ASSEMBLY CONCURRENT RESOLUTION No. 28

STATE OF NEW JERSEY
216th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2014 SESSION

Sponsored by:
Assemblyman SEAN T. KEAN
District 30 (Monmouth and Ocean)

SYNOPSIS
Amends Constitution to dedicate up to $25 million annually from realty transfer fee revenue for shore protection.

CURRENT VERSION OF TEXT
Introduced Pending Technical Review by Legislative Counsel
A CONCURRENT RESOLUTION proposing to amend Article VIII, Section II, of the Constitution of the State of New Jersey.

BE IT RESOLVED by the General Assembly of the State of New Jersey (the Senate concurring):

1. The following proposed amendment to the Constitution of the State of New Jersey is agreed to:

PROPOSED AMENDMENT

Amend Article VIII, Section II, by addition of a new paragraph to read as follows:

8. a. Commencing July 1, 2011, there shall be credited in each State fiscal year to a special account in the General Fund $25,000,000 from the revenues collected pursuant to section 3 of P.L.1968, c.49 (C.46:15-7) and credited to the "Shore Protection Fund" created pursuant to section 1 of P.L.1992, c.148 (C.13:19-16.1), in the manner established under that section, pursuant to section 4 of P.L.1968, c.49 (C.46:15-8), as amended and supplemented, or from any other State law of similar effect.

b. It shall not be competent for the Legislature, under any pretense whatever, to borrow, appropriate, or use the amount credited to the special account pursuant to this paragraph, or any portion thereof, (1) for any purpose or in any manner other than as enumerated in this paragraph, or (2) for the payment of the principal or interest on any general obligation bond, refunding bond, or any other bond, note, or other obligation including, but not limited to, a bond, note, or other obligation authorized pursuant to paragraph 7 or subparagraph (e) of paragraph 6 of Article VIII, Section II, of the State Constitution.

2. When this proposed amendment to the Constitution is finally agreed to pursuant to Article IX, paragraph 1 of the Constitution, it shall be submitted to the people at the next general election occurring more than three months after the final agreement and shall be published at least once in at least one newspaper of each county designated by the President of the Senate, the Speaker of the
3. This proposed amendment to the Constitution shall be submitted to the people at that election in the following manner and form:

There shall be printed on each official ballot to be used at the general election, the following:

a. In every municipality in which voting machines are not used, a legend which shall immediately precede the question as follows:

If you favor the proposition printed below make a cross (X), plus (+), or check (✓) in the square opposite the word "Yes." If you are opposed thereto make a cross (X), plus (+) or check (✓) in the square opposite the word "No."

b. In every municipality the following question:
DEDICATION OF STATE PORTION OF REALTY TRANSFER FEE REVENUE FOR SHORE PROTECTION

Shall the amendment to Article VIII, Section II, of the Constitution of the State of New Jersey, agreed to by the Legislature, to provide that the revenue annually derived from the State portion of the basic realty transfer fee be dedicated, and appropriated by the Legislature, only for the purpose of providing funding for shore protection projects associated with the protection, stabilization, restoration or maintenance of the shore, including monitoring studies and land acquisition, and for the nonfederal share of any State-federal project, be approved?

INTERPRETIVE STATEMENT

Approval of this proposed constitutional amendment would ensure that revenue derived annually from the State portion of the basic realty transfer fee to provide a stable source of funding for the Shore Protection program cannot be diverted for purposes unrelated to shore protection. The Shore Protection program funds projects associated with the protection, stabilization, restoration or maintenance of the shore, including monitoring studies and land acquisition, consistent with the current New Jersey Shore Protection Master Plan, and may include the nonfederal share of any State-federal project. It also funds emergency shore protection projects, in the event of storm and severe weather related occurrences, and coastal engineering research and development. This constitutional amendment would ensure that the State basic realty transfer fee moneys set aside as dedicated funding for shore protection projects would be used for their intended purpose so that new shore protection efforts may be undertaken in the State.
This concurrent resolution proposes an amendment to the State Constitution requiring the State to dedicate certain revenues derived from realty transfer fees imposed under P.L.1968, c.49 (C.46:15-5 et seq.) for shore protection.

Under current law, an amount up to $25 million is paid during the State fiscal year to the State Treasurer from the payment of the State portion of the basic realty transfer fee and is credited to the "Shore Protection Fund" created pursuant to section 1 of P.L.1992, c.148 (C.13:19-16.1). Moneys deposited in the "Shore Protection Fund" must be used for shore protection projects associated with the protection, stabilization, restoration or maintenance of the shore, including monitoring studies and land acquisition, consistent with the current New Jersey Shore Protection Master Plan, in accordance with a priority list approved by the Legislature.

Unfortunately, under the provisions of P.L.2008, c.31, in State Fiscal Year 2009 up to $9 million of the moneys deposited in the “Shore Protection Fund” were permitted to be used to help defray the cost of operation and maintenance of State parks and forests.

By constitutionally dedicating the realty transfer fee revenues deposited in the "Shore Protection Fund" solely for the original purposes intended, a diversion such as this for an unrelated purpose cannot occur again.