LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

ASSEMBLY, No. 4029

STATE OF NEW JERSEY

222nd LEGISLATURE222nd LEGISLATURE

DATED: NOVEMBER 5, 2026

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SUMMARY

Synopsis: Authorizes county agriculture development boards to purchase agricultural supplies for sale to New Jersey farmers.

Type of Impact: Annual county expenditure and revenue increases; annual State expenditure increases.

Agencies Affected: Department of Agriculture; State Agricultural Development Committee; county agriculture development boards.

Office of Legislative Services Estimate

Fiscal Impact	
Annual State Expenditure Increases	Indeterminate
Annual County Expenditure Increases	Indeterminate
Annual County Revenue Increases	Indeterminate

- The Office of Legislative Services (OLS) finds that county agriculture development boards will experience an indeterminate increase in annual expenditures and revenues related to their role in the new Farmer Supply Link Program. The magnitude of the cost increases will principally depend on the prices paid by county boards for the purchase of bulk agricultural supplies, which cannot be known until the program is operational and purchase agreement contracts are negotiated.

- Revenues for the county boards will increase by an indeterminate amount from the annual fees paid to them by farmers participating in the program. The bill's requirement that the fees set by county boards be adjusted annually for inflation and be sufficient to cover all of their costs under the purchase contract, including administrative costs, should ensure that revenues collected by the county boards are sufficient to cover their expenses. Any excess revenues collected are required to be returned to program participants.

- The Department of Agriculture and State Agriculture Development Committee will incur indeterminate costs due to workload increases related to administrative functions under the Farmer Supply Link Program.

BILL DESCRIPTION

This bill requires the State Agriculture Development Committee, with the Department of Agriculture, to establish the Farmer Supply Link Program to support New Jersey farmers in purchasing bulk agricultural supplies, developing agricultural capital, and accessing agricultural assets at a discounted rate. The program will be administered by the county agriculture development boards and may be organized by a non-profit organization. Each county board will develop rules, fee schedules, procurement goals, and formats for the distribution of agricultural supplies. These rules must include guidelines for practicing opportunity buying strategies for off-contract purchases of agricultural supplies from an agricultural product aggregator and are permitted to prioritize new or beginning farmers or farmers with demonstrated financial need.

A county board is authorized to enter into a purchase agreement contract with an established non-public vendor, known as an agricultural product aggregator, to purchase bulk agricultural supplies at a discount to be sold to farmers for a fee. Fees are required to be reasonable, adjusted annually for inflation, and sufficient to recover all of the county board's costs associated with the execution of the purchasing contract. Any revenues collected by a county board in excess of the minimum fees established by the board are to be refunded to farmers participating in the program.

County boards are authorized to participate in programs administered by federal agencies and other State agencies in administering the program.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS finds that county agriculture development boards will experience an indeterminate increase in annual expenditures and revenues related to their role in the new Farmer Supply Link Program. The magnitude of the cost increases will principally depend on the prices paid by county boards for the purchase of bulk agricultural supplies, which cannot be known until the program is operational and contracts are negotiated. Any additional costs to the county boards, including the potential need for new employees to administer the program, also cannot be estimated.

Revenues for the county boards will increase by an indeterminate amount from the annual fees paid to them by farmers participating in the program. The bill's requirement that the fees set by county boards be adjusted annually for inflation and be sufficient to cover all of their costs under the purchase agreement contract, including administrative costs, should ensure that revenues collected by the county boards are sufficient to cover their expenses. Any excess revenues collected are required to be returned to program participants.

The Department of Agriculture and the State Agriculture Development Committee will incur an indeterminate amount of annual costs related to their administrative roles under the program, which can likely be performed by current staff using existing resources.

Section:	*Environment, Agriculture, Energy and Natural Resources*
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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.).