

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

[First Reprint]

SENATE, No. 3916

with committee amendments

STATE OF NEW JERSEY

DATED: DECEMBER 18, 2023

The Assembly Appropriations Committee reports favorably and with committee amendments Senate Bill No. 3916 (1R).

As amended and reported, this bill provides that the lessees of farmland would be eligible to apply for wildlife fencing grants under the State Agriculture Development Committee's farmland stewardship wildlife fencing grant program and the Department of Agriculture's matching grant program. To qualify for a grant, the bill requires each lessee of farmland to obtain written approval from the owner of the land on which the wildlife fencing would be installed. The bill also provides that the owner, operator, or lessee of permanently preserved farmland who regularly engages in the operation and management of the farming operation on preserved farmland is eligible to apply for a grant, and provides the maximum value of a grant would be an amount equal to 50 percent of the eligible project costs, not to exceed \$50,000 per applicant.

Additionally, the bill, as amended and reported, amends existing law governing the Department of Agriculture's matching grant program for fencing, which provides funding to certain farmers for the costs of wildlife fencing. Specifically, the bill increases the maximum grant to an amount equal to 50 percent of the eligible project costs, not to exceed \$50,000 per applicant. Currently, each applicant may receive a grant of up to \$200 per acre, not to exceed a total of \$20,000 per application for up to 50 percent of eligible project costs. The bill, as amended and reported, also revises eligibility for the Department of Agriculture's matching grant program for fencing to provide that owners, operators, or lessees of commercial farms that do not qualify for a wildlife fencing grant from the State Agriculture Development Committee farmland stewardship wildlife fencing grant program would be eligible to apply for a matching grant for wildlife fencing from the Department of Agriculture's matching grant program.

The bill revises certain conditions placed upon the recipients of funding under the Department of Agriculture's matching grant program. Under current law, when the owner or operator of a farm receives funding under the program, the owner or operator is required

to enter into an agreement with the Department of Agriculture to ensure that the land is retained for agricultural or horticultural purposes for the eight-year period following the receipt of the grant. This agreement is currently required to be filed as a deed restriction with the municipal tax assessor and recorded with the county clerk in the same manner as a deed. If the owner or operator of the farm fails to retain the land for agricultural or horticultural purposes during this period, current law requires the owner or operator to repay the grant to the Department of Agriculture on a pro rata basis.

Under the bill, this agreement would no longer be filed as a deed restriction with the municipal tax assessor and recorded with the county clerk in the same manner as a deed. Instead, the bill requires the Department of Agriculture to retain a copy of the agreement.

Additionally, the bill clarifies that if the owner, operator, or lessee of a farm fails to retain the land for agricultural or horticultural purposes during the eight-year period following the receipt of the grant, the recipient would be required to repay the grant to the Department of Agriculture on a pro rata basis, rounded to the nearest month, proportional to the total grant amount.

As amended and reported by the committee, Senate Bill No. 3916 (1R) is identical to Assembly Bill No. 5486 (1R), which was also amended and reported by the committee on this date.

COMMITTEE AMENDMENTS:

The committee amendments:

- 1) specify that grants for fencing programs provided under the bill would be for wildlife fencing rather than only deer fencing;
- 2) clarify eligibility for State Agriculture Development Committee's farmland stewardship wildlife fencing grants to specify that owners, operators, or lessees of permanently preserved farmland who regularly engage in the operation and management of the farming operation on preserved farmland are eligible to apply for a grant;
- 3) establish that the maximum grant amount under the State Agriculture Development Committee's farmland stewardship wildlife fencing grant program may be 50 percent of the eligible project costs, not to exceed \$50,000 per applicant;
- 4) revise existing law to provide that an owner, operator, or lessee of a commercial farm that does not qualify for a wildlife fencing grant provided by the State Agriculture Development Committee is eligible for funding from the Department of Agriculture wildlife fencing matching grant program; and
- 5) deletes the definition of "unpreserved farm" and adds a definition of "commercial farm".

FISCAL IMPACT:

This bill has not been certified for a fiscal note.