

## **NJDA Address to the Assembly Budget Committee**

**Monday, May 18, 2015**

Chairman Schaer and Members of the Committee, I thank you for this opportunity to discuss the Department of Agriculture's budget with you today.

The Department's mission encompasses five major goals: Promoting the state's agricultural products and industry; ensuring healthy plants and animals for agriculture and consumers; preserving farmland; helping farmers conserve natural resources; and ensuring effective nutrition programs for our state's residents.

The New Jersey agricultural landscape changes from region to region and even from farm to farm within each sector. As an example, there are major concentrations of fruit and vegetable operations in the South, an array of horticultural operations dispersed throughout the state, dairy in the northwestern and southwestern corners, equine operations in

the central and northeastern counties, and aquaculture and fishing in the coastal areas. Each looks to the Department for diverse resources in order to remain a major contributor to the state's economy, and for programs that afford protection to our citizens.

While the Department administers more than \$540million annually, the bulk of that money is federal pass-through funding. Annually, just over \$7 million comes from Direct State Services funding. We have been able to sustain the services we provide to our residents as the costs for everything from labor to equipment to supplies have increased, through operational efficiencies. We continually find ways to do, if not more, at least what we have been doing, with less.

This includes big things, like finding ways to reduce the need for additional resources by aligning the responsibilities of people who retire or otherwise leave the Department to existing staff. And it goes all the way down to smaller things, like avoiding overnight mailing whenever possible. We strive daily to tease out every nickel we can in maximizing

the effort to deliver our core-mission services to the public. It all adds up.

### **Emerging Agricultural Issues**

In New Jersey and around the nation, this is a time of great change for agriculture. And, like most things in agriculture, these changes bring with them considerable debate about the paths the industry should travel.

From the role of livestock agriculture, to GMOs in foods, integrated pest management, food safety and the coexistence of agriculture and the environment, there are more than 9,000 farmers and 9 million residents of New Jersey who have opinions.

Our own annual Agriculture Conventions reveal that this state's agriculture is incredibly diverse. That means what works for one farmer may not work for another. Providing support that will help the broadest cross-section of ALL of agriculture, is the role the Department must play.

As we head into FY2016, one of the biggest issues on our plate is working with the State Agriculture Development Committee to make the most of the new, stable source of funding the voters approved to be used for Farmland Preservation through a portion of the Corporate Business Tax.

This month marks the 30<sup>th</sup> anniversary of the first farms preserved under New Jersey's Farmland Preservation Program. Since then, more than 2,300 farms covering about 214,000 acres have been preserved under the program in 18 counties through the cooperative efforts of the State Agriculture Development Committee and its partners at all levels of government and in the nonprofit community.

While the Farmland Preservation Program obviously has a rural focus, the program's reach extends into more urban areas as well. For example, the SADC in December partnered on the preservation of a farm in Passaic County, that is home to the West Milford Equestrian Center. In March, the SADC cost-shared on the preservation of a portion of Demarest Farms in Saddle River, Bergen County, that supports the

highly popular farm market by the same name. The SADC last month granted final approval to help fund the preservation of a 23-acre vegetable farm in Winslow Township, Camden County.

The SADC and its partners look forward to continuing farmland preservation efforts across the state with monies made available through the Constitutional dedication from the CBT. The funding split of 36.5 percent for Farmland Preservation maintains what each program saw through bond funding from individual ballot questions in the past.

The funds previously allocated for Farmland Preservation are reaching their end, and this new funding is arriving just in time. New Jersey continues to be a national leader in farmland preservation and this new, stable funding helps to get us toward our goal of protecting and preserving agriculture and the vitality and viability of farming in New Jersey.

Preservation is far from the only issue the Department must address. Among the other big issues looming is the implementation by this year's end of major new federal food-safety laws that will bring inspectors onto New Jersey farms for the first time, just as they have been in food-processing operations for years.

Of course, New Jersey's agriculture community is rightly proud of the fact that none of the major foodborne illness outbreaks that sparked Congress' passage of the Food Safety Modernization Act were linked to New Jersey farms. However, we cannot let that good record make us complacent about ensuring our farmers can comply with the requirements of FSMA.

To accomplish that, we have reconstituted the Produce Safety Task Force the Department established in 2006 in response to an E. coli outbreak in West Coast spinach and its new focus is outreach to our farmers and food businesses to ensure everyone is prepared to meet FSMA's mandates.

Since the Task Force formation in 2006, the Department has worked with Rutgers Cooperative Extension to train approximately 4,000 farmers in the basics of food safety. We also have been working with the Department of Health and Rutgers Extension to reach out to as many farmers and food businesses as possible.

And fortunately, from a resources standpoint, the federal Food and Drug Administration is making some funding for state efforts available through the National Association of State Departments of Agriculture, and we are pursuing some of those dollars as well to help with our outreach.

During the past year, we have continued expanding the number of students who receive school breakfast if they are already receiving free or reduced-price lunch.

In the past four years, New Jersey has moved from 46<sup>th</sup> to 28<sup>th</sup> in the nation in the percentage of eligible students receiving school breakfast and we now help 278,926 children get more out of their school day by not being hungry while trying to learn.

This was accomplished without any additional dollars being put into the program by the state, as the federal government reimburses the schools for those meals. Our agreement between the NJDA and the NJ Education Department to encourage schools to allow “Breakfast After the Bell” in first period has made a big difference. But we also have seen some schools have students report earlier than past arrival times to have breakfast in the cafeteria.

We also have been successful, from the supermarket to the farmers market, with the “Jersey Fresh” brand and the related brands like “Jersey Grown” and “Jersey Seafood.”

Retailers of all kinds – from high-end supermarkets to community farmers markets to restaurants – leverage our state funds through the marketing chain to promote New Jersey products.

When retailers spend their own money to put the “Jersey Fresh” or other state branding logos in their advertising circulars, we leverage promotional funds for more exposure to consumers. New Jersey continues to be a national leader in agricultural marketing. We are among the Top-10 agricultural states in the production of nursery stock, blueberries, cranberries, tomatoes, bell peppers, peaches, scallops and more.

Our position in the Northeast corridor – between New York, Philadelphia and Washington – continues to give us the advantage of being close to millions of people in major markets. That, combined with the added benefits of the related industries already existing in and near the state, makes us an attractive proving ground for innovative approaches to agriculture and related businesses.

We are currently in discussions with a large European organic dairy-products maker who wants to locate in New Jersey if they can find the organic pastureland to support herds they would bring here, as well as established herds here that meet their standards.

We also are talking with developers of hydroponic vegetable projects that are looking for indoor facilities in the state. And the federally funded construction of a new anaerobic digester at the Landis Sewerage Authority in Vineland, coordinated by the Department, has been completed, and that facility is beginning to accept waste from food processors and manure from dairy farmers to turn into gas to power a co-generation unit that helps run the sewerage operations there.

As is often the case, actions taken by the Legislature can help the Department ensure the future of agriculture in New Jersey.

One such measure pending in both houses is the Micro-Enterprise bill, which would allow some of the pioneers of farmland preservation, those who entered the program before “exception areas” and other accommodations were developed, to use small portions of their farms in existing buildings to host small, non-agricultural businesses. We hope to see that passed this year.

## **Department Operations**

The Department's continued focus is to be even more creative about our approaches, so we can continue meeting mission-critical objectives in an efficient and cost-effective manner.

One way of increasing efficiency is through increased electronic-based interaction with our constituents, like our web-site, our web-based payment systems for school food-service operators or real-time communications, including social media for both our industry partners and our state's residents.

We are continuing to expand our efforts to deal with emergencies. Through multiple trainings paid for by federal funds granted to us by the New Jersey Office of Homeland Security, we are better preparing the state's County Animal Response teams (CARTs) to be at the top of their games.

Some of our missions require very specialized knowledge and expertise. We are currently in discussions with the USDA for the Alampi Lab to take over the federally funded program of raising pink

bollworm colonies that are currently raised in Arizona. Pink bollworm is a pest that attacks cotton farms, and this kind of work would continue raising the Alampi Lab's profile beyond New Jersey as we help create natural pest-control methods for other regions of the country.

### **Maintaining Fiscal Responsibility**

The Department remains committed to maximizing available resources – whether they are in the form of funding, partnership opportunities or the ability to adapt our workforce to whatever work is needed – to foster a strong and sustainable agricultural industry and to support the health, welfare and nutritional needs of New Jersey citizens.

I thank you again for this chance to discuss our budget.