

**BANKING**

**DEPARTMENT OF BANKING AND INSURANCE**

**DIVISION OF BANKING**

**PINELANDS DEVELOPMENT CREDIT BANK**

**Notice of Readoption**

**Pinelands Development Credit Bank Rules**

**Readoption with Technical Changes: N.J.A.C. 3:42**

Authorized By: Pinelands Development Credit Bank Board, Susan R. Grogan, Executive Director.

Authority: N.J.S.A. 13:18A-30 et seq.

Effective Date: September 9, 2015.

New Expiration Date: September 9, 2022.

**Take notice** that pursuant to N.J.S.A. 52:14B-5.1, the Pinelands Development Credit Bank (the Bank) rules at N.J.A.C. 3:42 are readopted and shall continue in effect for a seven-year period. The rules had been scheduled to expire on October 17, 2015. The Pinelands Development Credit Bank Board has reviewed these rules and has determined that the rules should be readopted, with technical changes to update the Bank's website address, because they are necessary, reasonable, and proper for the purpose for which they were originally promulgated. In accordance with N.J.S.A. 52:14B-5.1.c(1), timely filing of this notice extended the expiration date of the chapter seven years from the date of filing.

The Pinelands Development Credit Bank Act, N.J.S.A. 13:18A-30 et seq., established the Bank for the purpose of regulating and promoting the use of Pinelands Development Credits to

further the Pinelands Comprehensive Management Plan, which is set forth at N.J.A.C. 7:50. By facilitating the sale of Pinelands Development Credits, the Bank provides a source of remuneration for landowners whose property is located within areas of the Pinelands designated by the Comprehensive Management Plan for conservation or agricultural use.

In exchange for placing an encumbrance on the title to the property, Pinelands Development Credits are issued to the landowner who may sell or borrow against the value of the credits. Pinelands Development Credits are most often redeemed in the form of increased density allowances for those wishing to build homes in Pinelands Regional Growth Areas.

The rules being readopted establish criteria regarding the sale, transfer, conveyance, encumbrance, redemption, and documentation of Pinelands Development Credits. In addition, the rules specify the conditions under which the Bank may purchase Pinelands Development Credits.

Subchapter 1 establishes the purpose of the rules. It also enumerates the duties and powers of the Bank Board of Directors (the Board) and its Executive Director. Procedures and rules governing the Board also are set forth in this subchapter.

Subchapter 2 provides interpretations, definitions, and word usage.

Subchapter 3 outlines the procedure for the issuance of Pinelands Development Credits. It includes the eligibility criteria for landowners, as well as application requirements. It also outlines the procedures for the issuance of Pinelands Development Credit Certificates by the Bank and the use of conservation or agricultural easements. In addition, it establishes the required procedures involved with the sale, transfer, conveyance, encumbrance, and redemption of Pinelands Development Credits.

Subchapter 4 sets forth the requirements of the Registry of Pinelands Development Credits (Registry), including its contents, availability to the public and requirement of an annual report. N.J.A.C. 3:42-4.3 and 4.4 have been amended to provide an updated website address for the Bank, so that the public will be able to access the Registry and annual reports more readily.

Subchapter 5 enumerates the criteria to be considered by the Board in the purchase of credits by the Bank itself, including the definition of a hardship and the per credit price to be paid by the Bank.

Subchapter 7 establishes procedures and requirements regarding the sale of Pinelands Development Credits owned by the Bank. Two methods for such sales are permitted: open bidding at a duly advertised auction or receipt of written, sealed bids. In addition, this subchapter establishes criteria that govern the Bank's conveyance of Pineland Development Credits at no cost.

Subchapter 9 addresses amendment of these rules by the Board or by petition of an interested person.

Subchapters 6 and 8 are reserved.

**Full text** of the adopted technical changes follows (additions indicated in boldface **thus**; deletions indicated in brackets [thus]):

#### SUBCHAPTER 4. REGISTRY OF PINELANDS DEVELOPMENT CREDITS

##### 3:42-4.3 Availability of registry

(a) The Executive Director shall, upon reasonable notice, make the registry available for public inspection at the principal offices of the Bank. It is also available on the Bank's website at

[[www.state.nj.us/dobi/pinelands/pinelandsbank.htm](http://www.state.nj.us/dobi/pinelands/pinelandsbank.htm)] **<http://www.nj.gov/pinelands/pdcbank/>**.

(b) (No change.)

3:42-4.4 Annual report

(a) (No change.)

(b) The annual report shall also be made available to any person upon request. It is also available on the Bank's website at [[www.state.nj.us/dobi/pinelands/pinelandsbank.htm](http://www.state.nj.us/dobi/pinelands/pinelandsbank.htm)]

**<http://www.nj.gov/pinelands/pdcbank/>**.