

§1
T&E and
Note to
C.13:8C-4
and 13:8C-6
§5
Approp.

P.L. 2025, CHAPTER 385, *approved January 20, 2026*
Assembly, No. 5778

1 AN ACT concerning the State’s land preservation programs,
2 amending P.L.1999, c.152 and P.L.2016, c.12, supplementing
3 Title 13 of the Revised Statutes, and making an appropriation.
4
5 **BE IT ENACTED** *by the Senate and General Assembly of the State*
6 *of New Jersey:*
7
8 1. (New section) a. Commencing no later than six months after
9 the effective date of this section, the executive director of the
10 Garden State Preservation Trust established pursuant to section 4 of
11 P.L.1999, c.152 (C.13:8C-4) shall perform, or cause to be
12 performed, a comprehensive audit of the programs and accounts
13 overseen by the trust, including the Green Acres program, Blue
14 Acres program, farmland preservation program, and historic
15 property preservation program. The audit shall provide a formal
16 accounting of the programs overseen by the trust, identify any
17 inefficiencies in the programs, and recommend a reallocation of
18 funds where appropriate.
19 b. The Department of Environmental Protection, State
20 Agriculture Development Committee, Department of Community
21 Affairs, and all other State agencies shall cooperate fully with, and
22 supply any requested information to, the Garden State Preservation
23 Trust and any entities contracted thereby in implementing the
24 provisions of this section.
25 c. The Garden State Preservation Trust shall provide the audit
26 report produced pursuant to subsection a. of this section to the
27 Governor, and to the Legislature pursuant to section 2 of P.L.1991,
28 c.164 (C.52:14-19.1), and shall publish the report on the trust’s
29 Internet website.
30
31 2. Section 37 of P.L.1999, c.152 (C.13:8C-37) is amended to
32 read as follows:
33 37. a. Moneys appropriated from the Garden State Farmland
34 Preservation Trust Fund to the State Agriculture Development
35 Committee for farmland preservation purposes shall be used by the
36 committee to:

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

Matter underlined thus is new matter.

1 (1) Provide grants to local government units to pay up to 80
2 **[%]** percent of the cost of acquisition of development easements on
3 farmland, plus administrative expenses, and to qualifying tax
4 exempt nonprofit organizations to pay up to 50 **[%]** percent of the
5 cost of acquisition of development easements on farmland as
6 provided in section 39 of **[this act, provided that any]** P.L.1999,
7 c.152 (C.13:8C-39), plus administrative expenses. Any funds
8 received for the transfer of a development easement shall be
9 dedicated to the future purchase of development easements on
10 farmland and the State's pro rata share of any such funds shall be
11 deposited in the Garden State Farmland Preservation Trust Fund to
12 be used for the purposes of that fund and provided that the terms of
13 any such development easement to be acquired by a qualifying tax
14 exempt nonprofit organization shall be approved by the committee;

15 (2) Provide grants to local government units to pay up to 80
16 **[%]** percent of the cost of acquisition of fee simple titles to
17 farmland from willing sellers only, plus administrative expenses,
18 and to qualifying tax exempt nonprofit organizations to pay up to 50
19 **[%]** percent of the cost of acquisition of fee simple titles to
20 farmland from willing sellers only as provided in section 39 of **[this**
21 **act]** P.L.1999, c.152 (C.13:8C-39), plus administrative expenses,
22 which shall be offered for resale or lease with agricultural deed
23 restrictions, as determined by the committee [, and any] . Any
24 proceeds received from a resale shall be dedicated for farmland
25 preservation purposes and the State's pro rata share of any such
26 proceeds shall be deposited in the Garden State Farmland
27 Preservation Trust Fund to be used for the purposes of that fund;

28 (3) Pay the cost of acquisition by the State of development
29 easements on farmland, provided that any funds received for the
30 transfer of a development easement shall be deposited in the Garden
31 State Farmland Preservation Trust Fund to be used for the purposes
32 of that fund; and

33 (4) Pay the cost of acquisition by the State of fee simple titles to
34 farmland from willing sellers only, which shall be offered for resale
35 or lease with agricultural deed restrictions, as determined by the
36 committee, and any proceeds received from a resale or lease shall
37 be deposited in the Garden State Farmland Preservation Trust Fund
38 to be used for the purposes of that fund.

39 b. Moneys appropriated from the fund may be used to match
40 grants, contributions, donations, or reimbursements from federal aid
41 programs or from other public or private sources established for the
42 same or similar purposes as the fund.

43 c. As used in this section, "administrative expenses" means the
44 labor costs, not to exceed three percent of the value of the
45 development easement or fee simple title, as applicable, of the
46 property, incurred by a local government unit or qualifying tax
47 exempt nonprofit organization in organizing, negotiating, and

1 administering the purchase of a development easement or fee
2 simple title on farmland, including, but not limited to, outreach to
3 potential program participants, negotiating with landowners, site
4 visits, and document preparation, as such labor costs are reported
5 to, and confirmed applicable and reasonable by, the State
6 Agriculture Development Committee. This subsection shall not be
7 construed to limit the authority of the committee to provide for the
8 costs of acquisition pursuant to subsection a. of this section.

9 (cf: P.L.1999, c.152, s.37)

10
11 3. Section 39 of P.L.1999, c.152 (C.13:8C-39) is amended to
12 read as follows:

13 39. a. The committee may provide a grant to a qualifying tax
14 exempt nonprofit organization for up to 50 **[%]** percent of the cost
15 of acquisition of (1) a development easement on farmland, provided
16 that the terms of any such development easement shall be approved
17 by the committee, or (2) fee simple title to farmland, which shall be
18 offered for resale or lease with an agricultural deed restriction, as
19 determined by the committee, **[and any]** plus administrative
20 expenses. Any proceeds received from a resale shall be dedicated
21 for farmland preservation purposes and the State's pro rata share of
22 any such proceeds shall be deposited in the Garden State Farmland
23 Preservation Trust Fund to be used for the purposes of that fund.

24 b. The value of a development easement or fee simple title
25 shall be established by two appraisals conducted on each parcel and
26 certified by the committee. The appraisals shall be conducted by
27 independent professional appraisers selected by the qualifying tax
28 exempt nonprofit organization and approved by the committee from
29 among members of recognized organizations of real estate
30 appraisers.

31 c. The appraisals shall determine the fair market value of the
32 fee simple title to the parcel, as well as the fair market value of the
33 parcel for agricultural purposes. The difference between the two
34 values shall represent an appraisal of the value of the parcel for
35 nonagricultural purposes, which shall be the value of the
36 development easement.

37 d. Any grant provided to a qualifying tax exempt nonprofit
38 organization pursuant to this section shall not exceed 50 **[%]**
39 percent of the appraised value of the development easement, or of
40 the fee simple title in the case of fee simple acquisitions, plus **[up**
41 **to 50% of any costs incurred including but not limited to the costs**
42 **of surveys, appraisals, and title insurance]** administrative expenses.

43 e. The appraisals conducted pursuant to this section or the fair
44 market value of land restricted to agricultural use shall not be used
45 to increase the assessment and taxation of agricultural land pursuant
46 to the "Farmland Assessment Act of 1964," P.L.1964, c.48 (C.54:4-
47 23.1 et seq.).

1 f. To qualify to receive a grant pursuant to this section, the
2 applicant shall:

3 (1) demonstrate that it has the resources to match the grant
4 requested; and

5 (2) in the case of the acquisition of a development easement,
6 agree not to convey the development easement except to the federal
7 government, the State, a local government unit, or another
8 qualifying tax exempt nonprofit organization, for farmland
9 preservation purposes.

10 g. (1) In deciding whether to award a grant to a qualifying tax
11 exempt nonprofit organization pursuant to this section, the
12 committee may also include as additional factors for consideration
13 the presence of a historic building or structure on the land and the
14 willingness of the landowner to preserve that building or structure,
15 but only if the committee first adopts, pursuant to the
16 “Administrative Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et
17 seq.), rules and regulations implementing this subsection. The
18 committee may, by rule or regulation adopted pursuant to the
19 “Administrative Procedure Act,” assign any such weight it deems
20 appropriate to be given to these factors.

21 (2) For the purposes of this subsection: “historic building or
22 structure,” in the context of the grant program for qualifying tax
23 exempt nonprofit organizations to acquire development easements
24 on farmland for farmland preservation purposes, means the same as
25 that term is defined pursuant to subsection c. of section 2 of
26 P.L.2001, c.405 (C.13:8C-40.2); and “historic building or
27 structure,” in the context of the grant program for qualifying tax
28 exempt nonprofit organizations to acquire fee simple titles to
29 farmland for farmland preservation purposes, means the same as
30 that term is defined pursuant to subsection c. of section 1 of
31 P.L.2001, c.405 (C.13:8C-40.1).

32 h. As used in this section, “administrative expenses” means the
33 same as the term is defined in section 37 of P.L.1999, 152
34 (C.13:8C-37).

35 (cf: P.L.2001, c.405, s.5)

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37 4. Section 8 of P.L.2016, c.12 (C.13:8C-50) is amended to read
38 as follows:

39 8. a. The State Treasurer shall establish a fund to be known as
40 the “Preserve New Jersey Farmland Preservation Fund” and shall
41 deposit all moneys received pursuant to paragraph (3) of subsection
42 a. of section 5 of P.L.2016, c.12 (C.13:8C-47), paragraph (2) of
43 subsection a. of section 1 of P.L.2019, c.136 (C.13:8C-47.1), and
44 any other moneys appropriated by law for deposit into the fund.

45 Moneys in the fund shall be invested in permitted investments or
46 shall be held in interest-bearing accounts in those depositories as
47 the State Treasurer may select, and may be invested and reinvested
48 in permitted investments or as other trust funds in the custody of the

1 State Treasurer in the manner provided by law. All interest or other
2 income or earnings derived from the investment or reinvestment of
3 moneys in the fund shall be credited to the fund.

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

8 (2) Of the moneys deposited into the Preserve New Jersey
9 Farmland Preservation Fund: (a) in State fiscal year 2017 through
10 and including State fiscal year 2019, up to three percent shall be
11 allocated by the committee on an annual basis for stewardship
12 activities; and (b) commencing in State fiscal year 2020 and
13 annually thereafter, up to four percent shall be allocated by the
14 committee on an annual basis for stewardship activities.

15 (3) Notwithstanding any provision of P.L.2016, c.12 (C.13:8C-
16 43 et seq.) to the contrary, stewardship activities undertaken on
17 farmland on which (a) the pinelands development credits have been
18 acquired pursuant to P.L.1979, c.111 (C.13:18A-1 et seq.), and the
19 pinelands comprehensive management plan adopted pursuant
20 thereto, or the development rights have been acquired pursuant to a
21 transfer of development rights program for the Highlands Region
22 established pursuant to section 13 of P.L.2004, c.120 (C.13:20-13),
23 and (b) there is deed restriction approved by the committee, shall be
24 eligible for funding pursuant to paragraph (2) of this subsection.

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

36 d. (1) Unexpended moneys due to project withdrawals,
37 cancellations, or cost savings shall be returned to the fund.

38 (2) Moneys that have been allocated to a local government unit
39 from the fund, which are not specifically committed to an active
40 transaction 18 months after the date on which they were allocated to
41 the local government unit, shall be returned to the fund. The
42 provisions of this paragraph shall not apply to instances where the
43 purchase of a property or development easement is undergoing legal
44 review.

45 e. Notwithstanding the provisions of section 24 of P.L.1983,
46 c.32 (C.4:1C-31) or section 38 of P.L.1999, c.152 (C.13:8C-38), or
47 any rule or regulation adopted pursuant thereto, to the contrary,
48 when the committee, a local government unit, or a qualifying tax

1 exempt nonprofit organization seeks to acquire a development
2 easement on, or fee simple title to, farmland using, in whole or in
3 part, monies deposited into the Preserve New Jersey Farmland
4 Preservation Fund, the Garden State Farmland Preservation Trust
5 Fund established pursuant to section 20 of P.L.1999, c.152
6 (C.13:8C-20), or any other State monies provided for farmland
7 preservation purposes, the value of the development easement, or
8 fee simple title, as applicable, shall be determined by the following:

9 (1) the procedure set forth in section 24 of P.L.1983, c.32
10 (C.4:1C-31);

11 (2) a value determined in accordance with a formula, to be
12 known as the "Statewide Farmland Preservation Formula," which
13 formula is established by rule or regulation adopted by the
14 committee, pursuant to subsection f. of this section, and includes:

15 (a) conducting or analyzing a sufficient number of fair market
16 value appraisals of agricultural lands within the municipality in
17 which the land is located, or the surrounding market area, or both,
18 as the committee deems appropriate to determine the value of the
19 land for farmland preservation;

20 (b) considering farmland and development easement values in
21 counties and municipalities reasonably contiguous to, but outside
22 of, the municipality in which the land to be acquired is located,
23 which in the sole opinion of the committee constitute reasonable
24 farmland and development easement values for the purposes of this
25 subsection;

26 (c) considering the importance of preserving agricultural lands in
27 the municipality and county in which the land is located;

28 (d) considering the status and value of natural resources in the
29 municipality and county in which the land is located, and in
30 counties and municipalities that are reasonably contiguous to, but
31 outside of, the municipality and county in which the land is located;

32 (e) considering such other relevant factors as may be necessary
33 to increase participation in the farmland preservation program by
34 owners of agricultural lands located in the municipality and county
35 in which the land is located, including, but not limited to, the rate of
36 inflation, the quality of the agricultural soils, the size of the
37 agricultural lands to be acquired, and the risk of conversion of the
38 land from productive agriculture to nonagricultural use; and

39 (f) providing additional value for the proximity of agricultural
40 lands located adjacent to preserved agricultural lands, lands
41 preserved for recreation and conservation purposes, aquifer
42 recharge areas, lands subject to development or conservation
43 easements, and lands whose conversion to nonagricultural use
44 would lead to conflicting land uses, including, but not limited to,
45 utility and roadway rights-of-way, military bases, and airports and
46 associated airspace; and, if applicable,

47 (3) (a) in the case of property located in the pinelands area,
48 whenever the value of a development easement on farmland to be

1 acquired is determined based upon the value of any pinelands
2 development credits allocated to the parcel pursuant to P.L.1979,
3 c.111 (C.13:18A-1 et seq.) and the pinelands comprehensive
4 management plan adopted pursuant thereto, the value determined by
5 the committee pursuant to subsection e. of section 38 of P.L.1999,
6 c.152 (C.13:8C-38); or

7 (b) in the case of property located in the Highlands Region, the
8 value determined pursuant to subsection j. of section 38 of
9 P.L.1999, c.152 (C.13:8C-38).

10 The landowner shall be provided with the values determined
11 pursuant to paragraphs (1) and (2) of this subsection, and if
12 applicable, the value determined pursuant to paragraph (3) of this
13 subsection. The higher of the values shall be utilized by the
14 committee, a local government unit, or a qualifying tax exempt
15 nonprofit organization as the basis for negotiation with the
16 landowner with respect to the acquisition price. A landowner may
17 waive any of the requirements of this subsection and may agree to
18 sell the lands for less than the values determined pursuant to this
19 subsection.

20 f. Notwithstanding the provisions of the “Administrative
21 Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et seq.) to the
22 contrary, the committee shall, immediately upon filing proper
23 notice with the Office of Administrative Law, adopt rules and
24 regulations to establish the “Statewide Farmland Preservation
25 Formula” required pursuant to paragraph (2) of subsection e. of this
26 section. The rules and regulations adopted pursuant to this
27 subsection shall be in effect for a period not to exceed three years
28 after the date of the filing. These rules and regulations shall
29 thereafter be adopted, amended, or readopted by the committee in
30 accordance with the requirements of the “Administrative Procedure
31 Act,” P.L.1968, c.410 (C.52:14B-1 et seq.).

32 (cf: P.L.2023, c.245, s.2)

33
34 5. There is appropriated from the General Fund to the Garden
35 State Preservation Trust the sum of \$150,000 in order to implement
36 the provisions of section 1 of this act.

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38 6. This act shall take effect immediately.

41 STATEMENT

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43 This bill would direct the Garden State Preservation Trust
44 (GSPT) to perform, or cause to be performed, a comprehensive
45 audit of the programs and accounts overseen by the GSPT,
46 including the Green Acres program, Blue Acres program, farmland
47 preservation program, and historic property preservation program.
48 The audit would be required to provide a formal accounting of the

1 programs overseen by the GSPT, identify any inefficiencies in the
2 programs, and recommend a reallocation of funds where
3 appropriate.

4 The bill would also amend existing law to authorize local
5 governments and nonprofit organizations that receive
6 constitutionally dedicated corporation business tax (CBT) revenues
7 for farmland preservation purposes to use a certain portion of the
8 funds for administrative expenses. Specifically, the bill would
9 authorize those entities to use up to three percent of the value of the
10 development easement or fee simple title, as applicable, of the
11 property for administrative expenses.

12 Finally, the bill would provide that any moneys that have been
13 allocated to a local government from the “Preserve New Jersey
14 Farmland Preservation Fund,” which are not specifically committed
15 to an active transaction 18 months after the date on which they were
16 allocated, would be required to be returned to the fund.

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21 Directs Garden State Preservation Trust to perform audit of
22 State’s land preservation programs, authorizes local governments
23 and nonprofit organizations to utilize certain constitutionally
24 dedicated CBT revenues for administrative expenses; appropriates
25 \$150,000.