

(CORRECTED COPY)
CHAPTER 34

AN ACT concerning loans to vineyards and wineries and supplementing P.L.1974, c.80 (C.34:1B-1 et seq.).

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

C.34:1B-266 Definitions relative to vineyards and wineries.

1. As used in P.L.2019, c.34 (C.34:1B-266 et seq.):

"Authority" shall have the same meaning as provided in section 3 of P.L.1974, c.80 (C.34:1B-3).

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

"Qualified capital expense" means all expenditures made by an eligible vineyard or winery for land acquisition or improvement, infrastructure acquisition or modernization, and the purchase or modernization of machinery and equipment, including:

- a. barrels;
- b. bins;
- c. bottling equipment;
- d. canopy management machines;
- e. capsuling equipment;
- f. chemicals;
- g. corks;
- h. crushers;
- i. deer control fencing;
- j. destemmers;
- k. fermenters or other recognized fermentation devices;
- l. fertilizer and soil amendments;
- m. filters;
- n. fruit harvesters;
- o. fruit plants;
- p. hoses;
- q. irrigation equipment;
- r. labeling equipment;
- s. lugs;
- t. mowers;
- u. poles;
- v. posts;
- w. presses;
- x. pruning equipment;
- y. pumps;
- z. refractometers;
- aa. refrigeration equipment;
- bb. seeders;
- cc. soil;
- dd. small tools;
- ee. tanks;
- ff. tractors;
- gg. vats;
- hh. weeding and spraying equipment;

- ii. wine tanks;
- jj. wire; and
- kk. any other items as approved by the authority in consultation with the department.

“Vineyard” means agricultural lands located in the State consisting of at least one contiguous acre dedicated to the growing of grapes or other fruit that are used or are intended to be used in the production of wine by a winery as well as any other plants or other improvements located thereon.

“Winery” means a commercial farm where the owner or operator of the commercial farm has been issued and is operating in compliance with a plenary winery license or farm winery license pursuant to R.S.33:1-10.

C.34:1B-267 Maintenance, administration of loan program and application process.

2. a. The New Jersey Economic Development Authority, in consultation with the Department of Agriculture, shall maintain and administer a loan program and application process for the purpose of providing loans to eligible vineyards or wineries to pay for qualified capital expenses.

b. A loan to an eligible vineyard or winery authorized under P.L.2019, c.34 (C.34:1B-266 et seq.) shall be made pursuant to a loan agreement with the authority and shall contain any terms and conditions considered appropriate by the authority that are consistent with the purposes of P.L.2019, c.34 (C.34:1B-266 et seq.). The provisions of the loan agreement shall include, but not be limited to, a statement the proportional shares of ownership in eligible vineyard or winery, equipment usage and maintenance responsibilities, and loan repayment responsibilities for any loan proceeds received under the loan program.

c. The authority may, in its discretion, require an eligible vineyard or winery that receives a loan authorized pursuant to P.L.2019, c.34 (C.34:1B-266 et seq.) to submit an annual audited financial statement to the authority in order to ensure the continued viability of all vineyard or winery operations.

d. The authority may, either through the adoption of rules and regulations, or through the terms of the loan agreement made pursuant to subsection c. of this section, establish terms governing the incidence of default by an eligible vineyard or winery that receives a loan under the program administered pursuant to P.L.2019, c.34 (C.34:1B-266 et seq.).

C.34:1B-268 Rules, regulations.

3. The authority, in consultation with the department, may adopt rules and regulations, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), as may be necessary to effectuate the purposes of P.L.2019, c.34 (C.34:1B-266 et seq.).

- 4. This act shall take effect immediately.

Approved February 7, 2019.