

SENATE ECONOMIC GROWTH COMMITTEE

STATEMENT TO

SENATE, No. 3418

with committee amendments

STATE OF NEW JERSEY

DATED: DECEMBER 12, 2024

The Senate Economic Growth Committee reports favorably, and with committee amendments, Senate Bill No. 3418.

As amended by the committee, this bill amends the law at P.L.2023, c.9 (C.4:1C-32.15 et seq.), which authorizes the holding of certain limited special occasion events on preserved farms, in order to clarify the circumstances under which certain recently constructed or erected permanent structures may be used for such special occasion events.

While existing law authorizes special occasion events to be held on a preserved farm, provided that the farm owner or operator first (and annually) applies to, and receives approval therefor from, the State, local, or nonprofit entity to which the farm's development rights have been conveyed (the grantee), the existing law also prohibits a farm owner or operator from using any permanent structures on the farm, for the holding of grantee-approved special occasion events, if those structures have been recently constructed within the five-year period preceding the date on which the special occasion events application is submitted. This bill establishes a limited exception to this general prohibition by authorizing a preserved farm owner or operator to use these types of recently constructed permanent structures, for special occasion events that are approved to be held on the preserved farm, as long as either: (1) such permanent structure is used by a winery, as defined by the existing special occasion events law, in accordance with the State's Right to Farm Act, for the primary purpose of facilitating the testing, sale, consumption, or marketing of wine, wine-related products, or farm-related products; or (2) the total revenues to be received from all special occasion events held on the farm, during the calendar year, will not exceed 10 percent of the total revenues accruing to the farm in that calendar year. A farm owner or operator who wishes to use such recently constructed permanent structures for special occasion event purposes are required, in the special occasion events application which is submitted to the grantee pursuant to existing law, to certify and provide supporting documentation demonstrating satisfaction of either of the bill's purpose and use or revenue requirements, as necessary to justify the applicant's use of the

permanent structure for special occasion event purposes, and the grantee is required to confirm, in its written notice approving of such application, whether the applicant has provided satisfactory evidence of compliance with the bill's primary purpose and use requirements or revenue requirements, in this regard, and is being authorized and approved by the grantee, on such basis, to use recently constructed permanent structures for the purposes of holding the special occasion events identified in the application.

COMMITTEE AMENDMENTS:

The committee amended the bill to enable the use of recently constructed permanent structures, for the purpose of holding special occasion events on a preserved farm, as identified in an application submitted under existing law, in any case where satisfactory evidence is presented to show either: (1) that such structure is used, by a winery, for the primary purpose of facilitating the testing, sale, consumption, or marketing of wine, wine-related products, or farm-related products; or (2) that the total revenues to be received from all special occasion events held on the farm, during the calendar year, will not exceed 10 percent of the total revenues accruing to the farm in that calendar year. As introduced, the bill would have authorized recently constructed permanent structures to be used, for special occasion event purposes, only in cases where the bill's revenue limits were satisfied.