Discussion Points

1. Over the past several years, federal funding for the department has steadily increased and State funding has significantly decreased. The department has accessed and relies increasingly on more federal resources for the programs and services it provides.

   • **Question:** Does the department expect this trend to continue? What impact will this increased reliance on federal funding have on the department’s budget, spending, and the various program areas and services it provides now and in the future?

   • **Question:** Has the increase in federal funding offset the State funding losses that have taken place over the last several years? If so, by how much and in what areas?

   **Answer(s):** Given the current state of the economy, the Department does not project this trend to continue. Increases in federal dollars for the NJ Department of Agriculture have been largely tied to formula based grant increases, such as school lunch or school breakfast, which increase or decrease proportionally due to participation in those programs. Other federal increases represent one-time projects that are largely pass-through in nature. The Department has not relied upon federal increases as these increases do not supplant administrative or operational needs.

2. Over the past several years, the overall staffing level of the department has been reduced through attrition and restrictions on hiring. The FY 2013 budget proposal envisions a continuation of the hiring restrictions with no increase in total funded positions.

   • **Question:** How has the reduction in staffing affected the department? What specific services, program areas, and projects are affected?

   • **Question:** How has the department re-deployed and cross-trained its workforce to accommodate the reduced staffing? What other measures are being taken by the department?

   **Answer(s):** No reduction in staffing is planned for the FY13 cycle.

   Due to budgetary cuts that almost eliminated the Department a few years back, we redeployed our workforce to address our most critical core mission areas, utilizing the largest part of our workforce in the regulatory and surveillance area and in feeding the state’s food insecure. Through this redeployment, we have cross-trained and cross-utilized our staff to continue to address the needs of our constituencies. Despite reducing our workforce, we have not, to date, eliminated any program.

3. According to the Department, the gypsy moth population significantly decreased last year and the number of defoliated acres in the State has also significantly decreased.
Discussion Points (Cont’d)

- **Question:** How does this affect the department’s spraying program for the pest and the need for funding for this spraying? Will the department need to conduct a spraying program this year?

  **Answer:** Due to the very low levels of gypsy moth in our woodlands and forests at the present time, the Department will not be conducting a spray program this year. Thus, we will not receive any federal funding to carry out treatments, or more importantly, to monitor populations of gypsy moth; we will need to reprogram resources and cross-utilize staff from others to carry out this vital function.

4. The Brown Marmorated Stink Bug, which has no known natural predators in New Jersey, has caused considerable damage to farm crops and agriculture, and presents a problem for homeowners in the State.

- **Question:** What measures has the department instituted to control the stink bug? Please describe the specific funding, budget, and staff resources that the department is utilizing to control and combat the spread of this insect. Absent resource constraints, what would be the proper budget and staffing levels to sufficiently support this activity?

  **Answer:** We have developed and are maintaining a colony of BMSB at the Phillip Alampi Beneficial Insect Laboratory, gaining experience rearing all life stages of the insect to implement a biological-control program. Our staff is in regular contact with federal researchers who are studying potential predators and parasites from foreign countries, so we can utilize them when they clear quarantine and host-specificity procedures. We are using currently existing staff Entomologist 20% of an FTE, in this effort. To implement a full program would likely require an entomologist, 2 laboratory technicians and 1 part-time greenhouse assistant, lab supplies and 3-4 rearing rooms within the PABIL facility. (Approximately $250,000).

5. The New Jersey Fresh Mobiles Pilot Program Act was enacted on January 17, 2012 to provide improved access to fresh produce by residents of urban “food desert” communities in the State – i.e., communities wherein residents have little or no access to fresh produce or other nutritious foods, due to an absence of supermarkets, grocery stores, and farmers’ markets.

- **Question:** How is the implementation proceeding and what has been accomplished thus far? Are there any funding concerns with implementing the pilot program?

  **Answer:** The Department is proceeding as directed in the statute. We have done the research to identify the area in which the program would be piloted. Based on USDA “food desert” data and the knowledge that it is a city of 77,000 residents with just one supermarket in a far corner of the municipality,
Discussion Points (Cont’d)

Camden was selected, in particular the Parkside area and some adjoining neighborhoods. We notified the City of that selection on Monday, April 23. As directed in the statute, we are now working with the city to design an RFP and to then go out, using that RFP, to identify an appropriate non-profit organization to operate the Fresh Mobile pilot vehicle. As for funding, there has been discussion, with several private companies about providing the funding for a bus and also possibly for the retrofitting of the bus with sufficient cold boxes, but, to date, no funding has been delivered. Additionally, we are speaking with USDA Rural Development-NJ about pursuing a grant that could help with that bus purchase and retrofit as well. Many things would have to come together quickly for this pilot project to be in operation during the height of this year’s mid-summer to mid-fall produce season, but even if that is over by the time the non-profit has the bus ready to roll and the area farmers lined up to provide produce, the project would be able to pick up in the next fresh-season cycle the following spring.

6. In August of last year, Governor Christie signed legislation making $90.6 million available for grants to counties, towns, and nonprofit organizations to preserve farmland across the State, and to fund State-initiated farmland preservation projects. Also, many counties and municipalities collect special local taxes that are used in part to participate in the State’s farmland preservation and open space programs.

• **Question:** What is the current financial status of the farmland preservation program and what are its spending projections, if any, during FY 2013?

**Answer:** Following is the status of State farmland preservation funding sources:

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<tr>
<td>Garden State Farmland Preservation Trust Fund</td>
<td>$782M</td>
<td>$738M</td>
<td>$35M</td>
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<td>2007 Farmland Preservation Fund</td>
<td>$73M</td>
<td>$52M</td>
<td>$14M</td>
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<tr>
<td>2009 Farmland Preservation Fund</td>
<td>$73M</td>
<td>$9M</td>
<td>$36M</td>
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By June 30, 2012, there will be a total of approximately $129M remaining for farmland preservation. The State Agriculture Development Committee (SADC) anticipates spending $85 million during FY 2013 – or two-thirds of its remaining funding.
Discussion Points (Cont’d)

• **Question:** How much money from special local taxes is estimated to be available for farmland preservation efforts in FY 2013?

**Answer:** According to data compiled annually by the Department of Environmental Protection’s Green Acres Program, municipalities and counties collected approximately $296.5 million in open space taxes in 2011. Because in many towns and counties farmland and open space preservation spending is application-driven, we have no breakdown on how much of that funding is specifically available for farmland preservation. We do have the ability to quantify spending projections for the 16 counties and 46 municipalities that participate in the State Agriculture Development Committee’s Planning Incentive Grant Program, however it is important to note that not every town participates and these figures represent only a subset of local farmland preservation funding capacity statewide. The towns and counties participating in the Planning Incentive Grant Program have established comprehensive farmland preservation plans with short- and long-range farmland preservation goals and spending projections. Their one-year spending plans provide reasonable projections of their funding capacity; for FY2013, they project the ability to provide $127 million in local and county funding if State matching funds were available.

7. In the last year or so various weather events – i.e., Hurricane Irene, storms, and flooding have caused substantial damage to agriculture in the State.

• **Question:** What federal and State programs were made available to farmers to help them recover financially from their weather-related losses? Were these funding sources sufficient? If not, how much more was needed?

**Answer:** Indeed there was significant damage to crops in New Jersey from Hurricane Irene and Tropical Storm Lee, coming as they did on top of an already very wet time period. While neither Irene nor Lee packed much in the way of wind, they both dropped enormous amounts of rain onto what was already saturated ground.

In terms of aid delivered to farmers, our team, both at the ROIC and in the field, as well as the federal partners from USDA, were able to address most of the immediate needs of the farmers. Primarily, this included getting generators out to those we could when power was out for multiple days, and also working with the BPU to remind the utility companies that farmers with livestock who could not pump water due to electricity being out were risking losing their livestock. We were helped in some instances in that regard by local fire companies who were able to get water to those farms, and the BPU was helpful in impressing upon the utilities that farms, especially those with animals, should be a priority.

Unfortunately, the federal government has trended in recent years to move away from direct disaster payments for those who could document significant
damage to a system much more reliant on subsidizing crop insurance and then having the insurance cover the farmer’s losses. This is good if you are growing any of the crops that are covered by crop insurance. However, many of the Specialty Crops grown by New Jersey farmers are NOT eligible for crop insurance coverage and must be covered under the Non-Insured Crop Disaster Assistance Program. Again, farmers must be enrolled in this program before a disaster occurs if they want to be compensated for their losses. Exceptions to this requirement are made for limited resource, socially disadvantaged and beginning farmers or ranchers, but those instances are limited in New Jersey. We do, and did in this instance, work closely with the USDA’s Farm Service Agency to help farmers who wanted to document crop loss as a prelude to applying for FSA low-interest loans to help them come back from disasters. We are advocating, through our work with various farm-advocacy groups, to get more of the Specialty Crops grown by New Jersey farmers eligible for Crop Insurance.

In terms of federal financial help to farmers who lost crops, from the granting of the Secretarial Disaster Declaration until September 30, USDA’s Farm Service Agency office in Hamilton Square provided 19 emergency loans for a total of $2,366,880 and restructured another 13 loans to postpone payment on an additional $1,447,228. In Federal FY ’12, from October 1 until May 3, FSA-NJ issued another 16 Emergency Loans for $1,662,790 and restructured 13 more loans totaling $1,837,633. In total, $4,029,670 in loans and $3,284,861 in debt restructuring through the federal FSA helped New Jersey farmers recover from the storms. Emergency Loans are available until May 15 in most counties and until August 13 in a few because of subsequent declarations granted to neighboring states.

5-1-12