# ASSEMBLY COMMITTEE SUBSTITUTE FOR

## ASSEMBLY, No. 2772

## STATE OF NEW JERSEY

## 220th LEGISLATURE

ADOPTED MARCH 21, 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)

Co-Sponsored by:

Assemblymen Conaway, Guardian, Assemblywoman Sawyer, Assemblymen Space and Wirths

### **SYNOPSIS**

Authorizes special occasion events at certain commercial farms on preserved farmland, under certain conditions; appropriates \$85,000.

### **CURRENT VERSION OF TEXT**

Substitute as adopted by the Assembly Agriculture Committee.



(Sponsorship Updated As Of: 3/24/2022)

1 AN ACT concerning special occasion events at certain preserved 2 farmland, supplementing Title 4 of the Revised Statutes, and 3 making an appropriation.

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

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- 1. The Legislature finds and declares that:
- a. Over 2,700 farms comprising over 241,000 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; and
- 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.

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- 2. As used in P.L. , c. (C. ) (pending before the Legislature as this bill):
  - "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 the same as that term is defined in section 3 of P.L.1983, c.31 (C.4:1C-3), except that "commercial farm" shall not include a farm that qualifies for farmland assessment pursuant to the "Farmland Assessment Act of 1964,"

  P.L. 1964, a 48 (C.54) 23.1 at seq.) based entirely on a woodland
- 44 P.L.1964, c.48 (C.54:4-23.1 et seq.), based entirely on a woodland
- 45 management plan pursuant to section 3 of P.L.1964, c.48 (C.54:4-
- 46 23.3).

1 "Committee" means the State Agriculture Development 2 Committee established pursuant to section 4 of P.L.1983, c.31 3 (C.4:1C-4).

"Exception area" means a portion of a commercial farm that, although identified in the deed of easement, is unencumbered by the farmland preservation deed of easement restrictions applicable to preserved farmland pursuant to rules and regulations of the committee.

"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.);
- 31 (2) a recreational use permitted pursuant to a farmland 32 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
- 37 (b) the landowner, operator, or an employee of the commercial 38 farm.

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

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 requirements set forth in P.L. , c. (C. ) (pending before the Legislature as this bill), 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 6 of P.L. , c. (C. ) (pending before the Legislature as this bill).
  - b. The owner or operator of a commercial farm located on preserved farmland that produces agricultural or horticultural products worth \$10,000 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 two 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 two days.
  - (2) A special occasion event shall be designed to 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) (a) 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. To comply with local laws, regulations, resolutions, and ordinances, the municipality may designate an office or agency of the municipality to review applications for conducting special occasion events. A municipality may require an application if the special occasion event would:
  - (i) generate a parking or traffic flow situation that could unreasonably interfere with the movement of normal traffic or emergency vehicles or other organized group sharing similar common purposes or goals proceeding in or upon any street, park, or other public place within the municipality; or
  - (ii) require the expenditure of municipal resources or inspections from agencies or authorities of the municipality.
- (b) For an application submitted in accordance with subparagraph (a) of this paragraph, the municipality shall not charge an application fee of more than \$200. The application shall not require more information than an identification of locations of where tents and other temporary structures will be located for each event, where music will be played, the number of expected guests, and other information that may be of public concern and would be required of a similar event when conducted at a public park or another public venue.

(5) No new permanent 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 health and safety.

- (6) 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 the "Right to Farm Act," P.L.1983, c.31 (C.4:1C-1 et seq.).
- (7) The occupied area associated with a special occasion event, excluding parking areas, shall be no more than 15 percent of the preserved farmland.
- c. Notwithstanding the provisions of this subsection to the contrary, a municipality may adopt a municipal ordinance to increase the number of, and allowable attendance at, special occasion events. A commercial farm shall not hold more than one special occasion event with over 75 guests per calendar day. Unless the number of permitted special occasion events, or the number of permitted guests per special occasion event, or both, is increased by municipal ordinance, the frequency and attendance of special occasion events shall be limited as follows:
- (1) A commercial farm may hold 26 special occasion events each calendar year, of which only six special occasion events may have 250 guests or more in attendance at any time during the event. If all roads on the perimeter of a commercial farm have a speed limit of 25 miles per hour or less, then the municipality, by ordinance, may restrict the commercial farm to holding, no more than two special occasion events per calendar year with 1,500 guests or more in attendance at any time during the event.
- (2) No more than 15 of the special occasion events permitted each calendar year shall be held indoors in a permanent structure, of which only two special occasion events may have 250 guests or more in attendance at any time during the event. A municipality may further limit the number of special occasion events that may be held indoors in a permanent structure to no more than seven special occasion events, of which only one special occasion event may have 250 guests or more in attendance at any time during the event. Events attended by fewer than 75 people shall not be considered special occasion events for the purposes of indoor event limitations. A winery shall not be restricted by special occasion event limitations specific to indoor events, as provided by this paragraph, but shall be restricted by paragraph (1) of this subsection.
- 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

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occasion event. The limitations of this subsection on the use of a retail food establishment shall not apply to a special occasion event held by a winery or to a retail food establishment based at the commercial farm.

- e. Nothing in P.L. , c. (C. ) (pending before the Legislature as this bill), or the rules and regulations adopted by the committee pursuant to section 6 of P.L. , c. (C. ) (pending before the Legislature as this bill), shall apply to any special occasion event that is not held, in whole or in part, on preserved farmland on a commercial farm.
- With the exception of the requirements of P.L. ) (pending before the Legislature as this bill) related to the numerical limitations for special occasion events and the application of local laws, regulations, resolutions, and ordinances to special occasion events, along with any associated rules and regulations adopted by the committee pursuant to section 6 of P.L. , c. (C. ) (pending before the Legislature as this bill), no other requirements of P.L., c. (C. ) (pending before the Legislature as this bill) shall apply to an exception area. For the purposes of P.L., c. (C. ) (pending before the Legislature as this bill), an exception area shall be considered a part of the preserved farmland, except that paragraph (5) of subsection b. of this section concerning the construction or erection of permanent structures shall not apply to an exception area.

- 4. a. The board shall 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 P.L. , c. (C. ) (pending before the Legislature as this bill).
- b. An owner or operator of a commercial farm engaged in conducting special occasion events on preserved farmland shall not be subjected to an inspection for any particular type of event authorized pursuant to P.L. , c. (C. ) (pending before the Legislature as this bill) more than once per year unless one or more additional inspection is prompted by a complaint concerning State and local laws, regulations, resolutions, and ordinances as described in paragraph (4) of subsection b. of section 3 of P.L. , c. (C. ) (pending before the Legislature as this bill).

5. a. An owner or operator of a commercial farm who violates the provisions of P.L. , c. (C. ) (pending before the Legislature as this bill) shall be liable to a civil administrative penalty of up to \$500 for the first offense, up to \$2,500 for the second offense, or up to \$5,000 for a third and subsequent offense. Each day in which a violation occurs shall be considered a separate offense. A board shall have the authority to assess a civil

administrative penalty against a commercial farm located within the same county in accordance with this section.

- b. In addition to the penalties established pursuant to subsection a. of this section:
- (1) for a second offense, the board 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 board 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 board 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.
- d. The owner or operator served with notice pursuant to subsection c. of this section shall have 20 days after the receipt of the notice to request in writing a hearing before the board. After the hearing, if the board finds that a violation has occurred, the board 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.
- e. 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 P.L. ,
- 47 c. (C. ) (pending before the Legislature as this bill).

- f. The board shall notify the committee when it suspends an owner or operator of a commercial farm from holding special occasion events pursuant to subsection b. of this section.
  - g. The enforcement responsibilities provided to the board pursuant to this section, and section 4 of P.L. , c. (C. ) (pending before the Legislature as this bill), may be transferred to the committee by a majority vote of the members of the board.

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9 6. The committee shall adopt, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), rules and 10 regulations to implement P.L., c. (C. 11 ) (pending before the 12 Legislature as this bill), including any rules and regulations 13 necessary to determine compliance with the requirements of section 14 ) (pending before the Legislature as this , c. (C. 15 bill). The rules and regulations adopted pursuant to this section shall be no more restrictive than as specifically provided for in 16 17 P.L. , c. (C. ) (pending before the Legislature as this bill), 18 and shall provide forms, processes, and procedures that are the least 19 burdensome as may be necessary to implement P.L. 20 c. (C. ) (pending before the Legislature as this bill).

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- 7. a. Rutgers, The State University shall conduct an ongoing study on special occasion events as authorized by P.L., c. (C. ) (pending before the Legislature as this bill). The committee, and the board, shall provide Rutgers, The State University with data requested in relation to the study. The study shall include, but shall not be limited to, an exploration of the following:
- 29 (1) the number of commercial farms on which special occasion 30 events are held;
  - (2) the number of guests, type, and frequency of events;
  - (3) the extent to which disputes are reported between: commercial farms and neighboring properties, commercial farms and municipalities, and commercial farms and the board or committee;
- 36 (4) the frequency of violations of P.L., c. (C. ) (pending 37 before the Legislature as this bill); and
  - (5) the frequency of unintended undesirable consequences of special occasion events, such as possible instances of the removal of land from active agricultural or horticultural production to host events.
- b. Rutgers, The State University shall submit the initial study conducted pursuant to this section to the Governor and to the Legislature, pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), on or before the first day of the 18th month next following the effective date of P.L., c. (C. ) (pending before the Legislature as this bill). Following submission of this initial study,

Rutgers, The State University shall submit to the Governor and the

- 1 Legislature, pursuant to section 2 of P.L.1991, c.164 (C.52:14-2 19.1):
  - (1) an update of the study on an annual basis; and
  - (2) a report, once every four years beginning after submission of the initial study, summarizing the successes and drawbacks of special occasion events, and recommending any administrative and legislative changes.
    - c. The powers and responsibilities provided to Rutgers, The State University pursuant to this section, shall be specifically provided to the New Jersey Agricultural Experiment Station, unless another division of Rutgers, The State University is designated by the university as most appropriate.

8. There is appropriated from the General Fund to Rutgers, The State University the sum of \$85,000 to effectuate the purposes of section 7 of this act.

9. With the exception of the application of this act to a winery that has participated in the pilot program established pursuant to P.L.2014, c.16 (C.4:1C-32.7 et seq.), this act shall take effect upon the earlier of: the first day of the third month next following enactment; or the adoption of a municipal ordinance pursuant to paragraph (4) of subsection b. of section 3 of this act. For a winery that has participated in the pilot program established pursuant to P.L.2014, c.16 (C.4:1C-32.7 et seq.), this act shall take effect on January 1, 2023, and the winery shall continue to use the approval process established for that pilot program until January 1, 2023.