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REPORTS:

No

HEARINGS:

Yes

974.90 New Jersey. Legislature. Assembly. Agriculture and Natural Resources Committee
N284 Public hearing on ACR 169, amends Constitution to increase bonding cap for Garden
2003 State Preservation Trust..., held June 5, 2003, Trenton, 2003

NEWSPAPER ARTICLES:

No

P.L. 2004, CHAPTER 126, *approved August 20, 2004*
Assembly, No. 2814 (*First Reprint*)

1 **AN ACT** concerning the issuance of bonds and annual appropriations
2 pursuant to the Garden State Preservation Trust, and amending and
3 supplementing P.L.1999, c.152.

4

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

7

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

10 7. a. The trust shall have the power and is hereby authorized to
11 issue its bonds, notes or other obligations in principal amounts as
12 determined by the trust to be necessary to provide for any of its
13 corporate purposes, including the payment, funding or refunding of the
14 principal of, or interest on, or redemption premiums, if any, on bonds,
15 notes or other obligations issued by it, whether the bonds, notes,
16 obligations or interest to be funded or refunded have or have not
17 become due; and to provide for the security thereof and for the
18 establishment or increase of reserves to secure or to pay the bonds,
19 notes or other obligations or interest thereon and all other reserves and
20 all costs or expenses of the trust incident to and necessary or
21 convenient to carry out its corporate purposes and powers; and in
22 addition to its bonds, notes and other obligations, the trust shall have
23 the power to issue subordinated indebtedness, which shall be
24 subordinate in lien to the lien of any or all of its bonds, notes or other
25 obligations as the trust may determine. No resolution or other action
26 of the trust providing for the issuance of bonds, refunding bonds, notes
27 or other obligations shall be adopted or otherwise made effective by
28 the trust without the prior approval in writing of the Governor and the
29 State Treasurer.

30 b. Except as may be otherwise expressly provided in [this act]
31 P.L.1999, c.152 (C.13:8C-1 et seq.) or by the trust, every issue of
32 bonds, notes or other obligations shall be general obligations payable
33 out of any revenues or funds of the trust, subject only to any
34 agreements with the holders of particular bonds, notes or other
35 obligations pledging any particular revenues or funds. The trust may
36 provide the security and payment provisions for its bonds, notes or
37 other obligations as it may determine, including, without limiting the
38 generality of the foregoing, bonds, notes or other obligations as to
39 which the principal and interest are payable from and secured by all or
40 any portion of the revenues of and payments to the trust, and other

EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Assembly AAP committee amendments adopted June 14, 2004.

1 moneys or funds as the trust shall determine. The trust may also enter
2 into bank loan agreements, lines of credit and other security
3 agreements as authorized pursuant to subsection g. of section 6 of
4 [this act] P.L.1999, c.152 (C.13:8C-6) and obtain for or on its behalf
5 letters of credit in each case for the purpose of securing its bonds,
6 notes or other obligations or to provide direct payment of any costs
7 which the trust is authorized to pay by [this act] P.L.1999, c.152 and
8 to secure repayment of any borrowings under the loan agreement, line
9 of credit, letter of credit or other security agreement by its bonds,
10 notes or other obligations or the proceeds thereof or by any or all of
11 the revenues of and payments to the trust or by any appropriation,
12 grant or reimbursement to be received by the trust and other moneys
13 or funds as the trust shall determine.

14 c. Whether or not the bonds and notes are of the form and
15 character as to be negotiable instruments under the terms of Title 12A,
16 Commercial Transactions, of the New Jersey Statutes, the bonds and
17 notes are hereby made negotiable instruments within the meaning of
18 and for all the purposes of Title 12A.

19 d. Bonds or notes of the trust shall be authorized by a resolution
20 or resolutions of the trust and may be issued in one or more series and
21 shall bear the date, or dates, mature at the time or times, bear interest
22 at the rate or rates of interest per annum, be in the denomination or
23 denominations, be in the form, carry the conversion or registration
24 privileges, have the rank or priority, be executed in the manner, be
25 payable from the sources, in the medium of payment, at the place or
26 places within or outside of the State, and be subject to the terms of
27 redemption, with or without premium, as the resolution or resolutions
28 may provide. Bonds or notes may be further secured by a trust
29 indenture between the trust and a corporate trustee within or outside
30 of the State. All other obligations of the trust shall be authorized by
31 resolution containing terms and conditions as the trust shall determine.

32 e. Bonds, notes or other obligations of the trust may be sold at
33 public or private sale at a price or prices and in a manner as the trust
34 shall determine, either on a negotiated or on a competitive basis.

35 f. Bonds or notes may be issued and other obligations incurred
36 under the provisions of [this act] P.L.1999, c.152 (C.13:8C-1 et seq.)
37 without obtaining the consent of any department, division,
38 commission, board, bureau or agency of the State, other than the
39 approval as required by subsection a. of this section, and without any
40 other proceedings or the happening of any other conditions or other
41 things than those proceedings, conditions or things which are
42 specifically required by [this act] P.L.1999, c.152.

43 g. Bonds, notes and other obligations of the trust issued or
44 incurred under the provisions of [this act] P.L.1999, c.152 (C.13:8C-
45 1 et seq.) shall not be in any way a debt or liability of the State or of
46 any political subdivision thereof other than the trust and shall not

1 create or constitute any indebtedness, liability or obligation of the
2 State or of any political subdivision or be or constitute a pledge of the
3 faith and credit of the State or of any political subdivision but all
4 bonds, notes and obligations, unless funded or refunded by bonds,
5 notes or other obligations of the trust, shall be payable solely from
6 revenues or funds pledged or available for their payment as authorized
7 in [this act] P.L.1999, c.152. Each bond, note or other obligation
8 shall contain on its face a statement to the effect that the trust is
9 obligated to pay the principal thereof, redemption premium, if any, or
10 the interest thereon only from revenues or funds of the trust and that
11 neither the State nor any political subdivision thereof is obligated to
12 pay the principal thereof, redemption premium, if any, or interest
13 thereon and that neither the faith and credit nor the taxing power of
14 the State or any political subdivision thereof is pledged to the payment
15 of the principal of, redemption premium, if any, or the interest on the
16 bonds, notes or other obligations. For the purposes of this subsection,
17 political subdivision does not include the trust.

18 h. All expenses incurred in carrying out the provisions of [this act]
19 P.L.1999, c.152 (C.13:8C-1 et seq.) shall be payable solely from the
20 revenues or funds provided or to be provided under or pursuant to the
21 provisions of [this act] P.L.1999, c.152 and nothing in [this act]
22 P.L.1999, c.152 shall be construed to authorize the trust to incur any
23 indebtedness or liability on behalf of or payable by the State or any
24 political subdivision thereof.

25 i. Prior to July 1, 2009, the aggregate principal amount of bonds,
26 notes or other obligations, including subordinated indebtedness, of the
27 trust shall not exceed [\$1,000,000,000] \$1,150,000,000 ; except that
28 this limitation shall not include any bonds, notes or other obligations,
29 including subordinated indebtedness, of the trust issued for refunding
30 purposes in accordance with the provisions of this section, and any
31 bonds, notes or other obligations of the trust issued to fund the costs
32 of issuance of its bonds, notes or other obligations. After June 30,
33 2009, the trust may issue only refunding bonds in any amount subject
34 to subsections j. through n. of this section.

35 The trust shall not issue bonds, notes or other obligations in any
36 State fiscal year in excess of [\$200,000,000] \$350,000,000 , except
37 that if that permitted amount of bonds, notes or other obligations, or
38 any portion thereof, is not issued in a State fiscal year it may be issued
39 in a subsequent State fiscal year. Any increase in this limitation shall
40 only occur if so provided for by law.

41 The limitations specified in this subsection shall apply only to
42 bonds, notes or other obligations of the trust that are payable from, or
43 secured by, amounts on deposit in the Garden State Preservation Trust
44 Fund Account established pursuant to section 17 of [this act]
45 P.L.1999, c.152 (C.13:8C-17).

46 j. Upon the decision by the trust to issue refunding bonds pursuant

1 to this section, and prior to the sale of those bonds, the trust shall
2 transmit to the Joint Budget Oversight Committee, or its successor, a
3 report that a decision has been made, reciting the basis on which the
4 decision was made, including an estimate of the debt service savings
5 to be achieved and the calculations upon which the trust relied when
6 making the decision to issue refunding bonds. The report shall also
7 disclose the intent of the trust to issue and sell the refunding bonds at
8 public or private sale and the reasons therefor.

9 k. The Joint Budget Oversight Committee, or its successor, shall
10 have authority to approve or disapprove the sale of refunding bonds
11 as included in each report submitted in accordance with subsection j.
12 of this section. The Joint Budget Oversight Committee, or its
13 successor, shall approve or disapprove the sale of refunding bonds
14 within 10 business days after physical receipt of the report. The Joint
15 Budget Oversight Committee, or its successor, shall notify the trust in
16 writing of the approval or disapproval as expeditiously as possible.

17 l. No refunding bonds shall be issued unless the report has been
18 submitted to and approved by the Joint Budget Oversight Committee,
19 or its successor, as set forth in subsection k. of this section.

20 m. Within 30 days after the sale of the refunding bonds, the trust
21 shall notify the Joint Budget Oversight Committee, or its successor, of
22 the result of that sale, including the prices and terms, conditions and
23 regulations concerning the refunding bonds, and the actual amount of
24 debt service savings to be realized as a result of the sale of refunding
25 bonds.

26 n. The Joint Budget Oversight Committee, or its successor, shall,
27 however, review all information and reports submitted in accordance
28 with this section and may, on its own initiative, make observations and
29 recommendations to the trust or to the Legislature, or both, as it
30 deems appropriate.

31 (cf: P.L.1999, c.152, s.7)

32
33 2. Section 23 of P.L.1999, c.152 (C.13:8C-23) is amended to read
34 as follows:

35 23. a. (1) At least twice each State fiscal year, the Department of
36 Environmental Protection shall submit to the trust a list of projects
37 that the department recommends to receive funding from: the Garden
38 State Green Acres Preservation Trust Fund, based upon a priority
39 system, ranking criteria, and funding policies established by the
40 department pursuant to [this act] P.L.1999, c.152 (C.13:8C-1 et
41 seq.); or any Green Acres bond act with respect to moneys allocated
42 therein for appropriation for the purpose of acquiring or developing
43 lands for recreation and conservation purposes, based upon a priority
44 system, ranking criteria, and funding policies established by the
45 department pursuant to law and any rules or regulations adopted
46 pursuant thereto.

1 To the extent the department receives a sufficient number of
2 applications from local government units for the funding of projects to
3 acquire or develop, for recreation and conservation purposes, lands
4 located in municipalities eligible to receive State aid pursuant to
5 P.L.1978, c.14 (C.52:27D-178 et seq.), and those projects qualify for
6 funding based upon the priority system, ranking criteria, and funding
7 policies established by the department, in any State fiscal year the
8 percentage of funding from the Garden State Green Acres Preservation
9 Trust Fund for such projects recommended by the department shall be
10 substantially equivalent to or greater than the percentage derived by
11 dividing the total amount allocated pursuant to P.L.1983, c.354,
12 P.L.1987, c.265, P.L.1989, c.183, P.L.1992, c.88, and P.L.1995,
13 c.204, for local government unit projects for recreation and
14 conservation purposes in municipalities eligible to receive State aid
15 pursuant to P.L.1978, c.14 (C.52:27D-178 et seq.) by the total amount
16 allocated pursuant to P.L.1983, c.354, P.L.1987, c.265, P.L.1989,
17 c.183, P.L.1992, c.88, and P.L.1995, c.204, for all local government
18 unit projects for recreation and conservation purposes. In any State
19 fiscal year, not less than 20% of the total amount of funding from the
20 Garden State Green Acres Preservation Trust Fund for all State
21 projects to acquire and develop lands for recreation and conservation
22 purposes throughout the State recommended by the department shall
23 be for State projects located in highly populated counties of the State
24 with population densities of at least 1,000 persons per square mile
25 according to the latest federal decennial census.

26 The trust shall review the list and may make such deletions, but not
27 additions, of projects therefrom as it deems appropriate and in
28 accordance with the procedures established for such deletions pursuant
29 to subsection d. of this section, whereupon the trust shall approve the
30 list. At least twice each State fiscal year: (a) the trust shall prepare,
31 and submit to the Governor and to the President of the Senate and the
32 Speaker of the General Assembly for introduction in the Legislature,
33 proposed legislation appropriating moneys from the Garden State
34 Green Acres Preservation Trust Fund, or from any Green Acres bond
35 act with respect to moneys allocated therein for appropriation for the
36 purpose of acquiring or developing lands for recreation and
37 conservation purposes, to fund projects on any such list; and (b) the
38 Legislature may approve one or more appropriation bills containing a
39 project list or lists submitted by the trust pursuant to this paragraph.

40 (2) Any act appropriating moneys from the Garden State Green
41 Acres Preservation Trust Fund, or from any Green Acres bond act
42 with respect to moneys allocated therein for appropriation for the
43 purpose of acquiring or developing lands for recreation and
44 conservation purposes, shall identify the particular project or projects
45 to be funded by those moneys, and any expenditure for a project for
46 which the location is not identified by county and municipality in the

1 appropriation shall require the approval of the Joint Budget Oversight
2 Committee or its successor.

3 Moneys may be appropriated to a local government unit that has
4 prepared and adopted an open space acquisition and development plan
5 approved by the department, or to a qualifying tax exempt nonprofit
6 organization that in cooperation and with the approval of a local
7 government unit is implementing or assisting in the implementation of
8 an open space acquisition and development plan adopted by the local
9 government unit and approved by the department, without identifying
10 in the act the particular project or projects to be funded, provided that
11 the appropriation will be expended in accordance with that approved
12 plan and, with respect to Green Acres bond act moneys, the
13 appropriation in that form is not inconsistent with the Green Acres
14 bond act.

15 (3) Any transfer of moneys appropriated from the Garden State
16 Green Acres Preservation Trust Fund, or from any Green Acres bond
17 act with respect to moneys allocated therein for appropriation for the
18 purpose of acquiring or developing lands for recreation and
19 conservation purposes, or any change in project sponsor, site, or type
20 that has received an appropriation from the fund or from a Green
21 Acres bond act, shall require the approval of the Joint Budget
22 Oversight Committee or its successor but shall not require the
23 approval of the Garden State Preservation Trust.

24 b. (1) At least twice each State fiscal year, the State Agriculture
25 Development Committee shall submit to the trust a list of projects that
26 the committee recommends to receive funding from the Garden State
27 Farmland Preservation Trust Fund, based upon a priority system,
28 ranking criteria, and funding policies established by the committee
29 pursuant to [this act] P.L.1999, c.152 (C.13:8C-1 et seq.) and the
30 "Agriculture Retention and Development Act," P.L.1983, c.32
31 (C.4:1C-11 et seq.), and any rules or regulations adopted pursuant
32 thereto. The trust shall review the list and may make such deletions,
33 but not additions, of projects therefrom as it deems appropriate and in
34 accordance with the procedures established for such deletions pursuant
35 to subsection d. of this section, whereupon the trust shall approve the
36 list. At least twice each State fiscal year: (a) the trust shall prepare,
37 and submit to the Governor and to the President of the Senate and the
38 Speaker of the General Assembly for introduction in the Legislature,
39 proposed legislation appropriating moneys from the Garden State
40 Farmland Preservation Trust Fund to fund projects on any such list;
41 and (b) the Legislature may approve one or more appropriation bills
42 containing a project list or lists submitted by the trust pursuant to this
43 paragraph.

44 (2) Any act appropriating moneys from the Garden State Farmland
45 Preservation Trust Fund shall identify the particular project or projects
46 to be funded with those moneys, and any expenditure for a project for

1 which the location is not identified by county and municipality in the
2 appropriation shall require the approval of the Joint Budget Oversight
3 Committee or its successor.

4 Notwithstanding the provisions of this paragraph to the contrary,
5 any appropriation of moneys from the fund to pay the cost of
6 acquisition of a fee simple title to farmland shall not be required to
7 identify the particular project or identify its location by county or
8 municipality, and the expenditure of those moneys shall not require the
9 approval of the Joint Budget Oversight Committee or its successor.

10 (3) Any transfer of moneys appropriated from the Garden State
11 Farmland Preservation Trust Fund, or change in project sponsor, site,
12 or type that has received an appropriation from the fund, shall require
13 the approval of the Joint Budget Oversight Committee or its successor
14 but shall not require the approval of the Garden State Preservation
15 Trust.

16 c. (1) At least once each State fiscal year, or at such other interval
17 as the New Jersey Historic Trust in consultation with the Garden State
18 Preservation Trust deems appropriate, the New Jersey Historic Trust
19 shall submit to the Garden State Preservation Trust a list of projects
20 that the New Jersey Historic Trust recommends to receive funding
21 from the Garden State Historic Preservation Trust Fund, based upon
22 a priority system, ranking criteria, and funding policies established by
23 the New Jersey Historic Trust pursuant to [this act] P.L.1999, c.152
24 (C.13:8C-1 et seq.) and P.L.1967, c.124 (C.13:1B-15.111 et al.), and
25 any rules or regulations adopted pursuant thereto. The Garden State
26 Preservation Trust shall review the list and may make such deletions,
27 but not additions, of projects therefrom as it deems appropriate and in
28 accordance with the procedures established for such deletions pursuant
29 to subsection d. of this section, whereupon the Garden State
30 Preservation Trust shall approve the list. At least once each State
31 fiscal year, or at such other interval as the Garden State Preservation
32 Trust in consultation with the New Jersey Historic Trust deems
33 appropriate: (a) the Garden State Preservation Trust shall prepare, and
34 submit to the Governor and to the President of the Senate and the
35 Speaker of the General Assembly for introduction in the Legislature,
36 proposed legislation appropriating moneys from the Garden State
37 Historic Preservation Trust Fund to fund projects on any such list; and
38 (b) the Legislature may approve one or more appropriation bills
39 containing a project list or lists submitted by the Garden State
40 Preservation Trust pursuant to this paragraph.

41 (2) Any act appropriating moneys from the Garden State Historic
42 Preservation Trust Fund shall identify the particular project or projects
43 to be funded by those moneys, and any expenditure for a project for
44 which the location is not identified by county and municipality in the
45 appropriation shall require the approval of the Joint Budget Oversight
46 Committee or its successor.

1 (3) Any transfer of moneys appropriated from the Garden State
2 Historic Preservation Trust Fund, or change in project sponsor, site,
3 or type that has received an appropriation from the fund, shall require
4 the approval of the Joint Budget Oversight Committee or its successor
5 but shall not require the approval of the Garden State Preservation
6 Trust.

7 d. Whenever the Garden State Preservation Trust deletes a project
8 from a list of projects that has been submitted to the Garden State
9 Preservation Trust pursuant to subsection a., b., or c. of this section,
10 the Garden State Preservation Trust shall, in consultation with the
11 applicant and the department, the committee, or the New Jersey
12 Historic Trust, as the case may be, review and reevaluate the merits
13 and validity of the project. After completion of this review and
14 reevaluation, if the department, committee, or New Jersey Historic
15 Trust, as the case may be, continues to recommend funding of the
16 project, it shall transmit its reasons therefor in writing to the Garden
17 State Preservation Trust and place the project on the next or a
18 subsequent list of projects submitted to the Garden State Preservation
19 Trust pursuant to subsection a., b., or c. of this section. The Garden
20 State Preservation Trust shall include the project in the next proposed
21 legislation appropriating moneys from the Garden State Green Acres
22 Preservation Trust Fund, Green Acres bond act, Garden State
23 Farmland Preservation Trust Fund, or Garden State Historic
24 Preservation Trust Fund, as the case may be, that is submitted to the
25 Governor, President of the Senate, and Speaker of the General
26 Assembly pursuant to subsection a., b., or c. of this section, together
27 with a written report setting forth the rationale of the Garden State
28 Preservation Trust in recommending deletion of the project from the
29 proposed legislation and the rationale of the department, committee,
30 or New Jersey Historic Trust, as the case may be, in recommending
31 retention of the project in the proposed legislation.

32 e. The Garden State Preservation Trust may at any time suggest
33 projects to be considered or rejected for consideration by the
34 department, the committee, or the New Jersey Historic Trust in the
35 preparation of recommended project funding lists pursuant to this
36 section.

37 f. Projects involving the joint effort of more than one level of
38 government or qualifying tax exempt nonprofit organization, or the
39 joint effort of the department, the committee, and the New Jersey
40 Historic Trust, or any combination thereof, shall be encouraged.

41 g. For the purposes of efficiency and convenience, nothing in this
42 section shall prohibit the Garden State Preservation Trust from
43 combining the project lists, in whole or in part, of the department,
44 committee, and New Jersey Historic Trust into one proposed
45 appropriation bill or bills to be submitted to the Governor and
46 Legislature for consideration and enactment into law as otherwise

1 prescribed pursuant to this section.

2 h. The total amount appropriated in any State fiscal year from the
3 Garden State Green Acres Preservation Trust Fund and the Garden
4 State Farmland Preservation Trust Fund for proposed projects
5 pursuant to subsections a. and b. of this section shall not exceed
6 ~~[\$200,000,000]~~ \$350,000,000 , excluding grants, contributions,
7 donations, and reimbursements from federal aid programs, including
8 but not limited to funding received by the State from the federal Land
9 and Water Conservation Fund, 16 U.S.C. s.4601-4 et al., and from
10 other public or private sources as may be used lawfully for such
11 projects.

12 (cf: P.L.2000, c.91, s.1)

13

14 3. (New section) Of the total of up to \$1,150,000,000 in proceeds
15 raised by the trust from the issuance of bonds, notes or other
16 obligations, and transferred by the trust to the State Treasurer and
17 deposited by the State Treasurer into the Garden State Green Acres
18 Preservation Trust Fund established pursuant to section 19 of
19 P.L.1999, c.152 (C.13:8C-19) and the Garden State Farmland
20 Preservation Trust Fund established pursuant to section 20 of
21 P.L.1999, c.152 (C.13:8C-20) as required pursuant to subsection a. of
22 section 18 of P.L.1999, c.152 (C.13:8C-18), ¹[the sum of
23 \$150,000,000] any amounts exceeding \$1,000,000,000¹ in such
24 proceeds shall be allocated and deposited into those two trust funds as
25 follows notwithstanding the provisions of subsection a. of section 18
26 of P.L.1999, c.152 (C.13:8C-18) to the contrary:

27 a. 80% thereof to the Garden State Green Acres Preservation Trust
28 Fund to be used for the purposes of that trust fund; and

29 b. 20% thereof to the Garden State Farmland Preservation Trust
30 Fund to be used for the purposes of that trust fund.

31

32 4. This act shall take effect immediately.

33

34

35

36

37 Makes various changes to the Garden State Preservation Trust Act.

ASSEMBLY, No. 2814

STATE OF NEW JERSEY

211th LEGISLATURE

INTRODUCED MAY 13, 2004

Sponsored by:

Assemblyman JOHN F. MCKEON

District 27 (Essex)

Assemblyman REED GUSCIORA

District 15 (Mercer)

SYNOPSIS

Makes various changes to the Garden State Preservation Trust Act.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 5/21/2004)

1 AN ACT concerning the issuance of bonds and annual appropriations
2 pursuant to the Garden State Preservation Trust, and amending and
3 supplementing P.L.1999, c.152.

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

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

10 7. a. The trust shall have the power and is hereby authorized to
11 issue its bonds, notes or other obligations in principal amounts as
12 determined by the trust to be necessary to provide for any of its
13 corporate purposes, including the payment, funding or refunding of the
14 principal of, or interest on, or redemption premiums, if any, on bonds,
15 notes or other obligations issued by it, whether the bonds, notes,
16 obligations or interest to be funded or refunded have or have not
17 become due; and to provide for the security thereof and for the
18 establishment or increase of reserves to secure or to pay the bonds,
19 notes or other obligations or interest thereon and all other reserves and
20 all costs or expenses of the trust incident to and necessary or
21 convenient to carry out its corporate purposes and powers; and in
22 addition to its bonds, notes and other obligations, the trust shall have
23 the power to issue subordinated indebtedness, which shall be
24 subordinate in lien to the lien of any or all of its bonds, notes or other
25 obligations as the trust may determine. No resolution or other action
26 of the trust providing for the issuance of bonds, refunding bonds, notes
27 or other obligations shall be adopted or otherwise made effective by
28 the trust without the prior approval in writing of the Governor and the
29 State Treasurer.

30 b. Except as may be otherwise expressly provided in **[this act]**
31 P.L.1999, c.152 (C.13:8C-1 et seq.) or by the trust, every issue of
32 bonds, notes or other obligations shall be general obligations payable
33 out of any revenues or funds of the trust, subject only to any
34 agreements with the holders of particular bonds, notes or other
35 obligations pledging any particular revenues or funds. The trust may
36 provide the security and payment provisions for its bonds, notes or
37 other obligations as it may determine, including, without limiting the
38 generality of the foregoing, bonds, notes or other obligations as to
39 which the principal and interest are payable from and secured by all or
40 any portion of the revenues of and payments to the trust, and other
41 moneys or funds as the trust shall determine. The trust may also enter
42 into bank loan agreements, lines of credit and other security
43 agreements as authorized pursuant to subsection g. of section 6 of

EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and intended to be omitted in the law.

Matter underlined thus is new matter.

1 [this act] P.L.1999, c.152 (C.13:8C-6) and obtain for or on its behalf
2 letters of credit in each case for the purpose of securing its bonds,
3 notes or other obligations or to provide direct payment of any costs
4 which the trust is authorized to pay by [this act] P.L.1999, c.152 and
5 to secure repayment of any borrowings under the loan agreement, line
6 of credit, letter of credit or other security agreement by its bonds,
7 notes or other obligations or the proceeds thereof or by any or all of
8 the revenues of and payments to the trust or by any appropriation,
9 grant or reimbursement to be received by the trust and other moneys
10 or funds as the trust shall determine.

11 c. Whether or not the bonds and notes are of the form and
12 character as to be negotiable instruments under the terms of Title 12A,
13 Commercial Transactions, of the New Jersey Statutes, the bonds and
14 notes are hereby made negotiable instruments within the meaning of
15 and for all the purposes of Title 12A.

16 d. Bonds or notes of the trust shall be authorized by a resolution
17 or resolutions of the trust and may be issued in one or more series and
18 shall bear the date, or dates, mature at the time or times, bear interest
19 at the rate or rates of interest per annum, be in the denomination or
20 denominations, be in the form, carry the conversion or registration
21 privileges, have the rank or priority, be executed in the manner, be
22 payable from the sources, in the medium of payment, at the place or
23 places within or outside of the State, and be subject to the terms of
24 redemption, with or without premium, as the resolution or resolutions
25 may provide. Bonds or notes may be further secured by a trust
26 indenture between the trust and a corporate trustee within or outside
27 of the State. All other obligations of the trust shall be authorized by
28 resolution containing terms and conditions as the trust shall determine.

29 e. Bonds, notes or other obligations of the trust may be sold at
30 public or private sale at a price or prices and in a manner as the trust
31 shall determine, either on a negotiated or on a competitive basis.

32 f. Bonds or notes may be issued and other obligations incurred
33 under the provisions of [this act] P.L.1999, c.152 (C.13:8C-1 et seq.)
34 without obtaining the consent of any department, division,
35 commission, board, bureau or agency of the State, other than the
36 approval as required by subsection a. of this section, and without any
37 other proceedings or the happening of any other conditions or other
38 things than those proceedings, conditions or things which are
39 specifically required by [this act] P.L.1999, c.152.

40 g. Bonds, notes and other obligations of the trust issued or
41 incurred under the provisions of [this act] P.L.1999, c.152 (C.13:8C-
42 1 et seq.) shall not be in any way a debt or liability of the State or of
43 any political subdivision thereof other than the trust and shall not
44 create or constitute any indebtedness, liability or obligation of the
45 State or of any political subdivision or be or constitute a pledge of the
46 faith and credit of the State or of any political subdivision but all

1 bonds, notes and obligations, unless funded or refunded by bonds,
2 notes or other obligations of the trust, shall be payable solely from
3 revenues or funds pledged or available for their payment as authorized
4 in [this act] P.L.1999, c.152. Each bond, note or other obligation
5 shall contain on its face a statement to the effect that the trust is
6 obligated to pay the principal thereof, redemption premium, if any, or
7 the interest thereon only from revenues or funds of the trust and that
8 neither the State nor any political subdivision thereof is obligated to
9 pay the principal thereof, redemption premium, if any, or interest
10 thereon and that neither the faith and credit nor the taxing power of
11 the State or any political subdivision thereof is pledged to the payment
12 of the principal of, redemption premium, if any, or the interest on the
13 bonds, notes or other obligations. For the purposes of this subsection,
14 political subdivision does not include the trust.

15 h. All expenses incurred in carrying out the provisions of [this act]
16 P.L.1999, c.152 (C.13:8C-1 et seq.) shall be payable solely from the
17 revenues or funds provided or to be provided under or pursuant to the
18 provisions of [this act] P.L.1999, c.152 and nothing in [this act]
19 P.L.1999, c.152 shall be construed to authorize the trust to incur any
20 indebtedness or liability on behalf of or payable by the State or any
21 political subdivision thereof.

22 i. Prior to July 1, 2009, the aggregate principal amount of bonds,
23 notes or other obligations, including subordinated indebtedness, of the
24 trust shall not exceed [~~\$1,000,000,000~~] \$1,150,000,000 ; except that
25 this limitation shall not include any bonds, notes or other obligations,
26 including subordinated indebtedness, of the trust issued for refunding
27 purposes in accordance with the provisions of this section, and any
28 bonds, notes or other obligations of the trust issued to fund the costs
29 of issuance of its bonds, notes or other obligations. After June 30,
30 2009, the trust may issue only refunding bonds in any amount subject
31 to subsections j. through n. of this section.

32 The trust shall not issue bonds, notes or other obligations in any
33 State fiscal year in excess of [~~\$200,000,000~~] \$350,000,000 , except
34 that if that permitted amount of bonds, notes or other obligations, or
35 any portion thereof, is not issued in a State fiscal year it may be issued
36 in a subsequent State fiscal year. Any increase in this limitation shall
37 only occur if so provided for by law.

38 The limitations specified in this subsection shall apply only to
39 bonds, notes or other obligations of the trust that are payable from, or
40 secured by, amounts on deposit in the Garden State Preservation Trust
41 Fund Account established pursuant to section 17 of [this act]
42 P.L.1999, c.152 (C.13:8C-17).

43 j. Upon the decision by the trust to issue refunding bonds pursuant
44 to this section, and prior to the sale of those bonds, the trust shall
45 transmit to the Joint Budget Oversight Committee, or its successor, a
46 report that a decision has been made, reciting the basis on which the

1 decision was made, including an estimate of the debt service savings
2 to be achieved and the calculations upon which the trust relied when
3 making the decision to issue refunding bonds. The report shall also
4 disclose the intent of the trust to issue and sell the refunding bonds at
5 public or private sale and the reasons therefor.

6 k. The Joint Budget Oversight Committee, or its successor, shall
7 have authority to approve or disapprove the sale of refunding bonds
8 as included in each report submitted in accordance with subsection j.
9 of this section. The Joint Budget Oversight Committee, or its
10 successor, shall approve or disapprove the sale of refunding bonds
11 within 10 business days after physical receipt of the report. The Joint
12 Budget Oversight Committee, or its successor, shall notify the trust in
13 writing of the approval or disapproval as expeditiously as possible.

14 l. No refunding bonds shall be issued unless the report has been
15 submitted to and approved by the Joint Budget Oversight Committee,
16 or its successor, as set forth in subsection k. of this section.

17 m. Within 30 days after the sale of the refunding bonds, the trust
18 shall notify the Joint Budget Oversight Committee, or its successor, of
19 the result of that sale, including the prices and terms, conditions and
20 regulations concerning the refunding bonds, and the actual amount of
21 debt service savings to be realized as a result of the sale of refunding
22 bonds.

23 n. The Joint Budget Oversight Committee, or its successor, shall,
24 however, review all information and reports submitted in accordance
25 with this section and may, on its own initiative, make observations and
26 recommendations to the trust or to the Legislature, or both, as it
27 deems appropriate.

28 (cf: P.L.1999, c.152, s.7)

29

30 2. Section 23 of P.L.1999, c.152 (C.13:8C-23) is amended to read
31 as follows:

32 23. a. (1) At least twice each State fiscal year, the Department of
33 Environmental Protection shall submit to the trust a list of projects
34 that the department recommends to receive funding from: the Garden
35 State Green Acres Preservation Trust Fund, based upon a priority
36 system, ranking criteria, and funding policies established by the
37 department pursuant to [this act] P.L.1999, c.152 (C.13:8C-1 et
38 seq.); or any Green Acres bond act with respect to moneys allocated
39 therein for appropriation for the purpose of acquiring or developing
40 lands for recreation and conservation purposes, based upon a priority
41 system, ranking criteria, and funding policies established by the
42 department pursuant to law and any rules or regulations adopted
43 pursuant thereto.

44 To the extent the department receives a sufficient number of
45 applications from local government units for the funding of projects to
46 acquire or develop, for recreation and conservation purposes, lands

1 located in municipalities eligible to receive State aid pursuant to
2 P.L.1978, c.14 (C.52:27D-178 et seq.), and those projects qualify for
3 funding based upon the priority system, ranking criteria, and funding
4 policies established by the department, in any State fiscal year the
5 percentage of funding from the Garden State Green Acres Preservation
6 Trust Fund for such projects recommended by the department shall be
7 substantially equivalent to or greater than the percentage derived by
8 dividing the total amount allocated pursuant to P.L.1983, c.354,
9 P.L.1987, c.265, P.L.1989, c.183, P.L.1992, c.88, and P.L.1995,
10 c.204, for local government unit projects for recreation and
11 conservation purposes in municipalities eligible to receive State aid
12 pursuant to P.L.1978, c.14 (C.52:27D-178 et seq.) by the total amount
13 allocated pursuant to P.L.1983, c.354, P.L.1987, c.265, P.L.1989,
14 c.183, P.L.1992, c.88, and P.L.1995, c.204, for all local government
15 unit projects for recreation and conservation purposes. In any State
16 fiscal year, not less than 20% of the total amount of funding from the
17 Garden State Green Acres Preservation Trust Fund for all State
18 projects to acquire and develop lands for recreation and conservation
19 purposes throughout the State recommended by the department shall
20 be for State projects located in highly populated counties of the State
21 with population densities of at least 1,000 persons per square mile
22 according to the latest federal decennial census.

23 The trust shall review the list and may make such deletions, but not
24 additions, of projects therefrom as it deems appropriate and in
25 accordance with the procedures established for such deletions pursuant
26 to subsection d. of this section, whereupon the trust shall approve the
27 list. At least twice each State fiscal year: (a) the trust shall prepare,
28 and submit to the Governor and to the President of the Senate and the
29 Speaker of the General Assembly for introduction in the Legislature,
30 proposed legislation appropriating moneys from the Garden State
31 Green Acres Preservation Trust Fund, or from any Green Acres bond
32 act with respect to moneys allocated therein for appropriation for the
33 purpose of acquiring or developing lands for recreation and
34 conservation purposes, to fund projects on any such list; and (b) the
35 Legislature may approve one or more appropriation bills containing a
36 project list or lists submitted by the trust pursuant to this paragraph.

37 (2) Any act appropriating moneys from the Garden State Green
38 Acres Preservation Trust Fund, or from any Green Acres bond act
39 with respect to moneys allocated therein for appropriation for the
40 purpose of acquiring or developing lands for recreation and
41 conservation purposes, shall identify the particular project or projects
42 to be funded by those moneys, and any expenditure for a project for
43 which the location is not identified by county and municipality in the
44 appropriation shall require the approval of the Joint Budget Oversight
45 Committee or its successor.

46 Moneys may be appropriated to a local government unit that has

1 prepared and adopted an open space acquisition and development plan
2 approved by the department, or to a qualifying tax exempt nonprofit
3 organization that in cooperation and with the approval of a local
4 government unit is implementing or assisting in the implementation of
5 an open space acquisition and development plan adopted by the local
6 government unit and approved by the department, without identifying
7 in the act the particular project or projects to be funded, provided that
8 the appropriation will be expended in accordance with that approved
9 plan and, with respect to Green Acres bond act moneys, the
10 appropriation in that form is not inconsistent with the Green Acres
11 bond act.

12 (3) Any transfer of moneys appropriated from the Garden State
13 Green Acres Preservation Trust Fund, or from any Green Acres bond
14 act with respect to moneys allocated therein for appropriation for the
15 purpose of acquiring or developing lands for recreation and
16 conservation purposes, or any change in project sponsor, site, or type
17 that has received an appropriation from the fund or from a Green
18 Acres bond act, shall require the approval of the Joint Budget
19 Oversight Committee or its successor but shall not require the
20 approval of the Garden State Preservation Trust.

21 b. (1) At least twice each State fiscal year, the State Agriculture
22 Development Committee shall submit to the trust a list of projects that
23 the committee recommends to receive funding from the Garden State
24 Farmland Preservation Trust Fund, based upon a priority system,
25 ranking criteria, and funding policies established by the committee
26 pursuant to [this act] P.L.1999, c.152 (C.13:8C-1 et seq.) and the
27 "Agriculture Retention and Development Act," P.L.1983, c.32
28 (C.4:1C-11 et seq.), and any rules or regulations adopted pursuant
29 thereto. The trust shall review the list and may make such deletions,
30 but not additions, of projects therefrom as it deems appropriate and in
31 accordance with the procedures established for such deletions pursuant
32 to subsection d. of this section, whereupon the trust shall approve the
33 list. At least twice each State fiscal year: (a) the trust shall prepare,
34 and submit to the Governor and to the President of the Senate and the
35 Speaker of the General Assembly for introduction in the Legislature,
36 proposed legislation appropriating moneys from the Garden State
37 Farmland Preservation Trust Fund to fund projects on any such list;
38 and (b) the Legislature may approve one or more appropriation bills
39 containing a project list or lists submitted by the trust pursuant to this
40 paragraph.

41 (2) Any act appropriating moneys from the Garden State Farmland
42 Preservation Trust Fund shall identify the particular project or projects
43 to be funded with those moneys, and any expenditure for a project for
44 which the location is not identified by county and municipality in the
45 appropriation shall require the approval of the Joint Budget Oversight
46 Committee or its successor.

1 Notwithstanding the provisions of this paragraph to the contrary,
2 any appropriation of moneys from the fund to pay the cost of
3 acquisition of a fee simple title to farmland shall not be required to
4 identify the particular project or identify its location by county or
5 municipality, and the expenditure of those moneys shall not require the
6 approval of the Joint Budget Oversight Committee or its successor.

7 (3) Any transfer of moneys appropriated from the Garden State
8 Farmland Preservation Trust Fund, or change in project sponsor, site,
9 or type that has received an appropriation from the fund, shall require
10 the approval of the Joint Budget Oversight Committee or its successor
11 but shall not require the approval of the Garden State Preservation
12 Trust.

13 c. (1) At least once each State fiscal year, or at such other interval
14 as the New Jersey Historic Trust in consultation with the Garden State
15 Preservation Trust deems appropriate, the New Jersey Historic Trust
16 shall submit to the Garden State Preservation Trust a list of projects
17 that the New Jersey Historic Trust recommends to receive funding
18 from the Garden State Historic Preservation Trust Fund, based upon
19 a priority system, ranking criteria, and funding policies established by
20 the New Jersey Historic Trust pursuant to [this act] P.L.1999, c.152
21 (C.13:8C-1 et seq.) and P.L.1967, c.124 (C.13:1B-15.111 et al.), and
22 any rules or regulations adopted pursuant thereto. The Garden State
23 Preservation Trust shall review the list and may make such deletions,
24 but not additions, of projects therefrom as it deems appropriate and in
25 accordance with the procedures established for such deletions pursuant
26 to subsection d. of this section, whereupon the Garden State
27 Preservation Trust shall approve the list. At least once each State
28 fiscal year, or at such other interval as the Garden State Preservation
29 Trust in consultation with the New Jersey Historic Trust deems
30 appropriate: (a) the Garden State Preservation Trust shall prepare, and
31 submit to the Governor and to the President of the Senate and the
32 Speaker of the General Assembly for introduction in the Legislature,
33 proposed legislation appropriating moneys from the Garden State
34 Historic Preservation Trust Fund to fund projects on any such list; and
35 (b) the Legislature may approve one or more appropriation bills
36 containing a project list or lists submitted by the Garden State
37 Preservation Trust pursuant to this paragraph.

38 (2) Any act appropriating moneys from the Garden State Historic
39 Preservation Trust Fund shall identify the particular project or projects
40 to be funded by those moneys, and any expenditure for a project for
41 which the location is not identified by county and municipality in the
42 appropriation shall require the approval of the Joint Budget Oversight
43 Committee or its successor.

44 (3) Any transfer of moneys appropriated from the Garden State
45 Historic Preservation Trust Fund, or change in project sponsor, site,
46 or type that has received an appropriation from the fund, shall require

1 the approval of the Joint Budget Oversight Committee or its successor
2 but shall not require the approval of the Garden State Preservation
3 Trust.

4 d. Whenever the Garden State Preservation Trust deletes a project
5 from a list of projects that has been submitted to the Garden State
6 Preservation Trust pursuant to subsection a., b., or c. of this section,
7 the Garden State Preservation Trust shall, in consultation with the
8 applicant and the department, the committee, or the New Jersey
9 Historic Trust, as the case may be, review and reevaluate the merits
10 and validity of the project. After completion of this review and
11 reevaluation, if the department, committee, or New Jersey Historic
12 Trust, as the case may be, continues to recommend funding of the
13 project, it shall transmit its reasons therefor in writing to the Garden
14 State Preservation Trust and place the project on the next or a
15 subsequent list of projects submitted to the Garden State Preservation
16 Trust pursuant to subsection a., b., or c. of this section. The Garden
17 State Preservation Trust shall include the project in the next proposed
18 legislation appropriating moneys from the Garden State Green Acres
19 Preservation Trust Fund, Green Acres bond act, Garden State
20 Farmland Preservation Trust Fund, or Garden State Historic
21 Preservation Trust Fund, as the case may be, that is submitted to the
22 Governor, President of the Senate, and Speaker of the General
23 Assembly pursuant to subsection a., b., or c. of this section, together
24 with a written report setting forth the rationale of the Garden State
25 Preservation Trust in recommending deletion of the project from the
26 proposed legislation and the rationale of the department, committee,
27 or New Jersey Historic Trust, as the case may be, in recommending
28 retention of the project in the proposed legislation.

29 e. The Garden State Preservation Trust may at any time suggest
30 projects to be considered or rejected for consideration by the
31 department, the committee, or the New Jersey Historic Trust in the
32 preparation of recommended project funding lists pursuant to this
33 section.

34 f. Projects involving the joint effort of more than one level of
35 government or qualifying tax exempt nonprofit organization, or the
36 joint effort of the department, the committee, and the New Jersey
37 Historic Trust, or any combination thereof, shall be encouraged.

38 g. For the purposes of efficiency and convenience, nothing in this
39 section shall prohibit the Garden State Preservation Trust from
40 combining the project lists, in whole or in part, of the department,
41 committee, and New Jersey Historic Trust into one proposed
42 appropriation bill or bills to be submitted to the Governor and
43 Legislature for consideration and enactment into law as otherwise
44 prescribed pursuant to this section.

45 h. The total amount appropriated in any State fiscal year from the
46 Garden State Green Acres Preservation Trust Fund and the Garden

1 State Farmland Preservation Trust Fund for proposed projects
2 pursuant to subsections a. and b. of this section shall not exceed
3 ~~[\$200,000,000]~~ \$350,000,000 , excluding grants, contributions,
4 donations, and reimbursements from federal aid programs, including
5 but not limited to funding received by the State from the federal Land
6 and Water Conservation Fund, 16 U.S.C. s.4601-4 et al., and from
7 other public or private sources as may be used lawfully for such
8 projects.

9 (cf: P.L.2000, c.91, s.1)

10

11 3. (New section) Of the total of up to \$1,150,000,000 in proceeds
12 raised by the trust from the issuance of bonds, notes or other
13 obligations, and transferred by the trust to the State Treasurer and
14 deposited by the State Treasurer into the Garden State Green Acres
15 Preservation Trust Fund established pursuant to section 19 of
16 P.L.1999, c.152 (C.13:8C-19) and the Garden State Farmland
17 Preservation Trust Fund established pursuant to section 20 of
18 P.L.1999, c.152 (C.13:8C-20) as required pursuant to subsection a. of
19 section 18 of P.L.1999, c.152 (C.13:8C-18), the sum of \$150,000,000
20 in such proceeds shall be allocated and deposited into those two trust
21 funds as follows notwithstanding the provisions of subsection a. of
22 section 18 of P.L.1999, c.152 (C.13:8C-18) to the contrary:

23 a. 80% thereof to the Garden State Green Acres Preservation Trust
24 Fund to be used for the purposes of that trust fund; and

25 b. 20% thereof to the Garden State Farmland Preservation Trust
26 Fund to be used for the purposes of that trust fund.

27

28 4. This act shall take effect immediately.

29

30

31

STATEMENT

32

33 This bill increases the statutory cap under the Garden State
34 Preservation Trust Act from \$200 million to \$350 million for: (1) the
35 amount of bonds the Garden State Preservation Trust can issue in a
36 State fiscal year; and (2) the amount the State can appropriate from
37 the Garden State Green Acres Preservation Trust Fund and the Garden
38 State Farmland Preservation Trust Fund for proposed projects in a
39 State fiscal year.

40 On November 4, 2003 voters approved an amendment to Article
41 VIII, Section II, paragraph 7 of the Constitution of the State of New
42 Jersey that authorizes an increase in the bonding capacity of the
43 Garden State Preservation Trust from \$1 billion to \$1.15 billion. This
44 bill provides that, of the additional \$150 million in bond revenue
45 generated by this increased bonding, 80% will be deposited into the
46 Garden State Green Acres Preservation Trust Fund for open space

1 preservation purposes and 20% will be deposited into the Garden State
2 Farmland Preservation Trust Fund for farmland preservation purposes.
3 This would not change current law that provides for a 60%/40%
4 distribution of all other constitutionally dedicated funds that are
5 otherwise required to be deposited into the Garden State Green Acres
6 Preservation Trust Fund and the Garden State Farmland Preservation
7 Trust Fund, respectively.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 2814

with Assembly committee amendments

STATE OF NEW JERSEY

DATED: JUNE 14, 2004

The Assembly Appropriations Committee reports favorably Assembly Bill No. 2814, with committee amendments.

Assembly Bill No. 2814, as amended, increases the statutory cap under the Garden State Preservation Trust Act from \$200 million to \$350 million for: (1) the amount of bonds the Garden State Preservation Trust can issue in a State fiscal year; and (2) the amount the State can appropriate from the Garden State Green Acres Preservation Trust Fund and the Garden State Farmland Preservation Trust Fund for proposed projects in a State fiscal year.

On November 4, 2003 voters approved an amendment to Article VIII, Section II, paragraph 7 of the Constitution of the State of New Jersey that authorizes an increase in the bonding capacity of the Garden State Preservation Trust from \$1 billion to \$1.15 billion. This bill provides that, of any amounts of bond revenue exceeding \$1,000,000,000 generated by this increased bonding capacity, 80% will be deposited into the Garden State Green Acres Preservation Trust Fund for open space preservation purposes and 20% will be deposited into the Garden State Farmland Preservation Trust Fund for farmland preservation purposes. This would not change current law that provides for a 60%/40% distribution of all other constitutionally dedicated funds that are otherwise required to be deposited into the Garden State Green Acres Preservation Trust Fund and the Garden State Farmland Preservation Trust Fund, respectively.

FISCAL IMPACT:

This bill increases the statutory cap under the Garden State Preservation Trust Act from \$200 million to \$350 million. The bill also stipulates that any amounts exceeding \$1,000,000,000 of bond revenue will be allocated as follows: 80% or \$120 million to the Garden State Green Acres Preservation Trust and 20% or \$30 million to the Garden State Farmland Preservation Trust.

COMMITTEE AMENDMENTS:

The amendments technically rephrase the allocation of the \$150 million of bond proceeds pursuant to the Constitutional amendment

that authorized an increase in the bonding capacity of the Garden State Preservation Trust from \$1 billion to \$1.15 billion, changing it from an allocation of \$150 million to an allocation of the amounts in excess of \$1 billion.

LEGISLATIVE FISCAL ESTIMATE
ASSEMBLY, No. 2814
STATE OF NEW JERSEY
211th LEGISLATURE

DATED: JUNE 29, 2004

SUMMARY

Synopsis: Makes various changes to the Garden State Preservation Trust Act.
Type of Impact: None
Agencies Affected: Departments of Environmental Protection and Agriculture.

Office of Legislative Services Estimate

Fiscal Impact	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
State Cost		None	

- ! The bill carries out the approval by voters in November, 2003 to amend the New Jersey Constitution by authorizing an increase in the total bonding capacity of the Garden State Preservation Trust from \$1 billion to \$1.15 billion.
- ! The bill consequently raises the annual statutory cap for bonding and spending under the Garden State Preservation Trust Act from \$200 million to \$350 million.
- ! The Garden State Preservation Trust Fund, supported by bonds and an annual dedication of \$98 million from sales tax revenues, finances the Green Acres, historic preservation and farmland preservation programs.
- ! The Office of Legislative Services (OLS) estimates that the bill is essentially technical in nature and will therefore have no fiscal impact on State funds.

BILL DESCRIPTION

Assembly Bill No. 2814 of 2004 is "enabling" legislation that carries out the mandate approved by voters in November, 2003 to amend the New Jersey Constitution to authorize an increase in the total bonding capacity of the Garden State Preservation Trust from \$1 billion to \$1.15 billion. The bill also follows this mandate by raising the statutory cap under the Garden State Preservation Trust Act from \$200 million to \$350 million for: (1) the amount of bonds the Garden State Preservation Trust can issue in a State fiscal year; and (2) the amount the State can appropriate from the Garden State Green Acres Preservation Trust Fund and the Garden State Farmland Preservation Trust Fund for proposed projects in a State fiscal year.

The bill further provides that, of the additional \$150 million in bond revenue generated by this increased bonding, 80 percent will be deposited into the Garden State Green Acres Preservation Trust Fund for open space preservation purposes and 20 percent will be deposited into the Garden State Farmland Preservation Trust Fund for farmland preservation purposes.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The Office of Legislative Services (OLS) estimates that the bill will have no fiscal impact on State funds because it is essentially technical in nature. It provides the necessary authorizations and amendments to implement the constitutional amendments, thereby facilitating any changes in future funding activities pursuant to the Trust Fund's mandate. The Trust Fund's overall debt service responsibilities during its 30-year lifespan will remain unchanged.

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

Analyst: *Richard M. Handelman*
Senior Fiscal Analyst

Approved: *David J. Rosen*
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.

SENATE, No. 249

STATE OF NEW JERSEY
211th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2004 SESSION

Sponsored by:

Senator JOSEPH CONIGLIO

District 38 (Bergen)

Senator RICHARD J. CODEY

District 27 (Essex)

Co-Sponsored by:

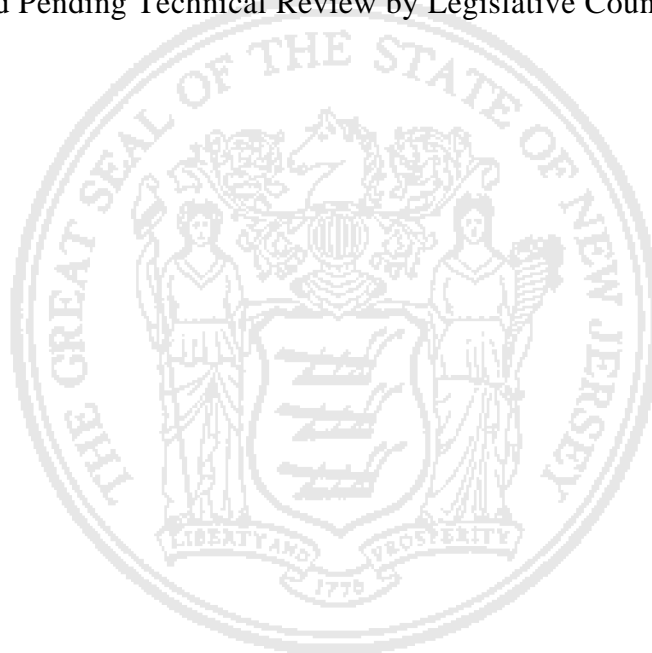
Senator Ciesla

SYNOPSIS

Makes various changes to the Garden State Preservation Trust Act.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



(Sponsorship Updated As Of: 2/24/2004)

1 AN ACT concerning the issuance of bonds and annual appropriations
2 pursuant to the Garden State Preservation Trust, and amending and
3 supplementing P.L.1999, c.152.

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

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

10 7. a. The trust shall have the power and is hereby authorized to
11 issue its bonds, notes or other obligations in principal amounts as
12 determined by the trust to be necessary to provide for any of its
13 corporate purposes, including the payment, funding or refunding of the
14 principal of, or interest on, or redemption premiums, if any, on bonds,
15 notes or other obligations issued by it, whether the bonds, notes,
16 obligations or interest to be funded or refunded have or have not
17 become due; and to provide for the security thereof and for the
18 establishment or increase of reserves to secure or to pay the bonds,
19 notes or other obligations or interest thereon and all other reserves and
20 all costs or expenses of the trust incident to and necessary or
21 convenient to carry out its corporate purposes and powers; and in
22 addition to its bonds, notes and other obligations, the trust shall have
23 the power to issue subordinated indebtedness, which shall be
24 subordinate in lien to the lien of any or all of its bonds, notes or other
25 obligations as the trust may determine. No resolution or other action
26 of the trust providing for the issuance of bonds, refunding bonds, notes
27 or other obligations shall be adopted or otherwise made effective by
28 the trust without the prior approval in writing of the Governor and the
29 State Treasurer.

30 b. Except as may be otherwise expressly provided in **[this act]**
31 P.L.1999, c.152 (C.13:8C-1 et seq.) or by the trust, every issue of
32 bonds, notes or other obligations shall be general obligations payable
33 out of any revenues or funds of the trust, subject only to any
34 agreements with the holders of particular bonds, notes or other
35 obligations pledging any particular revenues or funds. The trust may
36 provide the security and payment provisions for its bonds, notes or
37 other obligations as it may determine, including, without limiting the
38 generality of the foregoing, bonds, notes or other obligations as to
39 which the principal and interest are payable from and secured by all or
40 any portion of the revenues of and payments to the trust, and other
41 moneys or funds as the trust shall determine. The trust may also enter
42 into bank loan agreements, lines of credit and other security
43 agreements as authorized pursuant to subsection g. of section 6 of

EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and intended to be omitted in the law.

Matter underlined thus is new matter.

1 [this act] P.L.1999, c.152 (C.13:8C-6) and obtain for or on its behalf
2 letters of credit in each case for the purpose of securing its bonds,
3 notes or other obligations or to provide direct payment of any costs
4 which the trust is authorized to pay by [this act] P.L.1999, c.152 and
5 to secure repayment of any borrowings under the loan agreement, line
6 of credit, letter of credit or other security agreement by its bonds,
7 notes or other obligations or the proceeds thereof or by any or all of
8 the revenues of and payments to the trust or by any appropriation,
9 grant or reimbursement to be received by the trust and other moneys
10 or funds as the trust shall determine.

11 c. Whether or not the bonds and notes are of the form and
12 character as to be negotiable instruments under the terms of Title 12A,
13 Commercial Transactions, of the New Jersey Statutes, the bonds and
14 notes are hereby made negotiable instruments within the meaning of
15 and for all the purposes of Title 12A.

16 d. Bonds or notes of the trust shall be authorized by a resolution
17 or resolutions of the trust and may be issued in one or more series and
18 shall bear the date, or dates, mature at the time or times, bear interest
19 at the rate or rates of interest per annum, be in the denomination or
20 denominations, be in the form, carry the conversion or registration
21 privileges, have the rank or priority, be executed in the manner, be
22 payable from the sources, in the medium of payment, at the place or
23 places within or outside of the State, and be subject to the terms of
24 redemption, with or without premium, as the resolution or resolutions
25 may provide. Bonds or notes may be further secured by a trust
26 indenture between the trust and a corporate trustee within or outside
27 of the State. All other obligations of the trust shall be authorized by
28 resolution containing terms and conditions as the trust shall determine.

29 e. Bonds, notes or other obligations of the trust may be sold at
30 public or private sale at a price or prices and in a manner as the trust
31 shall determine, either on a negotiated or on a competitive basis.

32 f. Bonds or notes may be issued and other obligations incurred
33 under the provisions of [this act] P.L.1999, c.152 (C.13:8C-1 et seq.)
34 without obtaining the consent of any department, division,
35 commission, board, bureau or agency of the State, other than the
36 approval as required by subsection a. of this section, and without any
37 other proceedings or the happening of any other conditions or other
38 things than those proceedings, conditions or things which are
39 specifically required by [this act] P.L.1999, c.152 .

40 g. Bonds, notes and other obligations of the trust issued or
41 incurred under the provisions of [this act] P.L.1999, c.152 (C.13:8C-
42 1 et seq.) shall not be in any way a debt or liability of the State or of
43 any political subdivision thereof other than the trust and shall not
44 create or constitute any indebtedness, liability or obligation of the
45 State or of any political subdivision or be or constitute a pledge of the
46 faith and credit of the State or of any political subdivision but all

1 bonds, notes and obligations, unless funded or refunded by bonds,
2 notes or other obligations of the trust, shall be payable solely from
3 revenues or funds pledged or available for their payment as authorized
4 in [this act] P.L.1999, c.152 . Each bond, note or other obligation
5 shall contain on its face a statement to the effect that the trust is
6 obligated to pay the principal thereof, redemption premium, if any, or
7 the interest thereon only from revenues or funds of the trust and that
8 neither the State nor any political subdivision thereof is obligated to
9 pay the principal thereof, redemption premium, if any, or interest
10 thereon and that neither the faith and credit nor the taxing power of
11 the State or any political subdivision thereof is pledged to the payment
12 of the principal of, redemption premium, if any, or the interest on the
13 bonds, notes or other obligations. For the purposes of this subsection,
14 political subdivision does not include the trust.

15 h. All expenses incurred in carrying out the provisions of [this act]
16 P.L.1999, c.152 (C.13:8C-1 et seq.) shall be payable solely from the
17 revenues or funds provided or to be provided under or pursuant to the
18 provisions of [this act] P.L.1999, c.152 and nothing in [this act]
19 P.L.1999, c.152 shall be construed to authorize the trust to incur any
20 indebtedness or liability on behalf of or payable by the State or any
21 political subdivision thereof.

22 i. Prior to July 1, 2009, the aggregate principal amount of bonds,
23 notes or other obligations, including subordinated indebtedness, of the
24 trust shall not exceed \$1,000,000,000; except that this limitation shall
25 not include any bonds, notes or other obligations, including
26 subordinated indebtedness, of the trust issued for refunding purposes
27 in accordance with the provisions of this section, and any bonds, notes
28 or other obligations of the trust issued to fund the costs of issuance of
29 its bonds, notes or other obligations. After June 30, 2009, the trust
30 may issue only refunding bonds in any amount subject to subsections
31 j. through n. of this section.

32 The trust shall not issue bonds, notes or other obligations in any
33 State fiscal year in excess of [\$200,000,000] \$350,000,000 , except
34 that if that permitted amount of bonds, notes or other obligations, or
35 any portion thereof, is not issued in a State fiscal year it may be issued
36 in a subsequent State fiscal year. Any increase in this limitation shall
37 only occur if so provided for by law.

38 The limitations specified in this subsection shall apply only to
39 bonds, notes or other obligations of the trust that are payable from, or
40 secured by, amounts on deposit in the Garden State Preservation Trust
41 Fund Account established pursuant to section 17 of [this act]
42 P.L.1999, c.152 (C.13:8C-17) .

43 j. Upon the decision by the trust to issue refunding bonds pursuant
44 to this section, and prior to the sale of those bonds, the trust shall
45 transmit to the Joint Budget Oversight Committee, or its successor, a
46 report that a decision has been made, reciting the basis on which the

1 decision was made, including an estimate of the debt service savings
2 to be achieved and the calculations upon which the trust relied when
3 making the decision to issue refunding bonds. The report shall also
4 disclose the intent of the trust to issue and sell the refunding bonds at
5 public or private sale and the reasons therefor.

6 k. The Joint Budget Oversight Committee, or its successor, shall
7 have authority to approve or disapprove the sale of refunding bonds
8 as included in each report submitted in accordance with subsection j.
9 of this section. The Joint Budget Oversight Committee, or its
10 successor, shall approve or disapprove the sale of refunding bonds
11 within 10 business days after physical receipt of the report. The Joint
12 Budget Oversight Committee, or its successor, shall notify the trust in
13 writing of the approval or disapproval as expeditiously as possible.

14 l. No refunding bonds shall be issued unless the report has been
15 submitted to and approved by the Joint Budget Oversight Committee,
16 or its successor, as set forth in subsection k. of this section.

17 m. Within 30 days after the sale of the refunding bonds, the trust
18 shall notify the Joint Budget Oversight Committee, or its successor, of
19 the result of that sale, including the prices and terms, conditions and
20 regulations concerning the refunding bonds, and the actual amount of
21 debt service savings to be realized as a result of the sale of refunding
22 bonds.

23 n. The Joint Budget Oversight Committee, or its successor, shall,
24 however, review all information and reports submitted in accordance
25 with this section and may, on its own initiative, make observations and
26 recommendations to the trust or to the Legislature, or both, as it
27 deems appropriate.

28 (cf: P.L.1999, c.152, s.7)

29

30 2. Section 23 of P.L.1999, c.152 (C.13:8C-23) is amended to read
31 as follows:

32 23. a. (1) At least twice each State fiscal year, the Department of
33 Environmental Protection shall submit to the trust a list of projects
34 that the department recommends to receive funding from: the Garden
35 State Green Acres Preservation Trust Fund, based upon a priority
36 system, ranking criteria, and funding policies established by the
37 department pursuant to **[this act]** P.L.1999, c.152 (C.13:8C-1 et
38 seq.); or any Green Acres bond act with respect to moneys allocated
39 therein for appropriation for the purpose of acquiring or developing
40 lands for recreation and conservation purposes, based upon a priority
41 system, ranking criteria, and funding policies established by the
42 department pursuant to law and any rules or regulations adopted
43 pursuant thereto.

44 To the extent the department receives a sufficient number of
45 applications from local government units for the funding of projects to
46 acquire or develop, for recreation and conservation purposes, lands

1 located in municipalities eligible to receive State aid pursuant to
2 P.L.1978, c.14 (C.52:27D-178 et seq.), and those projects qualify for
3 funding based upon the priority system, ranking criteria, and funding
4 policies established by the department, in any State fiscal year the
5 percentage of funding from the Garden State Green Acres Preservation
6 Trust Fund for such projects recommended by the department shall be
7 substantially equivalent to or greater than the percentage derived by
8 dividing the total amount allocated pursuant to P.L.1983, c.354,
9 P.L.1987, c.265, P.L.1989, c.183, P.L.1992, c.88, and P.L.1995,
10 c.204, for local government unit projects for recreation and
11 conservation purposes in municipalities eligible to receive State aid
12 pursuant to P.L.1978, c.14 (C.52:27D-178 et seq.) by the total amount
13 allocated pursuant to P.L.1983, c.354, P.L.1987, c.265, P.L.1989,
14 c.183, P.L.1992, c.88, and P.L.1995, c.204, for all local government
15 unit projects for recreation and conservation purposes. In any State
16 fiscal year, not less than 20% of the total amount of funding from the
17 Garden State Green Acres Preservation Trust Fund for all State
18 projects to acquire and develop lands for recreation and conservation
19 purposes throughout the State recommended by the department shall
20 be for State projects located in highly populated counties of the State
21 with population densities of at least 1,000 persons per square mile
22 according to the latest federal decennial census.

23 The trust shall review the list and may make such deletions, but not
24 additions, of projects therefrom as it deems appropriate and in
25 accordance with the procedures established for such deletions pursuant
26 to subsection d. of this section, whereupon the trust shall approve the
27 list. At least twice each State fiscal year: (a) the trust shall prepare,
28 and submit to the Governor and to the President of the Senate and the
29 Speaker of the General Assembly for introduction in the Legislature,
30 proposed legislation appropriating moneys from the Garden State
31 Green Acres Preservation Trust Fund, or from any Green Acres bond
32 act with respect to moneys allocated therein for appropriation for the
33 purpose of acquiring or developing lands for recreation and
34 conservation purposes, to fund projects on any such list; and (b) the
35 Legislature may approve one or more appropriation bills containing a
36 project list or lists submitted by the trust pursuant to this paragraph.

37 (2) Any act appropriating moneys from the Garden State Green
38 Acres Preservation Trust Fund, or from any Green Acres bond act
39 with respect to moneys allocated therein for appropriation for the
40 purpose of acquiring or developing lands for recreation and
41 conservation purposes, shall identify the particular project or projects
42 to be funded by those moneys, and any expenditure for a project for
43 which the location is not identified by county and municipality in the
44 appropriation shall require the approval of the Joint Budget Oversight
45 Committee or its successor.

46 Moneys may be appropriated to a local government unit that has

1 prepared and adopted an open space acquisition and development plan
2 approved by the department, or to a qualifying tax exempt nonprofit
3 organization that in cooperation and with the approval of a local
4 government unit is implementing or assisting in the implementation of
5 an open space acquisition and development plan adopted by the local
6 government unit and approved by the department, without identifying
7 in the act the particular project or projects to be funded, provided that
8 the appropriation will be expended in accordance with that approved
9 plan and, with respect to Green Acres bond act moneys, the
10 appropriation in that form is not inconsistent with the Green Acres
11 bond act.

12 (3) Any transfer of moneys appropriated from the Garden State
13 Green Acres Preservation Trust Fund, or from any Green Acres bond
14 act with respect to moneys allocated therein for appropriation for the
15 purpose of acquiring or developing lands for recreation and
16 conservation purposes, or any change in project sponsor, site, or type
17 that has received an appropriation from the fund or from a Green
18 Acres bond act, shall require the approval of the Joint Budget
19 Oversight Committee or its successor but shall not require the
20 approval of the Garden State Preservation Trust.

21 b. (1) At least twice each State fiscal year, the State Agriculture
22 Development Committee shall submit to the trust a list of projects that
23 the committee recommends to receive funding from the Garden State
24 Farmland Preservation Trust Fund, based upon a priority system,
25 ranking criteria, and funding policies established by the committee
26 pursuant to [this act] P.L.1999, c.152 (C.13:8C-1 et seq.) and the
27 "Agriculture Retention and Development Act," P.L.1983, c.32
28 (C.4:1C-11 et seq.), and any rules or regulations adopted pursuant
29 thereto. The trust shall review the list and may make such deletions,
30 but not additions, of projects therefrom as it deems appropriate and in
31 accordance with the procedures established for such deletions pursuant
32 to subsection d. of this section, whereupon the trust shall approve the
33 list. At least twice each State fiscal year: (a) the trust shall prepare,
34 and submit to the Governor and to the President of the Senate and the
35 Speaker of the General Assembly for introduction in the Legislature,
36 proposed legislation appropriating moneys from the Garden State
37 Farmland Preservation Trust Fund to fund projects on any such list;
38 and (b) the Legislature may approve one or more appropriation bills
39 containing a project list or lists submitted by the trust pursuant to this
40 paragraph.

41 (2) Any act appropriating moneys from the Garden State Farmland
42 Preservation Trust Fund shall identify the particular project or projects
43 to be funded with those moneys, and any expenditure for a project for
44 which the location is not identified by county and municipality in the
45 appropriation shall require the approval of the Joint Budget Oversight
46 Committee or its successor.

1 Notwithstanding the provisions of this paragraph to the contrary,
2 any appropriation of moneys from the fund to pay the cost of
3 acquisition of a fee simple title to farmland shall not be required to
4 identify the particular project or identify its location by county or
5 municipality, and the expenditure of those moneys shall not require the
6 approval of the Joint Budget Oversight Committee or its successor.

7 (3) Any transfer of moneys appropriated from the Garden State
8 Farmland Preservation Trust Fund, or change in project sponsor, site,
9 or type that has received an appropriation from the fund, shall require
10 the approval of the Joint Budget Oversight Committee or its successor
11 but shall not require the approval of the Garden State Preservation
12 Trust.

13 c. (1) At least once each State fiscal year, or at such other interval
14 as the New Jersey Historic Trust in consultation with the Garden State
15 Preservation Trust deems appropriate, the New Jersey Historic Trust
16 shall submit to the Garden State Preservation Trust a list of projects
17 that the New Jersey Historic Trust recommends to receive funding
18 from the Garden State Historic Preservation Trust Fund, based upon
19 a priority system, ranking criteria, and funding policies established by
20 the New Jersey Historic Trust pursuant to [this act] P.L.1999, c.152
21 (C.13:8C-1 et seq.) and P.L.1967, c.124 (C.13:1B-15.111 et al.), and
22 any rules or regulations adopted pursuant thereto. The Garden State
23 Preservation Trust shall review the list and may make such deletions,
24 but not additions, of projects therefrom as it deems appropriate and in
25 accordance with the procedures established for such deletions pursuant
26 to subsection d. of this section, whereupon the Garden State
27 Preservation Trust shall approve the list. At least once each State
28 fiscal year, or at such other interval as the Garden State Preservation
29 Trust in consultation with the New Jersey Historic Trust deems
30 appropriate: (a) the Garden State Preservation Trust shall prepare,
31 and submit to the Governor and to the President of the Senate and the
32 Speaker of the General Assembly for introduction in the Legislature,
33 proposed legislation appropriating moneys from the Garden State
34 Historic Preservation Trust Fund to fund projects on any such list; and
35 (b) the Legislature may approve one or more appropriation bills
36 containing a project list or lists submitted by the Garden State
37 Preservation Trust pursuant to this paragraph.

38 (2) Any act appropriating moneys from the Garden State Historic
39 Preservation Trust Fund shall identify the particular project or projects
40 to be funded by those moneys, and any expenditure for a project for
41 which the location is not identified by county and municipality in the
42 appropriation shall require the approval of the Joint Budget Oversight
43 Committee or its successor.

44 (3) Any transfer of moneys appropriated from the Garden State
45 Historic Preservation Trust Fund, or change in project sponsor, site,
46 or type that has received an appropriation from the fund, shall require

1 the approval of the Joint Budget Oversight Committee or its successor
2 but shall not require the approval of the Garden State Preservation
3 Trust.

4 d. Whenever the Garden State Preservation Trust deletes a project
5 from a list of projects that has been submitted to the Garden State
6 Preservation Trust pursuant to subsection a., b., or c. of this section,
7 the Garden State Preservation Trust shall, in consultation with the
8 applicant and the department, the committee, or the New Jersey
9 Historic Trust, as the case may be, review and reevaluate the merits
10 and validity of the project. After completion of this review and
11 reevaluation, if the department, committee, or New Jersey Historic
12 Trust, as the case may be, continues to recommend funding of the
13 project, it shall transmit its reasons therefor in writing to the Garden
14 State Preservation Trust and place the project on the next or a
15 subsequent list of projects submitted to the Garden State Preservation
16 Trust pursuant to subsection a., b., or c. of this section. The Garden
17 State Preservation Trust shall include the project in the next proposed
18 legislation appropriating moneys from the Garden State Green Acres
19 Preservation Trust Fund, Green Acres bond act, Garden State
20 Farmland Preservation Trust Fund, or Garden State Historic
21 Preservation Trust Fund, as the case may be, that is submitted to the
22 Governor, President of the Senate, and Speaker of the General
23 Assembly pursuant to subsection a., b., or c. of this section, together
24 with a written report setting forth the rationale of the Garden State
25 Preservation Trust in recommending deletion of the project from the
26 proposed legislation and the rationale of the department, committee,
27 or New Jersey Historic Trust, as the case may be, in recommending
28 retention of the project in the proposed legislation.

29 e. The Garden State Preservation Trust may at any time suggest
30 projects to be considered or rejected for consideration by the
31 department, the committee, or the New Jersey Historic Trust in the
32 preparation of recommended project funding lists pursuant to this
33 section.

34 f. Projects involving the joint effort of more than one level of
35 government or qualifying tax exempt nonprofit organization, or the
36 joint effort of the department, the committee, and the New Jersey
37 Historic Trust, or any combination thereof, shall be encouraged.

38 g. For the purposes of efficiency and convenience, nothing in this
39 section shall prohibit the Garden State Preservation Trust from
40 combining the project lists, in whole or in part, of the department,
41 committee, and New Jersey Historic Trust into one proposed
42 appropriation bill or bills to be submitted to the Governor and
43 Legislature for consideration and enactment into law as otherwise
44 prescribed pursuant to this section.

45 h. The total amount appropriated in any State fiscal year from the
46 Garden State Green Acres Preservation Trust Fund and the Garden

1 State Farmland Preservation Trust Fund for proposed projects
2 pursuant to subsections a. and b. of this section shall not exceed
3 ~~[\$200,000,000]~~ \$350,000,000, excluding grants, contributions,
4 donations, and reimbursements from federal aid programs, including
5 but not limited to funding received by the State from the federal Land
6 and Water Conservation Fund, 16 U.S.C. s.4601-4 et al., and from
7 other public or private sources as may be used lawfully for such
8 projects. Any moneys in excess of \$200,000,000 appropriated in any
9 State fiscal year, excluding grants, contributions, donations, and
10 reimbursements from federal aid programs, including but not limited
11 to funding received by the State from the federal Land and Water
12 Conservation Fund, 16 U.S.C. s.4601-4 et al., and from other public
13 or private sources as may be used lawfully for such projects, shall be
14 distributed as follows: 80% shall be used for acquiring or developing
15 lands for recreation and conservation purposes, and 20% shall be used
16 for farmland preservation purposes.

17 (cf: P.L.2000, c.91)

18

19 3. Notwithstanding the provisions of subsection i. of section 7 of
20 P.L.1999, c.152 (C.13:8C-7) to the contrary, prior to July 1, 2009, the
21 aggregate principal amount of bonds, notes or other obligations,
22 including subordinated indebtedness, of the trust shall not exceed
23 \$1,150,000,000; except that this limitation shall not include any bonds,
24 notes or other obligations, including subordinated indebtedness, of the
25 trust issued for refunding purposes in accordance with the provisions
26 of section 7 of P.L.1999, c.152 (C.13:8C-7), and any bonds, notes or
27 other obligations of the trust issued to fund the costs of issuance of its
28 bonds, notes or other obligations.

29

30 4. Of the total of up to \$1,150,000,000 in proceeds raised by the
31 trust from the issuance of bonds, notes or other obligations, and
32 transferred by the trust to the State Treasurer and deposited by the
33 State Treasurer into the Garden State Green Acres Preservation Trust
34 Fund established pursuant to section 19 of P.L.1999, c.152 (C.13:8C-
35 19) and the Garden State Farmland Preservation Trust Fund
36 established pursuant to section 20 of P.L.1999, c.152 (C.13:8C-20) as
37 required pursuant to subsection a. of section 18 of P.L.1999, c.152
38 (C.13:8C-18), the sum of \$150,000,000 in such proceeds shall be
39 allocated and deposited into those two trust funds as follows
40 notwithstanding the provisions of subsection a. of section 18 of
41 P.L.1999, c.152 (C.13:8C-18) to the contrary:

42 a. 80% thereof to the Garden State Green Acres Preservation Trust
43 Fund to be used for the purposes of that trust fund; and

44 b. 20% thereof to the Garden State Farmland Preservation Trust
45 Fund to be used for the purposes of that trust fund.

46

1 5. This act shall take effect immediately, except that sections 3 and
2 4 of this act shall take effect upon approval by the voters of this State
3 of an amendment to Article VIII, Section II, paragraph 7 of the
4 Constitution of the State of New Jersey (now before the Legislature
5 as Senate Concurrent Resolution No.100 of 2003 or Assembly
6 Concurrent Resolution No.169 of 2003).

7

8

9

STATEMENT

10

11 This bill increases the statutory cap under the Garden State
12 Preservation Trust Act from \$200 million to \$350 million for: (1) the
13 amount of bonds the Garden State Preservation Trust can issue in a
14 State fiscal year; and (2) the amount the State can appropriate from
15 the Garden State Green Acres Preservation Trust Fund and the Garden
16 State Farmland Preservation Trust Fund for proposed projects in a
17 State fiscal year. The bill further provides that of any appropriations
18 in excess of \$200 million appropriated in any State fiscal year,
19 excluding grants, contributions, donations, and reimbursements from
20 federal aid programs, including but not limited to funding received by
21 the State from the federal Land and Water Conservation Fund and
22 from other public or private sources as may be used lawfully for such
23 projects, 80% shall be used for acquiring or developing lands for
24 recreation and conservation purposes, and 20% shall be used for
25 farmland preservation purposes.

26

27 The bill further provides that, upon approval by the voters of a
28 Constitutional Amendment to increase the bonding capacity of the
29 Garden State Preservation Trust from \$1 billion to \$1.15 billion, of the
30 additional \$150 million in bond revenue generated by this increased
31 bonding, 80% will be deposited into the Garden State Green Acres
32 Preservation Trust Fund for open space preservation purposes and
33 20% will be deposited into the Garden State Farmland Preservation
34 Trust Fund for farmland preservation purposes. This would not
35 change current law that provides for a 60%/40% distribution of all
36 other constitutionally dedicated funds that are otherwise required to
37 be deposited into the Garden State Green Acres Preservation Trust
38 Fund and the Garden State Farmland Preservation Trust Fund,
respectively.

SENATE ENVIRONMENT COMMITTEE

STATEMENT TO

SENATE COMMITTEE SUBSTITUTE FOR
SENATE, No. 249

STATE OF NEW JERSEY

DATED: JUNE 14, 2004

The Senate Environment Committee favorably reports a Senate Committee Substitute for Senate Bill No. 249.

The committee substitute would increase the statutory cap under the Garden State Preservation Trust Act from \$200 million to \$350 million for: (1) the amount of bonds the Garden State Preservation Trust can issue in a State fiscal year; and (2) the amount the State can appropriate from the Garden State Green Acres Preservation Trust Fund and the Garden State Farmland Preservation Trust Fund for proposed projects in a State fiscal year.

On November 4, 2003 voters approved an amendment to Article VIII, Section II, paragraph 7 of the Constitution of the State of New Jersey that authorizes an increase in the bonding capacity of the Garden State Preservation Trust from \$1 billion to \$1.15 billion. This bill provides that, of any amounts over \$1 billion in bond revenue generated by this increased bonding, 80% will be deposited into the Garden State Green Acres Preservation Trust Fund for open space preservation purposes and 20% will be deposited into the Garden State Farmland Preservation Trust Fund for farmland preservation purposes. This would not change current law that provides for a 60%/40% distribution of all other constitutionally dedicated funds that are otherwise required to be deposited into the Garden State Green Acres Preservation Trust Fund and the Garden State Farmland Preservation Trust Fund, respectively.

The committee substitute is identical to Assembly Bill No. 2814(1R).

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE COMMITTEE SUBSTITUTE FOR **SENATE, No. 249**

STATE OF NEW JERSEY

DATED: JUNE 18, 2004

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 249 (SCS).

This bill increases from \$200 million to \$350 million the statutory cap under the Garden State Preservation Trust Act for (1) the amount of bonds the Garden State Preservation Trust (GSPT) can issue in a State fiscal year; and (2) the amount the State can appropriate from the Garden State Green Acres Preservation Trust Fund and the Garden State Farmland Preservation Trust Fund for proposed projects in a State fiscal year.

On November 4, 2003, voters approved an amendment to Article VIII, Section II, paragraph 7 of the Constitution of the State of New Jersey that authorizes an increase in the bonding capacity of the Garden State Preservation Trust from \$1 billion to \$1.15 billion. This bill provides that, of any amounts of bond revenue exceeding \$1,000,000,000 generated by this increased bonding capacity, 80% will be deposited into the Garden State Green Acres Preservation Trust Fund for open space preservation purposes and 20% will be deposited into the Garden State Farmland Preservation Trust Fund for farmland preservation purposes. This would not change current law that provides for a 60%/40% distribution of all other constitutionally dedicated funds that are otherwise required to be deposited into the Garden State Green Acres Preservation Trust Fund and the Garden State Farmland Preservation Trust Fund, respectively.

The provisions of this bill are identical to those of Assembly Bill No. 2814 (1R), now pending in the Senate.

FISCAL IMPACT

This bill increases by \$150 million the statutory caps on annual borrowing by the GSPT and annual appropriations from the Green Acres and Farmland Preservation Trust Funds. The bill also stipulates that any amounts exceeding \$1,000,000,000 of bond revenue will be allocated as follows: 80% or \$120 million to the Garden State Green Acres Preservation Trust and 20% or \$30 million to the Garden State Farmland Preservation Trust.