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PUBLIC HEARING
before
SUBCOMMITTEE OF ASSEMBLY STATE GOVERNMENT COMMITTEE
on
IMPACT OF CASINO GAMBLING

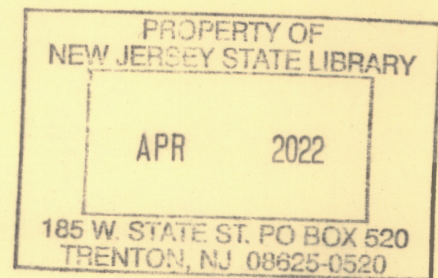
Held:
August 15, 1979
Council Chamber
Pleasantville City Hall
Pleasantville, New Jersey

MEMBERS OF COMMITTEE PRESENT:

Assemblyman Michael J. Matthews (Chairman)
Assemblyman William L. Gormley

ALSO:

Wayne L. Bockelman, Research Associate
Office of Legislative Services
Aide, Subcommittee of Assembly State Government Committee

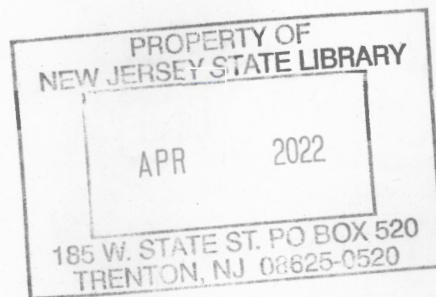


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1917

Atlantic City, N.J.
August 1, 1917

Mr. J. W. Smith
Atlantic City, N.J.

Dear Mr. Smith:
I have the honor to acknowledge the receipt of your letter of the 28th inst.

and in reply to inform you that the same has been forwarded to the proper authorities for their consideration.

I am, Sir, very respectfully,
Yours truly,
John Smith

John Smith
Mayor
Atlantic City, N.J.

ASSEMBLYMAN MICHAEL J. MATTHEWS (Chairman): Good morning, ladies and gentlemen. The purpose of these hearings is to look at the casino industry one year since its inception and to look for legislative and administrative answers to any problems that have arisen.

The Subcommittee will be making a report sometime in September to the rest of the Committee and to the Assembly and we will send a copy of that report to the Governor because I feel that a lot of the things we are looking into will require administrative changes as well as legislative changes.

For the record, Assemblyman Gormley is here. People have been speaking to me who didn't want to testify publicly. They have been talking to me privately and the results of their conversations will be summarized and put into the report.

Our first speaker will be Mayor Albert Summers.

MAYOR ALBERT SUMMERS: First of all, I would like to say to both you and Assemblyman Gormley jointly that we appreciate the fact that you are here today to hold these Subcommittee meetings. We certainly welcome you to the city. Now, that is the last good news I think you are going to hear out of me, Mike, because truthfully I am here to complain, which I have been doing almost over a three year time period. I have attended many meetings in the past three years, having to do with public input from the off-shore communities, due to the gambling casinos. I have been to the Casino Control Commission. I have been to the Governor. I have attended all of the Mayor's Association meetings, as well as Freeholder's meetings. And, I have complained bitterly about the fact that Pleasantville, having the three main arteries which lead into Atlantic City, has had absolutely nothing done as far as transportation is concerned.

I had the State engineers down at various times, as Assemblyman Gormley well knows because he walked the streets with them several times. My point is, Mr. Assemblyman, that nothing can be done in Atlantic City without Pleasantville. We have the three main arteries that lead into Atlantic City and unless something is done to alleviate the transportation problem through our city, Mike, your gambling is going to come to an end one of these days.

I would certainly hope that our State Legislators realize this eventually and do something to eliminate this problem. I get kind of worried attending these meetings and saying the same thing over and over, to see absolutely nothing has been done up to this point.

I do receive correspondence from the State intermittently, which tells me that perhaps by the end of 1981 something can be budgeted and so forth, but you are going to die before that. You are going to kill gambling in Atlantic City unless you learn to move on an emergency or crisis basis, which I don't think has been done up until now.

Let me also say, Mike, that I am not blaming you in any fashion personally, nor Bill either. I am saying that the entire State Legislature is not moving nearly fast enough to eliminate the problem in this area.

That, in effect, is my story.

ASSEMBLYMAN MATTHEWS: I agree with you one hundred percent. I know we have already started drafting some of the reports, and some of the problems are very obvious. I am very optimistic. I hope these Subcommittee hearings that Bill and I are having are not just an exercise in futility and that we will have an effect on the State. I know I want to talk to the Governor's office to make sure he gets a copy of the report.

I know that transportation, according to the people I have talked to, is one of the most severe problems we are going to have. Transportation is a people mover to get people in and out on the arteries and I can see congestion with just two casinos right now, and the two casinos are just now both in full operating capacity.

But, next year Bally is going to be opening up, conceivably, and Penthouse and Great Bay and Behihana. I can see them all opening up, or getting ready to open up in 1980. They are going to be finished anyhow. There is going to be traffic whether they are ready for gambling or not; that is something else. But, still, they are going to be open and ready for business of some sort.

I know I have talked to Doctor Stella. He is working on transportation. I have talked to the people on the Expressway and they are going to be making some announcement soon on some of the ideas they might have. I know the left-handers came to the last meeting about the left hand situation. When are they going to start that?

ASSEMBLYMAN GORMLEY: It is a combined problem between you and Egg Harbor Township.

MAYOR SUMMERS: Yes.

ASSEMBLYMAN GORMLEY: It is called the Speedway, running through west Atlantic City. We have been in contact with Chief Unsworth, who has always been available. He is from Egg Harbor Township. It is a joint problem. Well, Jerry can tell you. We have the names memorized now. There is a dual left turn problem, the west Atlantic City problem and your problem. You know, we talk about area problems. It is a joint effort, that whole strip coming through Pleasantville and West Atlantic City, and they are talking about 1980. I have talked and talked to them. I have talked to everybody. I know Mike has talked to them. They have gone out to West Atlantic City personally. There is no argument that it is a problem and something has to be done. The most recent report on west Atlantic City that they have completed recommends that they do the obvious - the light somewhere and the left turn lane. Hopefully, something can be done by 1980.

I have been on the phone with them and I keep on saying, "How about nineteen seventy nine?" If there is any area in the state where they have excess money or whatever to start a project now, everyone concedes that the left turn lane in Pleasantville is the most obvious--

MAYOR SUMMERS: There are two of them.

ASSEMBLYMAN GORMLEY: There are two of them, but it is the most obvious project that should be done because you have the space to do it. Go ahead and do it. And, they don't argue about it, that is the point. They only agree. In all defense of them, they are under the fiscal restraints of the Legislature. It is a Catch 22 for them. They have all the other counties and all the other municipalities. They are trying to get federal funds when they can.

They are talking nineteen eighty. If you want the precise dates, my legislative aide, Kay - I would think everybody has come in contact with her at one time or another - and I do this on a weekly basis. Give us the date, because every mayor has been on us about the dates. But, I have set in my mind the priority of the west Atlantic City-Pleasantville sector for these traffic controls. And, I would say to any other mayor in any other town that these have to come before any other traffic lights or projects because they have to be done.

MAYOR SUMMERS: I would like to cite an instance, if I can. I spoke to Mike about this earlier this morning, about how the problem can be alleviated.

We do have a grass strip that can be converted into a fifth lane and have electronic control left turn signals. I myself, even with just the two casinos we have now, have waited as long as four lights to make a left hand turn at the intersection of 322 and Main Street in Pleasantville. Now, a few years ago - as you are well aware, and I know Mike is too - at Black Horse Pike and Fire Road, the same program was instituted and it completely eliminated all the traffic problems -- the left turn light signal. It is beautiful. I don't know why that had priority when this should have been a priority.

ASSEMBLYMAN GORMLEY: If you remember, when we went on the walking tour, the one left turn project - the one at the intersection of Main Street - had not been discussed nor had it been talked about before that time. The other one had. The other left turn lane had been slated. That thing should have been done, but coincidentally, I was talking to Jim Wright and he said, "Why the heck don't you have a left turn light here?" and that is when we first brought it up. I guess that you can say there are a lot of meaningful projects listed throughout the State that every mayor in every municipality considers of prime importance.

MAYOR SUMMERS: I am aware of that too, Bill. I just finished saying I have attended, in the past three years, every meeting that I was fiscally able to attend on this same subject. At this point, I have seen nothing done on it to help us. I can't live on promises and neither can gambling.

Now, I am a layman, but I can tell you right now that unless something is done to get the transportation through this town, through Absecon, and through Egg Harbor Township, you are going to have to forget gambling one of these days because you won't be able to handle it in any fashion. I am suggesting that the State Legislators move off their duffs and do something about this very, very critical problem.

To cite an instance, at the Franklin Avenue light, which you just mentioned, last week we had three accidents, one critical. And, this goes on and on and on. How long can we wait, Bill? We just can't wait. There are certain emergency crisis and conditions that have to be met. Now, let's meet them.

ASSEMBLYMAN GORMLEY: Well, it all goes through the Department of Transportation. I know Mike tells them on a weekly basis. I tell them on a weekly basis. I think Jerry sends at least a letter a week to somebody at DOT telling them on a weekly basis.

MAYOR SUMMERS: I know. I get copies of them.

ASSEMBLYMAN GORMLEY: Yes. They are told. It is reiterated. They acknowledge the problems of gambling. They don't disagree with you on anything and then they tell you 1980 or they tell you 1981.

MAYOR SUMMERS: I am sure they tell you that, but how about some action? This is what I am saying.

ASSEMBLYMAN MATTHEWS: I think the quickest way to get action - the most expedient way - is the Governor's office. I think that the Governor's office is where you can get help. The Governor is a very powerful individual in the State of New Jersey and the Governor's office has to be the one that can really give you the action.

MAYOR SUMMERS: I thought people in your position would be my liaison to the Governor.

ASSEMBLYMAN MATTHEWS: Right. Exactly. This report certainly will be addressed. There are going to be two series of recommendations - legislative changes and administrative action. We will be talking to the Governor when the

report is complete -- by the end of this month. Personally, I would like to be able to go in and discuss it with his staff and bring in Commissioner Lordi, from the Casino Control Commission.

MAYOR SUMMERS: He is aware of the conditions because we spoke to him last week about it.

ASSEMBLYMAN MATTHEWS: Right. I think that if we go in there and talk about it, maybe we can get some action from the Governor. That is going to be the quickest way. I don't even know what can be done legislatively because, as Bill said, we have the budget. The budget comes up January through April.

MAYOR SUMMERS: Well, however you handle it, please do, fellows. Please do because we are in dire need of it. Not me; I don't need it. But, the people here do. Gambling needs it. The casinos need it, Mike. They are going to die, believe me. Thank you for your time, I appreciate it.

ASSEMBLYMAN MATTHEWS: Thank you.

Freeholder Savell is our next speaker.

F R E E H O L D E R J E R A L D W. S A V E L L: Gentlemen, I certainly appreciate you guys coming to Pleasantville. I think that is commendable. As a matter of fact, the fact that you formed a committee and have shown an interest, is tremendous. I would urge that you, as a Committee, meet with the Governor as soon as possible and try to rectify some of the problems.

I guess you heard enough about delays in implementing licensing for people, so I won't speak on that, although I have received many complaints with regard to that.

The county is presently grappling with the problem of housing. It seems we are getting into a situation where, to quote a phrase I have heard, people are almost becoming like "boat people", moving out of Atlantic City because of the housing needs for them, particularly the middle income people who would not qualify for low income housing. It is a serious problem. It is going to have to be addressed very rapidly.

I guess the main reason I am here is to look at the aspect of mainland communities and Brigantine and the traffic problem. Just look at our state highway - we have Route #9. That is our main north-south highway. It is a two-laner. It is in terrible condition. Finally, through a bond issue, after about five years of fighting, from the city council viewpoint, we were able to get a small strip from the Black Horse Pike to the Expressway repaved, and they did a fine job.

Since the 1920's - I believe it has been on file - the "s" curve from Route #9, down toward Northfield, should have been corrected. The engineering work has been done and it has been sitting dormant for I don't know how long.

We have the same problem up by Holy Spirit High School. The "s" curve there should be straightened out. Any possible expansion of the roadway is going to be difficult. The way I look at it right now, it may be used as a moped path at the very best, due to congestion already existing on the roadway. That is a state highway. That is hard to believe.

I ought to interject this one point here before I go on complaining about our other roadways. It is unbelievable to hear about the budget constraints that you mentioned, Bill. I realize that every city wants something and every county has needs that are very great. The impending funds in this area will support the state through tourism, or what have you, and will more than pay for many of these improvements. But, it is amazing to me to see - I believe it is two

years in a row - the Department of Transportation turn back millions of dollars, unspent, when there are such immediate needs here in Atlantic County. That to me is incredible, to see money being turned back just to show that "We are being smart and we have saved our money." I don't know if they are trying to impress the Governor or the Legislature, or what, but it is ridiculous when there are pending problems, such as has been cited concerning Franklin Boulevard, where people are getting killed right and left in accidents that are caused daily. It is just unbelievable that they can't even put in left hand turns. It is really not just two intersections. You have Main Street. You have Franklin Boulevard. You have the state intersection there - Route #322 and Route #9 - that really needs improving. People come limping around that curve there and there are people trying to make left hand turns. It is a bad situation there also.

Last night I was leaving the Pleasantville Shopping Center at Dowdee Road and Route 322 and there was an accident right there. Right there, I was coming back from a fire and I stopped at the shopping center on my way back and it was the same situation. Again, another left hand turn would probably have alleviated the situation.

Route #30 in Absecon has a flooding problem. Out of town people complain about bad rain storms. Right there, again, it is a state highway and Route 322. The pipes are evidently not big enough. The county has complaints from the City of Absecon that the county lines are getting backed up and the city lines are getting backed up because the state lines aren't big enough.

ASSEMBLYMAN GORMLEY: The county is currently being sued, by the way.

FREEHOLDER SAVELL: That is not surprising. Where does the final drainage go? Into the state line. Yet, we are turning money back that they don't need because they have met their obligations for the year. It is incredible.

The county has requested by resolution that Delilah Road become a state highway because it is almost entirely inter-county transportation going from Zaber's through to Atlantic City, to Route #30. It is just a corridor road. That should be taken over and made into a four lane highway, wherever possible, again. It is in bad condition. The right-of-way would be enormous for the county to pick up, yet the state is turning back money, again.

The overpass on Delilah Road has been a tremendous problem. The state was supposed to have feeder lines into it and out of it. That has never been done. These are complaints I get from Absecon.

Brigantine, who has enormous problems with traffic flow on the roadway getting into Brigantine, will have that compounded by the casinos that will be built adjacent to the roadway into Brigantine. It is adequate right now, but it certainly won't be. What planning is being done there?

The Garden State Parkway - talking about a separate agency - has re-rused in the past to put north-south enterances and make it a full interchange at Route #30. Again, that is a state highway and an Authority road.

The Atlantic City Expressway could relieve some of the traffic that could flow onto the mainland and enable the industrial park here in Pleasantville and Egg Harbor Township to flow. There is no entrance nor exit coming from Philadelphia, where we get major trucking coming in. There is no way for them to get off, unless they get off out around the Parkway or further west. You just can't go to Philadelphia or get off from Philadelphia here in Pleasantville. You have a major state highway - Atlantic City Expressway - and Route #9, which would be an ideal interchange. They have money. They are talking about how their revenues

are up. Yet, they won't spend the money. They will spend it for an additional toll booth for each side, but what about the needs of people getting off and on to the roadway? It could help relieve some of the congestion of people who unknowingly end up out at Two Guys when they really might want to get off at Brigantine. There is no entrance or exit.

These are some of the problems. They have been mentioned. There have been resolutions, introduced by me to the Board of Freeholders and introduced by me here at the City Council, which call for the same thing. This goes over about a six year period. I am sure the problems were raised prior to that. These are just some of the little instances.

I heard about west Atlantic City and their need. I contacted the Chief of Police today and he is on vacation or I am sure he would be here.

Barriers, as far as going across the roadway -- they should be constructed. This is getting to be a major traffic problem here in Atlantic County and it will be in the very near future. There doesn't seem to be any pre-planning and the planning and engineering work that has been done has sat and just sat for years and years and years.

The big push would be for your Committee to meet with the Governor and try to implement and use some of these funds that they seem to be turning back, and aggressively go after new funds for the future.

With that, I will end my talk. I think you all personally know how I feel. I have talked to at least two of you on several occasions about these problems. I know you are aware of them and will make every effort possible to try to correct the problems. We are supporting you and anything that we can do, I am sure the mayors and myself and any of the members of the Board of Freeholders will be glad to help. We will be glad to go with you. I would be glad to take a day off and go with you to Trenton and really emphasize our problems, if need be. We will help wherever we can. I know you have a tough job and I appreciate it.

ASSEMBLYMAN MATTHEWS: Thank you, sir.

Mayor John Heinz.

MAYOR JOHN HEINZ: I won't reiterate much of what I heard already this morning. I may, at some point, just stress a point where I feel similarly.

I think there has to be a stronger dollar recognition by the state of its gaming industry. I don't think it is strong enough at this point. Basically, what I am saying as a mayor is, if I look at the allocation of monies that are given out by the state, still the preponderance of funds go to the northern part of the state. And, of course, the logic is - and an elected official I can understand it - that it serves the greatest numbers of people.

However, when I say recognition, I mean that in this particular case we have a major generator of dollars - revenue to the state - and special recognition of the problems that exist here should be given, I feel. Again, as an elected official, I know it is very easy for people to come with a shopping list of problems, but it is another thing to solve them.

What I would like to suggest is a Subcommittee that would be established under the Casino Control Commission, made up of mayors, Freeholders - possibly - and local state representatives. I say this because I feel that the problems associated - well, not necessarily problems, but the needs associated - with the growth of the gaming industry are not limited to Atlantic City only, as been evidenced here this morning, and I am sure at other meetings you have attended. We have to strive for a uniform growth plan. We have a sufficient number of

agencies - CAFRA, Pinelands, Land Useage Acts, etc. What I am suggesting is that we try to unify the information that these groups have established. I don't think you would have to go back more than 10 years and you would find that the people down here knew very little about their area, but as a result of the super agencies I think we have learned a lot about it. I think we have learned about the eco system, the environment, why certain housing should be permitted in certain areas, and why certain density factors should be established. I think it is time we coordinate this information because if we look to solve these problems, I think it becomes very obvious that we need a logical progression. And, I think a Subcommittee, possibly under the Casino Control Commission, might act as a clearing house for ideas.

I think there should be, from a Legislative standpoint, definitely, a change in the reinvestment legislation as it pertains to the casinos. I understand there is an amendment, I think, in the hopper right now.

ASSEMBLYMAN GORMLEY: It passed.

MAYOR HEINZ: It passed? All right, good. Well, at a later date you might possibly explain to me what the amendment accomplished.

Again, I am a proponent of strong adherence - and I can't stress that enough - of joint, local and county master plans -- again, this logical progression of ideas. I think this has to cover the areas of housing, roads, sewers, city water, mass transportation, and schools. One of the possibilities might be some grant incentives by the state to encourage this type of logical growth.

There should be use made of CAFRA and the Pinelands Review for growth regulations, and those agencies should be ready to testify on behalf of the local municipalities, in court, because as an elected official, when we talk in terms of housing, one of the things that hangs over our heads is, when we establish a master plan, whether or not the courts will shoot it down as being discriminatory in some manner.

I think if a planning board of a local municipality has established that housing density of such and such a factor should not be permitted in an area because of the environment-- We basically sit in a sand box. With lack of sewerage, you cannot reach the density factors that have been suggested and expect that you will not have environmental problems.

The two previous speakers I had the opportunity to listen to basically addressed the existing old time problems, that have been around for a long time. They have possibly been worsened by the gaming industry, but they are long standing problems. I am talking about future problems which will develop, obviously, if we don't have this planned growth pattern.

Again, I am not a proponent, and I was not a proponent, of the Pinelands legislation, but it is now a reality. Again, they have accumulated a tremendous amount of information. If the planning board talks in terms of denying a developer an apartment complex because we feel that there is no city water and no city sewer, that same agency should be prepared to back us up in the courts.

On the other hand, if there are areas that will accept larger densities, then those are the areas that should coincide with both the local and the county master plans. I did have an opportunity, last week, to see a preliminary draft of the county master plan. I was very encouraged by it because I think that we are definitely going to need this joint working between the agencies.

As you probably know from talking to many of the mayors and possibly

myself at one time or another, I am a big proponent of home rule. I still think we can kind of have the best of both worlds, as long as the upper agency does not preclude the local input. So, what I am saying is, as we gather the information, let us work together -- the local and the county. I think the county plan is most important now because as the head of a governing body, I can't give guidance to my governing body if I don't have a master plan. I don't know where to spend the dollars. I don't know where we make local improvements to roads unless I have a master plan and that master plan, obviously in this case because of the magnitude of the industry, has to spill over into the county and has to spill over into the state.

The last thing is basically just an umbrella statement of what I have just said and that is that there should be legislation requiring both on and off site improvement requirements of developers. The Land Usage Act permits it. My understanding is that it should be implemented by local ordinance. I think all the municipalities, particularly those in the immediate mainland vicinity, should institute that type of ordinance. I think if we talk in terms of housing, the needs created by this housing are obviously going to require capitalization, fire equipment, schools, and so forth.

Most important to me is not to penalize the pre-casino resident for the increase in services that are going to be necessary. I think that is a sentiment that most elected officials share with me. Consequently, those who are coming in and who stand to benefit - and I am not excluding the state from this, that is why I mentioned the recognition of exactly what type of industry we have - will have to make that type of commitment. Thank you.

ASSEMBLYMAN GORMLEY: John, you talked of a master plan by the county. You, of course, understand that by August 1, 1980 - according to the Pineland's Commission Report - that if the master plan of the county is accepted, the county has the prerogative, if it chooses to do so, to accept the municipal master plan, which would really be a blessing because we don't want to see a situation where a master plan is implemented for this area and then the towns would have to, in effect, go for variances. Now is the most important year of planning in the county because if we have that master plan coinciding with the state and the state accepts it, the municipalities don't have to go to the state. Now is the time to do it, when they are writing the master plan.

MAYOR HEIN: Yes, I concur with everything you said. I have no problem with the county master plan because I have met with them on numerous occasions. I feel that I have had an actual input into that master plan. It is now, for the first time, a drawing together with the 208 Water Study group of the County Board of Health, as they historically have checked on chronic septic problems that they have incurred. So, the density factor, for the first time, starts to coincide with with some real documentation.

The master plan is not one of provincial emotionalism, if you know what I mean: Some guy says, "Well, I live here and I don't want to see housing there." We are saying that density is established because access to public sewer is there, city water is available, and so forth, if we are going to have that normal growth pattern.

I can tell you right now, as a member of the planning board, based on the developers that are coming forward, there is absolutely no pattern of growth. I can't tell you from month to month where the next major development is

going to come from. That obviously is bad planning. However, I always have this over my head, if for some reason or another we decline the approval, they are going to go into court and say that the zoning is discriminatory. So, what we really need is, we need these agencies who, over the past several years, have gathered all the documentation to pull together to make that master plan work. It is the only possible solution.

ASSEMBLYMAN GORMLEY: The Mt. Laurel decision, which is the basis for suits that would be brought to court, specifically has a line in it from the judge who wrote the opinion, which states 20,000 square foot lots - no sewerage. Sewerage is brought up as one of the reasons by the municipalities-- If you have density, you have to have sewerage. "I don't worry about that," in effect, he wrote: "you build the houses and then worry about the sewerage." That mentality has to be balanced. If there is a legitimate environmental concern, they are not going to believe the municipality, even if it is legitimate.

MAYOR HEINZ: That is why I said we need these other environmental agencies. If we are going to have a Pinelands and we are going to have a CARFA, then they damn well better be prepared to substantiate that municipality. If they say, "Yes, we have approved your master plan", they have approved it because of the documentation. As I said, ten years ago you didn't have a lot of this documentation. You didn't know about the soils. There wasn't even a soil study done in Atlantic County. We now have this information. I know it is very frustrating for the developers because right now they are in that stage where they have all these regulations. They have agencies where, concerning some concepts, they are diametrically opposed to each other. I think that within the next six to eight months they will start to see some cohesiveness between the ideas. Some things are going to be thrown out.

You still have the 208 group that comes up with really way out density factors, okay? I think some happy medium is going to be struck there. But, if we have taken the time and we have imposed this upper-agency review, then I think let's make it work in this particular case, otherwise I can't see an orderly growth pattern being established. That seems to be the one central thing that I, as a mayor of a mainland community - and this was the intent of this hearing; what the impact is - see as the only light at the end of the tunnel I can look to -- some type of master plan, something I feel I have had a part in making, with good sound reasoning. This then becomes the development program for my community.

ASSEMBLYMAN MATTHEWS: Okay. Thank you.

Deborah Hartwell.

DEBORAH HARTWELL: Thank you, Mr. Chairman. My name is Deborah Hartwell. I am with the American Civil Liberties Union.

I realize that this meeting is on the casino industry's impact on the mainland, but I feel that this is also the appropriate forum to present matters that are of immediate concern, particularly in light of the recent proposed amendments to the Casino Control Act, offered by Senator Perskie.

To be specific, my testimony pertains to the licensing provisions. Originally, as you are well aware - and correct me if I am wrong - the Assembly passed a bill that would allow the Commission discretion in the licensing of casino employees and casino key employees as well, provided there be a ten year time lag since the last disqualifying conviction.

We wholeheartedly endorse this and consider it a step in the right direction, given the numerous applicants we have encountered who have previously,

for socio-economic or other reasons, been convicted of disqualifying offenses, but have since become rehabilitated and live decent, if not exemplary lives.

The Division of Gambling Enforcement objected at the Assembly Committee meetings to the granting of this discretion to the Commission with regard to casino key licenses, claiming that these positions were too sensitive to allow discretion and suggested that there be an across the board list of disqualifiers. Their fear may be well founded in that the proposed discretion could well lead to payoffs and subsequently a complete breakdown of all the safeguards enacted to prevent organized crime infiltration into a highly lucrative business.

To this, I have two responses. One is that were these safeguards properly designed and enforced, possibilities of payoffs would be greatly diminished. Secondly, the needs of justice can only best be served by flexibility in the adjudication, or decision-making, process. This is the essence of the American judicial system. Case in point: A "Mr. X" - and you may both beware of whom I am speaking - at age 19 commits a crime that by statute could be considered heinous. He has participated in the unlawful possession of a stolen automobile - larceny. He pleads guilty and is given one year's probation. Subsequently, he becomes a law abiding citizen and is steadily employed in the gaming industry, in this instance, for a period of 27 years. He is neither arrested nor suspected of criminal activity during this time. He has established a work record that would enable him to become a valuable asset to gaming in New Jersey. He then applies for, and is accepted, into a key position with a respectable potential casino operator in New Jersey. Mr. X, as required, reveals his teenage offense of 27 years past. Since he falls under the disqualifying category, he is subsequently advised by the Division that they would recommend against his licensure. The Commission, at this present time and in the future, if Perskie's amendment is accepted, is lawfully bound to deny licensure. How can a man who could probably utilize his expertise in any casino in the world be denied the opportunity to work in New Jersey because New Jersey's Casino Control Commission does not have the ability to evaluate the relevance of a juvenile mistake, or any previous disqualifying conviction?

To insure against organized crime infiltration, elaborate safeguards in key employee positions may be necessary. But, to insure justice, discretion is essential. I implore you to consider this matter very carefully and exert whatever power you possess to defeat this proposal.

ASSEMBLYMAN MATTHEWS: Bill and I both work on the State Government Committee, which prepared the Assembly version of the legislation, which concurred with what you requested. My feeling is - and I don't know if I sent that gentleman to you or not - that we are both well aware of that situation.

ASSEMBLYMAN GORMLEY: He was licensed in Nevada for 25 years.

ASSEMBLYMAN MATTHEWS: I think to deny a license to someone who has reached his level of competence as a dealer - and that is far as he can go in the industry - is preposterous. To tell someone that they can go no further when he can demonstrate that he has been rehabilitated in his life and when he has the knowledge and the skill and the incentive, including all the other motivating factors to be successful in the business, is wrong. I think the way it was worded, and it can always be strengthened later on, did have some loopholes in it to give some discretion.

I think Commissioner Lordi - and maybe this will hold for any successor there may be to the Casino Control Commission as well - shows a great deal of

integrity when he looks at situations like this. I know that I have discussed with Mr. Bockelman, of the State Government Committee, that we want to take out the Perskie Amendment, among other things. We gave this a lot of thought. I think you were at some of the hearings, weren't you?

MS. HARTWELL: Yes.

ASSEMBLYMAN MATTHEWS: We have talked about this on several occasions. The legislation that was prepared was not done lightly; it was done over a series of several months, with a lot of people testifying. We came up with a lot of compromises.

MS. HARTWELL: It looked pretty good at the point where the Assembly passed it.

ASSEMBLYMAN MATTHEWS: Well, we are the superior group up there.

MS. HARTWELL: But, unfortunately, the Perskie amendment is creating a lot of problems.

ASSEMBLYMAN GORMLEY: How are we going to divide up for the second reading next week? The funny part is, we both agreed to talk about it. The Casino Control Commission, coincidentally, advised discretion without a ten year ban. I prefer that, but I went along with a compromise with a ten year ban.

MS. HARTWELL: That was my understanding.

ASSEMBLYMAN GORMLEY: Yes. The ten year ban was a compromise. I am assured that for that and for another amendment, which I won't go into at length, we are going to request that it be turned into a ten year reading for the purposes of amendment, a week from tomorrow.

ASSEMBLYMAN MATTHEWS: That's what I heard on television.

ASSEMBLYMAN GORMLEY: You heard on television that you are going to do it?

ASSEMBLYMAN MATTHEWS: I heard on television that we are going to go back.

ASSEMBLYMAN GORMLEY: Yes, we are going to go back. I know Mike intends to do this. We are going to do it together. We are going to take it back to the former version that was approved by the Assembly Committee.

MS. HARTWELL: Good. I just wanted to make sure you were aware of the problem. I know that you are. I know that this gentleman has spoken to both of you.

ASSEMBLYMAN GORMLEY: Coincidentally, both of us are quoted in the paper as saying what you said today.

MS. HARTWELL: Okay. Good. That is all I have to say.

ASSEMBLYMAN MATTHEWS: Thank you.

That concludes the list of people scheduled to speak today. Is there anyone who wishes to testify? Miss Haywood.

M I L D R E D H A Y W O O D: Number one, with all the grants that come into Pleasantville, the taxes have been raised this year, greatly, and I don't know if that should be done. They are selling properties and the money is coming in from every angle.

I think, as in other cities and states, that if it is good property, down in Baltimore and in Philadelphia - and the wood and the windows are good, if it is a piece of property and it can be repaired and used, the city or state will give it to someone for one dollar and give them five years to get it in livable condition. If it is not in a livable condition within five years, then it will be demolished. Now, right here in Pleasantville, people are hunting for homes.

They are looking for homes. The property is being torn down in this city. Someone could give it to them for a dollar and give them five years to get it in a livable condition. Then it would be used. We have this all through Pleasantville -- property that can be used. It is just a waste of money.

All these grants come into Pleasantville from every angle. I don't see why. If you turn in all these properties, where does that money go? Nobody knows. So, I am just wondering what can be done about that?

It could be done through the state, or some way. We have people hunting for homes and they are right here. Give it to someone. If they can fix it, then give them a chance to see if they can get it in a livable condition. Why demolish it?

Our taxes should not have been raised in Pleasantville this year. We need the Attorney General. We need everybody to come here to investigate it. Everybody is trying to help us and then the taxpayers are crying murder because they can't keep up with it.

ASSEMBLYMAN MATTHEWS: Those are local problems concerning the local municipality.

MS. HAYWOOD: Well, who do we talk to on the local level? You are our Assembly. We vote for all of you.

ASSEMBLYMAN MATTHEWS: I know, but Mayor Heinz was just talking. There are certain things that are home rule, that belong to the municipality. Now, from the State's standpoint, we have a five percent cap, so taxes should not exceed between five and seven percent across the board. Now, if the tax went up more than that, that mayor did some kind of rezoning. I don't know what they did locally regarding that - as to why the taxes went up, or to what extent they went up, if they went up across the board, or how they did it. I think that would be a question for Mayor Summers or for the town council.

MS. HAYWOOD: This council isn't worth a good damn. The people of Pleasantville are suffering. If they have a council meeting and we go to it to bring our grievances to them, if they don't give us satisfaction, then we have to go a step higher, don't we?

ASSEMBLYMAN MATTHEWS: Well, we are not their bosses. We come up with legislation.

MS. HAYWOOD: What are you all here this morning for, if you are not here to take our grievances? We are not getting it in Pleasantville. We are not getting anything. They call me a big mouth. They heard me. I am going to scream bloody murder. The other people are timid. But, we are not treated as human beings in Pleasantville, on the west side where I live. Now, this is a residential section and the traffic is going down there like it is right out on the highway. They do 35 miles an hour, when it should be 25. Now, who do we get to correct that?

I asked for a light going on two years ago. Now, who do we get in order to get that?

ASSEMBLYMAN MATTHEWS: That is a state problem. That is a state highway. Are you talking about where the motel is? I don't know if that has been requested of the state, but we can certainly request that the Department of Transportation come down and see if it is feasible to put a light there.

MS. HAYWOOD: That is why I am glad I came, because I thought you all where here to assist us.

ASSEMBLYMAN MATTHEWS: Well, we are.

MS. HAYWOOD: When the city don't do it, then we go higher until we can get somebody who can help us. I am representing the senior citizens and all the people that are being mistreated. Everybody is crying bloody murder. These taxes should not have been raised this year, when all the property is being sold and they are demolishing the homes like that. It should be left and they should put an ad in the paper for someone who needs a home to come and pay a dollar and take the home. Then they should give them a chance to remodel it.

Here is what irks me. I have been fighting for I don't know how many years about this.

ASSEMBLYMAN MATTHEWS: At least 10.

MS. HAYWOOD: I am the oldest one on the block and I will fight right and left for my party. When I see you coming, I look for you to give us a helping hand so we won't be suckered around here and be dictated to. The taxpayers pay the dollars, so I don't like what is going on.

I hear, Miss Haywood, don't come to me; look out for yourself. But, there are some disabled that can't get out and I come and take the message, or whatever, on what went on back to them. You see, elections are coming up and you must be beautiful, or more handsome. But, we want help.

I heard on the radio that you were going to be here at this city hall, so I am glad I got here in time.

ASSEMBLYMAN MATTHEWS: The reason for the hearing was to talk about problems created by the casinos.

MS. HAYWOOD: Well, the casinos have made their money but they refuse to put the money out. After they got enough money they were going to donate it to Atlantic City. Pleasantville people voted those people in there too. We were all over there with Governor Byrne, over on the boardwalk. When they got a certain amount of money, it was going to be used to help the poor senior citizens. We are nothing but a piece of cheese - bait. The senior citizens were given the biggest lies they were ever told. They haven't done anything for the senior citizens. So, that is why I came here. I thought if I told this to you, you could find some way to help. We need lights on the road. They are driving on these roads like they are going to California - speeding.

So, I am glad I saw you. I was looking for you for a friend of mine. We have been calling on some questions. I guess you got the message?

ASSEMBLYMAN MATTHEWS: I got the message.

MS. HAYWOOD: We need help. You don't live here. We do. You visit. You live in the city. I have been in my house going on 45 years. I was here when people could live and get a piece of bread to eat. But, this way, they just want to get into office. They run on about it and get elected and when they get in, they turn out to be your worst enemy, against you.

We had a news reporter here Monday a week ago. He was one of the best reporters I ever knew. He took our pictures and our complaints and it hasn't hit the press yet. We can think anything we want and people can talk about anything they want. Someone was bribed because he was the best reporter we ever had.

We senior citizens think that the next morning some people ran down behind him and put something in his head, and they must have put something in his pocket too. I can't swear to that because I didn't see it. But, the stuff that is going on in Pleasantville, I am never going to stop fighting about.

I figure you all come from Trenton and you know Lee Finkel. She has been to Washington and everywhere else trying to get assistance. She is sick at our ladies residence and I wish you would give her a visit because she knows you and you know her.

Don't let people feel that we are a piece of cheese used for bait. When everybody gets into office and gets elected, it looks like you kind of hurt our feelings. I am with you all the way, as long as you are living. When you do right, right will follow. But, when you do wrong, people are going to get sick of you. I would like to see you stay in office until death do you part, but when you get in, do something.

So, God bless all of you. I think I have a chance to get out of here and get on the bus to Atlantic City to St. Michael's. So, you all keep sweet, but always bear in mind when you run on the ticket and say we are going to do this and we are going to give you that, try to keep as near to it as possible.

I appreciate it and I will try to catch up with you home, in Northport and Westfield. I will find you and I will talk to you. So, when you say you will do something, let your word be your bond.

ASSEMBLYMAN GORMLEY: You have one alternative before you switch parties.

MS. HAYWOOD: When I what?

ASSEMBLYMAN GORMLEY: People always switch parties if things don't work out.

MS. HAYWOOD: I won't switch.

ASSEMBLYMAN GORMLEY: Okay.

MS. HAYWOOD: I will get on their backs with a switch and then they will do everything they promised. Keep sweet.

ASSEMBLYMAN MATTHEWS: Okay. Thank you.

This hearing is now adjourned.

(hearing concluded)



