

4:1C-13 et al

LEGISLATIVE HISTORY CHECKLIST

NJSA: 4:1C-13 et al

(Farmland
Preservation
program--various
amendments)

LAWS OF: 1988

CHAPTER: 4

Bill No: S1974

Sponsor(s): Zane

Date Introduced: January 28, 1988

Committee: Assembly: -----

Senate: Natural Resources and Agriculture; Revenue, Finance and
Appropriations

Amended during passage: No

Date of Passage: Assembly: February 8, 1988

Senate: February 2, 1988

Date of Approval: March 9, 1988

Following statements are attached if available:

Sponsor statement: Yes

Committee Statement: Assembly: No

Senate: Yes

Fiscal Note: No

Veto Message: No

Message on signing: No

Following were printed:

Reports: No

Hearings: Yes

See newspaper clipping--attached

(Over)

"New law gives state a boost in efforts to preserve dwindling farmland," 3-10-88
Star Ledger

974.90 New Jersey. Legislature. Assembly. Economic Development and
A278 Agriculture Committee.
1987

Public hearing on A3556 and A.3557 (permits 1981 farmland
preservation bond fund moneys to be used by the State....), held 2-5-
87, Trenton, 1987.

P.L. 1988, CHAPTER 4, approved March 9, 1988
1988 Senate No. 1974

1 **AN ACT** concerning farmland preservation and amending and
supplementing P.L. 1983, c. 32.

3
5 **BE IT ENACTED** by the Senate and General Assembly of the
State of New Jersey:

7 1. Section 3 of P.L. 1983, c. 32 (C. 4:1C-13) is amended to
read as follows:

9 3. As used in this act:

11 a. "Agricultural development areas" means areas identified
by a county agricultural development board pursuant to the
provisions of section 11 of this act and certified by the State
Agriculture Development Committee;

13 b. "Agricultural use" means the use of land for common
farmsite activities, including but not limited to: production,
15 harvesting, storage, grading, packaging, processing and the
wholesale and retail marketing of crops, plants, animals and other
17 related commodities and the use and application of techniques
and methods of soil preparation and management, fertilization,
19 weed, disease and pest control, disposal of farm waste, irrigation,
drainage and water management, and grazing;

21 c. "Board" means a county agriculture development board
established pursuant to section 7 or a subregional agricultural
23 retention board established pursuant to section 10 of this act;

25 d. "Committee" means the State Agriculture Development
Committee established pursuant to section 4 of the "Right to
Farm Act," P.L. 1983, c. 31 (C. 4:1C-4);

27 e. "Cost," as used with respect to cost of fee simple absolute
title, development easements or soil and water conservation
29 projects, includes, in addition to the usual connotations thereof,
interest or discount on bonds; cost of issuance of bonds; the cost
31 of inspection, appraisal, legal, financial, and other professional
services, estimates and advice; and the cost of organizational,

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.

1 administrative and other work and services, including salaries,
2 supplies, equipment and materials necessary to administer this
3 act;

4 f. "Development easement" means an interest in land, less
5 than fee simple absolute title thereto, which enables the owner to
6 develop the land for any nonagricultural purpose as determined by
7 the provisions of this act and any relevant rules or regulations
8 promulgated pursuant hereto;

9 g. "Development project" means any proposed construction
10 or capital improvement for nonagricultural purposes;

11 h. "Farmland preservation program" or "municipally
12 approved farmland preservation program" (hereinafter referred
13 to as municipally approved program) means any voluntary
14 program, the duration of which is at least 8 years, authorized by
15 law enacted subsequent to the effective date of the "Farmland
16 Preservation Bond Act of 1981," P.L. 1981, c. 276, which has as
17 its principal purpose the long-term preservation of significant
18 masses of reasonably contiguous agricultural land within
19 agricultural development areas adopted pursuant to this act and
20 the maintenance and support of increased agricultural production
21 as the first priority use of that land. Any municipally approved
22 program shall be established pursuant to section 14 of this act;

23 i. "Fund" means the "Farmland Preservation Fund" created
24 pursuant to the "Farmland Preservation Bond Act of 1981," P.L.
25 1981, c. 276;

26 j. "Governing body" means, in the case of a county, [the board
27 of chosen freeholders] the governing body of the county, and in
28 the case of a municipality, the commission, council, board or
29 body, by whatever name it may be known, having charge of the
30 finances of the municipality;

31 k. "Secretary" means the Secretary of Agriculture;

32 l. "Soil and water conservation project" means any project
33 designed for the control and prevention of soil erosion and
34 sediment damages, the control of pollution on agricultural lands,
35 the impoundment, storage and management of water for
36 agricultural purposes, or the improved management of land and
37 soils to achieve maximum agricultural productivity;

38 m. "Soil conservation district" means a governmental
39 subdivision of this State organized in accordance with the
40 provisions of R.S. 4:24-1 et seq.;

1 n. "Agricultural deed restrictions for farmland preservation
2 purposes" means a statement containing the conditions of the
3 conveyance and the terms of the restrictions set forth in P.L.
4 1983, c. 32 and as additionally determined by the committee on
5 the use and the development of the land which shall be recorded
6 with the deed in the same manner as originally recorded.

7 (cf: P.L. 1983, c. 32, s. 3)

8 2. Section 4 of P.L. of 1983, c. 32 (C. 4:1C-8) is amended to
9 read as follows:

10 4. The secretary shall use the sum of money appropriated by
11 section 31 of this act, and any other sums as may be appropriated
12 from time to time for like purposes, to assist the committee in
13 administering the provisions of this act to make grants to assist
14 boards or any other local units as authorized herein, to acquire
15 development easements, to purchase fee simple absolute titles to
16 farmland for resale with agricultural deed restrictions for
17 farmland preservation purposes, and to make grants to
18 landowners to fund soil and water conservation projects, on land
19 devoted to farmland preservation programs within duly [adopted]
20 certified agricultural development areas.

21 With respect to moneys to be utilized to make grants for soil
22 and water conservation projects, the secretary shall not approve
23 any grant unless it shall be for a project which is also part of a
24 farm conservation plan approved by the local soil conservation
25 district.

(cf: P.L. 1983, c. 32, s.4)

26 3. Section 24 of P.L. 1983, c. 32 (C. 4:1C-31) is amended to
27 read as follows:

28 24. a. Any landowner applying to the board to sell a
29 development easement pursuant to section 17 of this act shall
30 offer to sell the development easement at a price which, in the
31 opinion of the landowner, represents a fair value of the
32 development potential of the land for nonagricultural purposes, as
33 determined in accordance with the provisions of this act.

34 b. Any offer shall be reviewed and evaluated by the board
35 and the committee in order to determine the suitability of the
36 land for development easement purchase. Decisions regarding
37 suitability shall be based on the following criteria:

1 (1) Priority consideration shall be given, in any one county, to
2 offers with higher numerical values obtained by applying the
3 following formula:

$$\begin{array}{r}
 \text{[nonagricultural - agricultural - landowner's} \\
 \text{development value value asking price} \\
 \text{nonagricultural - agricultural} \\
 \text{development value value]}
 \end{array}$$

$$\begin{array}{r}
 \text{9} \\
 \text{11} \quad \frac{\text{nonagricultural development value} \quad \text{agricultural value} \quad \text{landowner's asking price}}{\text{nonagricultural development value} \quad \text{agricultural value}}
 \end{array}$$

$$\begin{array}{r}
 \text{13} \quad \frac{\text{nonagricultural development value} \quad \text{agricultural value}}{\text{nonagricultural development value} \quad \text{agricultural value}}
 \end{array}$$

15 (2) The degree to which the purchase would encourage the
17 survivability of the municipally approved program in productive
18 agriculture; and

19 (3) The degree of imminence of change of the land from
20 productive agriculture to nonagricultural use.

21 The board and the committee shall reject any offer for the sale
22 of development easements which is unsuitable according to the
23 above criteria and which has not been approved by the board and
24 the municipality.

25 c. Two independent appraisals paid for by the board shall be
26 conducted for each parcel of land so offered and deemed suitable.
27 The appraisals shall be conducted by independent, professional
28 appraisers selected by the board and the committee from among
29 members of recognized organizations of real estate appraisers.
30 The appraisals shall determine the current overall value of the
31 parcel for nonagricultural purposes, as well as the current market
32 value of the parcel for agricultural purposes. The difference
33 between the two values shall represent an appraisal of the value
34 of the development easement. If a development easement is
35 purchased using moneys appropriated from the fund, the State
36 shall provide [50%] no more than 80%, except 100% under
37 emergency conditions specified by the committee pursuant to
38 rules or regulations, of the cost of the appraisals conducted
39 pursuant to this section.

1 d. Upon receiving the results of the appraisals, the board and
 3 the committee shall compare the appraised value and the
 landowner's offer and, pursuant to the suitability criteria
 established in subsection b. of this section:

5 (1) Approve the application to sell the development easement
 and rank the application in accordance with the criteria
 7 established in subsection b. of this section; or

 (2) Disapprove the application, stating the reasons therefor.

9 e. Upon approval by the committee and the board, the
 secretary is authorized to provide the board, within the limits of
 11 funds appropriated therefor, an amount equal to [50%] no more
 than 80%, except 100% under emergency conditions specified by
 13 the committee pursuant to rules or regulations, of the purchase
 price of the development easement, as determined pursuant to
 15 the provisions of this section. The board shall [match that
 amount] provide its required share and accept the landowner's
 17 offer to sell the development easement. The acceptance shall
 cite the specific terms, contingencies and conditions of the
 19 purchase.

 f. The landowner shall accept or reject the offer within 30
 21 days of receipt thereof. Any offer not accepted within that time
 shall be deemed rejected.

23 g. Any landowner whose application to sell a development
 easement has been rejected for any reason other than insufficient
 25 funds may not reapply to sell a development easement on the
 same land within 2 years of the original application.

27 h. No development easement shall be purchased at a price
 greater than the appraised value determined pursuant to
 29 subsection c. of this section.

 i. The appraisals conducted pursuant to this section or the fair
 31 market value of land restricted to agricultural use shall not be
 used to increase the assessment and taxation of agricultural land
 33 pursuant to the "Farmland Assessment Act of 1964," P.L. 1964,
 c. 48 (C. 54:4-23.1 et seq.).

35 (cf: P.L. 1983, c. 32, s. 24)

 4. Section 28 of P.L. 1983, c. 32 (C.4:1C-35) is amended to
 37 read as follows:

 28. If a person wishes to donate all or a portion of the value of
 39 the development easement to the board, the value of the donation
 shall be appraised pursuant to the provisions of section 24 of this
 41 act. [For the purpose of qualifying]. This requirement shall apply

1 only if the board is requesting State funds. In order to qualify for
2 State Funds, pursuant to the provisions of this act, the county
3 [may] shall make up the difference between its required share of
4 the total appraised value of the easement and the appraised value
5 of the donation [and 50% of the total appraised value of the
6 easement]. In the event the value of the donation exceeds the
7 required county share, the amount in excess shall be deducted
8 from the State share.

9 (cf: P.L. 1983, c. 32, s. 28)

10 5. (New Section) a. Any landowner of farmland within an
11 agricultural development area certified by the committee may
12 apply to the committee to sell the fee simple absolute title at a
13 price which, in the opinion of the landowner, represents a fair
14 market value of the property.

15 b. The committee shall evaluate the offer to determine the
16 suitability of the land for purchase. Decisions regarding
17 suitability shall be based on the eligibility criteria for the
18 purchase of development easements listed in subsection b. of
19 section 24 of P.L. 1983, c. 32 (C. 4:1C-31) and the criteria
20 adopted by the committee and the board of that county. The
21 committee shall also evaluate the offer taking into account the
22 amount of the asking price, the asking price relative to other
23 offers, the location of the parcel relative to areas targeted
24 within the county by the board and among the counties, and any
25 other criteria as the committee has adopted pursuant to rule or
26 regulation. The committee may negotiate reimbursement with
27 the county and include the anticipated reimbursement as part of
28 the evaluation of an offer.

29 c. The committee shall rank the offers according to the
30 criteria to determine which, if any, should be appraised. The
31 committee shall reject any offer for the purchase of fee simple
32 absolute title determined unsuitable according to any criterion in
33 this subsection or adopted pursuant to this subsection, or may
34 defer decisions on offers with a low ranking. The committee
35 shall state, in writing, its reasons for rejecting an offer.

36 d. Appraisals of the parcel shall be conducted to determine
37 the fair market value according to procedures adopted by
38 regulation by the committee.

39 e. The committee shall notify the landowner of the fair
40 market value and negotiate for the purchase of the title in fee
41 simple absolute.

1 **f. Any land acquired by the committee pursuant to the**
3 **provisions of this amendatory and supplementary act shall be held**
5 **of record in the name of the State and shall be offered for resale**
7 **by the State, notwithstanding any other law, rule or regulation to**
9 **the contrary, within a reasonable time of its acquisition with**
11 **agricultural deed restrictions for farmland preservation purposes**
13 **as determined by the committee pursuant to the provisions of this**
15 **act.**

17 **g. The committee shall be responsible for the operation and**
19 **maintenance of lands acquired and shall take all reasonable steps**
21 **to maintain the value of the land and its improvements.**

23 **h. To the end that municipalities may not suffer loss of taxes**
25 **by reason of acquisition and ownership by the State of New**
27 **Jersey of property under the provisions of this act, the State shall**
29 **pay annually on October 1 to each municipality in which property**
31 **is so acquired and has not been resold a sum of money equal to**
33 **the tax last assessed and last paid by the taxpayer upon this land**
35 **and the improvement thereon for the taxable year immediately**
37 **prior to the time of its acquisition. In the event that land**
39 **acquired by the State pursuant to this act had been assessed at an**
41 **agricultural and horticultural use valuation in accordance with**
43 **provisions of the "Farmland Assessment Act of 1964," P.L. 1964,**
45 **c. 48 (C. 54:4-23.1 et seq.), at the time of its acquisition by the**
47 **State, no rollback tax pursuant to section 8 of P.L. 1964, c. 48 (C.**
49 **54:4-23.8) shall be imposed as to this land nor shall this rollback**
51 **tax be applicable in determining the annual payments to be made**
53 **by the State to the municipality in which this land is located.**

55 **All sums of money received by the respective municipalities as**
57 **compensation for loss of tax revenue pursuant to this section**
59 **shall be applied to the same purposes as is the tax revenue from**
61 **the assessment and collection of taxes on real property of these**
63 **municipalities, and to accomplish this end the sums shall be**
65 **apportioned in the same manner as the general tax rate of the**
67 **municipality for the tax year preceding the year of receipt.**

69 **6. (New section) The committee shall adopt rules and**
71 **regulations necessary to carry out the purposes of this**
73 **amendatory and supplementary act according to the**
75 **"Administrative Procedure Act," P.L. 1968, c. 410 (C. 52:14B-1**
77 **et seq.).**

79 **7. This act shall take effect immediately.**

1

STATEMENT

3 **This bill implements the amendments to the State farmland**
4 **preservation program authorized by the voters in the general**
5 **election held in November 1987, pursuant to P.L. 1987, c. 240.**
6 **The bill increases the maximum proportion of the purchase costs**
7 **of farmland development easements on which moneys from the**
8 **"Farmland Preservation Bond Act of 1981" (P.L. 1981, c. 276)**
9 **may be spent from 50% to 80% generally, and 100% under**
10 **emergency conditions. The bill also provides for a mechanism for**
11 **the purchase, by the State Agriculture Development Committee,**
12 **of fee simple absolute titles to farmland for resale with**
13 **agricultural deed restrictions for farmland preservation purposes.**

14 **The bill provides that the State Agriculture Development**
15 **Committee is responsible for the maintenance of the property**
16 **while it is in their possession. In addition, the bill provides for**
17 **State payments to municipalities while the State is in possession**
18 **of the property so the municipalities do not suffer any loss of tax**
19 **revenue. Finally, the bill clarifies provisions related to the**
20 **donation, by an individual, of all or a portion of the value of a**
21 **development easement.**

23

AGRICULTURE

25

Natural Resources

27

Implements amendments to farmland preservation program.

[CORRECTED COPY]
SENATE, No. 1974
STATE OF NEW JERSEY

INTRODUCED JANUARY 28, 1988

By Senator ZANE

1 AN ACT concerning farmland preservation and amending and
supplementing P.L. 1983, c. 32.

3

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

7 1. Section 3 of P.L. 1983, c. 32 (C. 4:1C-13) is amended to
read as follows:

3. As used in this act:

9 a. "Agricultural development areas" means areas identified by
a county agricultural development board pursuant to the
11 provisions of section 11 of this act and certified by the State
Agriculture Development Committee;

13 b. "Agricultural use" means the use of land for common
farmsite activities, including but not limited to: production,
15 harvesting, storage, grading, packaging, processing and the
wholesale and retail marketing of crops, plants, animals and other
17 related commodities and the use and application of techniques
and methods of soil preparation and management, fertilization,
19 weed, disease and pest control, disposal of farm waste, irrigation,
drainage and water management, and grazing;

21 c. "Board" means a county agriculture development board
established pursuant to section 7 or a subregional agricultural
23 retention board established pursuant to section 10 of this act;

25 d. "Committee" means the State Agriculture Development
Committee established pursuant to section 4 of the "Right to
Farm Act," P.L. 1983, c. 31 (C. 4:1C-4);

27 e. "Cost," as used with respect to cost of fee simple absolute
title, development easements or soil and water conservation
29 projects, includes, in addition to the usual connotations thereof,
interest or discount on bonds; cost of issuance of bonds; the cost
31 of inspection, appraisal, legal, financial, and other professional
services, estimates and advice; and the cost of organizational,

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.

1 administrative and other work and services, including salaries,
supplies, equipment and materials necessary to administer this
3 act;

f. "Development easement" means an interest in land, less
5 than fee simple absolute title thereto, which enables the owner to
develop the land for any nonagricultural purpose as determined by
7 the provisions of this act and any relevant rules or regulations
promulgated pursuant hereto;

9 g. "Development project" means any proposed construction or
capital improvement for nonagricultural purposes;

11 h. "Farmland preservation program" or "municipally approved
farmland preservation program" (hereinafter referred to as
13 municipally approved program) means any voluntary program, the
duration of which is at least 8 years, authorized by law enacted
15 subsequent to the effective date of the "Farmland Preservation
Bond Act of 1981," P.L. 1981, c. 276, which has as its principal
17 purpose the long-term preservation of significant masses of
reasonably contiguous agricultural land within agricultural
19 development areas adopted pursuant to this act and the
maintenance and support of increased agricultural production as
21 the first priority use of that land. Any municipally approved
program shall be established pursuant to section 14 of this act;

23 i. "Fund" means the "Farmland Preservation Fund" created
pursuant to the "Farmland Preservation Bond Act of 1981," P.L.
25 1981, c. 276;

j. "Governing body" means, in the case of a county, [the board
27 of chosen freeholders] the governing body of the county, and in
the case of a municipality, the commission, council, board or
29 body, by whatever name it may be known, having charge of the
finances of the municipality;

31 k. "Secretary" means the Secretary of Agriculture;

l. "Soil and water conservation project" means any project
33 designed for the control and prevention of soil erosion and
sediment damages, the control of pollution on agricultural lands,
35 the impoundment, storage and management of water for
agricultural purposes, or the improved management of land and
37 soils to achieve maximum agricultural productivity;

m. "Soil conservation district" means a governmental
39 subdivision of this State organized in accordance with the
provisions of R.S. 4:24-1 et seq.;

1 n. "Agricultural deed restrictions for farmland preservation
2 purposes" means a statement containing the conditions of the
3 conveyance and the terms of the restrictions set forth in P.L.
4 1983, c. 32 and as additionally determined by the committee on
5 the use and the development of the land which shall be recorded
6 with the deed in the same manner as originally recorded.

7 (cf: P.L. 1983, c. 32, s. 3)

8 2. Section 4 of P.L. of 1983, c. 32 (C. 4:1C-8) is amended to
9 read as follows:

10 4. The secretary shall use the sum of money appropriated by
11 section 31 of this act, and any other sums as may be appropriated
12 from time to time for like purposes, to assist the committee in
13 administering the provisions of this act to make grants to assist
14 boards or any other local units as authorized herein, to acquire
15 development easements, to purchase fee simple absolute titles to
16 farmland for resale with agricultural deed restrictions for
17 farmland preservation purposes, and to make grants to
18 landowners to fund soil and water conservation projects, on land
19 devoted to farmland preservation programs within duly [adopted]
20 certified agricultural development areas.

21 With respect to moneys to be utilized to make grants for soil
22 and water conservation projects, the secretary shall not approve
23 any grant unless it shall be for a project which is also part of a
24 farm conservation plan approved by the local soil conservation
25 district.

(cf: P.L. 1983, c. 32, s.4)

26 3. Section 24 of P.L. 1983, c. 32 (C. 4:1C-31) is amended to
27 read as follows:

28 24. a. Any landowner applying to the board to sell a
29 development easement pursuant to section 17 of this act shall
30 offer to sell the development easement at a price which, in the
31 opinion of the landowner, represents a fair value of the
32 development potential of the land for nonagricultural purposes, as
33 determined in accordance with the provisions of this act.

34 b. Any offer shall be reviewed and evaluated by the board and
35 the committee in order to determine the suitability of the land
36 for development easement purchase. Decisions regarding
37 suitability shall be based on the following criteria:

1 (1) Priority consideration shall be given, in any one county, to
 2 offers with higher numerical values obtained by applying the
 3 following formula:

4 [nonagricultural - agricultural - landowner's
 5 development value value asking price
 6 nonagricultural - agricultural
 7 development value value]

9

10 nonagricultural - agricultural - landowner's
 11 development value value asking price

12 nonagricultural - agricultural
 13 development value value

15

16 (2) The degree to which the purchase would encourage the
 17 survivability of the municipally approved program in productive
 18 agriculture; and

19 (3) The degree of imminence of change of the land from
 20 productive agriculture to nonagricultural use.

21 The board and the committee shall reject any offer for the sale
 22 of development easements which is unsuitable according to the
 23 above criteria and which has not been approved by the board and
 24 the municipality.

25 c. Two independent appraisals paid for by the board shall be
 26 conducted for each parcel of land so offered and deemed suitable.
 27 The appraisals shall be conducted by independent, professional
 28 appraisers selected by the board and the committee from among
 29 members of recognized organizations of real estate appraisers.
 30 The appraisals shall determine the current overall value of the
 31 parcel for nonagricultural purposes, as well as the current market
 32 value of the parcel for agricultural purposes. The difference
 33 between the two values shall represent an appraisal of the value
 34 of the development easement. If a development easement is
 35 purchased using moneys appropriated from the fund, the State
 36 shall provide [50%] no more than 80%, except 100% under
 37 emergency conditions specified by the committee pursuant to
 38 rules or regulations, of the cost of the appraisals conducted
 39 pursuant to this section.

1 d. Upon receiving the results of the appraisals, the board and
 2 the committee shall compare the appraised value and the
 3 landowner's offer and, pursuant to the suitability criteria
 established in subsection b. of this section:

5 (1) Approve the application to sell the development easement
 and rank the application in accordance with the criteria
 7 established in subsection b. of this section; or

(2) Disapprove the application, stating the reasons therefor.

9 e. Upon approval by the committee and the board, the
 secretary is authorized to provide the board, within the limits of
 11 funds appropriated therefor, an amount equal to [50%] no more
than 80%, except 100% under emergency conditions specified by
 13 the committee pursuant to rules or regulations, of the purchase
 price of the development easement, as determined pursuant to
 15 the provisions of this section. The board shall [match that
 amount] provide its required share and accept the landowner's
 17 offer to sell the development easement. The acceptance shall
 cite the specific terms, contingencies and conditions of the
 19 purchase.

f. The landowner shall accept or reject the offer within 30
 21 days of receipt thereof. Any offer not accepted within that time
 shall be deemed rejected.

23 g. Any landowner whose application to sell a development
 easement has been rejected for any reason other than insufficient
 25 funds may not reapply to sell a development easement on the
 same land within 2 years of the original application.

27 h. No development easement shall be purchased at a price
 greater than the appraised value determined pursuant to
 29 subsection c. of this section.

i. The appraisals conducted pursuant to this section or the fair
 31 market value of land restricted to agricultural use shall not be
 used to increase the assessment and taxation of agricultural land
 33 pursuant to the "Farmland Assessment Act of 1964," P.L. 1964,
 c. 48 (C. 54:4-23.1 et seq.).

35 (cf: P.L. 1983, c. 32, s. 24)

4. Section 28 of P.L. 1983, c. 32 (C.4:1C-35) is amended to
 37 read as follows:

28. If a person wishes to donate all or a portion of the value of
 39 the development easement to the board, the value of the donation
 shall be appraised pursuant to the provisions of section 24 of this
 41 act. [For the purpose of qualifying]. This requirement shall apply

1 only if the board is requesting State funds. In order to qualify for
State Funds, pursuant to the provisions of this act, the county
3 [may] shall make up the difference between its required share of
the total appraised value of the easement and the appraised value
5 of the donation [and 50% of the total appraised value of the
easement]. In the event the value of the donation exceeds the
7 required county share, the amount in excess shall be deducted
from the State share.

9 (cf: P.L. 1983, c. 32, s. 28)

11 5. (New Section) a. Any landowner of farmland within an
agricultural development area certified by the committee may
apply to the committee to sell the fee simple absolute title at a
13 price which, in the opinion of the landowner, represents a fair
market value of the property.

15 b. The committee shall evaluate the offer to determine the
suitability of the land for purchase. Decisions regarding
17 suitability shall be based on the eligibility criteria for the
purchase of development easements listed in subsection b. of
19 section 24 of P.L. 1983, c. 32 (C. 4:1C-31) and the criteria
adopted by the committee and the board of that county. The
21 committee shall also evaluate the offer taking into account the
amount of the asking price, the asking price relative to other
23 offers, the location of the parcel relative to areas targeted
within the county by the board and among the counties, and any
25 other criteria as the committee has adopted pursuant to rule or
regulation. The committee may negotiate reimbursement with
27 the county and include the anticipated reimbursement as part of
the evaluation of an offer.

29 c. The committee shall rank the offers according to the
criteria to determine which, if any, should be appraised. The
31 committee shall reject any offer for the purchase of fee simple
absolute title determined unsuitable according to any criterion in
33 this subsection or adopted pursuant to this subsection, or may
defer decisions on offers with a low ranking. The committee
35 shall state, in writing, its reasons for rejecting an offer.

37 d. Appraisals of the parcel shall be conducted to determine
the fair market value according to procedures adopted by
regulation by the committee.

39 e. The committee shall notify the landowner of the fair
market value and negotiate for the purchase of the title in fee
41 simple absolute.

1 f. Any land acquired by the committee pursuant to the
provisions of this amendatory and supplementary act shall be held
3 of record in the name of the State and shall be offered for resale
by the State, notwithstanding any other law, rule or regulation to
5 the contrary, within a reasonable time of its acquisition with
agricultural deed restrictions for farmland preservation purposes
7 as determined by the committee pursuant to the provisions of this
act.

9 g. The committee shall be responsible for the operation and
maintenance of lands acquired and shall take all reasonable steps
11 to maintain the value of the land and its improvements.

13 h. To the end that municipalities may not suffer loss of taxes
by reason of acquisition and ownership by the State of New
Jersey of property under the provisions of this act, the State shall
15 pay annually on October 1 to each municipality in which property
is so acquired and has not been resold a sum of money equal to
17 the tax last assessed and last paid by the taxpayer upon this land
and the improvement thereon for the taxable year immediately
19 prior to the time of its acquisition. In the event that land
acquired by the State pursuant to this act had been assessed at an
21 agricultural and horticultural use valuation in accordance with
provisions of the "Farmland Assessment Act of 1964," P.L. 1964,
23 c. 48 (C. 54:4-23.1 et seq.), at the time of its acquisition by the
State, no rollback tax pursuant to section 8 of P.L. 1964, c. 48 (C.
25 54:4-23.8) shall be imposed as to this land nor shall this rollback
tax be applicable in determining the annual payments to be made
27 by the State to the municipality in which this land is located.

All sums of money received by the respective municipalities as
29 compensation for loss of tax revenue pursuant to this section
shall be applied to the same purposes as is the tax revenue from
31 the assessment and collection of taxes on real property of these
municipalities, and to accomplish this end the sums shall be
33 apportioned in the same manner as the general tax rate of the
municipality for the tax year preceding the year of receipt.

35 6. (New section) The committee shall adopt rules and
regulations necessary to carry out the purposes of this
37 amendatory and supplementary act according to the
"Administrative Procedure Act," P.L. 1968, c. 410 (C. 52:14B-1
39 et seq.).

7. This act shall take effect immediately.

1 STATEMENT

3 This bill implements the amendments to the State farmland
preservation program authorized by the voters in the general
5 election held in November 1987, pursuant to P.L. 1987, c. 240.
The bill increases the maximum proportion of the purchase costs
7 of farmland development easements on which moneys from the
"Farmland Preservation Bond Act of 1981" (P.L. 1981, c. 276)
9 may be spent from 50% to 80% generally, and 100% under
emergency conditions. The bill also provides for a mechanism for
11 the purchase, by the State Agriculture Development Committee,
of fee simple absolute titles to farmland for resale with
13 agricultural deed restrictions for farmland preservation purposes.

The bill provides that the State Agriculture Development
15 Committee is responsible for the maintenance of the property
while it is in their possession. In addition, the bill provides for
17 State payments to municipalities while the State is in possession
of the property so the municipalities do not suffer any loss of tax
19 revenue. Finally, the bill clarifies provisions related to the
donation, by an individual, of all or a portion of the value of a
21 development easement.

23

AGRICULTURE

25

Natural Resources

27 Implements amendments to farmland preservation program.

SENATE NATURAL RESOURCES AND AGRICULTURE
COMMITTEE

STATEMENT TO

SENATE, No. 1974

STATE OF NEW JERSEY

DATED: JANUARY 28, 1988

The Senate Natural Resources and Agriculture Committee favorably reported Senate Bill No. 1974.

This bill implements the amendments to the State farmland preservation program authorized by the voters in the general election held in November 1987, pursuant to P.L. 1987, c. 240. The bill increases the maximum proportion of the purchase costs of farmland development easements on which moneys from the "Farmland Preservation Bond Act of 1981" (P.L. 1981, c. 276) may be spent from 50% to 80% generally, and 100% under emergency conditions. The bill also provides for a mechanism for the purchase, by the State Agriculture Development Committee, of fee simple absolute titles to farmland for resale with agricultural deed restrictions for farmland preservation purposes.

The bill provides that the State Agriculture Development Committee is responsible for the maintenance of the property while it is in their possession. In addition, the bill provides for State payments to municipalities while the State is in possession of the property so the municipalities do not suffer any loss of tax revenue. Finally, the bill clarifies provisions related to the donation, by an individual, of all or a portion of the value of a development easement.