

McGreevey Wins Battle To Protect State Water

By LAURA MANSNERUS

TRENTON, June 4 — Gov. James E. McGreevey's ambitious plan to rein in development in New Jersey's still-rural northwest is on its way to the Legislature after the governor and several key lawmakers agreed Friday evening to end an impasse of weeks.

Mr. McGreevey has made the plan to protect the heart of the 800,000-acre New Jersey Highlands, and especially the drinking water that it supplies to much of the state, a centerpiece of his administration's record. But Democrats from South Jersey held the plan hostage, infuriating environmentalists and prompting the governor to threaten to limit building by executive order.

On Friday, after one more in a long series of negotiating sessions, the South Jersey legislators on the Senate Environment Committee agreed to support the measure and hurriedly scheduled a committee meeting for Monday. The committee's approval would free the legislation for a vote by both chambers, which are widely expected to approve the bill.

"We appear to be on the verge of a major victory for clean drinking water," Micah Rasmussen, the governor's press secretary, said Friday evening. "It's a major step forward, and we're looking forward to Monday's action." Mr. McGreevey did not make any public statement.

The price that the governor may have paid for the deal was not clear Friday night; his aides declined to discuss the negotiations, and the legislators involved in them did not return telephone calls. Environmentalists fear that the governor may have agreed to ease restrictions on builders elsewhere in the state.

Jeff Tittel, the director of the New Jersey chapter of the Sierra Club, said his organization would fight any such proposals. But he said he was optimistic about the prospects for the governor's legislation.

"The Highlands is the most important environmental bill facing New Jersey right now, and every time it gets delayed, there are more amendments and more weakening," Mr. Tittel said. "We finally have seen the white smoke, and hopefully we'll get a bill out Monday."

The Highlands, a slice of the Appalachians, covers about 800,000 acres. The governor's proposal identifies a core of about 395,000 acres, where almost no new construction will be allowed, and, to accommodate expected growth in the western counties, sets aside a peripheral zone of about 145,000 acres where development will be encouraged. The bill does not address the remaining land.

Builders strenuously opposed the legislation, and they were joined by South Jersey legislators, led by Senator Stephen M. Sweeney.

They sought, among other things, more aid for the Pinelands, a 1.1 million-acre swath of South Jersey that is protected by the state, and property-tax assistance for the surrounding towns that have felt development pressures.

Mr. Sweeney also pressed for two measures favored by developers. One would shift some regulatory authority from the Department of Environmental Protection to the State Planning Commission, and the other would expedite environmental permits. It provides that the permits would be issued automatically if the department fails to act on applications within 90 days.

A spokesman for Mr. Sweeney, Richard McGrath, said last night that there was no tradeoff in the negotiations involving those measures. "The only agreement is that they'll talk about these things," Mr. McGrath said.

As a member of the Senate Environment Committee, Mr. Sweeney held a crucial vote in the push for the Highlands legislation, and he delayed scheduled votes on the measure several times.

Another South Jersey Democrat, John Adler, also withheld his vote.

Mr. McGreevey, thwarted by members of his own party, said after the bill's most recent failure in committee, "If they don't act, I will." While his counsel's office weighed an executive order, the governor returned to negotiations, however.

The bill, if approved by the environment committee Monday, can be posted for a floor vote. The Assembly Environment Committee has already approved the measure, and the Assembly Appropriations Committee is scheduled to vote on it Monday.

Mr. McGreevey's plan was prompted by a dire report in March from a panel he had appointed.

The panel concluded that runoff from development seriously threatened the streams and reservoirs of the Highlands, which account for more than half the state's drinking water. Two years earlier, the United States Forest Service found that the Highlands was losing 3,000 to 5,000 acres a year to development.