

LEGISLATIVE FISCAL ESTIMATE
ASSEMBLY, No. 2320
STATE OF NEW JERSEY
221st LEGISLATURE

DATED: MARCH 21, 2024

SUMMARY

- Synopsis:** Requires Department of Agriculture to take various actions to publicize and promote community supported agriculture in New Jersey.
- Type of Impact:** Annual State expenditure and revenue increases.
- Agencies Affected:** Department of Agriculture and Department of Education.

Office of Legislative Services Estimate

Fiscal Impact	
Annual State Expenditure Increase	Indeterminate
Annual State Revenue Increase	Indeterminate

- The Office of Legislative Services (OLS) determines that the bill will result in annual indeterminate expenditure increases for the State. Many of the costs under the bill will depend on implementation decisions made by the Department of Agriculture, which the OLS cannot anticipate. These include the scope of the required advertising campaign and mediums used, the scale of promotional events related to the annual Community Supported Agriculture Week, and whether website development will be performed in house or contracted out.
- The bill allows the department to solicit and raise funds from contributions and labels sales, which would result in an indeterminate annual State revenue increase, directing them to be deposited in the New Jersey Farm Products Publicity Fund to cover promotional expenses and other costs under the bill.

BILL DESCRIPTION

This bill would require the department to take certain actions to publicize and promote community supported agriculture in the State. Community supported agriculture is a method of on-the-farm direct sales and marketing in which the retail sale to a consumer of a share of the agricultural output of a commercial farm is effectuated through a paid subscription service.

The bill requires the department to establish a website dedicated to community supported agriculture, use all available means to advertise and promote community supported agriculture programs, and develop, print, and distribute promotional and marketing labels to farmers.

The bill would also require the department to establish and annually observe a week of promotional events to be known as Community Supported Agriculture Week, which is intended to highlight and promote the value and importance of community supported agriculture. The week would be celebrated on an annual basis, throughout the State, during the last full week in February, and would be observed through the holding of relevant promotional events.

The bill would further require the department, through the State's existing Farm to School Program, to encourage schools in the State to obtain fresh, locally grown or produced agricultural products for school meals by subscribing to, and becoming participants in, a community supported agriculture program, and to work in cooperation with the Department of Education to ensure that school curricula address the value and importance of community supported agriculture. In addition, the bill would require the State's existing Farm to School website to be updated with certain additional information. The bill would also require the existing State website that serves as a clearinghouse for farmers, and that currently provides a list of schools, school districts, and food banks that have a need for produce or dairy products, to additionally provide a list of schools and food banks that are interested in participating as subscribers in a community supported agriculture program.

The bill authorizes the department to solicit and receive funds, either as direct contributions, or from the sale of labels, or the right to use labels authorized by the department, or from any other source, for the purposes of advertising and promoting the value and importance of community supported agriculture in the State. Any monies received for the purposes of the bill are to be deposited in the State's existing New Jersey Farm Products Publicity Fund to cover the expenses of printing and distributing labels used in identifying products being marketed and sold through community supported agriculture, and to cover any other expenses under the bill.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS determines that the bill will result in annual indeterminate expenditure increases to the Department of Agriculture. Initially, there will be expenditures associated with the development and execution of a comprehensive publicity and marketing initiative led by the department. This includes the establishment of a dedicated webpage, advertising campaigns, and the creation of promotional materials such as labels for participating farmers. Overall, the total cost of setting up and running the publicity and marketing campaign for community supported agriculture would depend on implementation decisions by the department and various factors such as the scale of the campaign, the extent of advertising efforts, and the complexity of the promotional materials. The OLS determines that some of these costs may be subsumed within existing staff duties.

Establishing and maintaining a dedicated webpage on the department's website would require web development services. This could include design, content creation, and technical implementation. The initial setup cost could range from a few thousand to tens of thousands of

dollars, depending on the complexity of the website and whether any existing infrastructure can be utilized. Ongoing maintenance costs, including updates, would also be incurred.

Paid advertising placements, the cost of which can fluctuate depending on the selected medium such as online ads, print media, radio, or television will result in additional expenses. Additionally, there are costs associated with producing promotional materials like flyers, brochures, and posters. Furthermore, any digital marketing efforts, encompassing online advertising, social media promotions, and email marketing campaigns, will contribute to the overall departmental expenditure for advertising. The OLS determines that some of these costs, like those for digital marketing and email campaigns, may be absorbed within existing staff duties. However, the expenses for materials such as flyers, brochures, and posters would represent an annual increase in departmental expenditures.

Developing distinct promotional and marketing labels for farmers would require design work and printing costs. The expense would depend on factors such as label size, material, and quantity. Additionally, distributing these labels to participating farmers across the state would entail delivery costs.

Organizing the annual Community Supported Agriculture Week will necessitate financial resources for coordinating promotional events across the State. Encouraging schools to engage in community supported agriculture through the existing Farm to School Program will also require additional funding for administrative efforts. Moreover, there could be an additional one-time cost for the department and the Department of Education to include information in school curricula to address the value and importance of community supported agriculture.

The bill outlines mechanisms to offset some of these costs by allowing the department to solicit and receive funds through direct contributions, label sales, or other sources, for advertising and promotion purposes. Furthermore, any funds received will be directed to the New Jersey Farm Products Publicity Fund, a special nonlapsing fund administered by the department, which can be leveraged to cover expenses related to promoting community supported agriculture and implementing the bill. The potential for revenue generation may somewhat mitigate the overall fiscal impact of the bill.

Section: Environment, Agriculture, Energy, and Natural Resources

*Analyst: Neha Patel
Senior Fiscal Analyst*

*Approved: Thomas Koenig
Legislative Budget and Finance Officer*

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.).