ASSEMBLY, No. 2772

STATE OF NEW JERSEY

220th LEGISLATURE

INTRODUCED FEBRUARY 28, 2022

Sponsored by:

Assemblyman ROY FREIMAN
District 16 (Hunterdon, Mercer, Middlesex and Somerset)
Assemblyman RAJ MUKHERJI
District 33 (Hudson)
Assemblyman RONALD S. DANCER
District 12 (Burlington, Middlesex, Monmouth and Ocean)

SYNOPSIS

Authorizes special occasion events at certain farms on preserved farmland, under certain conditions.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 3/14/2022)

AN ACT concerning special occasion events on preserved farmland 2 and supplementing Title 4 of the Revised Statutes.

BE IT ENACTED by the Senate and General Assembly of the State of New Jersey:

- 1. The Legislature finds and declares that:
- a. Over 2,600 farms comprising over 236,00 acres of farmland have been preserved in New Jersey since the inception of the State's farmland preservation program;
- b. the original intent of the farmland preservation program was to prevent suburban sprawl and the conversion of agriculturally suitable land to other purposes, and to keep agriculture as an economically attractive business in the State;
- c. agriculture should be viewed as simultaneously a land use and a business enterprise, and preservation of farmland is not meant to prevent farmers from marketing products or engaging in practices that enhance long-term viability of the farm;
- d. keeping agriculture as a sustainable industry in the State ensures residents have continued access to fresh food with low environmental impact;
- e. the growing interest in agritourism, i.e., activities that attract the public to working farms for enjoyment or education of visitors and generate supplementary income for the farmer, has provided farmers with supplemental revenue and enhanced opportunities to market the State's agricultural and horticultural products;
- f. with proper oversight, special occasion events on preserved farmland can have minimal impact on land's viability for farming and provide for new business opportunities for farmers in the State without displacing agricultural or horticultural production as the first priority use of preserved farmland or disrupting neighborhoods that surround preserved farms.

2. As used in this act:

"Board" means a county agriculture development board established pursuant to section 7 of P.L.1983, c.32 (C.4:1C-14).

"Commercial farm" means (1) a farm management unit of no less than five acres producing agricultural or horticultural products worth \$2,500 or more annually, and satisfying the eligibility criteria for differential property taxation pursuant to the "Farmland Assessment Act of 1964," P.L.1964, c.48 (C.54:4-23.1 et seq.), (2) a farm management unit less than five acres, producing agricultural or horticultural products worth \$50,000 or more annually and otherwise satisfying the eligibility criteria for differential property taxation pursuant to the "Farmland Assessment Act of 1964," P.L.1964, c.48 (C.54:4-23.1 et seq.), or (3) a farm management unit that is a beekeeping operation producing honey or other agricultural or

1 horticultural apiary-related products, or providing crop pollination 2 services, worth \$10,000 or more annually.

3 "Committee" means the State Agriculture Development 4 Committee established pursuant to section 4 of P.L.1983, c.31 5 (C.4:1C-4).

"Grantee" means the entity to which the development rights of a preserved farm were conveyed pursuant to the provisions of section 24 of P.L.1983, c.32 (C.4:1C-31), section 5 of P.L.1988, c.4 (C.4:1C-31.1), section 1 of P.L.1989, c.28 (C.4:1C-38), section 1 of P.L.1999, c.180 (C.4:1C-43.1), sections 37 through P.L.1999, c.152 (C.13:8C-37 through C.13:8C-40), or any other State law enacted for farmland preservation purposes. "Grantee" shall include all entities which lawfully succeed to the rights and responsibilities of a grantee, including, but not limited to, the grantee's successors and assigns.

"Occupied area" means any area supporting the activities and infrastructure associated with a special occasion event including, but not limited to: an area for parking, vendors, tables, equipment, infrastructure, or sanitary facilities; an existing building; or a temporary or portable structure.

"Preserved farmland" means land on which a development easement was conveyed to, or retained by, the State Agriculture Development Committee, a county agriculture development board, a county, a municipality, or a qualifying tax exempt nonprofit organization pursuant to the provisions of section 24 of P.L.1983, c.32 (C.4:1C-31), section 5 of P.L.1988, c.4 (C.4:1C-31.1), section 1 of P.L.1989, c.28 (C.4:1C-38), section 1 of P.L.1999, c.180 (C.4:1C-43.1), sections 37 through 40 of P.L.1999, c.152 (C.13:8C-37 through C.13:8C-40), or any other State law enacted for farmland preservation purposes.

"Special occasion event" means a wedding, lifetime milestone event, or other cultural or social event conducted, in whole or in part, on preserved farmland on a commercial farm. "Special occasion event" shall not include:

- (1) an activity which is eligible to receive right to farm benefits pursuant to the "Right to Farm Act," P.L.1983, c.31 (C.4:1C-1 et seq.);
- (2) a recreational use permitted pursuant to a farmland preservation deed of easement; or
 - (3) a wedding held for:
- (a) a spouse, parent, child, grandparent, grandchild, sibling, niece, nephew, or cousin of the landowner of the commercial farm; or
 - (b) the operator or an employee of the commercial farm.

3. a. Notwithstanding any law, or any rule or regulation adopted pursuant thereto, to the contrary, a person may hold a special occasion event on preserved farmland, provided that the person complies with the reporting and approval requirements set forth in section 4 of this act, and the special occasion event is held in compliance with the

requirements of this section and the rules and regulations adopted by the committee pursuant to section 7 of this act.

- b. The owner or operator of a commercial farm located on preserved farmland that produces agricultural or horticultural products worth \$5,000 or more annually may hold special occasion events on the farm. The special occasion event shall comply with the following requirements:
- (1) A special occasion event shall have a maximum duration of three consecutive calendar days if the event is marketed as a single event. An event shall be considered a single special occasion event, even if the event lasts for more than one day, if the event:
 - (a) is marketed as a single event;

- (b) occurs only on consecutive days; and
- (c) does not last for more than three days.
- (2) A special occasion event shall not interfere with the use of the preserved farmland for agricultural or horticultural production. The special occasion event shall have minimal effects on the occupied area, and shall be designed to protect the agricultural resources of the land and ensure that the land can be readily returned to productive agricultural or horticultural use after the event.
- (3) A special occasion event that involves the service of alcoholic beverages shall comply with all applicable State and local laws, regulations, resolutions, and ordinances.
- (4) All applicable State and local laws, regulations, resolutions, and ordinances including, but not limited to, those concerning food safety, litter, noise, solid waste, traffic, and the protection of public health and safety shall apply to the special occasion event and all activities related thereto.
- (5) A special occasion event shall not cause a significant and direct negative impact to any surrounding properties.
- (6) No new structures shall be constructed or erected on preserved farmland for the purpose of holding a special occasion event, and improvements to existing structures shall be limited to the minimum required for the protection of public health and safety;
- (7) No public utilities including water, gas, or sewer lines shall be extended to the preserved farmland for the purpose of holding special occasion events, except that electric service may be extended to preserved farmland for the purpose of holding special occasion events.
- (8) The occupied area associated with a special occasion event shall be limited to the greater of:
 - (a) two and one-half acres, or
- (b) five percent of the preserved farmland, up to a maximum of five acres.
- (9) Any temporary structures, including an enclosed or open canopy or tent or other portable structure or facility, utilized for a special occasion event shall be erected only for the minimum amount of time reasonably necessary to accommodate the special occasion event.

- (10) Parking at a special occasion event shall be provided through the use of existing parking areas on the farm and curtilage surrounding existing buildings to the extent possible. Additional on-site areas required to provide temporary parking shall comply with the standards for on-farm direct marketing facilities, activities, and events adopted by the committee pursuant to P.L.1983, c.31 (C.4:1C-1 et seq.).
- c. (1) No commercial farm shall hold more than one special occasion event per calendar day.
- (2) A commercial farm that produces agricultural or horticultural products worth between \$5,000 and \$100,000 annually may hold up to a maximum of 30 special occasion events per calendar year, of which four may have 250 guests or more in attendance at any time during the event.
- (3) A commercial farm that produces agricultural or horticultural products worth \$100,000 or more annually may hold up to a maximum of 52 special occasion events per calendar year, of which 12 may have 250 guests or more in attendance at any time during the event.
- d. A retail food establishment other than a temporary retail food establishment, as those terms are defined in the State Sanitary Code adopted pursuant to section 7 of P.L.1947, c.177 (C.26:1A-7), shall not operate on a commercial farm in support of a special occasion event.
- e. Notwithstanding any law, or any rule or regulation adopted pursuant thereto, to the contrary, a special occasion event during which fewer than 250 people will be in attendance as guests at any time may be held without a variance or site plan approval.
- f. Nothing in this act, or the rules and regulations adopted by the committee pursuant to section 7 of this act, shall apply to any special occasion event held on land that is not on preserved farmland.

4. a. No person shall hold a special occasion event during which 250 guests or more will be in attendance at any time during the event on preserved farmland pursuant to this act unless the owner or operator of the commercial farm applies to the grantee for approval pursuant to this section; except that if the grantee is the owner of the preserved farmland, the application shall be made to the committee for approval. An owner or operator shall not be required to apply to the grantee for approval for a special occasion event during which fewer than 250 people will be in attendance as guests at any time, provided that the owner or operator complies with the requirements of paragraph (1) of subsection b. and subsection d. of this section.

A grantee whose approval is required for a special occasion event during which 250 guests or more in attendance at any time during the event shall develop an application process by which an owner or operator of a commercial farm located on preserved farmland may apply for approval. The application shall, at a minimum, allow the grantee, or committee, as applicable, to determine:

(1) the annual value of agricultural or horticultural products produced by the commercial farm;

- (2) the number of special occasion events held on the commercial farm during the calendar year;
 - (3) the maximum attendance of the special occasion event;
- (4) the acreage of the occupied area, as delineated on a map or aerial photograph, to be used for the special occasion event; and
- (5) whether the farm is in compliance with its farmland preservation deed of easement.

To the maximum extent possible, the application process shall allow an owner or operator to submit readily available existing data or documentation.

- b. (1) Upon request of the grantee, or committee, as applicable, the owner or operator of the commercial farm shall provide evidence that a proposed special occasion event on preserved farmland will be in compliance with State and local laws as required in paragraphs (3) and (4) of subsection b. of section 3 of this act.
- (2) The grantee, or committee, as applicable, may condition its approval upon receipt of evidence from the municipality, county, or applicable State agency that the event will comply with the provisions of paragraphs (3) and (4) of subsection b. of section 3 of this act.
- c. The grantee, or committee, as applicable, may approve an application for a special occasion event during which 250 guests or more will be in attendance at any time during the event made pursuant to this section upon a finding that the special occasion events on the preserved farmland that are the subject of the application are in compliance with the requirements of this act and any rules and regulations adopted by the committee to implement this act. The grantee shall forward a copy of its approval to the committee and to the board in the county in which the preserved farmland is located.
- d. An applicant shall annually certify to the grantee, or committee, as applicable, in a form and manner to be prescribed by the grantee, or committee, as applicable, information about all special occasion events held in the prior calendar year, including, but not limited to, the date, occasion, and approximate number of attendees of each event. The grantee shall forward a copy of the certification to the committee.
- e. Upon the effective date of this act, and prior to the adoption by the committee of rules and regulations pursuant to section 7 of this act, a grantee, or the committee, as applicable, may accept applications pursuant to this section and approve applications for special occasion events that comply with the provisions of this act. Upon the adoption of rules and regulations pursuant to section 7 of this act, approvals pursuant to this section shall also comply with the rules and regulations adopted by the committee.

5. a. The committee and the grantee have the right, without advance notice, to inspect a preserved farm on which special occasion events are held, upon presentation of appropriate credentials during

normal business hours or during a special occasion event, in order to determine compliance with the provisions of this act.

- b. The committee or the grantee may, upon reasonable cause, order and specify the scope of an audit of the owner or operator of a commercial farm engaged in conducting special occasion events on preserved farmland for the purpose of determining compliance with this act. The audit shall be conducted by an independent certified public accountant approved by the committee, and the reasonable costs thereof shall be paid by the owner or operator of the commercial farm. The committee may establish a list of independent certified public accountants approved for the purposes of conducting an audit pursuant to this subsection. Copies of the audit shall be submitted to the grantee, the committee, and the owner or operator of the commercial farm.
- c. An owner or operator of a commercial farm engaged in conducting special occasion events on preserved farmland shall not be subjected to an audit authorized pursuant to this section more than once per year without good cause demonstrated by the grantee or the committee.

- 6. a. An owner or operator of a commercial farm who violates the provisions of this act shall be liable to a civil administrative penalty of up to \$250 for the first offense, up to \$500 for the second offense, or up to \$1,000 for a third and subsequent offense. Each day in which a violation occurs shall be considered a separate offense.
- b. In addition to the penalties established pursuant to subsection a. of this section:
- (1) for a second offense, the committee shall suspend the owner or operator of the commercial farm from holding special occasion events for a period of up to six months;
- (2) for a third offense, the committee shall suspend the owner or operator of the commercial farm from holding special occasion events for a period of six months up to one year; and
- (3) for a fourth or subsequent offense, the committee shall suspend the owner or operator of the commercial farm from holding special occasion events for a period of at least one year, or may permanently suspend the owner or operator of the commercial farm from holding special occasion events.
- c. No civil administrative penalty pursuant to subsection a. of this section or penalty established in subsection b. of this section shall be imposed pursuant to this section until after the owner or operator of the commercial farm has been notified of the alleged violation by certified mail or personal service. The notice shall include:
- (1) a reference to the section of the statute, regulation, order, or condition alleged to have been violated;
- (2) a concise statement of the facts alleged to constitute a violation;

- (3) a statement of the amount of the civil administrative penalty that may be imposed and the duration of the suspension that may be imposed, if any; and
 - (4) a statement of the right of the owner or operator to a hearing.

The owner or operator served with the notice shall have 20 days after the receipt of the notice to request in writing a hearing before the committee. After the hearing, if the committee finds that a violation has occurred, the committee may issue a final order assessing the amount of the civil administrative penalty set forth in the notice and imposing the suspension, if any. If no hearing is requested, then the notice shall become a final order 20 days after the date upon which the notice was served. Payment of the civil administrative penalty shall be due, and duration of the suspension, if any, shall begin, on the date when a final order is issued or the notice becomes a final order.

A civil administrative penalty imposed pursuant to this section may be collected, with costs, in a summary proceeding pursuant to the "Penalty Enforcement Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.). The Superior Court and the municipal court shall have jurisdiction to enforce the provisions of the "Penalty Enforcement Law of 1999" in connection with this act.

d. The committee shall notify, in writing, the board in the county in which the preserved farmland is located and the applicable grantee when it suspends an owner or operator of a commercial farm from holding special occasion events pursuant to subsection b. of this section.

7. The committee shall adopt, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), rules and regulations to implement this act, including any rules and regulations necessary to determine compliance with the requirements of section 3 of this act.

- 8. a. The committee shall prepare a report annually on the implementation of this act, and shall submit the report to the Governor, and to the Legislature pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1).
 - b. The report shall include:
- (1) the number of preserved farms on which special events are held and the number of preserved farms for which approvals to hold special occasion events during which 250 guests or more will be in attendance at any time during the event have been issued by grantees;
 - (2) the frequency, type, and size of special occasion events held;
- (3) the extent to which municipalities, county agriculture development boards, and qualifying tax exempt nonprofit organizations that hold a development easement on preserved farmland report problems associated with the holding of special occasion events;
- (4) the number of audits that have been conducted pursuant to section 5 of this act; and

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(5) an accounting of penalties collected pursuant to section 6 of this act.

9. This act shall take effect immediately.

STATEMENT

This bill would authorize commercial farms that are located on preserved farmland, and produce agricultural or horticultural products worth \$5,000 or more annually, to hold special occasion events, subject to certain conditions.

The bill would establish various restrictions on the special occasion events. For example, under section 3 of the bill, a special occasion event: (1) may not interfere with the use of the preserved farmland for agricultural or horticultural production; (2) may not cause a significant and direct negative impact to any surrounding properties; (3) must be designed to protect the agricultural resources of the land and ensure that the land can be readily returned to productive agricultural or horticultural use after the event; (4) may not violate any applicable State and local laws, regulations, resolutions, and ordinances including those concerning alcohol, food safety, litter, noise, solid waste, traffic, and the protection of public health and safety; and (5) may not involve the construction of any new structures or water or sewer utilities on the preserved farmland.

Under the bill, a farm that produces agricultural or horticultural products worth between \$5,000 and \$100,000 annually may hold up to a maximum of 15 special occasion events per calendar year, of which two may have 250 guests or more in attendance. A farm that produces agricultural or horticultural products worth \$100,000 or more annually may hold up to a maximum of 52 special occasion events per calendar year, of which 12 may have 250 guests or more in attendance. An event would be considered as a single special occasion event, even if the event lasts for more than one day, provided the event is marketed as a single event, occurs only on consecutive days; and does not last for more than three days.

A person holding a special occasion event during which 250 guests or more will be in attendance at any time during the event would be required to apply to the grantee of the farm, i.e. the entity to which the development rights of the farm have been transferred, for approval prior to holding a special occasion event, or if the grantee is the owner of the preserved farmland, the application would be made to the State Agriculture Development Committee (SADC) for approval. Special occasion event during which fewer than 250 people will be in attendance as guests at any time would not need to receive approval, provided the owner or operator of the commercial farm complies with certain requirements set forth in

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section 4 of the bill. The bill directs grantees to develop an application process for special occasion events during which 250 guests or more in attendance at any time during the event, and the bill imposes certain minimum requirements on this application. For example, it requires the application to allow the grantee or the SADC as applicable, to determine the value of agricultural goods produced by the farm, the number of special occasion events already held on the farm that year, and the area of the preserved farmland to be used for the special occasion event. In addition, the application process should allow an owner or operator to submit readily available existing data or documentation. The bill would authorize a grantee or the SADC, as applicable, upon the effective date of the bill, and prior to the adoption by the SADC of rules and regulations pursuant to section 6 of the bill, to accept applications under the bill and approve applications for special occasion events that comply with the provisions of the bill. Upon the adoption of rules and regulations by the SADC under the bill, applications and approvals would also be required to comply with those rules and regulations.

The bill would also allow the SADC and the appropriate grantee to inspect preserved farms on which special occasion events are held, upon presentation of appropriate credentials during normal business hours or during a special occasion event, in order to determine compliance with the bill's provisions. In addition, the bill would allow the SADC or the grantee, upon reasonable cause, to order an audit of a farm to verify that it is in compliance with the bill's provisions.

Under the bill, an owner or operator of a commercial farm who violates the bill's provisions would be subject to a civil administrative penalty of up to \$250 for the first offense, up to \$500 for the second offense, or up to \$1,000 for a third and subsequent offense. In addition, an owner or operator who repeatedly violates the bill's provisions would be prohibited from holding special occasion events on the preserved farm for a period of time that increases along with the number of violations.

The bill would require the SADC to submit an annual report to the Governor and the Legislature that includes the number of special occasion events held that year, the number of audits conducted, the amount of penalties collected, and a description of any problems associated with the holding of special occasion events reported by municipalities, county agriculture development boards, and nonprofit organizations that are grantees. Finally, the bill would require the SADC to adopt rules and regulations to implement the provisions of the bill.