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, especially children in the school setting.

While the Department administers more than $540 million annually, the bulk of that money is federal pass-through funding. Annually, just over $7 million comes from Direct State Services funding. Put that into perspective.
Beyond the use of federal money to fund school feeding programs, provides some resources to fight animal and plant diseases and pests, helps conserve farm and natural resources, and enables commodity groups to promote New Jersey agricultural products, the Department only utilizes $7 million of State funds for the remainder of its annual operating budget. We continually find ways to achieve operational efficiencies to sustain the services we provide to our residents despite cost pressures on everything from labor to equipment to supplies.

**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.

Topics such as food safety, the proper use of pesticides, GMO ingredients in food, and how to ensure the next generation of people grows up with healthy eating habits that bolster our farmers’ domestic
and export markets – all of these, and more, make the national conversation about agriculture a lively and, sometimes, contentious one.

In New Jersey, the role our 9,000-plus farms play in the daily lives of our 9 million residents is increasingly complex, and complicated by the fact that agriculture here takes place closer to – and sometimes IN – our suburban and urban landscapes.

That brings with it an added dimension of our farmers and other residents needing to live and work harmoniously, which makes the Department’s role in informing non-farmers about the ways in which agriculture enhances their lives much more important than in most other states.

Our own annual Agriculture Conventions reveal that this state’s agriculture is incredibly diverse. After all, we grow for a variety of markets, including in-state and nearby ethnic populations. But what is
critical for our farmers is that we provide support that will help the broadest cross-section of ALL of agriculture, is the role the Department must play.

As we head into FY2017, one outstanding issue that remains to be resolved is the allocation of an appropriate portion of funding from the Corporate Business Tax to Farmland Preservation programs. Once the proper allocation of the funding is determined, the Department and the State Agriculture Development Committee will utilize the funding to further preserve farmland in order to establish a sufficient agricultural land base that will keep farming a major enterprise in New Jersey’s economy.

Among the other big issues looming is the start of implementation by this year’s end of major new federal food-safety laws that will bring additional 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 fortunate 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.

The National Association of State Departments of Agriculture (NASDA) has been immensely helpful in convincing the federal Food and Drug Administration to provide both funding and guidance to make sure the states can carry out this mission. Fortunately, in New Jersey, we have been pro-active in educating farmers, through Rutgers Cooperative Extension, about food safety ever since a widespread outbreak of E. coli in West Coast spinach heavily impacted our own growers’ ability to sell spinach in 2006. That means that we were more prepared than other states to address FSMA when it was signed into law by the President in 2011.

Those partnerships with federal agencies and agricultural advocacy groups help us to further our mission without relying entirely on state funding.
In the past year, three of our divisions – Marketing & Development, Animal Health and Plant Industry – teamed up to secure a five-year, $3 million federal grant to expand and upgrade its feed regulatory unit and laboratory testing of animal feed and pet food. That work to upgrade our lab capabilities also will help as we move forward with our work on the Food Safety Modernization Act.

Another major issue for the Department is our role in administering the school-feeding programs. 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 five years, New Jersey has moved from 46th to 23rd in the nation in the percentage of eligible students receiving school breakfast and we now help more than 280,000 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.

This is also a crucial moment for our equine sector, and in particular the horseracing component of it. Changes in the legalized gambling landscape have led to some bleak times in that industry. The changes you have helped us make, in particular expanding the number of horses eligible to benefit from the Sire Stakes program, have aided horseracing over the past two years.

The delegates to our recent Convention have taken keen interest in the potential impacts of expanding gaming in New Jersey could have on the industry. Our constituents also have expressed gratitude for the Legislature’s swift action on enhancing the climate for the state’s growing number of beekeepers. Expanding Right to Farm protections and underscoring the state’s role in regulating that industry will help us more uniformly support the growth of beekeeping, which is much
needed as farmers who depend upon honeybees for pollination continue to look for answers to Colony Collapse Disorder.

We also are thankful for your passage of the Micro-Enterprise legislation, which will help farmers who were pioneers in the Farmland Preservation program by giving them options for including small businesses in existing barns and buildings on their preserved farms, helping them to become more economically viable.

As always, we continue to be successful, from the supermarket to the farmers market, with the “Jersey Fresh” brand and the related brands like “Jersey Grown” and “Jersey Seafood.”

A new element of those efforts launched in the past year has been the “#Jersey Fresh Love” social-media campaign. Through Facebook, residents form New Jersey and all over the world can show and describe what they love about Jersey Fresh products, agricultural venues and our farmers.

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.

**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.

That grant also helped pay for the creation of a website specifically dedicated to helping pet and livestock owners be prepared for dealing with their animals in disasters. The website,
www.animalemergency.nj.gov, recently received an award from the Public Technology Institute, which recognizes state and local government organizations for electronic systems that enhance government services.

Some of our missions require very specialized knowledge and expertise. We are currently in discussions with the USDA for the Alampi Lab to create a colony of parasitoids that attack the Emerald Ash Borer (EAB). These parasitoids are currently raised in Brighton, Michigan. EAB, a voracious killer of ash trees, was found in New Jersey for the first time in May 2014, and is now active in at least six counties.
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.

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