

LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

ASSEMBLY, No. 2773

STATE OF NEW JERSEY
219th LEGISLATURE

DATED: AUGUST 3, 2020

SUMMARY

- Synopsis:** Allows certain preserved farms in certain counties to hold 14 special occasion events per year during three-year pilot program; imposes further event restrictions on residentially-exposed preserved farms.
- Type of Impact:** Three-year increase in State and local expenditures.
- Agencies Affected:** State Agriculture Development Committee, State Board of Agriculture, certain county agriculture development boards, certain counties and municipalities.

Office of Legislative Services Estimate

Fiscal Impact	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
State Expenditure Increase		Indeterminate	
Local Expenditure Increase		Indeterminate	

- The Office of Legislative Services (OLS) estimates that the bill may result in a marginal increase in State expenditures, expenditures of the counties of Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, and Salem (pilot counties), and expenditures of municipalities in those counties during the pilot period. The OLS notes that the pilot program established by the bill would expire after three years, ending the expenditure increase.
- The bill imposes additional administrative tasks on the SADC, the State Board of Agriculture, and the county agriculture development boards of pilot counties. For example, the bill requires the SADC to adopt—after review from the State Board of Agriculture—rules and regulations to implement the bill's provisions, and to notify the appropriate county board whenever it suspends an owner of preserved farmland from conducting special occasion events. These additional tasks can likely be subsumed within existing staff duties.

BILL DESCRIPTION

This bill would direct the SADC to create a three-year pilot program, to operate in the pilot counties. Through the pilot program, the bill would allow an owner of preserved farmland to hold

fourteen special occasion events on the owner's preserved farmland per year, if located in a non-residentially-exposed area unless a greater number of special occasion events is permitted by municipal ordinance. The pilot program would also allow seven special occasion events if the preserved farmland is located in a residentially-exposed area unless a greater number of special occasion events is permitted by municipal ordinance.

Except as otherwise provided under the pilot program, a special occasion event held through the pilot program would be required to comply with all applicable municipal ordinances, resolutions, or regulations relating to noise control, solid waste, parking, traffic, and the protection of public health and safety. However, a special occasion event conducted in accordance with the pilot program's requirements would not require a variance or site plan approval.

The owner of preserved farmland that violates the provisions of the bill may be subject to various civil penalties. A person aggrieved by a violation of the requirements of the bill would be required to file a complaint with the applicable county board, or with SADC in counties where no county board exists, prior to filing an action in court.

During the time of the pilot program, the bill would require each county board of a pilot county to prepare an annual report that summarizes the special occasion events held on preserved farmland in the county of the board's jurisdiction and makes recommendations regarding the pilot program. The bill would require SADC to prepare a report at least ninety days prior to the expiration of the pilot program. This report would review the implementation and operation of the pilot program, summarize the findings and recommendations of the annual reports received by the committee, and make recommendations to the Governor and Legislature as to whether to amend, extend, or make the pilot program permanent.

Lastly, the bill provides rulemaking authority to SADC, however, rules and regulations promulgated by SADC to effectuate the provisions of the bill would not take effect until approved by the State Board of Agriculture, at which point the pilot program would take effect. The bill directs SADC to ensure that the rules and regulations provide that the holding of a special occasion event on preserved farmland would not (1) interfere with any agricultural deed restrictions for farmland preservation purposes on the preserved farmland, or (2) result in the use of preserved farmland for primarily non-agricultural or horticultural purposes.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS estimates that the bill may result in a marginal increase in State expenditures, expenditures of pilot counties, and expenditures of municipalities in pilot counties during the pilot period. The OLS notes that the pilot program established by the bill would expire after three years, ending the expenditure increase.

The bill imposes additional administrative tasks on the SADC, the State Board of Agriculture, and the county agriculture development boards of pilot counties. For example, the bill requires the SADC to adopt—after review from the State Board of Agriculture—rules and regulations to implement the bill's provisions, and to notify the appropriate county board whenever it suspends an owner of preserved farmland from conducting special occasion events. The administrative burden will likely be mitigated by the fact that the SADC has already adopted rules to implement

a similar program, namely the pilot program to allow special occasion events at wineries on preserved farmland. In addition, the bill requires the SADC and the county boards of pilot counties to prepare and submit a report to the Governor and the Legislature on the pilot program established by the bill, and to review complaints from persons aggrieved by a violation of the requirements of the bill. These additional tasks can likely be subsumed within existing staff duties.

The bill also provides for the SADC to enforce the bill's provisions. However, the amount of money or personnel utilized for enforcement and inspection is discretionary, and may vary from year to year. There may also be marginal recurring revenue gains from the civil administrative penalties associated with the bill. Finally, to the extent that the special occasion events authorized by the bill would require local enforcement of municipal ordinances, there may be a marginal increase in expenditures of municipalities located in pilot counties.

Section: Environment, Agriculture, Energy, and Natural Resources

*Analyst: Eric Hansen
Associate Research Analyst*

*Approved: Frank W. Haines III
Legislative Budget and Finance Officer*

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.).