.

# SENATE BUDGET AND APPROPRIATIONS COMMITTEE

## STATEMENT TO

### **SENATE, No. 1683**

with Senate committee amendments

# **STATE OF NEW JERSEY**

DATED: NOVEMBER 18, 1996

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 1683, with committee amendments.

Senate Bill No. 1683, as amended, increases the local share of the State and local taxes on tourism related receipts levied in municipalities that have formed a tourism improvement and development district. The local share of the taxes is a funding source for the advertising, promotion, improvement and support of tourism projects and for the issuance of bonds for the acquisition, construction, maintenance and operation of a convention center or tourism project and the payment of interest and principal on those bonds.

Currently, certain contiguous municipalities may form a tourism improvement and development authority. In these municipalities an 8% tax is levied on certain tourism related retail receipts collected in a tourism improvement and development district. The tax is levied on hotel rentals, restaurant food and drink sales, and admissions charges in the district. The tax is shared by the State and the tourism authority, 6% going to the State and 2% going to the tourism authority. Currently, this tax is only levied in support of the projects of the Greater Wildwood Tourism Development Authority.

This bill makes the 8% tax a more cooperative revenue sharing effort between the State and the tourism improvement and development district by sharing the tax revenues more equally. While the total rate of tax will remain at 8%, the local share of the levy supporting tourism projects will increase, going from 6% State and 2% authority to 4% State and 4% authority.

This bill also provides an interim division of the 8% tax. For a period, the funds will be divided 3% to the State and 5% to the authority. This period will last until the 1% "extra" share to the authority yields funds to the authority equal to the additional amount that the authority would have received if the authority had received 4% of the funds for the entire period it was receiving 2% of the funds.

### COMMITTEE AMENDMENTS

The amendments provide that revenues from any increase in the local share of the levy shall be used solely for the costs of capital construction or for the issuance of bonds for the acquisition, construction, maintenance and operation of a capital construction project and the payment of interest and principal on such bonds.

### FISCAL IMPACT

The bill allows an increase to a 5 percent municipal rate for the tax on tourism related receipts levied in municipalities that have formed a tourism improvement and development district until the levy yields funds equal to the additional amount that the authority would have received if the authority had received a 4 percent levy for the entire period it was receiving a 2 percent levy under current law. Based on calendar year funds transfer information supplied by the Greater Wildwood Tourism Development Authority, the amount of the increase in municipal levy and corresponding decrease in sales tax revenue to the State general fund at a 5 percent rate is expected to be \$3.9 million annually, for a total municipal levy of \$6.5 million annually.

The period over which this rate would be imposed depends on the lapse of time from the original imposition of the 2 percent levy, which began in August of 1993, until the higher rate could be implemented. If the higher rate could be implemented by July 1, 1997, the duration of the 5 percent rate would be approximately 7.5 years.

Thereafter, the maximum rate would be 4 percent, expected to increase the municipal levy and correspondingly decrease State sales tax revenue by \$2.6 million annually, for a total municipal levy of \$5.2 million for each full fiscal year in which it is in effect.



# LEGISLATIVE FISCAL ESTIMATE TO

[First Reprint]  
**SENATE, No. 1683**

## **STATE OF NEW JERSEY**

DATED: DECEMBER 10, 1996

Senate Bill No. 1683 (1R) of 1996 allows an increase in the tax on tourism related receipts levied in municipalities that have formed a tourism improvement and development district, and provides a partial sales tax exemption to offset the increase. Currently, certain contiguous municipalities may form a tourism improvement and development authority and levy a 2 percent tax on hotel room rentals, restaurant food and drink sales, and admissions charges in the district. The tax is in addition to the 6 percent State sales tax on these transactions, for a total tax of 8 percent. Currently, this tax is only levied in support of the projects of the Greater Wildwood Tourism Development Authority.

The bill increases the tax rates that the municipalities may levy and provides an exemption that reduces the State sales tax by the amount of the increase in the municipal tax. While the combined rate of tax will remain at 8 percent, the local share of the levy supporting tourism projects will increase from 2 percent to 4 percent and the State share will decrease from 6 to 4 percent.

This bill also provides an interim division of the 8 percent total tax. For a period, the funds will be divided 3 percent to the State and 5 percent to the authority. This period will last until the 1 percent "extra" share to the authority yields funds to the authority equal to the additional amount that the authority would have received if the authority had received 4 percent of the funds for the entire period it was receiving 2 percent of the funds.

Based on calendar year funds transfer information supplied by the Greater Wildwood Tourism Development Authority, the tax currently imposed in the Wildwoods at 2 percent is expected to generate approximately \$2.6 million in State fiscal year 1997. Revenues seem to be increasing by about 4 percent annually, which would be compatible with recent general inflation rates, but it is difficult to separate the continuing effects of price inflation from the more limited revenue increase resulting from the "learning curve" of vendors collecting this recently imposed levy. Also, the construction and completion of the convention center (or other capital construction project) that this revenue stream is to fund is expected to increase economic activity in the Wildwoods and would be expected to increase municipal levy revenues. Because of the complexity and unpredictability of future changes in economic activity, this analysis

will assume flat economic activity, which may understate future revenue changes.

The bill allows an increase to a 5 percent municipal rate until the levy yields funds equal to the additional amount that the authority would have received if the authority had received a 4 percent levy for the entire period it was receiving a 2 percent levy. At a 5 percent rate, the amount of the increase in municipal levy and corresponding decrease in sales tax revenue to the State general fund is expected to be \$3.9 million annually, for a total municipal levy of \$6.5 million annually. The period over which this rate would be imposed depends on the lapse of time from the original imposition of the 2 percent levy, which began in August of 1993, until the higher rate could be implemented. If the higher rate could be implemented by July 1, 1997, the duration of the 5 percent rate would be approximately 7.5 years. Thereafter, the maximum rate would be 4 percent, expected to increase the municipal levy and correspondingly decrease State sales tax revenue by \$2.6 million annually, for a total municipal levy of \$5.2 million for each full fiscal year in which it is in effect.

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67.

STATE OF NEW JERSEY  
EXECUTIVE DEPARTMENT

November 17, 1997

SENATE BILL NO. 1683  
(THIRD REPRINT)

To the Senate:

Pursuant to Article V, Section I, Paragraph 14 of the New Jersey Constitution, I am returning Senate Bill No. 1683 (Third Reprint) with my recommendations for reconsideration.

A. Summary of the Bill

This bill enables the Greater Wildwood Tourism Improvement Development Authority (authority) to receive from the State one-third of the six percent State sales tax collected on predominantly tourism related retail receipts in the Wildwood tourism improvement and development district. These revenues, combined with revenues raised by an existing two percent local tax on the same receipts, are to be used as follows: \$500,000 for operating and administrative costs of the authority; the remainder for the costs of capital construction of tourism projects, i.e. a convention center facility, an outdoor special events arena, or both. Any excess revenues shall be placed in a sinking fund to be used to retire, prior to maturity, State authority bonds issued for the tourism project(s). Those bonds are to be issued by the New Jersey Economic Development Authority, or any other State authority designated by the State Treasurer.

The bill also reconstitutes the authority by decreasing from three to one the number of appointments by each of the three municipalities in the district, by adding six members appointed by the Governor and by placing the State Treasurer and the Director of Travel and Tourism in the Department of Commerce and Economic Development on the authority. The bill also gives the

Governor the power to appoint the chairman and to review and veto the minutes of the authority.

B. Recommended Action

I acknowledge and support the efforts of the sponsors to obtain a funding source for the construction of a new convention center facility in Wildwood. In the past 20 years, the city's tourist industry has declined as a result of several economic and demographic factors such as regional competition from emerging tourist destinations. A new convention center would serve as an anchor for the city's tourist industry by increasing its capacity to draw visitors. A larger convention center than the existing one would also meet the convention needs of the New Jersey Firemen's Association, a continually growing organization that has been meeting annually in Wildwood for more than 20 years.

Nevertheless, I am convinced that it is not appropriate to use State sales tax revenues to fund a local project. Those revenues are more properly deposited in the General Fund to be used to support the work of State government throughout the entire State. Accordingly, I recommend the use of the following funding sources to build and operate a convention center in Wildwood: proceeds from the current two percent tourism tax in the Wildwood tourism district, proceeds from the issuance of contract bonds by the New Jersey Sports and Exposition Authority and any other appropriate funding source that may be identified.

As important as the identification of appropriate funding sources is the development of a solid plan to assure the prompt construction and efficient operation of the convention center. Accordingly, I recommend that the New Jersey Sports and

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Exposition Authority (SEA) be authorized to undertake full responsibility for the construction of a new convention center and for the operation of that facility after it has been constructed. I further recommend that SEA assume responsibility for the operation of the existing convention center. To facilitate this plan, I recommend that the authority transfer to the SEA all right, title and interest in any of its assets, funds and property, both real and personal. I further recommend that at the same time the SEA assume such obligations of the authority as are necessary for the acquisition, construction and operation of the Wildwood convention center facility.

I further recommend that there be no change in the authority's current statutory appointment mechanism. Nor do I perceive a need for me to designate the chairman of the authority or to review their minutes; so I recommend deletion of these provisions.

I also recommend that the authority's responsibilities be adjusted to enable it to focus on the very important function of general promotion of the Wildwoods as a tourist destination. To facilitate that fundamental mission, I recommend that the authority retain the revenues from the local tourism development fee and receive from the State ten percent of the revenues from the existing two percent local tax on predominantly tourism related retail receipts in the district.

Therefore, I herewith return Senate Bill No. 1683 (Third Reprint) and recommend that it be amended as follows:

Page 1, Title, Lines 1-2:

Delete "the imposition of certain taxes on retail receipts for"

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- Page 1, Title, Line 2: After funding insert  
", construction and operation"
- Page 1, Title, Line 3: Delete "membership and"
- Page 1, Title, Line 4: After "authorities" insert  
"and the powers and projects  
of the New Jersey Sports and  
Exposition Authority"; after  
"c.165" insert ", amending  
P.L.1971, c.137, amending  
P.L.1991, c.375"
- Page 1, Section 1, Line 19: After "Development.]" insert  
"'Commissioner' means the  
Commissioner of the  
Department of Commerce and  
Economic Development."
- Page 2, Section 1, Line 2: After "thereto" insert "but  
does not mean the Wildwood  
convention center facility as  
defined in this section"
- Page 2, Section 1, Line 6: After "therewith" insert "but  
does not mean the Wildwood  
convention center facility as  
defined in this section"
- Page 2, Section 1, Lines 22-23: Delete "this act,"
- Page 3, Section 1, Line 9: Delete "this act,"
- Page 3, Section 1, Lines 10-11: Insert "'Sports authority'  
means the New Jersey Sports  
and Exposition Authority  
established pursuant to  
P.L.1971, c.137 (C.5:10-1 et  
seq.)."
- Page 3, Section 1, Line 16: Delete "this act,"
- Page 4, Section 1, Line 4: Delete "this act,"
- Page 4, Section 1, Lines 5-6: Insert "'Wildwood convention  
center facility' means the  
project authorized by  
paragraph (12) of subsection  
a. of section 6 of P.L.1971,  
c.137 (C.5:10-6)."
- Page 4, Section 2, Lines 14-21: On line 14, delete "five";  
delete lines 15-20 in  
entirety; on line 21, delete  
"rate not to exceed"
- Page 4, Section 2, Lines 31-44: Delete in entirety
- Page 5, Section 2, Line 1: Delete "this act,"
- Page 5, Section 2, Line 6: After "municipalities" insert  
"and then only upon the  
written approval of the State  
Treasurer and, so long as the  
sports authority shall own  
and be responsible for the

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construction and operation of the Wildwood convention center facility, upon the written approval of the sports authority"

Page 5, Section 2, Line 11:

After "outstanding." insert "Any alteration or repeal, or attempted alteration or repeal, in violation of this subsection, whether before or after the effective date of P.L. , c. (C. ) (now pending before the Legislature as this bill) shall be null and void."

Page 5, Line 26:

Insert new section as follows:

"3. Section 6 of P.L.1992, c. 165 (C.40:54D-6) is amended to read as follows:

6. a. The director shall collect and administer any tax imposed pursuant to the provisions of [this act,] P.L.1992, c.165 (C.40:54D-1 et seq.), notwithstanding the provisions of any other law or ordinance to the contrary. In carrying out the provisions of [this act] P.L.1992, c.165 (C.40:54D-1 et seq.) the director shall have all the powers granted in P.L.1966, c.30 (C.54:32B-1 et seq.).

b. The director shall determine and certify to the State Treasurer on a monthly basis the amount of revenues [payable to any authority operating in a] collected in a district [for which a tax] on predominantly tourism related retail receipts [is imposed and collected by the director] pursuant to [this act,] P.L.1992, c.165 (C.40:54D-1 et seq.). The State Treasurer, upon the certification of the director and upon the warrant of the State Comptroller, shall pay and distribute on a monthly basis to the fund established pursuant to Section 13 of [this act,] P.L.1992, c.165 (C.40:54D-13) the amount so determined and certified [unless those amounts are otherwise required to be placed in the reserve fund pursuant to this act].  
(cf. P.L.1992, c.165, s.6)

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- Page 5, Section 3, Line 27 -  
Page 6, Section 3, Line 20: Delete in entirety
- Page 6, Section 4, Lines 22-45: Delete in entirety
- Page 7, before Line 1: Insert new section as follows:
4. Section 13 of P.L.1992, c.165 (C.40:54D-13) is amended to read as follows:
13. There is created for a tourism improvement and development district established pursuant to [this act,] P.L.1992, c.165 (C.40:54D-1 et seq.), a reserve fund to be held by the State Treasurer, but not to exist in the State Treasury, to be the repository for monies paid to the State Treasurer pursuant to [this act,] P.L.1992, c.165 (C.40:54D-1 et seq.), and disbursed as provided herein.  
(cf. P.L.1992, c.165, s.13)
- Page 7, Section 5, Lines 9-10: Delete "this act,"
- Page 7, Section 5, Lines 10-19: On line 10, delete "; provided however, that all funds"; delete lines 11-19 in entirety
- Page 7, Section 5, Line 27: Delete "this act,"
- Page 7, Section 5, Line 28: Delete "this act,"
- Page 7, Section 5, Line 30: Delete "this act,"
- Page 8, Section 5, Lines 5-7: Delete "(Deleted by amendment, P.L. , c. (now pending before the Legislature as this bill).)"
- Page 8, Section 5, Line 7: Insert "At the end of any full calendar year occurring after the date which is the later date determined pursuant to paragraph 1 or 2 of subsection b. of this section and after all payments coming due during that calendar year of principal and interest on authority bonds or notes issued for a tourism project have been made, and all obligations to the holders of those bonds have been met, including the maintenance of necessary reserves and the allocation of monies for future debt service payments,



any balance remaining in the fund in that calendar year shall be applied to any deficiency between the operating expense budget and the anticipated operating revenues available for the following fiscal year to the entity operating the tourism project."

Page 8, Section 5, Line 11:

Before "this" insert "subsections b. and c. of"

Page 8, Section 5, Line 19:

After subsection e. insert new subsection as follows:

f. Notwithstanding any other law to the contrary, subsections a. through d. of this section shall not apply to any authority in existence on July 1, 1997 for the period of time beginning on the effective date of P.L. , c. (C. ) (now pending before the Legislature as this bill) and continuing thereafter until the 60th day following the date on which the State Treasurer certifies that all bonds or notes issued by the sports authority pursuant to section 12 of P.L. 1991, c.375 (C.5:10-14.3) and section 18 of P.L. , c. (C. ) (now pending before the Legislature as this bill) to finance the Wildwood convention center facility, together with interest thereon, have been fully met and discharged or provided for. During such period of time all revenues from a district with an authority in existence on July 1, 1997 shall be deposited by the State Treasurer in the fund created pursuant to section 13 of P.L.1992, c.165 (C.40:54D-13) and shall be allocated as follows: 90 percent of the revenues shall be transferred by the State Treasurer to the sports authority for purposes in connection with the Wildwood convention center facility to be applied as set forth in subsection g. of section 6 of P.L.1971, c.117 (C.5:10-6) and the remaining 10 percent of the revenues shall be transferred by the State Treasurer to the

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Greater Wildwood Tourism  
Improvement Development  
Authority to be applied as  
set forth in section 21 of  
P.L.1992, c.165 (C.40:54D-1  
et seq.).

Page 8, Section 6, Line 25:

Delete "this act,"

Page 9, Section 7, Line 9:

Delete "this act,"

Page 9, Section 7, Line 12:

After "that" delete "the" and  
insert "any"; after  
"authority" insert "in  
existence on July 1, 1997,";  
after "prior" insert "to"

Page 9, Section 7, Line 13:

Delete "payments for"; after  
"bonds" insert "or notes"

Page 9, Section 7, Line 14:

Delete "State" and insert  
"sports"; after "section"  
delete "20" and insert "12 of  
P.L.1991, c.375 (C.5:10-14.3)  
and section 18"

Page 9, Section 7, Lines 15-16:

After "bill)" delete "have  
been made." and insert "to  
finance the Wildwood  
convention center facility,  
together with interest  
thereon, have been full met  
and discharged or provided  
for. Any dissolution, or  
attempted dissolution, of any  
such authority in violation  
of this section, whether  
before or after the effective  
date of P.L. , c.  
(C. ) (now pending  
before the Legislature as  
this bill) shall be null and  
void."

Page 9, Section 8, Lines 21-45:

On line 21, after "20.a."  
delete remainder of line 21;  
delete lines 22-45 in  
entirety

Page 10, Section 8, Lines 1-45:

Delete in entirety

Page 11, Section 8, Lines 1-37:

Delete in entirety; insert  
the following:

After the expiration of the  
period of 45 days following  
the first publication of the  
creating ordinances, the  
governing body of each  
municipality joining in the  
creation of the tourism  
improvement and development  
district shall appoint the  
first members to the  
authority. Each municipality  
shall be entitled to appoint

three members to the authority. Two of the three members so appointed shall be owners, or employees of vendors, for whom a regular part of a dominant line of their business generates retail receipts subject to taxation or who are subject to payment of municipal fees pursuant to [this act,] P.L.1992, c. 165 (C.40:54D-1 et seq.). The remaining member appointed by each municipality shall be a resident of the municipality who is not such an owner or employee of a vendor. No member shall hold any elective public office.

b. The Commissioner of the Department of Commerce [, Energy] and Economic Development shall be an ex officio member of the authority.

c. Each member of the authority shall serve for a term of four years, except of the members initially appointed, two shall be appointed for a term of two years and one shall be appointed for a term of four years. Each member shall hold office for the term of the member's appointment and until the member's successor is appointed and qualified. A member shall be eligible for reappointment. A

vacancy in the membership occurring other than by expiration of term shall be filled in the same manner as the original appointment but for the unexpired term only.

d. The Commissioner may designate an employee of the department to represent the member at meetings of the authority. The designee of the member may lawfully vote and otherwise act on behalf of the member. The designation shall be made annually in writing and delivered to the authority and shall be effective until revoked or amended by written notice delivered to the authority.

e. The authority, upon the first appointment of its members and thereafter at the same time in each year, shall annually elect from among its

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members, a chairman and a vice-chairman who shall hold office until a successor is elected. The authority may also appoint and employ, without regard to the provisions of Title 11A of the New Jersey Statutes, an executive director and other agents and employees as the authority may require, and shall determine their qualifications, terms of office, duties and compensation thereof.

f. The powers of the authority shall be vested in the voting members thereof in office from time to time; a majority of the members of the authority shall constitute a quorum and the affirmative vote of a majority of the full membership shall be necessary for any action taken by the authority unless the bylaws of the authority shall require a larger number. No vacancy in the membership of the authority shall impair the right of a quorum to exercise all the rights and perform all the duties of the authority.

g. The members of the authority shall serve without compensation, but the authority may reimburse its members for actual and necessary expenses incurred in the discharge of their duties.

h. Each appointed member of the authority may be removed by the appointing authority for cause after a public hearing and may be suspended by the authority pending the completion of the hearing. Each member of the authority before entering upon the duties of office shall take and subscribe an oath to perform the duties of the office faithfully, impartially, prudently and justly to the best of the member's ability. A record of these oaths shall be filed in the office of the Secretary of State.

Page 11, Section 9, Line 43:

Delete "which" and insert "if it"

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- Page 11, Section 9, Line 46: After "tourists" delete ". An" and insert "; provided however, that such promotion, advertisement and enhancement shall not be undertaken by any authority with respect to the Wildwood convention center facility unless any such authority is expressly authorized by the sports authority to undertake such activities. Except as otherwise provided in, and subject to any limitations in, P.L. , c. (C. ) (now pending before the Legislature as this bill), an
- Page 12, Section 9, Lines 11-12: Delete "Except as otherwise provided in P.L. , c. (C. ) (now pending before the Legislature as this bill), to" and insert "To"
- Page 12, Section 9, Line 19: Delete "this act,"
- Page 13, Section 9, Lines 8-9: Delete "Except as otherwise provided in section 20 of P.L. , c. (C. ) (now pending before the Legislature as this bill), to" and insert "To"
- Page 13, Section 9, Line 29: Delete "this act" and insert "P.L.1992, c.165 (C.40:54D-1 et seq.)"
- Page 13, Section 10, Line 35: Delete "this act,"
- Page 14, Section 12, Line 6: Delete "20" and insert "18"
- Page 14, Section 12, Line 16: After "Except" insert "as otherwise provided in section 18 of P.L. , c. (C. ) (now pending before the Legislature as this bill) and except"
- Page 14, Section 12, Line 26: Delete "this act,"
- Page 15, Section 13, Line 3: Delete "this act,"
- Page 15, Section 13, Line 15: After "(C.40:54D-14)," insert "and subject to subsection f. of that section,"
- Page 15, Section 13, Lines 35-43: Delete in entirety
- Page 16, Section 14, Line 5: Delete "this act,"
- Page 16, Section 15, Line 26: Delete "this act,"
- Page 16, Section 16, Line 31 -  
Page 17, Section 16, Line 17: Delete in entirety
- Page 17, Section 17, Line 19: Delete "17" and insert "16"

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- Page 17, Section 17, Line 21: Delete "All" and insert "Except as otherwise provided in section 17 of P.L. , c. (C. ) (now pending before the Legislature as this bill), all"
- Page 17, Section 18, Line 34 -  
Page 18, Section 18, Line 10: Delete in entirety
- Page 18, Section 19, Lines 13-27: Delete in entirety
- Page 18, Line 28: Insert new section as follows:
17. (New section)  
a. The authority in existence on July 1, 1997 shall cooperate with the sports authority in the defeasing, refunding or refinancing of any outstanding obligations of such authority as authorized by this section and the authority shall take such steps as are necessary in order to implement such defeasing, refunding or refinancing.  
b. On the 60th day following the effective date of P.L. , c. (C. ) (now pending before the Legislature as this bill):  
(1) All right, title and interest of the authority in existence on July 1, 1997 in any of its assets, funds and property, both real and personal, as well as those obligations as set forth in paragraph (4) of this subsection, are hereby transferred to the sports authority to be held, used and applied for the purposes set forth herein.  
(2) In addition to the powers vested in the sports authority pursuant to P.L.1971, c.137 (C.5:10-1 et seq.), all powers and duties which hitherto were exercised by the authority in existence on July 1, 1997 with respect to any property transferred pursuant to this section may henceforth be exercised by the sports authority.  
(3) All monies transferred pursuant to this act shall be deposited in the fund created by the sports authority pursuant to subsection g. of section 6 of P.L. 1971, c.137 (C.5:10-6).

(4) The sports authority shall assume such obligations of the authority as are necessary for the acquisition, construction and operation of the Wildwood convention center facility which obligations shall be as specified in a contract between the authority and the sports authority. Any such obligations of the authority which are assumed by the sports authority shall be payable from the fund created by the sports authority pursuant to subsection g. of section 6 of P.L.1971, c.137 (C.5:10-6) or from the proceeds of bonds or notes issued pursuant to section 12 of P.L. 1991, c.375 (C.5:10-14.3) and section 18 of P.L. , c. (C. ) (now pending before the Legislature as this bill).

Page 18, Section 20, Line 29:

Delete "20" and insert "18"

Page 18, Section 20, Lines 29-33:

On line 29 delete "State Treasurer shall designate the"; delete lines 30-32 in entirety; on line 33 delete "construction of the tourism projects" and insert "sports authority is hereby authorized to acquire, finance through the issuance of bonds or notes, construct, operate and perform such other functions as provided in P.L.1971, c.167 (C.5:10-1 et seq.) regarding the Wildwood convention center facility"

Page 18, Section 20, Lines 33-35:

On line 33 delete "authority"; delete line 34 in entirety; on line 35 delete "Treasurer" and insert "sports authority shall have"

Page 18, Section 20, Line 35:

Delete "bonding" and insert "acquisition, financing through the issuance of bonds or notes"

Page 18, Section 20, Line 36:

After "construction" insert "and operation"; delete "tourism projects" and insert "Wildwood convention center facility"

Page 18, Section 20, Line 37:

After "authority" insert "in existence on July 1, 1997"; delete "State" and insert "sports"

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- Page 18, Section 20, Lines 37-38: Delete "tourism projects" and insert "Wildwood convention center facility"
- Page 18, Section 20, Lines 39-46: Delete in entirety
- Page 19, Section 20, Lines 1-28: Delete in entirety
- Page 19, Line 29: Add new sections as follows:
19. Section 3 of P.L. 1971 c.137 (C.5:10-3) is amended to read as follows:
3. The following words or terms as used in this act shall have the following meaning unless a different meaning clearly appears from the context:
- a. "Act" means this New Jersey Sports and Exposition Authority Law.
  - b. "Authority" means the New Jersey Sports and Exposition Authority created by section 4 of [this] the act.
  - c. "Bonds" means bonds issued by the authority pursuant to the act.
  - d. "Meadowlands complex" means the sports and exposition project authorized by paragraph (1) of subsection a. of section 6 of the act.
  - e. "Notes" means notes issued by the authority pursuant to the act.
  - f. "Projects" means and includes any project which the authority is authorized to undertake pursuant to [paragraphs 1 through 10 of] subsection a. of section 6 of P.L. 1971, c.137 (C.5:10-6).
  - g. "State" means the State of New Jersey.
  - h. "Hackensack meadowlands" means the Hackensack Meadowlands District as delineated in P.L. 1968, c.404, s.4 (C.13:17-4).
  - i. "Meadowlands Commission" means the Hackensack Meadowlands Development Commission created by P.L. 1968, c.404.
  - j. "Racing Commission" means the New Jersey Racing Commission created by P.L. 1940, c.17.
  - k. "Credit agreement" as used herein includes loan agreement, revolving credit agreement, agreement establishing a line of credit, letter of credit,



reimbursement agreement, interest exchange agreement, insurance contract, surety bond, commitment to purchase bonds, purchase or sale agreements, or commitments or other contracts or agreements authorized and approved by the authority in connection with the authorization, issuance, security, or payment of bonds.

l. "Luxury tax" means the tax levied and collected by the city of Atlantic City, county of Atlantic, pursuant to P.L. 1947, c.71 (C.40:48-8.15 et seq.).

m. "[Convention] Atlantic City convention center project" means the project authorized by paragraph 9 of subsection a. of section 6 of P.L. 1971, c.137 (C.5:10-6).

n. "Wildwood convention center facility" means the project authorized by paragraph (12) of subsection a. of section 6 of P.L.1971, c.137 (C.5:10-6).

o. "Tourism related tax" means the tax levied and collected pursuant to P.L.1992, c.165 (C.40:54D-1 et seq.) for the tourism improvement and development district which includes the Wildwood convention center facility.

(cf. P.L.1991, c.375, s.1)

20. Section 6 of P.L. 1971, c.137 (C.5:10-6) is amended to read as follows:

6a. The authority, pursuant to the provisions of [the act] P.L.1971, c.137 (C.5:10-1 et seq.), is hereby authorized and empowered, either alone or in conjunction with others, and provided that, in the case of an arrangement with respect to any of the projects set forth in this section which shall be in conjunction with others, the authority shall have sufficient right and power to carry out the public purposes set forth in [this act] P.L.1971, c.137 (C.5:10-1 et seq.):

(1) To establish, develop, construct, operate, acquire, own, manage, promote, maintain, repair, reconstruct, restore, improve and

otherwise effectuate, either directly or indirectly through lessees, licensees or agents, a project to be located in the Hackensack meadowlands upon a site not to exceed 750 acres and upon a site or sites outside of that acreage, but either immediately contiguous thereto or immediately across any public road which borders that acreage, consisting of one or more stadiums, coliseums, arenas, pavilions, stands, field houses, playing fields, recreation centers, courts, gymnasiums, clubhouses, a racetrack for holding a horse race meetings, and other buildings, structures, facilities, properties and appurtenances related to, incidental to, necessary for, or complementary to a complex suitable for the holding of athletic contests or other sporting events, or trade shows, exhibitions, spectacles, public meetings, entertainment events or other expositions, including, but not limited to, driveways, roads, approaches, parking areas, parks, recreation areas, lodging facilities, vending facilities, restaurants, transportation structures, systems and facilities, and equipment, furnishings, and all other structures and appurtenant facilities, related to, incidental to, necessary for, or complementary to the purposes of that project or any facility thereof.

(2) To establish, develop, construct, acquire, lease or own, operate, manage, promote, maintain, repair, reconstruct, restore, improve and otherwise effectuate, either directly or indirectly through lessees, licensees or agents, a project, at a site within the State of New Jersey, consisting of a baseball stadium and other buildings, structures, facilities, properties and appurtenances related thereto, or incidental to, necessary for, or complementary to a complex suitable for the holding of

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professional baseball games and other athletic contests or sporting events, or trade shows, exhibitions, spectacles, public meetings, entertainment events or other expositions, such project to include driveways, roads, approaches, parking areas, parks, recreation areas, vending facilities, restaurants, transportation structures, systems and facilities, and equipment, furnishings and all other structures and appurtenant facilities related to, incidental to, necessary for, or complementary to the purposes of that project or any facility thereof.

(3) To establish, develop, construct, acquire, lease or own, operate, manage, promote, maintain, repair, reconstruct, restore, improve and otherwise effectuate, either directly or indirectly through lessees, licensees or agents, projects located within the State of New Jersey, but outside of the meadowlands complex, consisting of aquariums and the buildings, structures, facilities, properties and appurtenances related thereto, or incidental to, necessary for, or complementary to those aquariums, such project to include driveways, roads, approaches, parking areas, parks, recreation areas, vending facilities, restaurants, transportation structures, systems and facilities, and equipment, furnishings and all other structures and appurtenant facilities related to, incidental to, necessary for, or complementary to the purposes of that project or any facility thereof. To provide for a project authorized under this paragraph:

(a) (Deleted by amendment, P.L. 1988, c.172.)

(b) The authority is authorized to enter into agreements with the State Treasurer providing for the acquisition and construction of an aquarium by the authority, including the land

necessary for the aquarium, and the costs thereof, ownership of the aquarium and its land which shall be conveyed to the State upon completion, and the operation by the authority of the aquarium pursuant to a lease or other agreement with the State containing such terms and conditions as the State Treasurer may establish prior to the acquisition and construction by the authority of the aquarium and the disbursements of funds therefor. The State Treasurer is authorized to enter into a lease or other agreement to effectuate the provisions of this subparagraph.

(4) To establish, develop, construct, acquire, own, operate, manage, promote, maintain, repair, reconstruct, restore, improve and otherwise effectuate, either directly or indirectly through lessees, licensees or agents, a project consisting of an exposition or entertainment center or hotel or office complex, including any buildings, structures, properties and appurtenances related thereto, incidental thereto, necessary therefor, or complementary thereto, such project to include driveways, roads, approaches, parking areas, parks, recreation areas, vending facilities, restaurants, transportation structures, systems, and equipment, furnishings and all other structures and appurtenances related to, incidental to, necessary for, or complementary to, the purposes of that project. A project authorized under this paragraph may be located within, immediately contiguous to, or immediately across any public road which borders the site of any other project of the authority, except the site of a racetrack authorized by paragraph (5) of this subsection and acquired by the authority prior to 1986.

(5) To establish, develop, construct, acquire, own, operate, manage, promote,

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maintain, repair, reconstruct, restore, improve and otherwise effectuate, either directly or indirectly through lessees, licensees or agents, projects consisting of (a) racetrack facilities located within the State of New Jersey, but outside of the meadowlands complex, (b) their contiguous properties and (c) their auxiliary facilities, including, without limitation, pavilions, stands, field houses, clubhouses, training tracks for horses, racetracks for the holding of horse race meetings, fairgrounds, other exposition facilities, and other buildings, structures, properties and appurtenances related to, incidental to, necessary for, or complementary to a complex suitable for the holding of horse race meetings, other sporting events, or trade shows, exhibitions, spectacles, public meetings, entertainment events or other expositions, including, but not limited to, driveways, roads, approaches, parking areas, parks, recreation areas, lodging facilities, vending facilities, restaurants, transportation structures, systems and facilities, equipment, furnishings, and all other structures and appurtenant facilities related to, incidental to, necessary for, or complementary to the purposes of any of those projects or any facility thereof.

Notwithstanding any law to the contrary, the acquisition of any existing racetrack facility in and licensed by the State of New Jersey shall be permitted on the condition that payments equivalent to all municipal, school board and county taxes due to each entity shall be paid by the authority to the extent and in accordance with the same payment schedule as taxes would have been paid each year, as though the racetrack facility remained in private ownership. In the event the authority conveys lands or

other parts of the racetrack facility to others, the authority shall receive a reduction of such payments commensurate with the amount required to be paid by the subsequent owner of the lands and improvements disposed of by the authority. In addition, the authority shall be responsible for paying all existing local franchise fees, license and parking tax fees in effect at the time of the acquisition.

(6) To establish, develop, acquire, own, operate, manage, promote and otherwise effectuate, in whole or in part, either directly or indirectly through lessees, licensees or agents, projects consisting of events, expositions, teams, team franchises or membership in professional sports leagues.

(7) To establish, develop, construct, acquire, own, operate, manage, promote, maintain, repair, reconstruct, restore, improve and otherwise effectuate, either directly or indirectly through lessees, licensees or agents, projects consisting of facilities, at a site or sites within the State of New Jersey and either within or without the meadowlands complex, that are related to, incidental to, necessary for, or complementary to the accomplishment or purpose of any project of the authority authorized by this section, including any buildings, structures, properties and appurtenances related thereto, incidental thereto, necessary therefor, or complementary thereto, such projects to include driveways, roads, approaches, parking areas, parks, recreation areas, vending facilities, restaurants, transportation structures, systems, and equipment, furnishings and all other structures and appurtenances related to, incidental to, necessary for, or complementary to the purposes of those projects.

(8) To establish, develop, acquire, construct, reconstruct, improve and otherwise

effectuate for transfer to, and for use and operation by, Rutgers, the State University, either directly or indirectly through lessees, licensees or agents, facilities located or to be located on property owned, leased, or otherwise used by Rutgers, the State University, consisting of an upgraded and expanded football stadium and a new track and field, soccer and lacrosse facility and the buildings, structures, properties and appurtenances related thereto, or incidental to, necessary for, or [complimentary] complementary to the football stadium and track and field, soccer and lacrosse facility, such facilities to include driveways, access roads, approaches, parking areas, parks, recreation areas, vending facilities, restaurants, transportation structures, systems and equipment, furnishings and all other structures and appurtenances related or incidental to, necessary for, or complementary to the purposes of those facilities; provided however that construction shall not begin on the expansion of the seating capacity of Rutgers Stadium until the Commissioner of Transportation certifies that all funding necessary to complete the Route 18 project in Piscataway Township has been appropriated and construction has begun on the Route 18 project in Piscataway Township under the Department of Transportation's capital program.

(9) To acquire by purchase, lease or otherwise, and to develop, construct, operate, own, lease, manage, repair, reconstruct, restore, improve, enlarge or otherwise effectuate, either directly or through lessees, licensees or agents, a convention center project in the city of Atlantic City, Atlantic County, consisting of the existing convention hall and a new convention hall or center, and associated

parking areas and railroad terminal facilities and including the leasing of adjacent land for hotel facilities. In connection therewith, the authority is authorized to:

(a) Assume existing leasehold or other contractual obligations pertaining to any such facilities or properties or to make provision for the payment or retirement of any debts and obligations of the governmental entity operating any such convention hall or center or of any bonds or other obligations payable from and secured by a lien on or pledge of the luxury tax revenues;

(b) Make loans or payments in aid of construction with respect to infrastructure and site development for properties located in the area between the sites of the existing convention hall and a new convention center or located contiguous to or across any public road which borders the area;

(c) Convert the existing convention hall or any facilities, structures or properties thereof, or any part thereof, not disposed of by the authority, to any sports, exposition, exhibition, or entertainment use or to use as a forum for public events or meetings, or to any other use which the authority shall determine to be consistent with its operation of the Atlantic City convention center project.

(10) To provide a feasibility study for the use and development of the existing convention center in the city of Asbury Park, county of Monmouth and to provide a feasibility study for the construction, use and development of a convention center or recreational facility in any other municipality.

(11) To provide funding to public or private institutions of higher education in the State to establish, develop, acquire, construct, reconstruct or improve facilities located or to be located on property



owned, leased, or otherwise used by an institution, consisting of sports facilities and the buildings, structures, properties and appurtenances related thereto, or incidental to, necessary for, or complementary to those sports facilities, such facilities to include driveways, access roads, approaches, parking areas, parks, recreation areas, vending facilities, restaurants, transportation structures, systems and equipment, furnishings and all other structures and appurtenances related or incidental to, necessary for, or complementary to the purposes of those facilities.

(12) To acquire by purchase, lease, or otherwise, including all right, title and interest of the Greater Wildwood Tourism Improvement Development Authority in any property, and to develop, construct, operate, own, lease, manage, repair, reconstruct, restore, improve, enlarge or otherwise effectuate, either directly or through lessees, licensees or agents, a convention center facility in the City of Wildwood, Cape May County, consisting of and including any existing and acquired buildings, structures, properties and appurtenances and including restaurants, retail businesses, access roads, approaches, parking areas, transportation structures and systems, recreation areas, equipment, furnishings, vending facilities, and all other structures and appurtenances incidental to, necessary for, or complementary to the purpose of such Wildwood convention center facility. In connection therewith, the authority is expressly authorized to

(a) assume any existing mortgages, leaseholds or other contractual obligations or encumbrances with respect to the site of the Wildwood convention center facility and any other existing and acquired buildings, struc-

tures, properties and appurtenances;

(b) enter into agreements with a local public body or bodies providing for any necessary financial support or other assistance for the operation and maintenance of such Wildwood convention center facility from taxes or other sources of the local public body or bodies as shall be made available for such purposes;

(c) to the extent permitted by law and by the terms of the bonds or notes issued to finance the Wildwood convention center facility, transfer its ownership interest or other rights with respect to the convention center facility to another state authority or agency;

(d) upon payment of all outstanding bonds and notes issued therefor, transfer its ownership interest and other rights with respect thereto to such other public body as shall be authorized to own and operate such a facility; and

(e) convert any existing convention hall or any facilities, structures or properties thereof, or any part thereof, not disposed of by the authority, to any use which the authority shall determine to be consistent with the operation of the Wildwood convention center facility.

b. The authority, pursuant to the provisions of [the act] P.L.1971, c.137 (C.5:10-1 et seq.), is authorized (1) to make, as part of any of the projects, capital contributions to others for transportation and other facilities, and accommodations for the public's use of any of those projects, (2) to lease any part of any of those project sites not occupied or to be occupied by the facilities of any of those projects, for purposes determined by the authority to be consistent with or related to the purposes of those projects, including, but not limited to, hotels and other

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accommodations for transients and other facilities related to or incidental to any of those projects, and (3) to sell or dispose of any real or personal property, including, but not limited to, such portion of the site of any of those projects not occupied or to be occupied by the facilities of any of those projects, at not less than the fair market value of the property, except in the case of sale or disposition to the State, any political subdivision of the State or any agency or instrumentality of the State or any political subdivision of the State.

c. Revenues, moneys or other funds, if any, derived from the operation or ownership of the meadowlands complex, including the conduct of horse race meetings, shall be applied, in accordance with the resolution or resolutions authorizing or relating to the issuance of bonds or notes of the authority, to the following purposes and in the following order:

- (1) The costs of operation and maintenance of the meadowlands complex and reserves therefor;
- (2) Principal, sinking fund installments and redemption premiums of and interest on any bonds or notes of the authority payable from such revenues, moneys or other funds and issued for the purposes of the meadowlands complex or for the purposes of refunding the same, including reserves and payments with respect to credit agreements therefor;
- (3) The costs of any major or extraordinary repairs, renewals or replacements with respect to the meadowlands complex or incidental improvements thereto, not paid pursuant to paragraph (1) above, including reserves therefor;
- (4) Payments required to be made pursuant to section 18b.;
- (5) Payments authorized to be made pursuant to section 18c.;
- (6) Except to the extent payments with respect to

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bonds or notes are provided with priority in accordance with paragraph (2) of this subsection, payments required to be made in accordance with the resolution authorizing or relating to the issuance of bonds or notes of the authority, for the purposes of any project authorized by this act, including payments and reserves with respect to any bonds or notes of the authority with respect to the meadowlands complex which are not provided with priority in accordance with paragraph (2) of this subsection;

(7) Payments required to be made to repay any obligation incurred by the authority to the State;

(8) The balance remaining after application in accordance with the above shall be deposited in the General State Fund, provided that (a) there shall be appropriated for authorized State purposes from the amount so deposited that amount which shall be calculated by the State Treasurer to be the debt service savings realized with respect to the refinancing of the initial project as defined in section 1 of P.L.1973, c. 286 (C.5:10-14.1) at the meadowlands complex, by the issuance of bonds of the authority guaranteed by the State, and (b) after such appropriation, 40% of any balance remaining from the amounts so deposited shall be appropriated to the Meadowlands Commission for any of its purposes authorized by P.L.1968, c. 404, and any amendments or supplements thereto.

d. Revenues, moneys or other funds, if any, derived from the operation or ownership of any project other than the meadowlands complex, [or] the Atlantic City convention center project, or the Wildwood convention center facility and other than a baseball stadium project or an office complex project located on the site of a baseball stadium shall be applied for such purposes, in such manner and subject to

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such conditions as shall be provided in the resolution authorizing or relating to the issuance of bonds or notes of the authority for the purposes of such project, and the balance, if any, remaining after such application may be applied, to the extent not contrary to or inconsistent with the resolution, in the following order (1) to the purposes of the meadowlands complex, unless otherwise agreed upon by the State Treasurer and the authority, (2) to the purposes of any other project of the authority; and, the balance remaining, if any, shall be deposited in the General Fund.

e. Revenues, moneys or other funds, if any, derived from the operation, ownership, or leasing of a baseball stadium project or an office complex project located on the site of a baseball stadium shall be applied for the purposes, in the manner and subject to the conditions as shall be provided in the resolution authorizing or relating to the issuance of bonds or notes of the authority for the purposes of a baseball stadium project or an office complex project located on the site of a baseball stadium, if any, and the balance, if any, remaining after such application shall be applied, to the extent not contrary to or inconsistent with the resolution, to the following purposes and in the following order:

(1) The costs of operation and maintenance of a baseball stadium project and an office complex project located on the site of a baseball stadium and reserves therefor;

(2) Payments made to repay the bonded indebtedness incurred by the authority for the purposes of a baseball stadium project or an office complex project located on the site of a baseball stadium;

(3) Payments equivalent to an amount required to be made by the State for payments in lieu of taxes pursuant to

P.L. 1977, c. 272 (C. 54:4-2.2a et seq.);

(4) The balance remaining after application in accordance with the above shall be deposited in the General Fund.

f. Revenues, moneys or other funds, if any, derived from the operation, ownership or leasing of the Atlantic City convention center project shall be applied to the costs of operating and maintaining the Atlantic City convention center project and to the other purposes set forth in this subsection as shall be provided by resolution of the authority.

Luxury tax revenues paid to the authority by the State Treasurer pursuant to section 14 of P.L.1991, c. 375 (C. 5:10-14.4) shall be deposited by the authority in a separate fund or account and applied to the following purposes and in the following order:

(1) To pay the principal, sinking fund installments and redemption premiums of and interest on any bonds or notes of the authority, including bonds or notes of the authority issued for the purpose of refunding bonds or notes, issued for purposes of (i) the initial acquisition of the existing properties which will constitute part of the Atlantic City convention center project, if the bonds or notes shall be payable under the terms of the resolution of the authority relating thereto from luxury tax revenues, or (ii) providing improvements, additions or replacements to the Atlantic City convention center project, if the bonds or notes shall be payable under the terms of the resolution of the authority relating thereto from luxury tax revenues; and to pay any amounts due from the authority under any credit agreement entered into by the authority in connection with the bonds or notes.

(2) To pay the costs of operation and maintenance of the Atlantic City convention center project.

(3) To establish and maintain a working capital and maintenance reserve fund for the Atlantic City convention center project in an amount as shall be determined by the authority to be necessary.

(4) To repay to the State those amounts paid by the State with respect to bonds or notes of the authority issued for the purposes of the Atlantic City convention center project.

(5) The balance of any luxury tax revenues not required for any of the foregoing purposes and remaining at the end of any calendar year shall be paid to the State Treasurer for application to purposes in the city of Atlantic City pursuant to section 5 of P.L. 1981, c. 461 (C. 40:48-8.30a).

The authority may pledge the luxury tax revenues paid to it as provided for in section 14 of P.L.1991, c. 375 (C. 5:10-14.4) as security for the payment of the principal of and interest or premium on its bonds or notes issued for the purposes set forth above in paragraph (1) of this subsection f. in the same manner, to the same extent and with the same effect as the pledge of any of its other revenues, receipts and funds authorized by [this act] P.L.1971, c.137 (C.5:10-1 et seq.).

g. Revenues, moneys or other funds, if any, derived from the ownership or operation of the Wildwood convention center facility shall be applied to the costs of operating and maintaining the Wildwood convention center facility and to the other purposes set forth in this subsection as shall be provided by resolution of the authority.

The tourism related tax revenues paid to the authority pursuant to paragraph f. of section 13 of P.L.1992, c.165 (C.40:54D-13) as amended by section 6 of P.L. , c. (C. ) (now pending before the Legislature as this bill) shall be deposited by the authority in a separate fund

or account and applied to any or all of the following purposes pursuant to an allocation of funds approved by the State Treasurer in writing and in advance of any application of such funds:

(1) to pay amounts due with respect to any obligations transferred to the authority pursuant to section 19 of P.L. \_\_\_\_\_, c. \_\_\_\_\_ (C. \_\_\_\_\_) (now pending before the Legislature as this bill) pertaining to the Wildwood convention center facility;

(2) to repay to the State those amounts paid with respect to bonds or notes of the authority issued for the purposes of the Wildwood convention center facility;

(3) to pay the cost of operation and maintenance of the Wildwood convention center facility;

(4) to establish and maintain a working capital and maintenance reserve for the Wildwood convention center facility.

The balance, if any, of any tourism related tax revenues not allocated to any of the purposes set forth in the previous paragraph and remaining at the end of the calendar year shall be paid to the State Treasurer for deposit in the General Fund.

(cf: P.L. 1991, c.375, s.3)

21. Section 12 of P.L.1991, c.375 (C.5:10-14.3) is amended to read as follows:

12.a. The State Treasurer shall establish a special fund to be known as the "Sports Authority Fund" and shall pay into the fund amounts from the General Fund as shall be necessary to pay the principal and interest on bonds or notes of the authority issued pursuant to this section and to pay any amounts due from the authority under any credit agreement entered into by the authority in connection with the bonds or notes, provided that all payments from the General Fund shall be subject and dependent upon appropriations made from time to time for those purposes.



b. (1) The State Treasurer and the authority are authorized to enter into agreements as shall be necessary to effectuate the purposes of this section, including without limitation, provisions for securing the payment of bonds or notes issued by the authority pursuant to subsection d. of this section and the interest thereon and providing for the investment of moneys in the fund; provided that the agreements shall be subject to approval by the presiding officers of both houses of the Legislature, and provided further that when the purposes of this section have been satisfied, and upon the earlier of:

(a) the certification by the State Treasurer that the revenues of the authority are sufficient to satisfy the requirements of paragraphs (1), (2), (3), (4), (5) and (6) of subsection c. of section 6 of P.L.1971, c. 137 (C. 5:10-6) for the term of bonds or notes issued pursuant to subsection d. of this section; or

(b) the satisfaction of the requirements for the payment of bonds or notes issued pursuant to P.L.1991, c. 375 (C. 5:10-3 et al.) or pursuant to P.L. , c. (C. ) (now pending before the Legislature as this bill); the State Treasurer and the authority shall not, except for the refunding of bonds or notes issued pursuant to subsection d. of this section which produces debt service savings, enter into any further agreements regarding payments by the State Treasurer into the "Sports Authority Fund" for any reason, including but not limited to, the financing or restructuring of the debt of the authority.

(2) The agreements shall indicate the nature and scope of the projects to be financed pursuant to this section.

(3) The agreements shall provide that with respect to the Atlantic City convention

center project, the authority shall review all existing expert studies that present options as to the scope and nature of the project and the linkages between the project and the economic development of Atlantic City. Based upon its analysis of the available studies and such other expert studies as the authority may authorize, the authority shall report to the Legislature and include in the minutes of the authority its proposal for the development of the Atlantic City convention center. The report shall include an explanation for the selection of the project option proposed by the authority.

c. Notwithstanding anything to the contrary in [this act] P.L.1991, c.375 (C.5:10-3 et al.), if and to the extent provided in any agreement between the State Treasurer and the authority, all or part of the revenues of the authority, other than luxury tax revenues or revenues of the Atlantic City convention center project and other than tourism related tax revenues or other revenues of the Wildwood convention center facility, in excess of the requirements of the resolutions authorizing or relating to the issuance of any of the authority's bonds or notes, except those issued pursuant to this section shall be paid into the General Fund in repayment to the State for amounts previously paid by the State pursuant to this section with respect to the payment of principal and interest on bonds or notes issued for any of the purposes set forth in this section, except the purposes set forth in paragraphs (3), (4) [and] (5) and (8) of subsection d. of this section, and any payments on account of any credit agreements with respect to the bonds or notes. Except as otherwise provided in this section, bonds or notes of the authority issued pursuant to this section shall be authorized, sold and issued

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in the manner and be entitled to the benefits, protection and provisions as apply to bonds and notes of the authority authorized to be issued pursuant to P.L.1971, c. 137 (C. 5:10-1 et seq.).

d. In addition to its other powers to issue bonds and notes, the authority shall have power to issue from time to time bonds and notes payable from amounts in the Sports Authority Fund established pursuant to subsection a. of this section, as follows:

(1) To provide sufficient funds to refund from time to time outstanding bonds or notes of the authority issued for the meadowlands complex or the Monmouth racetrack project authorized pursuant to paragraph (5) of subsection a. of section 6 of P.L.1971, c. 137 (C. 5:10-6), whether or not the bonds or notes or interest thereon have become due, to provide for the establishment of funds or reserves to secure payment of the bonds or notes or any other bonds or notes issued or to be issued for those purposes or interest thereon, and to provide for the payment of all other costs or expenses of the authority incident to or necessary to carry out the refunding; provided that the refunding bonds issued at any time pursuant to this paragraph shall not exceed that amount estimated to be necessary so that subsequent to the refunding, the revenues from the meadowlands complex or the Monmouth racetrack project, as the case may be, shall be sufficient to pay all costs payable from those revenues, as shall be estimated in a determination by the authority made in accordance with the agreement between the authority and the State Treasurer;

(2) To finance or refinance a capital program or programs for the meadowlands complex and the Monmouth racetrack project authorized pursuant to paragraph (5) of subsection a. of section 6 of

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EXECUTIVE DEPARTMENT

34

P.L.1971, c. 137 (C. 5:10-6), adopted by the authority to provide for major repairs, reconstruction and improvements which are legally mandated or otherwise needed to meet environmental or safety requirements, to prevent a loss of revenues, to augment revenues or to continue or enhance the operations of any of the facilities thereof, or to upgrade any of the facilities thereof [provided that the aggregate cost of the projects financed pursuant to this paragraph shall not exceed \$30,000,000, exclusive of interest paid during construction];

(3) To provide for the financing or refinancing of the facilities for Rutgers, The State University pursuant to paragraph (8) of subsection a. of section 6 of P.L.1971, c. 137 (C. 5:10-6);

(4) To provide for the financing or refinancing of the Atlantic City convention center project;

(5) To finance or refinance feasibility studies for public projects consistent with the purposes of the authority;

(6) To provide for the financing or refinancing of any other project of the authority, but only if and to the extent expressly authorized by law enacted subsequent to the enactment of [this act] P.L.1991, c.375 (C.5:10-3 et al.); [and]

(7) To provide for the financing of the facilities at institutions of higher education pursuant to paragraph (11) of subsection a. of section 6 of P.L.1971, c. 137 (C. 5:10-6), based upon a list of projects recommended by the Commission on Higher Education following a competitive application process, provided that the aggregate financing of the projects undertaken pursuant to this paragraph shall not exceed \$5,000,000[,] ;and

(8) To provide for the financing or refinancing of a convention center facility in the City of Wildwood pursuant to paragraph (12) of

STATE OF NEW JERSEY  
EXECUTIVE DEPARTMENT

35

subsection a. of section 6 of  
P.L. 1971, c.137 (C.5:10-6).

e. Bonds and notes authorized pursuant to this section shall be special obligations of the authority payable as herein provided. Bonds and notes shall not be deemed to constitute a debt or liability of the State or a pledge of the faith and credit of the State but are dependent for repayment upon appropriations as provided by law from time to time. These bonds and notes and the interest thereon may also be payable from the proceeds thereof set aside for that purpose and income accruing therefrom.

(cf. P.L.1994, c.48, s.296)

Page 19, Section 21, Line 30:

Delete "21." and insert "22."

Page 19, Summary, Lines 35-36:

On line 35, after "permits" delete remainder of line 35; on line 36 delete "related retail receipts" and insert "State funding for the construction of a convention center facility"

Page 19, Summary, Line 37:

After "conditions" insert "and authorizes the New Jersey Sports and Exposition Authority to undertake certain additional projects"

Respectfully,

/s/ Christine Todd Whitman

GOVERNOR

[seal]

Attest:

/s/ Michael P. Torpey

Chief Counsel to the Governor

P.L. 1997, CHAPTER 273, *approved December 24, 1997*  
Senate, No. 1683 (*Fourth Reprint*)

1 AN ACT concerning <sup>4</sup>**[**the imposition of certain taxes on retail receipts  
2 for<sup>4</sup> the funding <sup>4</sup>construction and operation<sup>4</sup> of the projects of  
3 certain tourism improvement and development authorities <sup>2</sup>and the  
4 <sup>4</sup>**[**membership and<sup>4</sup> powers of those authorities<sup>2</sup> <sup>4</sup>and the powers  
5 and projects of the New Jersey Sports and Exposition Authority<sup>4</sup>,  
6 amending <sup>2</sup>and supplementing<sup>2</sup> P.L.1992, c.165 <sup>4</sup>, amending  
7 P.L.1971, c.137, amending P.L.1991, c.375<sup>4</sup> and supplementing  
8 P.L.1966, c.30.

9

10 **BE IT ENACTED** by the Senate and General Assembly of the State  
11 of New Jersey:

12

13 <sup>2</sup>1. Section 3 of P.L. 1992, c. 165 (C.40:54D-3) is amended to read  
14 as follows:

15 3. As used in this act:

16 "Authority" means a tourism improvement and development  
17 authority created pursuant to section 18 of this act, P.L.1992, c.165  
18 (C.40:54D-18).

19 "Bond" means any bond or note issued by an authority pursuant to  
20 the provisions of this act.

21 **["Commissioner" means the Commissioner of Commerce, Energy  
22 and Economic Development.]** <sup>4</sup>"Commissioner" means the  
23 Commissioner of the Department of Commerce and Economic  
24 Development.<sup>4</sup>

25 "Construction" means the planning, designing, construction,  
26 reconstruction, rehabilitation, replacement, repair, extension,  
27 enlargement, improvement and betterment of a project, and includes  
28 the demolition, clearance and removal of buildings or structures on

**EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and intended to be omitted in the law.**

**Matter underlined thus is new matter.**

**Matter enclosed in superscript numerals has been adopted as follows:**

<sup>1</sup> Senate SBA committee amendments adopted November 18, 1996.

<sup>2</sup> Assembly ASI committee amendments adopted December 9, 1996.

<sup>3</sup> Assembly AAP committee amendments adopted March 20, 1997.

<sup>4</sup> Senate amendments adopted in accordance with Governor's recommendations December 1, 1997.

1 subject to taxation pursuant to subsection (d) of section 3 of the "Sales  
2 and Use Tax Act," P.L.1966, c.30 (C.54:32B-3);

3 b. Receipts from the sale of food and drink in or by restaurants,  
4 taverns, or other establishments in the district, or by caterers,  
5 including in the amount of such receipt any cover, minimum,  
6 entertainment or other charge made to patrons or customers, subject  
7 to taxation pursuant to subsection (c) of section 3 of the "Sales and  
8 Use Tax Act," P.L.1966, c.30 (C.54:32B-3) but excluding receipts  
9 from sales of food and beverages sold through coin operated vending  
10 machines; and

11 c. Admissions charges to or the use of any place of amusement or  
12 of any roof garden, cabaret or similar place, subject to taxation  
13 pursuant to subsection (e) of section 3 of the "Sales and Use Tax Act,"  
14 P.L.1966, c.30 (C.54:32B-3).

15 "Purchaser" means any person purchasing or hiring property or  
16 services from another person, the receipts or charges from which are  
17 taxable by an ordinance authorized under <sup>4</sup>[this act,]<sup>4</sup> P.L.1992, c.165  
18 (C.40:54D-1 et seq.).

19 <sup>4</sup>"Sports authority" means the New Jersey Sports and Exposition  
20 Authority established pursuant to P.L.1971, c.137 (C.5:10-1 et seq.).<sup>4</sup>

21 "Tourism" means activities involved in providing and marketing  
22 services and products, including accommodations, for nonresidents  
23 and residents who travel to and in New Jersey for recreation and  
24 pleasure.

25 "Tourism development fee" means a fee imposed by ordinance  
26 pursuant to section 15 of <sup>4</sup>[this act,]<sup>4</sup> P.L.1992, c.165 (C.40:54D-15),  
27 within a tourism improvement and development district on:

28 a. Persons making sales of tangible personal property or services,  
29 the receipts from which are subject to the "Sales and Use Tax Act,"  
30 P.L.1966, c.30 (C.54:32B-1 et seq.), but which are not predominately  
31 tourism related retail receipts as defined in this section;

32 b. Persons making charges for participant amusements as defined  
33 in this section;

34 c. Persons operating businesses that charge for parking, garaging  
35 or storing of motor vehicles;

36 d. Persons maintaining or operating coin-operated vending  
37 machines within the district, for the machines within the district,  
38 regardless of the types of commodities sold through the machines; and

39 e. Persons making sales of tangible personal property or services,  
40 the receipts from which are subject to the "Sales and Use Tax Act,"  
41 P.L.1966, c.30 (C.54:32B-1 et seq.), and which are predominately  
42 tourism related retail receipts as defined in this section, but only to the  
43 extent that the amount of tax on those receipts collected in a year by  
44 the person is less than the amount of the tourism development fee for  
45 that year.

46 "Tourism improvement and development district" or "district"

1 not impose a fee in excess of \$2 per day for general public access to  
2 the beaches located within those municipalities. If any of those  
3 municipalities creating the district or the municipalities entering the  
4 district after creation impose a fee in excess of \$2 per day for general  
5 public access to the beaches within those municipalities in any calendar  
6 year, the tax rate upon predominantly tourism related retail receipts  
7 within the district shall automatically be considered reduced to a rate  
8 of 2 percent and this rate shall be deemed effective as of the first day  
9 of the second month following a determination by the State Treasurer  
10 that a beach fee in any of the municipalities exceeded \$2 per day for  
11 general public access.<sup>2</sup>】<sup>4</sup>

12 For the same purposes, the ordinances establishing the district shall  
13 also provide for the imposition of tourism development fees authorized  
14 pursuant to section 15 of <sup>4</sup>【this act,】<sup>4</sup> P.L.1992, c.165  
15 (C.40:54D-15). The taxes on predominantly tourism related retail  
16 receipts and tourism development fees so imposed shall be uniform  
17 throughout the district.

18 b. Notwithstanding any other law to the contrary, ordinances so  
19 adopted shall not be subject to referenda, and shall not be altered or  
20 repealed, except by mutual action of all such municipalities <sup>4</sup>and then  
21 only upon the written approval of the State Treasurer and, so long as  
22 the sports authority shall own and be responsible for the construction  
23 and operation of the Wildwood convention center facility, upon the  
24 written approval of the sports authority<sup>4</sup>. Each municipality which  
25 enters into the creation of the district shall covenant that the  
26 ordinance<sup>2</sup>, or a condition imposed by statute that each municipality  
27 is required to meet,<sup>2</sup> shall not be altered or repealed in such manner as  
28 to affect any bonds or other obligations pertaining to projects within  
29 the district which are outstanding. <sup>4</sup>Any alteration or repeal, or  
30 attempted alteration or repeal, in violation of this subsection, whether  
31 before or after the effective date of P.L. , c. (C. ) (now  
32 pending before the Legislature as this bill) shall be null and void.<sup>4</sup>

33 c. The district shall comprise all territory within the boundaries of  
34 the municipalities which create or enter into the district.

35 d. A contiguous municipality located in a county of the sixth class  
36 may, by such an ordinance, and with the mutual consent of the  
37 governing bodies of the municipalities which created the district, enter  
38 into the district so created after the date of the district's creation.

39 e. A copy of an ordinance adopted pursuant to this section shall be  
40 transmitted upon adoption or amendment to the State Treasurer. An  
41 ordinance so adopted or any amendment thereto shall provide that the  
42 retail receipts tax provisions of the ordinance or any amendment to the  
43 retail receipts tax provisions shall take effect on the first day of the  
44 first full month occurring 90 days after the date of transmittal to the  
45 State Treasurer.

46 (cf: P.L.1992, c.165, s.4)



1 to the contrary. In carrying out the provisions of **[this act]** P.L.1992,  
2 c.165 (C.40:54D-1 et seq.) the director shall have all the powers  
3 granted in P.L. 1996. c.30 (C.54:32B-1 et seq.).

4 b. The director shall determine and certify to the State Treasurer  
5 on a monthly basis the amount of revenues **[payable to any authority**  
6 **operating ]** collected in a district **[for which a tax ]** on predominantly  
7 tourism related retail receipts **[is imposed and collected by the**  
8 **director]** pursuant to **[this act,]** P.L.1992, c.165 (C.40:54D-1 et  
9 seq.). The State Treasurer, upon the certification of the director and  
10 upon the warrant of the State Comptroller, shall pay and distribute on  
11 a monthly basis to the fund established pursuant to section 13 of **[this**  
12 **act,]** P.L.1992, c.165 (C.40:54D-13) the amount so determined and  
13 certified **[unless those amounts are otherwise required to be placed in**  
14 **the reserve fund pursuant to this act].**<sup>4</sup>

15 (cf: P.L.1992, c.165, s.6)

16  
17 <sup>4</sup>**[**<sup>2</sup>4. Section 12 of P.L.1992, c.165 (C.40:54D-12) is amended to  
18 read as follows:

19 12. **[All]** Of the revenues collected annually by the director under  
20 an ordinance adopted and authorized pursuant to this act, P.L.199,  
21 c.165 (C.40:54D-1 et seq.), an amount not to exceed \$6,250,000 in  
22 any year prior to certification by the director pursuant to subsection  
23 e. of section 9 of P.L.1992, c.165 (C.40:54D-9), or \$5,500,000 in any  
24 year thereafter, after deduction of administrative costs as provided  
25 herein, shall be retained by the State Treasurer for deposit in the fund  
26 established pursuant to section 13 of this act, P.L.1992, c.165  
27 (C.40:54D-13), to be used and distributed according to the terms  
28 herein provided. Amounts collected in excess of such amounts shall  
29 not be deposited to the fund but shall be deposited in the State General  
30 Fund to be used for general State purposes.

31 The State Treasurer may deduct from amounts so retained prior to  
32 deposit in the fund an amount equal to that necessary to compensate  
33 the Department of the Treasury for costs actually incurred by that  
34 department in administering the provisions of this act. The State  
35 Treasurer shall annually provide the authority to which the fund  
36 pertains with a written account of the amounts so deducted and of the  
37 costs so incurred in the previous fiscal year. Amounts deducted by the  
38 State Treasurer shall be retained by the Department of the Treasury  
39 and used exclusively for costs so incurred.<sup>2</sup>

40 (cf: P.L.1992, c.165, s.12)]<sup>4</sup>

41  
42 <sup>4</sup>4. Section 13 of P.L.1992, c.165 (C.40:54D-13) is amended to read  
43 as follows:

44 13. There is created for a tourism improvement and development  
45 district established pursuant to **[this act,]** P.L.1992, c.165 (C.40:54D-

1 shall be used for any of the purposes set forth in subsection a. of this  
2 section.

3 c. <sup>2</sup>~~At the end of any full calendar year occurring after the date~~  
4 ~~which is the later date determined pursuant to paragraph 1 or 2 of~~  
5 ~~subsection b. of this section and after all payments coming due during~~  
6 ~~that calendar year of principal and interest on authority bonds or notes~~  
7 ~~issued for a tourism project have been made, and all obligations to the~~  
8 ~~holders of those bonds have been met, including the maintenance of~~  
9 ~~necessary reserves and the allocation of monies for future debt service~~  
10 ~~payments, any balance remaining in the fund in that calendar year shall~~  
11 ~~be applied to any deficiency between the operating expense budget and~~  
12 ~~the anticipated operating revenues available for the following fiscal~~  
13 ~~year to the entity operating the tourism project.]<sup>4</sup>~~[(Deleted by~~  
14 ~~amendment, P.L. , c. (now pending before the Legislature as this~~  
15 ~~bill).]<sup>2</sup> At the end of any full calendar year occurring after the date  
16 which is the later date determined pursuant to paragraph 1 or 2 of  
17 subsection b. of this section and after all payments coming due during  
18 that calendar year of principal and interest on authority bonds or notes  
19 issued for a tourism project have been made, and all obligations to the  
20 holders of those bonds have been met, including the maintenance of  
21 necessary reserves and the allocation of monies for future debt service  
22 payments, any balance remaining in the fund in that calendar year shall  
23 be applied to any deficiency between the operating expense budget and  
24 the anticipated operating revenues available for the following fiscal  
25 year to the entity operating the tourism project.<sup>4</sup>~~~~

26 d. At the end of each full calendar year occurring after the date  
27 which is the later date determined pursuant to paragraph 1 or 2 of  
28 subsection b. of this section and after all payments for that year have  
29 been made from the fund pursuant to <sup>2</sup>~~subsections b. and c. of]~~ <sup>2</sup>  
30 <sup>4</sup>~~subsections b. and c. of~~<sup>4</sup> this section, any monies remaining in the  
31 fund in that calendar year shall be used for the purposes set forth in  
32 subsection a. of this section.

33 e. Pending application to the purposes for which monies deposited  
34 in the fund may be used, the monies in the fund shall be invested by the  
35 State Treasurer pursuant to applicable regulations prescribed for the  
36 investment of State monies. Any income received from these  
37 investments shall be added to the fund from which earned, and used  
38 only for the purposes of the fund.<sup>1</sup>

39 <sup>4</sup>~~f. Notwithstanding any other law to the contrary, subsections a.~~  
40 ~~through d. of this section shall not apply to any authority in existence~~  
41 ~~on July 1, 1997 for the period of time beginning on the effective date~~  
42 ~~of P.L. , c. (C. )(now pending before the Legislature as~~  
43 ~~this bill) and continuing thereafter until the 60th day following the date~~  
44 ~~on which the State Treasurer certifies that all bonds or notes issued by~~  
45 ~~the sports authority pursuant to section 12 of P.L.1991. c.375~~  
46 ~~(C.5:10-14.3) and section 18 of P.L. c. (C. )(now pending~~

1       <sup>2</sup>7. Section 19 of P.L.1992, c.165 (C.40:54D-19) is amended to  
2 read as follows:

3       19. The governing bodies of the municipalities which created an  
4 authority pursuant to <sup>4</sup>[this act,]<sup>4</sup> P.L.1992, c.165 (C.40:54D-1 et  
5 seq.) may by ordinance, dissolve the authority pursuant to the "Local  
6 Authorities Fiscal Control Law," P.L.1983, c.313 (C.40A:5A-1 et  
7 seq.) , except that <sup>4</sup>[the] any<sup>4</sup> authority <sup>4</sup>in existence on July 1,  
8 1997,<sup>4</sup> shall not be dissolved prior <sup>4</sup>to<sup>4</sup> the date certified by the State  
9 Treasurer that all <sup>4</sup>[payments for]<sup>4</sup> bonds <sup>4</sup>or notes<sup>4</sup> issued by the  
10 <sup>4</sup>[State] sports<sup>4</sup> authority pursuant to section <sup>4</sup>[20] 12 of P.L.1991,  
11 c.375 (C.5:10-14.3) and section 18<sup>4</sup> of P.L. \_\_\_\_\_, c. \_\_\_\_\_  
12 (C. \_\_\_\_\_) (now pending before the Legislature as this bill) <sup>4</sup>[have  
13 been made,<sup>2</sup>] to finance the Wildwood convention center facility,  
14 together with interest thereon, have been full met and discharged or  
15 provided for. Any dissolution, or attempted dissolution, of any such  
16 authority in violation of this section, whether before or after the  
17 effective date of P.L. \_\_\_\_\_, c. \_\_\_\_\_ (C. \_\_\_\_\_) (now pending before  
18 the Legislature as this bill) shall be null and void.<sup>4</sup>

19 (cf: P.L.1992, c.165, s.19)

20  
21       <sup>4</sup>[<sup>2</sup>8. Section 20 of P.L. 1992, c. 165 (C.40:54D-20) is amended  
22 to read as follows:

23       20. a. The authority shall consist of <sup>3</sup>[nine] eleven<sup>3</sup> members.  
24 After the expiration of the period of 45 days following the first  
25 publication of the creating ordinances or amendments to those  
26 ordinances adopted pursuant to P.L. \_\_\_\_\_, c. \_\_\_\_\_ (C. \_\_\_\_\_) (now  
27 pending before the Legislature as this bill), the governing body of each  
28 municipality joining in the creation of the tourism improvement and  
29 development district shall appoint the **[first] municipal** members to the  
30 authority. Each municipality shall be entitled to appoint **[three**  
31 members]one member to the authority. **[Two of the three members**  
32 so appointed shall be owners, or employees of vendors, for whom a  
33 regular part of a dominant line of their business generates retail  
34 receipts subject to taxation or who are subject to payment of municipal  
35 fees pursuant to this act, P.L.1992, c.165 (C.40:54D-1 et seq.). The  
36 remaining member appointed by each municipality shall be a resident  
37 of the municipality who is not such an owner or employee of a vendor.  
38 No member shall hold any elective public office] The member shall be  
39 appointed by the mayor of the municipality, and may be the mayor or  
40 other officer of the municipality.

41       b. The **[Commissioner of the Department of Commerce, Energy**  
42 **and Economic Development] State Treasurer <sup>3</sup>and the Director of the**  
43 **Division of Travel and Tourism in the Department of Commerce and**  
44 **Economic Development<sup>3</sup>** shall be **<sup>3</sup>[an]<sup>3</sup> ex officio <sup>3</sup>[member]**  
45 **members<sup>3</sup>** of the authority.

1 until revoked or amended by written notice delivered to the authority.

2 **[e.]g.** <sup>3</sup>The Governor shall designate one of the Governor's  
3 appointees to serve as chairman at the pleasure of the Governor.<sup>3</sup> The  
4 authority, upon the first appointment of its members and thereafter at  
5 the same time in each year, shall annually elect from among its  
6 members, <sup>3</sup>**[a chairman and]**<sup>3</sup> a vice-chairman who shall hold office  
7 until a successor is elected. The authority may also appoint and  
8 employ, without regard to the provisions of Title 11A of the New  
9 Jersey Statutes, an executive director and other agents and employees  
10 as the authority may require, and shall determine their qualifications,  
11 terms of office, duties and compensation thereof.

12 **[f.]h.** The powers of the authority shall be vested in the voting  
13 members thereof in office from time to time; a majority of the members  
14 of the authority shall constitute a quorum and the affirmative vote of  
15 a majority of the full membership shall be necessary for any action  
16 taken by the authority unless the bylaws of the authority shall require  
17 a larger number. No vacancy in the membership of the authority shall  
18 impair the right of a quorum to exercise all the rights and perform all  
19 the duties of the authority.

20 **[g.] i.** The members of the authority shall serve without  
21 compensation, but the authority may reimburse its members for actual  
22 and necessary expenses incurred in the discharge of their duties.

23 **[h.] j.** Each appointed member of the authority may be removed  
24 by the appointing authority for cause after a public hearing and may be  
25 suspended by the authority pending the completion of the hearing.  
26 Each member of the authority before entering upon the duties of office  
27 shall take and subscribe an oath to perform the duties of the office  
28 faithfully, impartially, prudently and justly to the best of the member's  
29 ability. A record of these oaths shall be filed in the office of the  
30 Secretary of State.

31 k. A true copy of the minutes of every meeting of the authority  
32 shall be forthwith delivered by and under the certification of the  
33 secretary thereof to the Governor. No action taken at the meeting by  
34 the authority shall take effect until 15 days after the copy of the  
35 minutes is so delivered unless during that 15 day period the Governor  
36 approves the same, in which case the action shall take effect upon that  
37 approval. If in that 15 day period, the Governor returns the copy of  
38 the minutes with veto of any action taken by the authority, that action  
39 shall be null and void.<sup>2</sup>

40 (cf: P.L.1992, c.165, s.20)]<sup>4</sup>

41

42 <sup>4</sup>8. Section 20 of P.L.1992, c.165 (C.40:54D-20) is amended to  
43 read as follows:

44 20. a. After the expiration of the period of 45 days following the  
45 first publication of the creating ordinances, the governing body of each  
46 municipality joining in the creation of the tourism improvement and

1 g. The members of the authority shall serve without compensation,  
2 but the authority may reimburse its members for actual and necessary  
3 expenses incurred in the discharge of their duties.

4 h. Each appointed member of the authority may be removed by the  
5 appointing authority for cause after a public hearing and may be  
6 suspended by the authority pending the completion of the hearing.  
7 Each member of the authority before entering upon the duties of office  
8 shall take and subscribe an oath to perform the duties of the office  
9 faithfully, impartially, prudently and justly to the best of the member's  
10 ability. A record of these oaths shall be filed in the office of the  
11 Secretary of State.<sup>4</sup>

12 (cf: P.L.1992, c.165, s.20)

13  
14 <sup>2</sup>9. Section 21 of P.L.1992, c.165 (C.40:54D-21) is amended to  
15 read as follows:

16 21. The public purpose of an authority shall be to undertake a  
17 tourism project <sup>4</sup>~~which~~ if it<sup>4</sup> is necessary or useful to the economic  
18 development and public welfare of the residents and tourist industry  
19 of the creating municipalities, and to promote, advertise and enhance  
20 the attractiveness of the district to visitors and tourists<sup>4</sup>. ~~An~~ ;  
21 provided however, that such promotion, advertisement and  
22 enhancement shall not be undertaken by any authority with respect to  
23 the Wildwood convention center facility unless any such authority is  
24 expressly authorized by the sports authority to undertake such  
25 activities. Except as otherwise provided in, and subject to any  
26 limitations in, P.L. \_\_\_\_\_, c. \_\_\_\_\_ (C. \_\_\_\_\_)(now pending before the  
27 Legislature as this bill), an<sup>4</sup> authority shall have the following powers:

28 a. To adopt bylaws for the regulation of its affairs and the conduct  
29 of its business;

30 b. To adopt an official common seal and alter it at its pleasure;

31 c. To maintain an office at a place or places within the district as  
32 it may designate;

33 d. To sue and be sued in its own name;

34 e. To acquire from any predecessor owner or operator, and to  
35 construct, reconstruct, maintain, and operate a convention center  
36 facility or other tourism project;

37 f. ~~To~~ <sup>4</sup>~~Except as otherwise provided in P.L. \_\_\_\_\_, c. \_\_\_\_\_ (C. \_\_\_\_\_)~~  
38 ~~(now pending before the Legislature as this bill), to~~ <sup>4</sup>To issue bonds  
39 or notes of the authority for the purposes of this act and to provide for  
40 the rights of the holders thereof all as provided in the "Local Bond  
41 Law," N.J.S.40A:2-1 et seq.;

42 g. To set and collect rents, fees, charges or other payments for the  
43 lease, use, occupancy or disposition of a convention center facility or  
44 other tourism project acquired, constructed or reconstructed by the  
45 authority pursuant to the provisions of <sup>4</sup>~~this act,~~ <sup>4</sup>P.L.1992, c.165  
46 (C.40:54D-1 et seq.). Any revenues collected shall be available to the

1 any amounts and from any insurers as are deemed desirable. In  
2 addition, the authority may carry its own liability insurance;

3 o. To promote and advertise the district and to promote the use of  
4 the [ convention center facility] tourism projects by tourists and  
5 visitors to the district; and

6 p. To enter into any and all agreements or contracts, execute any  
7 and all instruments, and do and perform any and all acts or things  
8 necessary, convenient or desirable for the purposes of the authority or  
9 to carry out any power expressly given in <sup>4</sup>[this act.] P.L.1992, c.165  
10 (C.40:54D-1 et seq.)<sup>4, 2</sup>

11 (cf: P.L.1992, c.165, s.21)

12

13 <sup>2</sup>10. Section 22 of P.L. 1992, c. 165 (C.40:54D-22) is amended to  
14 read as follows:

15 22. All purchases, contracts or agreements made by the authority  
16 pursuant to <sup>4</sup>[this act,] <sup>4</sup>P.L.1992, c.165 (C.40:54D-1 et seq.) shall  
17 be made or awarded pursuant to the "Local Public Contracts Law,"  
18 P.L.1971, c.198 (C.40A:11-1 et seq.).<sup>2</sup>

19 (cf: P.L.1992, c.165, s.22.)

20

21 <sup>2</sup>11. Section 23 of P.L. 1992, c. 165 (C.40:54D-23) is amended to  
22 read as follows:

23 23. Any convention center facility or other tourism project  
24 [constructed by] of the authority shall be maintained and kept in the  
25 condition and repair as the authority determines, or the bond  
26 covenants require. A project or any part thereof may be policed and  
27 operated by employees and other persons as the authority may employ  
28 or authorize.<sup>2</sup>

29 (cf: P.L.1992, c.165, s.23)

30

31 <sup>2</sup>12. Section 25 of P.L.1992, c.165 (C.40:54D-25) is amended to  
32 read as follows:

33 25. a. [ The ] Except as otherwise provided in section <sup>4</sup>[20] 18<sup>4</sup>  
34 of P.L. \_\_\_\_\_, c. \_\_\_\_\_ (C. \_\_\_\_\_) (now pending before the Legislature  
35 as this bill), the authority may from time to time issue its bonds or  
36 notes for any of its purposes under this act, including the payment,  
37 funding, or refunding of principal or interest or redemption premiums  
38 on any bonds or notes issued by it whether the bonds or notes or  
39 interest to be funded or refunded have or have not become due.  
40 Bonds and notes so issued shall be subject to the "Local Bond Law,"  
41 N.J.S.40A:2-1 et seq. and the "Local Authorities Fiscal Control Law,"  
42 P.L.1983, c.313 (C.40A:5A-1 et seq.).

43 b. Except <sup>4</sup>as otherwise provided in section 18 of P.L. \_\_\_\_\_, c. \_\_\_\_\_  
44 (C. \_\_\_\_\_)(now pending before the Legislature as this bill) and except<sup>4</sup> as  
45 may be otherwise expressly provided by the authority, every issue of  
46 bonds or notes shall be general obligations payable out of any monies

1 the acquisition, construction, reconstruction or improvement of the  
 2 convention center facility or other tourism project shall notify the  
 3 Director of the Division of Local Government Services in the  
 4 Department of Community Affairs of the precise date determined  
 5 pursuant to subsection b. of section 14 of **[this act]** P.L.1992, c.165,  
 6 the amounts payable thereafter: (1) on account of the principal and  
 7 interest on, or reserve funding requirements on, those bonds or notes;  
 8 or (2) as rent under the lease, and the name and address of the paying  
 9 agent or agents for the bonds or notes, or of the lessor under the lease.  
 10 The director shall, upon the receipt of that notice, verify the facts  
 11 contained therein, and certify the same to the State Treasurer.

12 c. Following the certification in subsection b. of this section and  
 13 upon the date set forth therein, the State Treasurer shall thereafter pay  
 14 prior to each payment date from the fund the amounts certified to be  
 15 paid: (1) to the appropriate paying agent or agents for the principal  
 16 and interest on, or reserve funding requirements on, the bonds or  
 17 notes; or (2) to the lessor as rent under the lease.

18 <sup>4</sup>[d. With respect to the acquisition, construction, reconstruction  
 19 or improvement of a tourism project, the authorized officer of the  
 20 State authority designated under section 20 of P.L. . c. (C. )  
 21 (now pending before the Legislature as this bill) shall notify the State  
 22 Treasurer on the precise date determined pursuant to subsection b. of  
 23 section 14 of P.L.1992, c. 165 (C.40:54D-14) of the amounts payable  
 24 thereafter, and the State Treasurer shall thereafter pay prior to each  
 25 payment date from the fund the amounts required to be paid as  
 26 provided in subsection c. of this section.]<sup>4 2</sup>

27 (cf: P.L.1992, c.165, s.27)

28

29 <sup>2</sup>14. Section 29 of P.L.1992, c.165 (C.40:54D-29) is amended to  
 30 read as follows:

31 29. The State of New Jersey does hereby pledge to and covenant  
 32 and agree with the holders of any bonds or notes issued by **[the] an**  
 33 authority **[or other entity]** pursuant to the provisions of <sup>4</sup>**[this act,]<sup>4</sup>**  
 34 P.L.1992, c.165 (C.40:54D-1 et seq.) that the State will not limit or  
 35 alter the rights or powers vested in **[the] an** authority to acquire,  
 36 construct, maintain and operate any project, or to perform and fulfill  
 37 the terms of any agreement made with the holders of the bonds or  
 38 notes, or to fix, establish, charge and collect rates, fees or other  
 39 charges as may be convenient or necessary to produce sufficient  
 40 revenues to meet all expenses of **[the ] that** authority and fulfill the  
 41 terms of any contract with another entity or any agreement made with  
 42 the holders of the bonds or notes, and that the State will not in any  
 43 way impair the rights or remedies of the holders or modify in any way  
 44 the exemptions from taxation provided for in this act, until the bonds  
 45 and notes, together with interest thereon, with interest on any unpaid  
 46 installments of interest, and all costs and expenses in connection with

1       <sup>2</sup> ~~4~~[17.] ~~16.~~<sup>4</sup> Section 35 of P.L.1992, c.165 (C.40:54D-35) is  
2 amended to read as follows:

3       35. ~~4~~[All] Except as otherwise provided in section 17 of P.L. \_\_\_\_\_,  
4 c. \_\_\_\_\_ (C. \_\_\_\_\_) (now pending before the Legislature as this bill),  
5 all<sup>4</sup> property of the authority, except any property which is subjected  
6 to a lien to secure any bonds or notes **[issued by the authority]**, shall  
7 be exempt from levy and sale by virtue of an execution and no  
8 execution or other judicial process shall issue against the same, nor  
9 shall any such judgment against the authority be a charge or lien upon  
10 its property; provided that nothing herein contained shall apply to or  
11 limit the rights of the holders of any bonds or notes to pursue any  
12 remedy for the enforcement of any pledge or lien **[given by the**  
13 **authority on its revenues or other monies]**.<sup>2</sup>

14 (cf: P.L.1992, c.165, s.35)

15

16       ~~4~~[<sup>2</sup>18. Section 39 of P.L.1992, c.39 (C.40:54D-39) is amended to  
17 read as follows:

18       39. a. The authority shall cause a financial audit of its books and  
19 accounts to be made at least once each year by certified public  
20 accountants pursuant to the "Local Authorities Fiscal Control Law,"  
21 P.L.1983, c.313 (C.40A:5A-1 et seq.), and copies thereof shall be filed  
22 with the State Treasurer and with the State Auditor.

23       b. The annual budget of the authority for administrative and  
24 operating costs, and the annual budget for any tourism project, shall  
25 be submitted for approval to the State Treasurer within 90 days after  
26 the effective date of P.L. \_\_\_\_\_, c. \_\_\_\_\_ (C. \_\_\_\_\_) (now pending  
27 before the Legislature as this bill), and, thereafter, on or before the last  
28 day of October in each year. The State Treasurer shall, within 30 days  
29 of submission, review and approve each requested budget. The State  
30 Treasurer may object in whole or in part to any item or items  
31 contained in a budget while approving the other portions of a budget.  
32 If so, the State Treasurer shall append to a budget, along with the  
33 treasurer's signature of approval, a statement of each item or part  
34 thereof to which the treasurer objects, and each item or part so  
35 objected to shall not take effect. A copy of each budget and any  
36 statement shall be transmitted to the appropriate authority.  
37 Expenditures associated with construction or a specific bond issue or  
38 investment shall be considered costs of the State authority designated  
39 under section 20 of P.L. \_\_\_\_\_, c. \_\_\_\_\_ (C. \_\_\_\_\_) (now pending before the  
40 Legislature as this bill).<sup>2</sup>

41 (cf: P.L.1992, c.39, s.39)]<sup>4</sup>

42

43       ~~4~~[<sup>1</sup>[3.]<sup>2</sup>[ 4.1 ]19.<sup>2</sup> (New section) Receipts from sales of tangible  
44 personal property and services subject to a tax on predominantly  
45 tourism related retail receipts authorized by <sup>2</sup>corresponding<sup>2</sup> municipal  
46 ordinances which were adopted pursuant to P.L.1992, c.165



1       <sup>2</sup> <sup>4</sup>[20.] 18.<sup>4</sup> (New section) a. The <sup>4</sup>[State Treasurer shall  
2 designate the New Jersey Economic Development Authority  
3 established pursuant to P.L.1974, c.80 (C.34:1B-1 et seq.), or any  
4 other State authority to issue bonds for the costs of construction, and  
5 to manage the construction of the tourism projects] sports authority  
6 is hereby authorized to acquire, finance through the issuance of bonds  
7 or notes, construct, operate and perform such other functions as  
8 provided in P.L.1971, c.167 (C.5:10-1 et seq.) regarding the  
9 Wildwood convention center facility<sup>4</sup> authorized herein. The  
10 <sup>4</sup>[authority shall delegate to the State authority so designated by the  
11 State Treasurer] sports authority shall have<sup>4</sup> sole responsibility to  
12 provide for the <sup>4</sup>[bonding] acquisition, financing through the issuance  
13 of bonds or notes<sup>4</sup> and construction<sup>4</sup> and operation<sup>4</sup> of the <sup>4</sup>[tourism  
14 projects] Wildwood convention center facility<sup>4</sup> within the district.  
15 Further, the authority<sup>4</sup> in existence on July 1, 1997<sup>4</sup> may advise the  
16 <sup>4</sup>[State] sports<sup>4</sup> authority with regard to the <sup>4</sup>[tourism projects]  
17 Wildwood convention center facility<sup>4</sup>.

18       <sup>4</sup>[b. The State authority designated by the State Treasurer  
19 pursuant to this section shall utilize monies from the fund to issue  
20 bonds for the purpose of generating revenue for the construction of  
21 tourism projects; however, <sup>3</sup>[up to] the State Treasurer shall specify  
22 an amount of not less than<sup>3</sup> \$500,000 of the fund in any year <sup>3</sup>[may]  
23 to<sup>3</sup> be allocated to the authority for operating expenses<sup>3</sup> pursuant to  
24 a budget approved by the State Treasurer under section 39 of  
25 P.L.1992, c.39 (C.40:54D-39)<sup>3</sup>. <sup>3</sup>[In no event shall the annual  
26 revenues deposited in the fund exceed \$5,750,000 for bonding  
27 purposes in any year prior to certification by the director pursuant to  
28 subsection e. of section 9 of P.L.1992, c.165 (C.40:54D-9), and  
29 \$5,000,000 in any year thereafter, and \$500,000 for operating  
30 expenses of the authority.]<sup>3</sup> To the extent that revenue generated  
31 annually from taxes levied pursuant to section 4 of P.L.1992, c.165  
32 (C.40:54D-4) exceeds in any calendar year the amount <sup>3</sup>[permitted to  
33 be deposited in that fund under this section, the excess revenue shall  
34 be deposited in the State General Fund to be used for general State  
35 purposes] required to meet payments for principal and interest on  
36 bonds for the construction of tourism projects authorized herein and  
37 for approved operating expenses of the authority, the excess revenue  
38 shall be placed in a sinking fund to be used to redeem bonds issued  
39 pursuant to this section by the State authority prior to maturity at the  
40 price or prices and upon the terms and conditions as may be provided  
41 in the bonds<sup>3</sup>.

42       c. Any monies expended from the fund for the construction of  
43 tourism projects in excess of monies previously approved by the State  
44 Treasurer in the annual budget of those tourism projects, pursuant to  
45 section 39 of P.L.1992, c.165 (C.40:54D-39), shall be subject to

1 (C.40:48-8.15 et seq.).

2 m. "**【Convention】 Atlantic City convention center project**" means  
3 the project authorized by paragraph 9 of subsection a. of section 6 of  
4 P.L.1971, c.137 (C.5:10-6).

5 n. "Wildwood convention center facility" means the project  
6 authorized by paragraph (12) of subsection a. of section 6 of  
7 P.L.1971, c.137 (C.5:10-6).

8 o. "Tourism related tax" means the tax levied and collected  
9 pursuant to P.L.1992, c.165 (C.40:54D-1 et seq.) for the tourism  
10 improvement and development district which includes the Wildwood  
11 convention center facility.<sup>4</sup>

12 (cf: P.L.1991, c.375, s.1)

13

14 <sup>4</sup>20. Section 6 of P.L.1971, c.137 (C.5:10-6) is amended to read  
15 as follows:

16 6. a. The authority, pursuant to the provisions of **【the act】**  
17 P.L.1971, c.137 (C.5:10-1 et seq.), is hereby authorized and  
18 empowered, either alone or in conjunction with others, and provided  
19 that, in the case of an arrangement with respect to any of the projects  
20 set forth in this section which shall be in conjunction with others, the  
21 authority shall have sufficient right and power to carry out the public  
22 purposes set forth in **【this act】** P.L.1971, c.137 (C.5:10-1 et seq.):

23 (1) To establish, develop, construct, operate, acquire, own,  
24 manage, promote, maintain, repair, reconstruct, restore, improve and  
25 otherwise effectuate, either directly or indirectly through lessees,  
26 licensees or agents, a project to be located in the Hackensack  
27 meadowlands upon a site not to exceed 750 acres and upon a site or  
28 sites outside of that acreage, but either immediately contiguous thereto  
29 or immediately across any public road which borders that acreage,  
30 consisting of one or more stadiums, coliseums, arenas, pavilions,  
31 stands, field houses, playing fields, recreation centers, courts,  
32 gymnasiums, clubhouses, a racetrack for the holding of horse race  
33 meetings, and other buildings, structures, facilities, properties and  
34 appurtenances related to, incidental to, necessary for, or  
35 complementary to a complex suitable for the holding of athletic  
36 contests or other sporting events, or trade shows, exhibitions,  
37 spectacles, public meetings, entertainment events or other expositions,  
38 including, but not limited to, driveways, roads, approaches, parking  
39 areas, parks, recreation areas, lodging facilities, vending facilities,  
40 restaurants, transportation structures, systems and facilities, and  
41 equipment, furnishings, and all other structures and appurtenant  
42 facilities, related to, incidental to, necessary for, or complementary to  
43 the purposes of that project or any facility thereof.

44 (2) To establish, develop, construct, acquire, lease or own,  
45 operate, manage, promote, maintain, repair, reconstruct, restore,  
46 improve and otherwise effectuate, either directly or indirectly through

1 recreation areas, vending facilities, restaurants, transportation  
2 structures, systems, and equipment, furnishings and all other structures  
3 and appurtenances related to, incidental to, necessary for, or  
4 complementary to, the purposes of that project. A project authorized  
5 under this paragraph may be located within, immediately contiguous  
6 to, or immediately across any public road which borders the site of any  
7 other project of the authority, except the site of a racetrack authorized  
8 by paragraph (5) of this subsection and acquired by the authority prior  
9 to 1986.

10 (5) To establish, develop, construct, acquire, own, operate,  
11 manage, promote, maintain, repair, reconstruct, restore, improve and  
12 otherwise effectuate, either directly or indirectly through lessees,  
13 licensees or agents, projects consisting of (a) racetrack facilities  
14 located within the State of New Jersey, but outside of the  
15 meadowlands complex, (b) their contiguous properties, and (c) their  
16 auxiliary facilities, including, without limitation, pavilions, stands, field  
17 houses, clubhouses, training tracks for horses, racetracks for the  
18 holding of horse race meetings, fairgrounds, other exposition facilities,  
19 and other buildings, structures, facilities, properties and appurtenances  
20 related to, incidental to, necessary for, or complementary to a complex  
21 suitable for the holding of horse race meetings, other sporting events,  
22 or trade shows, exhibitions, spectacles, public meetings, entertainment  
23 events or other expositions, including, but not limited to, driveways,  
24 roads, approaches, parking areas, parks, recreation areas, lodging  
25 facilities, vending facilities, restaurants, transportation structures,  
26 systems and facilities, equipment, furnishings, and all other structures  
27 and appurtenant facilities related to, incidental to, necessary for, or  
28 complementary to the purposes of any of those projects or any facility  
29 thereof.

30 Notwithstanding any law to the contrary, the acquisition of any  
31 existing racetrack facility in and licensed by the State of New Jersey  
32 shall be permitted on the condition that payments equivalent to all  
33 municipal, school board and county taxes due to each entity shall be  
34 paid by the authority to the extent and in accordance with the same  
35 payment schedule as taxes would have been paid each year, as though  
36 the racetrack facility remained in private ownership. In the event the  
37 authority conveys lands or other parts of the racetrack facility to  
38 others, the authority shall receive a reduction of such payments  
39 commensurate with the amount required to be paid by the subsequent  
40 owner of the lands and improvements disposed of by the authority. In  
41 addition, the authority shall be responsible for paying all existing local  
42 franchise fees, license and parking tax fees in effect at the time of the  
43 acquisition.

44 (6) To establish, develop, acquire, own, operate, manage,  
45 promote and otherwise effectuate, in whole or in part, either directly  
46 or indirectly through lessees, licensees or agents, projects consisting

1 authorized to:

2 (a) Assume existing leasehold or other contractual obligations  
3 pertaining to any such facilities or properties or to make provision for  
4 the payment or retirement of any debts and obligations of the  
5 governmental entity operating any such convention hall or center or of  
6 any bonds or other obligations payable from and secured by a lien on  
7 or pledge of the luxury tax revenues;

8 (b) Make loans or payments in aid of construction with respect  
9 to infrastructure and site development for properties located in the  
10 area between the sites of the existing convention hall and a new  
11 convention center or located contiguous to or across any public road  
12 which borders the area;

13 (c) Convert the existing convention hall or any facilities,  
14 structures or properties thereof, or any part thereof, not disposed of  
15 by the authority, to any sports, exposition, exhibition, or entertainment  
16 use or to use as a forum for public events or meetings, or to any other  
17 use which the authority shall determine to be consistent with its  
18 operation of the Atlantic City convention center project.

19 (10) To provide a feasibility study for the use and development  
20 of the existing convention center in the city of Asbury Park, county of  
21 Monmouth and to provide a feasibility study for the construction, use  
22 and development of a convention center or recreational facility in any  
23 other municipality.

24 (11) To provide funding to public or private institutions of higher  
25 education in the State to establish, develop, acquire, construct,  
26 reconstruct or improve facilities located or to be located on property  
27 owned, leased, or otherwise used by an institution, consisting of sports  
28 facilities and the buildings, structures, properties and appurtenances  
29 related thereto, or incidental to, necessary for, or complementary to  
30 those sports facilities, such facilities to include driveways, access  
31 roads, approaches, parking areas, parks, recreation areas, vending  
32 facilities, restaurants, transportation structures, systems and  
33 equipment, furnishings and all other structures and appurtenances  
34 related or incidental to, necessary for, or complementary to the  
35 purposes of those facilities.

36 (12) To acquire by purchase, lease, or otherwise, including all  
37 right, title and interest of the Greater Wildwood Tourism Improvement  
38 Development Authority in any property, and to develop, construct,  
39 operate, own, lease, manage, repair, reconstruct, restore, improve,  
40 enlarge or otherwise effectuate, either directly or through lessees,  
41 licensees or agents, a convention center facility in the City of  
42 Wildwood, Cape May County, consisting of and including any existing  
43 and acquired buildings, structures, properties and appurtenances and  
44 including restaurants, retail businesses, access roads, approaches,  
45 parking areas, transportation structures and systems, recreation areas,  
46 equipment, furnishings, vending facilities, and all other structures and

1 bonds or notes of the authority, to the following purposes and in the  
2 following order:

3 (1) The costs of operation and maintenance of the meadowlands  
4 complex and reserves therefor;

5 (2) Principal, sinking fund installments and redemption premiums  
6 of and interest on any bonds or notes of the authority payable from  
7 such revenues, moneys or other funds and issued for the purposes of  
8 the meadowlands complex or for the purposes of refunding the same,  
9 including reserves and payments with respect to credit agreements  
10 therefor;

11 (3) The costs of any major or extraordinary repairs, renewals or  
12 replacements with respect to the meadowlands complex or incidental  
13 improvements thereto, not paid pursuant to paragraph (1) above,  
14 including reserves therefor;

15 (4) Payments required to be made pursuant to section 18b.;

16 (5) Payments authorized to be made pursuant to section 18c.;

17 (6) Except to the extent payments with respect to bonds or notes  
18 are provided with priority in accordance with paragraph (2) of this  
19 subsection, payments required to be made in accordance with the  
20 resolution authorizing or relating to the issuance of bonds or notes of  
21 the authority, for the purposes of any project authorized by this act,  
22 including payments and reserves with respect to any bonds or notes of  
23 the authority with respect to the meadowlands complex which are not  
24 provided with priority in accordance with paragraph (2) of this  
25 subsection;

26 (7) Payments required to be made to repay any obligation  
27 incurred by the authority to the State;

28 (8) The balance remaining after application in accordance with  
29 the above shall be deposited in the General State Fund, provided that  
30 (a) there shall be appropriated for authorized State purposes from the  
31 amount so deposited that amount which shall be calculated by the  
32 State Treasurer to be the debt service savings realized with respect to  
33 the refinancing of the initial project as defined in section 1 of  
34 P.L.1973, c.286 (C.5:10-14.1) at the meadowlands complex, by the  
35 issuance of bonds of the authority guaranteed by the State, and (b)  
36 after such appropriation, 40% of any balance remaining from the  
37 amounts so deposited shall be appropriated to the Meadowlands  
38 Commission for any of its purposes authorized by P.L.1968, c.404,  
39 and any amendments or supplements thereto.

40 d. Revenues, moneys or other funds, if any, derived from the  
41 operation or ownership of any project other than the meadowlands  
42 complex **[or]**, the Atlantic City convention center project, or the  
43 Wildwood convention center facility and other than a baseball stadium  
44 project or an office complex project located on the site of a baseball  
45 stadium shall be applied for such purposes, in such manner and subject  
46 to such conditions as shall be provided in the resolution authorizing or

1 shall be payable under the terms of the resolution of the authority  
2 relating thereto from luxury tax revenues, or (ii) providing  
3 improvements, additions or replacements to the Atlantic City  
4 convention center project, if the bonds or notes shall be payable under  
5 the terms of the resolution of the authority relating thereto from luxury  
6 tax revenues; and to pay any amounts due from the authority under  
7 any credit agreement entered into by the authority in connection with  
8 the bonds or notes.

9 (2) To pay the costs of operation and maintenance of the Atlantic  
10 City convention center project.

11 (3) To establish and maintain a working capital and maintenance  
12 reserve fund for the Atlantic City convention center project in an  
13 amount as shall be determined by the authority to be necessary.

14 (4) To repay to the State those amounts paid by the State with  
15 respect to bonds or notes of the authority issued for the purposes of  
16 the Atlantic City convention center project.

17 (5) The balance of any luxury tax revenues not required for any  
18 of the foregoing purposes and remaining at the end of any calendar  
19 year shall be paid to the State Treasurer for application to purposes in  
20 the city of Atlantic City pursuant to section 5 of P.L.1981, c.461  
21 (C.40:48-8.30a).

22 The authority may pledge the luxury tax revenues paid to it as  
23 provided for in section 14 of P.L.1991, c.375 (C.5:10-14.4) as security  
24 for the payment of the principal of and interest or premium on its  
25 bonds or notes issued for the purposes set forth above in paragraph (1)  
26 of this subsection f. in the same manner, to the same extent and with  
27 the same effect as the pledge of any of its other revenues, receipts and  
28 funds authorized by **[this act]** P.L.1971, c.137 (C.5:10-1 et seq.).

29 g. Revenues, moneys or other funds, if any, derived from the  
30 ownership or operation of the Wildwood convention center facility  
31 shall be applied to the costs of operating and maintaining the  
32 Wildwood convention center facility and to the other purposes set  
33 forth in this subsection as shall be provided by resolution of the  
34 authority.

35 The tourism related tax revenues paid to the authority pursuant to  
36 subsection f. of section 14 of P.L.1992, c.165 (C.40:54D-14) shall be  
37 deposited by the authority in a separate fund or account and applied  
38 to any or all of the following purposes pursuant to an allocation of  
39 funds approved by the State Treasurer in writing and in advance of any  
40 application of such funds:

41 (1) to pay amounts due with respect to any obligations transferred  
42 to the authority pursuant to section 17 of P.L. \_\_\_\_\_, c. \_\_\_\_\_  
43 (now pending before the Legislature as this bill) pertaining to the  
44 Wildwood convention center facility:

45 (2) to repay to the State those amounts paid with respect to bonds  
46 or notes of the authority issued for the purposes of the Wildwood

1 projects to be financed pursuant to this section.

2 (3) The agreements shall provide that with respect to the Atlantic  
3 City convention center project, the authority shall review all existing  
4 expert studies that present options as to the scope and nature of the  
5 project and the linkages between the project and the economic  
6 development of Atlantic City. Based upon its analysis of the available  
7 studies and such other expert studies as the authority may authorize,  
8 the authority shall report to the Legislature and include in the minutes  
9 of the authority its proposal for the development of the Atlantic City  
10 convention center. The report shall include an explanation for the  
11 selection of the project option proposed by the authority.

12 c. Notwithstanding anything to the contrary in **[this act]**  
13 P.L.1991, c.375 (C.5:10-3 et al.), if and to the extent provided in any  
14 agreement between the State Treasurer and the authority, all or part  
15 of the revenues of the authority, other than luxury tax revenues or  
16 revenues of the Atlantic City convention center project and other than  
17 tourism related tax revenues or other revenues of the Wildwood  
18 convention center facility, in excess of the requirements of the  
19 resolutions authorizing or relating to the issuance of any of the  
20 authority's bonds or notes, except those issued pursuant to this  
21 section, shall be paid into the General Fund in repayment to the State  
22 for amounts previously paid by the State pursuant to this section with  
23 respect to the payment of principal and interest on bonds or notes  
24 issued for any of the purposes set forth in this section, except the  
25 purposes set forth in paragraphs (3), (4) **[and]** (5) and (8) of  
26 subsection d. of this section, and any payments on account of any  
27 credit agreements with respect to the bonds or notes. Except as  
28 otherwise provided in this section, bonds or notes of the authority  
29 issued pursuant to this section shall be authorized, sold and issued in  
30 the manner and be entitled to the benefits, protection and provisions  
31 as apply to bonds and notes of the authority authorized to be issued  
32 pursuant to P.L.1971, c.137 (C.5:10-1 et seq.).

33 d. In addition to its other powers to issue bonds and notes, the  
34 authority shall have power to issue from time to time bonds and notes  
35 payable from amounts in the Sports Authority Fund established  
36 pursuant to subsection a. of this section, as follows:

37 (1) To provide sufficient funds to refund from time to time  
38 outstanding bonds or notes of the authority issued for the  
39 meadowlands complex or the Monmouth racetrack project authorized  
40 pursuant to paragraph (5) of subsection a. of section 6 of P.L.1971,  
41 c.137 (C.5:10-6), whether or not the bonds or notes or interest  
42 thereon have become due, to provide for the establishment of funds or  
43 reserves to secure payment of the bonds or notes or any other bonds  
44 or notes issued or to be issued for those purposes or interest thereon,  
45 and to provide for the payment of all other costs or expenses of the  
46 authority incident to or necessary to carry out the refunding; provided

1 income accruing therefrom.

2 (cf: P.L.1994, c.48, s.296)

3

4 <sup>1</sup>[4.] <sup>2</sup>[5.1] <sup>4</sup>[21.2] 22.4 This act shall take effect immediately.

5

6

7

8

9 Permits State funding for the construction of a convention center  
10 facility in certain tourism improvement and development districts  
11 under certain conditions and authorizes the New Jersey Sports and  
12 Exposition Authority to undertake certain additional projects.