
Public Hearing

before

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

SENATE COMMITTEE SUBSTITUTE FOR

SENATE CONCURRENT RESOLUTION No. 66

(Amends Constitution to dedicate up to \$98 million annually from sales and use tax revenue for open space, farmland, and historic preservation)

LOCATION: Committee Room 4
State House Annex
Trenton, New Jersey

DATE: 11:00 a.m.
July 24, 1998

MEMBERS OF COMMITTEE PRESENT:

Senator Robert E. Littell, Chairman
Senator Peter Inverso, Vice-Chairman
Senator Anthony R. Bucco
Senator Walter J. Kavanaugh
Senator Bernard F. Kenny Jr.
Senator Wynona M. Lipman



ALSO PRESENT:

Donald S. Margeson
*Office of Legislative Services
Aide, Senate Budget and
Appropriations Committee*

Caroline Joyce
*Senate Majority Staff
Committee Aide*

David Rousseau
*Senate Democratic Staff
Committee Aide*

***Hearing Recorded and Transcribed by
The Office of Legislative Services, Public Information Office,
Hearing Unit, State House Annex, PO 068, Trenton, New Jersey***

TABLE OF CONTENTS

	<u>Page</u>
Christine Todd Whitman Governor State of New Jersey	2
Senate President Donald T. DiFrancesco District 22	2
Robert C. Shinn Jr. Commissioner New Jersey Department of Environmental Protection	12
Arthur R. Brown Secretary New Jersey Department of Agriculture	16
Assemblyman Leonard Lance District 23	19
Maureen Ogden, former Assemblywoman, and Chairwoman Governor's Council on New Jersey Outdoors	22
Frederick Gardner Member East Amwell Township Committee and East Amwell Township Planning Board	28
Richard Ginman Member East Amwell Township Planning Board	31
Donald R. Sanderson Chair New Jersey Historic Trust New Jersey Department of Environmental Protection	32
Ray Kalainakas Private Citizen	34

TABLE OF CONTENTS (continued)

	<u>Page</u>
Peter Furey Executive Director New Jersey Farm Bureau	43
David Moore Representing New Jersey Conservation Foundation	45
Sandi Batty Representing Association of New Jersey Environmental Commissioners	46
William Petite Sr. President New Jersey Agricultural Society, and Chairman Burlington County Agricultural Development Board, and Member Burlington County Open Space Committee	48
Thomas Gilmore President New Jersey Audobon Society, and Cochairman Stockton Alliance	49
Nancy Keller Representing Richard Kellerher President New Jersey American Water Company	51
APPENDIX:	
List of member organizations of Coalition to Preserve Natural Resources submitted by Thomas Gilmore	1x

TABLE OF CONTENTS (continued)

APPENDIX (continued):

Page

Testimony submitted by Cynthia Sanford Executive Director Preservation New Jersey, Incorporated	7x
Statement submitted by Barbara L. Lawrence Executive Director New Jersey Future	8x
Testimony submitted by Robert Briant Jr. Associate Executive Director Utility and Transportation Contractors Association of New Jersey	9x
Testimony submitted by Rush Holt Private Citizen	10x

The following is a list of individuals who were prepared to speak on SCR-66, but in consideration of time constraints, elected to forego speaking.

Jeff Tittel
Chapter Director
New Jersey Sierra Club

Cynthia Sanford
Preservation New Jersey

Julia Allen
State Agriculture Development Committee, and
Hunterdon County Agriculture Development Board

James T. Raleigh
League of Historical Societies

TABLE OF CONTENTS (continued)

APPENDIX (continued):

Page

Tim Dillingham
Highlands Coalition

Robert Briant Jr.
Utility and Transportation Contractors
Association of New Jersey

Tricia Russo
Representing
American Institute of Architects
New Jersey Chapter

hw: 1 -25

lmb: 26-49

hw: 50-52

SENATOR ROBERT E. LITTELL (Chairman): Okay. Would everybody please take a seat. This is a meeting of the Senate Budget and Appropriations Committee, for the purpose of a public hearing on a constitutional amendment, SCR-66. An issue such as this, preservation of our precious open space, deserves the attention of all New Jerseyans. That is why I'm happy to see the process moving forward in a public forum, advancing our efforts to safeguard open space, farmland, and historic sites.

A few weeks ago, the Senate Budget and Appropriations Committee approved SCR-66, a constitutional amendment which would dedicate \$98 million a year in general revenue funds for land purchases around the state. By law, this Committee is required to hold a public hearing when legislation calls for such an amendment to the Constitution. As Chairman of the Committee, I thank all of today's participants for coming and bringing their options to the table.

This is a process which begins with legislators but ends with the participation of our New Jersey voters. In November, it will be time for the voters to weigh in on this important policy matter and voice their opinion regarding the future of our open space for the State of New Jersey.

I'm sure you all know that the Governor and the President of the Senate are going to be here today. They've both been strong advocates for the preservation of open space, and the State of New Jersey has done an admirable job. They've saved thousands of acres over the years. We've had nine or ten Green Acres bond issues and other issues that have provided money and developed a process by which we can protect and preserve our open spaces for the future generations that will be coming behind us.

A constitutional amendment to dedicate revenue is something that this state has dealt with since 1969. Prior to that, under the 1947 Constitution, there was only one dedicated tax, and that's the fish and game account. Conventional wisdom in 1947 was that we didn't need, and shouldn't have, dedicated accounts because the money would be tied up, and in the event they needed it in the General Fund for general purposes, they wouldn't be able to do that.

We now have the Governor and the President of the Senate to start the testimony on the constitutional amendment.

Welcome, Governor, and welcome, Senate President DiFrancesco. Come right up to the front.

SENATOR KENNY: It's pretty quiet.

Good morning.

GOVERNOR CHRISTINE TODD WHITMAN: How are you? It's good to see you.

SENATE PRESIDENT DONALD T. DiFRANCESCO: Good morning.

SENATOR INVERSO: Why are we so quiet?

SENATOR BUCCO: I don't know. It's very solemn. (laughter)

SENATOR LITTELL: Senator DiFrancesco, as the sponsor of the bill, do you want to make some comments first?

PRESIDENT DiFRANCESCO: Yes, I would. First of all, I want to thank all of you for coming down on -- it's not as hot as yesterday, but still a hot summer day, Friday afternoon, to really listen to the testimony. But I think that in and of itself is significant, and it demonstrates the interest and

the concern, as well as our responsibility, to do something about an issue that we've talked about for a long time, and so I thank all of you for that. And I certainly-- I think it's almost unprecedented, I'll say it that way, that a Governor would come to a committee meeting to speak to an issue that she's been talking about for a long time but has really stepped it up these last six or seven months and, all over the state, has traveled to deliver the message about open space preservation and recreational areas, historic preservation, and farmland preservation.

So I'm pleased to be here with the Governor, and I'm also pleased to present to you the Governor so that she can make whatever comments she'd like to make about -- specifically about the constitutional amendment that we propose, and that really is part of her agenda this year, and that she would like to see us put on the ballot for people to have an opportunity to vote on this November. I think it demonstrates just how important this is now, at this time, to all of us, representing all of the people in the state.

So, with great pride, I'd like to turn the microphone over to Governor Christie Todd Whitman.

GOVERNOR WHITMAN: Well, thank you very much, Senate President. I appreciate that.

Chairman Littell, I want to thank you for allowing me this opportunity to speak on an issue that I feel is so important to all of us here.

And I want to thank the Senate President for all of his efforts in getting this legislation before the Assembly and the Senate, along with Senator Bob Martin for his support of the legislation here.

It is highly unusual for a sitting governor to testify before a committee of the Legislature, and it's certainly the first time that I have spoken to you all in this venue. But I feel that this issue is so important, to me and to all of us, that I welcome the opportunity to testify before you today.

As you know, I have made a proposal that we commit to preserving a million acres of open space and farmland in the next 10 years and that we establish a stable source of funding in order to achieve that goal. One million acres is the amount recommended by New Jersey Outdoors. One million acres to preserve our water supply and clean our air. One million acres to keep farming as a way of life and as part of the strength of our economy here in the State of New Jersey. A million acres for people to enjoy in parks and fishing and hiking. One million acres, so our grandchildren will know the character of the state that we're so proud to call home. The legislation before you will enable us, with the voters' approval, to save this land.

Just as important, by establishing a stable source, we will for the first time be able to think long term about preservation. We will be able to do intelligent planning, preserve the right acres, the acres that make the most sense to preserve, not just five acres here and ten acres there because we have the money now but don't know if we'll have it tomorrow, but intelligent planning. Planning that says let's preserve farmland in a way that farms are contiguous, so it's easier for farmers to farm and reduces some of the stress on the accompanying -- the development that might occur around them and the right-to-farm issues. Planning that says let's save contiguous parcels of open space so that you can hike upon miles of undisturbed land. Planning that says let's protect our watersheds so that we can have clean and plentiful drinking

waters, and we don't have to rely on the chemicals and billion dollar plants designed to clean that water. Planning that says let's make sure that we preserve the most precious of our acres.

Clearly, intelligent planning will also allow for intelligent development. This proposal is not -- and I repeat is not -- a no-growth plan.

As a Governor who prides herself on job creation, I understand and recognize that development is essential for a healthy economy. We need development. This bill allows for that. What's more, it will also encourage us to develop in places where we'd all like to see economic growth, especially in our inner cities.

We need to maintain a vibrant economy. We need to preserve our land. I'm confident that this proposal will promote both goals.

Farmland preservation itself will have obvious benefits to our economy as it strengthens our agricultural industry. The Department of Agriculture has stated that we need to permanently preserve 500,000 acres of farmland in order for the farming industry to remain a viable part of our economy. That's why fully half of the million acres we're proposing to preserve would be in farmland preservation. And it's not just the Jersey fresh tomatoes that are at our farm stands that are the reason for doing this. It's the ketchup that's made and the other food-related industries and their many employees that benefit from our farms. According to the Department of Agriculture, farming is part of a \$56 billion food and agricultural industry in our state. So this initiative will help us keep the green in the Garden State in a number of different ways.

Our open space preservation, historic preservation, and park development also have benefits, especially as they effect our second-largest industry, tourism, which is so important to so many of our counties.

And preserving land can help us save money in the long run. I was at a farm in Morris County just this week, and at one point, there was serious consideration to the development of that farm. The local officials decided to do a study, and what they discovered was that in developing the land, it would create a net tax deficit of a million dollars annually in operating costs alone, not even including any capital that would be needed for a new school or other infrastructure that would be involved with that development. So the answer was clear for them.

I'm pleased to report that well over a hundred municipalities have now passed resolutions in support of the proposal that we are discussing today, and those endorsements echo the positive response that I've heard from people all across this state. People with whom I speak recognize the economic benefits. They recognize the environmental benefits, and they understand the need for open space in New Jersey, that the Census Bureau just again today showed was by far the most densely populated state in this nation.

But for many New Jerseyans, this isn't just about economics or the environment. It's about preserving the Garden State that they know and love. In the polls and at the ballot box, citizens of this state, time and again, have shown their unwavering support for the preservation of open space, farmland, and historic resources. Almost without fail, wherever I go, a parent will come up to me and say, "We must preserve this for our children, for my children." And it's not just the parents. Just the other day I had a 15-year-old boy come

up to me at an event and say, “This land has been open ever since I can remember, my whole life here, and I’m really delighted to know that it is going to be preserved when I grow up.”

This is the most permanent legacy that we can leave. Roads and bridges will come and go. Buildings will rise and buildings will fall. In fact, even policy directives established today will change over time. But once this land is preserved, it’s forever. It’s just not for you and me and our children, but for our children’s grandchildren and for the generations that are going to follow them.

There are a million reasons to preserve these million acres. I ask for your support of the legislation that will enable us to bring this to the voters. Let’s let the people of this state decide. Let’s give them a chance to preserve a million acres as we go into the 21st century.

Thank you very much. (applause)

SENATOR LITTELL: Thank you, Governor.

Senator DiFrancesco and Governor, I want to ask the members if there are any questions. Would you be willing to answer them if there are?

SENATOR DiFRANCESCO: Well, let me say this. I would like to say -- a couple of minutes, just some points that I’d like to make. And then the Governor has a bill signing, so I would like to escort her out to her office, but I’ll come back and answer any questions that you might have.

SENATOR LITTELL: Okay.

SENATOR DiFRANCESCO: So, if that’s okay, that’s the way I would like to proceed.

You know, Senator Littell, again I want to thank you all for having this meeting today, but when we talked on January 13th and I particularly tried to lay out what I thought were some legislative priorities, this was one of them. This is one of them that I really thought that all of us share in, the opinion that we needed to deal with this suburban sprawl, so to speak, that had really, in the view of many, for many years has overtaken our state in some ways. Now, that might be debatable to some, but clearly -- clearly -- as the Governor said, that is rather quickly developing as an attitude in our state for all people.

So in a society where technological processes and progress, transportational improvements and educational advances demand that we speed up, that we act quickly, we think that we have to realize this is an area where we need to slow down. And so, by slowing down, I'm talking about our appetite for development in New Jersey, where that development has threatened natural resources and the availability of conservation land and recreation land, as evidenced by overcrowded trails, by beaches that are overcrowded, State parks that are overcrowded, and certainly our fishing streams.

Since January, as the Whitman administration and we have worked hard to identify some stable source of funding and craft a program to save open spaces in New Jersey, I've had an opportunity, as has the Governor, to travel around New Jersey and observe, firsthand, the efforts that are already being made to preserve natural resources. And from Morris County to Burlington County, one thing is very clear, that people support open space,

farmland, and historic preservation. That's very clear, and it's really almost unanimous.

And while that alone may not be surprising to all of you, and I know it's not, it's clear to me that as I criss-cross this state that many residents would actually support, if they could, open space preservation, even if it means raising taxes. And I say that because, as you all know by now, voters in 13 counties, and that number is probably growing, and more than 50 municipalities have voted in favor of imposing some form of tax on themselves to preserve open space. In some cases, they've voted two and perhaps three times to raise that number because they like what is happening, they agree with what's happening, and the program works.

That's what the Governor is talking about. But in this case, with this legislation, there are no tax increases. Let's make it clear. There is no tax increase by what we do here today. This initiative depends upon \$98 million a year for the next 10 years from existing sales tax revenues. These dollars will provide revenue for the acquisition of open space, farmland, and historic sites, as well as a revenue stream for bonds to be issued, so that all told, the State would spend about a billion dollars to devote to protecting these important natural resources, which was the goal of the Governor and her Council when we initially starting talking about this some months ago.

So, with the Governor's help, we were able to develop a program that's a good blend of a stable source of funding and bonding, recognizing that it would be very difficult, if not impossible, to stay strictly within the confines of a pay-as-you-go policy.

Now, Bob, you recall that beginning with the first Green Acres Bond Act, in '61, the voters of New Jersey have supported every bond issue dedicated for natural resource preservation and open space acquisition -- every one. As a result, we've saved 900,000 acres of land. In 1992, voters cemented their love for the outdoors and our state's precious resources by supporting legislation that created a stable source of funding for shore protection. This legislation gives voters the opportunity to vote for a long-range plan, one that will result in the protection of more than half of the remaining open space in our state. So that when all is said and done, 40 percent of New Jersey's land mass will have been protected through a combination of this program and past legislative initiatives.

And so that that may not sound like a too big a number to you, many, many states in the west -- many states in the west -- are only developing to the extent of 20 percent or 25 percent. The state and Federal government already own so much land there that 40 percent would be amazing to people out in, for example, Arizona. They're not even capable of developing 40 percent in their state because the state and Federal government own most of the land. But as we were one of the first colonies, certainly then, we need to do what, perhaps, could have been done in the past, and that's buy back. We're going to buy back to a level that the Governor feels is comfortable and is doable, and that's what this program is all about.

Other proposals have been set forth since January. Senator Martin had a proposal with respect to sales tax. Senator Littell -- Bob yourself, you have your own bond proposal. I suggested a short-term source of funding that would enable municipalities and counties to protect open space and farmland

through a matching program. The resulting dialogue produced this amendment that we're faced with today, and that dialogue was good.

So on January 13th -- I thought the Governor would like this -- I quoted Teddy Roosevelt, who once reminded Congress that a nation behaves -- "A nation behaves well if it treats natural resources as assets which it must turn over to the next generation increased in value." That's our responsibility. We're the most densely populated state in the nation. It's up to us and the Governor and the people to behave well, and that means setting an example for the rest of the country. So as we come into the 21st century, it's increasingly evident that we need to do a lot more, and we need to do it now while the open space still exists, and I think the Governor made that point very clear.

Once again, I want to thank the Governor for being here, for putting her stamp of approval and urgency to this legislation.

Now, Bob, I know the Governor has to go, and I'd like to have her leave.

SENATOR LITTELL: Thank you, Don.

Governor, we appreciate you coming over here. The members of the Committee and the public are certainly happy to know that you put it on the line for this issue. And we'll certainly be listening to what the public has to say today, and I'm confident that the issue will be ready for you to put it on the ballot for November 2nd.

You're going to be back--

SENATOR DiFRANCESCO: Yes, I will, Bob.

SENATOR LITTELL: --to answer questions? Okay. Thank you.

GOVERNOR WHITMAN: Thank you very much.

SENATOR DiFRANCESCO: I know Bernie has a lot of questions.

GOVERNOR WHITMAN: Bernie has a lot?

SENATOR LITTELL: Senator Kavanaugh.

SENATOR KAVANAUGH: Too many things are on. (referring to PA microphones)

SENATOR LITTELL: They're not going to answer any questions right now.

SENATOR KAVANAUGH: No, no. I don't want to ask any questions. I -- can you just hit that button and put some--

SENATOR LITTELL: I've got it.

SENATOR KAVANAUGH: There we go. Thank you.

No, I -- just with your permission, Mr. Chairman, I'd just like to thank the Governor for being here and also to mention to her that Senator Kenny and myself are the prime sponsors of the Transportation Trust Fund, and since you feel very comfortable about being here, we'd be happy to see you again next week. (laughter)

GOVERNOR WHITMAN: Thank you, Senator.

SENATOR LITTELL: Next we'll call Commissioner Robert Shinn, Department of Environmental Protection.

Commissioner, go right ahead, and then we'll ask you some questions after you're done testifying.

COMMISSIONER ROBERT C. SHINN JR: Thank you, Mr. Chairman. It's good to be here again, to be before this Committee, and I guess, before I start my testimony, I'd just like to thank the Committee for all the progress we made. The Senate President pointed it out. And thinking

back to areas like shore protection, stable source of funding for site remediation, underground storage tanks, we just made a lot of progress in overall environmental protection by working together on these critical issues. So I thank the Committee and your leadership, Mr. Chairman, for the things we've accomplished together in environmental protection.

And again, it's a pleasure to be here today in support of the legislation that will have an immeasurable positive impact on the future of our great state. All of us know New Jersey is an incredibly diverse state. We're geographically diverse. Our economy is diverse. We are socially and politically diverse, and our communities are as diverse as they come.

There's one thing that New Jerseyans have in common and time and time again have agreed upon, and I'm referring to their insatiable appetite for expansion and protection of open space, farmland, and historic areas. In the midst of the most densely populated state in the nation, our residents understand the value of open space, farmland, and historic preservation.

Last year, more than 13 million people visited our State parks and forests and recreation areas. And for over 35 years, New Jersey voters have overwhelmingly supported bond questions on the ballot throughout our Green Acres Program. The immense popularity of the Program clearly demonstrates that our residents consider the preservation of natural resources to be one of their highest priorities.

Since the Green Acres Program inception in 1961, voters have overwhelmingly approved bond referendums totaling more than \$1.4 billion. Part of our Green Acres popularity is because voters can see the return on their

tax dollars invested, particularly in those communities where undeveloped fields and forests are all too scarce.

To date, the Green Acres Program has preserved nearly 387,000 acres of open space. Expansion of the Green Acres is happening at the local level, as the Senate President pointed out. Locally dedicated taxes for open space programs in 13 counties and 53 municipalities, with many of those governmental entities going back on the ballot either for increases or new questions in new counties and municipalities. So I'm sure we're going to see those numbers increase in the near future.

During the past two years, the Governor's Council on New Jersey Outdoors held a series of six public hearings throughout the state to survey public opinion on open spaces. The message the panel heard from citizens, over and over again, was that we are protecting too little at too slow a pace, and I believe they are correct. As progressive as our open space preservation programs may be, farmland and natural resources are being consumed by development and suburban sprawl at an alarming rate. Our residents realize the aesthetic, environmental, economic, and recreational value of these places, and they won't tolerate losing them forever.

New Jersey's open spaces are vital to a clean and healthy environment, as well. They are equally vital to our vibrant economy. They draw visitors, new businesses, and a lot of economic benefit to New Jersey.

We must not squander our natural resources in search of short-term economic gain, only to undermine our long-term economy. This is the basic thrust of Governor Whitman's open space sustainability initiative. This legislation, Senate Concurrent Resolution No. 66, embodies these principles

and will be a major asset in helping us achieve the mutual goals of a clean environment and a healthy economy.

From an environmental quality perspective, open space acquisition is one of the most effective and efficient means of protecting our land, our air, and our water from pollution and contamination. For example, acquisition of watershed lands not only protects the source and quality of drinking water, but also saves hundreds of millions of dollars when compared to the costs of financing water treatment facilities and other infrastructure to combat the effects of nonpoint source pollution from development.

I know you've all heard Governor Whitman refer to the open space race. I just want to state for the record that we're indeed in a race for the last half of our open space that will, indeed, protect New Jersey's natural resources in the future. At present, the Department has a \$283 million backlog of local funding requests for open space, representing 214 projects. This does not include the 36 projects funded in the State's FY '99 budget.

The Farmland Preservation Program draws about 350 applications a year but is only able to fund about 147, or about 7 per county. We have landowners who want to preserve their property as open space but may not be able to afford to wait until the funding becomes available. At present, DEP's land acquisition program has about 400 offers from landowners who want to sell their property. With only about 30 million available for State acquisitions, these projects exceed current available resources by approximately \$120 million.

In the ecologically sensitive Pinelands, we have some 30,000 acres of land that has been identified for acquisition. The National Park Service has

pledged to provide half of the \$18 million cost of Pinelands properties, but we're unable to leverage the Federal funds without providing our \$9 million share.

In closing, I urge you to support SCR-66. The solution meets the Governor's preservation goals and, importantly, requires voter approval. As you know, the Governor has consistently called for a stable source of funding to solve the space race problem to be put before the voters.

I commend the bill's sponsor and Senate President Don DiFrancesco and Senator Robert Martin for their work to identify a stable source of funding and, Mr. Chairman, for your past efforts and for posting this important piece of legislation that I feel will have a very dramatic impact on the future of our great State of New Jersey.

Thank you very much for the opportunity to testify.

SENATOR LITTELL: Thank you, Commissioner Shinn. Let's see if there are any questions from the members.

Hearing none, I'd say you did a good job, and we're certainly going to follow the letter of the Constitution and get this question on the ballot in a proper form.

COMMISSIONER SHINN: Right. Thank you.

SENATOR LITTELL: Thank you.

Next will be Secretary Arthur Brown, Secretary of the Department of Agriculture, the guy that keeps us all fed well.

S E C R E T A R Y A R T H U R R . B R O W N: Good morning, Senator and Committee members. Certainly it's a pleasure for me to be here--

SENATOR LITTELL: Do you want to press the button and get the red light on? (referring to PA microphone)

SECRETARY BROWN: Okay. Is that better?

SENATOR LITTELL: Thank you.

SECRETARY BROWN: Again good morning. Senator Littell and Committee members, certainly it's a pleasure for me to come before this group again, and I think the reason we're here today, of course, is to speak on behalf of the stable source of funds for farmland, open space, and historic preservation.

I don't have to tell you the benefits. We need the open space created by farmland, forest, and recreation areas to maintain our thriving agriculture industry and provide for groundwater recharge, wildlife habitat, ecological diversity, and much more. In addition, farmland and open space are critical to maintaining the quality of life that we all enjoy here in the Garden State.

We are very much in support of Governor Whitman's goals of preserving 300,000 acres of farmland and open space during her second term and a million acres in the next 10 years. SCR-66 is the only proposal before the Legislature that will establish the stable source of funds that is critical to accomplishing these goals.

As you know, all available funds have been committed to preservation projects that will bring our total preserved acreage to almost 63,000 statewide in the Farmland Preservation Program. Yet the need is so much greater.

Despite our record-breaking progress, we clearly have a long way to go. We know that there's a backlog of 100,000 acres, and that includes only those farm landowners who have applied for admission to the program. The counties tell us that there are tens of thousands of additional acres whose owners are just waiting until a stable funding source is established to apply to the Program.

And also, the report of the Governor's Council on the Outdoors recommended that a million acres be preserved, and that should include 500,000 acres of farmland. This acreage will provide the critical mass of land needed to support a thriving agricultural industry.

The importance of this critical mass of farmland cannot be overstated. It is needed to ensure continuation of agricultural support and services such as farm equipment dealers, feed, seed, and fertilizer distributors. In addition, a critical mass of farms minimizes conflicts with suburban neighbors, making farming more economically viable.

The stable source of funds is critical to reaching these goals. Stable funding will allow us to accomplish necessary, long-range planning for the preservation of farmland and open space. It will also give us the ability to leverage available local and Federal funds for preservation projects.

Therefore, on behalf of the agricultural community and its future, I urge you to support the Governor's farmland, open space, and historic preservation initiative as presented in SCR-66.

Thank you very much for the time.

SENATOR LITTELL: Thank you, Secretary Brown.

Any questions?

Senator Kavanaugh.

SENATOR KAVANAUGH: Mr. Chairman, to the Secretary.

Regarding aquaculture, could you give us any insight? You know, we have put appropriations in for the fish area, here in the state, part of agriculture. Is that included? Do you consider that being a part of this?

SECRETARY BROWN: Aquaculture is part of agriculture here in the State of New Jersey, and it will be included, absolutely.

SENATOR KAVANAUGH: Thank you.

SENATOR LITTELL: Anybody else? (no response)

SECRETARY BROWN: The Governor spoke about tomatoes, but we also grow beautiful peaches, and there are some on the side here. These are white peaches, a new variety. Trust me, they're very good, they're very sweet. Try some. Take them home.

Thank you.

SENATOR LITTELL: Thank you.

Next, we have Assemblyman Lance, the Assembly sponsor.

ASSEMBLYMAN LEONARD LANCE: Thank you, Senator Littell, for recognizing me.

SENATOR LITTELL: I'm admonished by a former Assemblyman to remind everybody that you're the Vice-Chairman of the Assembly Appropriations Committee.

ASSEMBLYMAN LANCE: Thank you, Senator.

Both Houses of the Legislature, in my judgment, next week will pass the concurrent resolutions placing this issue on the ballot. And I commend you, Senator Littell, for your leadership in ensuring that this

constitutional amendment came through your Committee in an expeditious fashion. I trust that the same will occur in the Assembly Appropriations Committee on Monday.

In a spirit of bicameralism, I believe that both Houses of the Legislature, on Thursday, will make sure that this critical issue reaches the 8 million people of New Jersey on November 2nd.

My concurrent resolution, Assembly Concurrent Resolution No. 109, is the identical counterpart to the Senate President's.

Why are a million acres needed to be preserved? They can be broken down as follows: 500,000 acres of farmland preserved, 100,000 acres of watershed lands, 200,000 acres for recreational opportunities, and 200,000 acres for nature trails, corridors, and rights-of-way.

Are we paying too much for this initiative? And this, of course, is a concern to the Senate Budget Committee and to those of us on the Assembly Appropriations Committee. The cost per acre of land, in New Jersey, is based upon the following statistics, as they exist in the state today. We spend roughly \$4100 per acre for farmland preservation, \$2000 per acre for State acquisition, and \$5000 per acre for local acquisition.

The Governor, the Senate President, and I are proposing to preserve fewer than 700,000 acres with this new funding. It's approximately 30,000 of farmland and over 70,000 acres of parks. And other lands have or will be preserved with existing bond fund balances. And we are projecting as many as 200,000 acres will be preserved through donations and other means.

And I would like to stress that, Senator Littell and distinguished members of your Committee. There are public-spirited citizens, some of whom

are in this room today, who have already donated land to make sure that it will be preserved in perpetuity. And the Governor's proposal and the proposal the people will be asked to approve contemplates this continued public-spiritedness to make sure that a million acres, in total, will be preserved.

The constitutional amendments proposed by Senator DiFrancesco and me also include historic preservation, and that is a very important part of what we are trying to do in New Jersey. Previous speakers have indicated, based upon the morning paper, that we are the densest state in the nation regarding population. The morning paper also indicates that historic sites are sadly in need of repair, for example, a church where several of our 19th century presidents worshiped, in Monmouth County.

And a great state, and New Jersey is a great state, should preserve its historic sites, as well as making sure that farmland and open space is preserved for the future, and \$100 million dollars a year for the next 10 years will, of course, be leveraged through the process of bonding, and the bonds will be paid off over the course of the next 30 years, bonds to be levied each of the next 10 years, with the bonds running for 20 years.

I believe that that is an appropriate amount of time to pay for farmland and open space that will be preserved forever. This is a good mix of pay as you go and bonding. I am a proponent of pay-as-you-go government, but I do believe that it is appropriate to bond in an appropriate fashion when the benefits will enure in perpetuity, as is the case here.

Why should we dedicate this constitutionally? It is our commitment to future generations, and that is why it should be placed in the Constitution. I look forward to the debate that will occur on the floor of both

Houses next week. I look forward to the debate that will occur among the people of New Jersey over the course of the autumn campaign, and I predict, based upon the wisdom of the Governor and of those of us in the Legislature, the people will approve overwhelmingly on general election day, Tuesday, November 2nd.

Thank you very much, Mr. Chairman, for permitting me to testify today on this concurrent resolution.

SENATOR LITTELL: Thank you, Assemblyman Lance. I know you've had a deep and abiding interest in this issue for many years. Your family is steeped in history, and you've been involved in the legislative process in your family for three generations, so we're very well aware of your commitment.

ASSEMBLYMAN LANCE: We take our lead from the Littells, Senator.

SENATOR LITTELL: Thank you.

Are there any questions for Assemblyman Lance? (no response)

Thank you.

Next we'll have Maureen Ogden, former Assemblywoman and Chairman of the Outdoor Spaces Study Commission -- I didn't get that right -- Council on the Outdoors. I'll get it right one of these days.

Good morning.

MAUREEN OGDEN: Good morning, Mr. Chairman, members of the Committee. Since this is the public hearing, I would like to take the occasion, at this time, to present to members of the Appropriations Committee the two parts of the final report, which the Governor's Council on New Jersey

Outdoors presented to the Governor and the Legislature in February of this year.

Under the Governor's Executive Order No. 40, the charge to the 17-member Council was to identify the recreational and open space needs of New Jersey residents, as well as to study and recommend stable sources of funding to meet these needs.

When the membership of the Council was complete in the spring of 1996, we held three public hearings in different geographical areas of the state to gather information on the current and future needs for open space and recreation. More than 200 public officials, organizational representatives, and citizens called upon the Council to accelerate its acquisition of natural areas and to improve our stewardship of our current parks and historic sites.

An interim report was issued in May 1997, summarizing the public comment and calling for the preservation of an additional million acres within the next decade. This report was widely distributed throughout the state, and three additional hearings were held last year to receive public input on stable sources of funding to attain the goal of a million acres.

After these hearings and considerable research, the Council analyzed 13 different sources of funding to achieve its recommendations. We did not select one or a combination of sources because we believed that choice should be made by the Governor and the Legislature. However, we did indicate the merits and limitations of the various funding alternatives.

More than a decade has passed since the previous Governor's Council on New Jersey Outdoors called for the acquisition of 330,000 acres of public open space to bring the State's total to one million acres. At one of the

hearings of the Council, in 1987, it was stated that the need for more open space in New Jersey is great, urgent, and vital. During the 10 years that passed, the three Green Acres bond issues were enthusiastically endorsed by the voters by three-to-one margins, but we fell short of the goal of one million acres of total open space. We fell short of that goal by almost 150,000 acres.

Today, Governor Whitman's Council on New Jersey Outdoors has called strongly for the preservation of an additional million acres, 500,000 of open space and 500,000 of farmland. The public repeatedly told the Council at our hearings that we were protecting too little open space, too slowly. And the goal goes beyond public recreation areas to include watersheds, greenway corridors, and tracts of ecological diversity. It called for the preservation of historic sites and structures and the proper stewardship of public parks, both urban and rural, where staffing, maintenance, and repair have declined in recent years.

New Jersey's record of passing nine Green Acres bond issues is unequaled, but we are losing the open space race. In an unprecedented mandate, the voters of 13 counties and 53 municipalities have raised their property taxes to provide a steady source of revenue to preserve open space. And I believe at least two more counties are having that issue on the ballot this November. No other state has experienced such a groundswell at the local level. Now is the time for New Jersey to propose stable funding to the electorate, statewide, as set forth in SCR-66.

I commend the sponsors, Senators DiFrancesco and Martin, for their advocacy of a stable funding source and the members of the Appropriations Committee for their support of the legislation. Preservation of

the additional acreage is critical to the future of the most densely populated state in the nation.

Since her inaugural address in January, the Governor has worked tirelessly toward the goal of the additional million acres in the next decade -- 300,000 during the rest of her term. Stable funding has been pursued in vain for almost 15 years. Today, with the leadership of the Governor and the Legislature, it is within our reach. The funding of SCR-66 will preserve natural and historic resources, which increase in importance with each passing year, an invaluable investment in the future of New Jersey.

And I thank you, Mr. Chairman and members of the Committee, for holding this hearing today, for interrupting your summer, and coming down. But as you all know, it is an extremely important issue.

SENATOR LITTELL: Thank you, Maureen. It's nice to have you here, and thank you for all of your hard work and endeavors on behalf of open space and historic and farmland preservation.

Let me ask the members if they have any questions. Do you have any questions? (no response) No questions.

I have a question for you. It appropriately doesn't belong in this issue, because this is a constitutional amendment to dedicate existing sales tax, but over the years, I think since 1971 or '72, the Green Acres bond issues have had an in-lieu-of-tax payment on a declining basis for 13 years. Your Council recommended a payment in-lieu-of-taxes be established on a permanent basis to make the program more attractive. I wonder if you would just speak to that for a minute and give us your views on that and the Council's views?

MS. OGDEN: That's correct, Mr. Chairman.

In the interest of keeping my testimony short, I didn't include a lot of the recommendations which the Council made beyond the open space issues, but certainly it's an issue that's concerned you over the years. It's also concerned me. And the Council recommended that \$8 million be appropriated each year for in lieu payments to communities that had above a certain percentage of open space. And that really would be regional open space, in other words, which they had not sought through their municipal governing bodies to acquire, but rather things like having parks, State parks, Federal parks -- and that would be not on a declining basis, but would be on an ongoing basis, and it would increase -- the level of support would increase in relation to the percentage of open space that's located within the municipality.

SENATOR LITTELL: Thank you. That's certainly important to a lot of people in this state, and I appreciate your addressing that issue.

The Farmland Preservation part of it, which is half of the program, has a couple of advantages on open space in that, number one, it continues to pay taxes, and number two, it's got a built-in person to be caretaker of the property -- the farmer who, obviously, is going to make sure that the roof's not leaking, or if it is, it can be repaired and looked after.

One of the other big problems that we have in this state is that we buy things and let them deteriorate to a point that they have to be demolished and torn down. If we can't take care of what we own, then we shouldn't buy any more property, and I know your commission addressed that. Do you want to speak to that issue?

MS. OGDEN: Well, that was another issue that we did address, and we recommended that there be 15 million a year that should go to capital

improvements and ongoing maintenance. I, like you, have been greatly disturbed in recent years to see that through lack of funds that we were not providing proper stewardship for the properties that the State owned. Throughout my legislative career, I was a very strong component of purchasing open space and the sponsor for Green Acres bond issues. At the same time, I've always been a strong advocate of maintaining what we acquire. So the stewardship is an issue that we addressed and made the recommendation for the additional 15 million, as well as further dollars for staffing.

So those are issues that we did address, Senator, and as I say, I didn't mention them today because I know that there are a lot of speakers and I wanted to keep my remarks relatively short. But they certainly are in the report that I believe all the members of the Legislature received when it was distributed in February. And for the record, I'm giving you this two-part report today.

SENATOR LITTELL: Thank you. I just wanted to get those two issues out in the hearing so that people -- even though they're not part of the constitutional amendment, there's things that were developed in the process of getting to this point, and they're important to all of us.

Thank you very much.

MS. OGDEN: Thank you.

SENATOR LITTELL: Next, Susan Coen (phonetic spelling), Cultural and Heritage Affiliation. Is she here? (no response)

Okay. We'll go on to the next.

Fred Gardner, East Amwell Township, and Richard Ginman, East Amwell Township.

One of you going to speak for East Amwell or both or you going to speak?

FREDERICK GARDNER: I certainly am going to speak, and I believe that Dick Ginman will join in after I've completed.

SENATOR LITTELL: I'm sorry. I didn't hear what you said.

MR. GARDNER: I have some testimony that I would like to offer to the Committee--

SENATOR LITTELL: Hit the button so the red light's on. Red means go. (witness complies)

MR. GARDNER: I have some testimony that I would like to offer to the Committee. I believe that Dick Ginman would like to make some remarks after I've completed.

SENATOR LITTELL: Okay, go right ahead.

MR. GARDNER: My name is Frederick Gardner, and I have been a resident of East Amwell Township for 15 years. Last year, my wife and I donated the development rights on our 56-acre farm to the State of New Jersey. I also serve on the five-person Township Committee and on the East Amwell Planning Board. Both as a private citizen and as a public servant, I would like to express my strong support for a predictable, continuing source of funding for farmland preservation.

When my wife and I donated our development rights to the State, we made a commitment based on the hope and expectation that sufficient land will be preserved from development in our community to provide a lasting base for its farming economy and rural character. We are fortunate that we were able to afford to give our development rights. While we board horses and raise

sheep, we do not depend on our farm either for our livelihood or as a retirement asset. It is different with our full-time farming neighbors. They look to their land both as a productive asset and as a financial asset. Without the Farmland Preservation Program, those two aspects of the land would be in conflict. The Program is the means by which a farmer can deal with this conflict by being able to realize cash from his land while maintaining its usefulness for agriculture. As I will detail in a few minutes, many of our neighbors have gratefully taken advantage of the ability to sell their development rights under the State Program and many more would like to do so. If we can accommodate them, we will be well on the way to assuring that agriculture will remain viable in East Amwell for the foreseeable future.

East Amwell Township is bordered on the west by townships such as West Amwell and Delaware, which are largely agricultural. To the north, south, and east, however, the neighboring townships have become primarily suburban with a scattering of surviving farms. We, therefore, represent either the first line of defense for farming in the midsection of the state or the point of entry for its destruction. We are determined to remain the line of defense, but we need the sort of help that the legislation in front of you today can provide.

East Amwell comprises about 28 square miles, or just under 18,000 acres. About 12,000 of those acres, or two thirds of the total, are in farmland assessment, a strong enough percentage so that farmers can still carry on their activities and move their machinery around the roads with the active and friendly support of the rest of the 4300 residents. One thousand eight hundred and seventy-three of those acres, or a bit over 10 percent of the total,

are in permanently preserved farms now. One thousand six hundred and sixty-seven acres have been preserved under the State Program at a total cost of \$9.9 million, of which 1.3 million was borne by the Township. The remaining 206 acres are on land where the development rights have been donated to the State or to conservation organizations. An additional 449 acres are enrolled in the eight-year voluntary program. That is a good start and a good investment in the future. But it will become a far better investment if we can consolidate it with additional farmland preservation and increase the nucleus of substantial farms around which a continuing farming economy can be based.

East Amwell is planning the next stage of its Farmland Preservation Program. We have contacted all owners of 50 acres or more -- about 40 of them -- and assessed their degree of current interest in a variety of contractual arrangements under which the Township would underwrite the entry of their land into the State Program. This means that East Amwell would bear the risks of waiting for a slot on the county's annual list of top-ranked farms, of bidding down to improve the ranking at the State level, and of potentially missing the final State cut. The owners of approximately 500 acres have expressed a definite wish to participate, and those of another 500 have expressed strong interest. More will come forward if they see the Program working.

We feel we are doing responsible planning by working with our farmers in this manner. We are willing to assume the risks of waiting for funding and for bidding down, but the risk that there might not be a State Program to compete for is one that a township of our size simply cannot

afford. Farmland preservation is a long-term investment. As such, it deserves both long-term planning and long-term funding.

Thank you.

SENATOR LITTELL: Thank you, Mr. Gardner.

Mr. Ginman, East Amwell.

RICHARD GINMAN: Gentlemen, I only have a short addition to what Fred has to say. I'm a retired State Planner, if you will, so I have plenty of time to take advantage of some of the things Fred has provided us in the community, the ability to experience and enjoy some of that open space. And, in fact, we have a local program where there are, in fact, trails devoted to hikers like myself. But the point I want to make this morning is that having been a State Planner with the State just about the time the Green Acres Program started; through the development of the Hackensack Meadowlands Development Commission; the blueprint commission on New Jersey Agriculture; the Pinelands Commission; the State-developed guide plan; and having served 15 years on the local East Amwell Township Planning Board, I can point to one thing that is consistent in all of those, and that is, the need for a constant funding source to provide for the open space that all of those planning efforts require.

As Governor Whitman pointed out, there's a definite link between the State's very courageous efforts, and I believe New Jersey is on the cutting edge of planning in this country -- between the State's efforts, the county's efforts, and the municipal efforts to accomplish those goals. We really support and we really encourage you in your efforts to create this stable funding source.

Thank you very much.

SENATOR LITTELL: Thank you, Mr. Ginman, and thank you both, gentlemen.

Next, I call on Donald Sanderson, New Jersey Historic Trust.

D O N A L D R. S A N D E R S O N: Good morning, Mr. Chairman, Committee. Don't panic. These other two are here just with me. They're not going to speak, too, unless they're questioned.

Since so many have emphasized open space and farmland, I will focus on historic preservation. I'm Donald Sanderson, Chair of the New Jersey Historic Trust. With me are fellow Trustee and Project Director of Historic Morven, Emily Croll, on the end, and next to me Margaret Hickey, from our highly qualified professional staff.

You may remember that the New Jersey Historic Trust, governed by a 15-member Board of Trustees, is a nonprofit, historic preservation organization created by the Legislature in 1967 to preserve and protect the State's historic resources. The Historic Preservation Bond Program, administered by Trust on a highly competitive basis, has awarded over \$52 million in grants for 180 historic preservation projects of improvement, restoration, stabilization, and rehabilitation of historic properties owned by State, county, and municipal governments, and by nonprofits.

These awards which require matching funds from grantees are for bricks and mortar preservation only. No awards are for operations. All grants have been funded from the 1987, 1992, and 1995 Green Acres Bond Acts, but our funds from those Acts now are completely exhausted. Our statistics indicate that the unmet need for Historic Preservation Grants is nearly \$85 million. As Chair of the Historic Trust, respectfully, I ask your support for the

proposed Garden State Trust Fund to preserve open space, farmland, and historic sites. I urge passage of SCR-66, which includes funding for the Trust Historic Preservation Grants Program.

To the historic preservation community, the future of preserving New Jersey's extraordinary historic fabric is at stake if the Trust's matching grants program dies. Both the Governor's Council on New Jersey Outdoors and her Task Force on New Jersey History, on which I serve, have recommended funding for the Trust's Grants Program. Although historic preservation projects would be a relatively small part of the overall funding package before you, they offer important benefits to both the local and State economy. A recent economic impact study from the Center for Urban Policy Research at Rutgers concluded that the Trust's Historic Preservation Bond Program more than pays for itself in the total economic benefits generated for New Jersey.

We appreciate your past support and enthusiasm for our Program. Again, respectfully, I urge continuing to include support for the New Jersey Historic Trust in SCR-66. This source of stable funding is essential to continue efforts to preserve New Jersey's historic properties for you, your families, your constituents, and the rest of us who are proud to live among historically rich, but threatened, resources.

Thank you very much for allowing me to speak. Do you have any questions for us?

SENATOR LITTELL: Thank you, Mr. Sanderson.

Any questions? (no response)

Thank you very much.

MR. SANDERSON: Thank you.

SENATOR LITTELL: Next, Ray Kalainakas, opposed to the constitutional amendment.

RAY KALAINAKAS: Gentlemen, you know I'm opposed to this measure because I favor elucidation of land-use rights. Zoning is the proper way to save open space and farmland.

SENATOR KAVANAUGH: We also have a lady here.

MR. KALAINAKAS: Oh, I'm sorry.

Senator Lipman, I didn't notice you.

Ladies and gentlemen -- one lady and gentlemen is the proper way to put it.

Since this will, without question, I think go on the ballot because the establishment wants it on the ballot, I'd like to see some changes occur. What will be the actual cost-- I do not see it in the question or the interpretive statement. What will be the actual cost to the taxpayer -- I noticed Jeff Climpson was here a minute ago; I don't know if he's still here -- in terms of actual cost? We're talking over 10 years about a billion dollars plus, or are we talking 2 billion plus when you pay the bondholders back with interest? That ought to be somewhere in the question or in the statement when the taxpayer goes in there to vote yes or no on this. The taxpayer should know what it's actually going to cost the taxpayer. And to my knowledge, it's too vague. I'm looking at it, and it's entirely too vague. What's it going to cost me if I vote yes on this? I'm not going to vote yes, as an individual, but for those who do, what is it going to cost them?

SENATOR LITTELL: The cost of the issue of redevelop-- When the bond issue authorizing legislation is developed, not the constitutional amendment that dedicate the money, it can only support whatever the number of bonds are times the interest rate times the principal.

MR. KALAINAKAS: Well, can they give a minimum and a maximum somewhere in the interpretive statement or somewhere in the question itself? I mean, they're talking about \$98 million a year. So they're using the figures. They're talking dollars and cents. So let's expand this and say minimum and maximum. This is what it's going to cost you somewhere in between, if you vote yes on this. As a taxpayer, I want to see that.

SENATOR LITTELL: Ray, nobody can predict what the cost of the bonds is, is now or will be in the future. You have to wait till you put them on the market -- now would be just pure speculation.

MR. KALAINAKAS: Would it not be safe to put a minimum and a maximum, somewhere in between?

SENATOR LITTELL: No. I think everybody knows and understands that this is a dedication of an existing tax. It's not a new tax. It's going to require us to tighten up our spending in other areas, and it's something that's been sought for many years.

SENATOR INVERSO: Mr. Chairman? Isn't the 98 million per year intended to cover both principal and interest?

MR. KALAINAKAS: See, this is what I'm not-- I'm not sure--

SENATOR INVERSO: That's my understanding, and therefore, cost, if you will, is 98 million a year and it can't exceed that.

MR. KALAINAKAS: In other words, the taxpayer will not pay more than that?

SENATOR INVERSO: That's my understanding. I wish someone would acknowledge confirmation of that.

MR. KALAINAKAS: That's what I want to-- Yes, I would like that clarified.

SENATOR LITTELL: But you can't say how much because you don't know how much it will cost to sell the bonds.

MR. KALAINAKAS: Well, I think you understand my concern, Senator.

SENATOR LITTELL: Yes, I understand.

MR. KALAINAKAS: I think you do. I think many taxpayers would have my concern when they're looking at this in the ballot box.

The other concern, number two, about this is, I can tell you, I have for some time now opposed State referendum -- my favorite, municipal referendum. Howell Township had an open space question that was defeated, and it was defeated in large measure because as an individual or as a group of individuals you can actually reach the people in your township to convince them otherwise against, say, the powered interest who want to see this pass. If you're talking about a State referendum, there is no single individual or small group of individuals that can possibly reach every citizen in the state to counteract the money and the power who want to see something like this pass. But at the municipal level, power and money are neutralized if you can reach every citizen in town by going to their door and talking to them individually.

So municipal referendum is far more powerful for the citizen than State referendum. Once again, the people with money and power will continue to control, as long as it's at a State level. So I guess what I'm asking here, is it possible that if the majority of citizens in a municipality defeat this, in a particular municipality, they will be exempt or in some way get a rebate back with regard to any cost incurred? They will not get the benefit if it passes, but if they have to pay, then they must get a rebate or in some way be exempt from paying for this. I would like to see the people of a municipality have that kind of control, which they should have in determining the outcome of this question. The only way they can determine the outcome of this question -- have any kind of control -- is if they can defeat it in their municipality. Their municipality is null and void with regard to participating in this kind of program. I mean, does that sound reasonable to you in any way or shape?

I as an individual can't defeat the media. If the media determines they're going to push this, there's no way as an individual I can compete with the media and their money and their power and their communication system. But if it's at a municipal level, with all their money and all their power, I could still go to every household and convince citizens, household by household, to say no to what the media wants in terms of-- And they, obviously, want this passed.

And as Senator Bullworth -- fictitious Senator Bullworth -- stated in the movie *Bullworth*, the people who control the republicans are the same people who control the democrats are the same people who control the media. And I think that was not a fictitious statement. I think that statement was correct. And that's the problem most of us have in the State of New Jersey.

As citizens, we feel somewhat helpless because total control of the system, unfortunately, is within a few hands. And they control the media, they control the republicans, they control the democrats-- I know you don't want to hear this, but this is how many people feel. I speak, as a citizen, for many citizens.

SENATOR LITTELL: Well, I wish you'd stick to the constitutional amendment, Ray, you know.

MR. KALAINAKAS: I understand that, but I guess--

SENATOR LITTELL: Your philosophies are something we'll take up another time.

MR. KALAINAKAS: Well, I guess I'm referring to the second point because I think it's important that the people at a municipal level, if they defeat this, should be able to say, "We don't want to participate in this." But, unfortunately, that's not the way this is written up.

The third concern I have -- true or false? -- did the Farmland Preservation Program start in 1981? I asked an individual sitting in the audience next to me, when did this whole business of saving space and farmland begin in the State of New Jersey? Did it begin in 1981?

SENATOR LITTELL: My recollection is right around there. I don't remember the exact date.

MR. KALAINAKAS: Okay. If we subtract 81 from 98, we've had 17 years to prove its effectiveness. And quite frankly, ladies and gentlemen, it's been a failure. And everyone that's come up here has indirectly indicated that, saying we're losing the race. You have been losing the race for 17 years because the idea of pulling money out of people's pockets to buy farmland, pulling money in the form of taxation was never a winner. I've always viewed

it as a dumb, idiotic idea that we're squandering the money of the people and would never achieve its purpose -- never. It's an illusion. You're asking people to buy the Brooklyn Bridge, and once again you're saying, "We need another payment to buy the Brooklyn Bridge," and you're going to squander more of their money.

The Pinelands recognized that you have to zone. You can't use bonding and taxation. They zoned incorrectly. Twenty- and forty-acre zoning violated people's rights with regard to land. Six acres is the smallest piece of property when we speak of land. Five acres for agrarian use, one acre for the homestead or industry. That's where it belongs with regard to elucidation of land-use rights. But we haven't talked about that.

So if we've had 17 years to prove the program, it's been a failure. And simply pouring more money into it isn't going to solve it. Once a car gets so old, you say to yourself oftentimes, "At this point it doesn't work, we've got to get a new car." At this point, you have to get a new program. And the new program is elucidation of land-use rights and zoning.

Look at the Pinelands. They initially had the right idea and still do with regard to zoning. It's zoning and elucidation of land-use rights, not bonding and taxation. Bonding and taxation never worked -- never will work. It's great for the farmers. You make them gentlemen farmers. Government subsidy to the farmers, and if they can't get government subsidy from the State, they're going to sell it to developers and make a mint. The local officials find this an excellent idea because they're always the winners in this situation. And, of course, the builders and developers like this idea because it gives people the illusion they're saving land or farmland when, in fact, they're not.

If you ride around New Jersey and you'd understand. I understand. We all do. Clogged roads, development everywhere, and we're talking about open space and farmland preservation. What a joke.

What does a million acres look like on a diagram and all that supposedly we've saved since 1981? What does that look like on a diagram of New Jersey? Put that diagram on the ballot somewhere -- what we've saved from '81 to now and what a million acres supposedly will look like. Somewhere that should be as a diagram on the ballot. I just think numbers are being thrown around. The illusion continues. Roads are more clogged than ever. We see builders all over the place. Developers all over the place. It comes down to--

SENATOR LITTELL: They're not bad people. They're not criminals, you know. People have a right to buy a piece of property and to develop it. People have a right to live in a house. They don't have to live in a cave.

MR. KALAINAKAS: That's correct. I won't deny that.

SENATOR LITTELL: Okay. Well, let's stick with the constitutional amendment, Ray.

MR. KALAINAKAS: Well, I guess it comes down to dueling philosophy. Unfortunately, I will say this, Bob -- and you know this because you know I've testified many times throughout the years. If you're going to look at tomorrow's paper and see this alternative or this protest to what's being offered here, you're going to keep looking and looking and looking and turning pages and looking for this paper and that paper, and you're not going to see it

most likely. You know that. It speaks a lot for so-called free press in our society. It really does. We have very little of it.

And if you take note that Gannett has purchased the *Asbury Park Press*, the *Courier-Post*, the *Courier-News*, the *Herald News and Tribune*, the *Daily Record*, the *Observer* -- and I don't know if I missed one or two -- the control of the media is going into fewer and fewer hands. And the only voice I have is the voice of a free press when I speak as an individual citizen before government. But if the people who control government begin to control the press, what freedom do I have? What voice do I have? It will be very interesting to see between now and November 7 the ideas, the alternatives, the opposition that I'm expressing is expressed in the media. And I question whether you're going to see much of it. I can tell you I can write five letters -- if I see one letter printed, it's rare today -- less and less. More and more censorship than ever before for the individual citizen, and I speak from experience.

But that's all I have to say. I don't want to take any more of your time, Bob. Thank you.

SENATOR LITTELL: Thank you, Ray.

MR. KALAINAKAS: Thank you.

SENATOR INVERSO: Mr. Chairman?

SENATOR LITTELL: Yes, Senator Inverso.

SENATOR INVERSO: Ray, in such a nice way, you've alienated democrats, the republicans, and the media, but we've had this discussion about your concept here. And I would say this -- that this program, I think, is important, but to be effective it has to hone in on what is the most potentially

developable property and see if we can take that off the market, in essence. So there may be some inherent conflict with developers and with the landowners in this regard. Because if we're taking, under this program going forward, land which would never be developed, then you're right. We're providing a city cure for the farm owners and others that own open space. But it would seem to me that the concentration has to be on the preservation of the farms, okay, which is part of the program, but also I'm looking at that land which had the greatest potential for development and adding to congestion. Because there's land in that bank by nature of the characteristics of the land, what have you, in my opinion would never be developed. If we're spending money on that land, then I think maybe there's -- it's the wrong focus.

I believe in the implementation stages. We all have to be kind of vigilant in regard to how this money is being spent so that we are getting what we want by the expenditure of these dollars. That is, to preserve land, as I see it, for open space, recreational use, but also, in some respects, to keep that land from being developed. And acquiring land which is not developable or has no great prospect or potential of being developed, then, we are throwing our money away, and I don't think we are going to do that. I hope we're not going to do that.

MR. KALAINAKAS: Well, of course, Peter, I've said two ways. I've said, number one, simply tell a large landholder, if they want to sell their land, they can sell it in six-acre tracts. One acre for the homestead or industry and five acres for agrarian use or open space. This way you solve the problem without taking a single tax dollar out of somebody's pocket. And, number two, on February 26 before Jack Gibson and the natural resource agricultural

committee (*sic*), I offered a new twist. I said instead of simply buying development rights from the farmer, you buy the farmer's land and then sell it in six-acre tracts with the provisions that I've mentioned. And then you take the money after you've resold it in six-acre tracts and buy another tract of land. This way, again, you don't take a single tax dollar, and you're able to pay the bondholders back with the money of buying and selling without ever again using a tax dollar. You can recoup land that's been lost that way. You can buy two acres here, an acre there, four acres there, and then put it and sell it as a six-acre tract.

Supposedly, land loss can be recouped, and I heard the Governor say, "Once it's gone, it's gone." I say to that "nonsense." You can take three acres, two acres, one acre, buy it as is, and then sell it as a six-acre tract with the provisions. So there are ways of saving open space and recouping open space and recouping farmland without using tax money.

Elucidation of land-use rights and zoning, ladies and gentlemen, is the way to go. And if you're going to bond, bond as I suggested on February 26, without using tax dollars. Buy and sell, buy and sell, constantly recycle.

Thank you.

SENATOR LITTELL: Thank you, Ray.

Next we call on Peter Furey, New Jersey Farm Bureau. (no response)

Peter's not here, okay.

David Moore, New Jersey Conservation Foundation.

Oh, here's Peter. Come on up, Peter.

P E T E R F U R E Y: Good morning, Mr. Chairman, members of the Committee. I'll be brief. On behalf of the farmers of the State we are in full support of the trust fund. In fact, I think there is a growing feeling of excitement. A lot of times, when the farmers hear about these ideas, they kind of nod their head and say, "We'll believe it when we see it," but we're getting very close now, and I think there's a real enthusiasm among the farmers for the Trust Fund.

As Secretary Brown and Mr. Gardner said ahead of us, ahead of me here, this is a great extension for the future building upon the current Farmland Preservation Program. And we estimate that this would be a three- or four-factor increase in the rate of purchases beyond what we have now. And we just think this helps the industry. We think it sends a positive signal to the farmers in this state that the industry is wanted, and sometimes they question with other issues how much the support that the State government has. This is a clear signal, and in fact, for the farmers that do not apply to the Program, they appreciate the existence of the Program that, should circumstances change for them that the fund is there for them. And this, I think, settles down some of the concerns that there might be about keeping a farmland base in the state.

Another very interesting aspect of the Trust Fund and the expansion in the rate of purchases -- we think it's complimentary to new planning programs when you establish a clear, unmistakable signal that there is to be an investment in the land acquisition. It opens up, we think, the dialogue for similar compensatory programs that accelerate land-use planning. Quite frankly, there's been a drag on landowner participation and its planning programs because they're concerned. They're concerned about their state.

This turns you right around and says that there will be a compensatory program, and we should have confidence in that the planning programs will also be complimentary. And I think that's what the Governor's trying to say about the statewide planning.

So we're looking forward to the Trust Fund to get in place and then talk about some other programs down the road. And, finally, as far as the economics of our industry securing a land base allows us to make further investments in the industry, it is highly likely that the proceeds to farmers when they sell their development rights would take those proceeds and reinvest them back in their business. They might buy additional farmland and join it with their farmland. They may build greenhouses and put the money back into investments that secure the business viability of their farming.

So for many, many reasons, not the least of which there's a cross tie into the historic preservation. I have a clip in my folder here (indicating) that says the top 10 areas of historic preservation by one group. The number one thing that they listed were these historic farmsteads that are located on farms. So you get just multiple benefits by increasing the investments in open space preservation for agriculture.

We appreciate your support very much.

SENATOR LITTELL: Thank you, Mr. Furey.

Any questions? (no response)

Thank you.

Next we have David Moore, New Jersey Conservation Foundation.

DAVID MOORE: Thank you very much for the opportunity to appear here today, Senator, and I'm very glad to have the opportunity. On behalf of

the 5000 contributors to the New Jersey Conservation Foundation, I'd like to strongly support the measure that is before you today and strongly support Governor Whitman's proposal. It is an unprecedented opportunity to ensure a high quality of life for all of New Jerseyans now and for generations yet to come.

Many times the \$15 million that we now hold in contributed land and easements have been used over the years to leverage public funds, and I anticipate that the private sector will be doing much more as a result of this initiative should it be successful. We would like to be able to continue that momentum and continue it strongly.

In response, Senator Littell, to your comment with respect to maintaining open space, we've been strongly encouraging the State, both for the Ag Program, which it does automatically, and the Green Acres Program to invest in conservation easements for precisely the reasons you've outlined. You automatically have a land steward. The prices are lower, and the system works very well to do that.

In short, this opportunity is one that will assure an investment in New Jersey's future, and we urge you to move forward with it.

SENATOR LITTELL: Thank you.

Any questions? (no response)

Okay. Thank you very much, Mr. Moore.

Sandi Batty, the Association of Environmental Commissions.

S A N D I B A T T Y: Good afternoon.

SENATOR LITTELL: Good afternoon.

MS. BATTY: I'm here on behalf of the Association of New Jersey Environmental Commissions, which represents over 2000 members of municipal and environmental commissions in all 21 counties in the state, and we heartily endorse SCR-66. We have a-- Our motto is 566 municipalities, one environment. And I think what we are saying by that is environmental considerations, both the benefits and any pollution, cross municipal lines. And even though we have local land-use powers, we don't have the power to control things that might happen in our neighbors' yards.

So if we preserve land, we're preserving it for the whole state. We're preserving the water that we drink, the recreational opportunities, the tourism opportunities for the citizens of the entire state, not just for one municipality. We've lost over 500,000 acres of farmland since 1961. We've been able to preserve in that period 380,000 acres, but you can see that it has been a losing battle and one that we need to change.

Poll after poll shows the citizens of New Jersey support open space preservation and are willing to pay for it. In the polls that really count in the ballot box, they've supported nine Green Acres bond issues since 1961 and passed 13 county and 53 municipal open space tax issues. Funds raised through the Green Acres bond issues are almost gone, but the demand remains constant with more than 350 million in applications for open space projects that have already been submitted.

Open space provides many benefits in the cities, in the suburbs, in the rural areas. It helps ensure a high quality of life for New Jersey citizens. It provides recreation. It protects water supplies, provides flood and storm protection, and creates economic activities. It contributes more than \$3 billion

to New Jersey's economy through tourism and related activities. New Jersey needs this steady flow of \$98 million a year to meet our long-term needs. Open space protection makes good sense for New Jersey's environment, its citizens, its businesses.

We urge all members of the New Jersey Legislature to support a stable source of funding now.

Are there questions?

SENATOR LITTELL: Thank you very much.

Any questions? (no response)

Thank you.

William Petite Sr., New Jersey Agricultural Society.

WILLIAM PETITE SR.: Thank you, Senator, Committee. My name is Bill Petite. I am a farmer. I happen to be President of the New Jersey Agricultural Society. I am also the Chairman of the County Ag Development Board of Burlington County. I'm a former member of the State Ag Development Committee -- one of the original members. And I happen to be on the Open Space Committee for Burlington County.

I just think this is the best thing that could have happened in New Jersey right now -- this proposed legislation. I think that there's-- We have a lot of things going for us. One of the things that-- Having served on the State Ag Development Committee, one of the things that to me was disheartening was the fact that we were always working with a small amount of money. We had to plan to make our money go round so that we could keep the people there so that we could keep the things moving, but it moves slow.

I think that if this State Ag Development Committee could move with \$50 million a year or thereabouts, it would certainly enhance the program. And I think they have the ability to handle that much funding. For farmland preservation, we're, particularly in my County of Burlington -- we're on a time line for being able to preserve land and keep open space there because development is moving fast. We don't fight development, but we would like to see it in the right places, and so I urge that everyone support this legislation.

SENATOR LITTELL: Thank you, sir.

Any questions? (no response)

Thank you very much.

Okay. Thomas Gilmore, New Jersey Audobon Society.

THOMAS GILMORE: Good afternoon.

SENATOR LITTELL: Good afternoon.

MR. GILMORE: I'm Thomas Gilmore, President of the New Jersey Audobon Society, and I'm testifying here today as the Cochairman of the Stockton Alliance. I feel I've been invited to preach to the choir. You folks have already unanimously passed this legislation, so I'll keep my comments brief.

I'd like to thank Senator Littell, Senator Martin, Senate President DiFrancesco, and you, the members of the Senate Appropriations Committee, for your leadership in finding a solution to solving our open space funding needs with the passage of SCR-66 in this Committee.

The Stockton Alliance is an unique collaboration of corporate, environmental leaders who believe a healthy environment and a strong

economy go hand in hand. Our membership includes leaders from such corporations as DuPont, Public Service Electric and Gas, Bell Atlantic, and New Jersey American Water. We have environmental leaders from such organizations as The Nature Conservancy, the New Jersey Conservation Foundation, the Association of New Jersey Environmental Commissioners, and the New Jersey Future.

The Stockton Alliance believes that stopping the rapid loss of open space, which is often called the quiet crisis, is so important to our economic future and to the quality of life of the citizens in New Jersey that this year the Alliance has made securing stable funding for open space our number one priority.

To that end, we founded the Coalition to Preserve Natural Resources. That Coalition has over 250 members. It's the largest environmental coalition ever assembled around one environmental issue. So I will leave the list of the 250 groups with you that support this legislation, and we look forward to working with the Legislature to get this important issue on the ballot in November.

And again we thank you for your leadership role in this.

SENATOR LITTELL: Thank you, Mr. Gilmore.

Any questions? (no response) Okay.

We've been at this for an hour and forty minutes now. Everybody that testified, with the exception of one, is 1000 percent in favor of the idea. We would probably spend another hour and a half here to go through the rest of the list and the people that have signed up.

Are those folks who are on the list or on this sheet willing to forego testimony so that we can conclude this hearing? Anybody that has a problem with that? (no response)

Hearing none, I conclude that the public hearing on SCR-66 is complete. Thank you.

NANCY KELLER: (speaking from audience) Can I just say a few words on behalf of my boss?

SENATOR LITTELL: I'm sorry. I didn't hear you.

MS. KELLER: I'd like to just say a few words on behalf of my boss. It is still in support of the measure.

SENATOR LITTELL: You want to say a few words?

MS. KELLER: Thanks. Thanks very much.

SENATOR LITTELL: What is your name?

MS. KELLER: Nancy Keller. I'm here on behalf of Dan Kellerher. Dan is a member of Stockton Alliance. He's the President of New Jersey American Water Company, and he was also Vice Chair of the Governor's Council on the Outdoors. He was very sorry he was unable to make it here today, but he made it very clear to me that he felt very strongly that I say something on his behalf, and I will be very brief.

I just would like to say the following. Preservation of New Jersey's open space is very important to Mr. Kellerher, as both a public and a private citizen. As a public citizen, he enjoys its beauty and recreational benefits, as we all do. As a private citizen, he appreciates its role as a protector of our water supply. If we don't take action to protect our water supply, it will

require increasingly complex and costly treatment processes in order to meet safe drinking water standards.

For these reasons, Dan just wanted me to express his support and ask for the Committee's support.

Thanks very much for hearing me.

SENATOR LITTELL: Thank you.

We have all the rest of you who are willing to forego your testimony. Thank you very much.

That concludes the hearing.

SENATOR KAVANAUGH: Mr. Chairman, would you give to the recorder the names of those who forego so that they be a part of the record?

SENATOR LITTELL: I'm sorry, Walter, I didn't hear you.

SENATOR KAVANAUGH: Would you give the names to the recorder, so they would be a part of the record -- those who did not--

SENATOR LITTELL: We have them here. We have them.

If you have any written testimony you want to hand in, we'll be glad to put it in the record.

(HEARING CONCLUDED)