

SENATE STATE GOVERNMENT, WAGERING, TOURISM &
HISTORIC PRESERVATION COMMITTEE

STATEMENT TO

SENATE, No. 159

STATE OF NEW JERSEY

DATED: FEBRUARY 12, 2024

The Senate State Government, Wagering, Tourism & Historic Preservation Committee reports favorably Senate Bill No. 159.

This bill establishes the “County Tourism Incentive Grant Fund” and provides for the appropriation and distribution of excess State hotel and motel occupancy fee revenues for deposit to the fund to provide funding for grants to counties to support tourism advertising and promotion.

Under the bill, the “County Tourism Incentive Grant Fund” is established as a special, non-lapsing fund within the Department of the Treasury. The bill requires the fund to be administered by the State Treasurer, and provides for the fund to be used as a repository for all excess State hotel and motel occupancy fee revenues that are appropriated and distributed to the Department of the Treasury for deposit to the fund.

The bill requires the State Treasurer to use the excess revenues deposited into the fund to issue annually, commencing with State fiscal year 2024, tourism incentive grants to counties for the purpose of providing financial assistance to counties to support tourism advertising and promotion. To effectuate that purpose, the bill authorizes the State Treasurer to approve, on or before January 1, 2025, and on or before January 1 of each year thereafter, the issuance of an incentive grant to each county that has, on or before October 1, 2024, and on or before October 1 of each year thereafter:

- (1) made and filed an application with the State Treasurer;
- (2) submitted a statement to the State Treasurer detailing how financial assistance from the fund will be used to support tourism advertising and promotion; and
- (3) entered into an agreement with the State Treasurer requiring the county to use financial assistance from the fund to support tourism advertising and promotion, to not use financial assistance from the fund to reduce or eliminate the total amount of other funds currently used by the county to support tourism advertising and promotion, and to repay, with interest, the total amount of financial assistance issued to the county if the assistance is not used to support tourism

advertising and promotion or the assistance is used to reduce or eliminate the total amount of other funds currently used by the county to support tourism advertising and promotion.

The bill provides that the amount of each incentive grant issued to a county will equal the county's share of the excess State hotel and motel occupancy fee revenues deposited to the fund.

The bill authorizes the State Treasurer, in consultation with the New Jersey Division of Travel and Tourism in the Department of State, to adopt rules and regulations necessary to effectuate the purposes of the bill, and permits the immediate filing of those rules and regulations with the Office of Administrative Law, effective for a period not to exceed 360 days following the bill's effective date.

This bill was prefiled for introduction in the 2024-2025 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.