

# 4:1C-32

## LEGISLATIVE HISTORY CHECKLIST

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**LAWS OF:** 1999            **CHAPTER:** 163

**NJSA:** 4:1C-32            (Easements – purchase)

**BILL NO:** A1768            (Substituted for S1802)

**SPONSOR(S):** Myers and Luongo

**DATE INTRODUCED:** February 26, 1998

**COMMITTEE:**            **ASSEMBLY:** Agriculture & Natural Resources

**SENATE:** ---

**AMENDED DURING PASSAGE:** Yes

**DATE OF PASSAGE:**            **ASSEMBLY:** June 10, 1999

**SENATE:** July 1, 1999

**DATE OF APPROVAL:** July 13, 1999

**FOLLOWING ARE ATTACHED IF AVAILABLE:**

**FINAL TEXT OF BILL:** 2<sup>nd</sup> Reprint  
(Amendments during passage denoted by superscript numbers)

### A1768

**SPONSORS STATEMENT:** (Begins on page 3 of original bill) Yes

**COMMITTEE STATEMENT:**            **ASSEMBLY:** Yes

**SENATE:** No

**FLOOR AMENDMENT STATEMENTS:** Yes

**LEGISLATIVE FISCAL ESTIMATE:** No

### S1802

**SPONSORS STATEMENT:** (Begins on page 3 of original bill) Yes  
Bill and Sponsors statement identical to A1768

**COMMITTEE STATEMENT:**            **ASSEMBLY:** No

**SENATE:** Yes

**FLOOR AMENDMENT STATEMENTS:** No

**LEGISLATIVE FISCAL ESTIMATE:** No

**VETO MESSAGE:** No

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

Yes

**FOLLOWING WERE PRINTED:**

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No

**REPORTS:**

No

**HEARINGS:**

**NEWSPAPER ARTICLES:**

Yes

"Whitman signs law to boost farmland preservation," 7-17-99, The Times, p. A3.

P.L. 1999, CHAPTER 163, *approved July 13, 1999*

Assembly, No. 1768 (*Second Reprint*)

1 **AN ACT** concerning the installment purchase of development  
2 easements on farmland and amending P.L.1983, c.32.

3

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

6

7 1. Section 25 of P.L.1983, c.32 (C.4:1C-32) is amended to read as  
8 follows:

9 25. a. No development easement purchased pursuant to the  
10 provisions of this act shall be sold, given, transferred or otherwise  
11 conveyed in any manner except in those cases when development  
12 easements have been purchased on land included in a farmland  
13 preservation program included in a sending zone established by a  
14 municipal development transfer ordinance adopted pursuant to  
15 P.L.1989, c.86 (C.40:55D-113 et al.).

16 b. Upon the purchase of the development easement by the board,  
17 the landowner shall cause a statement containing the conditions of the  
18 conveyance and the terms of the restrictions on the use and  
19 development of the land to be attached to and recorded with the deed  
20 of the land, in the same manner as the deed was originally recorded.  
21 These restrictions and conditions shall state that any development for  
22 nonagricultural purposes is expressly prohibited, shall run with the  
23 land and shall be binding upon the landowner and every successor in  
24 interest thereto.

25 c. At the time of settlement of the purchase of a development  
26 easement, the landowner <sup>1</sup>[and],<sup>1</sup> the board<sup>1</sup>, and the committee<sup>1</sup> may  
27 agree upon and establish a schedule of payment which provides that  
28 the landowner may receive consideration for the easement in a lump  
29 sum, or in installments over a period of up to 40 years from the date  
30 of settlement, provided that[:

31 (1) If], if a schedule of installments is agreed upon, the State  
32 Comptroller each year shall retain in the fund, or the governing body  
33 each year shall retain, an amount of money sufficient to pay the  
34 landowner for the current year pursuant to the schedule [;

35 (2) The landowner shall receive annually interest on any unpaid  
36 balance remaining after the date of settlement. The interest shall  
37 accrue at a rate established in the installment contract]. <sup>1</sup>For  
38 installment purchases, (1) the landowner may receive annually interest  
39 on any unpaid balance remaining after the date of settlement, which

**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 November 16, 1998.

<sup>2</sup> Assembly floor amendments adopted May 10, 1999.

1 shall accrue at a rate established in the installment contract; and (2) the  
2 committee shall make annual payments to the board in an amount  
3 equal to the committee's proportionate annual share of the purchase  
4 price of the development easement.<sup>1</sup>

5 <sup>2</sup>d. Nothing in this section shall prevent a board from receiving a  
6 lump sum from the committee and establishing a schedule of  
7 installment payments with the landowner.<sup>2</sup>

8 (cf: P.L.1992, c.157, s.6)

9

10 2. This act shall take effect immediately.

11

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13

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15 Revises certain requirements pertaining to installment purchase of  
16 development easements on farmland.

**ASSEMBLY, No. 1768**

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**STATE OF NEW JERSEY**  
**208th LEGISLATURE**

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INTRODUCED FEBRUARY 26, 1998

**Sponsored by:**

**Assemblywoman CONNIE MYERS**

**District 23 (Warren, Hunterdon and Mercer)**

**SYNOPSIS**

Revises certain requirements pertaining to installment purchase of development easements on farmland.

**CURRENT VERSION OF TEXT**

As introduced.



A1768 MYERS

2

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2 easements on farmland and amending P.L.1983, c.32.

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12 easements have been purchased on land included in a farmland  
13 preservation program included in a sending zone established by a  
14 municipal development transfer ordinance adopted pursuant to  
15 P.L.1989, c.86 (C.40:55D-113 et al.).

16 b. Upon the purchase of the development easement by the board,  
17 the landowner shall cause a statement containing the conditions of the  
18 conveyance and the terms of the restrictions on the use and  
19 development of the land to be attached to and recorded with the deed  
20 of the land, in the same manner as the deed was originally recorded.  
21 These restrictions and conditions shall state that any development for  
22 nonagricultural purposes is expressly prohibited, shall run with the  
23 land and shall be binding upon the landowner and every successor in  
24 interest thereto.

25 c. At the time of settlement of the purchase of a development  
26 easement, the landowner and the board may agree upon and establish  
27 a schedule of payment which provides that the landowner may receive  
28 consideration for the easement in a lump sum, or in installments over  
29 a period of up to 40 years from the date of settlement, provided that [:

30 (1) If] .if a schedule of installments is agreed upon, the State  
31 Comptroller each year shall retain in the fund, or the governing body  
32 each year shall retain, an amount of money sufficient to pay the  
33 landowner for the current year pursuant to the schedule [;

34 (2) The landowner shall receive annually interest on any unpaid  
35 balance remaining after the date of settlement. The interest shall  
36 accrue at a rate established in the installment contract ] .

37 (cf: P.L.1992, c.157, s.6)

38

39 2. This act shall take effect immediately.

**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 STATEMENT

2

3 This bill would clarify that when the State or a governing body of  
4 a county or municipality enters into an agreement for the installment  
5 purchase of a farmland development easement, it need not set aside or  
6 place in reserve the full amount of the purchase price upfront in the  
7 first year for eventual disbursement over the course of the term of the  
8 installment purchase. Instead, the governmental entity would need  
9 only to set aside or place in reserve each year the amount necessary to  
10 pay that which is due in the current year according to the schedule of  
11 installment purchase payments. The bill also would delete the  
12 requirement that the government entity annually pay interest to the  
13 landowner on the unpaid balance of the purchase price over the course  
14 of the installment purchase agreement.

ASSEMBLY AGRICULTURE AND NATURAL RESOURCES  
COMMITTEE

STATEMENT TO

**ASSEMBLY, No. 1768**

with committee amendments

**STATE OF NEW JERSEY**

DATED: NOVEMBER 16, 1998

The Assembly Agriculture and Natural Resources Committee favorably reports Assembly Bill No. 1768 with committee amendments.

As amended by the committee, this bill would clarify that when the State or a governing body of a county or municipality enters into an agreement for the installment purchase of a farmland development easement, it need not set aside or place in reserve the full amount of the purchase price upfront in the first year for eventual disbursement over the course of the term of the installment purchase. Instead, the governmental entity would need only to set aside or place in reserve each year the amount necessary to pay that which is due in the current year according to the schedule of installment purchase payments. The bill also would delete the requirement that the government entity annually pay interest to the landowner on the unpaid balance of the purchase price over the course of the installment purchase agreement.

The committee amended the bill to provide that, for installment purchases, (1) the landowner may receive annually interest on any unpaid balance remaining after the date of settlement, which shall accrue at a rate established in the installment contract; and (2) the State Agricultural Development Committee shall make annual payments to the board in an amount equal to the committee's proportionate annual share of the purchase price of the development easement.



STATEMENT TO  
[First Reprint]  
**ASSEMBLY, No. 1768**

with Assembly Floor Amendments  
(Proposed By Assemblywoman MYERS)

ADOPTED: MAY 10, 1999

These amendments would clarify that a board may receive a lump sum from the committee and establish a schedule of installment payments with the landowner.

**SENATE, No. 1802**

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**STATE OF NEW JERSEY**  
**208th LEGISLATURE**

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INTRODUCED MARCH 22, 1999

**Sponsored by:**

**Senator JOHN O. BENNETT**

**District 12 (Monmouth)**

**Senator ROBERT J. MARTIN**

**District 26 (Essex, Morris and Passaic)**

**SYNOPSIS**

Revises certain requirements pertaining to installment purchase of development easements on farmland.

**CURRENT VERSION OF TEXT**

As introduced.



S1802 BENNETT, MARTIN

2

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2 easements on farmland and amending P.L.1983, c.32.

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4 **BE IT ENACTED** by the Senate and General Assembly of the State  
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23 land and shall be binding upon the landowner and every successor in  
24 interest thereto.

25 c. At the time of settlement of the purchase of a development  
26 easement, the landowner, the board, and the committee may agree  
27 upon and establish a schedule of payment which provides that the  
28 landowner may receive consideration for the easement in a lump sum,  
29 or in installments over a period of up to 40 years from the date of  
30 settlement, provided that, if a schedule of installments is agreed upon,  
31 the State Comptroller each year shall retain in the fund, or the  
32 governing body each year shall retain, an amount of money sufficient  
33 to pay the landowner for the current year pursuant to the schedule.  
34 For installment purchases, (1) the landowner may receive annually  
35 interest on any unpaid balance remaining after the date of settlement,  
36 which shall accrue at a rate established in the installment contract; and  
37 (2) the committee shall make annual payments to the board in an  
38 amount equal to the committee's proportionate annual share of the  
39 purchase price of the development easement.

40 (cf: P.L.1992, c.157, s.6)

41

42 2. This act shall take effect immediately.

**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 STATEMENT

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3 This bill would clarify that when the State or a governing body of  
4 a county or municipality enters into an agreement for the installment  
5 purchase of a farmland development easement, it need not set aside or  
6 place in reserve the full amount of the purchase price upfront in the  
7 first year for eventual disbursement over the course of the term of the  
8 installment purchase. Instead, the governmental entity would need  
9 only to set aside or place in reserve each year the amount necessary to  
10 pay that which is due in the current year according to the schedule of  
11 installment purchase payments. The bill also would delete the  
12 requirement that the government entity annually pay interest to the  
13 landowner on the unpaid balance of the purchase price over the course  
14 of the installment purchase agreement.

SENATE ECONOMIC GROWTH, AGRICULTURE AND  
TOURISM COMMITTEE

STATEMENT TO

SENATE COMMITTEE SUBSTITUTE FOR  
**SENATE, No. 1802**

**STATE OF NEW JERSEY**

DATED: JUNE 7, 1999

The Senate Economic Growth, Agriculture and Tourism Committee favorably reports a Senate Committee Substitute for Senate Bill No. 1802.

This committee substitute would clarify that when the State or a governing body of a county or municipality enters into an agreement for the installment purchase of a farmland development easement, it need not set aside or place in reserve the full amount of the purchase price up-front in the first year for eventual disbursement over the course of the term of the installment purchase. Instead, the governmental entity would need only to set aside or place in reserve each year the amount necessary to pay that which is due in the current year according to the schedule of installment purchase payments. The bill also would delete the requirement that the government entity annually pay interest to the landowner on the unpaid balance of the purchase price over the course of the installment purchase agreement.

The substitute bill would also provide that, for installment purchases, (1) the landowner may receive annually interest on any unpaid balance remaining after the date of settlement, which shall accrue at a rate established in the installment contract; and (2) the State Agricultural Development Committee shall make annual payments to the board in an amount equal to the committee's proportionate annual share of the purchase price of the development easement.

The bill does not prevent a board from receiving a lump sum from the committee and establishing a schedule of installment payments with the landowner.

As reported by the committee, the Senate Committee Substitute for Senate Bill No. 1802 is identical to Assembly Bill No. 1768 (2R).

PO BOX 004  
TRENTON, NJ 08625

*Office of the Governor*  
**NEWS RELEASE**

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609-777-2600

RELEASE: July 13, 1999

## **Governor Whitman Visits Hopewell Signs Farmland Preservation Legislation**

During a visit to Hopewell Borough, Gov. Christie Whitman today signed legislation making it easier for local governments to fund farmland preservation and presented a check to help fund the renovations of the Hopewell Train Station.

**A-1768**, sponsored by Assembly Members Connie Myers (R- Warren/Hunterdon/Mercer) and Gerald Luongo (R-Camden/Gloucester) and Senators John Bennett (R-Monmouth) and Robert Martin (R-Essex/Morris/Passaic), allows state and local governments to purchase farmland development easements through installment purchase agreements. Currently, when purchasing development easements, government bodies must set aside in reserve the entire purchase price in the first year. The new law will allow the money to be set aside year-to-year.

"By safeguarding our farmland, we are protecting an almost \$800 million industry and a way of life for generations of New Jersey families," Gov. Whitman said during a visit to Hopewell Park. "Open space and farmland preservation adds to everyone's quality of life by protecting watersheds, controlling sprawl, and encouraging growth where it makes the most sense."

Gov. Whitman said the recent implementation of the state's historic Garden State Preservation Trust will preserve 1 million acres of farmland and open space over the next decade. Voters last year overwhelmingly supported dedicating \$98 million each year to purchase development rights.

When completed, the Governor's initiative will result in the permanent preservation of 40 percent of the state's total land mass. The program will preserve 500,000 acres of farmland, 200,000 acres of parkland, 200,000 acres of greenways, and 100,000 acres for watershed protection.

"Not only is this an investment in the quality of life in our state, but it's also the most ambitious program of its kind in the entire country," Gov. Whitman said. "As significant an accomplishment as this is, we are committed to doing even more to help our towns and counties reach their land preservation goals."

The Governor applauded the efforts of Hopewell officials and residents for their commitment to open space, farmland and historic preservation.

Hopewell Park was purchased in the late 1980s through a public-private partnership including an anonymous donator who contributed \$250,000 to purchase the land, nearly \$500,000 to construct the gazebo band stand, and additional funds for cast iron light fixtures.

In addition, a consortium led by the Friends of Hopewell Valley recently purchased a 65-acre tract adjacent to the park with help from \$3 million in state Green Acres funding. Individual donors raised \$260,000, which was then matched by an anonymous donor.

The land purchase by Hopewell Borough and Hopewell Township also included the development rights to Ruggieri Farms, a 96-acre farm which sells produce at its own farm market.

Gov. Whitman also visited the Hopewell Train Station, which is receiving a renovation with help from a \$586,050 grant from the New Jersey Historic Trust.

This 1876 Second Empire-style railroad station is one of two surviving stations along the former Delaware and Bound Brook Railroad and is one of a few surviving examples of high Victorian styled railway stations in the U.S. The station is currently listed on both the state and federal registers of historic places.

Once restoration is complete, the station will house community facilities and private office space on the second floor which will be rented out. The interior work is being managed by Kevin Kirby, an eagle scout who is managing the interior restoration as his eagle scout project.