

**SENATE, No. 4157**

---

**STATE OF NEW JERSEY**  
**219th LEGISLATURE**

---

INTRODUCED NOVEMBER 15, 2021

**Sponsored by:**

**Senator STEPHEN M. SWEENEY**

**District 3 (Cumberland, Gloucester and Salem)**

**SYNOPSIS**

Imposes temporary surcharge on hotel occupancies in certain cities to fund public safety services.

**CURRENT VERSION OF TEXT**

As introduced.



1 AN ACT imposing a temporary surcharge on hotel occupancies in  
2 certain cities.

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State  
5 of New Jersey:

6

7 1. a. A surcharge at the rate of \$3 per day for each occupied  
8 room shall be imposed on hotels in each qualified municipality.

9 b. A surcharge imposed under subsection a. of this section shall  
10 be collected and administered by the Director of the Division of  
11 Taxation in the Department of the Treasury. In carrying out the  
12 provisions of this subsection, the director shall have all the powers  
13 granted in P.L.1966, c.30 (C.54:32B-1 et seq.). The director shall  
14 determine and certify to the State Treasurer on a monthly basis the  
15 amount of revenues collected by the director pursuant to subsection  
16 a. of this section in each qualified municipality. The State  
17 Treasurer, upon the certification of the director and upon the  
18 warrant of the Director of the Division of Budget and Accounting in  
19 the Department of the Treasury, shall pay and distribute on a  
20 monthly basis to the qualified municipality the amount so  
21 determined and certified.

22 c. All surcharges received by a qualified municipality pursuant  
23 to subsection a. of this section shall be deposited into a dedicated  
24 public safety services trust fund. Amounts deposited in the trust  
25 fund shall be used by a qualified municipality solely and  
26 exclusively to fund appropriations for public safety services. The  
27 amount deposited into the dedicated public safety services trust  
28 fund shall be anticipated in the budget of a qualified municipality as  
29 a special item of revenue and as an appropriation item of an amount  
30 equal to any such special item of revenue pursuant to N.J.S.40A:4-  
31 87. The amount deposited into the public safety services trust fund  
32 shall be inserted into the annual budget as a special item of revenue  
33 or appropriation only when the total amount appropriated for public  
34 safety services in the adopted budget of a qualified municipality for  
35 the current fiscal year is greater than the amount appropriated for  
36 public safety services, exclusive of any amount from the public  
37 safety services appropriated in the budget in the previous fiscal  
38 year.

39 d. As used in this section:

40 "Hotel" means a building or a portion of a building that is  
41 regularly used and kept open for the lodging of guests and includes  
42 a hotel, motel, inn, and rooming or boarding house, whether or not  
43 meals are served.

44 "Occupied room" means a room or rooms of any kind in any part  
45 of a hotel, other than a place of assembly, that is used or possessed  
46 by a guest or guests overnight or for a portion of a day, whether or  
47 not for consideration.

1       “Qualified municipality” means a municipality in which the  
2 provisions of P.L.1947, c.71 (C.40:48-8.15 et seq.) are operative on  
3 the date of enactment of P.L.       , c.        (pending before the  
4 Legislature as this bill).

5       “Public safety services” means the hiring, retention, and training  
6 of and equipment for employees of the police and fire departments  
7 in a qualified municipality.

8  
9       2. This act shall take effect on the first day of the second month  
10 next following the date of enactment and shall expire two years  
11 thereafter.

12

13

14

STATEMENT

15

16       This bill imposes a daily \$3 per room surcharge on hotel  
17 occupancies in certain cities. The bill requires all surcharges to be  
18 deposited into a public safety services trust fund and dedicated to  
19 fund public safety services for each qualifying city. The surcharge  
20 revenues are intended to supplement, rather than replace,  
21 appropriations for public safety services that are supported by  
22 general revenues, such as the municipal State aid and the property  
23 tax levy. To that end, the bill allows a qualified municipality to  
24 appropriate the surcharge revenues in the municipal budget only if  
25 municipal appropriations for public services in the current fiscal  
26 year are higher than municipal appropriations for public safety  
27 services in the prior fiscal year. The surcharges would sunset in  
28 two years after the effective date.

29       The surcharges under the bill would be imposed in municipalities  
30 that levy a retail sales tax pursuant to P.L.1947, c.71 (C.40:48-8.15  
31 et seq.), which is only available to fourth class cities. Atlantic City  
32 is currently the only such city that levies this tax and that would be  
33 subject to the surcharge provisions of the bill. The surcharges  
34 imposed by the bill would be in addition to the daily fees levied on  
35 hotel occupancies pursuant to P.L.1991, c.376 (C.40:48-8.45 et  
36 seq.) and section 6 of P.L.2003, c.116 (C.5:12-145.8). The State  
37 would collect the surcharges and would remit the revenues  
38 therefrom to the city.