Sponsored by:
Assemblywoman PATRICIA EGAN JONES
District 5 (Camden and Gloucester)
Assemblyman DANIEL R. BENSON
District 14 (Mercer and Middlesex)
Assemblyman R. BRUCE LAND
District 1 (Atlantic, Cape May and Cumberland)

Co-Sponsored by:
Assemblymen Andrzejczak, Caputo, Holley, Johnson, Mukherji,
Assemblywomen Vainieri Huttle, Reynolds-Jackson, Mosquera, Jasey,
Assemblymen Kennedy, Bramnick, A.M.Bucco, Assemblywoman Quijano,
Assemblymen Zwicker, Dancer, Assemblywoman Speight, Assemblyman
Milam, Assemblywoman Murphy, Assemblymen S.Kean, Karabinchak,
Chiaravalloti, Calabrese and Assemblywoman DiMaso

SYNOPSIS
Increases minimum annual amounts for appropriation for certain arts,
historical heritage, and tourism purposes from hotel and motel occupancy fee
revenues.

CURRENT VERSION OF TEXT
As introduced

(Sponsorship Updated As Of: 11/15/2019)
AN ACT increasing the minimum amounts to be annually
appropriated for certain arts, historical heritage, and tourism
purposes from hotel and motel occupancy fee revenues and

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

1. Section 2 of P.L.2003, c.114 (C.54:32D-2) is amended to
read as follows:

   2. a. The Director of the Division of Taxation shall collect and
administer the fee imposed pursuant to section 1 of P.L.2003, c.114
(C.54:32D-1). The fees collected shall be deposited to the General
Fund, and shall be allocated as follows:

      (1) of the fees collected for occupancies during State Fiscal Year
2004: $16,000,000 shall be allocated for appropriation to the New
Jersey State Council on the Arts for cultural projects; $2,700,000 shall
be allocated for appropriation to the New Jersey Historical
Commission for the purposes of subsection a. of section 3 of P.L.1999,
c.131 (C.18A:73-22.3); $9,000,000 shall be allocated for appropriation
to the [New Jersey Commerce and Economic Growth Commission]
Division of Travel and Tourism in the Department of State for tourism
advertising and promotion; and $500,000 shall be allocated for
appropriation to the New Jersey Cultural Trust; and

      (2) of the fees collected for occupancies during State Fiscal Year
2005 and thereafter: 22.68 percent shall be annually allocated for
appropriation to the New Jersey State Council on the Arts for cultural
projects, provided that of the fees collected for occupancies during
State Fiscal Year 2017 and thereafter the amount allocated shall not be
less than $22,680,000; 3.84 percent shall be allocated
for appropriation to the New Jersey Historical Commission for the
purposes of subsection a. of section 3 of P.L.1999, c.131 (C.18A:73-
22.3), provided that of the fees collected for occupancies during State
Fiscal Year 2017 and thereafter the amount allocated shall not be less
than $3,840,000; 12.76 percent shall be allocated for
appropriation to the [New Jersey Commerce and Economic Growth
Commission] Division of Travel and Tourism in the Department of
State for tourism advertising and promotion, provided that of the fees
collected for occupancies during State Fiscal Year 2017 and thereafter
the amount allocated shall not be less than $12,760,000; and .72 percent shall be allocated for appropriation to the
New Jersey Cultural Trust, provided that the amount allocated shall
not be less than $720,000.

   b. (1) In carrying out the provisions of section 1 of P.L.2003,
c.114 (C.54:32D-1) and this section, the director shall have all of the

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

Matter underlined thus is new matter.
powers and authority granted in P.L.1966, c.30 (C.54:32B-1 et seq.).

The tax shall be filed and paid in a manner prescribed by the Director of the Division of Taxation. The director shall promulgate such rules and regulations as the director determines are necessary to effectuate the provisions of section 1 of P.L.2003, c.114 (C.54:32D-1) and this section.

(2) Each person required to collect the hotel and motel occupancy fee shall be personally liable for the fee imposed, collected, or required to be paid, collected, or remitted under section 1 of P.L.2003, c.114 (C.54:32D-1). Any such person shall have the same right in respect to collecting the fee from that person's customer or in respect to non-payment of the fee by the customer as if the fee were a part of the purchase price of the occupancy or rent, as the case may be, and payable at the same time; provided however, that the director shall be joined as a party in any action or proceeding brought to collect the fee.

For purposes of this paragraph, "person" includes: an individual, partnership, corporation, or an officer, director, stockholder, or employee of a corporation, or a member or employee of a partnership, who as such officer, director, stockholder, employee, or member is under the duty to perform the act in respect of which the violation occurs.

c. The annual appropriations act for each State Fiscal Year, commencing with fiscal year 2005, shall appropriate and distribute during that fiscal year amounts not less than the amounts otherwise specified for State Fiscal Year 2004 in paragraph (1) of subsection a. of this section for the purposes specified in paragraph (1) of subsection a. of this section.

d. If the provisions of subsection c. of this section are not met on the effective date of an annual appropriations act for the State fiscal year, or if an amendment or supplement to an annual appropriations act for the State fiscal year should violate the provisions of subsection c. of this section, the Director of the Division of Budget and Accounting in the Department of the Treasury shall, not later than five days after the enactment of the annual appropriations act, or an amendment or supplement thereto, that violates the provisions of subsection c. of this section, certify to the Director of the Division of Taxation that the requirements of subsection c. of this section have not been met.

e. The Director of the Division of Taxation shall, no later than five days after certification by the Director of the Division of Budget and Accounting in the Department of the Treasury pursuant to subsection d. of this section that the provisions of subsection c. of this section have not been met or have been violated by an amendment or supplement to the annual appropriations act, notify each person required to collect tax of the certification and that the fee imposed pursuant to section 1 of P.L.2003, c.114 (C.54:32D-1) shall no longer be paid or collected.

(cf: P.L.2007, c.102, s.4)
2. This act shall take effect immediately.

STATEMENT

This bill increases the minimum dollar amounts that the Director of the Division of Taxation must allocate for cultural projects, historical heritage programs, and tourism advertisement and promotion. Current law requires the director to allocate 22.68 percent of the total hotel and motel occupancy fees collected to the New Jersey State Council on the Arts for cultural projects, provided that the actual dollar amount allocated is at least $22.68 million. This bill increases the minimum dollar amount that the director must allocate for cultural projects to $31.9 million. Current law requires the director to allocate 3.84 percent of hotel and motel occupancy fees collected to the New Jersey Historical Commission for historical heritage purposes, provided that at least $3.84 million is allocated. This bill increases the minimum dollar amount that the director must allocate for historical heritage purposes to $5.5 million. Current law requires the director to allocate 12.76 percent of hotel and motel occupancy fees collected to the Division of Travel and Tourism in the Department of State for tourism advertisement and promotion, provided at least $12.76 million is allocated. This bill increases the minimum dollar amount that the director must allocate for tourism advertisement and promotion to $17.6 million. The bill applies to revenues collected for occupancies during State Fiscal Year 2017 and thereafter.

The purpose of this bill is to encourage increased State funding for the arts, historical heritage, and tourism without binding the Legislature to increased funding levels. The bill does not change the “poison pill” provision under current law, which mandates a minimal level of funding for certain projects, including the arts, historical heritage, and tourism advertisement and promotion. Under the “poison pill” provision, failure to fund these projects at Fiscal Year 2004 appropriation levels results in the termination of the hotel and motel occupancy fee.