

SENATE BILL NO. 969

To the Senate:

Pursuant to Article V, Section I, Paragraph 14 of the New Jersey Constitution, I am returning Senate Bill No. 969 with my recommendations for reconsideration.

The intent of this bill is to implement, for State fiscal year 2016 through State fiscal year 2019, the constitutional dedication of Corporation Business Tax ("CBT") revenues for open space, farmland, and historic preservation. Historically, the State funded its open space and land preservation programs through bond acts, the first of which dates back to the 1960s. In 2014, however, the Legislature determined that these programs should be funded by dedicating a portion of revenue derived from the CBT, and proposed a constitutional amendment to this effect.

Among my concerns with the constitutional amendment was the fact that repurposing a portion of tax revenue in the manner contemplated by the amendment was destined to have collateral impacts. Ironically, while proponents of the amendment argued that it was pro-environment because it promised a steady funding stream for open space, the amendment always had the potential to siphon off money from important environmental programs, including site remediation and water quality initiatives. Nevertheless, voters approved the amendment in November 2014, and the dedication now is part of the State Constitution.

In my judgment, appropriating the constitutionally-dedicated funds through the annual budget process is a reasonable and constitutionally sound way of spending these funds in the upcoming years. On the other hand, I can understand the Legislature's desire for some legislation that seeks to implement the constitutional amendment.

This bill would allocate constitutionally-dedicated funds among the open space ("Green Acres"), farmland preservation, and historic site preservation programs. However, the bill goes much further, and would dictate, on a far more granular level, specifically how these funds could be used, thereby inhibiting much-needed flexibility reflected in the constitutional amendment itself.

In addition to micromanaging the use of CBT funds by dictating percentages of percentages for specified uses, the bill attempts to prevent the use of this money to maintain and preserve parks within our State, which the constitutional amendment clearly contemplates.

This bill further supplants the will of the people reflected in the amendment, notably with regard to the "Blue Acres" program, under which the State purchases properties in flood-prone areas, thereby removing people from harm's way. The interpretative statement that accompanied the ballot question specifically advised voters, among other things, that "the money from the new dedication would be used . . . to preserve and care for . . . flood-prone areas (Blue Acres)." At first glance, the bill appears to remain true to what voters were told, acknowledging the devastation caused to our State by Superstorm Sandy, and how the Blue Acres program is "in the best interests of the State to prevent future losses of life and property." The bill also establishes a "Blue Acres Fund," as it does for the other land preservation programs covered by the constitutional amendment. Remarkably, however, the bill inexplicably contributes nothing to the Blue Acres program, contravening the information that voters relied on when they approved the constitutional amendment. Aside from the

incongruity of the bill touting the importance of Blue Acres while failing to fund that program, it is unacceptable to allocate nothing for Blue Acres given the devastating flooding recently endured by our State's residents, and our enormous efforts in the aftermath of Superstorm Sandy to prevent this flooding from happening again.

For these reasons, I cannot support this bill in its current form, and therefore I am recommending a number of changes. First, I recommend a number of amendments that eliminate the inflexibility of this bill by removing the needless micromanagement of dedicated funds in ways that the Constitution does not require. Second, in order to make good on what voters were led to believe when they approved the amendment, I am restoring the funding for the Blue Acres program that was included in an earlier version of this bill.

There is a world of difference between adhering to the voter-approved constitutional amendment and accepting the provisions of this particular legislation. My amendments will ensure that the State funds its preservation priorities in a way that is both environmentally responsible and constitutionally sound.

Accordingly, I herewith return Senate Bill No. 969 and recommend that it be amended as follows:

<u>Page 4, Section 3, Lines 44-46:</u>	Delete in their entirety
<u>Page 5, Section 3, Line 10:</u>	Delete "or" and insert ","
<u>Page 5, Section 3, Line 10:</u>	After "development" insert ", or stewardship"
<u>Page 5, Section 3, Lines 24-25:</u>	Delete ", but not overhead or administration costs for such activities"
<u>Page 6, Section 3, Lines 6-8:</u>	Delete in their entirety
<u>Page 7, Section 3, Line 7:</u>	Delete "or" and insert ","

Page 7, Section 3, Line 7: After "development" insert ", or stewardship"

Page 7, Section 3, Line 15: After "Stewardship" insert "" or "stewardship"

Page 7, Section 3, Lines 15-16: Delete ", which is beyond routine operations and maintenance,"

Page 7, Section 3, Line 18: After "repair," insert "operate, maintain,"

Page 7, Section 3, Line 19: After "purpose of" insert "operating, maintaining,"

Page 7, Section 3, Line 19: After "enhancing" insert ","

Page 7, Section 3, Line 21: After "program," insert ""stewardship" or"

Page 7, Section 3, Lines 22-23: Delete ", which is beyond routine operations and maintenance,"

Page 7, Section 3, Line 24: After "repair," insert "operate, maintain"

Page 8, Section 5, Line 30: Delete "2016" and insert "2017"

Page 8, Section 5, Line 34: Delete "64" and insert "60"

Page 8, Section 5, Line 36: After "(2)" insert "4 percent shall be deposited into the Preserve New Jersey Blue Acres Fund established pursuant to section 7 of this act; (3)"

Page 8, Section 5, Line 39: Delete "(3)" and insert "(4)"

Page 8, Section 5, Line 42: Delete "2016" and insert "2017"

Page 8, Section 5, Line 43: Delete "of"

Page 8, Section 5, Line 45: Delete ", each State park, forest, or"

Page 8, Section 5, Line 46: Delete in its entirety

Page 8, Section 5, Line 47: Delete "amount of revenue annually" and insert "that is"

Page 8, Section 5, Line 48: Delete "that"

Page 8, Section 5, Line 48: Delete "park, forest" and insert "parks, forests"

Page 8, Section 5, Line 48: Delete "area, as" and insert "areas"

<u>Page 9, Section 5, Line 1:</u>	Delete "appropriate, to" and insert "shall"
<u>Page 9, Section 5, Line 2:</u>	Delete "that"
<u>Page 9, Section 5, Line 2:</u>	Delete "park, forest" and insert "parks, forests"
<u>Page 9, Section 5, Line 2:</u>	Delete "area" and insert "areas"
<u>Page 9, Section 6, Line 19:</u>	Delete "Of the amount deposited each State fiscal year into" and insert "The moneys in"
<u>Page 9, Section 6, Line 20:</u>	Delete "pursuant to paragraph (1) of" and insert "are specifically dedicated and shall be used for the purposes of paying the"
<u>Page 9, Section 6, Lines 21-22:</u>	Delete in their entirety
<u>Page 9, Section 6, Line 23:</u>	Delete "and" and insert ","
<u>Page 9, Section 6, Line 23:</u>	After "development" insert ", and stewardship"
<u>Page 9, Section 6, Line 24:</u>	Delete "and the amount provided" and insert "providing"
<u>Page 9, Section 6, Lines 25-39:</u>	Delete in their entirety
<u>Page 9, Section 6, Line 41:</u>	After "acquisition" delete "and" and insert ","
<u>Page 9, Section 6, Line 41:</u>	After "development" insert ", and stewardship"
<u>Page 9, Section 6, Line 42:</u>	Delete "of this amount, up to 2 percent shall be" and insert "providing"
<u>Page 9, Section 6, Lines 43-45:</u>	Delete in their entirety
<u>Page 9, Section 6, Line 47:</u>	After "acquisition" delete "and" and insert ","
<u>Page 9, Section 6, Line 47:</u>	After "development" insert ", and stewardship"
<u>Page 9, Section 6, Line 48:</u>	Delete ", and of this amount, 11 percent shall be" and insert "."
<u>Page 10, Section 6, Lines 1-2:</u>	Delete in their entirety
<u>Page 10, Section 6, Lines 11-14:</u>	Delete in their entirety
<u>Page 10, Section 6, Line 15:</u>	Delete "(2)" and insert "d."

<u>Page 10, Section 6, Line 17:</u>	Delete "and" and insert ","
<u>Page 10, Section 6, Line 18:</u>	After "development" insert ", and stewardship"
<u>Page 10, Section 6, Line 23:</u>	Delete "Any"
<u>Page 10, Section 6, Lines 24-32:</u>	Delete in their entirety
<u>Page 10, Section 6, Lines 35-39:</u>	Delete in their entirety
<u>Page 10, Section 6, Line 40:</u>	Delete "h." and insert "g."
<u>Page 11, Section 6, Line 3:</u>	Delete "i." and insert "h."
<u>Page 11, Section 7, Line 16:</u>	Delete "or" and insert "pursuant to paragraph (2) of subsection a. of section 5 of this act and any other moneys"
<u>Page 12, Section 7, Line 28:</u>	Delete "Any"
<u>Page 12, Section 7, Lines 29-34:</u>	Delete in their entirety
<u>Page 12, Section 7, Lines 38-42:</u>	Delete in their entirety
<u>Page 12, Section 8, Line 47:</u>	Delete "(2)" and insert "(3)"
<u>Page 13, Section 8, Line 8:</u>	Delete "(1)"
<u>Page 13, Section 8, Line 10:</u>	Delete "as provided in paragraph (2)"
<u>Page 13, Section 8, Lines 11-13:</u>	Delete in their entirety
<u>Page 13, Section 8, Line 14:</u>	Delete "allocated by the committee on an annual basis"
<u>Page 13, Section 8, Line 15:</u>	After "activities" insert "pertaining to farmland"
<u>Page 13, Section 8, Line 17:</u>	Delete "Any"
<u>Page 13, Section 8, Lines 18-26:</u>	Delete in their entirety
<u>Page 13, Section 9, Line 33:</u>	Delete "(3)" and insert "(4)"
<u>Page 13, Section 9, Line 47:</u>	Delete "Any"
<u>Page 13, Section 9, Line 48:</u>	Delete in its entirety
<u>Page 14, Section 9, Lines 1-5:</u>	Delete in their entirety
<u>Page 14, Section 13, Lines 47-48:</u>	Delete in their entirety
<u>Page 15, Section 13, Lines 1-21:</u>	Delete in their entirety
<u>Page 15, Section 14, Lines 23-48:</u>	Delete in their entirety

Page 16, Section 14, Lines 1-47: Delete in their entirety

Page 17, Section 14, Lines 1-16: Delete in their entirety

Page 17, Section 15, Line 18: Delete "15." and insert "13."

Page 17, Section 16, Line 37: Delete "16." and insert "14."

Page 18, Section 16, Line 19: Delete "and" and insert ","

Page 18, Section 16, Line 20: After "development" insert ", and stewardship"

Page 18, Section 16, Line 24: After "acquisition" delete "and" and insert ","

Page 18, Section 16, Line 24: After "development" insert ", and stewardship"

Page 18, Section 16, Line 33: After "acquisition" delete "and" and insert ","

Page 18, Section 16, Line 33: After "development" insert ", and stewardship"

Page 19, Section 16, Line 21: Delete "and" and insert ","

Page 19, Section 16, Line 21: After "development" insert ", and stewardship"

Page 19, Section 16, Line 28: Delete "and" and insert ","

Page 19, Section 16, Line 28: After "develop" insert ", and steward"

Page 19, Section 17, Line 45: Delete "17." and insert "15."

[seal]

Respectfully,

/s/ Chris Christie

Governor

Attest:

/s/ Thomas P. Scrivo

Chief Counsel to the Governor