Good ((morning/afternoon)), Chairman Sarlo and members of the Committee. I want to thank you for the opportunity to discuss the Department of Agriculture’s budget with you today.

The breadth of the Department’s reach and the ways that technology and the globalization of our economy are constantly changing agriculture, and how the Department deals with it, demand ever-increasing knowledge and expertise.

The diversity of our farms and our farmers adds even more complexity to the challenge. Many of our farmers have embraced the changes in their industry and have incorporated technology, from spreadsheet record-keeping about crops and expenses to computerized irrigation and robotic dairy milking systems, while
still remaining committed to the practices they learned from their parents and grandparents.

The world that depends on agriculture to feed it, clothe it and, increasingly, fuel its machines, is demanding more and more from its farmers and fishermen. And the consumers that make up that world often expect it can all be done without increases in the prices of the products farmers and fishermen provide.

Increased food safety regulations, pandemic zoonotic diseases, exotic tree-killers like the Asian longhorned beetle and gypsy moth, organic growing practices, childhood obesity, alternative energy systems on farmland. All of these are issues dealt with by today’s Department of Agriculture that simply did not command this high level of sophistication and scrutiny just a few years ago.

And since I mentioned it, I’d like to take a second to thank the Legislature, on behalf of New Jersey’s farmers, for passing the
legislation last year that creates broader opportunity for farmers, on both preserved and non-preserved lands, to incorporate cost-saving alternative energy systems into their farm operations.

Agriculture stands with one foot planted firmly in tradition and the other pointed toward innovation. And the Department must work harder, smarter and more efficiently to keep up with those changes.

We believe we have been on the right track in regards to increasing efficiency. And we understand the Governor’s directive, and the fiscal demands on the Legislature, to go even further to ensure that the taxpayers of this state get the most for their money.

To accomplish that, we will continue, as we have been doing, to tap every source of federal funding we can; to move toward more electronic-based interaction with our constituents -- such as our completely automated payment systems with school food service
operators; and by cross-training and cross-utilizing our employees
to the greatest extent possible.

In the past several years, the Department has reduced its full-time
staff positions from 241 to 219. This means the employees who
remain must be more versatile and handle a wider array of duties
than ever before.

When an inspector goes into the distribution chain to check for
Country of Origin Labeling, there’s no reason he or she shouldn’t
also be able to conduct a dairy inspection to make sure the
business’s license is up to date and that pricing laws are being
followed. And there’s no reason that inspector also shouldn’t be
able to go into a produce section and make sure that anything being
advertised as “Jersey Fresh” does indeed come from a New Jersey
farm.
We have the will and the ability to facilitate a strong, efficient and bold state Department of Agriculture to lead the way in this 21st Century agriculture.

We can achieve an agriculture that powers both bodies and energy systems, sustains the health of our environment while improving the health of our children, and builds strong communities in both rural and urban areas by connecting the two in a framework that employs agriculture to improve our quality of life.

The Department of Agriculture aims to achieve these goals by focusing on the following areas. They are:

1. **Surveillance and Regulatory:** Inspecting plants and animals for the detection of diseases and the safety of the food source; third-party audits; review of food-distribution systems for compliance to regulations; inspections of fertilizer and feed; and licensing of milk and organic products.
2. **Food Distribution:** Commodity distribution; the Governor’s Hunger Initiative; school breakfast and lunch programs, as well as summer camp and adult day care food distribution; and preparations for feeding people at emergency shelters in the case of a natural or man-made disaster.

3. **Marketing and Research:** Branding agricultural products, such as Jersey Fresh; promoting our fruit, vegetable, dairy, equine, seafood and other sectors; research into invasive pests and plant species, and controlling them with a minimum of chemicals.

4. **Preservation and Conservation:** Farmland preservation; stewardship of the land, soil and water.

5. **Outreach:** Through our Agricultural Education programs, our involvement in FFA, 4-H and farm-to-school initiatives, our
work with the commodity councils and trade organizations and maintaining a solid working relationship with the Legislature that has the power to create laws that foster agriculture, we can ensure that New Jersey will remain an agricultural powerhouse into the future.

By approaching the work of our divisions within the context of these priorities, we aim to make our state dollars go further.

However, because of the constituencies we both regulate and promote, we are in the unique position of being able to not only maximize our state dollars, but to use them to leverage federal dollars, other grant monies and exposure in private industry.

For example, the state money targeted for the construction of our new lab will enable the Division of Animal Health to expand its testing and diagnostic work.
Those tests aren’t conducted for free. There’s a fee that goes with each one. That money invested in the new lab serves as a catalyst for revenue generation there.

It also will result in our lab being accredited, which will mean the continuation of approximately $750,000 in federal funding we now receive as part of the National Animal Health Laboratory Network, and should lead to even further federal funding when the lab is appropriately staffed. The accreditation could not occur under our current lab structure, and that federal funding would be lost.

The same kind of return on investment can be found in our Division of Marketing and Development. We have helped community groups looking to open farmer’s markets with financial and technical assistance. That outreach results in additional exposure for the Jersey Fresh brand that the farmers coming to those markets display.
The vendors display that signage because they know consumers trust and want that brand. So the farmer, who has already paid a fee to participate in Jersey Fresh, now displays that signage at the community farmers market, effectively giving us additional advertising of the brand for a minimal expenditure of state funds.

We’ve gone from around 65 community farmers markets five years ago to an expected 138 this coming season, six of them brand new this year. Each of those markets – with their abundant Jersey Fresh signage and farmer-ambassadors discussing New Jersey agriculture with their customers – acts as a Jersey Fresh ad seen by hundreds, if not thousands, of customers weekly throughout our growing season. It’s an image that is clearly identified with our state.

Federal funds must be spent wisely and efficiently if we hope to continue attracting them. Wherever possible, we should use them
to not only achieve their primary purpose, but also to spur even more agricultural economic output.

One good example of that was last year’s use of 1.85 million dollars of federal stimulus package funding to help 95 New Jersey school districts buy much-needed food-service equipment. In many cases, the schools bought energy-efficient refrigerators, freezers and other devices that will give them a greater ability to offer fresh, locally grown fruits and vegetables to their students.

With that one grant, the schools increased their energy efficiency, enhanced their capacity to offer more nutritious foods, and expanded their ability to buy fresh fruits and vegetables from New Jersey farmers.

Clearly, the Department of Agriculture not only looks to spend each dollar wisely, but often uses those dollars to attract federal funding, to directly enhance our state’s economy and to leverage
industry involvement – all while helping New Jersey’s residents realize the nutrition, health and quality-of-life benefits of maintaining a strong agricultural base in New Jersey

I’d be happy to answer any questions you may have at this time.