

[Passed Both Houses]

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

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# STATE OF NEW JERSEY

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INTRODUCED NOVEMBER 7, 1996

By Senators CAFIERO, GORMLEY, DiFrancesco, O'Connor,  
Lynch, Adler, Assemblymen Gibson and Asselta

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,

**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 reconstruction, rehabilitation, replacement, repair, extension,  
2 enlargement, improvement and betterment of a project, and includes  
3 the demolition, clearance and removal of buildings or structures on  
4 land acquired, held, leased or used for a project.

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

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

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

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

29 ["Department" means the Department of Commerce, Energy and  
30 Economic Development.]

31 "Director" means the Director of the Division of Taxation in the  
32 Department of the Treasury.

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

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

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

1 tennis courts, and fishing and sightseeing boats.

2 "Predominantly tourism related retail receipts" means:

3 a. The rent for every occupancy of a room or rooms in a hotel  
4 subject to taxation pursuant to subsection (d) of section 3 of the "Sales  
5 and Use Tax Act," P.L.1966, c.30 (C.54:32B-3);

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

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

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

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

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

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

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

35 b. Persons making charges for participant amusements as defined  
36 in this section;

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

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

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

1 the person is less than the amount of the tourism development fee for  
2 that year.

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

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

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

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

22 (cf: P.L.1992, c.165, s.3)

23  
24 <sup>2</sup>[1.] 2.<sup>2</sup> Section 4 of P.L.1992, c.165 (C.40:54D-4) is amended to  
25 read as follows:

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

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

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

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

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

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

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

1 State Treasurer.

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

3

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

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

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

25       c. The director may require amended returns to be filed within  
26 20 days after notice and to contain the information specified in the  
27 notice.

28       d. The director shall inform the authority for each month in which  
29 this tax is collected and returns made of the amount so collected in  
30 each month.

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

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

44

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

1       6. a. The director shall collect and administer any tax imposed  
2 pursuant to the provisions of [this act,] P.L.1992, c.165 (C.40:54D-1  
3 et seq.) notwithstanding the provisions of any other law or ordinance  
4 to the contrary. In carrying out the provisions of [this act] P.L.1992,  
5 c.165 (C.40:54D-1 et seq.) the director shall have all the powers  
6 granted in P.L. 1996. c.30 (C.54:32B-1 et seq.).

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

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

19

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

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

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

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

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

3       13. There is created for a tourism improvement and development  
4 district established pursuant to [this act,] P.L.1992, c.165 (C.40:54D-  
5 1 et seq.), a reserve fund to be held by the State Treasurer, but not to  
6 exist in the State Treasury, to be the repository for monies paid to the  
7 State Treasurer pursuant to [this act,] P.L.1992, c.165 (C.40:54D-1  
8 et seq.), and disbursed as provided herein.<sup>4</sup>

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

10

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

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

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

1 which is the later date determined pursuant to paragraph 1 or 2 of this  
2 subsection, all monies then accumulated in the fund shall be removed  
3 by the State Treasurer and the proceeds, with the interest thereon,  
4 shall be used for any of the purposes set forth in subsection a. of this  
5 section.

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

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

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

42 <sup>4</sup>f. Notwithstanding any other law to the contrary, subsections a.  
43 through d. of this section shall not apply to any authority in existence  
44 on July 1, 1997 for the period of time beginning on the effective date  
45 of P.L. , c. (C. ) (now pending before the Legislature as  
46 this bill) and continuing thereafter until the 60th day following the date

1   on which the State Treasurer certifies that all bonds or notes issued by  
2   the sports authority pursuant to section 12 of P.L.1991, c.375  
3   (C.5:10-14.3) and section 18 of P.L. c. (C. ) (now pending  
4   before the Legislature as this bill) to finance the Wildwood convention  
5   center facility, together with interest thereon, have been fully met and  
6   discharged or provided for. During such period of time all revenues  
7   from a district with an authority in existence on July 1, 1997 shall be  
8   deposited by the State Treasurer in the fund created pursuant to  
9   section 13 of P.L.1992, c.165 (C.40:54D-13) and shall be allocated as  
10   follows: 90 percent of the revenues shall be transferred by the State  
11   Treasurer to the sports authority for purposes in connection with the  
12   Wildwood convention center facility to be applied as set forth in  
13   subsection g. of section 6 of P.L.1971, c.137 (C.5:10-6) and the  
14   remaining 10 percent of the revenues shall be transferred by the State  
15   Treasurer to the Greater Wildwood Tourism Improvement  
16   Development Authority to be applied set forth in section 21 of  
17   P.L.1992, c.165 (C.40:54D-21).<sup>4</sup>  
18   (cf: P.L.1992, c.165, s.14)

19

20   <sup>2</sup>6. Section 18 of P.L.1992, c.165 (C.40:54D-18) is amended to  
21   read as follows:

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

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

43   c. An authority so established shall be subject to the provisions of  
44   the "Local Authorities Fiscal Control Law," P.L.1983, c.313  
45   (C.40A:5A-1 et seq.), except that the creation of the authority shall  
46   not be subject to approval of the Local Finance Board in the

1     Department of Community Affairs.<sup>2</sup>

2     (cf: P.L.1992, c.165, s.18)

3

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

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

22     (cf: P.L.1992, c.165, s.19)

23

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

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

44       b. The [Commissioner of the Department of Commerce, Energy  
45     and Economic Development] State Treasurer <sup>3</sup>and the Director of the  
46     Division of Travel and Tourism in the Department of Commerce and

1   Economic Development<sup>3</sup> shall be <sup>3</sup>[an]<sup>3</sup> ex officio <sup>3</sup>[member]  
2   members<sup>3</sup> of the authority.

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

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

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

41    [d.]f. The [commissioner] State Treasurer may designate an  
42    employee of the [department] Department of the Treasury<sup>3</sup>, and the  
43    Director of the Division of Travel and Tourism may designate an  
44    employee of the division,<sup>3</sup> to represent the member at meetings of the  
45    authority. The designee of the member may lawfully vote and  
46    otherwise act on behalf of the member. The designation shall be made

1 annually in writing and delivered to the authority and shall be effective  
2 until revoked or amended by written notice delivered to the authority.

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

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

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

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

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

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

42

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

45       20. a. After the expiration of the period of 45 days following the  
46 first publication of the creating ordinances, the governing body of each

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

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

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

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

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

29 The designation shall be made annually in writing and delivered to  
30 the authority and shall be effective until revoked or amended by  
31 written notice delivered to the authority.

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

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

1 the duties of the authority.

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

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

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

14

15 29. Section 21 of P.L.1992, c.165 (C.40:54D-21) is amended to  
16 read as follows:

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

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

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

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

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

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

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

43 g. To set and collect rents, fees, charges or other payments for the  
44 lease, use, occupancy or disposition of a convention center facility or  
45 other tourism project acquired, constructed or reconstructed by the  
46 authority pursuant to the provisions of <sup>4</sup>[this act,]<sup>4</sup> P.L.1992, c.165

1       (C.40:54D-1 et seq.). Any revenues collected shall be available to the  
2 authority for use in furtherance of any of the purposes of this act;

3           h. To acquire, lease as lessee or lessor, own, rent, use, hold and  
4 dispose of real property and personal property or any interest therein,  
5 in the exercise of its powers and the performance of its duties under  
6 this act;

7           i. To acquire in the name of the authority by purchase, gift or  
8 otherwise, on terms and conditions and in a manner as the authority  
9 may deem proper, or by the exercise of the power of eminent domain  
10 except as against the State of New Jersey, any land and other property  
11 which the authority may determine is necessary for the construction,  
12 reconstruction, maintenance, operation or support of [a convention  
13 center facility] tourism projects pursuant to the provisions of this act,  
14 P.L.1992, c.165 (C.40:54D-1 et seq.) or parts thereof or rights  
15 therein, and any fee simple absolute or any lesser interest in private  
16 property, and any fee simple absolute in, easements upon, or the  
17 benefit of restrictions upon abutting property to preserve and protect  
18 same;

19           j. To grant by franchise, lease or otherwise, the use of any property  
20 owned and controlled by the authority to any person for the  
21 consideration and for the period or periods of time and upon terms and  
22 conditions as are agreed upon;

23           k. To apply for, receive and accept from the United States of  
24 America or any agency thereof, or the State and any subdivision  
25 thereof, subject to the approval of the State Treasurer, grants for or  
26 in aid of the planning, acquisition or construction of a convention  
27 center facility or other tourism project, and to receive and accept aid  
28 or contributions from any other public or private source, of either  
29 money, property, labor or other things of value, to be held, used and  
30 applied only for the purposes for which those grants and contributions  
31 may be made;

32           l. Subject to the limitations of this act, to determine the location,  
33 type and character of its tourism project and all other matters in  
34 connection therewith;

35           m. [To] <sup>4</sup>[Except as otherwise provided in section 20 of  
36 P.L. , c. (C. ) (now pending before the Legislature as this  
37 bill), to] To<sup>4</sup> enter into contracts or agreements with any entity for the  
38 entity to issue bonds or notes on behalf of the authority and to make  
39 payments to the entity to secure those bonds or notes;

40           n. To procure and enter into contracts for any type of insurance  
41 and indemnify against loss or damage to property from any cause,  
42 including the loss of use and occupancy and business interruption,  
43 death or injury of any person, employee liability, any act of any  
44 member, officer, employee or servant of the authority, whether  
45 part-time, compensated or uncompensated, in the performance of the  
46 duties of office or employment or any other insurable risk or any other

1 losses in connection with property, operations, assets or obligations in  
2 any amounts and from any insurers as are deemed desirable. In  
3 addition, the authority may carry its own liability insurance;

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

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

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

13

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

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

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

21

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

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

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

31

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

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

44 b. Except <sup>4</sup>as otherwise provided in section 18 of P.L. \_\_\_\_\_, c.  
45 (C. \_\_\_\_\_ ) (now pending before the Legislature as this bill) and except<sup>4</sup> as  
46 may be otherwise expressly provided by the authority, every issue of

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

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

27

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

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

43       b. At least 90 days prior to the date which is the later date  
44 determined pursuant to paragraph 1 or 2 of subsection b. of section 14  
45 of [this act] P.L.1992, c.165 (C.40:54D-14), <sup>4</sup>and subject to  
46 subsection f. of that section<sup>4</sup> an authorized officer of the authority

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

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

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

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

29

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

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

1 installments of interest, and all costs and expenses in connection with  
2 any action or proceedings by or on behalf of such holders, are fully  
3 met and discharged or provided for.<sup>2</sup>

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

5

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

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

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

13

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

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

46 (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>

1       <sup>4</sup>[<sup>1</sup>[3.]<sup>2</sup>[ 4.<sup>1</sup>]<sup>19.</sup><sup>2</sup> (New section) Receipts from sales of tangible  
2 personal property and services subject to a tax on predominantly  
3 tourism related retail receipts authorized by <sup>2</sup>corresponding<sup>2</sup> municipal  
4 ordinances which were adopted pursuant to P.L.1992, c.165  
5 (C.40:54D-1 et seq.) are exempt from the tax rate imposed under the  
6 "Sales and Use Tax Act" to the extent that the tax rate imposed by the  
7 ordinances exceeds 2% <sup>2</sup>,except that the combined rate of taxation  
8 imposed under the corresponding ordinances and under the "Sales and  
9 Use Tax Act" shall not exceed 8%. Municipal ordinances so adopted  
10 shall not affect which retail receipts are subject to the "Sales and Use  
11 Tax Act." The exemption provided under this section shall terminate  
12 on the first day of the third month following the certification by the  
13 State Treasurer that all payments for bonds issued pursuant to section  
14 20 of P.L. , c. (C. ) (now pending before the Legislature  
15 as this bill) have been made <sup>2</sup>.]<sup>4</sup>

16

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

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

26       (1) All right, title, and interest of the authority in existence on July  
27 1, 1997 in any of its assets, funds and property, both real and personal,  
28 as well as those obligations as set forth in paragraph (4) of this  
29 subsection, are hereby transferred to the sports authority to be held,  
30 used and applied for the purposes set forth herein.

31       (2) In addition to the powers vested in the sports authority  
32 pursuant to P.L.1971, c.137 (C.5:10-1 et seq.), all powers and duties  
33 which hitherto were exercised by the authority in existence on July 1,  
34 1997 with respect to any property transferred pursuant to this section  
35 may henceforth be exercised by the sports authority.

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

39       (4) The sports authority shall assume such obligations of the  
40 authority as are necessary for the acquisition, construction and  
41 operation of the Wildwood convention center facility which  
42 obligations shall be as specified in a contract between the authority and  
43 the sports authority. Any such obligations of the authority which are  
44 assumed by the sports authority shall be payable from the fund created  
45 by the sports authority pursuant to subsection g. of section 6 of  
46 P.L.1971, c.137 (C.5:10-6) or from the proceeds of bonds or notes

1   issued pursuant to section 12 of P.L.1991, c.375 (C.5:10-14.3) and  
2   section 18 of P.L. , c. (C. ) (now pending before the  
3   Legislature as this bill).<sup>4</sup>

4

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

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

46   c. Any monies expended from the fund for the construction of

1 tourism projects in excess of monies previously approved by the State  
2 Treasurer in the annual budget of those tourism projects, pursuant to  
3 section 39 of P.L.1992, c.165 (C.40:54D-39), shall be subject to  
4 annual review and approval of the State Treasurer.

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

13  
14       <sup>4</sup>19. Section 3 of P.L.1971 c.137 (C.5:10-3) is amended to read  
15 as follows:

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

19       a. "Act" means this New Jersey Sports and Exposition Authority  
20 Law.

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

23       c. "Bonds" means bonds issued by the authority pursuant to the  
24 act.

25       d. "Meadowlands complex" means the sports and exposition  
26 project authorized by paragraph (1) of subsection a. of section 6 of the  
27 act.

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

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

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

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

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

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

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

1 bonds.

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

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

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

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

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

16

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

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

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

1       (2) To establish, develop, construct, acquire, lease or own,  
2 operate, manage, promote, maintain, repair, reconstruct, restore,  
3 improve and otherwise effectuate, either directly or indirectly through  
4 lessees, licensees or agents, a project, at a site within the State of New  
5 Jersey, consisting of a baseball stadium and other buildings, structures,  
6 facilities, properties and appurtenances related thereto, or incidental  
7 to, necessary for, or complementary to a complex suitable for the  
8 holding of professional baseball games and other athletic contests or  
9 sporting events, or trade shows, exhibitions, spectacles, public  
10 meetings, entertainment events or other expositions, such project to  
11 include driveways, roads, approaches, parking areas, parks, recreation  
12 areas, vending facilities, restaurants, transportation structures, systems  
13 and facilities, and equipment, furnishings and all other structures and  
14 appurtenant facilities related to, incidental to, necessary for, or  
15 complementary to the purposes of that project or any facility thereof.

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

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

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

42     (4) To establish, develop, construct, acquire, own, operate,  
43 manage, promote, maintain, repair, reconstruct, restore, improve and  
44 otherwise effectuate, either directly or indirectly through lessees,  
45 licensees or agents, a project consisting of an exposition or  
46 entertainment center or hotel or office complex, including any

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

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

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

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

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

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

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

1 hall and a new convention hall or center, and associated parking areas  
2 and railroad terminal facilities and including the leasing of adjacent  
3 land for hotel facilities. In connection therewith, the authority is  
4 authorized to:

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

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

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

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

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

39       (12) To acquire by purchase, lease, or otherwise, including all  
40 right, title and interest of the Greater Wildwood Tourism Improvement  
41 Development Authority in any property, and to develop, construct,  
42 operate, own, lease, manage, repair, reconstruct, restore, improve,  
43 enlarge or otherwise effectuate, either directly or through lessees,  
44 licensees or agents, a convention center facility in the City of  
45 Wildwood, Cape May County, consisting of and including any existing  
46 and acquired buildings, structures, properties and appurtenances and

1     including restaurants, retail businesses, access roads, approaches,  
2     parking areas, transportation structures and systems, recreation areas,  
3     equipment, furnishings, vending facilities, and all other structures and  
4     appurtenances incidental to, necessary for, or complementary to the  
5     purpose of such Wildwood convention center facility. In connection  
6     therewith, the authority is expressly authorized to

7         (a) assume any existing mortgages, leaseholds or other contractual  
8         obligations or encumbrances with respect to the site of the Wildwood  
9         convention center facility and any other existing and acquired  
10         buildings, structures, properties, and appurtenances;

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

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

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

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

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

46             c.     Revenues, moneys or other funds, if any, derived from the

1 operation or ownership of the meadowlands complex, including the  
2 conduct of horse race meetings, shall be applied, in accordance with  
3 the resolution or resolutions authorizing or relating to the issuance of  
4 bonds or notes of the authority, to the following purposes and in the  
5 following order:

6       (1) The costs of operation and maintenance of the meadowlands  
7 complex and reserves therefor;

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

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

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

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

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

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

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

43       d. Revenues, moneys or other funds, if any, derived from the  
44 operation or ownership of any project other than the meadowlands  
45 complex [or], the Atlantic City convention center project, or the  
46 Wildwood convention center facility and other than a baseball stadium

1 project or an office complex project located on the site of a baseball  
2 stadium shall be applied for such purposes, in such manner and subject  
3 to such conditions as shall be provided in the resolution authorizing or  
4 relating to the issuance of bonds or notes of the authority for the  
5 purposes of such project, and the balance, if any, remaining after such  
6 application may be applied, to the extent not contrary to or  
7 inconsistent with the resolution, in the following order (1) to the  
8 purposes of the meadowlands complex, unless otherwise agreed upon  
9 by the State Treasurer and the authority, (2) to the purposes of any  
10 other project of the authority; and, the balance remaining, if any, shall  
11 be deposited in the General Fund.

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

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

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

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

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

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

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

44 (1) To pay the principal, sinking fund installments and  
45 redemption premiums of and interest on any bonds or notes of the  
46 authority, including bonds or notes of the authority issued for the

1 purpose of refunding bonds or notes, issued for purposes of (i) the  
2 initial acquisition of the existing properties which will constitute part  
3 of the Atlantic City convention center project, if the bonds or notes  
4 shall be payable under the terms of the resolution of the authority  
5 relating thereto from luxury tax revenues, or (ii) providing  
6 improvements, additions or replacements to the Atlantic City  
7 convention center project, if the bonds or notes shall be payable under  
8 the terms of the resolution of the authority relating thereto from luxury  
9 tax revenues; and to pay any amounts due from the authority under  
10 any credit agreement entered into by the authority in connection with  
11 the bonds or notes.

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

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

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

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

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

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

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

44 (1) to pay amounts due with respect to any obligations transferred  
45 to the authority pursuant to section 17 of P.L. , c. (C. )  
46 (now pending before the Legislature as this bill) pertaining to the

1     Wildwood convention center facility:

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

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

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

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

13     (cf: P.L.1991, c.375, s.3)

14

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

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

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

35           (a) the certification by the State Treasurer that the revenues of  
36           the authority are sufficient to satisfy the requirements of paragraphs  
37           (1), (2), (3), (4), (5) and (6) of subsection c. of section 6 of P.L.1971,  
38           c.137 (C.5:10-6) for the term of bonds or notes issued pursuant to  
39           subsection d. of this section; or

40           (b) the satisfaction of the requirements for the payment of bonds  
41           or notes issued pursuant to P.L.1991, c.375 (C.5:10-3 et al.) or  
42           pursuant to P.L. , c. (C. ) (now pending before the  
43           Legislature as this bill); the State Treasurer and the authority shall not,  
44           except for the refunding of bonds or notes issued pursuant to  
45           subsection d. of this section which produces debt service savings, enter  
46           into any further agreements regarding payments by the State Treasurer

1 into the "Sports Authority Fund" for any reason, including but not  
2 limited to, the financing or restructuring of the debt of the authority.

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

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

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

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

40       (1) To provide sufficient funds to refund from time to time  
41 outstanding bonds or notes of the authority issued for the  
42 meadowlands complex or the Monmouth racetrack project authorized  
43 pursuant to paragraph (5) of subsection a. of section 6 of P.L.1971,  
44 c.137 (C.5:10-6), whether or not the bonds or notes or interest  
45 thereon have become due, to provide for the establishment of funds or  
46 reserves to secure payment of the bonds or notes or any other bonds

1 or notes issued or to be issued for those purposes or interest thereon,  
2 and to provide for the payment of all other costs or expenses of the  
3 authority incident to or necessary to carry out the refunding; provided  
4 that the refunding bonds issued at any time pursuant to this paragraph  
5 shall not exceed that amount estimated to be necessary so that  
6 subsequent to the refunding, the revenues from the meadowlands  
7 complex or the Monmouth racetrack project, as the case may be, shall  
8 be sufficient to pay all costs payable from those revenues, as shall be  
9 estimated in a determination by the authority made in accordance with  
10 the agreement between the authority and the State Treasurer;

11       (2) To finance or refinance a capital program or programs for the  
12 meadowlands complex and the Monmouth racetrack project authorized  
13 pursuant to paragraph (5) of subsection a. of section 6 of P.L.1971,  
14 c.137 (C.5:10-6), adopted by the authority to provide for major  
15 repairs, reconstruction and improvements which are legally mandated  
16 or otherwise needed to meet environmental or safety requirements, to  
17 prevent a loss of revenues, to augment revenues or to continue or  
18 enhance the operations of any of the facilities thereof, or to upgrade  
19 any of the facilities thereof [provided that the aggregate cost of the  
20 projects financed pursuant to this paragraph shall not exceed  
21 \$30,000,000, exclusive of interest paid during construction];

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

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

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

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

33       (7) To provide for the financing of the facilities at institutions of  
34 higher education pursuant to paragraph (11) of subsection a. of section  
35 6 of P.L.1971, c.137 (C.5:10-6), based upon a list of projects  
36 recommended by the Commission on Higher Education following a  
37 competitive application process, provided that the aggregate financing  
38 of the projects undertaken pursuant to this paragraph shall not exceed  
39 \$5,000,000; and

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

43       e. Bonds and notes authorized pursuant to this section shall be  
44 special obligations of the authority payable as herein provided. Bonds  
45 and notes shall not be deemed to constitute a debt or liability of the  
46 State or a pledge of the faith and credit of the State but are dependent

1 for repayment upon appropriations as provided by law from time to  
2 time. These bonds and notes and the interest thereon may also be  
3 payable from the proceeds thereof set aside for that purpose and  
4 income accruing therefrom.

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

6

7 <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.

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