

P.L. 2019, CHAPTER 34, *approved February 7, 2019*
Senate, No. 1057 (*Second Reprint*)

1 AN ACT concerning loans to vineyards and wineries and
2 supplementing P.L.1974, c.80 (C.34:1B-1 et seq.).
3

4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:
6

7 1. As used in P.L. , c. (C.) (pending before the
8 Legislature as this bill):

9 "Authority" shall have the same meaning as provided in section 3
10 of P.L.1974, c.80 (C.34:1B-3).

11 "Department" means the Department of Agriculture established
12 pursuant to R.S.4:1-1.

13 "Qualified capital expense" means all expenditures made by an
14 eligible vineyard or winery for land acquisition or improvement,
15 infrastructure acquisition or modernization, and the purchase or
16 modernization of machinery and equipment, including:

- 17 a. barrels;
- 18 b. bins;
- 19 c. bottling equipment;
- 20 d. canopy management machines;
- 21 e. capsuling equipment;
- 22 f. chemicals;
- 23 g. corks;
- 24 h. crushers;
- 25 i. deer control fencing;
- 26 j. destemmers;
- 27 k. fermenters or other recognized fermentation devices;
- 28 l. fertilizer and soil amendments;
- 29 m. filters;
- 30 n. fruit harvesters;
- 31 o. fruit plants;
- 32 p. hoses;
- 33 q. irrigation equipment;
- 34 r. labeling equipment;
- 35 s. lugs;
- 36 t. mowers;
- 37 u. poles;
- 38 v. posts;

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.

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate SEG committee amendments adopted January 25, 2018.

²Senate amendments adopted in accordance with Governor's
recommendations September 27, 2018.

1 w. presses;
2 x. pruning equipment;
3 y. pumps;
4 z. refractometers;
5 aa. refrigeration equipment;
6 bb. seeders;
7 cc. soil;
8 dd. small tools;
9 ee. tanks;
10 ff. tractors;
11 gg. vats;
12 hh. weeding and spraying equipment;
13 ii. wine tanks;
14 jj. wire; and
15 kk. any other items as approved by the authority in consultation
16 with the department.

17 “Vineyard” means agricultural lands located in the State consisting
18 of at least one contiguous acre dedicated to the growing of grapes or
19 other fruit that are used or are intended to be used in the production of
20 wine by a winery as well as any other plants or other improvements
21 located thereon.

22 “Winery” means a commercial farm where the owner or operator
23 of the commercial farm has been issued and is operating in compliance
24 with a plenary winery license or farm winery license pursuant to
25 R.S.33:1-10.

26

27 2. a. The New Jersey Economic Development Authority, in
28 consultation with the Department of Agriculture, shall maintain and
29 administer a loan program and application process for the purpose
30 of providing loans to eligible vineyards or wineries to pay for
31 qualified capital expenses.

32 ²[b. The authority, in consultation with the department, shall
33 provide a loan to an eligible vineyard or winery to pay for qualified
34 capital expenses. A loan amount shall be no less than \$10,000 and
35 no greater than \$100,000 to each eligible vineyard or winery, bear a
36 rate of interest between three and five percent, and shall be
37 repayable over a term of up to 10 years, as determined by the
38 authority and department. A vineyard or ¹winery that plans to use
39 funds from the prospective loan to acquire more real property in
40 order to expand its business shall be eligible for higher loan
41 amounts with lower interest rates as determined by the authority
42 and department.]²

43 ²[c.] b.² A loan to an eligible vineyard or winery authorized
44 under P.L. , c. (C.) (pending before the Legislature as this
45 bill) shall be made pursuant to a loan agreement with the authority
46 and shall contain any terms and conditions considered appropriate
47 by the authority that are consistent with the purposes of P.L. ,
48 c. (C.) (pending before the Legislature as this bill). The

1 provisions of the loan agreement shall include, but not be limited to,
2 a statement the proportional shares of ownership in eligible
3 vineyard or winery, equipment usage and maintenance
4 responsibilities, and loan repayment responsibilities for any loan
5 proceeds received under the loan program.

6 ²**[d.] c.**² The authority may, in its discretion, require an
7 eligible vineyard or winery that receives a loan authorized pursuant
8 to P.L. , c. (C.) (pending before the Legislature as this bill)
9 to submit an annual audited financial statement to the authority in
10 order to ensure the continued viability of all vineyard or winery
11 operations.

12 ²**[e.] d.**² The authority may, either through the adoption of
13 rules and regulations, or through the terms of the loan agreement
14 made pursuant to subsection c. of this section, establish terms
15 governing the incidence of default by an eligible vineyard or winery
16 that receives a loan under the program administered pursuant to
17 P.L. , c. (C.) (pending before the Legislature as this bill).
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19 3. The authority, in consultation with the department, may
20 adopt rules and regulations, pursuant to the "Administrative
21 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), as may be
22 necessary to effectuate the purposes of P.L. , c. (C.)
23 (pending before the Legislature as this bill).
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25 4. This act shall take effect immediately.
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30 Requires EDA, in consultation with Department of Agriculture,
31 to establish loan program for certain vineyard and winery capital
32 expenses.