

FISCAL YEAR 2008 BUDGET STATEMENT

OF

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DEPARTMENT OF ENVIRONMENTAL PROTECTION**

BEFORE THE

ASSEMBLY BUDGET COMMITTEE

MARCH 27, 2007

Good Morning Mr. Chairman and members of the committee. I want to thank you for the opportunity to come before you today to discuss Governor Corzine's proposed Fiscal Year 2008 budget for the Department of Environmental Protection.

The Fiscal Year 2008 funding level for DEP has been set at \$442.2 million, or \$30.7 million less than the adjusted FY 2007 funding. Our operating budget of \$233 million (including \$2.5 million for the Palisades Park Commission) reflects an overall decrease of \$10 million from FY 2007.

Our Grants in Aid budget of \$24.7 million remains relatively stable, with a \$2.5 million drop from adjusted fiscal year 2007 levels. Similarly, our State Aid funding of \$10.9 million is only \$300,000 less than the 2007 level, maintaining our funding commitments to the County Environmental Health Act, the Pinelands Commission, the Highlands Council and for Payments in Lieu of Taxes.

Lastly, a decrease of \$9.5 million in our Capital budget reflects the fact that capital improvements in our parks, forests and wildlife management areas received a \$9 million appropriation from the General Fund in FY 2007 that is not included in the FY 2008 budget. Instead, the improvements are to be funded from a reallocation of dedicated CBT resources from underground storage tank and site cleanup activities that was authorized by the voters last November.

I am proud to report to you that the DEP is continuing to meet the challenges put forward by Governor Corzine that we must do more with less. We will implement our share of the Across the Board \$25 million reduction contained in the Governor's Budget Message without any diminution of the services we offer to our various constituencies.

The FY 07 budget had a reduction of \$50 million. The DEP's share of that was approximately \$4.5 million in funding that we did not receive to pay for cost of living adjustments (COLA) and salary increments. We were able to offset the impact of losing this money by not backfilling vacancies as they happened. We will be able to meet our objectives in the same manner during FY 08.

As of January 2007, the DEP filled position complement is 3,292. This represents a decrease of 140 employees from last year at the same time.

The Fiscal Year 2008 budget proposed by the Governor provides the fiscal framework within which the DEP can effectively operate to perform its duties as mandated by the Legislature. However, this is not to say that there are no areas of the department where staff can keep up with their workload. As you may know, for example, the site remediation program is one area where there can be delays of months – and in some cases even years – for the public to get answers on a given case or site. Staff simply cannot complete required reviews of cleanup projects on a timely basis due to an overwhelming workload. We are currently conducting a comprehensive review of this program to determine where we can improve administrative efficiencies, where changes in our regulations can assist us and where we may have to come back to the Legislature for statutory changes.

Even so, this budget helps the State to move ahead in addressing some vital needs that have long been ignored. In addition, we will address some emerging priorities such as performing inspections at day care facilities, conducting studies on the feasibility and environmental impacts of wind power generation and evaluating options relating to black bear management in the state.

Promises Made, Promises Kept

Last year, I came to you and described a number of measures and initiatives the DEP would be taking to heed Governor Corzine's call to "do more with less" while, at the same time, maintaining a high level of service to all of our different constituencies. As I have already indicated, much of my message today will reflect a common theme as we move into FY 2008. Before I proceed to describe actions we are looking to take in the next year I think it only appropriate to review with you some of the promises and commitments I made to you last year, outlining where we are in meeting those commitments.

Pharmaceutical Industry Regulatory Streamlining

Last year, the committee had specifically asked about ways that the DEP could better assist one of the major business sectors in our state, the pharmaceutical industry, in getting through the maze known as the DEP bureaucracy. I am happy to report on several key initiatives we have implemented in this regard.

First, we have designated a departmental point person for all pharmaceutical issues. All too often, members of the regulated community get lost as they are transferred from office to office as they try to get answers on how they can best meet their permitting and other regulatory responsibilities. Having a single point of entry, who by the way is a person with years of experience with DEP permitting, will facilitate a seamless process for this important driver of the State's economy.

We have also put in place programs to help pharmaceutical companies grow and meet market demand while at the same time ensuring that their operations are conducted in an environmentally sound manner. In the past, many DEP permitting programs operated a one-size-fits all mentality. This made it difficult for many companies such as pharmaceuticals that are heavily reliant on researching and developing new processes and products. Each change they make to their processes would result in a new round of endless discussions with DEP staff on how they can continue to meet their permit requirements.

In response to these concerns, we have put in place a General Permit in the air program for research and development facilities for smaller operations. We have also revised the permit process to make it more flexible for pilot plants, which covers larger operations than the research and development. These changes should provide proper, clear guidance to these facilities as they look to grow and develop their product lines.

Data Processing Facilitation

Last year, I also highlighted for you the advances that the DEP had made, and were continuing to make, in the way it gathers, shares and utilizes the myriad data needed to properly ensure that the environment and public welfare are being protected. As you know, we get data on paper, disk, email, fax and through online applications built to provide for electronic submittal. Properly and efficiently managing this data stream not only makes good sense for the DEP but is essential for the regulated community and the general public to meaningfully interact with the department. Towards this end, we had developed, and we continue to refine, an online portal www.njdeponline.com that allows a great deal of the data we require to be submitted electronically. This saves time and money not only for the State but for the regulated community as well.

Due to organizational and automation improvements, we have greatly improved our review process without sacrificing our high level of environmental review. It is now possible for DEP managers to conveniently access information on their computers from all over the DEP regarding a particular site. There is also much more cross-program integration and communication than ever before. As a result, better-informed and quicker decisions are being made.

Last year, I had noted the additional initiatives DEP was taking to automate much our operations and information management. In fact, I reported how several of our IT initiatives were so successful that other agencies, and even other states, were emulating our success and even purchasing our software. I am pleased to report that this trend has continued this past year and that there are new initiatives – as well as refinements to old initiatives – in the offing that will continue to maximize efficiencies and improve our internal communications and decision-making. Let me briefly describe a few of these measures.

DEP has enhanced its electronic submittal and reporting system to provide a framework that allows DEP staff to build electronic permit capabilities, to reduce the cost and time it takes to put up new services. Land Use permit capabilities will go online this summer, allowing regulated entities to submit permit applications and payment electronically and, where possible, generate an automated decision. This solution provides applicants a way to submit easier, faster and more reliable permit applications and helps to reduce DEP data entry and processing steps.

Over the next year DEP will provide more capabilities via its newly released electronic reporting system for laboratories, water systems, regulated and volunteer monitors so that of analysis and monitoring data can be submitted to DEP over the web. This system provides laboratories with one consistent way to submit more reliable data. This will be faster and easier for them will allow DEP to process the data and respond to environmental and public health concerns more quickly.

We are continuing to integrate all DEP programs into the New Jersey Environmental Management System (NJEMS) so we can assess facilities from a multimedia perspective, advance pollution prevention, monitor environmental indicators and reduce the regulatory burden. Most importantly, we are developing an information system that enables the most informed environmental decision making possible, at all levels of government.

There is nothing more frustrating for an entity than to receive a call at the 11th hour that, by the way, you will need such and such a permit. The cross-program sharing of information and regulatory requirements that NJEMS will help to facilitate up front the provision of guidance regarding the full suite of regulatory requirements that the entity may have to meet.

Enhancing our data management capabilities will also have positive long-term financial benefits for the DEP. Through automation, we are enhancing our ability to recover costs from parties who are responsible for the cleanup of contaminated sites that previously may have been overlooked. By implementing Site Remediation Program direct billing through NJEMS, the DEP will be able to collect millions of dollars in funds owed for site remediation efforts that otherwise may have in the past gone uncollected. This will address issues that were identified by the State Auditor.

I also promised that we were in the process of enhancing the ease with which both the regulated community and DEP staff and managers can obtain the status and information on permit applications that are in the system. We have made tremendous strides in putting together what we call Permitting Dashboard Reports. Over the next year, DEP will complete permit dashboard reports for all of its permit programs. The Permitting Dashboard Reports help the DEP staff and managers, and the public, to see at a glance permit workload and backlogs. This provides not only a valuable management tool as we analyze and shift workloads but also transparency for the public and increased accountability of the DEP.

We also have put in place the Pending Permit Status report as requested by DEP constituents. This online report provides up to the minute status on permit applications, the name of the staff who's desk it is on, the number of days DEP has to make a final decision, that have passed under DEP's review and remaining before the days allotted is reached, and whether its on-time or backlogged. The report is based on standardized tasks for all DEP permit applications to allow for a consistent process regardless of the program or type of application.

The DEP will also release the Multi Media Release Report (MMRR) that provides a summary of releases at a site/sites or municipality, by year, pollutant, and media. The purpose of the report is to show information about possible environmental impacts from a facility, aggregating pollutant release data from Air Emissions Statements, Discharge Monitoring Reports, Air Permits, and Right to Know Chemical Inventory. This report serves as a cornerstone to our efforts with the Department of Health and Senior Services to link health data to environmental data but is also invaluable to land use planning.

At the national level, the DEP is participating in the Exchange Network, a partnership between state environmental departments and the U.S. Environmental Protection Agency (EPA). This network is revolutionizing the exchange of environmental information efficiently and securely over the Internet using web services. DEP will be reusing the infrastructure implemented for this federal reporting to exchange air monitoring data with neighboring states and our sister agencies such as the Department of Law & Public Safety for homeland security concerns and the Department of Health and Senior Services for health tracking efforts.

An additional tool that we are planning is NJ-GeoWeb. This is a sophisticated departmental intranet-reporting tool that will be distributed to the public over the Internet this year. This tool allows users to map DEP enterprise data from any data system (i.e., Oracle, Access, Excel) and view with any GIS data layer, defaulting information to make it easier for users to answer common questions, like what's in my neighborhood, to view environmentally sensitive areas or potential environmentally unhealthy areas within a selected radius.

I would like to highlight that these improvements are being implemented at the same time that we have steadily reduced our costs through increased efficiencies and consolidation. We have saved by implementing some common sense measures. For example, server consolidation efforts are resulting in cost reductions in hardware and maintenance. This year, DEP will be transferring manifests into NJEMS from an old mainframe system. This will annually save the State \$90,000 in maintenance costs. Another \$30,000 in savings will be achieved through the shift of publishing the DEP Bulletin in an electronic form and making the same available on-line versus hard copy printing and mailing. Instead of replacing and adding printers, we have strategically reallocated them so that they are maximally utilized. We have only purchased computers as upgrades to address internal security issues. We have been able to negotiate a 33% reduction to the monthly costs for our cell phones.

Maximizing the Use of Available Funds

Realizing that the DEP cannot rely on General Fund support to any great extent, the department continues to look for ways to identify and capitalize on the use of other eligible sources of funding. In addition, a number of initiatives are being put in place to eliminate waste and to ensure that the funds we do have at our disposal, both General Fund and other sources, are used in the most effective and efficient manner possible.

1. Reduction of General Fund Support

Over the past decade, the DEP has, with the Legislature's approval, steadily weaned our operations away from General Fund support by systematically increasing the reliance on fees and user charges. This reliance shifts the burden to those specific parties that either are responsible for the problems we are working to correct or benefit from the services we provide. As a result, the percentage of the DEP's FY 2008 operating budget covered by the taxpayers will be only 24 percent, significantly down from 41.3 percent in FY 2002. As we increase the amount of revenues we bring in to reduce our reliance on the General Fund and cut waste wherever we find it, the taxpayer wins. We will be continuing these efforts into the next fiscal year.

As indicated above, the vast majority (76%) of the DEP budget is covered by revenues from non-General Fund sources: fees and constitutionally and statutorily dedicated funds.

From the overall perspective, DEP's budget level for FY 2008 is set at \$442.2 million. After factoring out Debt Service, Palisades Park Commission, payments in lieu of taxes, fees, constitutionally and statutorily dedicated funds and specific State Aid or Grants in Aid appropriations (e.g., Highlands Council and Pinelands Commission) from DEP's funding level, \$65.3 million is left. Therefore, this would only leave areas of the DEP that receive substantial support from the General Fund in the FY 2008 budget as possible candidates for further cuts. Of this, \$3.5 million is to go for County Environmental Health Act functions and

\$5 million for flood control capital projects, with the remainder left for parks operations and maintenance, forestry management, dam safety, fish and wildlife, shellfish regulation, our science and research efforts and DEP management. By far, the most General Fund support (\$30 million) is going to help us in our parks operations and maintenance. Given that the public recently voted to dedicate CBT funding for parks development, it would not be prudent to cut in this area.

In short, all of the areas that are covered by the General Fund are broad-based, public functions for which it only makes sense for the State to support. There is not a clientele base on which fees for services can reasonably be applied. Also, it should be noted that some of the funds we receive in these programs are used to leverage and match federal funds.

Substantial cuts to areas of the DEP that are supported by fees would likewise not make programmatic or fiscal sense. First, the State would realize decreased revenues as the fees drop. Second, this will adversely impact the DEP's ability to deliver timely services that the regulated community expects and deserves, especially since they are paying directly for it through their fees. Third, the permits and other approvals that the fees cover are intrinsically tied to economic development. A developer who needs a wetlands permit or a No Further Action letter in order to proceed with construction or a manufacturer who needs an air operating permit before he can expand his operations are examples where delays can have far-reaching economic consequences throughout the community.

And lastly, we are precluded from making cuts to dedicated funds, especially the \$127.1 million constitutionally dedicated CBT funds. The \$25 million dedicated for shore protection must be used for shore protection projects. The DEP does not have any discretion with any of the funds but must use them for the purposes for which they were intended.

2. Identifying and Accessing Other Sources of Funds

a. Natural Resource Damage Claims

As you know, common and statutory law provides that the State holds all natural resources in trust for the public. When there is a hazardous substance spill or other activity that harms natural resources, it is our responsibility to pursue claims for public compensation for injuries to those natural resources. Without pursuing these claims, the State is faced with the choice of either living with degraded natural resources that the public can neither enjoy nor utilize, or having to invest taxpayer funds to restore them.

Since 1993, over \$50 million in cash, restoration projects and land preservation has been recovered from "voluntary" settlers under the natural resource damage (NRD) program. The vast majority of this has come from settlements achieved since January 2002. Those settlements, under which nearly 200 parties have settled, translate into the public being compensated for natural resource injuries at 1,700 sites throughout the State. In just the last four years, over 5,300 acres of wildlife habitat and aquifer recharge have been preserved. NRD recoveries, where the contamination has affected recreational interests, are also contributing directly to the improvements and expansion of state and local parks.

NRD recoveries have augmented preservation of open space. Where there are injuries to ground water, we have encouraged responsible parties to resolve their liability by permanently protecting watershed lands and ground water recharge areas as in-kind restitution for the

public's loss. DEP's Office of Natural Resource Restoration (ONRR) manages a current balance of approximately \$29 million. Of this, approximately \$19 million is allocated for specific restoration projects throughout the state including:

- Liberty State Park (Jersey City) wetland restoration and public access enhancement
- Lincoln Park (Jersey City) wetland restoration and public access enhancement
- Woodbridge Creek (Woodbridge) wetland restoration and public access enhancement
- Rahway River (Rahway) wetland restoration and access enhancement
- Rahway Riverfront trail access enhancement (Linden)
- Delaware Bay shorebird foraging habitat restoration (Manchester Twp.)
- Piping Plover beach-nesting management (Atlantic coast)
- Delaware Bay saltmarsh restoration (Lower Alloway Twp.)
- 1,000 acres of aquifer recharge in Camden, Gloucester and Salem Counties

The remaining \$10 million will be used to implement appropriate restoration projects with nexus to specific injuries as they become available.

There is proposed revision to budget language that would authorize the use of natural resource damage recoveries for grants to local governments and nonprofit organizations to implement restoration activities. This change will enable the ONRR to more effectively realize its mission of restoring the public's natural resources that have been injured by oil spills and other unauthorized hazardous releases. To restore injured resources, ONRR often partners with DEP's Green Acres Program to purchase or deed restrict lands that provide aquifer recharge or wildlife habitat. The revised language would expand ONRR's land acquisition ability by enabling similar partnerships with local government and nonprofit land conservation entities. Such partnerships will also help facilitate other types of restoration projects such wetland creation and enhancement, improving public access to natural resources, and endangered species management.

3. Eliminating Waste and Improving Efficiency

The DEP has taken action in a number of areas to eliminate waste and to safeguard the public's dollars. Between 2002 and 2006, the amount we spent on overtime fell by 27 percent, dropping from \$2.48 million to \$1.81 million. While looking for additional opportunities for savings in this area, it should be remembered that there are certain essential programs such as emergency response where denial of overtime could be detrimental to public health and welfare.

We have also made concerted efforts to better manage our fleet of vehicles. Over the past three and a half years we have reviewed the assignment of vehicles and 53 percent of our fleet of 1,455 vehicles are now pool or field assignments. They are only assigned individually based on function, need or to ensure the security of the vehicle. It should also be noted that the majority (85%) of our vehicles are in the DEP's Natural Resources, Site Remediation and Compliance & Enforcement areas. They are primarily vans, trucks and SUVs that are used to haul equipment, travel off-road for inspections, cleanup activities, parks and forest maintenance, field sampling, etc. You will please note that the DEP has 70 fewer vehicles than the number I reported to you last year.

Similarly, we have taken steps to drastically reduce the amount of business and conference travel. In FY 2001, the total amount paid by the DEP for travel related expenses was \$896,091. We have steadily cut this so that in FY 2006 the amount has been reduced to \$311,231, a reduction of 62 percent.

Key Initiatives & Emerging Issues

Improving our Parks

As I indicated above, Governor Corzine's budget maintains a high level of capital funding in key areas. The most important change has been that last November the voters approved a stable source of funding from the CBT for capital improvements in our state and local parks. Rather than the occasional appropriation that may be put toward this effort – last year the Legislature approved \$9 million for this purpose – we now have a constitutional dedication for this crucial program.

Parks and natural areas are vital components of a high quality of life. They are also directly related to such things as the State's economy and the property values of our communities. However, the way the state has treated these treasures over the past two decades has been abysmal. The maintenance, upkeep and improvements required at our state parks, forests, wildlife management areas and historic sites have been ignored for such a long time that our statewide estimated need is over \$250 million. As a result, the state park system, which was once considered one of the best in the country, has fallen into significant disrepair. A viable park and forest system is an essential component for a high quality of life for New Jerseyans.

Using the \$9 million from last year's General Fund appropriation and the \$9.6 million in CBT revenues received for the second half of FY 2007, we have already started to embark immediately on addressing our highest priority needs. An additional \$19 million is projected for FY 2008. The Department, through a stable funding source for its state parks, forests, historic sites and wildlife management areas capital projects, will now be capable to conduct long range planning and implementation for improvements to and development of statewide recreational, natural and historical resources, which ultimately serves and benefits the public. Staffing requirements will be considered with new facilities, but will not deter an area's future development because of a staffing need. We will continue to evaluate our available staffing options and potentially phase in operations of facilities based on existing staff.

The DEP is still evaluating potential projects to be funded by the \$19.1 million in FY 2008. Funding has been allocated from both the FY07 capital and CBT allotments for design and initial construction phases at Trenton and Paterson urban state parks. Specific initial development projects may include recreational trails and interpretive/directional signage but the full scope will be determined once the master plans are completed, which will provide the overall phased development of each urban state park.

Brownfield Redevelopment

Consistent with Governor Corzine's Economic Growth Strategy, DEP continues to make brownfield redevelopment a priority. With funding provided under the Hazardous Discharge Site Remediation Fund, and through innovate remediation and redevelopment strategies like

our Brownfield Development Area program, New Jersey has established itself as the national model for brownfield redevelopment.

In 2006, the DEP approved approximately \$18 million in funding from the HDSRF for 24 municipal brownfield projects including:

- ◆ \$2.5 million for the removal of lead contaminated soil at the Magic Marker site in Trenton;
- ◆ \$297,000 for the investigation of the Somerville Landfill;
- ◆ \$152,000 for the investigation of the Route 440 Corridor in Bayonne;
- ◆ \$108,000 for the investigation of Nat Turner Park in Newark; and
- ◆ other awards in Paterson, Garfield and Mantua Township.

This past year, DEP designated three new Brownfield Development Areas, including the Salem Industrial Gateway, joining other high priority brownfield projects throughout the state like the Route 440 Corridor in Bayonne, the Monument-Magic Marker Redevelopment and the Assunpink Greenway in Trenton, the Harrison Waterfront Redevelopment, the Great Falls Historical District in Paterson and the Elizabeth Port Redevelopment. This brings the total number of these priority brownfield projects under DEP oversight to 18. These projects include waterfront greenways, portfields warehousing, professional soccer stadiums and a new State Park. More traditional end uses result in desperately needed market rate and affordable housing, jobs and ratables.

Climate Change

A well-developed scientific consensus holds that recent global climate change is primarily anthropogenic and has been caused largely by increasing emissions of carbon dioxide. This consensus also holds that warming of the atmosphere is responsible for rising sea levels. New Jersey is particularly vulnerable to the impacts of sea level rise, with 127 miles of coastline and hundreds of square miles of landmass within a few feet of sea level. A number of reports highlight that the impacts on the environment and the economy from global warming can be extremely large.

For this reason, Governor Corzine recently issued an Executive Order that sets statewide targets for stabilizing New Jersey's greenhouse gas emissions at 1990 levels by 2020 and reducing greenhouse gas emissions to 80% below 2006 levels by 2050.

To reach this goal, the Governor has directed various state agencies, in consultation with stakeholders, to evaluate methods to meet and exceed the 2020 target reductions. Within the next six months, I will make specific recommendations to meet the targets while taking into account the economic benefits and costs of implementing these recommendations. This evaluation will be done in conjunction with the state's Energy Master Plan, which the Governor has directed to be completed by this October, to incorporate the 2020 greenhouse gas reduction target. New Jersey has also been an active participant, along with nine other Northeastern states, in the Regional Greenhouse Gas Initiative – or RGGI. RGGI is leading the charge on working to reduce carbon dioxide emissions from the electric power sector.

To address this important environmental issue, the RGGI participating states are developing a regional strategy for controlling emissions of greenhouse gases, which are not bound by state

or national borders. Central to this initiative is the implementation of a multi-state cap-and-trade program with a market-based emissions trading system. This is the first-ever cap-and-trade program addressing CO₂ in the United States. The proposed program will require electric power generators in participating states to reduce carbon dioxide emissions.

The DEP as well as the Board of Public Utilities are pursuing these initiatives using existing resources. I note this initiative first because it is of vital importance to the State that we pursue measures to promote climate change reduction. Also, later this year we will be working with the Legislature to put into statute those aspects that require legislative approval, such as the RGGI cap-and-trade program. Furthermore, I raise this initiative, which has recently been highly publicized, to assure the committee that we do not anticipate any need for General Fund revenues to conduct this important venture but will instead be seeking authority to obtain resources in other ways, probably through fees.

Wind Farms

New Jersey faces a serious and growing energy crisis. The rapidly rising cost of electricity threatens economic growth and the quality of life in this state. Because no single source of renewable power can solve our energy crisis, New Jersey has assumed a leadership role in addressing these issues and aggressively tackling this problem on multiple fronts. For this reason, former Governor Codey created a Blue Ribbon Panel on Development of Wind Turbine Facilities in Coastal Waters to evaluate the appropriateness of developing offshore wind turbine facilities for New Jersey's coastal waters.

Governor Corzine's budget includes \$4.5 million for natural resource studies that will collect the baseline data recommended by the Blue Ribbon Panel. Collection of these data presents an important scientific initiative to gather information regarding marine mammals, birds, turtles, fish, etc. The Request for Proposals (RFP) for the natural resource studies will be issued in April and our plan is to have researchers out in the field for fall migration for an 18 month study.

The natural resource studies are for a broad geographic range, reaching out 20 nautical miles offshore (approximate 100-foot depth contour) from the area adjacent to Seaside Park (i.e., point offshore of Route 37) south to Stone Harbor (Cape May County). This area is approximately 1,300 square nautical miles (i.e., 68 x 19 nautical miles) in size and excludes Delaware Bay and areas off the New Jersey coast with known major constraints for siting offshore wind power (e.g., air-restricted zones, significant water habitat).

In addition to the DEP natural resource studies, we expect RFPs to be issued in the same general timeframe to look at feasibility issues (wind resources, water depth, cable logistics, connecting to the grid, etc.) and socioeconomic issues (commercial fish, tourism, etc.) from BPU and Commerce, respectively. The BPU and Commerce projects will be more focused in region to the Atlantic County area but not on any pinpointed site.

The work being done by researchers on all 3 projects will be exchanged during the course of the studies so as to inform each others' work and deliberations. We fully expect that the natural resource studies will provide important data regarding locational feasibility issues for a pilot project as well as overall solid data for overall ocean policy development as well.

Black Bear Management

Currently, bear research and control activities are conducted by one bear biologist and one technician funded by the Hunters and Anglers Fund and federal aid to Wildlife Restoration Grant. With the \$850,000 appropriation proposed by the Governor, the Department will hire two additional conservation officers to patrol the northern region where black bear activities are most prevalent. We will also be able to hire two additional wildlife biologists and two additional wildlife technicians to conduct and support expanded bear research, educational outreach initiatives and nuisance control measures. The additional funding also will support expanded educational outreach initiatives to inform the public statewide through increased educational programs provided at schools (teacher workshops) and the general public (civic organizations, municipal governments and conservation organizations). Materials include a primary focus on targeted and aggressive mass media communication (Public Service Announcements in newspapers, TV and radio) and selected direct mail campaigns. Priority order will be given to communities that have high black bear complaints and communities with emerging bear issues.

The results of the Department's enhanced bear management efforts will assist in the revision of the State Comprehensive Black Bear Management Policy on whether non-lethal methods have fully been explored and effective before considering another hunt to control the black bear population.

The non-lethal black bear management initiative will allow an additional study area in the lower bear density area between I-80 and I-78. Information collected in the new study area will improve the biologists ability to extrapolate the population level and growth rate in this area of the New Jersey and enhance bear management decisions. Also, because the Department is expanding the scope of its educational outreach to a statewide effort, we will be broadening the types of educational materials to be developed and conducting additional types of bear research such as evaluating aversive conditioning techniques currently used by Department staff and local police.

Thank you again for the opportunity to appear before you. I am happy to answer any questions you may have.