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RWH/JA

P.L. 2019, CHAPTER 240, *approved August 9, 2019*  
Assembly, No. 5595

1 AN ACT expanding eligibility under a loan program for small  
2 businesses to specifically include certain qualified dairy farmers  
3 and farming operations, and amending P.L.2011, c.201.  
4

5 **BE IT ENACTED** by the Senate and General Assembly of the State  
6 of New Jersey:

7  
8 1. Section 1 of P.L.2011, c.201 (C.34:1B-241.1) is amended to  
9 read as follows:

10 1. As used in **[this act]** P.L.2011, c.201 (C.34:1B-241.1 et  
11 seq.):

12 "Authority" means the New Jersey Economic Development  
13 Authority established by section 4 of P.L.1974, c.80 (C.34:1B-4).

14 "Department" means the Department of Agriculture established  
15 pursuant to R.S.4:1-1.

16 "Eligible farming operation" means two or more business entities  
17 that are engaged in farming operations in the State, that are  
18 applying together for participation in the small business loan  
19 program established pursuant to section 2 of P.L. , c. (C. )  
20 (pending before the Legislature as this bill), and that, at the time of  
21 the application, are independently owned and operated, participate  
22 in an agricultural commodity or product marketing and  
23 development program operated by the Department of Agriculture,  
24 and satisfy other criteria that may be established by the authority  
25 pursuant to P.L. , c. (C. ) (pending before the Legislature as  
26 this bill).

27 "Eligible small business" means a business entity that, at the time  
28 of application for participation in the small business loan program  
29 established pursuant to section 2 of P.L.2011, c.201 (C.34:1B-  
30 241.2), is independently owned and operated, operates primarily  
31 within this State, and which satisfies other criteria that may be  
32 established by the authority. "Eligible small business" shall include  
33 qualified dairy farmers and eligible farming operations.

34 "Farm equipment" means equipment used directly for farming  
35 operations.

36 "Farming operations" mean any activities connected to the  
37 commercial growing, harvesting, processing, producing, or raising  
38 of agricultural products in the State, including crops, dairy animals,  
39 livestock, fur-bearing animals, poultry, bees, crops used in  
40 fermented alcoholic beverages and wine, and any products

**EXPLANATION** – Matter enclosed in bold-faced brackets **[thus]** in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 therefrom, including organic agricultural products; aquacultural  
2 products; horticultural products; and silviculture products.

3 "Qualified dairy farmer" means a person or business entity that  
4 produces valued-added dairy products and that, at the time of  
5 application for participation in the small business loan program and  
6 receipt of a loan under the program, is independently owned and  
7 operated, operates primarily within this State, and satisfies other  
8 criteria that may be established by the authority.

9 "Value-added dairy product" means a dairy product created by a  
10 qualified dairy farmer by means of a change in the physical state of  
11 a dairy commodity, and shall include, but not be limited to, cheese,  
12 cultured sour cream, yogurt, kefir, butter, ice cream, evaporated  
13 milk, condensed milk, and concentrated milk.

14 (cf: P.L.2011, c.201, s.1)

15

16 2. Section 2 of P.L.2011, c.201 (C.34:1B-241.2) is amended to  
17 read as follows:

18 2. a. The authority shall maintain and administer a small  
19 business loan program for the purpose of providing **【small**  
20 **business】** loans to eligible small businesses. The authority shall  
21 consult with the department in administering the small business  
22 loan program as it applies to: (1) an eligible small business that is  
23 an eligible farming operation; (2) defining the types of dairy  
24 products that shall be considered as value-added dairy products  
25 under the small business loan program, not inconsistent with section  
26 1 of P.L. , c. (C. ) (pending before the Legislature as this  
27 bill); (3) developing small business loan program guidelines for  
28 qualified dairy farmers and eligible farming operations; and (4)  
29 developing materials to provide to qualified dairy farmers seeking  
30 to expand value-added dairy production in this State.

31 b. (1) **【Small business loans】** Loans made through the small  
32 business loan program may be made to an eligible small business.  
33 The loan funds may be applied to any aspect of the eligible small  
34 business that supports its capital purchases, employee training, and  
35 salaries for new positions as determined by the authority.

36 (2) Notwithstanding paragraph (1) of subsection b. of this  
37 section, loans made by the authority to an eligible farming  
38 operation may only be applied to aspects of the eligible farming  
39 operation that support the farming operation's farm equipment  
40 purchases, as determined by the authority. Farm equipment  
41 purchased from loan funds made pursuant to P.L. , c. (C. )  
42 (pending before the Legislature as this bill) shall be used by all of  
43 the business entities in the eligible farming operation.

44 (3) Two or more business entities engaged in farming operations  
45 in the State seeking to participate in the loan program established  
46 pursuant to subsection a. of this section shall submit a joint  
47 application in a form as the authority shall require and shall include  
48 information as the authority determines is necessary in

1 consideration of a loan authorized pursuant to P.L. , c. (C. )  
2 (pending before the Legislature as this bill).

3 c. (1) In order to receive a **【small business】** loan pursuant to  
4 the small business loan program, a business, at the time of  
5 application, shall provide proof that it is an eligible small business  
6 and shall enter into a small business loan agreement with the  
7 authority.

8 (2) In order to receive a loan from the authority pursuant to  
9 P.L. , c. (C. ) (pending before the Legislature as this bill), a  
10 business entity engaged in farming operations in the State, at the  
11 time of application, shall provide proof, in a manner determined by  
12 the authority, that it and at least one other business entity meet the  
13 requirements to be an eligible farming operation, including, but not  
14 limited to, proof that each business entity is engaged in farming  
15 operations in the State and will use the farm equipment purchased  
16 with the loan funds.

17 d. The authority shall review and may approve applications for  
18 the small business loan program.

19 e. A business seeking to participate in the small business loan  
20 program shall submit an application in **【such】** a form as the  
21 authority shall require. **【Such】** The application shall include  
22 **【such】** information **【as】** the authority shall determine is necessary  
23 in consideration of the provisions of P.L.2011, c.123 (C.52:14B-  
24 21.1 et seq.).

25 f. **【Small】** Loans to an eligible small business **【loans】** under  
26 this section shall:

27 (1) be made pursuant to a small business loan agreement made  
28 pursuant to subsection c. of this section **【and shall】**;

29 (2) bear interest at rates and terms deemed appropriate by the  
30 authority **【,】**; and

31 (3) contain other terms and conditions considered appropriate by  
32 the authority that are consistent with the purposes of P.L.2011,  
33 c.201 (C.34:1B-241.1 et seq.) and with rules and regulations  
34 **【promulgated】** adopted by the authority pursuant to **【implement】**  
35 section 3 of P.L.2011, c.201 (C.34:1B-241.3).

36 The provisions of a loan agreement with an eligible farming  
37 operation shall include, but need not be limited to, a statement of an  
38 eligible farming operation's proportional shares of ownership, its  
39 farm equipment usage and maintenance responsibilities, and its loan  
40 repayment responsibilities for any loan proceeds received under the  
41 loan program.

42 g. The authority may, in its discretion, require an eligible small  
43 business that receives a **【small business】** loan under the small  
44 business loan program administered pursuant to P.L.2011,  
45 c.201 (C.34:1B-241.1 et seq.) to submit an audited financial  
46 statement to the authority in order to ensure the business's  
47 continued vitality. An audited financial statement from an eligible

1 farming operation shall include each business entity in the eligible  
2 farming operation using the farm equipment.

3 h. The authority may, either through the adoption of rules and  
4 regulations, or through the terms of the small business loan  
5 agreement made pursuant to subsection c. of this section, establish  
6 terms governing the incidence of default by **【an eligible small**  
7 **business that receives】** a recipient of a 【small business】 loan under  
8 the small business loan program, administered pursuant to  
9 P.L.2011, c.201 (C.34:1B-241.1 et seq.).

10 i. In determining whether to provide a loan to an eligible small  
11 business, the authority shall consider, along with other criteria that  
12 the authority in its discretion deems appropriate, whether the  
13 business commits to increasing its full-time employment level in the  
14 State.

15 (cf: P.L.2011, c.201, s.2)

16

17 3. (New section) The authority shall adopt rules and  
18 regulations, pursuant to the "Administrative Procedure Act,"  
19 P.L.1968, c.410 (C.52:14B-1 et seq.), as are necessary to effectuate  
20 the purposes of P.L. , c. (C. ) (pending before the  
21 Legislature as this bill). The authority shall consult with the  
22 department concerning those rules and regulations applicable to  
23 loans made to qualified dairy farmers and eligible farming  
24 operations.

25 (cf: P.L.2011, c.201, s.3)

26

27 4. This act shall take effect immediately.

28

29

30

#### STATEMENT

31

32 This bill requires the New Jersey Economic Development  
33 Authority (EDA), in consultation with the Department of  
34 Agriculture, to provide loans to eligible farming operations and to  
35 certain qualified dairy farmers under an existing small business loan  
36 program administered by the EDA.

37 Under the bill, an eligible farming operation may use loans under  
38 the program to purchase farm equipment. The bill provides that an  
39 "eligible farming operation" is two or more independent business  
40 entities that are engaged in farming operations in the State, that are  
41 applying together for participation in the loan program, and that, at  
42 the time of the application, are independently owned and operated,  
43 participate in an agricultural commodity or product marketing and  
44 development program operated by the Department of Agriculture,  
45 and satisfy other criteria that may be established by the EDA. Farm  
46 equipment purchased with loan funds by an eligible farming  
47 operation are to be used by all of the two or more business entities  
48 that constitute an eligible farming operation.

1 Under the bill, a qualified dairy farmer may use loan funds for  
2 any aspect of the qualified dairy farmer's small business. The bill  
3 requires that a "qualified dairy farmer" produce value-added dairy  
4 products, such as cheese, cultured sour cream, yogurt, kefir, butter,  
5 ice cream, evaporated milk, condensed milk, and concentrated milk.

6 The bill requires that an EDA-approved loan under the program  
7 is to be made pursuant to a loan agreement, bear interest at rates and  
8 terms deemed appropriate by the EDA, and contain other terms and  
9 conditions considered appropriate by the EDA that are consistent  
10 with the purposes of the bill and with regulations adopted by the  
11 EDA to implement the bill. The EDA may, in its discretion, require  
12 an eligible farming operation or qualified dairy farmer that receives  
13 a loan under the program to submit a financial statement to the EDA  
14 in order to ensure continued viability, and specifies that an eligible  
15 farming operation is to provide joint submissions.

16 The bill requires the EDA, in consultation with the Department  
17 of Agriculture, to adopt rules and regulations as are necessary to  
18 effectuate the purposes of the bill.

19

20

21

22

23 Expands eligibility for EDA small business loan program to  
24 specifically include certain farming operations and qualified dairy  
25 farmers.

# ASSEMBLY, No. 5595

## STATE OF NEW JERSEY 218th LEGISLATURE

INTRODUCED JUNE 13, 2019

**Sponsored by:**

**Assemblyman MATTHEW W. MILAM**

**District 1 (Atlantic, Cape May and Cumberland)**

**Assemblyman ERIC HOUGHTALING**

**District 11 (Monmouth)**

**Assemblyman RONALD S. DANCER**

**District 12 (Burlington, Middlesex, Monmouth and Ocean)**

**Assemblyman HAROLD "HAL" J. WIRTHS**

**District 24 (Morris, Sussex and Warren)**

**Senator STEVEN V. OROHO**

**District 24 (Morris, Sussex and Warren)**

**Senator JOSEPH PENNACCHIO**

**District 26 (Essex, Morris and Passaic)**

**Co-Sponsored by:**

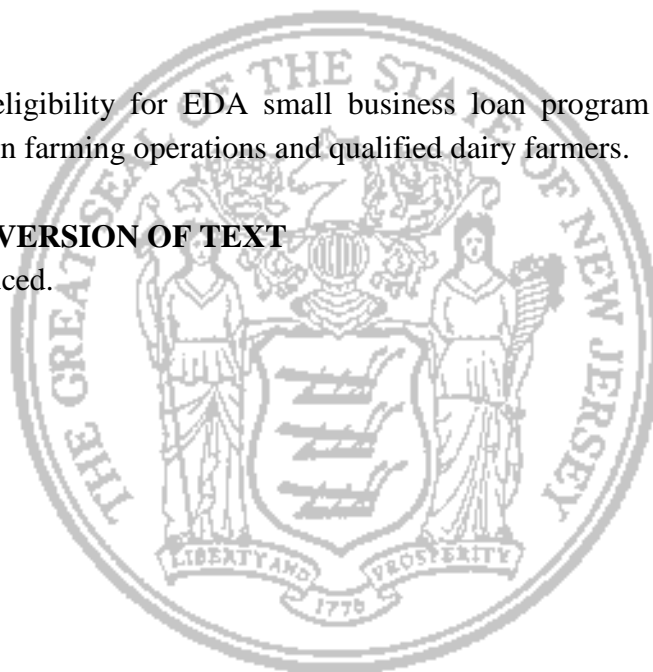
**Assemblywoman Murphy**

**SYNOPSIS**

Expands eligibility for EDA small business loan program to specifically include certain farming operations and qualified dairy farmers.

**CURRENT VERSION OF TEXT**

As introduced.



**(Sponsorship Updated As Of: 6/21/2019)**



A5595 MILAM, HOUGHTALING

2

1 AN ACT expanding eligibility under a loan program for small  
2 businesses to specifically include certain qualified dairy farmers  
3 and farming operations, and amending P.L.2011, c.201.

4  
5 **BE IT ENACTED** by the Senate and General Assembly of the State  
6 of New Jersey:

7  
8 1. Section 1 of P.L.2011, c.201 (C.34:1B-241.1) is amended to  
9 read as follows:

10 1. As used in **[this act]** P.L.2011, c.201 (C.34:1B-241.1 et  
11 seq.):

12 "Authority" means the New Jersey Economic Development  
13 Authority established by section 4 of P.L.1974, c.80 (C.34:1B-4).

14 "Department" means the Department of Agriculture established  
15 pursuant to R.S.4:1-1.

16 "Eligible farming operation" means two or more business entities  
17 that are engaged in farming operations in the State, that are  
18 applying together for participation in the small business loan  
19 program established pursuant to section 2 of P.L. , c. (C. )  
20 (pending before the Legislature as this bill), and that, at the time of  
21 the application, are independently owned and operated, participate  
22 in an agricultural commodity or product marketing and  
23 development program operated by the Department of Agriculture,  
24 and satisfy other criteria that may be established by the authority  
25 pursuant to P.L. , c. (C. ) (pending before the Legislature as  
26 this bill).

27 "Eligible small business" means a business entity that, at the time  
28 of application for participation in the small business loan program  
29 established pursuant to section 2 of P.L.2011, c.201 (C.34:1B-  
30 241.2), is independently owned and operated, operates primarily  
31 within this State, and which satisfies other criteria that may be  
32 established by the authority. "Eligible small business" shall include  
33 qualified dairy farmers and eligible farming operations.

34 "Farm equipment" means equipment used directly for farming  
35 operations.

36 "Farming operations" mean any activities connected to the  
37 commercial growing, harvesting, processing, producing, or raising  
38 of agricultural products in the State, including crops, dairy animals,  
39 livestock, fur-bearing animals, poultry, bees, crops used in  
40 fermented alcoholic beverages and wine, and any products  
41 therefrom, including organic agricultural products; aquacultural  
42 products; horticultural products; and silviculture products.

43 "Qualified dairy farmer" means a person or business entity that  
44 produces valued-added dairy products and that, at the time of

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 application for participation in the small business loan program and  
2 receipt of a loan under the program, is independently owned and  
3 operated, operates primarily within this State, and satisfies other  
4 criteria that may be established by the authority.

5 “Value-added dairy product” means a dairy product created by a  
6 qualified dairy farmer by means of a change in the physical state of  
7 a dairy commodity, and shall include, but not be limited to, cheese,  
8 cultured sour cream, yogurt, kefir, butter, ice cream, evaporated  
9 milk, condensed milk, and concentrated milk.

10 (cf: P.L.2011, c.201, s.1)

11  
12 2. Section 2 of P.L.2011, c.201 (C.34:1B-241.2) is amended to  
13 read as follows:

14 2. a. The authority shall maintain and administer a small  
15 business loan program for the purpose of providing **【small**  
16 **business】** loans to eligible small businesses. The authority shall  
17 consult with the department in administering the small business  
18 loan program as it applies to: (1) an eligible small business that is  
19 an eligible farming operation; (2) defining the types of dairy  
20 products that shall be considered as value-added dairy products  
21 under the small business loan program, not inconsistent with section  
22 1 of P.L. , c. (C. ) (pending before the Legislature as this  
23 bill); (3) developing small business loan program guidelines for  
24 qualified dairy farmers and eligible farming operations; and (4)  
25 developing materials to provide to qualified dairy farmers seeking  
26 to expand value-added dairy production in this State.

27 b. (1) **【Small business loans】** Loans made through the small  
28 business loan program may be made to an eligible small business.  
29 The loan funds may be applied to any aspect of the eligible small  
30 business that supports its capital purchases, employee training, and  
31 salaries for new positions as determined by the authority.

32 (2) Notwithstanding paragraph (1) of subsection b. of this  
33 section, loans made by the authority to an eligible farming  
34 operation may only be applied to aspects of the eligible farming  
35 operation that support the farming operation’s farm equipment  
36 purchases, as determined by the authority. Farm equipment  
37 purchased from loan funds made pursuant to P.L. , c. (C. )  
38 (pending before the Legislature as this bill) shall be used by all of  
39 the business entities in the eligible farming operation.

40 (3) Two or more business entities engaged in farming operations  
41 in the State seeking to participate in the loan program established  
42 pursuant to subsection a. of this section shall submit a joint  
43 application in a form as the authority shall require and shall include  
44 information as the authority determines is necessary in  
45 consideration of a loan authorized pursuant to P.L. , c. (C. )  
46 (pending before the Legislature as this bill).

47 c. (1) In order to receive a **【small business】** loan pursuant to  
48 the small business loan program, a business, at the time of

1 application, shall provide proof that it is an eligible small business  
2 and shall enter into a small business loan agreement with the  
3 authority.

4 (2) In order to receive a loan from the authority pursuant to  
5 P.L. , c. (C. ) (pending before the Legislature as this bill), a  
6 business entity engaged in farming operations in the State, at the  
7 time of application, shall provide proof, in a manner determined by  
8 the authority, that it and at least one other business entity meet the  
9 requirements to be an eligible farming operation, including, but not  
10 limited to, proof that each business entity is engaged in farming  
11 operations in the State and will use the farm equipment purchased  
12 with the loan funds.

13 d. The authority shall review and may approve applications for  
14 the small business loan program.

15 e. A business seeking to participate in the small business loan  
16 program shall submit an application in **【such】** a form as the  
17 authority shall require. **【Such】** The application shall include  
18 **【such】** information **【as】** the authority shall determine is necessary  
19 in consideration of the provisions of P.L.2011, c.123 (C.52:14B-  
20 21.1 et seq.).

21 f. **【Small】** Loans to an eligible small business **【loans】** under  
22 this section shall:

23 (1) be made pursuant to a small business loan agreement made  
24 pursuant to subsection c. of this section **【and shall】**;

25 (2) bear interest at rates and terms deemed appropriate by the  
26 authority **【,】**; and

27 (3) contain other terms and conditions considered appropriate by  
28 the authority that are consistent with the purposes of P.L.2011,  
29 c.201 (C.34:1B-241.1 et seq.) and with rules and regulations  
30 **【promulgated】** adopted by the authority pursuant to **【implement】**  
31 section 3 of P.L.2011, c.201 (C.34:1B-241.3).

32 The provisions of a loan agreement with an eligible farming  
33 operation shall include, but need not be limited to, a statement of an  
34 eligible farming operation's proportional shares of ownership, its  
35 farm equipment usage and maintenance responsibilities, and its loan  
36 repayment responsibilities for any loan proceeds received under the  
37 loan program.

38 g. The authority may, in its discretion, require an eligible small  
39 business that receives a **【small business】** loan under the small  
40 business loan program administered pursuant to P.L.2011,  
41 c.201 (C.34:1B-241.1 et seq.) to submit an audited financial  
42 statement to the authority in order to ensure the business's  
43 continued vitality. An audited financial statement from an eligible  
44 farming operation shall include each business entity in the eligible  
45 farming operation using the farm equipment.

46 h. The authority may, either through the adoption of rules and  
47 regulations, or through the terms of the small business loan

1 agreement made pursuant to subsection c. of this section, establish  
2 terms governing the incidence of default by [an eligible small  
3 business that receives] a recipient of a [small business] loan under  
4 the small business loan program, administered pursuant to  
5 P.L.2011, c.201 (C.34:1B-241.1 et seq.).

6 i. In determining whether to provide a loan to an eligible small  
7 business, the authority shall consider, along with other criteria that  
8 the authority in its discretion deems appropriate, whether the  
9 business commits to increasing its full-time employment level in the  
10 State.

11 (cf: P.L.2011, c.201, s.2)

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13 3. (New section) The authority shall adopt rules and  
14 regulations, pursuant to the "Administrative Procedure Act,"  
15 P.L.1968, c.410 (C.52:14B-1 et seq.), as are necessary to effectuate  
16 the purposes of P.L. , c. (C. ) (pending before the  
17 Legislature as this bill). The authority shall consult with the  
18 department concerning those rules and regulations applicable to  
19 loans made to qualified dairy farmers and eligible farming  
20 operations.

21 (cf: P.L.2011, c.201, s.3)

22

23 4. This act shall take effect immediately.

24

25

26

#### STATEMENT

27

28 This bill requires the New Jersey Economic Development  
29 Authority (EDA), in consultation with the Department of  
30 Agriculture, to provide loans to eligible farming operations and to  
31 certain qualified dairy farmers under an existing small business loan  
32 program administered by the EDA.

33 Under the bill, an eligible farming operation may use loans under  
34 the program to purchase farm equipment. The bill provides that an  
35 "eligible farming operation" is two or more independent business  
36 entities that are engaged in farming operations in the State, that are  
37 applying together for participation in the loan program, and that, at  
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**A5595 MILAM, HOUGHTALING**

6

1 products, such as cheese, cultured sour cream, yogurt, kefir, butter,  
2 ice cream, evaporated milk, condensed milk, and concentrated milk.

3 The bill requires that an EDA-approved loan under the program  
4 is to be made pursuant to a loan agreement, bear interest at rates and  
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10 a loan under the program to submit a financial statement to the EDA  
11 in order to ensure continued viability, and specifies that an eligible  
12 farming operation is to provide joint submissions.

13 The bill requires the EDA, in consultation with the Department  
14 of Agriculture, to adopt rules and regulations as are necessary to  
15 effectuate the purposes of the bill.

**SENATE, No. 3955**

**STATE OF NEW JERSEY**  
**218th LEGISLATURE**

INTRODUCED JUNE 17, 2019

**Sponsored by:**

**Senator STEVEN V. OROHO**

**District 24 (Morris, Sussex and Warren)**

**Senator JOSEPH PENNACCHIO**

**District 26 (Essex, Morris and Passaic)**

**Co-Sponsored by:**

**Senator A.R.Bucco**

**SYNOPSIS**

Expands eligibility for EDA small business loan program to specifically include certain farming operations and qualified dairy farmers.

**CURRENT VERSION OF TEXT**

As introduced.



**(Sponsorship Updated As Of: 6/28/2019)**

S3955 OROHO, PENNACCHIO

2

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21 the application, are independently owned and operated, participate  
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35 operations.

36 "Farming operations" mean any activities connected to the  
37 commercial growing, harvesting, processing, producing, or raising  
38 of agricultural products in the State, including crops, dairy animals,  
39 livestock, fur-bearing animals, poultry, bees, crops used in  
40 fermented alcoholic beverages and wine, and any products  
41 therefrom, including organic agricultural products; aquacultural  
42 products; horticultural products; and silviculture products.

43 "Qualified dairy farmer" means a person or business entity that  
44 produces valued-added dairy products and that, at the time of  
45 application for participation in the small business loan program and

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Matter underlined thus is new matter.

1 receipt of a loan under the program, is independently owned and  
2 operated, operates primarily within this State, and satisfies other  
3 criteria that may be established by the authority.

4 “Value-added dairy product” means a dairy product created by a  
5 qualified dairy farmer by means of a change in the physical state of  
6 a dairy commodity, and shall include, but not be limited to, cheese,  
7 cultured sour cream, yogurt, kefir, butter, ice cream, evaporated  
8 milk, condensed milk, and concentrated milk.

9 (cf: P.L.2011, c.201, s.1)

10

11 2. Section 2 of P.L.2011, c.201 (C.34:1B-241.2) is amended to  
12 read as follows:

13 2. a. The authority shall maintain and administer a small  
14 business loan program for the purpose of providing **【small**  
15 **business】** loans to eligible small businesses. The authority shall  
16 consult with the department in administering the small business  
17 loan program as it applies to: (1) an eligible small business that is  
18 an eligible farming operation; (2) defining the types of dairy  
19 products that shall be considered as value-added dairy products  
20 under the small business loan program, not inconsistent with section  
21 1 of P.L. , c. (C. ) (pending before the Legislature as this  
22 bill); (3) developing small business loan program guidelines for  
23 qualified dairy farmers and eligible farming operations; and (4)  
24 developing materials to provide to qualified dairy farmers seeking  
25 to expand value-added dairy production in this State.

26 b. (1) **【Small business loans】** Loans made through the small  
27 business loan program may be made to an eligible small business.  
28 The loan funds may be applied to any aspect of the eligible small  
29 business that supports its capital purchases, employee training, and  
30 salaries for new positions as determined by the authority.

31 (2) Notwithstanding paragraph (1) of subsection b. of this  
32 section, loans made by the authority to an eligible farming  
33 operation may only be applied to aspects of the eligible farming  
34 operation that support the farming operation’s farm equipment  
35 purchases, as determined by the authority. Farm equipment  
36 purchased from loan funds made pursuant to P.L. , c. (C. )  
37 (pending before the Legislature as this bill) shall be used by all of  
38 the business entities in the eligible farming operation.

39 (3) Two or more business entities engaged in farming operations  
40 in the State seeking to participate in the loan program established  
41 pursuant to subsection a. of this section shall submit a joint  
42 application in a form as the authority shall require and shall include  
43 information as the authority determines is necessary in  
44 consideration of a loan authorized pursuant to P.L. , c. (C. )  
45 (pending before the Legislature as this bill).

46 c. (1) In order to receive a **【small business】** loan pursuant to  
47 the small business loan program, a business, at the time of  
48 application, shall provide proof that it is an eligible small business



1 and shall enter into a small business loan agreement with the  
2 authority.

3 (2) In order to receive a loan from the authority pursuant to  
4 P.L. , c. (C. ) (pending before the Legislature as this bill), a  
5 business entity engaged in farming operations in the State, at the  
6 time of application, shall provide proof, in a manner determined by  
7 the authority, that it and at least one other business entity meet the  
8 requirements to be an eligible farming operation, including, but not  
9 limited to, proof that each business entity is engaged in farming  
10 operations in the State and will use the farm equipment purchased  
11 with the loan funds.

12 d. The authority shall review and may approve applications for  
13 the small business loan program.

14 e. A business seeking to participate in the small business loan  
15 program shall submit an application in **【such】** a form as the  
16 authority shall require. **【Such】** The application shall include  
17 **【such】** information **【as】** the authority shall determine is necessary  
18 in consideration of the provisions of P.L.2011, c.123 (C.52:14B-  
19 21.1 et seq.).

20 f. **【Small】** Loans to an eligible small business **【loans】** under  
21 this section shall:

22 (1) be made pursuant to a small business loan agreement made  
23 pursuant to subsection c. of this section **【and shall】**;

24 (2) bear interest at rates and terms deemed appropriate by the  
25 authority **【,】** and

26 (3) contain other terms and conditions considered appropriate by  
27 the authority that are consistent with the purposes of P.L.2011,  
28 c.201 (C.34:1B-241.1 et seq.) and with rules and regulations  
29 **【promulgated】** adopted by the authority pursuant to **【implement】**  
30 section 3 of P.L.2011, c.201 (C.34:1B-241.3).

31 The provisions of a loan agreement with an eligible farming  
32 operation shall include, but need not be limited to, a statement of an  
33 eligible farming operation's proportional shares of ownership, its  
34 farm equipment usage and maintenance responsibilities, and its loan  
35 repayment responsibilities for any loan proceeds received under the  
36 loan program.

37 g. The authority may, in its discretion, require an eligible small  
38 business that receives a **【small business】** loan under the small  
39 business loan program administered pursuant to P.L.2011,  
40 c.201 (C.34:1B-241.1 et seq.) to submit an audited financial  
41 statement to the authority in order to ensure the business's  
42 continued vitality. An audited financial statement from an eligible  
43 farming operation shall include each business entity in the eligible  
44 farming operation using the farm equipment.

45 h. The authority may, either through the adoption of rules and  
46 regulations, or through the terms of the small business loan  
47 agreement made pursuant to subsection c. of this section, establish

1 terms governing the incidence of default by [an eligible small  
2 business that receives] a recipient of a [small business] loan under  
3 the small business loan program, administered pursuant to  
4 P.L.2011, c.201 (C.34:1B-241.1 et seq.).

5 i. In determining whether to provide a loan to an eligible small  
6 business, the authority shall consider, along with other criteria that  
7 the authority in its discretion deems appropriate, whether the  
8 business commits to increasing its full-time employment level in the  
9 State.

10 (cf: P.L.2011, c.201, s.2)

11

12 3. (New section) The authority shall adopt rules and  
13 regulations, pursuant to the "Administrative Procedure Act,"  
14 P.L.1968, c.410 (C.52:14B-1 et seq.), as are necessary to effectuate  
15 the purposes of P.L. , c. (C. ) (pending before the  
16 Legislature as this bill). The authority shall consult with the  
17 department concerning those rules and regulations applicable to  
18 loans made to qualified dairy farmers and eligible farming  
19 operations.

20 (cf: P.L.2011, c.201, s.3)

21

22 4. This act shall take effect immediately.

23

24

25

#### STATEMENT

26

27 This bill requires the New Jersey Economic Development  
28 Authority (EDA), in consultation with the Department of  
29 Agriculture, to provide loans to eligible farming operations and to  
30 certain qualified dairy farmers under an existing small business loan  
31 program administered by the EDA.

32 Under the bill, an eligible farming operation may use loans under  
33 the program to purchase farm equipment. The bill provides that an  
34 "eligible farming operation" is two or more independent business  
35 entities that are engaged in farming operations in the State, that are  
36 applying together for participation in the loan program, and that, at  
37 the time of the application, are independently owned and operated,  
38 participate in an agricultural commodity or product marketing and  
39 development program operated by the Department of Agriculture,  
40 and satisfy other criteria that may be established by the EDA. Farm  
41 equipment purchased with loan funds by an eligible farming  
42 operation are to be used by all of the two or more business entities  
43 that constitute an eligible farming operation.

44 Under the bill, a qualified dairy farmer may use loan funds for  
45 any aspect of the qualified dairy farmer's small business. The bill  
46 requires that a "qualified dairy farmer" produce value-added dairy  
47 products, such as cheese, cultured sour cream, yogurt, kefir, butter,  
48 ice cream, evaporated milk, condensed milk, and concentrated milk.

**S3955 OROHO, PENNACCHIO**

6

1       The bill requires that an EDA-approved loan under the program  
2 is to be made pursuant to a loan agreement, bear interest at rates and  
3 terms deemed appropriate by the EDA, and contain other terms and  
4 conditions considered appropriate by the EDA that are consistent  
5 with the purposes of the bill and with regulations adopted by the  
6 EDA to implement the bill. The EDA may, in its discretion, require  
7 an eligible farming operation or qualified dairy farmer that receives  
8 a loan under the program to submit a financial statement to the EDA  
9 in order to ensure continued viability, and specifies that an eligible  
10 farming operation is to provide joint submissions.

11       The bill requires the EDA, in consultation with the Department  
12 of Agriculture, to adopt rules and regulations as are necessary to  
13 effectuate the purposes of the bill.

# Governor Murphy Takes Action on Legislation

08/9/2019

**TRENTON** - Today, Governor Phil Murphy signed the following bills into law:

**A312 (Pinkin, Conaway, Giblin, Holley, Danielsen, Mukherji, Wimberly/Vitale, Rice)** - Requires certain health care facilities to provide information concerning palliative care and hospice care services.

**A841 (Land, Calabrese/Andrzejczak)** - Provides for establishment of county college certificate programs to meet needs of certain regional employers.

**A1700 (Dancer, Vainieri Huttie, Calabrese/Cruz-Perez, Cunningham)** - Expands eligibility criteria for designating certain areas as being in need of redevelopment.

**A2004 (Karabinchak, Mazzeo, Pinkin, Coughlin/Diegnan)** - Requires municipality to pay certain nonresidential property tax appeal refunds in equal installments over period of three years.

**A3937 (DeAngelo, Reynolds-Jackson, Verrelli/Turner)** - Allows local government water system employees to reside in all municipalities served by water system.

**A4115 (Benson, DeAngelo, Holley/Greenstein)** - Clarifies that certain students are eligible for NJ STARS and NJ STARS II scholarship upon initial enrollment at institution of higher education on part-time basis.

**A4223 (Johnson, Rooney/Weinberg, Lagana)** - Requires State Treasurer to pay county prosecutor's expenses for overseeing certain law enforcement agencies.

**A4938 (Tucker, Pinkin, Vainieri Huttie/Ruiz, Greenstein)** - Requires DOH to establish "My Life, My Plan" program to support women of childbearing age in developing reproductive life plan.

**A5021 (Quijano, Bramnick, Reynolds-Jackson, Pinkin, Downey/Vitale, Kean)** - Requires Medicaid coverage for group prenatal care services under certain circumstances.

**A5322 (Burzichelli, Milam, Houghtaling, Taliaferro/Sweeney, Oroho, Beach, Andrzejczak)** - Establishes program for cultivation, handling, processing, transport, and sale of hemp; repeals New Jersey Industrial Hemp Pilot Program.

**A5392 (Quijano, Murphy/Vitale, Scutari)** - Establishes new liability standards in sexual abuse lawsuits filed against public entities and public employees.

**A5595 (Milam, Houghtaling, Dancer, Wirths/Oroho, Pennacchio)** - Expands eligibility for EDA small business loan program to specifically include certain farming operations and qualified dairy farmers.

**S601 (Smith, Greenstein/Pinkin, McKeon)** - Establishes "New Jersey Solar Panel Recycling Commission."

**S781 (Sarlo, O'Scanlon/Giblin, DiMaso, Handlin)** - Revises penalties for certain violations of law by public movers and warehousemen.

**S984 (Vitale, Singleton/Conaway, Mukherji, Murphy)** - Establishes certain requirements, including allowable fees, for provision of medical records to patients, legally authorized representatives, and authorized third parties.

**S1109 (Ruiz/Munoz, Quijano)** - Renames "Physician Orders for Life-Sustaining Treatment Act" as "Practitioner Orders for Life-Sustaining Treatment Act"; permits physician assistants to sign and modify POLST forms; requires continuing education concerning end-of-life care.

**S1739 (Oroho, Andrzejczak/Land, Space, Milam)** - Renames county corrections officers as county correctional police officers.

**S2807 (Cryan, Cruz-Perez/Pinkin, Moriarty, Zwicker)** - Concerns service of food or refreshments on mortuary premises.

**S2858 (Gopal, Diegnan/Houghtaling, Downey, Johnson)** - Prohibits issuance of certain badges to NJT board members, PANYNJ commissioners, and local and State elected officials.

**S3212 (Ruiz, Rice/Pintor Marin, Holley)** - Permits municipalities to establish temporary supplemental zoning boards of adjustment to address application backlogs.

**S3334 (Diegnan, Vitale/Conaway, Pinkin)** - Exempts certain surgical technologists from general educational and training requirements.