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# *Public Hearing*

before

## ASSEMBLY JUDICIARY COMMITTEE

### Assembly Concurrent Resolution 2 (2R)

*“Proposes constitutional amendment to allow Legislature to authorize by law establishment and operation of casinos in certain counties”*

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**LOCATION:** Committee Room 12  
State House Annex  
Trenton, New Jersey

**DATE:** January 7, 2016  
11:00 a.m.

#### **MEMBERS OF COMMITTEE PRESENT:**

Assemblyman John F. McKeon, Chair  
Assemblyman Gordon M. Johnson, Vice Chair  
Assemblyman Ralph R. Caputo  
Assemblyman Joseph A. Lagana  
Assemblyman Chris A. Brown  
Assemblywoman Holly Schepisi



#### **ALSO PRESENT:**

Miriam Bavati  
Rafaela Garcia  
*Office of Legislative Services*  
*Committee Aides*

Keith White  
*Assembly Majority*  
*Committee Aide*

John Kingston  
*Assembly Republican*  
*Committee Aide*

***Hearing Recorded and Transcribed by***  
The Office of Legislative Services, Public Information Office,  
Hearing Unit, State House Annex, PO 068, Trenton, New Jersey

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JOHN F. McKEON  
Chair

GORDON M. JOHNSON  
Vice-Chair

JOSEPH A. LAGANA  
BENJIE E. WIMBERLY  
MICHAEL PATRICK CARROLL  
HOLLY SCHEPISI

RAFAELA GARCIA  
MIRIAM BAVATI  
Office of Legislative Services  
Committee Aides  
(609) 847-3865  
(609) 292-6510 fax

**New Jersey State Legislature**  
**ASSEMBLY JUDICIARY COMMITTEE**  
STATE HOUSE ANNEX  
PO BOX 068  
TRENTON NJ 08625-0068

**PUBLIC HEARING NOTICE**

**The Assembly Judiciary Committee will hold a public hearing on Thursday, January 7, 2016 at 11:00 AM in Committee Room 12, 4th Floor, State House Annex, Trenton, New Jersey.**

*The public may address comments and questions to Rafaela Garcia, Miriam Bavati, Committee Aides, or make bill status and scheduling inquiries to Denise Darmody, Secretary, at (609)847-3865, fax (609)292-6510, or e-mail: OLSAideAJU@njleg.org. Written and electronic comments, questions and testimony submitted to the committee by the public, as well as recordings and transcripts, if any, of oral testimony, are government records and will be available to the public upon request.*

The public hearing is being held in compliance with Article IX, paragraph 1 of the New Jersey Constitution and Rule 19:3 of the General Assembly on the following Assembly Concurrent Resolutions:

- |                                                                                                                                                                                   |                                                                                                                                                                                                                                                         |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ACR-1<br>Prieto/Wisniewski/<br>Singleton/Lagana                                                                                                                                   | Amends State Constitution to dedicate all State revenues from motor fuels and petroleum products gross receipts tax to transportation system.                                                                                                           |
| ACR-2 (2R)<br>Caputo/Prieto/Schaer/<br>Vainieri Huttel/Mukherji/<br>Lagana/Eustace/Caride/<br>Jimenez/Johnson/<br>McKeon//Giblin/Oliver/<br>Spencer/Jasey/Tucker/<br>Pintor Marin | Proposes constitutional amendment to allow Legislature to authorize by law establishment and operation of casinos in certain counties.                                                                                                                  |
| ACR-3 (1R)<br>Prieto                                                                                                                                                              | Proposes constitutional amendment to require payments by State to State-administered retirement systems and establish in Constitution right of public employees to pension benefit; provides for enforcement of funding obligations and benefit rights. |
| ACR-4 (1R)<br>Greenwald/McKeon/<br>Singleton                                                                                                                                      | Proposes constitutional amendment to change membership of legislative Apportionment Commission; imposes certain requirements on commission for process and legislative district composition.                                                            |

Issued 12/24/15

For reasonable accommodation of a disability call the telephone number or fax number above, or TTY for persons with hearing loss 609-777-2744 (toll free in NJ) 800-257-7490. The provision of assistive listening devices requires 24 hours' notice. Real time reporter or sign language interpretation requires 5 days' notice.

For changes in schedule due to snow or other emergencies, call 800-792-8630 (toll-free in NJ) or 609-292-4840.

# ASSEMBLY JUDICIARY COMMITTEE

## STATEMENT TO

[First Reprint]

## ASSEMBLY CONCURRENT RESOLUTION No. 2

with committee amendments

# STATE OF NEW JERSEY

DATED: DECEMBER 21, 2015

The Assembly Judiciary Committee reports favorably and with committee amendments Assembly Concurrent Resolution No. 2 (1R).

Under current law, casino gambling is permitted only in Atlantic City in Atlantic County. This constitutional amendment would allow the Legislature to pass laws to permit the establishment and operation, under regulation and control by the State, of casinos in two other counties of this State. No more than two casinos would be permitted and only one casino in each of the two counties would be permitted. Also, each casino is to be located in a municipality that is at least 72 miles from Atlantic City.

Only the following would be eligible for the initial license to operate one of the casinos in another county. Persons whose majority equity owners: a) are holders of a New Jersey casino license that were operating a casino which was conducting gambling as of the date of passage by the Legislature of this concurrent resolution; or b) were principal owners of a holder of a New Jersey casino license that was operating a casino which was conducting gambling as of the date of passage by this Legislature of the concurrent resolution, if that principal owner or subsidiary also holds a valid license to own and operate a casino in another jurisdiction with licensing standards similar to those in New Jersey. A principal owner will mean any person who, directly or indirectly, owns 50 percent or more of a holder of a New Jersey casino license that was operating a casino which was conducting gambling as of the date of passage by the Legislature of the concurrent resolution.

The law would determine the location and type of such casinos and of the gambling games which may be conducted. The law would also determine the tax rate to be levied upon the gross gaming revenues derived from the gambling operations.

The amendment specifies that the State revenues derived from the new casinos would be credited to a special New Jersey Investment Fund to be applied solely as follows.

As amended by the committee, the resolution provides that, commencing in the first State fiscal year in which State revenues are derived from the new casinos, four percent in each State fiscal year would be divided equally among each municipality and each county in which a gambling establishment outside of Atlantic City is located and operating; and

then, commencing in the first State fiscal year in which State revenues are derived from the new casinos and for 15 fiscal years thereafter, the State revenues remaining in the investment fund in each State fiscal year, but not more than \$300 million, would be dedicated as follows:

(i) 50 percent of the amount would be dedicated for the purposes of the recovery, stabilization, or improvement of the city of Atlantic City, and

(ii) 50 percent of the amount would be dedicated as follows:

40 percent for the same purposes as the Atlantic City revenues are used, and

60 percent for State aid to each county and municipality in the State for programs and property tax relief for senior citizens and disabled residents.

Then, the State revenues remaining in the investment fund in each State fiscal year would be dedicated as follows:

(iii) 35 percent of the amount would be dedicated for the purposes of the recovery, stabilization, or improvement of the city of Atlantic City, and

(iv) 65 percent of the amount would be dedicated as follows:

40 percent for the same purposes as the Atlantic City revenues are used, and

60 percent for State aid to each county and municipality in the State for programs and property tax relief for senior citizens and disabled residents.

For the next subsequent five State fiscal years, the percentage applied for the purposes of (i) above will decrease each year by ten percentage points from the prior State fiscal year percentage, and the percentage applied for the purposes of (ii) above will increase each year by ten percentage points from the prior State fiscal year percentage. For those subsequent five State fiscal years, the percentage applied for the purposes of (iii) above will decrease each year by seven percentage points from the prior State fiscal year percentage, and the percentage applied for the purposes of (iv) above will increase each year by seven percentage points from the prior State fiscal year percentage.

Commencing in the first State fiscal year in which State revenues are derived from the new casinos and in each State fiscal year thereafter, of the percentage of revenues from the investment fund in each State fiscal year dedicated for the purposes of the recovery, stabilization, or improvement of the city of Atlantic City two

percentage points would be dedicated for the purposes of programs designed to aid the thoroughbred and standardbred horsemen in this State.

COMMITTEE AMENDMENTS:

The committee amended the resolution to provide that a new casino must be partially or completely outside a 72, instead of 75, mile radius from Atlantic City, change percentages of purposes for which funds in special New Jersey Investment Fund will be used, provide funds will go to host municipalities and counties, and change initial licensee requirements that apply to one casino.

[Second Reprint]

# ASSEMBLY CONCURRENT RESOLUTION No. 2

## STATE OF NEW JERSEY 216th LEGISLATURE

INTRODUCED DECEMBER 14, 2015

**Sponsored by:**

**Assemblyman RALPH R. CAPUTO**

**District 28 (Essex)**

**Assemblyman VINCENT PRIETO**

**District 32 (Bergen and Hudson)**

**Assemblyman GARY S. SCHAER**

**District 36 (Bergen and Passaic)**

**Assemblywoman VALERIE VAINIERI HUTTLE**

**District 37 (Bergen)**

**Assemblyman RAJ MUKHERJI**

**District 33 (Hudson)**

**Assemblyman JOSEPH A. LAGANA**

**District 38 (Bergen and Passaic)**

**Assemblyman TIM EUSTACE**

**District 38 (Bergen and Passaic)**

**Assemblywoman MARLENE CARIDE**

**District 36 (Bergen and Passaic)**

**Assemblywoman ANGELICA M. JIMENEZ**

**District 32 (Bergen and Hudson)**

**Assemblyman GORDON M. JOHNSON**

**District 37 (Bergen)**

**Assemblyman JOHN F. MCKEON**

**District 27 (Essex and Morris)**

**Assemblyman THOMAS P. GIBLIN**

**District 34 (Essex and Passaic)**

**Assemblywoman SHEILA Y. OLIVER**

**District 34 (Essex and Passaic)**

**Assemblywoman L. GRACE SPENCER**

**District 29 (Essex)**

**Assemblywoman MILA M. JASEY**

**District 27 (Essex and Morris)**

**Assemblywoman CLEOPATRA G. TUCKER**

**District 28 (Essex)**

**Assemblywoman ELIANA PINTOR MARIN**

**District 29 (Essex)**

**Co-Sponsored by:**

**Assemblyman DANCER**

**SYNOPSIS**

Proposes constitutional amendment to allow Legislature to authorize by law establishment and operation of casinos in certain counties.

**CURRENT VERSION OF TEXT**

As reported by the Assembly Judiciary Committee on December 21, 2015, with amendments.

(Sponsorship Updated As Of: 12/18/2015)

1 A CONCURRENT RESOLUTION proposing to amend Article IV,  
2 Section VII, paragraph 2 of the New Jersey Constitution.

3  
4 BE IT RESOLVED by the General Assembly of the State of New  
5 Jersey (the Senate concurring):

6  
7 1. The following proposed amendment to the Constitution of the  
8 State of New Jersey is hereby agreed to:

9  
10 PROPOSED AMENDMENT

11  
12 Amend Article IV, Section VII, paragraph 2 to read as follows:

13 2. No gambling of any kind shall be authorized by the  
14 Legislature unless the specific kind, restrictions and control thereof  
15 have been heretofore submitted to, and authorized by a majority of  
16 the votes cast by, the people at a special election or shall hereafter  
17 be submitted to, and authorized by a majority of the votes cast  
18 thereon by, the legally qualified voters of the State voting at a  
19 general election, except that, without any such submission or  
20 authorization:

21 A. It shall be lawful for bona fide veterans, charitable,  
22 educational, religious or fraternal organizations, civic and service  
23 clubs, senior citizen associations or clubs, volunteer fire companies  
24 and first-aid or rescue squads to conduct, under such restrictions  
25 and control as shall from time to time be prescribed by the  
26 Legislature by law, games of chance of, and restricted to, the selling  
27 of rights to participate, the awarding of prizes, in the specific kind  
28 of game of chance sometimes known as bingo or lotto, played with  
29 cards bearing numbers or other designations, 5 or more in one line,  
30 the holder covering numbers as objects, similarly numbered, are  
31 drawn from a receptacle and the game being won by the person who  
32 first covers a previously designated arrangement of numbers on  
33 such a card, when the entire net proceeds of such games of chance  
34 are to be devoted to educational, charitable, patriotic, religious or  
35 public-spirited uses, and in the case of bona fide veterans'  
36 organizations and senior citizen associations or clubs to the support  
37 of such organizations, in any municipality, in which a majority of  
38 the qualified voters, voting thereon, at a general or special election  
39 as the submission thereof shall be prescribed by the Legislature by  
40 law, shall authorize the conduct of such games of chance therein;

41 B. It shall be lawful for the Legislature to authorize, by law,  
42 bona fide veterans, charitable, educational, religious or fraternal  
43 organizations, civic and service clubs, senior citizen associations or  
44 clubs, volunteer fire companies and first-aid or rescue squads to

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

<sup>1</sup>Assembly AJU committee amendments adopted December 17, 2015.

<sup>2</sup>Assembly AJU committee amendments adopted December 21, 2015.

1 conduct games of chance of, and restricted to, the selling of rights  
2 to participate, and the awarding of prizes, in the specific kinds of  
3 games of chance sometimes known as raffles, conducted by the  
4 drawing for prizes or by the allotment of prizes by chance, when the  
5 entire net proceeds of such games of chance are to be devoted to  
6 educational, charitable, patriotic, religious or public-spirited uses,  
7 and in the case of bona fide veterans' organizations and senior  
8 citizen associations or clubs to the support of such organizations, in  
9 any municipality, in which such law shall be adopted by a majority  
10 of the qualified voters, voting thereon, at a general or special  
11 election as the submission thereof shall be prescribed by law and  
12 for the Legislature, from time to time, to restrict and control, by  
13 law, the conduct of such games of chance;

14 C. It shall be lawful for the Legislature to authorize the conduct  
15 of State lotteries restricted to the selling of rights to participate  
16 therein and the awarding of prizes by drawings when the entire net  
17 proceeds of any such lottery shall be for State institutions and State  
18 aid for education; provided, however, that it shall not be competent  
19 for the Legislature to borrow, appropriate or use, under any pretense  
20 whatsoever, lottery net proceeds for the confinement, housing,  
21 supervision or treatment of, or education programs for, adult  
22 criminal offenders or juveniles adjudged delinquent or for the  
23 construction, staffing, support, maintenance or operation of an adult  
24 or juvenile correctional facility or institution;

25 D. (1) It shall be lawful for the Legislature to authorize by law  
26 the establishment and operation, under regulation and control by the  
27 State, of gambling houses or casinos within the boundaries, as  
28 heretofore established, of the city of Atlantic City, county of  
29 Atlantic, and to license and tax such operations and equipment used  
30 in connection therewith. Any law authorizing the establishment and  
31 operation of such gambling establishments shall provide for the  
32 State revenues derived therefrom to be applied solely for the  
33 purpose of providing funding for reductions in property taxes,  
34 rental, telephone, gas, electric, and municipal utilities charges of  
35 eligible senior citizens and disabled residents of the State, and for  
36 additional or expanded health services or benefits or transportation  
37 services or benefits to eligible senior citizens and disabled  
38 residents, in accordance with such formulae as the Legislature shall  
39 by law provide. The type and number of such casinos or gambling  
40 houses and of the gambling games which may be conducted in any  
41 such establishment shall be determined by or pursuant to the terms  
42 of the law authorizing the establishment and operation thereof.

43 (2) It shall also be lawful for the Legislature to authorize by law  
44 wagering at casinos or gambling houses in Atlantic City on the  
45 results of any professional, college, or amateur sport or athletic  
46 event, except that wagering shall not be permitted on a college sport  
47 or athletic event that takes place in New Jersey or on a sport or  
48 athletic event in which any New Jersey college team participates  
49 regardless of where the event takes place.

1       (3) (a) It shall also be lawful for the Legislature to authorize by  
 2 law the establishment and operation, under regulation and control  
 3 by the State, of no more than two gambling houses or casinos, each  
 4 one to be located in different counties of this State, and to license  
 5 and tax such operations and equipment used in connection  
 6 therewith. The boundaries of each municipality in which each  
 7 gambling house or casino is located shall be <sup>2</sup>partially or  
 8 completely<sup>2</sup> outside a <sup>2</sup>[75] 72<sup>2</sup> mile radius calculated from the  
 9 outermost boundary, as heretofore established, of the city of  
 10 Atlantic City in the county of Atlantic.

11       (b) Any law authorizing the establishment and operation of such  
 12 gambling establishments shall provide for all the State revenues  
 13 derived therefrom to be credited to a special New Jersey Investment  
 14 Fund to be applied solely as follows.

15       Commencing in the first State fiscal year in which State revenues  
 16 are derived under part (3) of subparagraph D. of this paragraph <sup>2</sup>[, and for the subsequent 15 State fiscal years]<sup>2</sup>, the revenues in the  
 17 investment fund shall be applied as follows:

18       <sup>2</sup>four percent in each State fiscal year shall be divided equally  
 19 among each municipality and each county in which a gambling  
 20 establishment outside of Atlantic City is located and operating; and  
 21 then, commencing in the first State fiscal year in which State  
 22 revenues are derived under part (3) of subparagraph D. of this  
 23 paragraph, and for the subsequent 15 State fiscal years, the State  
 24 revenues remaining in the investment fund in each State fiscal year,  
 25 but not more than \$300 million, shall be dedicated as follows:<sup>2</sup>

26       (i) <sup>2</sup>[35] 50<sup>2</sup> percent of the amount <sup>2</sup>[credited in each State  
 27 fiscal year]<sup>2</sup> shall be dedicated for the purposes of the recovery,  
 28 stabilization, or improvement of the city of Atlantic City, and

29       (ii) <sup>2</sup>[63] 50<sup>2</sup> percent of the amount <sup>2</sup>[credited in each State  
 30 fiscal year]<sup>2</sup> shall be dedicated as follows:

31       <sup>1</sup>[one half] <sup>2</sup>[48] 40<sup>2</sup> percent<sup>1</sup> for the purposes specified in part  
 32 (1) of subparagraph D. of this paragraph <sup>2</sup>[;], <sup>2</sup> and

33       <sup>1</sup>[one half] <sup>2</sup>[52] 60<sup>2</sup> percent<sup>1</sup> for State aid to each county and  
 34 municipality in the State for programs and property tax relief for  
 35 senior citizens and disabled residents.

36       <sup>2</sup>Then, the State revenues remaining in the investment fund in  
 37 each State fiscal year shall be dedicated as follows:

38       (iii) 35 percent of the amount shall be dedicated for the purposes  
 39 of the recovery, stabilization, or improvement of the city of Atlantic  
 40 City, and

41       (iv) 65 percent of the amount shall be dedicated as follows:  
 42 40 percent for the purposes specified in part (1) of this  
 43 subparagraph D. of this paragraph, and

44       60 percent for State aid to each county and municipality in the  
 45 State for programs and property tax relief for senior citizens and  
 46 disabled residents.<sup>2</sup>  
 47

1     For the next subsequent <sup>2</sup>[10] five<sup>2</sup> State fiscal years, the  
2     percentage applied for the purposes of (i) above shall decrease  
3     <sup>2</sup>each year<sup>2</sup> by <sup>2</sup>[one and one-half] ten<sup>2</sup> percentage points from the  
4     prior State fiscal year percentage, and the percentage applied for the  
5     purposes of (ii) above shall increase <sup>2</sup>each year<sup>2</sup> by <sup>2</sup>[one and one-  
6     half] ten<sup>2</sup> percentage points from the prior State fiscal year  
7     percentage.

8     <sup>2</sup>[Thereafter, 20 percent of revenues credited to the investment  
9     fund in each State fiscal year shall be applied for the purposes of (i)  
10    above, and 78 percent of revenues credited in each State fiscal year  
11    shall be applied for the purposes of (ii) above.]

12    During those five State fiscal years, the percentage applied for  
13    the purposes of (iii) above shall decrease each year by seven  
14    percentage points from the prior State fiscal year percentage, and  
15    the percentage applied for the purposes of (iv) above shall increase  
16    each year by seven percentage points from the prior State fiscal year  
17    percentage.<sup>2</sup>

18    Commencing in the first State fiscal year in which State revenues  
19    are derived under part (3) of subparagraph D. of this paragraph and  
20    in each State fiscal year thereafter, <sup>2</sup>[two percent of the amount  
21    credited to] of the percentage of revenues from<sup>2</sup> the investment  
22    fund in each State fiscal year <sup>2</sup>dedicated for the purposes of the  
23    recovery, stabilization, or improvement of the city of Atlantic City  
24    two percentage points<sup>2</sup> shall be dedicated for the purposes of  
25    programs designed to aid the thoroughbred and standardbred  
26    horsemen in this State.

27    (c) The eligibility for the initial license to establish <sup>2</sup>[and  
28    operate]<sup>2</sup> one of the gambling houses or casinos under part (3) of  
29    subparagraph D. of this paragraph shall be limited to <sup>2</sup>[:  
30    a New Jersey casino license that was operating a casino which was  
31    conducting gambling on December 11, 2015; or any person licensed  
32    as a principal owner of a holder of a New Jersey casino license that  
33    was operating a casino which was conducting gambling on  
34    December 11, 2015 if that principal owner also holds a valid license  
35    to own and operate a casino in another jurisdiction with licensing  
36    standards similar to those in New Jersey] persons whose majority  
37    equity owners: a) are holders of a New Jersey casino license that  
38    were operating a casino which was conducting gambling as of the  
39    date of passage by the Legislature of the concurrent resolution that  
40    proposed the amendment that added part (3) of subparagraph D. of  
41    this paragraph of this Constitution; or b) were principal owners of a  
42    holder of a New Jersey casino license that was operating a casino  
43    which was conducting gambling as of the date of passage by the  
44    Legislature of the concurrent resolution that proposed the  
45    amendment that added part (3) of subparagraph D. of this paragraph  
46    to this Constitution, if that principal owner or subsidiary also holds  
47    a valid license to own and operate a casino in another jurisdiction

1 with licensing standards similar to those in New Jersey. A principal  
2 owner shall mean any person who, directly or indirectly, owns 50  
3 percent or more of a holder of a New Jersey casino license that was  
4 operating a casino which was conducting gambling as of the date of  
5 passage by the Legislature of the concurrent resolution that  
6 proposed the amendment that added part (3) of subparagraph D. of  
7 this paragraph of this Constitution<sup>2</sup>.

8 (d) The location and type of such casinos or gambling houses,  
9 and of the gambling games which may be conducted in any such  
10 establishment, shall be determined by or pursuant to the terms of  
11 the law authorizing the establishment and operation thereof.

12 E. It shall be lawful for the Legislature to authorize, by law, (1)  
13 the simultaneous transmission by picture of running and harness  
14 horse races conducted at racetracks located within or outside of this  
15 State, or both, to gambling houses or casinos in the city of Atlantic  
16 City and (2) the specific kind, restrictions and control of wagering  
17 at those gambling establishments on the results of those races. The  
18 State's share of revenues derived therefrom shall be applied for  
19 services to benefit eligible senior citizens as shall be provided by  
20 law; and

21 F. It shall be lawful for the Legislature to authorize, by law, the  
22 specific kind, restrictions and control of wagering on the results of  
23 live or simulcast running and harness horse races conducted within  
24 or outside of this State. The State's share of revenues derived  
25 therefrom shall be used for such purposes as shall be provided by  
26 law.

27 It shall also be lawful for the Legislature to authorize by law  
28 wagering at current or former running and harness horse racetracks  
29 in this State on the results of any professional, college, or amateur  
30 sport or athletic event, except that wagering shall not be permitted  
31 on a college sport or athletic event that takes place in New Jersey or  
32 on a sport or athletic event in which any New Jersey college team  
33 participates regardless of where the event takes place.

34 (cf: Art. IV, Sec. VII, par. 2; amended effective December 5, 2013)

35  
36 2. When this proposed amendment to the Constitution is finally  
37 agreed to pursuant to Article IX, paragraph 1 of the Constitution, it  
38 shall be submitted to the people at the next general election  
39 occurring more than three months after the final agreement and  
40 shall be published at least once in at least one newspaper of each  
41 county designated by the President of the Senate, the Speaker of the  
42 General Assembly and the Secretary of State, not less than three  
43 months prior to the general election.

44  
45 3. This proposed amendment to the Constitution shall be  
46 submitted to the people at that election in the following manner and  
47 form:

48 There shall be printed on each official ballot to be used at the  
49 general election, the following:

1       a. In every municipality in which voting machines are not used, a  
2       legend which shall immediately precede the question as follows:

3       If you favor the proposition printed below make a cross (X), plus  
4       (+), or check (✓) in the square opposite the word "Yes." If you are  
5       opposed thereto make a cross (X), plus (+) or check (✓) in the  
6       square opposite the word "No."

7       b. In every municipality the following question:

1

	YES	<p>CONSTITUTIONAL AMENDMENT TO PERMIT CASINO GAMBLING IN TWO COUNTIES OTHER THAN ATLANTIC COUNTY</p> <p>Do you approve amending the Constitution to permit casino gambling in two additional counties in this State? At present, casino gambling is allowed only in Atlantic City in Atlantic County.</p> <p>Only one casino in each of the two counties would be permitted. Each casino is to be located in a town that is <sup>2</sup>[more than 75] <u>at least 72<sup>2</sup></u> miles from Atlantic City. The amendment would limit who may receive a casino license initially.</p>
	NO	<p>INTERPRETIVE STATEMENT</p> <p>At present, casino gambling is allowed only in Atlantic City in Atlantic County. This amendment would allow the Legislature to pass laws to permit casino gambling to take place in two other counties in this State.</p> <p>Only one casino in each of the two counties would be permitted. Each casino is to be located in a town that is <sup>2</sup>[more than 75] <u>at least 72<sup>2</sup></u> miles from Atlantic City. The amendment would limit who may receive casino licenses to operate one of the casinos initially.</p> <p>The laws passed by the Legislature would provide for the location and type of casinos and the licensing and taxing of the operation and equipment.</p> <p>The amendment provides that the State's share of revenue from the operation of the two casinos would be used for the recovery, stabilization, or improvement of Atlantic City. It would also be used for programs and property tax relief for senior citizens and disabled residents <sup>2</sup><u>and for aid to the municipalities and counties that host the new casinos<sup>2</sup></u>. A lesser portion would be used to aid the thoroughbred and standardbred horsemen in this State.</p>

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**ASSEMBLYMAN JOHN F. McKEON (Chair):** Okay; ACR-2, a constitutional amendment to allow the Legislature to authorize by law the operation of casinos in certain counties.

Roll call.

MS. BAVATI (Committee Aide): Assemblywoman Schepisi.

ASSEMBLYWOMAN SCHEPISI: Present.

MS. BAVATI: Assemblyman Brown.

ASSEMBLYMAN BROWN: Here.

MS. BAVATI: Assemblyman Caputo.

ASSEMBLYMAN CAPUTO: Here.

MS. BAVATI: Assemblyman Lagana.

ASSEMBLYMAN LAGANA: Here.

MS. BAVATI: Assemblyman Johnson.

**ASSEMBLYMAN GORDON M. JOHNSON (Vice Chair):**  
Here.

MS. BAVATI: And Chairman McKeon.

ASSEMBLYMAN McKEON: Present.

I'm going to defer to the primary sponsor of this ACR, Assemblyman Caputo, to give a very brief overview of the substance of the proposed constitutional amendment.

ASSEMBLYMAN CAPUTO: I don't know whether I should thank you or not, Chair. (laughter)

Obviously, this has been a very difficult issue for many of us in the Legislature. It's an historic moment, in terms of the discussion regarding a constitutional amendment that should be before the voters in the next general election.

Atlantic City has been struggling for a number of years -- for the last five or six years. We have had a moratorium placed on any change on the location for any casinos in the north, or any other place. We enacted many reforms to try to assist Atlantic City, in terms of kick-starting a renaissance. We enacted Internet gaming as a measure of trying to revive revenues for that particular industry. As someone who was involved in that industry for a number of years, I'm very familiar with the Atlantic City business model. I'm also very familiar with the culture of Atlantic City and what they've gone through over the last 30 or 40 years.

This is an attempt -- not to hurt Atlantic City, but to save the gaming business in the State of New Jersey. We've had many of our -- we've had billions of dollars of taxable revenue going across our borders to Pennsylvania and New York; Pennsylvania has intelligently placed their properties up and down the side of our borders where they have drained and taken our lunch, in other words, in terms of that industry.

The industry has been very good to the State of New Jersey; but Atlantic City has been depending primarily upon that industry. And when the industry collapsed-- When the moment of truth came was really when the Revel failed -- a \$2.5 billion investment, sold for \$83 million in court -- which shows you what we're going through, in terms of trying to make the town survive. We've lost four casinos; we've lost -- over 10,000 people unemployed; we have the highest foreclosure rate in the country, at this point.

So for those who oppose this -- if they have a better solution, I'd be glad to adopt it. But I believe that giving the voters that decision, as they did in 1976, is most appropriate at this time.

I can get into the details of the referendum, and some differences I have with the other piece of legislation; but basically, that's what we're trying to accomplish. We want to regain -- we want to restart the gaming business, and we want to provide a funding for our senior citizens, for the host municipalities, and for the horseracing business in the State of New Jersey by this revenue that, hopefully, we will be able to achieve.

Thank you.

ASSEMBLYMAN McKEON: Thank you, Mr. Caputo, and sponsor Caputo.

James Kirkos of the Meadowlands Regional Chamber, in favor.

Welcome, Jim.

**JAMES KIRKOS:** Thank you, Mr. Chairman.

The Meadowlands Regional Chamber has been an advocate for the expansion of gaming outside of Atlantic City for many years now. Our advocacy revolves around the fact that destination development is economic development; and we believe strongly that the Meadowlands can be a primary destination and an economic engine for New Jersey, in addition to destinations like Atlantic City.

That advocacy has led us to not only champion the Meadowlands region, but also champion New Jersey as a state -- because we have such awesome destination assets in every corner, especially along our eastern shores. My staff and I currently serve on the board of the New Jersey Tourism Industry Association, and we're part of the formation of NJDMO, comprised of DMO executives from just about every corner of our state. Both organizations have a mission to promote all of New Jersey.

Today I sit here with great concern that we will squander another opportunity to advance legislation that will create jobs and economic impact in both North and South Jersey. With the impasse of the current versions of the Senate and Assembly bills to expand casino gaming in New Jersey, the MRC is urging our legislators to find further compromise.

This Assembly bill has less limitations on who can compete for gaming licenses. We believe that element is critical in attracting interested casino operators who are willing and able to invest mightily in a product that is of world-class caliber.

I'm sorry, but I can't help but wonder if current AC casino operators, who have vehemently opposed any attempt at allowing gaming outside of Atlantic City, are really willing to build and operate world-class casinos in the North. And I also can't help but wonder if they will be willing to wage a "yes" vote campaign to educate voters in New Jersey about the benefits to the State.

We at the Chamber have a vision and belief that the Meadowlands Sports Complex is a prime location for a world-class hotel/casino/convention center to complement the existing MetLife Stadium, Meadowlands Racetrack, and the soon-to-be American Dream. These venues combined can create the world's best multi-venue sports and entertainment complex that can and will attract millions of visitors every year, and greatly impact local communities and New Jersey revenues.

Together these venues help ensure each other's long-term success by offering a diverse array of entertainment experience. In an op-ed that I penned last Saturday, I commented that I believe AC's best days are

ahead of it, if it transitions into a resort destination and a robust business hub. We support that effort, without reservation, and we believe the financial assistance from whatever legislation is enacted should have an element to achieve that.

I am certainly cognizant of the current job loss in AC due to closed casinos; but the simple fact, that we all know, is job growth in AC is not going to come from the gaming sector. Jobs will be restored as it transitions into a more diverse economy.

Ladies and gentlemen, the time has come to remove the political wrangling and come together. We urge the Assembly Committee to find common ground with the Senate and allow us to advance a bill that drives economic growth that will benefit all of New Jersey.

Thank you for the opportunity to address this esteemed Committee.

Thank you, Mr. Chairman.

ASSEMBLYMAN McKEON: Thank you very, very much.

ASSEMBLYMAN BROWN: Mr. Chairman, may I ask a question?

ASSEMBLYMAN McKEON: No. You can comment all you would like; we're going to proceed.

ASSEMBLYMAN BROWN: Mr. Chair, I just want to point out this is a public hearing designed to elicit as much information as we can -- not just for Atlantic County, but throughout the state. Back in 1974 and 1976, these are minutes from meetings (indicates) that were held in order to make sure that the public was fully informed of the decisions that they

were making. I simply have a question, during a public hearing, of a witness.

ASSEMBLYMAN McKEON: Mr. Brown, you know, I'm very confident, as is everybody, that you could make the points that you already know you're going to make without having to drag things through solicitation of witnesses, quite frankly. This is the public's hearing, allowing them to express their opinions; not their opportunity to be questioned by legislators, truth be told.

So that's my preferences as to how to run this. If the Speaker decides to put this on the agenda, you'll have adequate opportunity, then, to address any questions of the sponsor and, once again, to make your opinions known. And I just don't see the productivity of it.

Anything that you'd like to say, you're going to be able to, and you kind of know what you're going to say already.

ASSEMBLYMAN BROWN: Well, if you have somebody here testifying for a proposal to--

ASSEMBLYMAN McKEON: The point is over, okay?

ASSEMBLYMAN BROWN: Okay, just so we're clear: During this public hearing, you are not going to allow me to ask questions on behalf of the people who I represent in Atlantic County?

ASSEMBLYMAN McKEON: You will have every opportunity to express your opinions to the people you represent, and Atlantic County will know how you feel. And this is about -- this is the third hearing on this, and what scores of hearings, through the Committee process, that have happened already.

So, please.

I've got Kevin McCarthy, President of the IFPTE Turnpike Local 194, no need to testify; Frank Walitz, opposed, no need to testify; Nancie Shauger, a taxpayer and citizen, opposed, no need to testify; Bob Marshall, Greater Atlantic City Chamber, who had given written testimony, opposed and no need to testify; Debra DiLorenzo, written testimony, opposed.

Did you want to testify?

**DEBRA P. DiLORENZO:** I did, sir.

ASSEMBLYMAN McKEON: Please, please come up.

Welcome.

MS. DiLORENZO: Thank you.

Good morning, Mr. Chairman and members of the Committee -- and to my Assemblyman, Assemblyman Brown.

ASSEMBLYMAN BROWN: Good morning.

MS. DiLORENZO: I'm Debra DiLorenzo, President and CEO of the Chamber of Commerce Southern New Jersey, and a lifelong resident of southern New Jersey -- including the last 32 years in Atlantic County.

I'm here today to express our organization's strong opposition to ACR-2. Last month, I testified before the Senate Budget and Appropriations Committee on the undeniable impact that the expansion of gaming to North Jersey would have on Atlantic City. Although the effect on Atlantic City cannot and should not be understated, today I would like to speak to the regional impact that the expansion of gaming outside of Atlantic City will undoubtedly have on southern New Jersey.

As I speak, I would respectfully like to call your attention to a chart that is attached to my written testimony. This chart highlights two

critical themes: First, the chart shows a timeline of events from 2006 -- when the first casino, the Sands casino, closed its doors in Atlantic City -- to today. Second, the chart shows some key statistics and indicators, such as revenue numbers and unemployment rates, among others, as evaluated from a regional perspective. All data on this chart was assessed by analyzing the seven most-southern counties of New Jersey, not just the data as it relates to Atlantic City or the Atlantic County area.

When looking at the timeline of events, those items highlighted in red are casino openings and closings in Atlantic City. Those highlighted in yellow are changes in the gaming landscape -- including casino openings in Delaware and Pennsylvania; and casino closings in Atlantic City -- over the past nine years, including the opening of Harrah's Chester, which is 72 miles from Atlantic City; the opening of Parx Casino, 78 miles from Atlantic City; the opening of Sugarhouse Casino, 62 miles away; and, on the horizon, the planned opening of Live Hotel Casino in South Philly, a mere 60 miles from Atlantic City near the sports stadiums. It is very noteworthy to point out that, in 2007 -- the same year three casinos opened 72, 130, and 175 miles, respectively, from Atlantic City -- Atlantic City casino revenues dipped nearly \$400 million, from \$5.2 billion to \$4.8 billion. In 2004 (*sic*), casino revenue was \$2.8 billion.

All three casinos built in 2007 are at least the same distance from the casinos called for in ACR-2 -- 72 miles from Atlantic City -- and the impact has truly been undeniable.

Next, I would like to ask for you to look at the trends in our chart. The number of casino employees living in the seven southern-most counties -- down approximately 18,000 since 2006; 18,000 people lost their

positions. The amount of money spent with businesses located in the seven most-southern counties -- down \$1 billion since 2006. The overall unemployment rate for the region, which includes three counties with the highest unemployment rate in the state: Cape May, Cumberland, and Atlantic counties.

After reviewing this data, it is indisputable that expanding gaming within New Jersey will only result in more of what our region has already lived through: more casino closures, more jobs lost, less vendor money being spent in our region, and higher unemployment,

To move forward with this proposal absent a thorough analysis of the saturation of the gaming market in the entire Mid-Atlantic region is risky at best, as market saturation will surely impact the long-term viability of the casinos in our state -- be it in Atlantic City, Jersey City, the Meadowlands, or American Dream.

Moving gamblers from Atlantic City to North Jersey benefits only North Jersey, at a great expense to South Jersey.

As Assemblyman Brown has so poignantly indicated, the economy of our region is drastically different than that of our North Jersey brethren. According to the Department of Labor's May 2015 report on seven industry clusters -- including leisure, hospitality, and retail; biopharmaceutical life sciences, transportation logistics and distribution, financial services, manufacturing, construction, and technology -- South Jersey employment lags well behind that of North Jersey, which dominates these industry clusters. We just don't have these jobs in South Jersey.

Let me close by saying the monies designated to Atlantic City and Atlantic County in this bill are well-intentioned, but will do absolutely nothing to combat the negative regional impact.

Thank you for allowing me to express our opposition to ACR-2.

ASSEMBLYMAN McKEON: Thank you for your testimony. We will all give it our thoughtful consideration.

MS. DiLORENZO: Thank you, sir.

ASSEMBLYMAN McKEON: Barbara Eames and Bill Eames. Is Barbara back?

UNIDENTIFIED MEMBER OF AUDIENCE: No.

W I L L I A M E A M E S: Bill Eames; Barbara is testifying in the simultaneous hearings of the Senate.

ASSEMBLYMAN McKEON: Okay; all right. I appreciate that, Bill.

And then Richard Miner, as well, Chairman of Sparta Municipal Committee, opposed. Why don't you come up as well?

You could start, Bill. Is Richard not here any longer?

MR. EAMES: I saw him a moment ago; I think he may be outside.

ASSEMBLYMAN McKEON: I'll call him again.

MR. EAMES: Chairman, again, thank you for the opportunity to speak before you.

In 1974, I became the Executive Director of the Atlantic City Chamber of Commerce, and I was in that capacity when casino gaming was passed in the second statewide referendum. I was very much involved in the economic development strategy of Atlantic City.

It's not being mentioned today -- and it's interesting to me how all eyes have followed the money. Atlantic City's economic strategy, in 1976, was not based on casino gaming; casinos were the last resort. They were chosen, solely, for the purpose of providing a means to attract hotels -- to build first class hotel rooms in support of a year-round convention economy.

Once the first casino opened, the revenue profits were far beyond expectation; and everybody lost sight of the original game plan -- especially the State of New Jersey. The Governors, respectively, for decades, failed to expend any money of the Casino Redevelopment Fund because they discovered they could spend the interest if they didn't take that money down, and held the profits. So the State has a major role to play in the original days of why Atlantic City did not achieve the original objectives.

Then came the Convention Center that was delayed in its construction. And all through, the State, and the Legislature, and the Governors of all parties have failed to support Atlantic City when they needed it; or to provide oversight when it began to, shall we say, go astray in its local administration.

This measure -- it's ludicrous to suggest that putting competitive casinos outside Atlantic City will help Atlantic City. I mean, that's just the height of hypocrisy. This measure is designed for the personal gain of a very few, it's very short-sighted, it's conceived to benefit certain political and business interests for a short-term political and economic benefit, at the long-term, ongoing expense of Atlantic City -- those families whose economic livelihoods are already in jeopardy.

I spoke just yesterday with a hotel owner in Absecon -- just outside of Atlantic City -- whose business is in jeopardy of bankruptcy because we are not doing what needs to be done to support something that we've already made a many-decade commitment to. Instead, we're looking at, "How can we suck some money into our districts?" We're looking to support gubernatorial races. I am ashamed to be a citizen of this state and watch this kind of debate.

The people of New Jersey are going to have to pay to clean up the mess this creates. To suggest that adding casinos elsewhere will help Atlantic City either indicates a complete ignorance of economic value, or something worse. It's tragic, in my mind, that some members of this Legislature now look at expansion of every possible form of gambling to support the finance of their irresponsible fiscal habits, without regard to the consequences. What are we doing?

Atlantic City needs rooms to support a convention business. Atlantic City has no alternative economic base. The Meadowlands, with all due respect, has been given tremendous economic support and subsidy by the State of New Jersey for decades; it does not need a casino that will put a stranglehold on Atlantic City.

I strongly urge those who read the testimony of this public hearing not to put this measure on the ballot. And if they do, for the first time in New Jersey history to be honest in the explanatory statement of what suicidal tendencies they're actually implementing.

Thank you for the opportunity to comment.

ASSEMBLYMAN McKEON: Thank you, sir.

Jennifer Reppert, opposed.

Jennifer, the preamble sort of speak is on the record; and so if you--

**JENNIFER REPERT:** Got you. Oh, no, I'm not going to do that.

**ASSEMBLYMAN McKEON:** Great.

**MS. REPERT:** Although I thought it was pretty good.

**ASSEMBLYMAN McKEON:** It was excellent; thank you.

**MS. REPERT:** Thank you. (laughter)

All right, so I'll make this quick.

Okay, so I realize that casino authorization is a Constitution item; however, to me, this proposal is manipulative and calculating to meet political ends. It also doesn't consider the negative impact on Atlantic City.

So I know we just discussed all that, but that was just -- I just wanted to--

**ASSEMBLYMAN BROWN:** Thank you for that.

**MS. REPERT:** Thank you.

**ASSEMBLYMAN McKEON:** Thank you very much.

I just -- I called Richard Miner before; I don't know if he's back. I was given a note that he had given his written opposition on ACR-1 as well, and wanted that to be a part of the record. So we'll make that a part of the record, although he did not want to testify. And again, he's not here -- the second time I've called him. He's also opposed to ACR-2; so that's for the record.

I'll call Barbara Eames, for the second time, as well; and she's testifying elsewhere, I guess.

Two other witnesses: Tony Russo, in favor, Commerce and Industry of New Jersey.

Tony.

**A T H O N Y   R U S S O:** Thank you, Mr. Chairman and members of the Committee.

My name is Tony Russo; I'm with the Commerce and Industry Association. We represent 900 companies from virtually every business sector. We're based in Paramus; we also have an office here in Trenton.

I submitted written testimony, so I just want to bring up a couple of points to be brief.

**ASSEMBLYMAN McKEON:** Thank you, Tony. And we have that, and summarizing it would be great.

**MR. RUSSO:** But I just want to explain why we support this initiative. Because we feel that any investment in New Jersey is a good thing for the citizens, for the State; it improves their quality of life, when you think about the jobs that will be created.

We agree with Assemblyman Caputo that these dollars are going to New York and to Pennsylvania. For example, we know Jersey City is one site that's been mentioned as a possible location. If you think about -- if a resort is built there, think about the retail, restaurants, transportation, the jobs. And think about the win for New Jersey if that casino was built there. Think about the folks from New York coming to New Jersey.

So we just want to, again, echo that we appreciate and understand why folks down in Atlantic City are concerned. But again, you have to think about New Jersey as a whole, the jobs that are created, the tax revenues that will come in. And regarding how the licenses are going to be

issued -- we are free-market advocates; so our tendency is to side with -- don't limit these licenses, if you can. Open it up to the market because, at the end of the day, it helps consumers and helps the State of New Jersey.

So thank you very much.

ASSEMBLYMAN McKEON: Thank you, Mr. Russo, very much.

ASSEMBLYMAN BROWN: Mr. Chairman, may I ask this witness--

ASSEMBLYMAN McKEON: Michele--

ASSEMBLYMAN BROWN: Mr. Chairman, may I ask this witness a question?

ASSEMBLYMAN McKEON: Again, as an invited guest to this Committee, I have told you this has gone through the Committee process a significant number of times. You will be unlimited in the amount of time that you want to take to advocate your position as to why you're against this, okay?

Thank you, Tony.

ASSEMBLYMAN BROWN: Mr. Chair, I very much respect you and your position. I just want to make one point with you.

And that is this: This gentleman just made conclusory statements that are not based upon fact. And I just want to ask him where he got that information to come before this Committee and make statements such as, "It's going to generate additional jobs," when all of the studies indicate the state will lose up to 4,000 jobs.

ASSEMBLYMAN McKEON: All right. So you have made your point, as I said you could. And this isn't about our cross-examination

of witnesses. This is their opportunity to express their opinions. I certainly didn't agree with the opinions that were expressed here by many of the individuals; but I can either save my comments when I will give myself the opportunity to talk about that; or just defer, allowing us to respect the process, to hear what they have to say.

So you've (*sic*) heard your cross-examination of Mr. Russo.

Michele Siekerka -- Michele of-- Siekerka (indicating pronunciation). I'm sorry, Michele.

**MICHELE N. SIEKERKA, Esq.:** You're getting close. By the third time, I know you're going to have it. (laughter)

ASSEMBLYMAN McKEON: I got there; I did better than *Melanie Willoughby* that time; that was good. (laughter)

MS. SIEKERKA: Good morning. Michele Siekerka, the President and CEO of the New Jersey Business and Industry Association. Thank you for your time.

I'm here this morning on behalf of our 20,000 businesses that represent 1.2 million jobs across the State of New Jersey.

We are here to support the expansion of gaming outside of Atlantic City. But as the gentleman who spoke before me, we believe in free market forces as well; and therefore, we ask your condensation in that matter.

But we also believe that, in providing gaming outside of Atlantic City, we should also ensure that redevelopment funding flow back to Atlantic City from those projects. It is an important aspect of this.

What is this all about? This is all about New Jersey competitiveness. New Jersey must compete with our neighbors. And right

now, Pennsylvania, Delaware, and New York are getting the better part of our gaming industry; and we have seen this over time. They are siphoning off our casino revenue. And if we don't allow expansion now, we're not going to be in any position to compete with that continued siphoning off of our Atlantic City revenue. Particularly in North Jersey, there is a contemplation of projects in and around the Manhattan area. And, rest assured, if a project finds its way into New York and in the Manhattan area before it does into northern New Jersey, we will be lost, and it will be a loss to New Jersey.

So we are asking that we bring a focus back into being competitive in the State of New Jersey in our gaming industry. It's important for us to recognize Atlantic City is not the only game in town anymore; New Jersey must be in the game.

Thank you.

ASSEMBLYMAN McKEON: Thank you very much.

I have no other individuals in the public signed up to testify who haven't been called at least twice -- other than who have been given that opportunity.

Any other individuals present who wish to be heard on ACR-2?  
(no response)

Okay, seeing none, before I gavel this meeting closed on ACR-2, I would allow any of my colleagues to take as much time as they would like to express their opinions, show whatever charts -- it's all yours, now, Chris.

ASSEMBLYMAN BROWN: All right. Well, thank you, Mr. Chairman. I do appreciate the courtesy you extended to me by allowing me

to be a part of this Committee today. And I want to make it clear it's something that I think is very important.

Too often this has been portrayed as a North versus South issue; and it really isn't, and it shouldn't be. This is about what's in the best interest of the State of New Jersey. Now, if we're talking about amending our Constitution, then shouldn't we at least have done or performed one study? If you are going to compete against yourself, wouldn't the CEO of that business say, "I want to do a study before I open my own competition within my own state?" Or better yet, if there are already studies that have been performed, and those studies tell you that you're going to end up with a net loss if you open another business and compete against yourself, wouldn't you want to listen to and pay attention to the very studies, that should guide you, by independent experts?

So I know that when I speak, I speak for 15,000 working families in Atlantic County that, right now, understand that their jobs and their way of life are in peril, based upon this proposed referendum. I speak on behalf of 15,000 families who look at another person within the state who tries to say to them, "We're going to help you by destroying you. We're going to help you in this oversaturated gaming market by adding more casinos." That logic is absurd. And only in Trenton would anybody even propose it.

So if you look at the real statistics and the studies -- and it goes back a long time; this debate has gone back and forth, "Should we expand; should we not?" and there were studies done. Back in 2007, Christian Capital Advisors did one on behalf of the Meadowlands. And what they found was that just video lottery terminals will fall into the primary market

for Atlantic City casinos; and thus, they concluded, that just that alone -- the video lottery terminal -- would cannibalize Atlantic City; and that was back in 2007. So in 2010, the Casino Association of New Jersey -- they did an independent study, and they concluded just one casino in the Meadowlands would siphon off 45 percent of the gaming revenue from Atlantic City. Now, it sounds parochial, right? -- because I'm representing the people of Atlantic City. But really, what we have to look at is from a higher perspective -- from the State's view. We're going to open a new, competing business against a business we already have. And we know that that new business is simply going to siphon off 45 percent of the people who already go to the other location. The study concluded that, once you cannibalize 45 percent of the people who go to Atlantic City or gamble within your own state, it will result in the entire New Jersey casino industry having a net loss at the rate of approximately 4,000 jobs, \$190 million in lost wages, and diverting \$45 million from the very services for the disabled and our senior citizens that this plan was initially -- casinos were initially enabled and allowed to come here in the first place.

So you say, okay-- In 2014, an independent study performed by Stockton University-- Now, Stockton University is a State university, State funded. I'd like to think that we would at least respect our own university as being an independent view and an independent body to try to figure out what's in the State's best interest.

They pointed out that two North Jersey casinos will close an additional two Atlantic City casinos, reducing gaming revenue by \$350 million to \$500 million, and putting another 10,000 families out of work.

And so you say, "Okay; well, we're looking at this from the State's point of view, and we want to make sure that whatever policy we enact is in the best interest of the State." So if you already have 10,000 people from a part of your state that are unemployed; you have an unemployment rate in Atlantic County that is double Bergen County, double Hudson County, double the very places that you're now saying, "We need to put these casinos in order to create jobs." You're going to destroy, economically, a region of your state. It's not us versus them; we are all one. We are interconnected within this state, and what we do to one part of the state affects the entire state.

So you say-- Okay, in 2015, the Greater Atlantic City Chamber -- they did a study. Their study found expansion of gaming will lead to the closure, as we said earlier, of two to three more casinos; resulting in the loss of another 14,000 to 15,000 direct and indirect jobs; resulting in a loss of \$230 million in wages. And again, you're going to double the unemployment rate in Atlantic County.

Now, I want to be real clear. If anybody is trying to, in any way, shape or form, tell the public, our fellow citizens in North Jersey, our fellow New Jerseyans who care -- if anybody is trying to say to them that, somehow, this gaming referendum is going to help Atlantic City, you're not being truthful, and you should stop it. You should tell the truth. You did a poll -- and this was said by one of the people who are trying to get the gaming in North Jersey. They did a poll, and the poll showed that the majority of people who live in New Jersey do not support expanding gaming outside of Atlantic City.

So they did another poll, and when they did the next poll, they asked, "Well, what if that money would go back and help Atlantic City?" And they were able to get polling data that showed them, if we put it that way, people will vote for it. You are being misleading and deceitful. Tell the truth: You have special interests; you have an opportunity, for parochial reasons, to expand a business into your area. And I get it; and I respect everybody who has been part of this discussion. However, we need to talk the truth.

Now, when I come up here, I come up here on behalf of, in particular, the people who have put me in office. And I'm telling you, on their behalf, that, right now, they're scared; they're already unsure of their future; they're just like all of you -- they're trying to make a living, put their kids through school, pay their bills. And they have the highest foreclosure rate in the country. They have double the unemployment rate of everybody throughout the state. They deserve thoughtful deliberation. They deserve the same respect any of us would want, as human beings. They don't deserve to have a State policy enacted without thoughtful debate. They don't deserve to have legislators move forward on a policy without at least even doing a study.

And when you look at this -- and we look at Deutsche Bank. Deutsche Bank -- that happens to be a proponent of expanding gaming -- when they did their analysis, they pointed out that two North Jersey casinos will generate approximately \$500 million in casino revenue. They say it's only one-third -- I've heard people come up here and say, "We're going to generate up to \$1 billion." That's simply not founded in fact. That's simply not based in reality. Every study has shown the market is

oversaturated. When you look at the Pennsylvania legislature, and you look at the leaders in Pennsylvania -- and when they were looking to open another casino, their own legislature and their own experts told them, "All you are doing is shuffling the deck. You're just moving some people from this casino to that casino. It's already oversaturated."

All you are doing by opening a casino in North Jersey is shuffling New Jersey gaming from South to North. Yes, you are absolutely correct. There will be people, right now, who leave New Jersey to go to other states to gamble for the convenience of the location. But there are not enough of them to overcome the damage to the state that will occur because of the other 42 percent who, right now, go to Atlantic City.

Now, I had -- in fact, it was Chair Caputo -- you had-- Well, I say Chair of the Gaming Committee; and someone who I consider a friend, although, obviously, we couldn't disagree more on this issue. But Chair Caputo himself earlier said, "I would be interested in hearing a plan." This Legislature, before I got here, said, "We're going to give Atlantic City five years." Now, I will tell you that the minute that you said you're going to give five years, that was a mistake. Because when you put a time limit on a it -- if you have anybody who has money to invest in a private sector, they want certainty in the market. If I'm going to put \$10 million, up to \$10 million, of an investment, I need to know that somebody else isn't going to compete with my own investment and take 42 percent of the people away from me within five years. So I hold my money.

But let's even assume that the five years made sense to do it that way. It took three years for the Legislature to go ahead and enact the legislation needed in order to do it; in the fourth year, we started holding

hearings to have casinos in North Jersey; and this is the fifth year. Atlantic City wasn't given even the five years that it was promised; and it was done in a manner that, from a policy standpoint, was designed to fail from the beginning.

Now, if you want to be serious-- And I'll give you, I'll give you a plan. Of course there's going to come a time when Atlantic City has to transition. Atlantic City, absolutely, in order to succeed and be able to compete with convenience gaming up and down its border, has to make sure that it diversifies into a destination resort -- one within which the revenue is 65 percent nongaming, and the remainder gaming. So you say, "Is that realistic, or is that not realistic?" Las Vegas got it and understood it. It took Las Vegas about 11 years to transition; 12 or so years ago, 13, 15 years ago, they began the process. They saw convenience gaming coming and taking away their patrons; they saw that their profits were going to go down. So what did they do? They decided to transition into more of a nongaming destination -- take their 70 percent gaming revenue, 30 percent nongaming, and try and flip it. And it took them over 10, 11 years; but they were able to get to 65 percent nongaming revenue, 35 percent gaming revenue.

Now, if I'm trying to get investors into Atlantic City, and into that market, and in to develop within our own state, what I want to do is make sure that they know that there's not going to be any change in the policy, and we're not going to compete with ourselves until Atlantic City has been able to change those numbers -- so that it's 65 percent nongaming revenue, with the remainder being the gaming revenue. That is just one plan.

You know, one of the things that was pointed out, through the testimony -- and I thought it was important, and I think it's important to reiterate. The reason that gaming was passed -- and if you look back to 1974 and 1976 when the debates were going on -- was to revitalize a part of our state that had disproportionate unemployment, families and people who were hurting. And we decided that we would allow this vice to come into our state -- not so we could put it into our general revenue fund, but so that we could find an opportunity to provide jobs, economic growth, and a way to look out for and care for all of our families in New Jersey.

And, over the years, Atlantic City has provided the rest of the state hundreds of millions of dollars. And unfortunately, that noble purpose -- while we allowed the vice to come into the state in the first place -- has gotten lost completely. We have power brokers, money men, and others who are pushing for their own interest, as opposed to, truly, the interests of the citizens of the State of New Jersey -- the working families who we're supposed to care about.

Because if you have 5 percent unemployment, and another part of your state has double that -- if you truly care, you would not be pushing to double that unemployment where it's already 10 percent. If we stay to the true intent of why we allowed gaming here in the first place -- that was to provide opportunity for families, to make sure that we take a region within this state and give them the same opportunity that the North has -- then it would be clear. We would at least do a study; we would at least look at the studies that have already been performed; and we would make sure that we did it with a deference, and the care, and the same love and understanding that we want each of us and our families to have.

Thank you, Mr. Chairman.

ASSEMBLYMAN McKEON: Thank you very much for your thoughtful discussion.

Assemblywoman.

ASSEMBLYWOMAN SCHEPISI: Yes. First off, it's my understanding that, fortunately or unfortunately, depending upon where you are on this issue, that this particular hearing is going to become moot because of the "whose-bill-is-bigger-and-better" contest currently taking place in the Democratic caucus.

But that being said--

ASSEMBLYMAN McKEON: Is that-- You know that for a fact? I mean, I'm confused by-- Is that--

The fact is, is that if this bill, as it's presently constituted, is posted and receives a majority of votes -- and if it's received by the Senate, and if they equally vote for it, it will, potentially, with the Governor's support, go on the ballot.

ASSEMBLYWOMAN SCHEPISI: Yes, and--

ASSEMBLYMAN McKEON: That's what the fact is. And similarly--

ASSEMBLYWOMAN SCHEPISI: And the fact is, I probably have a better chance of being Speaker tomorrow than that occurring.

But if I'm not allowed to ask questions, I'd like to be able at least to have my thoughts put forth.

ASSEMBLYMAN McKEON: You're making a comment about personal discussions in Democratic caucuses. I was just wondering, absent a hearing device, how you might know that. That's all.

ASSEMBLYWOMAN SCHEPISI: Because I actually speak to people, and some of the members of your caucus actually don't believe that we should be kept in the dark about everything, Chairman.

ASSEMBLYMAN McKEON: Okay.

ASSEMBLYWOMAN SCHEPISI: With respect to this particular bill, one of the things that-- Had we had open discussion, had we had the ability to ask any questions, one of the things that I would have actually liked to have discussed, on this bill in particular, is: Right after this, we're going to be having a hearing on another constitutional amendment that is going to mandate quarterly pension payments into the State with revenue that everybody admits does not exist. And if we are looking to expand gaming in the state, why in God's name wouldn't we have discussed potentially allowing a portion of projected additional revenue to be utilized to pay some of these obligations, rather than putting it towards additional pet projects in the future?

And in fact, the way that this particular bill is drafted, we are constitutionally prohibited from using any of that excess cash flow to pay our pension obligations, as we're simultaneously having a hearing to mandate payment of obligations that we don't have the money for.

So with respect to this particular bill, in the event that it is moot and it does move into the next session, I would ask the sponsors to potentially consider looking into -- until our pension obligations stabilize a bit, maybe we can use some of that additional cash flow to pay that down, without having to raise taxes against everybody in the state and make everybody else leave.

Now, for purposes of the public's benefit, I just want to set the record straight on a couple of little things pertaining to this process. In the days prior to Christmas, there were two hastily called Judiciary Committee hearings that were made in an effort to change the New Jersey State Constitution, with an unprecedented four constitutional amendments being pushed through. In my research, since the adoption of the New Jersey State Constitution, never have four amendments been pushed through in one committee -- no less the way that this has transpired. In fact, the last time we had four constitutional amendments up was approximately 30 years ago.

So notwithstanding the process, we have been prepared to ask questions, hear testimony, have open transparent debate and discussion, and do our jobs. And notwithstanding a couple of statements that have been made so far today -- that we have been given opportunities to ask questions and, therefore, that's why we're not going to be permitted to do so today -- we have been specifically precluded from doing our job and asking questions. And the upcoming next two hearings that we're going to have -- we have never been permitted to ask one question of one witness for two of the most important issues that are coming before our state, that are being put forth to change our Constitution.

And so I want the public to understand how broken this process has been; how antithetical to good government this has been; and I'd like to even ask OLS to research whether or not we have ever had a situation whereby a Committee was permitted, and members of the Committee were prohibited, from asking questions at a public hearing for constitutional amendments.

Fortunately or unfortunately, I've sat on, pretty much, every controversial issue that's come forth in our state in the past four years. This is the first time I have ever sat and been prohibited from asking questions, and that is just wrong. I don't care what your political leanings are -- anyone who favors open, transparent, good government should really be appalled and reject what is transpiring here.

ASSEMBLYMAN McKEON: Do you have any comments on the bill? Are you finished?

ASSEMBLYWOMAN SCHEPISI: I gave comments on the bill, Mr. Chairman.

ASSEMBLYMAN McKEON: Okay.

Assemblyman.

ASSEMBLYMAN CAPUTO: Mr. Chairman--

ASSEMBLYMAN BROWN: You're going to limit his time, right, Chair?

ASSEMBLYMAN CAPUTO: Pardon me?

ASSEMBLYMAN BROWN: I was just kidding.

ASSEMBLYMAN McKEON: I know you're just kidding.

ASSEMBLYMAN CAPUTO: Mr. Chairman, I think it's incumbent upon me to make some remarks regarding the statements made by our colleagues.

I obviously respect their opinions; but I want to recall one of the statements made by Assemblyman Brown about his study. I want to recollect -- I hope he can recollect this -- that we had a bill before the Gaming Committee to conduct a study of the reforms that were put in place in Atlantic City. His statement, at that time, was that anything that would

discuss anything outside of Atlantic City -- any study, any analysis -- would hurt investment. Well, let me tell you what hurt investment: building a \$2.5 billion building that can't be occupied and cannot be profitable; government that ignored oversight, in terms of what these casinos were doing over the last 30 or 40 years. That's what was happening in Atlantic City, okay? And, of course, the mismanagement of City government, and the lack of any other industry, besides gaming, that was really the pulse of the region.

The resort business was not really emphasized; and it's true. Now we're talking about doing something positive -- bringing hundreds of millions of dollars, hopefully -- that we don't have at this point. We need good news in this state. We have to come up with new sources of revenue.

And I agree; we should have enough money to fund our pensions. But the fact is, we're dealing with so many problems at once, this is the one we're concentrating on in this particular bill. We're talking about bringing hundreds of millions of dollars back to Atlantic City for nongaming development. That would create jobs and bring value back into the real estate that has plummeted, okay? The City of Atlantic City is now subject to paying tax appeals that they can't afford to pay; possibly, they will have to go bankrupt; possibly have to be taken over by the State.

So I ask the question, rhetorically: What alternatives do we have? Do we allow people to go further into a deep hole in Atlantic City, in terms of our citizens, keep raising their taxes, putting them out of work? Or do we provide jobs for our citizens?

And I know something about the casino industry. People who work in the casino industry are very mobile. Many people who have gone

through Atlantic City end up working at other destinations. There's nothing to prevent many of these individuals -- who are out of work, who have been trained, and have a lot of experience -- to go to new properties to be employed.

These bankruptcies, and the fact that we've-- I'm going to talk about the study that you wanted, that was not approved by the Senate; and the moratorium was placed on anything -- any change, or any option to change anything going on in our Atlantic City operation.

The Hanson Report was a voluminous report on the condition of Atlantic City; it made a lot of recommendations. But no resources were put behind it. What happened to the Tourism District? What happened to all these ideas that were put into action -- but no actual action put behind those recommendations? We're faced with a deep problem in the state. Those citizens in Atlantic City, who I'm familiar with -- I worked with them for 20 years. I don't want them to be out of work, I don't want them to lose their houses. But that's not the fault of the people on this panel, okay? You can't blame anybody for that, except the people who ran that situation. That was the companies, and the government, and the oversight that have checked these casinos to see whether they were financially stable -- and they weren't. They left these properties. You talk about being outside of the State of New Jersey; a monopoly? Harrah's is 67 miles out of Atlantic City, and you're worrying about a casino that's going to be on the border of New York?

These companies don't care about the citizens of Atlantic County or the State of New Jersey. They care about profit, okay? Companies did not come into Atlantic City when we passed the boutique

casino legislation, because they didn't want to lose money; and you can't blame them. Why would you invest in Atlantic City, at this point, if you see what's happening to the values of those properties?

ASSEMBLYMAN BROWN: Are you asking me that question?

ASSEMBLYMAN CAPUTO: We're attempting--

ASSEMBLYMAN BROWN: Excuse me.

ASSEMBLYMAN CAPUTO: We're attempting to put dollars and value back into those properties so that you can crawl out of the hole that you're in. You didn't put yourself there, but you're in it. And we're trying to provide a solution. We don't have all the answers; but something has to happen, in terms of an alternative.

And the customers who have left our state are not going to Atlantic City; they're convenience gaming people, they go where it's convenient. There is no loyalty. They don't get on a bus because they love the salt water taffy in Atlantic City. They're looking for a game, and they're looking for a game 10, 15, 20, a half-hour from their house.

So you want to fight the reality of that? I'm sorry for you, because it's going to get worse if we don't do something, okay? The eight casinos that are left, possibly there are four that are making money. Some of the legislation that has been put before the Legislature, that the Assemblyman was talking about -- that we're fighting about, honestly -- doesn't want to give fair competition for companies to compete on casinos. They want the inside people to get it. They want the inside licenses to qualify, okay? That's an inside game; that's what kills Atlantic City. We have to open up this process to bring a world competitor or world competitors into this state. And by limiting that, by providing the dollars

to Atlantic City resources, and also letting them control the licenses, is counterproductive.

I sympathize 1,000 percent with your situation. But I don't see a way out of this, unless we do something positive. And something positive would be, if I was working in Atlantic City and a property opened up in North Jersey, and I had the experience in terms of marketing, gaming, or whatever -- I'd be applying for a job there, okay? And why wouldn't we give them preference? Why wouldn't we offer somebody an opportunity?

When Atlantic City first opened, the experienced people came from Las Vegas to train our people in New Jersey, and that can still happen here. So it's not that I don't respect your opinion; but I think it's very short-sighted and very destructive. Because if we continue on this business model, all we're going to have is more deterioration, and more of a lack of ability for Atlantic City to survive the financial crisis that they're in.

Thank you.

ASSEMBLYMAN McKEON: All right, thank you.

Assemblyman Johnson?

ASSEMBLYMAN JOHNSON: No.

ASSEMBLYMAN McKEON: Nothing?

ASSEMBLYMAN JOHNSON: It's all been said.

ASSEMBLYMAN McKEON: Yes, and my final comment will just be very brief.

You know, we're talking about studies and the like. But the numbers are extraordinary: In 2006, casino revenues were \$5.2 billion; in 2014, they were \$3 billion; and last year, I think, closer to \$2.8 billion.

One of the witnesses mentioned a hotel in Absecon. And one thing I can be certain of: If this constitutional amendment is listed, and if the majority of the people of the state support it, and vote for it, maybe that business can be saved. If we do nothing, it won't be.

So with that, I will close the public portion of the hearing on ACR-2 -- I think I said *ASR* earlier; I misspoke. It's ACR-2 -- and move to the next ACR.

**(HEARING CONCLUDED)**

## APPENDIX

Meadowlands Regional Chamber  
201 Rt 17 North  
Rutherford, NJ 07070

Jim Kirkos, President & CEO  
201-939-0707  
[jkirkos@meadowlands.org](mailto:jkirkos@meadowlands.org)

The Meadowlands Regional Chamber has been advocating for the expansion of gaming outside of AC for many years now. Our advocacy revolves around the fact that destination development is economic development and we believe strongly that the Meadowlands can be a primary destination and an economic engine for NJ in addition to destinations like AC.

That advocacy has led us to not only champion the Meadowlands region but also champion NJ as a state because we have such awesome destination assets in every corner especially along our Eastern shores.

My staff and I currently serve on the Board of the NJ Tourism Industry Association and we were part of the formation of NJDMO comprised of DMO executives from just about every county. Both organization have a mission to promote all of NJ.

We at the Meadowlands Regional Chamber have a vision and belief that the Meadowlands Sports Complex is a prime location for a world class hotel, casino and convention center to complement the existing MetLife Stadium, Meadowlands Racetrack and the soon-to-be American Dream. These venues combined can create the world's best multi-venue sports and entertainment complex that can and will attract millions of visitors every year and greatly impact local communities and NJ revenues.

Together, these venues help insure each other's long term success by offering a diverse array of entertainment experience and allowing us to attract major national and international events.

In an Op Ed that I penned last Saturday, I commented that I believe AC's best days are ahead of it ...if it transitions into a resort destination and robust business hub. We support that effort without reservation and believe that financial assistance

from whatever legislation is enacted have should have an element that achieves that. I am certainly cognizant of the current job loss in AC due to closed casinos but the simple fact that we all know is future job growth in AC is not going to come from its gaming sector. Jobs will be restored as it transitions into a more diverse economy.

Today I sit here with great concern that we will squander another opportunity to advance legislation that will create jobs and economic impact in both North and South Jersey.

With the impasse of the current versions of the Senate and Assembly bills to expand casino gaming in NJ, the MRC is urging our legislators to find further compromise.

This Assembly bill has less limitation on who can compete for a gaming license. We believe that element is critical in attracting interested casino operators that are willing and able to invest mightily in a product that is of world class caliber.

I'm sorry but I can't help but wonder if current AC casino operators who have vehemently opposed any attempt to allow gaming outside of AC is really willing to build and operate a world class casino in the North.

And I also can't help but wonder if they will be willing to wage a YES vote campaign to educate voters in NJ about the benefits to the state.

The time has come to remove the political wrangling and come together.

We urge this Assembly Committee to find common ground with the Senate and allow us to advance a bill that drives economic growth which will benefit all of New Jersey.

Thank you for the opportunity to address this esteemed committee



**Statement of Debra P. DiLorenzo, President & CEO, Chamber of Commerce Southern New Jersey  
Before the  
Assembly Judiciary Committee  
Thursday, January 7, 2016**

Good morning, Mr. Chairman and members of the Committee. I am Debra P. DiLorenzo, President & CEO, Chamber of Commerce Southern New Jersey and a lifelong resident of Southern New Jersey. I am here today to express our organization's strong opposition to ACR-2. Thank you for the opportunity to present our position.

I am here representing the largest and most active business organization in South Jersey because this is a South Jersey issue—make no mistake about it.

We unfortunately know and are living the impacts of competition so close to Atlantic City. Let me bring you back to 2006—before the recent casino development in our neighboring states took place—when we had 11 casino hotels in full operation in Atlantic City, who posted \$5.2 billion in revenue. Collectively, they directly employed 42,000 people living in one of the seven South Jersey counties. At that same time, 1,684 vendors throughout Southern New Jersey sold \$1.6 billion worth of goods and services to these casino hotels. The unemployment rate in South Jersey averaged 5.6%.

One year later, in 2007, two new casinos opened in Pennsylvania and Dover Downs in Delaware added significantly to its table games, slots and other amenities.

Since then, four other new casinos have opened in Pennsylvania, the furthest being 175 miles from Atlantic City and the closest 62 miles.

The City of Philadelphia recently approved another new casino adjacent to Lincoln Financial Field and Citizens Bank Stadium, construction of which is to begin very soon.

Since the opening of five new casinos and the expansion of one in our neighboring states, and within a three hour drive to Atlantic City, four of our casinos have closed—all in 2014. The pre-2007 direct employee base of 42,000 is now at 23,700, a 56.5% decline. Annual casino revenue has fallen from \$5.2 billion to \$2.8 billion, a 46% decline. Vendors throughout South Jersey have lost approximately \$1 billion in sales. And the unemployment rate on average in South Jersey is 8.77%, vs. the 14 Central and Northern New Jersey counties whose average unemployment rate is approximately 6.11%.

According to the New Jersey Department of Labor, the three counties with the highest unemployment rates are Cape May, Atlantic and Cumberland. Also noteworthy, these three counties in 2012 had the lowest median household income in our State.

At this point in time, and by many indicators, the Atlantic City gaming industry has stabilized. There is new investment and new interest. Tropicana, Resorts, Borgata, Harrah's and Golden Nugget continue to reinvest in their respective properties. And noted Philadelphia developer Bart Blatstein has purchased The Pier and is redeveloping it. Bass Pro Shop opened an 85,000 square foot new facility this year and Meet AC has landed the largest international trade show for meeting planners in 2016.

There is no question and no doubt that this constitutional amendment will ultimately result in more Atlantic City casino closures, more lost jobs, less business for vendors and higher unemployment, especially given that anywhere from 35%--40% of Atlantic City casino customers hail from North Jersey and New York. As we understand the resolution, a decreasing percentage of Northern New Jersey casino dollars will flow to Atlantic City. While well-intentioned, we do not believe the allocation of these dollars to Atlantic City will mitigate the overall negative impact on the entire Southern New Jersey region; nor will it help the thousands who have already lost their jobs, and the thousands who will potentially lose their jobs due to further casino closures and lost business.

We urge you not to let history repeat itself—please don't give up on Atlantic City.

ADDENDUM TO TESTIMONY OF  
CHRISTINA M. RENNA, VICE PRESIDENT, CHAMBER OF COMMERCE SOUTHERN NEW JERSEY

Number of Casinos in Atlantic City	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015/2016
Changes In The Region's Gaming Market 2006 - 2014	11	11	11	11	11	11	12	12	8	Philadelphia Approves Live! Hotel & Casino. Planned opening late 2016/early 2017 - 60 miles from AC
	The Sands Casino Hotel Closes in AC	January 2007: Harrah's Chester Opens - 72 miles from AC October 2007: Mount Airy Casino Resort Opens - 175 miles from AC Dover Downs in Delaware Expands Operations - 130 miles from AC		May 2009: Sands Casino Resort Opens - 120 miles from AC December 2009: Parx Casino and Racing Opens - 78 miles from AC	September 2010: SugarHouse Casino Opens - 62 miles from AC		Revel Opens in AC		Revel, Trump Plaza, Showboat and Atlantic Club Close in AC	

	2006	2007	2008	2009	2010	2011	2012	2013	2014
Annual Casino Revenue (in billions)	\$5.20	\$4.82	\$4.48	\$3.89	\$3.60	\$3.30	\$3.00	\$2.86	\$2.80
# of Casino Employees Living in Southern New Jersey*	41,943	38,842	36,801	34,697	32,562	31,304	33,073	30,917	23,734
Casino Monies Spent with South Jersey Vendors*	\$1.6B	\$2.03B	\$1.8B	N/A	\$879M	\$1.7B	\$930M	\$772M	\$628M
Average Unemployment Rate in Southern New Jersey*	5.60%	5.27%	6.40%	10.50%	11.60%	11.60%	11.70%	10.45%	8.82%
* Southern New Jersey defined as Cape May, Atlantic, Salem, Cumberland, Gloucester, Camden and Burlington Counties.									

CHAMBER OF COMMERCE SOUTHERN NEW JERSEY

**Jennifer Reppert**

**Delran**

**January 7, 2016**

The foundation of the nation and its states is built on the fact that instituted government derives its powers from the consent of the people.

Our founders were very concerned with the creation of political parties. They feared this would create a deep threat to the health of the nation. A small but crafty special interest minority would put in place the will of a party over the will of the people.

This brings me to the 4 amendments that are being discussed today. All 4 appear to be created for the benefit of a particular party and their own interests above that of the New Jersey citizen. At first glance, a person who reads it would think perhaps they are good ideas. I guess that is the point, but in reality they are anything but good ideas for the citizens that this legislation represents.

**ACR 1** Although at first glance it looks like it is a good thing, gas taxes going to the transportation fund to build and fix roads and other infrastructure (I thought this was already supposed to be happening). However, it avoids to mention the separate intent to raise this tax by 25 cents (which everyone opposes). Creating an amendment to make sure this gas tax gets into the transportation fund is a way to gain favor with the construction unions. If their members are working and feel like work is good and the politicians are favoring them, they are more likely to go out and knock on doors for the interested candidate. More importantly, cast a vote for him or her. Lastly, details of annual budget management should not be in the Constitution. There needs to be flexibility to adjust to the ebbs and flows of the economy.

**ACR2** I realize that casino authorization is a constitution item. However, this proposal is manipulative and calculating to meet political ends. It also doesn't consider the negative impact on Atlantic City.

**ACR3** Mandate that state revenues fully fund all pension funds. Once again, financial management details don't belong in the Constitution. The state can't pay these benefits. They are not in a good financial position. Legislators who want to get re-elected will once again kick the can down the road without addressing the problem. More of the same that put us in the financial situation we are in. Sadly, this will affect innocent young citizens, all of our children and grandchildren.

**ACR4** This admendment is probably the worst for the citizens and the republic.

1. Has immense impact on who gets elected. Definitely favors one party.
2. The citizen is completely shut out of the process.
3. Gives feeling of bias.
4. Having the Chief Justice of the NJ Supreme Court as the tie breaker is a complete and utter breach of the jurisdiction of authority. The court's whole reason to exist is to act independently and to evaluate constitutional issues and laws that were created by the legislation-which were elected by the people to represent the people. They should not be involved in party manipulation.

Thank you for your time.




Commerce and Industry Association of New Jersey

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**Memorandum**

To: Members of the Assembly Judiciary Committee

From:  Anthony Russo, EVP - Government Affairs & Communications  
Commerce and Industry Association of New Jersey

Date: January 7, 2016

Subject: **ACR #2 (Expansion of Gaming in New Jersey)**

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Good morning Chairman McKeon and members of the committee. My name is Anthony Russo. I am the Executive Vice President of Government Affairs and Communications for the Commerce and Industry Association of New Jersey (CIANJ). The CIANJ is a statewide business advocacy group, with offices in Paramus and Trenton, representing the interests of more than 900 members from virtually every business sector (manufacturing, hospitality, financial, insurance, academia, healthcare, etc.).

CIANJ supports ACR #2 because we believe our economy and quality of life are strengthened when new investment comes into our State. This resolution will benefit New Jersey as a whole by expanding gaming in northern New Jersey. It will attract new investment, create thousands of private sector jobs in the construction of a resort and casino and, when completed, thousands of high paying-permanent jobs.

For example, a world class resort and casino in Jersey City, which has been discussed as a possible location, will provide additional choice for consumers and will be a beacon that attracts guests from the metropolitan area and around the world to New Jersey while enhancing our image as an outstanding destination for recreation and tourism. The revenues derived from gaming in northern New Jersey, coupled with the private sector job creation, will fuel sustained growth in the state's economy.

CIANJ recognizes that there are differences in language concerning the licensing process described in the resolution. We support any solution that results in a free market driven process that opens competition to the widest number of possible interested parties in making gaming in northern New Jersey a reality. We firmly believe that New Jersey is best served when free market approaches are employed in economic development. Free markets spur innovation and competition which ultimately attracts consumers by providing the widest array of choices possible.

It is also important to note that the window of opportunity for New Jersey will not likely remain open for very long as New York City and other metropolitan locations are considering expansion of gaming operations in their jurisdictions. Investment will go where it is welcomed and we should welcome it with open arms. New Jersey can strengthen its competitive advantage over New York and Pennsylvania by attracting private sector investment and gaming revenues here in our State.

We commend the sponsors of the resolution for their leadership and vision and we urge you to vote **yes** on ACR #2. I can be reached at [arusso@cianj.org](mailto:arusso@cianj.org) or 908-415-4597 with any questions. Thank you for the opportunity to comment.

Michele N. Siekerka  
President

TO: Members of the Assembly Judiciary Committee

FR: Michele N. Siekerka, Esq., President and CEO of the New Jersey Business and Industry Association

DATE: January 7, 2016

RE: **ACR-2 (Caputo, Prieto)**

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On behalf of its 20,000 members, who employ 1.2 million people, the New Jersey Business & Industry Association would like to express its support for efforts to expand the footprint of casino gambling beyond Atlantic City's borders in order to revitalize an important state industry, create new jobs and stimulate the state's economy.

New Jersey's casino gaming industry is being negatively impacted by casinos in surrounding states, siphoning gambling revenue away from Atlantic City, a reality that has led to the recent closure of four casinos here that have put 8,000 people out of work.

By allowing a limited number of casinos in other parts of our state, we can better compete for the casino dollars already being spent elsewhere in Pennsylvania, Delaware and New York while at the same time providing significant redevelopment funding for Atlantic City.

If we don't act now our three neighboring states will continue to pose a competitive threat. If casino gambling ever comes to the Manhattan area, which is actively being contemplated, the game will be over. We need to make New Jersey competitive with our neighboring states.

The landscape has changed since the first casino opened nearly 40 years ago in Atlantic City, which unfortunately is no longer the only game in town. The New Jersey casino industry – a vital part of the state's economy – needs room to grow in order to provide the new jobs and economic boost that New Jersey and Atlantic City needs.

Testimony of Barbara Eames  
Whippany NJ – January 7, 2016  
On ACR1 ACR2 ACR3 ACR4

The elected representatives of the majority party of the NJ Legislature are about to embark on an historic undertaking to “fundamentally change” the NJ State Constitution, with four amendments.

IF the People of the State of NJ were aware and understood the assaults upon not only the State Constitution, but upon the principle of Constitutional separation of powers, and ultimately, their liberty, and freedom from oppressive government that will be a result of these ill-advised amendments, they would be filling these chambers today. Most people, however, have little knowledge about today's deliberations, are consumed with the daily responsibilities of families and jobs, and might even acknowledge the futility of testifying today.

Their absence does NOT, however, justify the damage to representative government, the perversion of the public trust, and the triumph of partisan politics over that trust that are the intention of today's deliberations. As Mark Twain famously stated, “No man's life, liberty, or property are safe while the legislature is in session.”

A former US President, with more wisdom and moral compass than many of his peers either then or now, wrote this many years ago:

**“All obstructions to the execution of the Laws, all combinations and Associations, under whatever plausible character, with the real design to direct, control, counteract, or awe the regular deliberation and action of the Constituted authorities, are destructive of this fundamental principle (of liberty) and of fatal tendency.**

**They serve to organize faction, to give it an artificial and extraordinary force; to put in the place of the delegated will of the nation, the will of a party; often a small but artful and enterprising minority of the Community; and, according to the alternate triumphs of different parties, to make the public administration the Mirror of the ill-concerted and incongruous projects of faction, rather than the organ of consistent and wholesome plans digested by common councils and modified by mutual interests.**

**However combinations or Associations of the above description may now and then answer popular ends, they are likely, in the course of time and things, to become potent engines, by which cunning, ambitious and unprincipled men will be enabled to subvert the Power of the People, and to usurp for themselves the reins of Government; destroying afterwards the very engines which have lifted them to unjust dominion.”**

It seems that George Washington must have been speaking of this NJ legislature.

The gas tax and pension amendments seek to institutionalize both revenues and expenditures outside of the annual appropriations process, by removing that annual Constitutional responsibility from the legislature, and placing it in the Constitution. The two Amendments on redistricting and Pensions represent nothing more than a blatant attempt to consolidate the power of the majority party among special interests and in certain geographies. It is a shameless manipulation of the Public Will for the personal benefit of politicians who seek to ensure either the dominance of a political party in NJ, or their own election.

The Amendments will also contribute to a deterioration of the terrible fiscal condition of the State, which already has the highest exit rate in the nation.

The legislature will hide behind the excuse that they are giving "The People" the right to decide these issues. The complicated questions will be worded in such a way as to make them seem simple, reasonable and even necessary. The result will be that the people will unwittingly be manipulated for the benefit of the majority faction that placed the questions on the ballot.

In closing, Washington spoke about **"the preservation of your government"** and warned **"that you resist with care the spirit of innovation upon its principles however specious the pretexts."** He continued, **"One method of assault may be to effect, in the forms of the Constitution, alterations which will impair the energy of the system, and thus to undermine what cannot be directly overthrown."**

So manipulation of the system, by pandering to constituencies for political benefit, betrays the sacred trust placed in elected officials, and undermines the integrity of the governmental system. The legislature MAY have the ability to pass four amendments to the Constitution, but that does NOT mean it has the moral authority to do so. Vote "NO" on these amendments.

I thank you for your time.

-----Original Message-----

From: jeanpublic1@yahoo.com [mailto:jeanpublic1@yahoo.com]

Sent: Wed 1/6/2016 9:29 AM

To: OLSaideAJU

Subject: vote no on acr1,2,3,4

i oppose all 4 bills. they are not good for nj. will raise taxes and bring nj in the wrong direction. we need more accountability on spending our tax dollars and we need to downsize govt. we need to insist on knowing where our tax dollars go since they are spent unwisely with millions of dollars paid per mile of road that is 15 times larger than any other state pays, even those right next door to nj. its time to cut the overspending. its time to insist that state and municipal employees work an eight hour day and benefits are cut and pensions stop altogether. the costs are too high for taxpayers in this state. all 4 bills are bad for nj. jean public1 flemington nj