

SENATE, No. 2272

STATE OF NEW JERSEY

INTRODUCED NOVEMBER 17, 1997

By Senator BARK

1 AN ACT concerning the Pinelands Development Credit Bank, and  
2 amending P.L.1985, c.310.

3

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

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7 1. Section 18 of P.L.1985, c.310 (C.13:18A-47) is amended to  
8 read as follows

9 18. a. There is appropriated to the bank, from the General Fund,  
10 the sum of \$5,000,000.00. This sum shall be used for the purchase of  
11 pinelands development credits and to extend pinelands development  
12 credit guarantees, as herein provided.

13 b. The proceeds from the sale of pinelands development credits by  
14 the board or a county board shall remain available to the board or  
15 county board for the purposes of this act. Not more than five days  
16 after the [15th] 20th anniversary of the effective date of this act the  
17 board shall transfer to the General Fund all funds remaining on deposit  
18 in the bank. The board may transfer part or all of the funds on deposit  
19 in the bank to the General Fund prior to this date upon the affirmative  
20 vote of two-thirds of the members of the board.

21 c. On the [15th] 20th anniversary of the effective date of this act  
22 a county board shall transfer to the board that percentage of the funds  
23 remaining on deposit in the county bank which reflects the percentage  
24 of the matching grant made by the board to the county board pursuant  
25 to section 16 of this act.

26 (cf: P.L.1985, c.310, s.18)

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28 2. Section 19 of P.L. 1985, c.310 (C.13:18A-48) is amended to  
29 read as follows:

30 19. Notwithstanding any other provisions of this act to the  
31 contrary:

32 a. No pinelands development credit guarantee shall be extended for  
33 a period of time in excess of five years;

**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 b. No pinelands development credit guarantee shall be extended  
2 after [December 31, 1997] December 31, 2005;

3 c. No pinelands development credit shall be purchased by the bank  
4 after [December 31, 1997] December 31, 2005.

5 (cf: P.L.1994, c.141, s.1)

6  
7 3. This act shall take effect immediately.  
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10 STATEMENT  
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12 This bill would continue for another eight years the authority of the  
13 Pinelands Development Credit Bank to purchase pinelands  
14 development credits and to extend pinelands development credit  
15 guarantees. Current law provides for that authority to expire  
16 December 31, 1997. Thus, under the bill the new expiration date  
17 would be December 31, 2005. This would be the third extension for  
18 this provision, the previous one being for a period of five years.

19 Although established in 1985, the Pinelands Development Credit  
20 Bank did not become fully operational until 1988. The bank acts as a  
21 "last resort" purchaser of pinelands development credits when a seller  
22 is unable to find a private buyer.

23 If the expiration date is not extended, the bank would still exist, but  
24 its role would be reduced to such functions as facilitating development  
25 credit transfers between willing private sellers and buyers and verifying  
26 credit certificates. However, it would no longer be able to buy and  
27 sell credits as a market participant.

28 Additionally, if the expiration date is not extended, the Pinelands  
29 Development Credit Bank would no longer have the authority to  
30 extend loan guarantees to persons using a pinelands development  
31 credit as collateral to obtain a loan from a commercial bank.  
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37 Extends expiration date of certain powers of the Pinelands  
Development Credit Bank.