

# SENATE, No. 1003

## STATE OF NEW JERSEY 220th LEGISLATURE

INTRODUCED JANUARY 31, 2022

**Sponsored by:**

**Senator M. TERESA RUIZ**

**District 29 (Essex)**

**Senator NELLIE POU**

**District 35 (Bergen and Passaic)**

**Co-Sponsored by:**

**Senator Gill**

**SYNOPSIS**

Establishes NJEDA urban farming grant and loan program.

**CURRENT VERSION OF TEXT**

As introduced.



**(Sponsorship Updated As Of: 9/22/2022)**

1 AN ACT establishing an urban farming grant and loan program, 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 Legislature  
8 as this bill):

9 “Urban area” means a neighborhood in, or portion of, a city of the  
10 first class, second class, third class, or fourth class in the State or a  
11 neighborhood in, or portion of, a municipality eligible to receive  
12 State aid pursuant to P.L.1978, c.14 (C.52:27D-178 et seq.).

13 “Urban farming” means farming in an urban area on land or in or  
14 on a building or the rooftop thereof, where fresh produce or other  
15 agricultural products are grown or raised for consumption as food by  
16 traditional agricultural methods, in greenhouses using the appropriate  
17 methods for these structures, or through the use of aquaponics,  
18 hydroponics, or another nontraditional method of farming. “Urban  
19 farming” shall not include the cultivation of marijuana for medicinal  
20 or any other purpose.

21

22 2. a. The New Jersey Economic Development Authority, in  
23 consultation with the Department of Agriculture and the Department  
24 of Education, shall develop and administer an urban farming grant and  
25 loan program to:

26 (1) facilitate the acquisition of sites in urban areas available to be  
27 used for urban farming;

28 (2) maintain urban farming sites; and

29 (3) support providing fresh produce and other agricultural  
30 products from urban farming sites to school districts for use in public  
31 school cafeterias throughout the State.

32 b. (1) An applicant for a grant or loan pursuant to this section  
33 shall apply to the authority, in a form and manner as determined by  
34 the authority, and shall include information as the authority  
35 determines is necessary in consideration of the provisions of P.L. ,

36 c. (C. ) (pending before the Legislature as this bill).

37 (2) In order to receive a grant or loan from the authority pursuant  
38 to P.L. c. (C. ) (pending before the Legislature as this bill),  
39 the applicant shall meet the following requirements:

40 (a) the applicant’s urban farming facility shall be located within  
41 an urban area of the State;

42 (b) the applicant shall demonstrate contractual relationships with  
43 school districts in the State for the use of the fresh produce or other  
44 agricultural products grown or raised by the applicant, or shall  
45 demonstrate to the satisfaction of the authority how those  
46 relationships will be established;

1 (c) the applicant shall have sufficient experience, training, and  
2 education in urban farming to establish and operate an urban farming  
3 facility; and

4 (d) the applicant shall demonstrate to the satisfaction of the  
5 authority that the applicant owns and operates an established urban  
6 farming facility may be established.

7 (3) In order for the authority to consider an application for a grant  
8 or loan available pursuant to P.L. , c. (C. ) (pending before  
9 the Legislature as this bill), an applicant shall, as a condition of  
10 receiving a grant or loan, commit to:

11 (a) materially and substantially participate in urban farming and  
12 the provision of fresh produce and other agricultural products to  
13 public schools in school districts in the State;

14 (b) use the grant or loan for urban farming only; and

15 (c) comply with any other criteria established by the authority  
16 pursuant to rules and regulations adopted pursuant to section 3 of  
17 P.L. , c. (C. ) (pending before the Legislature as this bill).

18 (4) The authority shall review each complete application and  
19 approve any application that meets the requirements of this section  
20 and the rules and regulations adopted pursuant to section 3 of P.L. ,  
21 c. (C. ) (pending before the Legislature as this bill).

22 c. An urban farming grant under this section shall be made by the  
23 authority in the manner the authority establishes, subject to the terms  
24 and conditions considered appropriate by the authority that are  
25 consistent with the purposes of P.L. , c. (C. ) (pending before  
26 the Legislature as this bill) and with the rules and regulations adopted  
27 by the authority pursuant to section 3 of P.L. , c. (C. ) (pending  
28 before the Legislature as this bill).

29 d. An urban farming loan under this section shall be made  
30 pursuant to a loan agreement between the applicant and the authority,  
31 shall bear interest at rates and terms deemed appropriate by the  
32 authority, and shall contain other terms and conditions considered  
33 appropriate by the authority that are consistent with the purposes of  
34 P.L. , c. (C. ) (pending before the Legislature as this bill) and  
35 with the rules and regulations adopted by the authority pursuant to  
36 section 3 of P.L. , c. (C. ) (pending before the Legislature as  
37 this bill).

38 e. The authority may, in its discretion, require an applicant that  
39 receives a grant or a loan pursuant to P.L. , c. (C. ) (pending  
40 before the Legislature as this bill) to submit an audited financial  
41 statement to the authority in order to ensure the applicant has  
42 properly used the grant or loan, the applicant is providing fresh  
43 produce and other agricultural products to public schools in the State,  
44 and the applicant continues to operate a viable urban farming facility.

45 f. The authority may, either through the adoption of rules and  
46 regulations pursuant to section 3 of P.L. , c. (C. ) (pending  
47 before the Legislature as this bill), or through the terms of a grant or  
48 loan agreement made pursuant to subsection c. or d. of this section,

1 establish terms governing the incidence of default by an applicant  
2 that receives a grant or loan under the program, and in the case of a  
3 grant applicant, circumstances under which the grant may be  
4 converted to a loan after it is demonstrated that the applicant  
5 improperly used the grant.

6 g. The authority may participate in, and cooperate with, programs  
7 of the Consolidated Farm Service Agency in the United States  
8 Department of Agriculture, any Federal Land Bank, or any other  
9 agency or instrumentality of the federal government, or with any  
10 program of any other State agency, in the administration of the urban  
11 farming grant and loan program.

12  
13 3. The New Jersey Economic Development Authority, in  
14 consultation with the Department of Agriculture and the Department  
15 of Education, shall adopt, pursuant to the “Administrative Procedure  
16 Act,” P.L.1968, c.410 (C.52:14B.1 et seq.), rules and regulations  
17 necessary to effectuate the purposes of P.L. , c. (C. ) (pending  
18 before the Legislature as this bill).

19  
20 4. This act shall take effect immediately.

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23 STATEMENT

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25 This bill directs the New Jersey Economic Development Authority  
26 (EDA), in consultation with the Department of Agriculture and the  
27 Department of Education, to develop and administer an urban  
28 farming grant and loan program to: facilitate the acquisition of sites  
29 in urban areas available to be used for urban farming; maintain urban  
30 farming sites; and support providing agricultural products to public  
31 school cafeterias.

32 The bill requires demonstration of a contractual relationship with  
33 school districts in the State to provide fresh produce or other  
34 agricultural products grown or raised through urban farming to public  
35 schools. The bill authorizes the EDA to establish additional  
36 eligibility requirements and terms for receiving a grant or loan  
37 pursuant to the program. The bill also excludes the cultivation of  
38 marijuana for medicinal or any other purpose from any urban farming  
39 supported by the EDA grants and loans pursuant to the program.