SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

## SENATE, No. 2272

with Senate committee amendments

# STATE OF NEW JERSEY

DATED: DECEMBER 11, 1997

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 2272 with amendments.

Senate Bill No. 2272, as amended, continues for another eight years the authority of the Pinelands Development Credit Bank to purchase pinelands development credits and to extend pinelands development credit guarantees. Under current law that authority will expire on December 31, 1997. Under the bill, the new expiration date will be December 31, 2005. This will be the third extension for this provision, the previous one being for a period of five years. Fully operational since 1988, the Pinelands Development Credit Bank acts as a "last resort" purchaser of pinelands development credits when a seller is unable to find a private buyer.

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

Additionally, if the expiration date is not extended, the bank would no longer have the authority to extend loan guarantees to persons using a pinelands development credit as collateral to obtain a loan from a commercial bank.

As amended and reported, this bill is identical to Assembly Bill No. 3042 (1R) (Chatzidakis/Gibson).

COMMITTEE AMENDMENTS

The committee amended the bill to give (1) the board of the bank up to 60 days after December 31, 2005 (the new expiration date), and (2) county boards up to 30 days after December 31, 2005, to transfer certain remaining monies to the State General Fund. The committee also made a technical amendment to the bill.

FISCAL IMPACT

The bill has not been certified as requiring a fiscal note since it will not have an impact on State revenues or expenditures.