



(Audio archived recordings of the committee meetings, corresponding to the date of the committee statement, **may possibly** be found at [www.njleg.state.nj.us](http://www.njleg.state.nj.us))

**FLOOR AMENDMENT STATEMENT:** No

**LEGISLATIVE FISCAL ESTIMATE:** Yes 08/02/2023

**VETO MESSAGE:** No

**GOVERNOR'S PRESS RELEASE ON SIGNING:** Yes

**FOLLOWING WERE PRINTED:**

To check for circulating copies, contact New Jersey State Government Publications at the State Library (609) 278-2640 ext.103 or <mailto:refdesk@njstatelib.org>

**REPORTS:** No

**HEARINGS:** No

**NEWSPAPER ARTICLES:** No

CL/MM

P.L. 2023, CHAPTER 245, *approved January 8, 2024*  
Assembly, No. 4729 (*Second Reprint*)

1 AN ACT concerning the appraisal of farmland for farmland  
2 preservation purposes and amending P.L.1999, c.152 and  
3 P.L.2016, c.12.

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

7  
8 1. Section 38 of P.L.1999, c.152 (C.13:8C-38) is amended to  
9 read as follows:

10 38. a. All acquisitions or grants made pursuant to section 37 of  
11 P.L.1999, c.152 (C.13:8C-37) shall be made with respect to  
12 farmland devoted to farmland preservation under programs  
13 established by law.

14 b. The expenditure and allocation of constitutionally dedicated  
15 moneys for farmland preservation purposes shall reflect the  
16 geographic diversity of the State to the maximum extent practicable  
17 and feasible.

18 c. The committee shall implement the provisions of section 37  
19 of P.L.1999, c.152 (C.13:8C-37) in accordance with the procedures  
20 and criteria established pursuant to the "Agriculture Retention and  
21 Development Act," P.L.1983, c.32 (C.4:1C-11 et seq.) except as  
22 provided otherwise by **[this act]** P.L.1999, c.152 (C.13:8C-1 et  
23 seq.).

24 d. The committee shall adopt the same or a substantially  
25 similar method for determining, for the purposes of **[this act]**  
26 P.L.1999, c.152 (C.13:8C-1 et seq.), the committee's share of the  
27 cost of a development easement on farmland to be acquired by a  
28 local government as that which is being used by the committee on  
29 the date of enactment of **[this act]** P.L.1999, c.152 (C.13:8C-1 et  
30 seq.) for prior farmland preservation funding programs.

31 e. Notwithstanding the provisions of section 24 of P.L.1983,  
32 c.32 (C.4:1C-31) or **[this act]** P.L.1999, c.152 (C.13:8C-1 et seq.),  
33 or any rule or regulation adopted pursuant thereto, to the contrary,  
34 whenever the value of a development easement on farmland to be  
35 acquired using constitutionally dedicated moneys in whole or in  
36 part is determined based upon the value of any pinelands  
37 development credits allocated to the parcel pursuant to P.L.1979,  
38 c.111 (C.13:18A-1 et seq.) and the pinelands comprehensive

**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.

Matter enclosed in superscript numerals has been adopted as follows:

<sup>1</sup>Assembly AAN committee amendments adopted December 12, 2022.

<sup>2</sup>Senate SEG committee amendments adopted June 8, 2023.

1 management plan adopted pursuant thereto, the committee shall  
2 determine the value of the development easement by:

3 (1) conducting a sufficient number of fair market value  
4 appraisals as it deems appropriate to determine the value for  
5 farmland preservation purposes of the pinelands development  
6 credits;

7 (2) considering development easement values in counties,  
8 municipalities, and other areas (a) reasonably contiguous to, but  
9 outside of, the pinelands area, which in the sole opinion of the  
10 committee constitute reasonable development easement values in  
11 the pinelands area for the purposes of this subsection, and (b) in the  
12 pinelands area where pinelands development credits are or may be  
13 utilized, which in the sole opinion of the committee constitute  
14 reasonable development easement values in the pinelands area for  
15 the purposes of this subsection;

16 (3) considering land values in the pinelands regional growth  
17 areas;

18 (4) considering the importance of preserving agricultural lands  
19 in the pinelands area; and

20 (5) considering such other relevant factors, including the rate of  
21 inflation, as may be necessary to increase participation in the  
22 farmland preservation program by owners of agricultural lands  
23 located in the pinelands area.

24 f. No pinelands development credit that is acquired or obtained  
25 in connection with the acquisition of a development easement on  
26 farmland or fee simple title to farmland by the State, a local  
27 government unit, or a qualifying tax exempt nonprofit organization  
28 using constitutionally dedicated moneys in whole or in part may be  
29 conveyed in any manner. All such pinelands development credits  
30 shall be retired permanently.

31 g. (Deleted by amendment, P.L.2010, c.70)

32 h. Any farmland for which a development easement or fee  
33 simple title has been acquired pursuant to section 37 of P.L.1999,  
34 c.152 (C.13:8C-37) shall be entitled to the benefits conferred by the  
35 "Right to Farm Act," P.L.1983, c.31 (C.4:1C-1 et al.) and the  
36 "Agriculture Retention and Development Act," P.L.1983, c.32  
37 (C.4:1C-11 et al.).

38 i. (Deleted by amendment, P.L.2010, c.70)

39 j. (1) Commencing on the date of enactment of P.L.2004, c.120  
40 (C.13:20-1 et al.) and through June 30, 2024 for lands located in the  
41 Highlands Region as defined pursuant to section 3 of P.L.2004,  
42 c.120 (C.13:20-3), when the committee, a local government unit, or  
43 a qualifying tax exempt nonprofit organization seeks to acquire a  
44 development easement on farmland or the fee simple title to  
45 farmland for farmland preservation purposes using constitutionally  
46 dedicated moneys in whole or in part, Green Acres bond act moneys  
47 in whole or in part, or constitutionally dedicated CBT moneys  
48 pursuant to P.L.2016, c.12 (C.13:8C-43 et seq.) in whole or in part,

1 it shall conduct or cause to be conducted an appraisal or appraisals  
2 of the value of the lands that shall be made using (a) the land use  
3 zoning of the lands, and any State environmental laws or  
4 Department of Environmental Protection rules and regulations that  
5 may affect the value of the lands, subject to the appraisal and in  
6 effect at the time of proposed acquisition, and (b) the land use  
7 zoning of the lands, and any State environmental laws or  
8 Department of Environmental Protection rules and regulations that  
9 may affect the value of the lands, subject to the appraisal and in  
10 effect on January 1, 2004. The higher of those two values shall be  
11 utilized by the committee, a local government unit, or a qualifying  
12 tax exempt nonprofit organization as the basis for negotiation with  
13 the landowner with respect to the acquisition price for the lands.  
14 The landowner shall be provided with both values determined  
15 pursuant to this paragraph.

16 A landowner may waive any of the requirements of this  
17 paragraph and may agree to sell the lands for less than the values  
18 determined pursuant to this paragraph.

19 The provisions of this paragraph shall be applicable only to lands  
20 the owner of which at the time of proposed acquisition is the same  
21 person who owned the lands on the date of enactment of P.L.2004,  
22 c.120 (C.13:20-1 et al.) and who has owned the lands continuously  
23 since that enactment date, or is an immediate family member of that  
24 person.

25 (2) (Deleted by amendment, P.L.2010, c.70)

26 (3) The requirements of this subsection shall be in addition to  
27 any other requirements of law, rule, or regulation not inconsistent  
28 therewith.

29 (4) This subsection shall not:

30 (a) apply in the case of lands to be acquired with federal moneys  
31 in whole or in part;

32 (b) (Deleted by amendment, P.L.2010, c.70); or

33 (c) alter any requirements to disclose information to a  
34 landowner pursuant to the "Eminent Domain Act of 1971,"  
35 P.L.1971, c.361 (C.20:3-1 et seq.).

36 (5) For the purposes of this subsection, "immediate family  
37 member" means a spouse, child, parent, sibling, aunt, uncle, niece,  
38 nephew, first cousin, grandparent, grandchild, father-in-law,  
39 mother-in-law, son-in-law, daughter-in-law, stepparent, stepchild,  
40 stepbrother, stepsister, half brother, or half sister, whether the  
41 individual is related by blood, marriage, or adoption.

42 k. The committee and the Department of Environmental  
43 Protection, pursuant to the "Administrative Procedure Act,"  
44 P.L.1968, c.410 (C.52:14B-1 et seq.), shall jointly adopt rules and  
45 regulations that establish standards and requirements regulating any  
46 improvement on lands acquired by the State for farmland  
47 preservation purposes using constitutionally dedicated moneys to

1 assure that any improvement does not diminish the protection of  
2 surface water or groundwater resources.

3 Any rules and regulations adopted pursuant to this subsection  
4 shall not apply to improvements on lands acquired prior to the  
5 adoption of the rules and regulations.

6 1. (1) The committee, within three months after the date of the  
7 first meeting of the Highlands Water Protection and Planning  
8 Council established pursuant to section 4 of P.L.2004, c.120  
9 (C.13:20-4), shall consult with and solicit recommendations from  
10 the council concerning farmland preservation strategies and  
11 acquisition plans in the Highlands Region as defined in section 3 of  
12 P.L.2004, c.120 (C.13:20-3).

13 The council's recommendations shall also address strategies and  
14 plans concerning establishment by the committee of a methodology  
15 for prioritizing the acquisition of development easements and fee  
16 simple titles to farmland in the Highlands preservation area, as  
17 defined in section 3 of P.L.2004, c.120 (C.13:20-3), for farmland  
18 preservation purposes using moneys from the Garden State  
19 Farmland Preservation Trust Fund, especially with respect to  
20 farmland that has declined substantially in value due to the  
21 implementation of the "Highlands Water Protection and Planning  
22 Act," P.L.2004, c.120 (C.13:20-1 et al.). The recommendations  
23 may also include a listing of specific parcels in the Highlands  
24 preservation area that the council is aware of that have experienced  
25 a substantial decline in value and for that reason should be  
26 considered by the committee as a priority for acquisition, but any  
27 such list shall remain confidential notwithstanding any provision of  
28 P.L.1963, c.73 (C.47:1A-1 et seq.) or any other law to the contrary.

29 (2) In prioritizing applications for funding submitted by local  
30 government units in the Highlands planning area, as defined in  
31 section 3 of P.L.2004, c.120 (C.13:20-3), to acquire development  
32 easements on farmland in the Highlands planning area using  
33 moneys from the Garden State Farmland Preservation Trust Fund,  
34 the committee shall accord a higher weight to any application  
35 submitted by a local government unit to preserve farmland in a  
36 municipality in the Highlands planning area that has amended its  
37 development regulations in accordance with section 13 of P.L.2004,  
38 c.120 (C.13:20-13) to establish one or more receiving zones for the  
39 transfer of development potential from the Highlands preservation  
40 area, as defined in section 3 of P.L.2004, c.120 (C.13:20-3), than  
41 that which is accorded to comparable applications submitted by  
42 other local government units to preserve farmland in municipalities  
43 in the Highlands planning area that have not made such  
44 amendments to their development regulations.

45 m. Notwithstanding any provision of P.L.1999, c.152 (C.13:8C-  
46 1 et seq.) to the contrary, for State fiscal years 2005 through 2009,  
47 the sum spent by the committee in each of those fiscal years for the  
48 acquisition by the committee of development easements and fee

1 simple titles to farmland for farmland preservation purposes using  
2 moneys from the Garden State Farmland Preservation Trust Fund in  
3 each county of the State shall be not less, and may be greater if  
4 additional sums become available, than the average annual sum  
5 spent by the department therefor in each such county, respectively,  
6 for State fiscal years 2002 through 2004, provided there is sufficient  
7 and appropriate farmland within the county to be so acquired by the  
8 committee for such purposes.

9 (cf: P.L.2019, c.136, s.9)

10  
11 2. Section 8 of P.L.2016, c.12 (C.13:8C-50) is amended to read  
12 as follows:

13 8. a. The State Treasurer shall establish a fund to be known as  
14 the "Preserve New Jersey Farmland Preservation Fund" and shall  
15 deposit all moneys received pursuant to paragraph (3) of subsection  
16 a. of section 5 of P.L.2016, c.12 (C.13:8C-47), paragraph (2) of  
17 subsection a. of section 1 of P.L.2019, c.136 (C.13:8C-47.1), and  
18 any other moneys appropriated by law for deposit into the fund.

19 Moneys in the fund shall be invested in permitted investments or  
20 shall be held in interest-bearing accounts in those depositories as  
21 the State Treasurer may select, and may be invested and reinvested  
22 in permitted investments or as other trust funds in the custody of the  
23 State Treasurer in the manner provided by law. All interest or other  
24 income or earnings derived from the investment or reinvestment of  
25 moneys in the fund shall be credited to the fund.

26 b. (1) The moneys in the fund are specifically dedicated and  
27 shall be used for the same purposes as those set forth in section 37  
28 of P.L.1999, c.152 (C.13:8C-37) and as provided in paragraph (2)  
29 of this subsection.

30 (2) Of the moneys deposited into the Preserve New Jersey  
31 Farmland Preservation Fund: (a) in State fiscal year 2017 through  
32 and including State fiscal year 2019, up to three percent shall be  
33 allocated by the committee on an annual basis for stewardship  
34 activities; and (b) commencing in State fiscal year 2020 and  
35 annually thereafter, up to four percent shall be allocated by the  
36 committee on an annual basis for stewardship activities.

37 (3) Notwithstanding any provision of P.L.2016, c.12 (C.13:8C-  
38 43 et seq.) to the contrary, stewardship activities undertaken on  
39 farmland on which (a) the pinelands development credits have been  
40 acquired pursuant to P.L.1979, c.111 (C.13:18A-1 et seq.), and the  
41 pinelands comprehensive management plan adopted pursuant  
42 thereto, or the development rights have been acquired pursuant to a  
43 transfer of development rights program for the Highlands Region  
44 established pursuant to section 13 of P.L.2004, c.120 (C.13:20-13),  
45 and (b) there is deed restriction approved by the committee, shall be  
46 eligible for funding pursuant to paragraph (2) of this subsection.

47 c. Moneys in the fund shall not be expended except in  
48 accordance with appropriations from the fund made by law. Any

1 act appropriating moneys from the Preserve New Jersey Farmland  
2 Preservation Fund shall identify any particular project or projects to  
3 be funded by the moneys, and any expenditure for a project for  
4 which the location is not identified by municipality and county in  
5 the appropriation shall require the approval of the Joint Budget  
6 Oversight Committee, or its successor, except as permitted  
7 otherwise in accordance with the same exceptions as those specified  
8 in paragraph (2) of subsection b. of section 23 of P.L.1999, c.152  
9 (C.13:8C-23).

10 d. Unexpended moneys due to project withdrawals,  
11 cancellations, or cost savings shall be returned to the fund.

12 e. Notwithstanding the provisions of section 24 of P.L.1983,  
13 c.32 (C.4:1C-31) or section 38 of P.L.1999, c.152 (C.13:8C-38), or  
14 any rule or regulation adopted pursuant thereto, to the contrary,  
15 when the committee, a local government unit, or a qualifying tax  
16 exempt nonprofit organization seeks to acquire a development  
17 easement on<sup>2</sup>, or fee simple title to,<sup>2</sup> farmland using, in whole or in  
18 part, monies deposited into the Preserve New Jersey Farmland  
19 Preservation Fund, <sup>2</sup>the Garden State Farmland Preservation Trust  
20 Fund established pursuant to section 20 of P.L.1999, c.152  
21 (C.13:8C-20), or any other State monies provided for farmland  
22 preservation purposes,<sup>2</sup> the value of the development easement<sup>2</sup>, or  
23 fee simple title, as applicable,<sup>2</sup> shall be determined by the  
24 following:

25 (1) the procedure set forth in section 24 of P.L.1983, c.32  
26 (C.4:1C-31);

27 (2) a value determined in accordance with a formula, to be  
28 known as the “Statewide Farmland Preservation Formula,” <sup>1</sup>which  
29 formula is established [adopted by the committee]<sup>1</sup> by rule or  
30 regulation <sup>1</sup>adopted by the committee,<sup>1</sup> pursuant to <sup>2</sup>[the  
31 “Administrative Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et  
32 seq.)] subsection f. of this section<sup>2</sup>, <sup>1</sup>[that] and<sup>1</sup> includes:

33 (a) conducting <sup>2</sup>or analyzing<sup>2</sup> a sufficient number of fair market  
34 value appraisals of agricultural lands within the municipality in  
35 which the land is located<sup>2</sup>, or the surrounding market area, or  
36 both,<sup>2</sup> as the committee deems appropriate to determine the value of  
37 the land for farmland preservation;

38 (b) considering <sup>2</sup>farmland and<sup>2</sup> development easement values in  
39 counties and municipalities reasonably contiguous to, but outside  
40 of, the municipality in which the land to be acquired is located,  
41 which in the sole opinion of the committee constitute reasonable  
42 <sup>2</sup>farmland and<sup>2</sup> development easement values for the purposes of  
43 this subsection;

44 (c) considering the importance of preserving agricultural lands in  
45 the municipality and county in which the land is located;

46 (d) <sup>1</sup>considering the status and value of natural resources in the  
47 municipality and county in which the land is located, and in

1 counties and municipalities that are reasonably contiguous to, but  
2 outside of, the municipality and county in which the land is located;

3 (e)<sup>1</sup> considering such other relevant factors as may be necessary  
4 to increase participation in the farmland preservation program by  
5 owners of agricultural lands located in <sup>1</sup>the<sup>1</sup> municipality and  
6 county in which the land is located, including, but not limited to,  
7 the rate of inflation, the quality of the agricultural soils, the size of  
8 the agricultural lands to be acquired, and the risk of conversion of  
9 the land from productive agriculture to nonagricultural use; and

10 <sup>1</sup>[(e)] (f)<sup>1</sup> providing additional value for the proximity of  
11 agricultural lands located adjacent to preserved agricultural lands,  
12 lands preserved for recreation and conservation purposes, aquifer  
13 recharge areas, lands subject to development or conservation  
14 easements, <sup>2</sup>and lands whose conversion to nonagricultural use  
15 would lead to conflicting land uses, including, but not limited to,<sup>2</sup>  
16 utility and roadway rights-of-way, military bases, and airports and  
17 associated airspace; and, if applicable,

18 (3) (a) in the case of property located in the pinelands area,  
19 whenever the value of a development easement on farmland to be  
20 acquired is determined based upon the value of any pinelands  
21 development credits allocated to the parcel pursuant to P.L.1979,  
22 c.111 (C.13:18A-1 et seq.) and the pinelands comprehensive  
23 management plan adopted pursuant thereto, the value determined by  
24 the committee pursuant to subsection e. of section 38 of P.L.1999,  
25 c.152 (C.13:8C-38); <sup>1</sup>or<sup>1</sup>

26 (b) in the case of property located in the Highlands Region, the  
27 value determined pursuant to subsection j. of section 38 of  
28 P.L.1999, c.152 (C.13:8C-38) <sup>1</sup>[, if applicable]<sup>1</sup>.

29 The landowner shall be provided with the values determined  
30 pursuant to paragraphs (1) and (2) of this subsection, and if  
31 applicable, the value determined pursuant to paragraph (3) of this  
32 subsection. The higher of the values shall be utilized by the  
33 committee, a local government unit, or a qualifying tax exempt  
34 nonprofit organization as the basis for negotiation with the  
35 landowner with respect to the acquisition price. A landowner may  
36 waive any of the requirements of this subsection and may agree to  
37 sell the lands for less than the values determined pursuant to this  
38 subsection.

39 <sup>2</sup>[(This subsection shall not apply in the case of lands to be  
40 acquired with federal moneys in whole or in part.)]

41 f. Notwithstanding the provisions of the “Administrative  
42 Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et seq.) to the  
43 contrary, the committee shall, immediately upon filing proper  
44 notice with the Office of Administrative Law, adopt rules and  
45 regulations to establish the “Statewide Farmland Preservation  
46 Formula” required pursuant to paragraph (2) of subsection e. of this  
47 section. The rules and regulations adopted pursuant to this

1 subsection shall be in effect for a period not to exceed three years  
2 after the date of the filing. These rules and regulations shall  
3 thereafter be adopted, amended, or readopted by the committee in  
4 accordance with the requirements of the “Administrative Procedure  
5 Act,” P.L.1968, c.410 (C.52:14B-1 et seq.).<sup>2</sup>  
6 (cf: P.L.2019, c.136, s.4)

7

8 3. This act shall take effect immediately.

9

10

11

12

13 Revises method for appraisals of farmland to be acquired for  
14 farmland preservation purposes.

# ASSEMBLY, No. 4729

## STATE OF NEW JERSEY 220th LEGISLATURE

INTRODUCED OCTOBER 11, 2022

**Sponsored by:**

**Assemblyman ALEX SAUICKIE**

**District 12 (Burlington, Middlesex, Monmouth and Ocean)**

**Assemblyman ROY FREIMAN**

**District 16 (Hunterdon, Mercer, Middlesex and Somerset)**

**Co-Sponsored by:**

**Assemblywomen Dunn, Murphy, McCarthy Patrick and Assemblyman Clifton**

**SYNOPSIS**

Revises method for appraisals of farmland to be acquired for farmland preservation purposes.

**CURRENT VERSION OF TEXT**

As introduced.



**(Sponsorship Updated As Of: 12/12/2022)**

1 AN ACT concerning the appraisal of farmland for farmland  
2 preservation purposes and amending P.L.1999, c.152 and  
3 P.L.2016, c.12.

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

7  
8 1. Section 38 of P.L.1999, c.152 (C.13:8C-38) is amended to  
9 read as follows:

10 38. a. All acquisitions or grants made pursuant to section 37 of  
11 P.L.1999, c.152 (C.13:8C-37) shall be made with respect to  
12 farmland devoted to farmland preservation under programs  
13 established by law.

14 b. The expenditure and allocation of constitutionally dedicated  
15 moneys for farmland preservation purposes shall reflect the  
16 geographic diversity of the State to the maximum extent practicable  
17 and feasible.

18 c. The committee shall implement the provisions of section 37  
19 of P.L.1999, c.152 (C.13:8C-37) in accordance with the procedures  
20 and criteria established pursuant to the "Agriculture Retention and  
21 Development Act," P.L.1983, c.32 (C.4:1C-11 et seq.) except as  
22 provided otherwise by **[this act]** P.L.1999, c.152 (C.13:8C-1 et  
23 seq.).

24 d. The committee shall adopt the same or a substantially  
25 similar method for determining, for the purposes of **[this act]**  
26 P.L.1999, c.152 (C.13:8C-1 et seq.), the committee's share of the  
27 cost of a development easement on farmland to be acquired by a  
28 local government as that which is being used by the committee on  
29 the date of enactment of **[this act]** P.L.1999, c.152 (C.13:8C-1 et  
30 seq.) for prior farmland preservation funding programs.

31 e. Notwithstanding the provisions of section 24 of P.L.1983,  
32 c.32 (C.4:1C-31) or **[this act]** P.L.1999, c.152 (C.13:8C-1 et seq.),  
33 or any rule or regulation adopted pursuant thereto, to the contrary,  
34 whenever the value of a development easement on farmland to be  
35 acquired using constitutionally dedicated moneys in whole or in  
36 part is determined based upon the value of any pinelands  
37 development credits allocated to the parcel pursuant to P.L.1979,  
38 c.111 (C.13:18A-1 et seq.) and the pinelands comprehensive  
39 management plan adopted pursuant thereto, the committee shall  
40 determine the value of the development easement by:

41 (1) conducting a sufficient number of fair market value  
42 appraisals as it deems appropriate to determine the value for  
43 farmland preservation purposes of the pinelands development  
44 credits;

45 (2) considering development easement values in counties,

**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 municipalities, and other areas (a) reasonably contiguous to, but  
2 outside of, the pinelands area, which in the sole opinion of the  
3 committee constitute reasonable development easement values in  
4 the pinelands area for the purposes of this subsection, and (b) in the  
5 pinelands area where pinelands development credits are or may be  
6 utilized, which in the sole opinion of the committee constitute  
7 reasonable development easement values in the pinelands area for  
8 the purposes of this subsection;

9 (3) considering land values in the pinelands regional growth  
10 areas;

11 (4) considering the importance of preserving agricultural lands  
12 in the pinelands area; and

13 (5) considering such other relevant factors, including the rate of  
14 inflation, as may be necessary to increase participation in the  
15 farmland preservation program by owners of agricultural lands  
16 located in the pinelands area.

17 f. No pinelands development credit that is acquired or obtained  
18 in connection with the acquisition of a development easement on  
19 farmland or fee simple title to farmland by the State, a local  
20 government unit, or a qualifying tax exempt nonprofit organization  
21 using constitutionally dedicated moneys in whole or in part may be  
22 conveyed in any manner. All such pinelands development credits  
23 shall be retired permanently.

24 g. (Deleted by amendment, P.L.2010, c.70)

25 h. Any farmland for which a development easement or fee  
26 simple title has been acquired pursuant to section 37 of P.L.1999,  
27 c.152 (C.13:8C-37) shall be entitled to the benefits conferred by the  
28 "Right to Farm Act," P.L.1983, c.31 (C.4:1C-1 et al.) and the  
29 "Agriculture Retention and Development Act," P.L.1983, c.32  
30 (C.4:1C-11 et al.).

31 i. (Deleted by amendment, P.L.2010, c.70)

32 j. (1) Commencing on the date of enactment of P.L.2004, c.120  
33 (C.13:20-1 et al.) and through June 30, 2024 for lands located in the  
34 Highlands Region as defined pursuant to section 3 of P.L.2004,  
35 c.120 (C.13:20-3), when the committee, a local government unit, or  
36 a qualifying tax exempt nonprofit organization seeks to acquire a  
37 development easement on farmland or the fee simple title to  
38 farmland for farmland preservation purposes using constitutionally  
39 dedicated moneys in whole or in part, Green Acres bond act moneys  
40 in whole or in part, or constitutionally dedicated CBT moneys  
41 pursuant to P.L.2016, c.12 (C.13:8C-43 et seq.) in whole or in part,  
42 it shall conduct or cause to be conducted an appraisal or appraisals  
43 of the value of the lands that shall be made using (a) the land use  
44 zoning of the lands, and any State environmental laws or  
45 Department of Environmental Protection rules and regulations that  
46 may affect the value of the lands, subject to the appraisal and in  
47 effect at the time of proposed acquisition, and (b) the land use  
48 zoning of the lands, and any State environmental laws or

1 Department of Environmental Protection rules and regulations that  
2 may affect the value of the lands, subject to the appraisal and in  
3 effect on January 1, 2004. The higher of those two values shall be  
4 utilized by the committee, a local government unit, or a qualifying  
5 tax exempt nonprofit organization as the basis for negotiation with  
6 the landowner with respect to the acquisition price for the lands.  
7 The landowner shall be provided with both values determined  
8 pursuant to this paragraph.

9 A landowner may waive any of the requirements of this  
10 paragraph and may agree to sell the lands for less than the values  
11 determined pursuant to this paragraph.

12 The provisions of this paragraph shall be applicable only to lands  
13 the owner of which at the time of proposed acquisition is the same  
14 person who owned the lands on the date of enactment of P.L.2004,  
15 c.120 (C.13:20-1 et al.) and who has owned the lands continuously  
16 since that enactment date, or is an immediate family member of that  
17 person.

18 (2) (Deleted by amendment, P.L.2010, c.70)

19 (3) The requirements of this subsection shall be in addition to  
20 any other requirements of law, rule, or regulation not inconsistent  
21 therewith.

22 (4) This subsection shall not:

23 (a) apply in the case of lands to be acquired with federal moneys  
24 in whole or in part;

25 (b) (Deleted by amendment, P.L.2010, c.70); or

26 (c) alter any requirements to disclose information to a  
27 landowner pursuant to the "Eminent Domain Act of 1971,"  
28 P.L.1971, c.361 (C.20:3-1 et seq.).

29 (5) For the purposes of this subsection, "immediate family  
30 member" means a spouse, child, parent, sibling, aunt, uncle, niece,  
31 nephew, first cousin, grandparent, grandchild, father-in-law,  
32 mother-in-law, son-in-law, daughter-in-law, stepparent, stepchild,  
33 stepbrother, stepsister, half brother, or half sister, whether the  
34 individual is related by blood, marriage, or adoption.

35 k. The committee and the Department of Environmental  
36 Protection, pursuant to the "Administrative Procedure Act,"  
37 P.L.1968, c.410 (C.52:14B-1 et seq.), shall jointly adopt rules and  
38 regulations that establish standards and requirements regulating any  
39 improvement on lands acquired by the State for farmland  
40 preservation purposes using constitutionally dedicated moneys to  
41 assure that any improvement does not diminish the protection of  
42 surface water or groundwater resources.

43 Any rules and regulations adopted pursuant to this subsection  
44 shall not apply to improvements on lands acquired prior to the  
45 adoption of the rules and regulations.

46 l. (1) The committee, within three months after the date of the  
47 first meeting of the Highlands Water Protection and Planning  
48 Council established pursuant to section 4 of P.L.2004, c.120

1 (C.13:20-4), shall consult with and solicit recommendations from  
2 the council concerning farmland preservation strategies and  
3 acquisition plans in the Highlands Region as defined in section 3 of  
4 P.L.2004, c.120 (C.13:20-3).

5 The council's recommendations shall also address strategies and  
6 plans concerning establishment by the committee of a methodology  
7 for prioritizing the acquisition of development easements and fee  
8 simple titles to farmland in the Highlands preservation area, as  
9 defined in section 3 of P.L.2004, c.120 (C.13:20-3), for farmland  
10 preservation purposes using moneys from the Garden State  
11 Farmland Preservation Trust Fund, especially with respect to  
12 farmland that has declined substantially in value due to the  
13 implementation of the "Highlands Water Protection and Planning  
14 Act," P.L.2004, c.120 (C.13:20-1 et al.). The recommendations  
15 may also include a listing of specific parcels in the Highlands  
16 preservation area that the council is aware of that have experienced  
17 a substantial decline in value and for that reason should be  
18 considered by the committee as a priority for acquisition, but any  
19 such list shall remain confidential notwithstanding any provision of  
20 P.L.1963, c.73 (C.47:1A-1 et seq.) or any other law to the contrary.

21 (2) In prioritizing applications for funding submitted by local  
22 government units in the Highlands planning area, as defined in  
23 section 3 of P.L.2004, c.120 (C.13:20-3), to acquire development  
24 easements on farmland in the Highlands planning area using  
25 moneys from the Garden State Farmland Preservation Trust Fund,  
26 the committee shall accord a higher weight to any application  
27 submitted by a local government unit to preserve farmland in a  
28 municipality in the Highlands planning area that has amended its  
29 development regulations in accordance with section 13 of P.L.2004,  
30 c.120 (C.13:20-13) to establish one or more receiving zones for the  
31 transfer of development potential from the Highlands preservation  
32 area, as defined in section 3 of P.L.2004, c.120 (C.13:20-3), than  
33 that which is accorded to comparable applications submitted by  
34 other local government units to preserve farmland in municipalities  
35 in the Highlands planning area that have not made such  
36 amendments to their development regulations.

37 m. Notwithstanding any provision of P.L.1999, c.152 (C.13:8C-  
38 1 et seq.) to the contrary, for State fiscal years 2005 through 2009,  
39 the sum spent by the committee in each of those fiscal years for the  
40 acquisition by the committee of development easements and fee  
41 simple titles to farmland for farmland preservation purposes using  
42 moneys from the Garden State Farmland Preservation Trust Fund in  
43 each county of the State shall be not less, and may be greater if  
44 additional sums become available, than the average annual sum  
45 spent by the department therefor in each such county, respectively,  
46 for State fiscal years 2002 through 2004, provided there is sufficient  
47 and appropriate farmland within the county to be so acquired by the

1 committee for such purposes.  
2 (cf: P.L.2019, c.136, s.9)

3

4 2. Section 8 of P.L.2016, c.12 (C.13:8C-50) is amended to read  
5 as follows:

6 8. a. The State Treasurer shall establish a fund to be known as  
7 the "Preserve New Jersey Farmland Preservation Fund" and shall  
8 deposit all moneys received pursuant to paragraph (3) of subsection  
9 a. of section 5 of P.L.2016, c.12 (C.13:8C-47), paragraph (2) of  
10 subsection a. of section 1 of P.L.2019, c.136 (C.13:8C-47.1), and  
11 any other moneys appropriated by law for deposit into the fund.

12 Moneys in the fund shall be invested in permitted investments or  
13 shall be held in interest-bearing accounts in those depositories as  
14 the State Treasurer may select, and may be invested and reinvested  
15 in permitted investments or as other trust funds in the custody of the  
16 State Treasurer in the manner provided by law. All interest or other  
17 income or earnings derived from the investment or reinvestment of  
18 moneys in the fund shall be credited to the fund.

19 b. (1) The moneys in the fund are specifically dedicated and  
20 shall be used for the same purposes as those set forth in section 37  
21 of P.L.1999, c.152 (C.13:8C-37) and as provided in paragraph (2)  
22 of this subsection.

23 (2) Of the moneys deposited into the Preserve New Jersey  
24 Farmland Preservation Fund: (a) in State fiscal year 2017 through  
25 and including State fiscal year 2019, up to three percent shall be  
26 allocated by the committee on an annual basis for stewardship  
27 activities; and (b) commencing in State fiscal year 2020 and  
28 annually thereafter, up to four percent shall be allocated by the  
29 committee on an annual basis for stewardship activities.

30 (3) Notwithstanding any provision of P.L.2016, c.12 (C.13:8C-  
31 43 et seq.) to the contrary, stewardship activities undertaken on  
32 farmland on which (a) the pinelands development credits have been  
33 acquired pursuant to P.L.1979, c.111 (C.13:18A-1 et seq.), and the  
34 pinelands comprehensive management plan adopted pursuant  
35 thereto, or the development rights have been acquired pursuant to a  
36 transfer of development rights program for the Highlands Region  
37 established pursuant to section 13 of P.L.2004, c.120 (C.13:20-13),  
38 and (b) there is deed restriction approved by the committee, shall be  
39 eligible for funding pursuant to paragraph (2) of this subsection.

40 c. Moneys in the fund shall not be expended except in  
41 accordance with appropriations from the fund made by law. Any  
42 act appropriating moneys from the Preserve New Jersey Farmland  
43 Preservation Fund shall identify any particular project or projects to  
44 be funded by the moneys, and any expenditure for a project for  
45 which the location is not identified by municipality and county in  
46 the appropriation shall require the approval of the Joint Budget  
47 Oversight Committee, or its successor, except as permitted  
48 otherwise in accordance with the same exceptions as those specified

1 in paragraph (2) of subsection b. of section 23 of P.L.1999, c.152  
2 (C.13:8C-23).

3 d. Unexpended moneys due to project withdrawals,  
4 cancellations, or cost savings shall be returned to the fund.

5 e. Notwithstanding the provisions of section 24 of P.L.1983,  
6 c.32 (C.4:1C-31) or section 38 of P.L.1999, c.152 (C.13:8C-38), or  
7 any rule or regulation adopted pursuant thereto, to the contrary,  
8 when the committee, a local government unit, or a qualifying tax  
9 exempt nonprofit organization seeks to acquire a development  
10 easement on farmland using, in whole or in part, monies deposited  
11 into the Preserve New Jersey Farmland Preservation Fund, the value  
12 of the development easement shall be determined by the following:

13 (1) the procedure set forth in section 24 of P.L.1983, c.32  
14 (C.4:1C-31);

15 (2) a value determined in accordance with a formula, to be  
16 known as the "Statewide Farmland Preservation Formula," adopted  
17 by the committee by rule or regulation pursuant to the  
18 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et  
19 seq.), that includes:

20 (a) conducting a sufficient number of fair market value  
21 appraisals of agricultural lands within the municipality in which the  
22 land is located as the committee deems appropriate to determine the  
23 value of the land for farmland preservation;

24 (b) considering development easement values in counties and  
25 municipalities reasonably contiguous to, but outside of, the  
26 municipality in which the land to be acquired is located, which in  
27 the sole opinion of the committee constitute reasonable  
28 development easement values for the purposes of this subsection;

29 (c) considering the importance of preserving agricultural lands in  
30 the municipality and county in which the land is located;

31 (d) considering such other relevant factors as may be necessary  
32 to increase participation in the farmland preservation program by  
33 owners of agricultural lands located in municipality and county in  
34 which the land is located, including, but not limited to, the rate of  
35 inflation, the quality of the agricultural soils, the size of the  
36 agricultural lands to be acquired, and the risk of conversion of the  
37 land from productive agriculture to nonagricultural use; and

38 (e) providing additional value for the proximity of agricultural  
39 lands located adjacent to preserved agricultural lands, lands  
40 preserved for recreation and conservation purposes, aquifer  
41 recharge areas, lands subject to development or conservation  
42 easements, utility and roadway rights-of-way, military bases, and  
43 airports and associated airspace; and, if applicable,

44 (3) (a) in the case of property located in the pinelands area,  
45 whenever the value of a development easement on farmland to be  
46 acquired is determined based upon the value of any pinelands  
47 development credits allocated to the parcel pursuant to P.L.1979,  
48 c.111 (C.13:18A-1 et seq.) and the pinelands comprehensive

1 management plan adopted pursuant thereto, the value determined by  
2 the committee pursuant to subsection e. of section 38 of P.L.1999,  
3 c.152 (C.13:8C-38);

4 (b) in the case of property located in the Highlands Region, the  
5 value determined pursuant to subsection j. of section 38 of  
6 P.L.1999, c.152 (C.13:8C-38), if applicable.

7 The landowner shall be provided with the values determined  
8 pursuant to paragraphs (1) and (2) of this subsection, and if  
9 applicable, the value determined pursuant to paragraph (3) of this  
10 subsection. The higher of the values shall be utilized by the  
11 committee, a local government unit, or a qualifying tax exempt  
12 nonprofit organization as the basis for negotiation with the  
13 landowner with respect to the acquisition price. A landowner may  
14 waive any of the requirements of this subsection and may agree to  
15 sell the lands for less than the values determined pursuant to this  
16 subsection.

17 This subsection shall not apply in the case of lands to be  
18 acquired with federal moneys in whole or in part.

19 (cf: P.L.2019, c.136, s.4)

20

21 3. This act shall take effect immediately.

22

23

#### 24 STATEMENT

25

26 This bill would establish a new process for the determination of  
27 the value of a development easement to be acquired for farmland  
28 preservation purposes by the State Agriculture Development  
29 Committee (SADC), a local government unit, or a qualifying tax  
30 exempt nonprofit organization using, in whole or in part,  
31 constitutionally dedicated Corporation Business Tax monies  
32 deposited into the Preserve New Jersey Farmland Preservation  
33 Fund, pursuant to P.L.2016, c.12 (C.13:8C-43 et seq.). This process  
34 would be used in addition to the appraisal processes in current law.

35 Under this bill, the committee would adopt, pursuant to the  
36 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et  
37 seq.) a formula, to be known as the "Statewide Farmland  
38 Preservation Formula," that includes:

39 (a) conducting a sufficient number of fair market value  
40 appraisals of agricultural lands within the municipality in which the  
41 land is located;

42 (b) considering development easement values in counties and  
43 municipalities reasonably contiguous to, but outside of, the  
44 municipality in which the land to be acquired is located;

45 (c) considering the importance of preserving agricultural lands in  
46 the municipality and county in which the land is located;

47 (d) considering such other relevant factors as may be necessary  
48 to increase participation in the farmland preservation program by

1 owners of agricultural lands located in municipality and county in  
2 which the land is located, including, but not limited to, the rate of  
3 inflation, the quality of the agricultural soils, the size of the  
4 agricultural lands to be acquired, and the risk of conversion of the  
5 land from productive agriculture to nonagricultural use; and

6 (e) providing additional value for the proximity of agricultural  
7 lands located adjacent to preserved agricultural lands, lands  
8 preserved for recreation and conservation purposes, aquifer  
9 recharge areas, lands subject to development or conservation  
10 easements, utility and roadway rights-of-way, military bases, and  
11 airports and associated airspace.

12 The value determined pursuant to this new process would be  
13 used in addition to the processes contained in current law.

14 In addition, the bill would amend subsection e. of section 38 of  
15 P.L.1999, c.152 (C.13:8C-38), which sets for how value is to be  
16 calculated when the value of the farmland to be acquired is  
17 determined based upon the value of any pinelands development  
18 credits allocated to the parcel pursuant to P.L.1979, c.111  
19 (C.13:18A-1 et seq.) and the pinelands comprehensive management  
20 plan adopted pursuant thereto. Under this bill, that value would  
21 include consideration of the rate of inflation.

22 A landowner would be provided with the values determined  
23 pursuant to these different methods and the higher of the values  
24 would be used as the basis for negotiation with the landowner with  
25 respect to the acquisition price.

ASSEMBLY AGRICULTURE AND FOOD SECURITY  
COMMITTEE

STATEMENT TO  
**ASSEMBLY, No. 4729**

with committee amendments

**STATE OF NEW JERSEY**

DATED: DECEMBER 12, 2022

The Assembly Agriculture and Food Security Committee reports favorably and with committee amendments Assembly Bill No. 4729.

As amended by the committee, this bill would establish a new process for the determination of the value of a development easement to be acquired for farmland preservation purposes by the State Agriculture Development Committee (SADC), a local government unit, or a qualifying tax exempt nonprofit organization using, in whole or in part, constitutionally dedicated Corporation Business Tax monies deposited into the Preserve New Jersey Farmland Preservation Fund, pursuant to P.L.2016, c.12 (C.13:8C-43 et seq.). This process would be used in addition to the appraisal processes in current law.

Under this bill, the committee would adopt, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) a formula, to be known as the "Statewide Farmland Preservation Formula," that includes:

(a) conducting a sufficient number of fair market value appraisals of agricultural lands within the municipality in which the land is located;

(b) considering development easement values in counties and municipalities reasonably contiguous to, but outside of, the municipality in which the land to be acquired is located;

(c) considering the importance of preserving agricultural lands in the municipality and county in which the land is located;

(d) considering the status and value of natural resources in the municipality and county in which the land is located, and in counties and municipalities that are reasonably contiguous to, but outside of, the municipality and county in which the land is located;

(e) considering such other relevant factors as may be necessary to increase participation in the farmland preservation program by owners of agricultural lands located in the municipality and county in which the land is located, including, but not limited to, the rate of inflation, the quality of the agricultural soils, the size of the agricultural lands to be acquired, and the risk of conversion of the land from productive agriculture to nonagricultural use; and

(f) providing additional value for the proximity of agricultural lands located adjacent to preserved agricultural lands, lands preserved for recreation and conservation purposes, aquifer recharge areas, lands subject to development or conservation easements, utility and roadway rights-of-way, military bases, and airports and associated airspace.

The value determined pursuant to this new process would be used in addition to the processes contained in current law.

In addition, the bill would amend subsection e. of section 38 of P.L.1999, c.152 (C.13:8C-38), which sets for how value is to be calculated when the value of the farmland to be acquired is determined based upon the value of any pinelands development credits allocated to the parcel pursuant to P.L.1979, c.111 (C.13:18A-1 et seq.) and the pinelands comprehensive management plan adopted pursuant thereto. Under this bill, that value would include consideration of the rate of inflation.

A landowner would be provided with the values determined pursuant to these different methods and the higher of the values would be used as the basis for negotiation with the landowner with respect to the acquisition price.

#### COMMITTEE AMENDMENTS:

The committee amended the bill to make technical corrections and to require the value being established in accordance with the “Statewide Farmland Preservation Formula” to be determined, in part, based on the consideration of the status and value of natural resources in the municipality and county in which the land to be acquired is located, and in the counties and municipalities that are reasonably contiguous to, but outside of, the municipality and county in which the land is located. This consideration would be in addition to the other considerations that are already required to be taken into account when determining this value under the bill’s provisions.

# SENATE ECONOMIC GROWTH COMMITTEE

## STATEMENT TO

[First Reprint]

## ASSEMBLY, No. 4729

with committee amendments

# STATE OF NEW JERSEY

DATED: JUNE 8, 2023

The Senate Economic Growth Committee reports favorably Assembly Bill No. 4729 (1R), with committee amendments.

As amended and reported, this bill would establish a new process for the determination of the value of farmland, and development easements on farmland, to be acquired for farmland preservation purposes by the State Agriculture Development Committee (SADC), a local government unit, or a qualifying tax exempt nonprofit organization using, in whole or in part, constitutionally dedicated Corporation Business Tax monies deposited into the Preserve New Jersey Farmland Preservation Fund, the Garden State Farmland Preservation Trust Fund, or any other State monies provided for farmland preservation purposes. This process would be used in addition to the appraisal processes in current law.

Under this bill, the committee would adopt a formula, to be known as the “Statewide Farmland Preservation Formula,” that includes:

(1) conducting or analyzing a sufficient number of fair market value appraisals of agricultural lands within the municipality in which the land is located, or the surrounding market area, or both;

(2) considering farmland and development easement values in counties and municipalities reasonably contiguous to, but outside of, the municipality in which the land to be acquired is located;

(3) considering the importance of preserving agricultural lands in the municipality and county in which the land is located;

(4) considering the status and value of natural resources in the municipality and county in which the land is located, and in counties and municipalities that are reasonably contiguous to, but outside of, the municipality and county in which the land is located;

(5) considering such other relevant factors as may be necessary to increase participation in the farmland preservation program by owners of agricultural lands located in the municipality and county in which the land is located, including, but not limited to, the rate of inflation, the quality of the agricultural soils, the size of the agricultural lands to be acquired, and the risk of conversion of the land from productive agriculture to nonagricultural use; and

(6) providing additional value for the proximity of agricultural lands located adjacent to preserved agricultural lands, lands preserved for recreation and conservation purposes, aquifer recharge areas, lands subject to development or conservation easements, and lands whose conversion to nonagricultural use would lead to conflicting land uses, including, but not limited to, utility and roadway rights-of-way, military bases, and airports and associated airspace.

The SADC would adopt rules and regulations to establish the “Statewide Farmland Preservation Formula,” notwithstanding the provisions of the “Administrative Procedure Act.” These rules and regulations would remain in effect for a period not to exceed three years after the date of the filing and thereafter be adopted, amended, or readopted in accordance with the requirements of the “Administrative Procedure Act.”

In addition, the bill would amend current law concerning how value is to be calculated when the value of the farmland to be acquired is determined based upon the value of any pinelands development credits allocated to the parcel pursuant to P.L.1979, c.111 (C.13:18A-1 et seq.) and the pinelands comprehensive management plan adopted pursuant thereto. Under this bill, that value would include consideration of the rate of inflation.

A landowner would be provided with the values determined pursuant to these different methods and the higher of the values would be used as the basis for negotiation with the landowner with respect to the acquisition price.

As amended and reported, this bill is identical to Senate Bill No. 3279, which was also amended and reported by the committee on this date.

#### COMMITTEE AMENDMENTS:

The committee amended the bill to:

(1) provide that the new appraisal process established in the bill would also apply to the acquisition of fee simple titles to farmland, not just the acquisition of development easements;

(2) provide that the “Statewide Farmland Preservation Formula,” to be developed pursuant to the bill, would also apply to farmland acquired using, in whole or in part, monies from the Garden State Farmland Preservation Trust Fund, or any other State monies provided for farmland preservation purposes, not just the Preserve New Jersey Farmland Preservation Fund;

(3) revise the criteria to be included in the “Statewide Farmland Preservation Formula,” to provide that the SADC may analyze, in addition to conducting, a sufficient number of fair market value appraisals of agricultural lands within the municipality in which the land is located, or the surrounding market area, or both, and consider farmland values, in addition to development easement values, in

counties and municipalities reasonably contiguous to, but outside of, the municipality in which the land to be acquired is located;

(4) require the “Statewide Farmland Preservation Formula” to provide additional value for agricultural lands located adjacent to lands whose conversion to a nonagricultural use would lead to conflicting land uses;

(5) remove a provision that would have excluded agricultural lands preserved using federal funds from being valued under the “Statewide Farmland Preservation Formula”;

(6) direct the SADC to adopt the “Statewide Farmland Preservation Formula” through rules and regulations, notwithstanding the provisions of the “Administrative Procedure Act” to the contrary, which rules and regulations would be in effect for a period not to exceed three years after the date of the filing and thereafter adopted, amended, or readopted in accordance with the requirements of the “Administrative Procedure Act”; and

(7) make a technical correction to the bill.

# SENATE BUDGET AND APPROPRIATIONS COMMITTEE

## STATEMENT TO

[Second Reprint]

**ASSEMBLY, No. 4729**

# **STATE OF NEW JERSEY**

DATED: NOVEMBER 30, 2023

The Senate Budget and Appropriations Committee reports favorably Assembly Bill No. 4729 (2R).

This bill would establish a new process for the determination of the value of farmland, and development easements on farmland, to be acquired for farmland preservation purposes by the State Agriculture Development Committee (SADC), a local government unit, or a qualifying tax exempt nonprofit organization using, in whole or in part, constitutionally dedicated Corporation Business Tax monies deposited into the Preserve New Jersey Farmland Preservation Fund, the Garden State Farmland Preservation Trust Fund, or any other State monies provided for farmland preservation purposes. This process would be used in addition to the appraisal processes in current law.

Under this bill, the committee would adopt a formula, to be known as the “Statewide Farmland Preservation Formula,” that includes:

(1) conducting or analyzing a sufficient number of fair market value appraisals of agricultural lands within the municipality in which the land is located, or the surrounding market area, or both;

(2) considering farmland and development easement values in counties and municipalities reasonably contiguous to, but outside of, the municipality in which the land to be acquired is located;

(3) considering the importance of preserving agricultural lands in the municipality and county in which the land is located;

(4) considering the status and value of natural resources in the municipality and county in which the land is located, and in counties and municipalities that are reasonably contiguous to, but outside of, the municipality and county in which the land is located;

(5) considering such other relevant factors as may be necessary to increase participation in the farmland preservation program by owners of agricultural lands located in the municipality and county in which the land is located, including, but not limited to, the rate of inflation, the quality of the agricultural soils, the size of the agricultural lands to be acquired, and the risk of conversion of the land from productive agriculture to nonagricultural use; and

(6) providing additional value for the proximity of agricultural lands located adjacent to preserved agricultural lands, lands preserved for recreation and conservation purposes, aquifer recharge areas, lands

subject to development or conservation easements, and lands whose conversion to nonagricultural use would lead to conflicting land uses, including, but not limited to, utility and roadway rights-of-way, military bases, and airports and associated airspace.

The SADC would adopt rules and regulations to establish the “Statewide Farmland Preservation Formula,” notwithstanding the provisions of the “Administrative Procedure Act.” These rules and regulations would remain in effect for a period not to exceed three years after the date of the filing and thereafter be adopted, amended, or readopted in accordance with the requirements of the “Administrative Procedure Act.”

In addition, the bill would amend current law concerning how value is to be calculated when the value of the farmland to be acquired is determined based upon the value of any pinelands development credits allocated to the parcel pursuant to P.L.1979, c.111 (C.13:18A-1 et seq.) and the pinelands comprehensive management plan adopted pursuant thereto. Under this bill, that value would include consideration of the rate of inflation.

A landowner would be provided with the values determined pursuant to these different methods and the higher of the values would be used as the basis for negotiation with the landowner with respect to the acquisition price.

As reported by the committee, Assembly Bill No. 4729 (2R) is identical to Senate Bill No. 3279 (1R), which was also reported by the committee on this date.

FISCAL IMPACT:

The Office of Legislative Services (OLS) concludes that there would be a one-time expenditure increase by the State for the first year to develop the Statewide farmland preservation formula required by the bill. The State Agriculture Development Committee estimates a one-time expenditure increase of between \$500,000 and \$1 million for a qualified appraisal firm to develop this formula.

The OLS determines the bill would result in an increase in the cost for the State and local governments to purchase fee simple title to, and development easements on, farmland. The OLS cannot quantify this estimated increase because it cannot predict how many development easements or titles will be acquired and the cost of acquiring those easements and titles.

# LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

## ASSEMBLY, No. 4729

### STATE OF NEW JERSEY 220th LEGISLATURE

DATED: JANUARY 26, 2023

#### SUMMARY

- Synopsis:** Revises method for appraisals of farmland to be acquired for farmland preservation purposes.
- Type of Impact:** Annual State and local expenditure increases.
- Agencies Affected:** State Agriculture Development Committee and local governments.

#### Office of Legislative Services Estimate

<b>Fiscal Impact</b>	<b><u>Annual</u></b>
<b>State Expenditure Increase</b>	Indeterminate
<b>Local Expenditure Increase</b>	Indeterminate

- The Office of Legislative Services (OLS) concludes that there would be a one-time expenditure increase by the State for the first year to develop the statewide farmland preservation formula required by the bill. The State Agriculture Development Committee estimates a one-time expenditure increase of between \$500,000 and \$1 million for a qualified appraisal firm to develop this formula.
- The OLS determines the bill would result in an increase in the cost for the State and local governments to purchase a development easement. The OLS cannot quantify this estimated increase because it cannot predict how many development easements will be acquired and the cost of acquiring those easements.

#### BILL DESCRIPTION

This bill would establish a new process for the determination of the value of a development easement to be acquired for farmland preservation purposes by the State Agriculture Development Committee, a local government unit, or a qualifying tax exempt nonprofit organization using, in whole or in part, constitutionally dedicated Corporation Business Tax monies deposited into the Preserve New Jersey Farmland Preservation Fund, pursuant to P.L.2016, c.12. This process would be used in addition to the appraisal processes in current law.

Under the bill, the committee would adopt, pursuant to the Administrative Procedure Act, a formula, to be known as the "Statewide Farmland Preservation Formula," that includes:

(a) conducting a sufficient number of fair market value appraisals of agricultural lands within the municipality in which the land is located;

(b) considering development easement values in counties and municipalities reasonably contiguous to, but outside of, the municipality in which the land to be acquired is located;

(c) considering the importance of preserving agricultural lands in the municipality and county in which the land is located;

(d) considering the status and value of natural resources in the municipality and county in which the land is located, and in counties and municipalities that are reasonably contiguous to, but outside of, the municipality and county in which the land is located;

(e) considering such other relevant factors as may be necessary to increase participation in the farmland preservation program by owners of agricultural lands located in the municipality and county in which the land is located, including, but not limited to, the rate of inflation, the quality of the agricultural soils, the size of the agricultural lands to be acquired, and the risk of conversion of the land from productive agriculture to nonagricultural use; and

(f) providing additional value for the proximity of agricultural lands located adjacent to preserved agricultural lands, lands preserved for recreation and conservation purposes, aquifer recharge areas, lands subject to development or conservation easements, utility and roadway rights-of-way, military bases, and airports and associated airspace.

The value determined pursuant to this new process would be used in addition to the processes contained in current law.

In addition, the bill would amend the Garden State Preservation Trust Act, which sets forth how value is to be calculated when the value of the farmland to be acquired is determined based upon the value of any pinelands development credits allocated to the parcel pursuant to the Pinelands Protection Act and the pinelands comprehensive management plan adopted pursuant thereto. Under this bill, that value would include consideration of the rate of inflation.

A landowner would be provided with the values determined pursuant to these different methods and the higher of the values would be used as the basis for negotiation with the landowner with respect to the acquisition price.

## **FISCAL ANALYSIS**

### ***EXECUTIVE BRANCH***

The OLS has not received a fiscal note from the Executive for this bill. However, the State Agriculture Development Committee provided informal information to the OLS that the bill would result in a one-time expenditure increase in order to develop the statewide farmland preservation formula. According to the committee, it would need to hire a qualified appraisal firm to assist in the evaluation and development of the formula. The committee noted that it previously hired a qualified appraisal firm to develop the Pinelands formula pursuant to the Garden State Preservation Trust Act. The development of the formula would likely cost between \$500,000 and \$1 million and would take up to a year to develop.

The State Agriculture Development Committee also expects there would be an increase in the cost of purchasing a development easement as a result of this bill. The committee believes that the increase in easement values could range between 25 and 50 percent. It should be noted that this is a very preliminary estimate, and the committee emphasized it would not know the impact

of the statewide farmland preservation formula until it gets deep into the evaluation process with the appraisal firm.

***OFFICE OF LEGISLATIVE SERVICES***

The OLS concludes that there will be a one-time expenditure increase by the State for the first year to develop the statewide farmland preservation formula required by the bill. As previously noted, the State Agriculture Development Committee estimates there would be a one-time expenditure increase of between \$500,000 and \$1 million to develop the formula by a qualified appraisal firm. Also of note, the committee previously hired a qualified appraisal firm to develop a Pinelands formula pursuant to the Garden State Preservation Trust Act.

The OLS determines the bill would result in an increase in the cost for the State and local governments to purchase a development easement. The OLS notes that following the statewide farmland preservation formula required by the bill will increase the cost and time necessary for the State and local governments to perform an appraisal, pursuant to the new formula, of a development easement in order to offer a landowner a purchase price for the easement. However, the OLS cannot quantify this estimated increase because it cannot predict how many development easements will be acquired and the cost of acquiring those easements.

*Section: Environment, Agriculture, Energy, and Natural Resources*

*Analyst: Neha Patel  
Senior Fiscal Analyst*

*Approved: Thomas Koenig  
Legislative Budget and Finance Officer*

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).

# LEGISLATIVE FISCAL ESTIMATE

[Second Reprint]

**ASSEMBLY, No. 4729**

## **STATE OF NEW JERSEY 220th LEGISLATURE**

DATED: AUGUST 3, 2023

### **SUMMARY**

- Synopsis:** Revises method for appraisals of farmland to be acquired for farmland preservation purposes.
- Type of Impact:** Annual State and local expenditure increases.
- Agencies Affected:** State Agriculture Development Committee and local governments.

#### **Office of Legislative Services Estimate**

<b>Fiscal Impact</b>	<b><u>Annual</u></b>
<b>State Expenditure Increase</b>	Indeterminate
<b>Local Expenditure Increase</b>	Indeterminate

- The Office of Legislative Services (OLS) concludes that there would be a one-time expenditure increase by the State for the first year to develop the Statewide farmland preservation formula required by the bill. The State Agriculture Development Committee estimates a one-time expenditure increase of between \$500,000 and \$1 million for a qualified appraisal firm to develop this formula.
- The OLS determines the bill would result in an increase in the cost for the State and local governments to purchase fee simple title to, and development easements on, farmland. The OLS cannot quantify this estimated increase because it cannot predict how many development easements or titles will be acquired and the cost of acquiring those easements and titles.

### **BILL DESCRIPTION**

This bill would establish a new process for the determination of the value of farmland, and fee simple titles to and development easements on farmland, to be acquired for farmland preservation purposes by the State Agriculture Development Committee, a local government unit, or a qualifying tax exempt nonprofit organization using, in whole or in part, constitutionally dedicated Corporation Business Tax monies deposited into the Preserve New Jersey Farmland Preservation

Fund, the Garden State Farmland Preservation Trust Fund, or any other State monies provided for farmland preservation purposes. This process would be used in addition to the appraisal processes in current law.

Under the bill, the committee would adopt a formula, to be known as the “Statewide Farmland Preservation Formula,” that includes:

(a) conducting or analyzing a sufficient number of fair market value appraisals of agricultural lands within the municipality in which the land is located, or the surrounding market area, or both;

(b) considering farmland and development easement values in counties and municipalities reasonably contiguous to, but outside of, the municipality in which the land to be acquired is located;

(c) considering the importance of preserving agricultural lands in the municipality and county in which the land is located;

(d) considering the status and value of natural resources in the municipality and county in which the land is located, and in counties and municipalities that are reasonably contiguous to, but outside of, the municipality and county in which the land is located;

(e) considering such other relevant factors as may be necessary to increase participation in the farmland preservation program by owners of agricultural lands located in the municipality and county in which the land is located, including, but not limited to, the rate of inflation, the quality of the agricultural soils, the size of the agricultural lands to be acquired, and the risk of conversion of the land from productive agriculture to nonagricultural use; and

(f) providing additional value for the proximity of agricultural lands located adjacent to preserved agricultural lands, lands preserved for recreation and conservation purposes, aquifer recharge areas, lands subject to development or conservation easements, and lands whose conversion to nonagricultural use would lead to conflicting land uses, including, but not limited to, utility and roadway rights-of-way, military bases, and airports and associated airspace.

The State Agriculture Development Committee would be required adopt rules and regulations to establish the Statewide Farmland Preservation Formula.

In addition, the bill would amend the Garden State Preservation Trust Act concerning how value is to be calculated when the value of the farmland to be acquired is determined based upon the value of any pinelands development credits allocated to the parcel pursuant to the Pinelands Protection Act and the pinelands comprehensive management plan adopted pursuant thereto. Under this bill, that value would include consideration of the rate of inflation.

A landowner would be provided with the values determined pursuant to these different methods and the higher of the values would be used as the basis for negotiation with the landowner with respect to the acquisition price.

## **FISCAL ANALYSIS**

### ***EXECUTIVE BRANCH***

The OLS has not received a fiscal note from the Executive for this bill. However, the State Agriculture Development Committee provided informal information to the OLS that the bill would result in a one-time expenditure increase in order to develop the Statewide farmland preservation formula. According to the committee, it would need to hire a qualified appraisal firm to assist in the evaluation and development of the formula. The committee noted that it previously hired a qualified appraisal firm to develop the Pinelands formula pursuant to the Garden State Preservation Trust Act. The development of the formula would likely cost between \$500,000 and \$1 million and would take up to a year to develop.

The State Agriculture Development Committee also expects there would be an increase in the cost of purchasing development easements or fee simple titles as a result of this bill. The committee believes that the increase in values could range between 25 and 50 percent. It should be noted that this is a very preliminary estimate, and the committee emphasized it would not know the impact of the Statewide farmland preservation formula until it gets deep into the evaluation process with the appraisal firm.

### ***OFFICE OF LEGISLATIVE SERVICES***

The OLS concludes that there will be a one-time expenditure increase by the State for the first year to develop the Statewide farmland preservation formula required by the bill. As previously noted, the State Agriculture Development Committee estimates there would be a one-time expenditure increase of between \$500,000 and \$1 million to develop the formula by a qualified appraisal firm. Also of note, the committee previously hired a qualified appraisal firm to develop a Pinelands formula pursuant to the Garden State Preservation Trust Act.

The OLS determines the bill would result in an increase in the cost for the State and local governments to purchase farmland for preservation purposes or to purchase a development easement. The OLS notes that following the Statewide farmland preservation formula required by the bill will increase the cost and time necessary for the State and local governments to perform an appraisal, pursuant to the new formula, of farmland or an appraisal of a development easement in order to offer a landowner a purchase price for the farmland or for the easement. However, the OLS cannot quantify this estimated increase because it cannot predict how many development easements will be acquired and how much farmland will be purchased and the cost of acquiring the farmland or the easements.

*Section: Environment, Agriculture, Energy, and Natural Resources*

*Analyst: Neha Patel  
Senior Fiscal Analyst*

*Approved: Thomas Koenig  
Legislative Budget and Finance Officer*

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).

**SENATE, No. 3279**

**STATE OF NEW JERSEY**  
**220th LEGISLATURE**

INTRODUCED OCTOBER 31, 2022

**Sponsored by:**

**Senator JEAN STANFIELD**

**District 8 (Atlantic, Burlington and Camden)**

**Senator NILSA I. CRUZ-PEREZ**

**District 5 (Camden and Gloucester)**

**SYNOPSIS**

Revises method for appraisals of farmland to be acquired for farmland preservation purposes.

**CURRENT VERSION OF TEXT**

As introduced.



**(Sponsorship Updated As Of: 6/8/2023)**

1 AN ACT concerning the appraisal of farmland for farmland  
2 preservation purposes and amending P.L.1999, c.152 and  
3 P.L.2016, c.12.

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

7  
8 1. Section 38 of P.L.1999, c.152 (C.13:8C-38) is amended to  
9 read as follows:

10 38. a. All acquisitions or grants made pursuant to section 37 of  
11 P.L.1999, c.152 (C.13:8C-37) shall be made with respect to  
12 farmland devoted to farmland preservation under programs  
13 established by law.

14 b. The expenditure and allocation of constitutionally dedicated  
15 moneys for farmland preservation purposes shall reflect the  
16 geographic diversity of the State to the maximum extent practicable  
17 and feasible.

18 c. The committee shall implement the provisions of section 37  
19 of P.L.1999, c.152 (C.13:8C-37) in accordance with the procedures  
20 and criteria established pursuant to the "Agriculture Retention and  
21 Development Act," P.L.1983, c.32 (C.4:1C-11 et seq.) except as  
22 provided otherwise by **[this act]** P.L.1999, c.152 (C.13:8C-1 et  
23 seq.).

24 d. The committee shall adopt the same or a substantially  
25 similar method for determining, for the purposes of **[this act]**  
26 P.L.1999, c.152 (C.13:8C-1 et seq.), the committee's share of the  
27 cost of a development easement on farmland to be acquired by a  
28 local government as that which is being used by the committee on  
29 the date of enactment of **[this act]** P.L.1999, c.152 (C.13:8C-1 et  
30 seq.) for prior farmland preservation funding programs.

31 e. Notwithstanding the provisions of section 24 of P.L.1983,  
32 c.32 (C.4:1C-31) or **[this act]** P.L.1999, c.152 (C.13:8C-1 et seq.),  
33 or any rule or regulation adopted pursuant thereto, to the contrary,  
34 whenever the value of a development easement on farmland to be  
35 acquired using constitutionally dedicated moneys in whole or in  
36 part is determined based upon the value of any pinelands  
37 development credits allocated to the parcel pursuant to P.L.1979,  
38 c.111 (C.13:18A-1 et seq.) and the pinelands comprehensive  
39 management plan adopted pursuant thereto, the committee shall  
40 determine the value of the development easement by:

41 (1) conducting a sufficient number of fair market value  
42 appraisals as it deems appropriate to determine the value for  
43 farmland preservation purposes of the pinelands development  
44 credits;

**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 (2) considering development easement values in counties,  
2 municipalities, and other areas (a) reasonably contiguous to, but  
3 outside of, the pinelands area, which in the sole opinion of the  
4 committee constitute reasonable development easement values in  
5 the pinelands area for the purposes of this subsection, and (b) in the  
6 pinelands area where pinelands development credits are or may be  
7 utilized, which in the sole opinion of the committee constitute  
8 reasonable development easement values in the pinelands area for  
9 the purposes of this subsection;

10 (3) considering land values in the pinelands regional growth  
11 areas;

12 (4) considering the importance of preserving agricultural lands  
13 in the pinelands area; and

14 (5) considering such other relevant factors, including the rate of  
15 inflation, as may be necessary to increase participation in the  
16 farmland preservation program by owners of agricultural lands  
17 located in the pinelands area.

18 f. No pinelands development credit that is acquired or obtained  
19 in connection with the acquisition of a development easement on  
20 farmland or fee simple title to farmland by the State, a local  
21 government unit, or a qualifying tax exempt nonprofit organization  
22 using constitutionally dedicated moneys in whole or in part may be  
23 conveyed in any manner. All such pinelands development credits  
24 shall be retired permanently.

25 g. (Deleted by amendment, P.L.2010, c.70)

26 h. Any farmland for which a development easement or fee  
27 simple title has been acquired pursuant to section 37 of P.L.1999,  
28 c.152 (C.13:8C-37) shall be entitled to the benefits conferred by the  
29 "Right to Farm Act," P.L.1983, c.31 (C.4:1C-1 et al.) and the  
30 "Agriculture Retention and Development Act," P.L.1983, c.32  
31 (C.4:1C-11 et al.).

32 i. (Deleted by amendment, P.L.2010, c.70)

33 j. (1) Commencing on the date of enactment of P.L.2004,  
34 c.120 (C.13:20-1 et al.) and through June 30, 2024 for lands located  
35 in the Highlands Region as defined pursuant to section 3 of  
36 P.L.2004, c.120 (C.13:20-3), when the committee, a local  
37 government unit, or a qualifying tax exempt nonprofit organization  
38 seeks to acquire a development easement on farmland or the fee  
39 simple title to farmland for farmland preservation purposes using  
40 constitutionally dedicated moneys in whole or in part, Green Acres  
41 bond act moneys in whole or in part, or constitutionally dedicated  
42 CBT moneys pursuant to P.L.2016, c.12 (C.13:8C-43 et seq.) in  
43 whole or in part, it shall conduct or cause to be conducted an  
44 appraisal or appraisals of the value of the lands that shall be made  
45 using (a) the land use zoning of the lands, and any State  
46 environmental laws or Department of Environmental Protection  
47 rules and regulations that may affect the value of the lands, subject  
48 to the appraisal and in effect at the time of proposed acquisition,

1 and (b) the land use zoning of the lands, and any State  
2 environmental laws or Department of Environmental Protection  
3 rules and regulations that may affect the value of the lands, subject  
4 to the appraisal and in effect on January 1, 2004. The higher of  
5 those two values shall be utilized by the committee, a local  
6 government unit, or a qualifying tax exempt nonprofit organization  
7 as the basis for negotiation with the landowner with respect to the  
8 acquisition price for the lands. The landowner shall be provided  
9 with both values determined pursuant to this paragraph.

10 A landowner may waive any of the requirements of this  
11 paragraph and may agree to sell the lands for less than the values  
12 determined pursuant to this paragraph.

13 The provisions of this paragraph shall be applicable only to lands  
14 the owner of which at the time of proposed acquisition is the same  
15 person who owned the lands on the date of enactment of P.L.2004,  
16 c.120 (C.13:20-1 et al.) and who has owned the lands continuously  
17 since that enactment date, or is an immediate family member of that  
18 person.

19 (2) (Deleted by amendment, P.L.2010, c.70)

20 (3) The requirements of this subsection shall be in addition to  
21 any other requirements of law, rule, or regulation not inconsistent  
22 therewith.

23 (4) This subsection shall not:

24 (a) apply in the case of lands to be acquired with federal moneys  
25 in whole or in part;

26 (b) (Deleted by amendment, P.L.2010, c.70); or

27 (c) alter any requirements to disclose information to a  
28 landowner pursuant to the "Eminent Domain Act of 1971,"  
29 P.L.1971, c.361 (C.20:3-1 et seq.).

30 (5) For the purposes of this subsection, "immediate family  
31 member" means a spouse, child, parent, sibling, aunt, uncle, niece,  
32 nephew, first cousin, grandparent, grandchild, father-in-law,  
33 mother-in-law, son-in-law, daughter-in-law, stepparent, stepchild,  
34 stepbrother, stepsister, half brother, or half sister, whether the  
35 individual is related by blood, marriage, or adoption.

36 k. The committee and the Department of Environmental  
37 Protection, pursuant to the "Administrative Procedure Act,"  
38 P.L.1968, c.410 (C.52:14B-1 et seq.), shall jointly adopt rules and  
39 regulations that establish standards and requirements regulating any  
40 improvement on lands acquired by the State for farmland  
41 preservation purposes using constitutionally dedicated moneys to  
42 assure that any improvement does not diminish the protection of  
43 surface water or groundwater resources.

44 Any rules and regulations adopted pursuant to this subsection  
45 shall not apply to improvements on lands acquired prior to the  
46 adoption of the rules and regulations.

47 l. (1) The committee, within three months after the date of the  
48 first meeting of the Highlands Water Protection and Planning

1 Council established pursuant to section 4 of P.L.2004, c.120  
2 (C.13:20-4), shall consult with and solicit recommendations from  
3 the council concerning farmland preservation strategies and  
4 acquisition plans in the Highlands Region as defined in section 3 of  
5 P.L.2004, c.120 (C.13:20-3).

6 The council's recommendations shall also address strategies and  
7 plans concerning establishment by the committee of a methodology  
8 for prioritizing the acquisition of development easements and fee  
9 simple titles to farmland in the Highlands preservation area, as  
10 defined in section 3 of P.L.2004, c.120 (C.13:20-3), for farmland  
11 preservation purposes using moneys from the Garden State  
12 Farmland Preservation Trust Fund, especially with respect to  
13 farmland that has declined substantially in value due to the  
14 implementation of the "Highlands Water Protection and Planning  
15 Act," P.L.2004, c.120 (C.13:20-1 et al.). The recommendations  
16 may also include a listing of specific parcels in the Highlands  
17 preservation area that the council is aware of that have experienced  
18 a substantial decline in value and for that reason should be  
19 considered by the committee as a priority for acquisition, but any  
20 such list shall remain confidential notwithstanding any provision of  
21 P.L.1963, c.73 (C.47:1A-1 et seq.) or any other law to the contrary.

22 (2) In prioritizing applications for funding submitted by local  
23 government units in the Highlands planning area, as defined in  
24 section 3 of P.L.2004, c.120 (C.13:20-3), to acquire development  
25 easements on farmland in the Highlands planning area using  
26 moneys from the Garden State Farmland Preservation Trust Fund,  
27 the committee shall accord a higher weight to any application  
28 submitted by a local government unit to preserve farmland in a  
29 municipality in the Highlands planning area that has amended its  
30 development regulations in accordance with section 13 of P.L.2004,  
31 c.120 (C.13:20-13) to establish one or more receiving zones for the  
32 transfer of development potential from the Highlands preservation  
33 area, as defined in section 3 of P.L.2004, c.120 (C.13:20-3), than  
34 that which is accorded to comparable applications submitted by  
35 other local government units to preserve farmland in municipalities  
36 in the Highlands planning area that have not made such  
37 amendments to their development regulations.

38 m. Notwithstanding any provision of P.L.1999, c.152 (C.13:8C-  
39 1 et seq.) to the contrary, for State fiscal years 2005 through 2009,  
40 the sum spent by the committee in each of those fiscal years for the  
41 acquisition by the committee of development easements and fee  
42 simple titles to farmland for farmland preservation purposes using  
43 moneys from the Garden State Farmland Preservation Trust Fund in  
44 each county of the State shall be not less, and may be greater if  
45 additional sums become available, than the average annual sum  
46 spent by the department therefor in each such county, respectively,  
47 for State fiscal years 2002 through 2004, provided there is sufficient

1 and appropriate farmland within the county to be so acquired by the  
2 committee for such purposes.

3 (cf: P.L.2019, c.136, s.9)

4

5 2. Section 8 of P.L.2016, c.12 (C.13:8C-50) is amended to read  
6 as follows:

7 8. a. The State Treasurer shall establish a fund to be known as  
8 the "Preserve New Jersey Farmland Preservation Fund" and shall  
9 deposit all moneys received pursuant to paragraph (3) of subsection  
10 a. of section 5 of P.L.2016, c.12 (C.13:8C-47), paragraph (2) of  
11 subsection a. of section 1 of P.L.2019, c.136 (C.13:8C-47.1), and  
12 any other moneys appropriated by law for deposit into the fund.

13 Moneys in the fund shall be invested in permitted investments or  
14 shall be held in interest-bearing accounts in those depositories as  
15 the State Treasurer may select, and may be invested and reinvested  
16 in permitted investments or as other trust funds in the custody of the  
17 State Treasurer in the manner provided by law. All interest or other  
18 income or earnings derived from the investment or reinvestment of  
19 moneys in the fund shall be credited to the fund.

20 b. (1) The moneys in the fund are specifically dedicated and  
21 shall be used for the same purposes as those set forth in section 37  
22 of P.L.1999, c.152 (C.13:8C-37) and as provided in paragraph (2)  
23 of this subsection.

24 (2) Of the moneys deposited into the Preserve New Jersey  
25 Farmland Preservation Fund: (a) in State fiscal year 2017 through  
26 and including State fiscal year 2019, up to three percent shall be  
27 allocated by the committee on an annual basis for stewardship  
28 activities; and (b) commencing in State fiscal year 2020 and  
29 annually thereafter, up to four percent shall be allocated by the  
30 committee on an annual basis for stewardship activities.

31 (3) Notwithstanding any provision of P.L.2016, c.12 (C.13:8C-  
32 43 et seq.) to the contrary, stewardship activities undertaken on  
33 farmland on which (a) the pinelands development credits have been  
34 acquired pursuant to P.L.1979, c.111 (C.13:18A-1 et seq.), and the  
35 pinelands comprehensive management plan adopted pursuant  
36 thereto, or the development rights have been acquired pursuant to a  
37 transfer of development rights program for the Highlands Region  
38 established pursuant to section 13 of P.L.2004, c.120 (C.13:20-13),  
39 and (b) there is deed restriction approved by the committee, shall be  
40 eligible for funding pursuant to paragraph (2) of this subsection.

41 c. Moneys in the fund shall not be expended except in  
42 accordance with appropriations from the fund made by law. Any  
43 act appropriating moneys from the Preserve New Jersey Farmland  
44 Preservation Fund shall identify any particular project or projects to  
45 be funded by the moneys, and any expenditure for a project for  
46 which the location is not identified by municipality and county in  
47 the appropriation shall require the approval of the Joint Budget  
48 Oversight Committee, or its successor, except as permitted

1 otherwise in accordance with the same exceptions as those specified  
2 in paragraph (2) of subsection b. of section 23 of P.L.1999, c.152  
3 (C.13:8C-23).

4 d. Unexpended moneys due to project withdrawals,  
5 cancellations, or cost savings shall be returned to the fund.

6 e. Notwithstanding the provisions of section 24 of P.L.1983,  
7 c.32 (C.4:1C-31) or section 38 of P.L.1999, c.152 (C.13:8C-38), or  
8 any rule or regulation adopted pursuant thereto, to the contrary,  
9 when the committee, a local government unit, or a qualifying tax  
10 exempt nonprofit organization seeks to acquire a development  
11 easement on farmland using, in whole or in part, monies deposited  
12 into the Preserve New Jersey Farmland Preservation Fund, the value  
13 of the development easement shall be determined by the following:

14 (1) the procedure set forth in section 24 of P.L.1983, c.32  
15 (C.4:1C-31);

16 (2) a value determined in accordance with a formula, to be  
17 known as the "Statewide Farmland Preservation Formula," adopted  
18 by the committee by rule or regulation pursuant to the  
19 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et  
20 seq.), that includes:

21 (a) conducting a sufficient number of fair market value  
22 appraisals of agricultural lands within the municipality in which the  
23 land is located as the committee deems appropriate to determine the  
24 value of the land for farmland preservation;

25 (b) considering development easement values in counties and  
26 municipalities reasonably contiguous to, but outside of, the  
27 municipality in which the land to be acquired is located, which in  
28 the sole opinion of the committee constitute reasonable  
29 development easement values for the purposes of this subsection;

30 (c) considering the importance of preserving agricultural lands in  
31 the municipality and county in which the land is located;

32 (d) considering such other relevant factors as may be necessary  
33 to increase participation in the farmland preservation program by  
34 owners of agricultural lands located in municipality and county in  
35 which the land is located, including, but not limited to, the rate of  
36 inflation, the quality of the agricultural soils, the size of the  
37 agricultural lands to be acquired, and the risk of conversion of the  
38 land from productive agriculture to nonagricultural use; and

39 (e) providing additional value for the proximity of agricultural  
40 lands located adjacent to preserved agricultural lands, lands  
41 preserved for recreation and conservation purposes, aquifer  
42 recharge areas, lands subject to development or conservation  
43 easements, utility and roadway rights-of-way, military bases, and  
44 airports and associated airspace; and, if applicable,

45 (3) (a) in the case of property located in the pinelands area,  
46 whenever the value of a development easement on farmland to be  
47 acquired is determined based upon the value of any pinelands  
48 development credits allocated to the parcel pursuant to P.L.1979,

1 c.111 (C.13:18A-1 et seq.) and the pinelands comprehensive  
2 management plan adopted pursuant thereto, the value determined by  
3 the committee pursuant to subsection e. of section 38 of P.L.1999,  
4 c.152 (C.13:8C-38);

5 (b) in the case of property located in the Highlands Region, the  
6 value determined pursuant to subsection j. of section 38 of  
7 P.L.1999, c.152 (C.13:8C-38), if applicable.

8 The landowner shall be provided with the values determined  
9 pursuant to paragraphs (1) and (2) of this subsection, and if  
10 applicable, the value determined pursuant to paragraph (3) of this  
11 subsection. The higher of the values shall be utilized by the  
12 committee, a local government unit, or a qualifying tax exempt  
13 nonprofit organization as the basis for negotiation with the  
14 landowner with respect to the acquisition price. A landowner may  
15 waive any of the requirements of this subsection and may agree to  
16 sell the lands for less than the values determined pursuant to this  
17 subsection.

18 This subsection shall not apply in the case of lands to be  
19 acquired with federal moneys in whole or in part.

20 (cf: P.L.2019, c.136, s.4)

21

22 3. This act shall take effect immediately.

23

24

25

#### STATEMENT

26

27 This bill would establish a new process for the determination of  
28 the value of a development easement to be acquired for farmland  
29 preservation purposes by the State Agriculture Development  
30 Committee (SADC), a local government unit, or a qualifying tax  
31 exempt nonprofit organization using, in whole or in part,  
32 constitutionally dedicated Corporation Business Tax monies  
33 deposited into the Preserve New Jersey Farmland Preservation  
34 Fund, pursuant to P.L.2016, c.12 (C.13:8C-43 et seq.). This process  
35 would be used in addition to the appraisal processes in current law.

36 Under this bill, the committee would adopt, pursuant to the  
37 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et  
38 seq.) a formula, to be known as the "Statewide Farmland  
39 Preservation Formula," that includes:

40 (a) conducting a sufficient number of fair market value  
41 appraisals of agricultural lands within the municipality in which the  
42 land is located;

43 (b) considering development easement values in counties and  
44 municipalities reasonably contiguous to, but outside of, the  
45 municipality in which the land to be acquired is located;

46 (c) considering the importance of preserving agricultural lands in  
47 the municipality and county in which the land is located;

1 (d) considering such other relevant factors as may be necessary  
2 to increase participation in the farmland preservation program by  
3 owners of agricultural lands located in municipality and county in  
4 which the land is located, including, but not limited to, the rate of  
5 inflation, the quality of the agricultural soils, the size of the  
6 agricultural lands to be acquired, and the risk of conversion of the  
7 land from productive agriculture to nonagricultural use; and

8 (e) providing additional value for the proximity of agricultural  
9 lands located adjacent to preserved agricultural lands, lands  
10 preserved for recreation and conservation purposes, aquifer  
11 recharge areas, lands subject to development or conservation  
12 easements, utility and roadway rights-of-way, military bases, and  
13 airports and associated airspace.

14 The value determined pursuant to this new process would be  
15 used in addition to the processes contained in current law.

16 In addition, the bill would amend subsection e. of section 38 of  
17 P.L.1999, c.152 (C.13:8C-38), which sets for how value is to be  
18 calculated when the value of the farmland to be acquired is  
19 determined based upon the value of any pinelands development  
20 credits allocated to the parcel pursuant to P.L.1979, c.111  
21 (C.13:18A-1 et seq.) and the pinelands comprehensive management  
22 plan adopted pursuant thereto. Under this bill, that value would  
23 include consideration of the rate of inflation.

24 A landowner would be provided with the values determined  
25 pursuant to these different methods and the higher of the values  
26 would be used as the basis for negotiation with the landowner with  
27 respect to the acquisition price.

# SENATE ECONOMIC GROWTH COMMITTEE

## STATEMENT TO

### **SENATE, No. 3279**

with committee amendments

# **STATE OF NEW JERSEY**

DATED: JUNE 8, 2023

The Senate Economic Growth Committee reports favorably Senate Bill No. 3279, with committee amendments.

As amended and reported, this bill would establish a new process for the determination of the value of farmland, and development easements on farmland, to be acquired for farmland preservation purposes by the State Agriculture Development Committee (SADC), a local government unit, or a qualifying tax exempt nonprofit organization using, in whole or in part, constitutionally dedicated Corporation Business Tax monies deposited into the Preserve New Jersey Farmland Preservation Fund, the Garden State Farmland Preservation Trust Fund, or any other State monies provided for farmland preservation purposes. This process would be used in addition to the appraisal processes in current law.

Under this bill, the committee would adopt a formula, to be known as the “Statewide Farmland Preservation Formula,” that includes:

(1) conducting or analyzing a sufficient number of fair market value appraisals of agricultural lands within the municipality in which the land is located, or the surrounding market area, or both;

(2) considering farmland and development easement values in counties and municipalities reasonably contiguous to, but outside of, the municipality in which the land to be acquired is located;

(3) considering the importance of preserving agricultural lands in the municipality and county in which the land is located;

(4) considering the status and value of natural resources in the municipality and county in which the land is located, and in counties and municipalities that are reasonably contiguous to, but outside of, the municipality and county in which the land is located;

(5) considering such other relevant factors as may be necessary to increase participation in the farmland preservation program by owners of agricultural lands located in the municipality and county in which the land is located, including, but not limited to, the rate of inflation, the quality of the agricultural soils, the size of the agricultural lands to be acquired, and the risk of conversion of the land from productive agriculture to nonagricultural use; and

(6) providing additional value for the proximity of agricultural lands located adjacent to preserved agricultural lands, lands preserved

for recreation and conservation purposes, aquifer recharge areas, lands subject to development or conservation easements, and lands whose conversion to nonagricultural use would lead to conflicting land uses, including, but not limited to, utility and roadway rights-of-way, military bases, and airports and associated airspace.

The SADC would adopt rules and regulations to establish the “Statewide Farmland Preservation Formula,” notwithstanding the provisions of the “Administrative Procedure Act.” These rules and regulations would remain in effect for a period not to exceed three years after the date of the filing and thereafter be adopted, amended, or readopted in accordance with the requirements of the “Administrative Procedure Act.”

In addition, the bill would amend current law concerning how value is to be calculated when the value of the farmland to be acquired is determined based upon the value of any pinelands development credits allocated to the parcel pursuant to P.L.1979, c.111 (C.13:18A-1 et seq.) and the pinelands comprehensive management plan adopted pursuant thereto. Under this bill, that value would include consideration of the rate of inflation.

A landowner would be provided with the values determined pursuant to these different methods and the higher of the values would be used as the basis for negotiation with the landowner with respect to the acquisition price.

As amended and reported, this bill is identical to Assembly Bill No. 4729 (1R), which was also amended and reported by the committee on this date.

#### COMMITTEE AMENDMENTS:

The committee amended the bill to:

(1) provide that the new appraisal process established in the bill would also apply to the acquisition of fee simple titles to farmland, not just the acquisition of development easements;

(2) provide that the “Statewide Farmland Preservation Formula,” to be developed pursuant to the bill, would also apply to farmland acquired using, in whole or in part, monies from the Garden State Farmland Preservation Trust Fund, or any other State monies provided for farmland preservation purposes, not just the Preserve New Jersey Farmland Preservation Fund;

(3) revise the criteria to be included in the “Statewide Farmland Preservation Formula” to provide that the SADC may analyze, in addition to conducting, a sufficient number of fair market value appraisals of agricultural lands within the municipality in which the land is located, or the surrounding market area, or both, and consider farmland values, in addition to development easement values, in counties and municipalities reasonably contiguous to, but outside of, the municipality in which the land to be acquired is located;

(4) revise the criteria to be included in the “Statewide Farmland Preservation Formula” to provide for the consideration of the status and value of natural resources in the municipality and county in which the land to be acquired is located, and in the counties and municipalities that are reasonably contiguous to, but outside of, the municipality and county in which the land is located;

(5) require the “Statewide Farmland Preservation Formula” to provide additional value for agricultural lands located adjacent to lands whose conversion to a nonagricultural use would lead to conflicting land uses;

(6) remove a provision that would have excluded agricultural lands preserved using federal funds from being valued under the “Statewide Farmland Preservation Formula”;

(7) direct the SADC to adopt the “Statewide Farmland Preservation Formula” through rules and regulations, notwithstanding the provisions of the “Administrative Procedure Act” to the contrary, which rules and regulations would be in effect for a period not to exceed three years after the date of the filing and thereafter adopted, amended, or readopted in accordance with the requirements of the “Administrative Procedure Act”; and

(8) make technical corrections to the bill.

# SENATE BUDGET AND APPROPRIATIONS COMMITTEE

## STATEMENT TO

[First Reprint]

**SENATE, No. 3279**

# **STATE OF NEW JERSEY**

DATED: NOVEMBER 30, 2023

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 3279 (1R).

This bill would establish a new process for the determination of the value of farmland, and development easements on farmland, to be acquired for farmland preservation purposes by the State Agriculture Development Committee (SADC), a local government unit, or a qualifying tax exempt nonprofit organization using, in whole or in part, constitutionally dedicated Corporation Business Tax monies deposited into the Preserve New Jersey Farmland Preservation Fund, the Garden State Farmland Preservation Trust Fund, or any other State monies provided for farmland preservation purposes. This process would be used in addition to the appraisal processes in current law.

Under this bill, the committee would adopt a formula, to be known as the “Statewide Farmland Preservation Formula,” that includes:

(1) conducting or analyzing a sufficient number of fair market value appraisals of agricultural lands within the municipality in which the land is located, or the surrounding market area, or both;

(2) considering farmland and development easement values in counties and municipalities reasonably contiguous to, but outside of, the municipality in which the land to be acquired is located;

(3) considering the importance of preserving agricultural lands in the municipality and county in which the land is located;

(4) considering the status and value of natural resources in the municipality and county in which the land is located, and in counties and municipalities that are reasonably contiguous to, but outside of, the municipality and county in which the land is located;

(5) considering such other relevant factors as may be necessary to increase participation in the farmland preservation program by owners of agricultural lands located in the municipality and county in which the land is located, including, but not limited to, the rate of inflation, the quality of the agricultural soils, the size of the agricultural lands to be acquired, and the risk of conversion of the land from productive agriculture to nonagricultural use; and

(6) providing additional value for the proximity of agricultural lands located adjacent to preserved agricultural lands, lands preserved for recreation and conservation purposes, aquifer recharge areas, lands

subject to development or conservation easements, and lands whose conversion to nonagricultural use would lead to conflicting land uses, including, but not limited to, utility and roadway rights-of-way, military bases, and airports and associated airspace.

The SADC would adopt rules and regulations to establish the “Statewide Farmland Preservation Formula,” notwithstanding the provisions of the “Administrative Procedure Act.” These rules and regulations would remain in effect for a period not to exceed three years after the date of the filing and thereafter be adopted, amended, or readopted in accordance with the requirements of the “Administrative Procedure Act.”

In addition, the bill would amend current law concerning how value is to be calculated when the value of the farmland to be acquired is determined based upon the value of any pinelands development credits allocated to the parcel pursuant to P.L.1979, c.111 (C.13:18A-1 et seq.) and the pinelands comprehensive management plan adopted pursuant thereto. Under this bill, that value would include consideration of the rate of inflation.

A landowner would be provided with the values determined pursuant to these different methods and the higher of the values would be used as the basis for negotiation with the landowner with respect to the acquisition price.

As reported by the committee, Senate Bill No. 3279 (1R) is identical to Assembly Bill No. 4729 (2R), which was also reported by the committee on this date.

FISCAL IMPACT:

The Office of Legislative Services (OLS) concludes that there would be a one-time expenditure increase by the State for the first year to develop the Statewide farmland preservation formula required by the bill. The State Agriculture Development Committee estimates a one-time expenditure increase of between \$500,000 and \$1 million for a qualified appraisal firm to develop this formula.

The OLS determines the bill would result in an increase in the cost for the State and local governments to purchase fee simple title to, and development easements on, farmland. The OLS cannot quantify this estimated increase because it cannot predict how many development easements or titles will be acquired and the cost of acquiring those easements and titles.

# LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

## SENATE, No. 3279 STATE OF NEW JERSEY 220th LEGISLATURE

DATED: AUGUST 3, 2023

### SUMMARY

- Synopsis:** Revises method for appraisals of farmland to be acquired for farmland preservation purposes.
- Type of Impact:** Annual State and local expenditure increases.
- Agencies Affected:** State Agriculture Development Committee and local governments.

#### Office of Legislative Services Estimate

<b>Fiscal Impact</b>	<b><u>Annual</u></b>
<b>State Expenditure Increase</b>	Indeterminate
<b>Local Expenditure Increase</b>	Indeterminate

- The Office of Legislative Services (OLS) concludes that there would be a one-time expenditure increase by the State for the first year to develop the Statewide farmland preservation formula required by the bill. The State Agriculture Development Committee estimates a one-time expenditure increase of between \$500,000 and \$1 million for a qualified appraisal firm to develop this formula.
- The OLS determines the bill would result in an increase in the cost for the State and local governments to purchase fee simple title to, and development easements on, farmland. The OLS cannot quantify this estimated increase because it cannot predict how many development easements or titles will be acquired and the cost of acquiring those easements and titles.

### BILL DESCRIPTION

This bill would establish a new process for the determination of the value of farmland, and fee simple titles to and development easements on farmland, to be acquired for farmland preservation purposes by the State Agriculture Development Committee, a local government unit, or a qualifying tax exempt nonprofit organization using, in whole or in part, constitutionally dedicated Corporation Business Tax monies deposited into the Preserve New Jersey Farmland Preservation

Fund, the Garden State Farmland Preservation Trust Fund, or any other State monies provided for farmland preservation purposes. This process would be used in addition to the appraisal processes in current law.

Under the bill, the committee would adopt a formula, to be known as the “Statewide Farmland Preservation Formula,” that includes:

(a) conducting or analyzing a sufficient number of fair market value appraisals of agricultural lands within the municipality in which the land is located, or the surrounding market area, or both;

(b) considering farmland and development easement values in counties and municipalities reasonably contiguous to, but outside of, the municipality in which the land to be acquired is located;

(c) considering the importance of preserving agricultural lands in the municipality and county in which the land is located;

(d) considering the status and value of natural resources in the municipality and county in which the land is located, and in counties and municipalities that are reasonably contiguous to, but outside of, the municipality and county in which the land is located;

(e) considering such other relevant factors as may be necessary to increase participation in the farmland preservation program by owners of agricultural lands located in the municipality and county in which the land is located, including, but not limited to, the rate of inflation, the quality of the agricultural soils, the size of the agricultural lands to be acquired, and the risk of conversion of the land from productive agriculture to nonagricultural use; and

(f) providing additional value for the proximity of agricultural lands located adjacent to preserved agricultural lands, lands preserved for recreation and conservation purposes, aquifer recharge areas, lands subject to development or conservation easements, and lands whose conversion to nonagricultural use would lead to conflicting land uses, including, but not limited to, utility and roadway rights-of-way, military bases, and airports and associated airspace.

The State Agriculture Development Committee would be required adopt rules and regulations to establish the Statewide Farmland Preservation Formula.

In addition, the bill would amend the Garden State Preservation Trust Act concerning how value is to be calculated when the value of the farmland to be acquired is determined based upon the value of any pinelands development credits allocated to the parcel pursuant to the Pinelands Protection Act and the pinelands comprehensive management plan adopted pursuant thereto. Under this bill, that value would include consideration of the rate of inflation.

A landowner would be provided with the values determined pursuant to these different methods and the higher of the values would be used as the basis for negotiation with the landowner with respect to the acquisition price.

## **FISCAL ANALYSIS**

### ***EXECUTIVE BRANCH***

The OLS has not received a fiscal note from the Executive for this bill. However, the State Agriculture Development Committee provided informal information to the OLS that the bill would result in a one-time expenditure increase in order to develop the Statewide farmland preservation formula. According to the committee, it would need to hire a qualified appraisal firm to assist in the evaluation and development of the formula. The committee noted that it previously hired a qualified appraisal firm to develop the Pinelands formula pursuant to the Garden State Preservation Trust Act. The development of the formula would likely cost between \$500,000 and \$1 million and would take up to a year to develop.

The State Agriculture Development Committee also expects there would be an increase in the cost of purchasing development easements or fee simple titles as a result of this bill. The committee believes that the increase in values could range between 25 and 50 percent. It should be noted that this is a very preliminary estimate, and the committee emphasized it would not know the impact of the Statewide farmland preservation formula until it gets deep into the evaluation process with the appraisal firm.

#### ***OFFICE OF LEGISLATIVE SERVICES***

The OLS concludes that there will be a one-time expenditure increase by the State for the first year to develop the Statewide farmland preservation formula required by the bill. As previously noted, the State Agriculture Development Committee estimates there would be a one-time expenditure increase of between \$500,000 and \$1 million to develop the formula by a qualified appraisal firm. Also of note, the committee previously hired a qualified appraisal firm to develop a Pinelands formula pursuant to the Garden State Preservation Trust Act.

The OLS determines the bill would result in an increase in the cost for the State and local governments to purchase farmland for preservation purposes or to purchase a development easement. The OLS notes that following the Statewide farmland preservation formula required by the bill will increase the cost and time necessary for the State and local governments to perform an appraisal, pursuant to the new formula, of farmland or an appraisal of a development easement in order to offer a landowner a purchase price for the farmland or for the easement. However, the OLS cannot quantify this estimated increase because it cannot predict how many development easements will be acquired and how much farmland will be purchased and the cost of acquiring the farmland or the easements.

*Section: Environment, Agriculture, Energy, and Natural Resources*

*Analyst: Neha Patel  
Senior Fiscal Analyst*

*Approved: Thomas Koenig  
Legislative Budget and Finance Officer*

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).

# Governor Murphy Takes Action on Legislation

01/8/2024

**TRENTON** – Today, Governor Murphy signed the following bills into law:

- S-530/A-5164 (Ruiz, Turner/Coughlin, Quijano, McKnight, Reynolds-Jackson)** - Requires certain school meal information be provided to public school students' parents and requires school districts to request that families apply for school meals under certain circumstances
- S-553/A-4238 (Zwicker/Conaway, Atkins)** - Adds technology transfer duties to New Jersey Commission on Science, Innovation and Technology
- S-652/A-117 (Oroho, Pou/Space, Calabrese, Wirths)** - Permits governing body of municipalities having population of 30,000 or less to serve as local board of health; validates cc actions
- S-762/A-3786 (Pou, Cruz-Perez/Sumter, Reynolds-Jackson)** - Concerns certification of tax collectors
- S-765/A-3246 (Pou, Pennacchio/Lampitt, Schaer, Murphy)** - Prohibits carrier from precluding dentist from billing covered person under certain circumstances
- S-1211/A-1222 (Singleton, Gopal/Pintor Marin, Mukherji, Park)** - Provides for civil actions against persons or entities profiting from commission of human trafficking offenses, or maintaining victims of such offenses
- S-1228/A-4092 (Greenstein/Diegnan, Benson, Jaffer, Verrelli)** - Allows certain airports to carry over certain grant money into future years
- S-1892/A-4501 (Johnson, Schepisi/Park, Wimberly, Matsikoudis)** - Authorizes certain boards of education to issue bonds to repair damages caused by natural disasters in certain circumstances
- S-2057/A-1174 (Turner, Greenstein/Jasey, Benson, Quijano)** - Requires certain documentation of needs of students with disabilities during school security drills and emergency situations and in school security plans; requires staff training on needs of students with disabilities in emergency planning
- S-2716/A-4153 (Vitale, Turner/Carter, McKnight, Atkins)** - Requires NJ FamilyCare to reimburse claims for covered services submitted by clinical social workers, professional counselors, and marriage and family therapists under certain circumstances
- S-2789/A-3793 (Cruz-Perez, Johnson/Benson, Wimberly, Lopez)** - Requires certain permit holders to complete practice driving hours to obtain probationary driver's license
- S-3013/A-5062 (Scutari, Pou/Carter, Atkins, Stanfield)** - Revises definition of women's business enterprise and minority business enterprise
- S-3079/A-4977 (Diegnan, Lagana/Lampitt, Benson, Wimberly)** - Establishes School Safety and Security Task Force.
- S-3409/A-4785 (Pou, Oroho/McKeon, Flynn, Wimberly)** - Updates certain insurance company investment provisions in accordance with Investments of Insurers Model Act
- S-3490/A-5124 (Smith/Stanley, Calabrese)** - Amends certain requirements for installation of electric vehicle supply equipment and Make-Ready parking spaces
- S-3604/A-5212 (Madden, Cruz-Perez/Murphy, Stanley)** - Authorizes use of healthcare platforms providing discounted prices for payment of prescription and non-prescription drugs and for telehealth and telemedicine services
- S-3723/A-5365 (Smith/McKeon, Danielsen, Haider)** – “Electric and Hybrid Vehicle Battery Management Act”
- S-3916/A-5486 (Cruz-Perez, Turner/Sauickie, Freiman, Rooney)** - Expands eligibility for wildlife fencing programs to farmers leasing farmland; clarifies eligibility and provides for uniform funding levels for grant recipients
- S-3969/A-5658 (Gopal/Freiman, Murphy)** - Allows for credit against contract cost for primary care services managed by health care provider for public employees and their dependents; allows referrals to other providers that have contractual relationship with such health care provider
- S-4081/A-5891 (Beach, Diegnan/Atkins, Carter)** - Allows board of county commissioners to hold annual meeting at certain additional locations other than Superior Court
- A-111/S-3201 (Space, Wirths, McCarthy Patrick/Oroho, Durr)** - Provides that farm, farmstand, or other agricultural operation selling firewood obtained from property other than seller's shall not be considered lumber yard; prohibits sale of untreated firewood from outside of State
- A-649/S-587 (McClellan, McKnight/Testa)** - Expands purposes for which civil asset forfeiture funds may be used by law enforcement agency
- A-831/S-461 (Jimenez, Rooney, Timberlake/Sacco, Greenstein)** - Provides for reciprocity of certain out-of-State EMT certification; establishes criminal history record background check process
- A-1475/S-1809 (Lopez, Speight, Haider/Ruiz, Cunningham)** - Requires court to consider information concerning coercive control in domestic violence proceedings
- A-1507/S-1503 (McKnight, Carter, Speight/Gopal, Oroho)** - Permits chair or booth rentals for the purpose of providing cosmetology and hairstyling services or ancillary services
- A-1570/S-2216 (Moen/Madden, Singleton)** - Authorizes issuance of special license plates for alumni of four-year public institutions of higher education
- A-1581/S-3880 (Moen, Benson, Conaway/Cruz-Perez, Turner)** - Requires MVC to provide customer service telephone number at motor vehicle inspection facilities
- A-1704/S-1000 (Speight, Pintor Marin, McKnight/Ruiz, Gopal)** - Requires domestic violence orders to be issued in other languages in addition to English under certain circumstances
- ACS for A-1707/S-3700 (Speight, McKnight, Karabinchak/Burgess, Ruiz)** - Establishes presumption that VCCO will order payment to victim of crime
- A-2040/S-540 (Benson, McKnight/Ruiz, Pou)** - Requires Commissioner of Human Services to request authorization for SNAP benefits to be used to pay delivery charges for online grocery purchases
- A-2138/SCS for S-1890 (Moriarty, Mukherji, McKnight/Johnson, Singer)** - Updates regulation of home improvement and home elevation contractors and contractors' businesses
- A-2351/S-2991 (Mukherji, Flynn, Murphy/Singleton)** - Permits court to effectuate equitable distribution when complaint for divorce or dissolution of civil union has been filed and party has died prior to final judgment; provides that surviving party would not receive intestate or elective share

**A-3093/S-1516 (Stanley, Jaffer, Murphy/Greenstein, Gopal)** - Authorizes court to include in domestic violence restraining orders a provision making the order applicable to a pre victim's child upon birth of the child

**A-3737/S-3393 (Speight, Swain, McKnight/Ruiz, O'Scanlon)** - Establishes menstrual health public awareness campaign

**A-4125/S-2712 (Haider, Swain, Stanley/Singleton, Greenstein)** - Prohibits sale, manufacture, distribution, and use of firefighting foam containing intentionally added perfluoroalk and polyfluoroalkyl substances; requires DEP to establish collection and disposal program; appropriates \$250,000

**A-4614/S-3547 (Greenwald, Jasey, Carter, Lampitt/Pou, Vitale)** - Modifies Nursing Faculty Loan Redemption Program

**A-4729/S-3279 (Sauickie, Freiman, Clifton/Stanfield, Cruz-Perez)** - Revises method for appraisals of farmland to be acquired for farmland preservation purposes

**A-4757/S-3263 (Jimenez, Tucker, Atkins/Burgess, Turner)** - Requires DCA to conduct surveys and report data related to homelessness in administering the Rental Assistance Navigation Program

**A-4913/S-3133 (Conaway, Stanley, Wimberly/Johnson, Scutari)** - Requires carriers to offer health care providers more than one method of payment for reimbursement

**A-5036/S-3551 (Tully, Swain, Karabinchak, Lagana/A.M. Bucco)** - Requires "Electronic Permit Processing Review System" in DCA to enable applicant to submit electronic sign and certain other submission materials for permit application review

**A-5208/S-4082 (Coughlin, Munoz, Wimberly/Scutari, A.M. Bucco)** - Extends provisions of P.L.2021, c.498 in certain circumstances

**A-5281/S-2341 (Chaparro, Jimenez, Stanley/Johnson)** - Eliminates position of constable; removes statutory references to constable; repeals various parts of statutory law; implements recommendation of SCI report concerning elimination of constables

**A-5417/S-3890 (Lampitt, Jasey, Swain/Ruiz, Burgess)** - Prohibits limiting number of county college credits that may be applied towards educator preparation program and teach certification requirements

**A-5501/SCS for S-3895 (Jasey/Zwicker, Sarlo, Ruiz)** - Adjusts bid threshold amounts for certain public research universities; permits certain contracts for school districts, municipalities, and counties to be awarded by qualified purchasing agent

**A-5648/S-3933 (Barranco, Rooney/A.M. Bucco)** - Authorizes State Treasurer to sell as surplus property certain land and improvements in Township of Morris in Morris County

**A-5813/S-3392 (Wimberly, Sumter/Pou)** - Exempts electricity sold to certain recovered materials manufacturing facilities from renewable energy portfolio standards

**AJR-230/SJR-129 (Karabinchak, Schaer, Freiman/Diegnan, Beach, A.M. Bucco)** - Recognizes 75th anniversary of establishment of State of Israel

Governor Murphy conditionally vetoed the following bills:

**S-539/A-2140 (Ruiz, Pou/Reynolds-Jackson, Wimberly, Mosquera) - CONDITIONAL** - Permits online purchase of eligible foods using WIC funds and use of WIC funds for groc delivery charges

[Copy of Statement](#)

**S-1680/A-2257 (Pou, Ruiz/Murphy, Quijano, Wimberly) - CONDITIONAL** - Designates each community college in State as provider of allowable services under SNAP employm and training program

[Copy of Statement](#)

**S-2535/A-4048 (Polistina, Pou/Benson, McKnight, Reynolds-Jackson, Carter) - CONDITIONAL** - Requires health benefits coverage of hearing aids and cochlear implants for insureds aged 21 or younger

[Copy of Statement](#)

**SCS for S-3632 and 3649/ACS for A-1948 (Johnson, Cryan/Haider, Conaway, Quijano) - CONDITIONAL** - Requires labeling of non-flushable disposable wipes

[Copy of Statement](#)

**A-2146/S-855 (Reynolds-Jackson, Wimberly, Sumter/Singleton, Beach) - CONDITIONAL** - Creates State business assistance program to establish contracting agency procure goals for socially and economically disadvantaged business enterprises

[Copy of Statement](#)

**A-3092/S-2415 (Stanley, Jaffer, Mukherji/Gopal, Ruiz) - CONDITIONAL** - Requires State agencies update demographic data collection methods on Asian, Native Hawaiian, Pa Islander, Middle Eastern, North African, and South Asian and Indian Diaspora residents of this State

[Copy of Statement](#)

**A-4033/S-2657 (Coughlin, Wimberly/Sarlo, Ruiz) - CONDITIONAL** - Extends deadline for completion of school district's annual audit

[Copy of Statement](#)

**ACS for A-4821 and 4823/S-3283 (Karabinchak, Conaway, Schaer/Greenstein, Zwicker) - CONDITIONAL** - Directs DEP to take certain actions concerning identification and testing of microplastics in drinking water, and requires DEP and BPU to study and promote use of microplastics removal technologies

[Copy of Statement](#)

**A-5416/S-3883 (Wimberly, Giblin, Haider/Greenstein, Turner) - CONDITIONAL** - Requires State Board of Education to authorize alternate route to expedite teacher certifiator persons employed as paraprofessionals in school districts

[Copy of Statement](#)

**A-5610/S-3954 (Greenwald, Spearman, Chaparro/Beach, A.M. Bucco) - CONDITIONAL** - Revises penalties for possession or consumption of alcoholic beverages by underag persons

[Copy of Statement](#)

Governor Murphy absolute vetoed the following bills:

**ACS for A-3677 and 2807/SS for S-2186 (Stanley, Verrelli, Jaffer, Calabrese/Greenstein, Smith) - ABSOLUTE** - Prohibits sale, distribution, import, export or propagation of ce invasive species without permit from Department of Agriculture; establishes NJ Invasive Species Council

[Copy of Statement](#)

**A-5283/S-3939 (Tully, Greenwald, Mosquera/Lagana, Gopal) – ABSOLUTE** - Requires calculation of national average time needed to approve applications for initial credential i  
profession or occupation and use of average time as standard in New Jersey

[Copy of Statement](#)