

RESOLUTION # 4

AGRICULTURE AND THE STATE MINIMUM WAGE

1 **WHEREAS**, New Jersey agriculture is heavily concentrated in the production of fruit
2 and vegetable crops meant for fresh-market sale, as well as nursery, greenhouse and
3 horticultural stock; and

4 **WHEREAS**, dairy farms are also labor-intensive operations and most dairy farms rely
5 on hired labor to help with the day-to-day operations throughout the entire year; and

6 **WHEREAS**, these sectors, as well as others, including equine and agri-tourism, are
7 labor-intensive operations, as the products being produced, or experiences being offered,
8 rely upon aesthetic appeal to the consumer as much as, or sometimes more than, any other
9 attribute; and

10 **WHEREAS**, there is a necessity for hand-picking and/or hand-tending of these
11 agricultural products and experiences; and

12 **WHEREAS**, most New Jersey farms are family-owned operations, in which there are
13 not enough family members to provide all the needed labor; and

14 **WHEREAS**, this creates the need for the hiring of outside labor; and

15 **WHEREAS**, many produce farm operators pay a “piece-rate,” in which workers are
16 paid based on the amount of fruits or vegetables they pick and, during peak harvest, good
17 workers can make significantly more than the minimum wage under this piece-rate system;
18 and

19 **WHEREAS**, by contrast, the farm operator must pay **at least** the state minimum
20 wage for those workers who pick less, or during times when there are not enough crops to
21 be picked, and their wages, regardless of how much they pick, must be equal to at least the
22 minimum per-hour wage; and

23 **WHEREAS**, the New Jersey State Board of Agriculture, working with representatives
24 of agricultural-interest groups in New Jersey, has created a list of steps that it believes are
25 essential to bolster the industry’s economic viability in response to the passage and signing

26 of the new minimum wage in the state, and these measures have been drafted into proposed
27 legislation; and

28 **WHEREAS**, that list includes:

- 29 ✓ **Seasonal Farmworker Job Retention Incentives** – Annual incentives to New
30 Jersey farmers based on the difference between the 2013 constitutionally mandated
31 minimum wage levels and the newly scheduled increases for seasonal workers.
- 32 ✓ **Definition of Agricultural Labor** – Updating the definition of “farmworker” to better
33 match the range of workers (e.g. on-farm processing, farm-market clerks, etc.)
34 involved in today’s evolving farm operations.
- 35 ✓ **Tax Credits for Farmworker Housing and Transportation** – Many farmers
36 currently provide both for some workers. Credits would offset the cost of those
37 provisions that benefit farmworkers beyond their base wages.
- 38 ✓ **Labor Tax Credits** – Would offset increasing unemployment insurance payments,
39 state disability insurance payments, and workers compensation insurance costs.
- 40 ✓ **Accelerated Depreciation Allowances** – Adopt current federal tax allowances (e.g.
41 Section 179) for New Jersey Business tax returns to allow for more rapid
42 depreciation of capital expenses, especially for equipment that will improve
43 efficiency.
- 44 ✓ **Expanded Property Tax Exemption for Single-Purpose Ag Structures** – Would
45 extend the types of buildings under the current definition of Exempt Structures,
46 lowering the farm’s tax burden.

47 **NOW, THEREFORE, BE IT RESOLVED**, that we, the delegates to the 106th State
48 Agricultural Convention, assembled through a virtual platform hosted in Trenton, New
49 Jersey, in accordance with COVID-19 pandemic recommendations, on February 17, 2021,
50 support the efforts of the New Jersey State Board of Agriculture to pursue – through
51 regulation, legislation or other means – the measures enumerated above to bolster economic
52 viability in the state’s agricultural industry and to enhance New Jersey agriculture’s

53 competitive position with farms in other states that have not yet passed laws to increase their
54 state's minimum wages.

55 **BE IT FURTHER RESOLVED**, that we strongly urge the Legislature to pass, and the
56 Governor to sign, all pending bills that would effectuate these measures.