LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

SENATE, No. 1560

STATE OF NEW JERSEY
221st LEGISLATURE

DATED: SEPTEMBER 9, 2025

SUMMARY

Synopsis: Requires Department of Agriculture to establish Farm Vitality Planning Reimbursement Grant Program.

Type of Impact: Annual State expenditure increase.

Agencies Affected: Department of Agriculture.

Office of Legislative Services Estimate

Fiscal Impact	**Annual**
State Expenditure Increase	Indeterminate

- The Office of Legislative Services (OLS) determines that annual State expenditures will increase by an indeterminate amount for a new grant program that would reimburse farmers for eligible costs incurred in the development and implementation of plans that ensure long-term farm viability.

- The Department of Agriculture would be authorized to award grants of up to $7,500 for each eligible plan developed or implemented by a farmer, in order to reimburse up to 75 percent of eligible costs.

- The OLS finds that annual State costs cannot be determined because these costs will depend on program demand and any funding made available for the program through future appropriations made by the Legislature.

BILL DESCRIPTION

This bill would require the Department of Agriculture to establish a Farm Vitality Planning Reimbursement Grant Program. The program would reimburse farmers in the State for eligible costs for the development and implementation of plans that ensure long-term farm viability. The department may award grants of up to $7,500 through the program, in order to reimburse up to 75 percent of eligible costs. Any remaining costs would be financed by the farmer through monetary means.

Costs directly incurred by farmers associated with hiring, contracting, or employing a financial planner, accountant, business consultant, appraiser, attorney, professional facilitator, or professional mediator for the purposes of developing and implementing eligible plans would be reimbursable through the program. The bill also delineates certain costs that would not be reimbursable under the program.

The bill also requires the department to submit an annual report to the Governor and Legislature, which would include the number and dollar amount of grant awards issued during the reporting period, the types of eligible plans for which each grant was awarded, the anticipated or actual economic impacts associated with each plan, the program's success in facilitating long-term farm vitality, recommendations as to whether the program should be continued, and the amount of any funds uncommitted and available for carryforward for grant awards in future fiscal years.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS determines that annual State expenditures will increase by an indeterminate amount for a new grant program to reimburse farmers for eligible costs incurred in the development and implementation of plans that ensure long-term farm viability.

Under the Farm Vitality Planning Reimbursement Grant Program, the Department of Agriculture would be authorized to award grants of up to $7,500 for each eligible plan developed or implemented by a farmer, in order to reimburse up to 75 percent of approved costs. The OLS finds that annual State costs cannot be determined because these costs will depend on program demand and any funding made available for the program through future appropriations made by the Legislature. The OLS notes the department may incur indeterminate additional staffing costs related to the establishment and administration of the new program.

The United States Department of Agriculture's 2022 Census of Agriculture, the most recent one available, reported that New Jersey had 9,998 farms as of 2022. For reference only, the OLS notes that similar farm viability programs have been funded in other states, including Massachusetts and Vermont. In Massachusetts, which had 7,083 farms as of 2022, a Farm Viability Enhancement Program awarded $800,000 in grant funding in FY 2025. In Vermont, which had 6,537 farms as of 2022, a Farm and Forest Viability Program awarded $943,745 in grant funding in FY 2024.

Section:	*Environment, Agriculture, Energy, and Natural Resources*
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This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).