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NJDA Address to the Assembly Budget Committee

Wednesday April 9, 2014

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 the 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 area. 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.

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 Genetically Modified Organisms 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 still incredibly diverse. That means what is a solution for one farmer may not be for another. Finding the common ground, the

solutions that will help the broadest cross-section of ALL of agriculture, is the role the Department must play.

I'd like to take just a moment to touch on some of the areas that help both agriculture as a whole and in specific sectors.

New Jersey continues to be a national leader in farmland preservation, at this point surpassing 207,000 acres that are permanently preserved. This helps to get us toward our goal of protecting and preserving agriculture and the vitality and viability of farming in New Jersey. There are ongoing discussions about finding a reliable, predictable source of funding for farmland preservation and public support is demonstrated time and again for farmland preservation. This is still as true today as ever.

Agriculture has impacts beyond the farm, though. A report presented at our State Agricultural Convention in February showed that the agriculture-and-food sector contributes more than \$100 billion a year to the state's economy, including \$612 million in advertising of food and agriculture products alone, making it the state's third-largest industry.

During the past year, we continued expanding the number of students who receive school breakfast if they are already receiving free or reduced-price lunch, adding nearly 40,000 new students to those programs. Earlier this month, federal USDA Undersecretary Concannon came up to New Jersey from Washington, D.C. to personally congratulate us on our success as a state in making double digit increases the last two year in our school breakfast program.

In the past two years, New Jersey has moved from 48th to 37th in the nation in the percentage of eligible students receiving school breakfast and we now help 254,950 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 made a big difference. This has laid the

groundwork for future expansion of the program in those schools where we are working with administrators to take that approach.

The new On-Farm Direct Marketing Agricultural Management Practice that is taking effect now will help those of our farmers who pursue the advantage of selling their products directly to consumers who come to their farms. This is a critically important tool in ensuring our farmers are being as successful as possible.

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 and more.

The new FDA rules for the handling of produce will challenge many of our farmers, as they contain new record-keeping, sanitation and other requirements farmers previously have not seen. We remain committed to working with the New Jersey Department of Health, the FDA and surrounding states to ensure farmers can meet these new challenges.

There also are two sector-specific accomplishments worthy of note, especially seeing as how you in the Legislature were instrumental in helping them occur by passing key pieces of legislation.

First, there was the passage of the Craft Distilleries bill and the subsequent creation of a Farm Distillery License. This adds our grain producers to the list of those who can use all or some of their farms' output for value-added products. They now stand the same chances of success as our wine-grape farmers have had with their on-farm wineries.

Second, there was the change to the Sire Stakes Program that will help our standardbred horse breeders adapt to changes in their

marketplace. Expanding the program to also include some mares, as well as stallions, helps them to overcome the changes in their industry that have occurred due to the expansion of gaming in nearby states.

Department Operations

We're all familiar with the budget issues in Washington that have resulted in fewer federal resources in many areas. For us, those include programs to ensure the health and safety of livestock and plants. This requires the Department to be even more creative about our approaches, so we can continue meeting mission-critical objectives.

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 such as Superstorm Sandy, as that preparedness is as important to our constituents as are our everyday activities. We aim to better prepare the

County Animal Response teams (CARTs) to be at the top of their games and to further our coordination efforts with county agriculture boards to get fast and accurate damage assessments from each county when a storm hits.

Some of our missions require very specialized knowledge and expertise. New Jerseyans have become familiar over the past several years with the Brown Marmorated Stink Bug, an invasive pest. The explosion of the stinkbug's population has resulted in it now becoming a major crop pest as well as a nuisance to homeowners, as it searches out food sources of any kind. We are currently raising a colony of them at the Philip Alampi Beneficial Insect Lab so that we can determine the most effective beneficial insects to combat the stinkbug and reduce its population.

The Department also is heavily engaged in helping farmers be good stewards of the resources they depend upon for their livelihoods and our residents depend upon for a good quality of life.

Maintaining Fiscal Responsibility

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

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

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