

Gov. Murphy moves to reduce state involvement in Atlantic City

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ATLANTIC CITY — Gov. Phil Murphy's administration announced Monday measures that would reduce the state's involvement in Atlantic City, including a goal of ending the state designee's role within 30 days.

Murphy announced the measures this week as part of a "review and recommendation process" that include reverting the government functions back to the Department of Community Affairs and ending the designee within 30 days, according to a statement sent Monday from Murphy's office.

Former state attorney general and U.S. Senator Jeffrey Chiesa has been serving as the Local Government Service director's designee since the state took over the city's finances in November 2016.

Some litigation matters will remain with Chiesa's law firm, Chiesa Shahinian & Giantomasi PC, the statement says, while others will be handled by the Attorney General's office or new outside counsel.

"The economic revitalization of Atlantic City is critical to advancing our overall state economy," Murphy said in the statement. "The actions we are taking today will ensure we are working in full partnership with the city to ensure economic growth and empowerment for all Atlantic City residents."

In February, Murphy appointed former U.S. Treasury undersecretary Jim Johnson as special counsel to review the state's involvement in the city and to provide recommendations to return the city back to local control. These next steps are part of the review and recommendation process, the statement said.

"DCA will continue to play an active role in Atlantic City to build upon the significant gains the City and State have made over the last 18 months in stabilizing Atlantic City's finances," Lt. Governor Sheila Y. Oliver, also the commissioner of DCA, said in a statement.

"This ongoing partnership between DCA's knowledgeable local government experts and the City's governing body and its professionals will keep Atlantic City moving in the right direction for its residents and businesses and the surrounding region."