



GREEN ACRES, WATER SUPPLY AND FLOODPLAIN PROTECTION, AND FARMLAND AND HISTORIC PRESERVATION BOND ACT OF 2009

Shall the “Green Acres, Water Supply and Floodplain Protection, and Farmland and Historic Preservation Bond Act of 2009,” which authorizes the State to issue bonds in the amount of \$400 million to provide moneys for (1) the acquisition and development of lands for recreation and conservation purposes, including lands that protect water supplies, (2) the preservation of farmland for agricultural or horticultural use and production, (3) the acquisition, for recreation and conservation purposes, of properties that are prone to or have incurred flood or storm damage, and (4) funding historic preservation projects; and providing the ways and means to pay the interest on the debt and also to pay and discharge the principal thereof, with full public disclosure of all spending, be approved?

Citizens vote “yes” or “no” on public questions on the ballot.

Background:

If approved, this public question will allow the State of New Jersey to borrow up to \$400 million by issuing general obligation bonds of the State. These bonds are backed by the full faith and credit of the State with principal and interest paid from the State budget.

The Bond Act allocates the \$400 million as follows: (1) \$218 million will be used for the Green Acres program, which acquires land or rights in land that protects water supplies and preserves open space, including parks, fish and wildlife habitat, and flood prone or affected areas, and also funds park improvements and facilities; (2) \$146 million will be used for farmland preservation purposes; (3) \$24 million will be used for the “Blue Acres” program, by which the State may purchase from willing sellers, for open space preservation purposes, properties that are prone to or have incurred flood or storm damage; and (4) \$12 million will be used for historic preservation purposes. A portion of the funds is allocated to provide loans and grants to local governments and to provide matching grants to qualifying nonprofit organizations for the purposes of the act.

The Act provides a process for recommending the projects to be funded with the bond proceeds, and requires the Legislature to adopt legislation to fund such projects. The Act provides that not more than 5% of the authorized bond amount can be used for salaries, equipment, materials and similar costs necessary to administer the programs

Funds made available for similar purposes from previous bond acts and dedications are near depletion, and additional funding is required to continue such programs.

Reasons to vote “yes”:

- Open space and historic preservation provide numerous benefits, such as support for tourism, protection of our water supply, and maintenance of wildlife diversity. Farmland preservation supports an economically viable agricultural industry.
- Land costs are relatively low at present due to the national economic recession.
- Use of a bond issue allows the state to purchase additional open space without increasing taxes (although tax revenues may be needed to cover payments in the future).

Reasons to vote “no”:

- The State already has a large debt burden, which must be paid off. The state's finances are in poor shape at this time, which raises concerns about new expenditures or debt.
- If certain purchases are seen as critical, alternative funding mechanisms could be chosen for them that do not involve additional borrowing.
- New bond issues every few years do not provide a stable, sustainable source of funding for open space preservation.