

# SENATE, No. 2971

## STATE OF NEW JERSEY 212th LEGISLATURE

INTRODUCED NOVEMBER 29, 2007

**Sponsored by:**  
**Senator RONALD L. RICE**  
**District 28 (Essex)**

### **SYNOPSIS**

Authorizes certain municipalities to impose a surcharge on special events at certain venues.

### **CURRENT VERSION OF TEXT**

As introduced.



1 AN ACT authorizing certain municipalities to impose a surcharge on  
2 special events at certain venues and supplementing Title 40 of  
3 the Revised Statutes.

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

7  
8 1. a. As used in this section, "sports or entertainment facility"  
9 means any facility that is not owned by the State or any authority  
10 created by the State, in which sporting or entertainment events are  
11 regularly held and which contains not less than 4,000 fixed seats or  
12 bleacher capacity for not less than 4,000 persons.

13 b. A municipality in which a sports or entertainment facility is  
14 situate may, by ordinance, impose a surcharge on each ticket sold  
15 for an event at such a facility in the amount of the greater of \$2 or  
16 5% of the face value of the ticket, if purchased directly from the  
17 facility, or the greater of \$2 or 5% of the total charge for a ticket,  
18 including any charge imposed by a ticket broker or other  
19 middleman, if purchased from a source other than the facility. Any  
20 ordinance adopted under this section shall require that the funds  
21 raised through the imposition of the surcharge shall be used by the  
22 municipality only for expenditures related to public safety.

23 c. Any ordinance enacted pursuant to subsection b. of this  
24 section shall be filed with the State Treasurer and provided to each  
25 sports or entertainment facility located in the municipality not later  
26 than the 10th calendar day next following the approval of the  
27 ordinance by the governing body of the municipality.

28 d. The director of the Division of Taxation in the Department of  
29 the Treasury shall collect and administer the surcharge; in so doing,  
30 the director shall have all the powers granted pursuant to P.L.1966,  
31 c.30 (C.54:32B-1 et seq.). The director shall forward the collected  
32 surcharge funds to each municipality on a monthly basis.

33 e. The director may, pursuant to the provisions of the  
34 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et  
35 seq.), make, adopt, amend, or repeal such rules and regulations as  
36 the director finds necessary to carry out the provisions of this  
37 section.

38  
39 2. This act shall take effect immediately.

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42 STATEMENT

43  
44 This bill would authorize a municipality in which a sports or  
45 entertainment facility is situate, by ordinance, to impose a surcharge  
46 on each ticket sold for an event at such a facility in the amount of  
47 the greater of \$2 or 5% of the face value of the ticket, if purchased  
48 directly from the facility, or the greater of \$2 or 5% of the total

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1 charge for a ticket, including any charge imposed by a ticket broker  
2 or other middleman, if purchased from a source other than the  
3 facility. The bill requires that any ordinance adopted under the bill  
4 shall require that the funds raised through the imposition of the  
5 surcharge shall be used by the municipality only for expenditures  
6 related to public safety.

7 The bill defines “sports or entertainment facility” as any facility  
8 that is not owned by the State or any authority created by the State,  
9 in which sporting or entertainment events are regularly held and  
10 which contains not less than 4,000 fixed seats or bleacher capacity  
11 for not less than 4,000 persons.

12 The bill would require the Director of the Division of Taxation in  
13 the Department of the Treasury to collect and administer the  
14 surcharge, and to forward the collected surcharge funds to each  
15 municipality on a monthly basis.

16 The surcharge authorized by bill is intended to allow  
17 municipalities affected by the traffic and congestion generated by a  
18 sports or entertainment facility to recoup some of the cost of the  
19 local impact of those facilities without burdening local taxpayers.+