

# SENATE, No. 2920

## STATE OF NEW JERSEY 218th LEGISLATURE

INTRODUCED SEPTEMBER 17, 2018

**Sponsored by:**

**Senator BOB SMITH**

**District 17 (Middlesex and Somerset)**

**Senator CHRISTOPHER "KIP" BATEMAN**

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

**Senator LINDA R. GREENSTEIN**

**District 14 (Mercer and Middlesex)**

**SYNOPSIS**

Establishes funding allocations for constitutionally dedicated CBT revenues for State's open space, farmland, and historic preservation programs for Fiscal Year 2020 and thereafter.

**CURRENT VERSION OF TEXT**

As introduced.



**(Sponsorship Updated As Of: 10/19/2018)**

1 AN ACT concerning the constitutional dedication of corporation  
2 business tax revenues for open space, farmland, and historic  
3 preservation, and amending and supplementing P.L.2016, c.12.

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

7  
8 1. (New section) a. In each State fiscal year commencing in  
9 State fiscal year 2020 and annually thereafter, of the amount  
10 credited by the State Treasurer to the Preserve New Jersey Fund  
11 Account pursuant to subparagraph (b) of paragraph (1) of  
12 subsection a. of section 4 of P.L.2016, c.12 (C.13:8C-46):

13 (1) 62 percent shall be deposited into the Preserve New Jersey  
14 Green Acres Fund;

15 (2) 31 percent shall be deposited into the Preserve New Jersey  
16 Farmland Preservation Fund; and

17 (3) seven percent shall be deposited into the Preserve New  
18 Jersey Historic Preservation Fund.

19 b. (1) Beginning July 1, 2022, and annually thereafter, the  
20 Garden State Preservation Trust shall conduct a review of the  
21 appropriations of constitutionally dedicated CBT moneys to, and  
22 the expenditures thereof by, the Department of Environmental  
23 Protection, the State Agriculture Development Committee, and the  
24 New Jersey Historic Trust for their respective programs for the  
25 fiscal year ending two years prior to the year in which the review is  
26 occurring. If the Garden State Preservation Trust determines that  
27 the department, committee, or New Jersey Historic Trust have not  
28 expended or contractually obligated the constitutionally dedicated  
29 CBT moneys allocated pursuant to subsection a. of this section for  
30 the fiscal year ending two years prior to the year in which the  
31 review is occurring, the trust may reallocate the amount of  
32 constitutionally dedicated CBT moneys that have not been  
33 expended or contractually obligated for that particular fiscal year by  
34 the department, committee, or New Jersey Historic Trust, as  
35 applicable.

36 (2) If, after the review required pursuant to paragraph (1) of this  
37 subsection, the Garden State Preservation Trust determines it is  
38 appropriate, the trust, notwithstanding the provisions of section 6, 8,  
39 or 9 of P.L.2016, c.12 (C.13:8C-48, 50, or 51) to the contrary, shall  
40 allocate for appropriation pursuant to section 13 of P.L.2016, c.12  
41 (C.13:8C-55) the amount of unexpended, unobligated, or  
42 unappropriated constitutionally dedicated CBT moneys for the  
43 fiscal year ending two years prior to the year in which the review is  
44 occurring, and shall determine, for that amount:

45 (a) the appropriate funding allocations for the Preserve New  
46 Jersey Green Acres Fund, the Preserve New Jersey Farmland

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

Matter underlined thus is new matter.

1 Preservation Fund, or the Preserve New Jersey Historic  
2 Preservation Fund; and

3 (b) how the allocations pursuant to subparagraph (a) of this  
4 paragraph shall be allocated for the acquisition or development of  
5 lands for recreation and conservation purposes, including Blue  
6 Acres projects, farmland preservation purposes, or historic  
7 preservation purposes. The trust shall make its determinations  
8 pursuant to this subparagraph based upon a demonstrated need for  
9 funding for the acquisition or development of lands for recreation  
10 and conservation purposes, including Blue Acres projects, farmland  
11 preservation purposes, or historic preservation purposes based upon  
12 available projects, applicant demand, and past appropriations and  
13 expenditures for these purposes.

14 (3) The trust shall hold a public hearing to solicit public input  
15 when making determinations pursuant to paragraph (2) of this  
16 subsection.

17 (4) The trust shall notify the department, the committee, the  
18 New Jersey Historic Trust, and the Department of the Treasury on  
19 the results of its review and determinations pursuant to this  
20 subsection. The trust shall also send written notification to the  
21 Chairperson of the Senate Environment and Energy Committee and  
22 the Assembly Environment and Solid Waste Committee, or their  
23 successors, of any determinations and allocations made pursuant to  
24 this subsection.

25 (5) A determination by the trust to reallocate constitutionally  
26 dedicated CBT moneys for a particular fiscal year based on the  
27 review and determination made pursuant to this subsection shall not  
28 affect the allocations set forth in subsection a. of this section for  
29 any subsequent fiscal year.

30

31 2. Section 6 of P.L.2016, c.12 (C.13:8C-48) is amended to read  
32 as follows:

33 6. a. The State Treasurer shall establish a fund to be known as  
34 the "Preserve New Jersey Green Acres Fund" and shall deposit into  
35 the fund all moneys received pursuant to paragraph (1) of  
36 subsection a. of section 5 of P.L.2016, c.12 (C.13:8C-47),  
37 paragraph (1) of subsection a. of section 1 of P.L. , c. (C. )  
38 (pending before the Legislature as this bill), and any other moneys  
39 appropriated by law for deposit into the fund.

40 Moneys in the fund shall be invested in permitted investments or  
41 shall be held in interest-bearing accounts in those depositories as  
42 the State Treasurer may select, and may be invested and reinvested  
43 in permitted investments or as other trust funds in the custody of the  
44 State Treasurer in the manner provided by law. All interest or other  
45 income or earnings derived from the investment or reinvestment of  
46 moneys in the fund shall be credited to the fund. Moneys derived  
47 from the payment of principal and interest on the loans to local

1 government units authorized by **[this act]** P.L.2016, c.12 (C.13:8C-  
2 43 et seq.) shall also be held in the fund.

3 b. Of the amount deposited **[each State fiscal year]** in State  
4 fiscal year 2017 through and including State fiscal year 2019 into  
5 the Preserve New Jersey Green Acres Fund pursuant to paragraph  
6 (1) of subsection a. of section 5 of P.L.2016, c.12 (C.13:8C-47):

7 (1) 55 percent shall be allocated for the purpose of paying the  
8 cost of acquisition and development of lands by the State for  
9 recreation and conservation purposes, and the amount provided  
10 pursuant to this paragraph shall be allocated as follows:

11 (a) 50 percent shall be allocated for the purpose of paying the  
12 cost of acquisition of lands by the State for recreation and  
13 conservation purposes; and

14 (b) 50 percent shall be allocated for the purpose of paying the  
15 cost of development of lands by the State for recreation and  
16 conservation purposes, and of the amount provided pursuant to this  
17 subparagraph:

18 (i) up to 22 percent shall be allocated for the purpose of paying  
19 the cost for stewardship activities undertaken on lands administered  
20 by the Division of Fish and Wildlife in the department; and

21 (ii) up to 22 percent shall be allocated for the purpose of paying  
22 the cost for stewardship activities undertaken on lands administered  
23 by the Division of Parks and Forestry in the department;

24 (2) 38 percent shall be allocated for the purposes of providing  
25 grants and loans to assist local government units to pay the cost of  
26 acquisition and development of lands for recreation and  
27 conservation purposes, and of this amount, up to **[2]** two percent  
28 shall be allocated for stewardship activities undertaken by local  
29 government units; and

30 (3) **[7]** seven percent shall be allocated for the purposes of  
31 providing grants to assist qualifying tax exempt nonprofit  
32 organizations to pay the cost of acquisition and development of  
33 lands for recreation and conservation purposes, and of this amount,  
34 11 percent shall be allocated for stewardship activities undertaken  
35 by qualifying tax exempt nonprofit organizations.

36 c. Any repayments of the principal and interest on loans issued  
37 to local government units for the acquisition or development of  
38 lands for recreation and conservation purposes using  
39 constitutionally dedicated CBT moneys shall be deposited into the  
40 Preserve New Jersey Green Acres Fund, and shall be specifically  
41 dedicated for the issuance of additional loans in the same manner as  
42 provided in subsection b. of section 27 of P.L.1999, c.152  
43 (C.13:8C-27).

44 d. (1) The moneys in the fund are specifically dedicated and  
45 shall be used for the same purposes and according to the same  
46 criteria and provisions as those set forth in section 26 of P.L.1999,  
47 c.152 (C.13:8C-26), and as provided pursuant to P.L.2016, c.12

1 (C.13:8C-43 et seq.) and **[paragraph (3) of]** this **[subsection]**  
2 section .

3 (2) Grants and loans issued to local government units and grants  
4 issued to qualifying tax exempt nonprofit organizations using  
5 constitutionally dedicated CBT moneys for the acquisition and  
6 development of lands for recreation and conservation purposes shall  
7 be subject to the same provisions as those prescribed in section 27  
8 of P.L.1999, c.152 (C.13:8C-27), except as otherwise provided in  
9 section 10 of P.L.2016, c.12 (C.13:8C-52).

10 (3) Notwithstanding any provision of P.L.2016, c.12 (C.13:8C-  
11 43 et seq.) or P.L.1999, c.152 (C.13:8C-1 et seq.) to the contrary,  
12 projects of the Palisades Interstate Park Commission established  
13 pursuant to P.L.1980, c.104 (C.32:14-1.1 et seq.) for the acquisition  
14 or development of land for recreation and conservation purposes in  
15 New Jersey shall be considered State projects for the purposes of  
16 eligibility for funding pursuant to the provisions of P.L.2016, c.12  
17 (C.13:8C-43 et seq.).

18 e. Moneys in the fund shall not be expended except in  
19 accordance with appropriations from the fund made by law. Any  
20 act appropriating moneys from the Preserve New Jersey Green  
21 Acres Fund shall identify any particular project or projects to be  
22 funded by the moneys, and any expenditure for a project for which  
23 the location is not identified by municipality and county in the  
24 appropriation shall require the approval of the Joint Budget  
25 Oversight Committee, or its successor, except as permitted  
26 otherwise in accordance with the same exceptions as those specified  
27 in paragraph (2) of subsection a. of section 23 of P.L.1999, c.152  
28 (C.13:8C-23).

29 f. Unexpended moneys due to project withdrawals,  
30 cancellations, or cost savings shall be returned to the fund.

31 g. Of the amount authorized pursuant to this section, not more  
32 than five percent shall be utilized for organizational, administrative  
33 and other work and services, including salaries, equipment and  
34 materials necessary to administer the applicable provisions of **[this**  
35 **act]** P.L.2016, c.12 (C.13:8C-43 et seq.) .

36 h. To the end that municipalities may not suffer a loss of taxes  
37 by reason of the acquisition and ownership by the State of lands in  
38 fee simple for recreation and conservation purposes, or the  
39 acquisition and ownership by qualifying tax exempt nonprofit  
40 organizations of lands in fee simple for recreation and conservation  
41 purposes that become certified as exempt from property taxes  
42 pursuant to P.L.1974, c.167 (C.54:4-3.63 et seq.) or similar laws,  
43 the State shall make payments annually in the same manner as  
44 payments are made pursuant to section 29 of P.L.1999, c.152  
45 (C.13:8C-29).

46 i. The State shall not use the power of eminent domain in any  
47 manner for the acquisition of lands by the State for recreation and  
48 conservation purposes using constitutionally dedicated CBT

1 moneys in whole or in part unless a concurrent resolution approving  
2 that use is approved by both Houses of the Legislature; except that,  
3 without the need for such a concurrent resolution, the State may use  
4 the power of eminent domain to the extent necessary to establish a  
5 value for lands to be acquired from a willing seller by the State for  
6 recreation and conservation purposes using constitutionally  
7 dedicated CBT moneys in whole or in part.

8 j. Of the amount deposited in each State fiscal year  
9 commencing in State fiscal year 2020 and annually thereafter into  
10 the Preserve New Jersey Green Acres Fund pursuant to paragraph  
11 (1) of subsection a. of section 1 of P.L. , c. (C. ) (pending  
12 before the Legislature as this bill):

13 (1) 60 percent shall be allocated for the purpose of paying the  
14 cost of acquisition and development of lands by the State for  
15 recreation and conservation purposes, and the amount provided  
16 pursuant to this paragraph shall be allocated as follows:

17 (a) 50 percent shall be allocated for the purpose of paying the  
18 cost of acquisition of lands by the State for recreation and  
19 conservation purposes, including Blue Acres projects; and

20 (b) 50 percent shall be allocated for the purpose of paying the  
21 cost of development of lands by the State for recreation and  
22 conservation purposes, and of the amount provided pursuant to this  
23 subparagraph:

24 (i) up to 22 percent shall be allocated for the purpose of paying  
25 the cost for stewardship activities undertaken on lands administered  
26 by the Division of Fish and Wildlife in the department; and

27 (ii) up to 22 percent shall be allocated for the purpose of paying  
28 the cost for stewardship activities undertaken on lands administered  
29 by the Division of Parks and Forestry in the department;

30 (2) 34 percent shall be allocated for the purposes of providing  
31 grants and loans to assist local government units to pay the cost of  
32 acquisition and development of lands for recreation and  
33 conservation purposes, including Blue Acres projects, and of this  
34 amount, up to two percent shall be allocated for stewardship  
35 activities undertaken by local government units; and

36 (3) six percent shall be allocated for the purposes of providing  
37 grants to assist qualifying tax exempt nonprofit organizations to pay  
38 the cost of acquisition and development of lands for recreation and  
39 conservation purposes, including Blue Acres projects, and of this  
40 amount, 11 percent shall be allocated for stewardship activities  
41 undertaken by qualifying tax exempt nonprofit organizations.

42 k. (1) In addition to the purposes set forth in subsection d. of  
43 this section, moneys in the Preserve New Jersey Green Acres Fund  
44 may be applied for the purposes of providing moneys to:

45 (a) meet the Blue Acres costs to the State for the acquisition of  
46 lands for a Blue Acres project; or

47 (b) provide grants, pursuant to the provisions of paragraph (2) of  
48 this subsection, to assist a qualifying tax exempt nonprofit

1 organization in meeting the Blue Acres costs for the acquisition of  
2 lands for a Blue Acres project.

3 (2) A grant by the State for lands to be acquired by a qualifying  
4 tax exempt nonprofit organization for a Blue Acres project may  
5 include up to 50 percent of the Blue Acres cost of acquisition of the  
6 lands by the qualifying tax exempt nonprofit organization.

7 (a) A qualifying tax exempt nonprofit organization shall not use  
8 as its matching share of the Blue Acres cost of acquisition of lands  
9 for a Blue Acres project any constitutionally dedicated moneys, as  
10 defined pursuant to section 3 of P.L.1999, c.152 (C.13:8C-3), or  
11 any grant moneys obtained from a Green Acres bond act.

12 (b) To qualify to receive a grant from the Preserve New Jersey  
13 Blue Acres Fund, the board of directors or governing body of the  
14 applying tax exempt nonprofit organization shall:

15 (i) demonstrate to the commissioner that the organization  
16 qualifies as a charitable conservancy for the purposes of P.L.1979,  
17 c.378 (C.13:8B-1 et seq.);

18 (ii) demonstrate that the organization has the resources to match  
19 the grant requested;

20 (iii) agree to make and keep the lands accessible to the public,  
21 unless the commissioner determines that public accessibility would  
22 be detrimental to the lands or any natural resources associated  
23 therewith;

24 (iv) agree not to convey the lands except to the federal  
25 government, the State, a local government unit, or another  
26 qualifying tax exempt nonprofit organization, for recreation and  
27 conservation purposes; and

28 (v) agree to execute and donate to the State at no charge a  
29 conservation restriction pursuant to P.L.1979, c.378 (C.13:8B-1 et  
30 seq.) on the lands to be acquired with the grant.

31 (cf: P.L.2018, c.95, s.1)

32

33 3. Section 8 of P.L.2016, c.12 (C.13:8C-50) is amended to read  
34 as follows:

35 8. a. The State Treasurer shall establish a fund to be known as  
36 the "Preserve New Jersey Farmland Preservation Fund" and shall  
37 deposit all moneys received pursuant to paragraph (3) of subsection  
38 a. of section 5 of **[this act]** P.L.2016, c.12 (C.13:8C-47), paragraph  
39 (2) of subsection a. of section 1 of P.L. , c. (C. ) (pending  
40 before the Legislature as this bill), and any other moneys  
41 appropriated by law for deposit into the fund.

42 Moneys in the fund shall be invested in permitted investments or  
43 shall be held in interest-bearing accounts in those depositories as  
44 the State Treasurer may select, and may be invested and reinvested  
45 in permitted investments or as other trust funds in the custody of the  
46 State Treasurer in the manner provided by law. All interest or other  
47 income or earnings derived from the investment or reinvestment of  
48 moneys in the fund shall be credited to the fund.

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

5       (2) Of the moneys deposited into the Preserve New Jersey  
6 Farmland Preservation Fund each year, up to **[3]** three percent shall  
7 be allocated by the committee on an annual basis for stewardship  
8 activities.

9       c. Moneys in the fund shall not be expended except in  
10 accordance with appropriations from the fund made by law. Any  
11 act appropriating moneys from the Preserve New Jersey Farmland  
12 Preservation Fund shall identify any particular project or projects to  
13 be funded by the moneys, and any expenditure for a project for  
14 which the location is not identified by municipality and county in  
15 the appropriation shall require the approval of the Joint Budget  
16 Oversight Committee, or its successor, except as permitted  
17 otherwise in accordance with the same exceptions as those specified  
18 in paragraph (2) of subsection b. of section 23 of P.L.1999, c.152  
19 (C.13:8C-23).

20       d. Unexpended moneys due to project withdrawals,  
21 cancellations, or cost savings shall be returned to the fund.  
22 (cf: P.L.2016, c.12, s.8)

23

24       4. Section 9 of P.L.2016, c.12 (C.13:8C-51) is amended to read  
25 as follows:

26       9. a. The State Treasurer shall establish a fund to be known as  
27 the "Preserve New Jersey Historic Preservation Fund" and shall  
28 deposit all moneys received pursuant to paragraph (4) of subsection  
29 a. of section 5 of P.L.2016, c.12 (C.13:8C-47) , paragraph (3) of  
30 subsection a. of section 1 of P.L. , c. (C. ) (pending before  
31 the Legislature as this bill), and any other moneys appropriated by  
32 law for deposit into the fund.

33       Moneys in the fund shall be invested in permitted investments or  
34 shall be held in interest-bearing accounts in those depositories as  
35 the State Treasurer may select, and may be invested and reinvested  
36 in permitted investments or as other trust funds in the custody of the  
37 State Treasurer in the manner provided by law. All interest or other  
38 income or earnings derived from the investment or reinvestment of  
39 moneys in the fund shall be credited to the fund.

40       b. (1) The moneys in the fund are specifically dedicated and  
41 shall be used for the same purposes as those set forth in section 41  
42 of P.L.1999, c.152 (C.13:8C-41), **[and]** for emergency intervention  
43 and the acquisition of historic preservation easements , and shall be  
44 allocated by the New Jersey Historic Trust as provided in  
45 subsection e. of this section .

46       (2) Notwithstanding any provision of P.L.2016, c.12 (C.13:8C-  
47 43 et seq.) or P.L.1999, c.152 (C.13:8C-1 et seq.) to the contrary,  
48 the Palisades Interstate Park Commission established pursuant to



1 P.L.1980, c.104 (C.32:14-1.1 et seq.) shall be eligible for grants  
2 pursuant to the provisions of section 41 of P.L.1999, c.152  
3 (C.13:8C-41) for projects located in New Jersey. A project by the  
4 Palisades Interstate Park Commission for historic preservation  
5 purposes shall be subject to the same criteria and conditions set  
6 forth in section 41 of P.L.1999, c.152 (C.13:8C-41) applicable to a  
7 project by a local government unit.

8 c. Moneys in the fund shall not be expended except in  
9 accordance with appropriations from the fund made by law. Any  
10 act appropriating moneys from the Preserve New Jersey Historic  
11 Preservation Fund shall identify any particular project or projects to  
12 be funded by the moneys, and any expenditure for a project for  
13 which the location is not identified by municipality and county in  
14 the appropriation shall require the approval of the Joint Budget  
15 Oversight Committee, or its successor.

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

18 e. Of the amount deposited in each State fiscal year  
19 commencing in State fiscal year 2020 and annually thereafter into  
20 the Preserve New Jersey Historic Preservation Fund pursuant to  
21 paragraph (3) of subsection a. of section 1 of P.L. , c. (C. )  
22 (pending before the Legislature as this bill), a minimum of 50  
23 percent shall be allocated for Level II capital preservation grants.

24 As used in this subsection, "Level II capital preservation grant"  
25 means a construction grant awarded by the New Jersey Historic  
26 Trust for the preservation, restoration, or rehabilitation of a historic  
27 property in an amount between \$150,001 to \$750,000.

28 (cf: P.L.2018, c.95, s.2)

29

30 5. This act shall take effect immediately.

31

32

33

#### STATEMENT

34

35 This bill establishes the funding allocations for the constitutional  
36 dedication of Corporation Business Tax (CBT) revenues for the  
37 State's open space, farmland, and historic preservation programs for  
38 fiscal year 2020 and thereafter.

39 The constitutional dedication of CBT revenues for open space,  
40 farmland, and historic preservation pursuant to Article VIII, Section  
41 II, paragraph 6 of the State Constitution, approved by the voters of  
42 the State in November 2014, dedicates four percent of CBT  
43 revenues for open space, farmland, and historic preservation, water  
44 programs, public and private site remediation, and underground  
45 storage tank programs for fiscal years 2016 through 2019. For  
46 fiscal year 2020 and thereafter, this annual dedication for certain  
47 environmental programs is increased from four percent to six  
48 percent.

1 Specifically with regard to open space, farmland, and historic  
2 preservation, commencing July 1, 2019 (i.e., for State fiscal year  
3 2020 and thereafter), of the six percent CBT dedication, the State  
4 Constitution dedicates annually 78 percent for the following  
5 purposes: (1) providing funding, including loans or grants, for the  
6 preservation, including acquisition, development, and stewardship,  
7 of lands for recreation and conservation purposes, including lands  
8 that protect water supplies and lands that have incurred flood or  
9 storm damage or are likely to do so, or that may buffer or protect  
10 other properties from flood or storm damage (i.e., Green Acres and  
11 Blue Acres); (2) providing funding, including loans or grants, for  
12 the preservation and stewardship of land for agricultural or  
13 horticultural use and production (i.e., farmland preservation); (3)  
14 providing funding, including loans or grants, for historic  
15 preservation; and (4) paying administrative costs associated with  
16 each of those efforts. Previously, for fiscal years 2016 through  
17 2019, the State Constitution dedicated 71 percent of the four  
18 percent CBT dedication for these four purposes.

19 Current law, the “Preserve New Jersey Act,” P.L.2016, c.12  
20 (C.13:8C-43 et seq.), sets forth funding allocations for the  
21 constitutional dedication of CBT revenues for open space, farmland,  
22 and historic preservation for State fiscal years 2017 through 2019.  
23 This bill supplements and amends the “Preserve New Jersey Act” in  
24 order to implement the CBT revenue dedication and the “Preserve  
25 New Jersey Act” for State fiscal year 2020 and beyond by  
26 establishing funding allocations for the State’s existing open space,  
27 farmland, and historic preservation programs based on the increase  
28 in dedicated CBT revenue available for these purposes beginning  
29 July 1, 2019.

30 Under this bill, for State fiscal year 2020 and thereafter, the  
31 above-described dedicated CBT revenues would be allocated as  
32 follows:

33 (1) 62 percent for the acquisition and development of lands for  
34 public recreation and conservation purposes, including lands that  
35 protect water supplies and lands that have incurred flood or storm  
36 damage or are likely to do so, or that may buffer or protect other  
37 properties from flood or storm damage;

38 (2) 31 percent for farmland preservation purposes; and

39 (3) seven percent for historic preservation purposes.

40 Of the funding allocated each year for recreation and  
41 conservation purposes pursuant to this bill: 60 percent would be  
42 used for State open space acquisition and development projects; 34  
43 percent would be used for grants and loans to fund local  
44 government open space acquisition and development projects; and  
45 six percent would be used for grants to fund open space acquisition  
46 and development projects undertaken by qualifying tax exempt  
47 nonprofit organizations. These funds would be further allocated for  
48 open space acquisition and development projects by the State, local

1 governments, and nonprofit organizations in the same manner as  
2 provided in current law.

3 Beginning July 1, 2022, and annually thereafter, the bill directs  
4 the Garden State Preservation Trust (GSPT) to review the  
5 appropriations of constitutionally dedicated CBT moneys to, and  
6 the expenditures thereof by, the Department of Environmental  
7 Protection (DEP), the State Agriculture Development Committee  
8 (SADC), and the New Jersey Historic Trust (NJHT) for their  
9 respective programs for the fiscal year ending two years prior to the  
10 year in which the review is occurring. If the GSPT determines that  
11 the DEP, SADC, or NJHT have not expended or contractually  
12 obligated the moneys allocated for the fiscal year ending two years  
13 prior to the year in which the review is occurring, the bill provides  
14 that the GSPT may reallocate the amount of moneys that have not  
15 been expended or contractually obligated for that particular fiscal  
16 year by the DEP, SADC, or NJHT, as applicable. If the GSPT  
17 determines it is appropriate, the bill provides that the GSPT would  
18 determine, of that amount, the appropriate funding allocations for  
19 the Preserve New Jersey Green Acres Fund, the Preserve New  
20 Jersey Farmland Preservation Fund, or the Preserve New Jersey  
21 Historic Preservation Fund. The bill also provides that the GSPT  
22 would determine how those amounts would be further allocated by  
23 the DEP, SADC, or NJHT, as applicable. The bill requires the  
24 GSPT to hold a public hearing to solicit public input when making  
25 these determinations. The bill directs the GSPT to make its  
26 determinations based upon a demonstrated need for funding for the  
27 acquisition or development of lands for recreation and conservation  
28 purposes, including Blue Acres projects, farmland preservation  
29 purposes, or historic preservation purposes based upon available  
30 projects, applicant demand, and past appropriations and  
31 expenditures for these purposes. The bill further provides that if the  
32 GSPT reallocates constitutionally dedicated CBT moneys for a  
33 particular fiscal year as allowed by the bill, that reallocation would  
34 not affect or alter allocations for any subsequent fiscal year.

35 The Blue Acres program is administered as a component of the  
36 DEP's Green Acres program. "Blue Acres" is the term used to refer  
37 to properties that have been damaged by storms or storm-related  
38 flooding, that appear likely to incur such damage, or that may  
39 buffer or protect other lands from such damage. Structures on a  
40 purchased property are demolished, the debris is removed, and the  
41 land is preserved as open space. Under this bill, the Blue Acres  
42 program would not receive a separate funding allocation but would  
43 continue to be administered as part of the overall funding allocation  
44 provided to the Green Acres program. The bill incorporates the  
45 purposes of the Preserve New Jersey Blue Acres Fund into the  
46 Preserve New Jersey Green Acres Fund, rather than having two  
47 separate funds providing moneys to the DEP's Green Acres

1 program for the acquisition of lands for recreation and conservation  
2 purposes.

3 Lastly, the bill provides that of the amount deposited annually  
4 into the Preserve New Jersey Historic Preservation Fund, a  
5 minimum of 50 percent would be allocated for Level II capital  
6 preservation grants. Capital preservation grants fund the  
7 restoration, preservation, repair, and rehabilitation of historic  
8 properties listed or eligible for listing in the State or National  
9 Register of Historic Places. By regulation, the NJHT has  
10 established two levels of capital preservation grants: Level I grants  
11 of \$5,000 to \$150,000, and Level II grants of \$150,001 to \$750,000.  
12 This bill would require that a minimum of 50 percent of the  
13 allocated funding in each fiscal year be awarded to larger scale  
14 historic preservation projects.

15 Based on the increase in the amount of the constitutionally  
16 dedicated CBT revenue, there is expected to be an increase in  
17 funding available for the State's open space, farmland, and historic  
18 preservation purposes. Based on current estimates of CBT revenue,  
19 there will be \$92 million available for these purposes for fiscal year  
20 2019, and an estimated \$152 million available for fiscal year 2020.  
21 The increase in dedicated CBT revenue beginning in fiscal year  
22 2020 and the allocations provided in this bill will result in  
23 additional funding being available for the State's open space,  
24 farmland, and historic preservation programs.