

**ACTS**  
OF THE  
**First Annual Session**  
OF THE  
**Two Hundred and Seventeenth Legislature**  
OF THE  
STATE OF NEW JERSEY



**2016**



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**AMENDMENTS  
ADOPTED IN 2016 TO  
THE 1947 CONSTITUTION**

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## AMENDMENT ADOPTED IN 2016 TO THE 1947 CONSTITUTION

### ARTICLE VIII, SECTION II, PARAGRAPH 4

*Amend Article VIII, Section II, paragraph 4 to read as follows:*

4. There shall be credited to a special account in the General Fund:

(a) for each State fiscal year commencing on and after July 1, 2007 through the State fiscal year commencing on July 1, 2015 an amount equivalent to the revenue derived from \$0.105 per gallon from the tax imposed on the sale of motor fuels pursuant to chapter 39 of Title 54 of the Revised Statutes, and for each State fiscal year thereafter, an amount equivalent to all revenue derived from the collection of the tax imposed on the sale of motor fuels pursuant to chapter 39 of Title 54 of the Revised Statutes or any other subsequent law of similar effect;

(b) for the State fiscal year 2001 an amount not less than \$100,000,000 derived from the State revenues collected from the tax on the gross receipts of the sale of petroleum products imposed pursuant to P.L.1990, c.42 (C.54:15B-1 et seq.) as amended and supplemented, or any other subsequent law of similar effect, for each State fiscal year from State fiscal year 2002 through State fiscal year 2016 an amount not less than \$200,000,000 derived from those revenues, and for each State fiscal year thereafter, an amount equivalent to all revenue derived from the collection of the tax on the gross receipts of the sale of petroleum products imposed pursuant to P.L.1990, c.42 (C.54:15B-1 et seq.) as amended and supplemented, or any other subsequent law of similar effect; and

(c) for the State fiscal year 2002 an amount not less than \$80,000,000 from the State revenue collected from the State tax imposed under the "Sales and Use Tax Act," pursuant to P.L.1966, c.30 (C.54:32B-1 et seq.), as amended and supplemented, or any other subsequent law of similar effect, for the State fiscal year 2003 an amount not less than \$140,000,000 from those revenues, and for each State fiscal year thereafter an amount not less than \$200,000,000 from those revenues; provided, however, the dedication and use of such revenues as provided in this paragraph shall be subject and subordinate to (a) all appropriations of revenues from such taxes made by laws enacted on or before December 7, 2006 in accordance with Article VIII, Section II, paragraph 3 of the State Constitution in order to provide the ways and means to pay the principal and interest on bonds of

the State presently outstanding or authorized to be issued under such laws or (b) any other use of those revenues enacted into law on or before December 7, 2006. These amounts shall be appropriated from time to time by the Legislature, only for the purposes of paying or financing the cost of planning, acquisition, engineering, construction, reconstruction, repair and rehabilitation of the transportation system in this State and it shall not be competent for the Legislature to borrow, appropriate or use these amounts or any part thereof for any other purpose, under any pretense whatever.

Adopted November 8, 2016.

Effective December 8, 2016.

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**PROPOSED AMENDMENT  
TO THE 1947 CONSTITUTION  
THAT HAS BEEN REJECTED  
IN 2016**

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## **PROPOSED AMENDMENT TO THE 1947 CONSTITUTION THAT HAS BEEN REJECTED IN 2016**

### **ARTICLE IV, SECTION VII, PARAGRAPH 2**

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

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

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

B. It shall be lawful for the Legislature to authorize, by law, bona fide veterans, charitable, educational, religious or fraternal organizations, civic and service clubs, senior citizen associations or clubs, volunteer fire companies and first-aid or rescue squads to conduct games of chance of, and restricted to, the selling of rights to participate, and the awarding of prizes,

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

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

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

(2) It shall also be lawful for the Legislature to authorize by law wagering at casinos or gambling houses in Atlantic City on the results of any professional, college, or amateur sport or athletic event, except that wagering shall not be permitted on a college sport or athletic event that takes

place in New Jersey or on a sport or athletic event in which any New Jersey college team participates regardless of where the event takes place.

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

(b) (i) Any law authorizing the establishment and operation of such gambling establishments shall provide that, in the first State fiscal year in which State revenues are derived under part (3) of subparagraph D. of this paragraph, those State revenues shall be credited to a special account and dedicated for the purposes specified under part (1) of subparagraph D. of this paragraph and shall be used for those purposes.

(ii) Any law authorizing the establishment and operation of such gambling establishments shall provide that, commencing in the second State fiscal year in which State revenues are derived under part (3) of subparagraph D. of this paragraph and thereafter, State revenues derived under part (1) and part (3) of subparagraph D. of this paragraph shall be credited to a special New Jersey Investment Fund. The revenues credited to the investment fund in each State fiscal year shall be applied solely as follows.

Two percent of the amount so credited in each State fiscal year first shall be dedicated as State aid with each half of the two percent allocated to the locality in which each of the two gambling establishments is located and operating. Locality shall mean the host municipality, county, or both.

Then, there shall be the following incremental allocations for each State fiscal year. The remaining revenues credited to the investment fund in each State fiscal year up to \$150,000,000 shall be dedicated 50 percent for the purposes of the recovery, stabilization, or improvement of the city of Atlantic City, and 50 percent for the following purposes: 60 percent for the purposes specified under part (1) of subparagraph D. of this paragraph to be used for those purposes, and 40 percent for State aid to each county and municipality in the State for programs and property tax relief for senior citizens and disabled residents and for such other purposes as the Legislature shall by law provide.

Then, remaining revenues credited to the investment fund in each State fiscal year up to an additional \$150,000,000 shall be dedicated 40 percent

for the purposes of the recovery, stabilization, or improvement of the city of Atlantic City, and 60 percent for the following purposes: 60 percent for the purposes specified under part (1) of subparagraph D. of this paragraph to be used for those purposes, and 40 percent for State aid to each county and municipality in the State for programs and property tax relief for senior citizens and disabled residents and for such other purposes as the Legislature shall by law provide.

Then, remaining revenues credited to the investment fund in each State fiscal year up to an additional \$150,000,000 shall be dedicated 30 percent for the purposes of the recovery, stabilization, or improvement of the city of Atlantic City, and 70 percent for the following purposes: 60 percent for the purposes specified under part (1) of subparagraph D. of this paragraph to be used for those purposes, and 40 percent for State aid to each county and municipality in the State for programs and property tax relief for senior citizens and disabled residents and for such other purposes as the Legislature shall by law provide.

Then, remaining additional revenues credited to the investment fund in each State fiscal year shall be dedicated 20 percent for the purposes of the recovery, stabilization, or improvement of the city of Atlantic City, and 80 percent for the following purposes: 60 percent for the purposes specified under part (1) of subparagraph D. of this paragraph to be used for those purposes, and 40 percent for State aid to each county and municipality in the State for programs and property tax relief for senior citizens and disabled residents and for such other purposes as the Legislature shall by law provide.

Commencing in the 17th State fiscal year and for the next subsequent nine State fiscal years, the percentages dedicated above for the purposes of the recovery, stabilization, or improvement of the city of Atlantic City shall decrease by, and the percentage dedicated above for the purposes specified under part (1) of subparagraph D. of this paragraph, for State aid to each county and municipality in the State for programs and property tax relief for senior citizens and disabled residents, and for such other purposes as the Legislature shall by law provide shall increase by, the same number of percentage points from the prior State fiscal year percentage, to achieve a final dedication of 10 percent/90 percent, 8 percent/92 percent, 6 percent/94 percent, and 4 percent/96 percent, respectively, for each of the four incremental allocations of the remaining revenues credited to the investment fund, and shall remain at those levels for each State fiscal year thereafter.

Of the percentage of revenues from the investment fund dedicated for State aid to each county and municipality in the State for programs and

property tax relief for senior citizens and disabled residents and for such other purposes as the Legislature shall by law provide, not less than two percentage points in each State fiscal year shall be dedicated for the purposes of programs designed to aid the thoroughbred and standardbred horsemen in this State.

Notwithstanding the dedications above, the total amount dedicated in each State fiscal year for the purposes of the recovery, stabilization, or improvement of the city of Atlantic City shall not exceed one third of the total revenues credited to the investment fund in each State fiscal year. Any amounts allocated pursuant to the dedications in (b) (ii) in excess of this limitation shall be reallocated for the purposes specified under part (1) of subparagraph D. of this paragraph.

If in any State fiscal year the allocations of revenue pursuant to the dedications in (b) (ii) for the purposes specified under part (1) of subparagraph D. of this paragraph are less than the amount of State revenues derived under and for the purposes specified in part (1) of subparagraph D. of this paragraph in State fiscal year 2015, the amounts allocated to all other purposes shall be proportionately reduced by an amount not exceeding the difference between the amount of State revenues derived under and for the purposes specified in part (1) of subparagraph D. of this paragraph in State fiscal year 2015 and the amount allocated pursuant to the dedications in (b) (ii) for the purposes specified under part (1) of subparagraph D. of this paragraph.

(c) The eligibility for each initial license to establish a gambling house or casino under part (3) of subparagraph D. of this paragraph shall be limited to 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 the concurrent resolution that proposed the amendment that added part (3) of subparagraph D. of this paragraph to this Constitution; 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 the Legislature of the concurrent resolution that proposed the amendment that added part (3) of subparagraph D. of this paragraph to this Constitution, 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 shall 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 that proposed the amendment that added part (3) of subparagraph D. of this paragraph to this Constitution.

(d) If a person described under (c) above does not apply for a license within 60 days following the date on which the licensing entity indicates that applications are being accepted, or does apply but fails to meet certain progress requirements that shall be prescribed by law, within the time periods that shall be prescribed by law, toward the establishment and operation of a gambling house or casino, any person may apply for that license in accordance with law.

(e) An application for a license to establish a gambling house or casino shall be approved only if the applicant commits to and makes an investment of at least \$1,000,000,000 in the acquisition, construction, and development of the facility, which amount shall be ascertained as provided by law, in which the gambling house or casino is located prior to the commencement of gambling operations in that facility.

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

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

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

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

Rejected November 8, 2016.