

New Jersey Farm Bureau 2010 Policies



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FARM VIABILITY

The economic pressures now on New Jersey farmers and indeed on farmers throughout the country are significant and constantly increasing. Conditions in marketing structures, worldwide competition and production costs continue to squeeze the farm producer and regulatory intervention is a constant threat.

Farm Viability shall be the overall policy orientation for Farm Bureau as an organization. This should unify ongoing objectives toward a goal of seeking improvements in the profitability of farming operations. This theme also recognizes that there are massive changes underway throughout the industry, some of which may require some re-training and business plan evaluation by farmers. It may also mean a greater emphasis on coordinated action among farmers on economic and financial issues.

Farm Bureau works to protect its membership from those things that can negatively impact farm viability, including: excessive government regulation, burdensome taxes, wildlife damage, and heavy-handed land use regulation.

New Jersey Farm Bureau shall take a leadership role in stressing the importance of farm viability. Building on current and updated policies, New Jersey Farm Bureau will:

- Expand plans for new farm business development plans like new use agriculture and renewable fuels;
- Continue its support of Rutgers School of Environmental and Biological Sciences/NJAES;
- Aggressively explore Internet and e-commerce opportunities; and
- Aggressively pursue the Board of Public Utilities to include renewable fuels under their grant program

NEW USE AGRICULTURE

New Jersey Farm Bureau should continue its leadership role in bringing about an increase in production opportunities in new use agriculture for farmers in this state.

The movement in American agriculture that seeks to use plant material raised on farms as a new, substitute source of material used in industrial and pharmaceutical products continues to expand. There are many proven technologies available for the conversion of carbohydrate material into many products as an alternative to a near-exclusive reliance on petroleum products. New uses for traditional crops for their health benefits are also being researched and refined. NJFB urges the NJAES to make new uses for agricultural crops a priority area of research.

By promoting this initiative, growers will put themselves in a position to capitalize on the emerging non-food, non-feed agricultural products market. This multi-disciplinary, multi-institutional initiative will draw upon the expertise of various sectors related to new use agriculture with growers and producers involved at every step of the process thereby enhancing their profitability.

Some of the action steps from a coordinated grower-Experiment Station-industry-government initiative in New Jersey would be:

- Conduct market research and provide market links for growers and grower groups

- Establish a venture fund to profit growers
- Evaluate proposals from entrepreneurs
- Encourage industry to use New Jersey-produced material
- Identify training/research needs

Farm Bureau shall seek a vertically integrated arrangement for new use products that includes research assistance and investment, production on the farm, commercial development and retail sale and supplemental income from the return on investment.

VALUE-ADDED AGRICULTURE

New Jersey Farm Bureau strongly believes that in order for farms to remain profitable, and therefore viable, they must find ways to market their products differently to appeal to a larger customer base. This can be done by finding new uses for agricultural products, but also by adding value to existing products. For example, farmers who process and or package their own products may see a competitive advantage in the marketplace.

New Jersey Farm Bureau shall help farmers seek out and establish activities to add value to their products. These endeavors may include the establishment of:

- onsite pasteurization of milk
- cooperative kitchen programs, to help alleviate the burdens of commercial kitchen regulations on individuals
- local or regional slaughter facilities on farms
- on-farm re-packing or co-packaging of food products

INDUSTRIAL HEMP PRODUCTION

To date, 38 states have expressed support for decriminalizing the production of industrial hemp. Industrial hemp is not a significant producer of THC, the psycho-active element in marijuana. Industrial hemp was a valuable fiber, oilseed, and biomass crop in the United States prior to the 1938 Marijuana Act that criminalized the production of all types of hemp.

Annually, over \$34 million of legal hemp products are imported into the United States from Canada, Belgium, Portugal and other countries. NJFB needs to become informed of this broader national movement to decriminalize industrial hemp and provide fact-based detail to the membership, legislators and public regarding the benefits of industrial hemp production as a suitable and profitable crop for New Jersey growers.

ON-FARM BREWING

Previous efforts to provide legislation authorizing and permitting reduced fee licensing for onfarm micro-brewing of beer have stalled. NJFB should do discovery to assemble all pertinent details regarding previous efforts at establishing on farm breweries. NJFB should determine what efforts would be most appropriate to revitalize the effort to seek authorizing legislation and disseminate this to interested growers.

Also, New Jersey Farm Bureau should participate in a discussion to recognize on-farm brewing (micro-brewing) as an approved agricultural practice under specific criteria.

FARM MANAGEMENT/TRAINING MEETINGS

New Jersey farmers continue to face new and challenging circumstances. With this in the background, the factor of farm preservation is confronting many New Jersey farms from municipalities and the expanded opportunity to sell farmland easements.

The Garden State Re-Engineering Initiative started as a pilot project for dairy management improvement, and grew into a program that could assist producers of all commodities. Elements of it included: financial planning and analysis software, small group workshops and one-on-one consultations, evaluation of agronomic practices, review of enterprise and operational alternatives, as well as consideration of a varied set of implementation strategies. Funding for this creative farm management training program has been eliminated, causing the program as it previously existed to be discontinued. NJFB shall work with RCE, NJDA and legislators to find new sources of funding for this innovative training program.

COMMUNICATION WITH THE PUBLIC

The general public overwhelmingly supports and wants to preserve New Jersey agriculture. We must not allow untruthful or distorted perceptions to cloud or weaken that public support. Farm Bureau, county boards of agriculture, commodity organizations and allied entities like CADB's and units of local government should speak out in support of the adopted policies for the industry. Public relations on behalf of agriculture must be a main priority of New Jersey Farm Bureau.

Farm Bureau again contracted with PublicMind of Farleigh Dickinson University to conduct a public opinion poll on various agricultural issues. Information learned from the results of these polls will be used as Farm Bureau develops and promotes its key messages. The New Jersey Farm Bureau Board of Directors shall continue to authorize additional polls if they deem it necessary throughout the year.

Farm Bureau shall continue to work with a media consultant to implement a proactive, planned approach to communicating agriculture's key messages. The media consultant has developed an ongoing relationship with reporters in the print and broadcast media that serve New Jersey many of whom now seek the Farm Bureau's input when reporting on issues and stories that pertain to agriculture.

In addition, Farm Bureau staff and members shall all take an active role in daily scanning of newspapers for agriculturally-related items, and sharing those clips with the entire staff to ensure that current media coverage is being fully monitored and responded to in a timely manor when appropriate.

In addition to communicating our policy issues, New Jersey Farm Bureau must also promote the agricultural industry and the organization of Farm Bureau to the non-agricultural community. Agriculture needs to continue to build alliances and support outside the farm community to ensure that emerging issues are identified and addressed early by a strong coalition of support.

NJFB shall work with the county boards and other agricultural organizations to develop a network of well-informed farmers with strong communication skills to disseminate the industry's key messages. NJFB should specifically target graduates of the New Jersey Agricultural Leadership Development Program to participate in this network, in order to capitalize on the training they've received.

COMMUNICATION WITH THE AGRICULTURAL COMMUNITY

Farm Bureau will continue and expand its use of the New Jersey Farm Bureau website as a communication tool within the organization. Farm Bureau shall develop an online forum for farmers to discuss current issues of interest and concern with other farmers. Wherever possible Farm Bureau should encourage the adoption of Internet use and e-mail communication by its members. This can include workshops on this information technology if needed. Brochures and self-help advisory documents on topics like motor vehicle regulations, sales tax rules, farmland assessment, and other issues shall be developed and/or updated as necessary and made available to Farm Bureau members.

Farmers Contact with Congress

To keep federal legislators aware of how policy decisions in Washington may affect farmers, producers must be active in communicating with their congressional representatives. New Jersey Farm Bureau shall:

- aid in this communication process by identifying key issues of importance to agriculture and relaying that information to Farm Bureau members;
- assist its members by providing additional information about who New Jersey's legislators are and how they can be reached most effectively; and
- continue to participate in Farm Bureau's Agricultural Contact Team (FB ACT), AFBF's grassroots legislative action network, to help achieve this increased communication with Congress.

Farm Bureau Membership Recruitment and Retention

The implementation of membership recruitment activities must be a priority for Farm Bureau. Farm Bureau staff shall work with county leaders to develop and conduct recruitment and retention activities, focusing on the "regular" Farm Bureau membership classification. NJFB will assist county leaders in this recruitment and retention effort by sharing membership renewal information with them regularly and by supplying them with applications and benefit brochures as needed.

In 2009, the NJFB Board of Directors created, as a pilot program, a new "student" membership category. The category was created to reach out to potential new members and to also strengthen the organization's current relationship with agricultural youth organizations.

AG RETENTION/FARMLAND PRESERVATION PROGRAM

The preservation of farmland is a benefit to all residents of the State. Once farmland is preserved, it not only remains actively used for production agriculture, it provides for scenic vistas, a local supply of fresh farm products, water recharge, and also remains on the local tax rolls with no taxpayer maintenance costs.

- Farm Bureau shall continue to support the funding of farmland preservation efforts at a minimum funding allocation of 40% of the total funds going to all preservation programs.
- Farm Bureau shall continue to educate the Legislature and the general public of the importance of preserving farmland. As part of the education effort, Farm Bureau shall commission an updated cost of municipal services study, if one has not been conducted recently.
- Farm Bureau shall also urge that any current and future farmland preservation funds be used for land acquisition and related administrative costs exclusively.

The establishment of the Garden State Preservation Trust and local funding initiatives created an impressive long-term funding source for land preservation in New Jersey. Its funding has made it possible for the State Agriculture Development Committee (SADC) to preserve over 1,800 farms totaling nearly 180,000 acres and build up a momentum of interest that will potentially save even more.

On November 3, 2009, New Jersey Voters authorized \$400 million in New Jersey General Obligation bonds to give the state's preservation programs money for new projects in Fiscal Year 2011 (which begins next July 1, 2010). These bonds would be issued as the cash is needed to fund approved conservation, historic preservation or park development projects. As the bonds are issued, debt service payments would have to be made to pay off the bonds plus the interest – as is the case with all loans, mortgages and other State bond issues.

\$146 million of the \$400 million bond will go to the State Agriculture Development Committee to preserve private farmland by the purchase of development rights.

These Are NOT Garden State Preservation Trust funds. The \$400 million in General Obligation bonds would be issued and paid off by the State of New Jersey, not the Garden State Preservation Trust. The Garden State Preservation Trust is a financing authority that receives the constitutional dedication of \$98 million a year that was approved in 1998 that continues to 2029. The Garden State Preservation Trust has issued its own GSPT Bonds to be paid off by that \$98 million dedication.

However, under the legislation A-3901 (that authorized the voter referendum on the \$400 million bond), the provisions of the Garden State Preservation Trust Act of 1999 (PL 1999 Ch. 152) will remain in place and will govern the use of this \$400 million in new funds. For example, the board of the Garden State Preservation Trust would still have to consider and approve the project recommendations.

Planning Incentive Grant (PIG) Program

Farm Bureau encourages every county and municipality with active agricultural land to participate in the SADC's Comprehensive Farmland Preservation Planning Process. This program allows counties and municipalities to focus preservation efforts on targeted farms and allows for more efficient processing and funding of approved projects. Farm Bureau shall urge the SADC to not fund PIG grants for municipalities that persist in downzoning farmland despite its negative affects on the viability of the very farm operations the town is showing their interest in protecting. In addition, municipalities enrolled in PIG programs that demonstrate a lack of support for the business of agriculture should lose their PIG funding.

In the upcoming year Farm Bureau shall:

- support the application of fair and standardized appraisal criteria to all applicants. In order to insure that the appraisal criteria guidelines are being applied uniformly, Farm Bureau shall commission a third-party review of the program's appraisals.
- support the creation of a formal way for applicants to challenge the two appraisals the state, county or municipality uses. This is necessary because the SADC does not allow appraisers to use a method that would factor in zoning for cluster housing that might increase the development yield of the farm.

- Ensure that the five public member positions on the SADC be promptly appointed when there are vacancies and work to ensure that all five are either actively engaged in farming or fully knowledgeable about New Jersey agriculture.
- Support the development of stronger incentives and more funding for the eight-year program.
- Support an amendment to IRS Code 2032A, so that farmers who participate in both the federal farm estate tax program and a state or local farmland preservation program are not penalized financially.
- Work to ensure that all farmland purchased through other programs (i.e. Green Acres) stays in farming.
- Urge the SADC to deny state preservation funding to municipalities that preserve farmland in partnership with conservation groups that place burdensome restrictions on the farmland.
- Support an elimination of the capital gains tax on income from the permanent preservation of farmland.
- Urge the denial of SADC funding to municipalities that refuse to allow an open bid process in auctions of preserved farmland whereby any farmer has an equal opportunity to bid on the farm.
- Continue to monitor and participate in the ongoing debate regarding how to create or provide affordable farmland for New Jersey farmers.
- Support a legislative change to the Agriculture Development and Retention Act to require that preserved farms be “actively devoted to a commercial agricultural or horticultural use,” not just “available for farming.” While this change may not prevent non-farmers from purchasing preserved farmland, it will increase opportunities for New Jersey farmers to lease and farm the properties as part of their overall farm operations. This change will also help address the issue of preserved farmland laying fallow or growing up in invasive species.
- Continue to monitor the use of federal program dollars on preserved farmland where it may be taking large amounts of acreage out of agricultural production. Farm Bureau must work with organizations such as the NJ Audubon Society to encourage them to promote such set-aside federal programs only on marginal farmland.

Preservation in the Pinelands

New Jersey Farm Bureau should maintain its resolve on the issue of fair compensation for preservation in the Pinelands. Farm Bureau should do this by providing legal advice and financial resources in order to maintain the adopted Pinelands valuation formula. The GSPT legislation enables Pinelands farmland owners to recapture some of the land value lost through the greenlining that took place 25 years ago. Farm Bureau supports and encourages the Pinelands Commission in its efforts to make funds available for the purchase of farmland preservation easements through the farmland preservation program. Farm Bureau shall monitor the distribution of and insure the current allocation of the funds under the Garden State Preservation Trust Act and any other future preservation program to ensure that it reflects the geographic diversity of the state to the maximum extent practicable and feasible.

Preservation in the Highlands

With the passage of the Highlands Water Protection and Planning Act, the SADC was directed to spend 30 million dollars in new GSPT funds for preservation of farmland in the Highlands region. These funds have been exhausted however the need for compensation for Highlands landowners remains. The New Jersey Farm Bureau Highlands Agricultural Advisory Committee (HAAC) should look into the merits of creating a special funding round for the Highlands region. Farm Bureau supports putting an emphasis on funding farmland preservation in the Highlands

Preservation Area. Any new dollars from a dedicated funding source should be available for any farm seeking preservation in the entire Highlands region.

During negotiations on the Highlands Water Protection and Planning Act, Farm Bureau, recognizing the impacts of the highlands legislation and the storm water rules that became effective in February 2004, negotiated a new appraisal date of January 1, 2004 as the point in time to protect landowner equity in preservation efforts. This is accomplished by having two appraisals done on all farms applying for preservation and having negotiations based upon the higher of the two values. This dual-appraisal method expired on June 30, 2009, leaving many Highlands farmers and other down-zoned farmers without the ability to preserve their land while being fairly compensated. Farm Bureau shall work with the Legislature and the Governor to extend this method of appraisals immediately. Farm Bureau should ensure that, while the rules and zoning of January 2004 are used to derive one appraisal, the landowner is not denied the benefit of any long-term appreciation of value that land with similar original zoning outside the Highlands would enjoy.

Eminent Domain to Preserve Land

The farmland preservation program has always been a voluntary program. Several New Jersey municipalities have used the power of eminent domain for the purpose of land preservation. New Jersey Farm Bureau strongly opposes the use of eminent domain as a means of farmland preservation and urges the State Agriculture Development Committee not to reimburse counties or municipalities for their costs in taking lands in this manner. The CADB should use its preservation funds to help protect landowners from eminent domain.

Viability

There is a concern emerging that with the increase in land preservation, viability issues for New Jersey farms still remain. Therefore, we call upon the SADC and the Administration to consider viability-type incentives for all farm properties.

One viability issue that needs to be addressed is the restriction placed on farm markets on preserved farmland. Currently, the SADC requires that 100% of the merchandise sold in a farm market on a preserved farm must be the farmer's own product. This is stricter than the 51% standard for Right to Farm protection, and is an unrealistic barrier to a farm's overall marketing and viability strategy. Farm Bureau urges the SADC to change its interpretation of this requirement and use a standard of 51%.

New Jersey Farm Bureau also urges all municipalities and counties, when making land use decisions for infrastructure on preserved farms (ie: bridge and road maintenance), to consider the impact of those decisions on the future viability of the farms in their community.

Impervious Cover on Preserved Farmland

New Jersey has been receiving considerable sums of federal money to use for preservation of farmland through the USDA Farm and Ranchland Protection Program. The USDA enacted a policy limiting the impervious cover on any farmland in the federal Farm and Ranchland Protection Program to a 2% maximum. Although, under certain conditions an applicant may be able to reach a total of 6% impervious cover rather than just 2%. New Jersey Farm Bureau opposes this arbitrary and overly-strict limitation that does not take into account the needs of small and or specialty crop farm operations. It clearly discriminates against the type of agriculture practiced in the populous Northeast states. New Jersey Farm Bureau must work with

other states in the region to ensure that the USDA rules (currently being developed) recognize the unique needs of the northeast states in this matter.

An official SADC position on impervious cover on preserved farmland has not been developed. However, the SADC is currently evaluating possible impervious cover limits because of the conditions attached to the federal Farm and Ranchland Protection Program monies, and increasing pressure from towns, conservation groups, and land trusts.

New Jersey Farm Bureau recommends the SADC use the USDA-NRCS definition of impervious cover for the purpose of setting thresholds on preserved farmland, and not the broader one espoused by the NJDEP. New Jersey Farm Bureau supports use of the impervious cover formula set forth in the NJDA Rules for Agricultural and Horticultural development in the Highlands for all preserved farmland, rather than the federal limit or site-specific limits. Farm Bureau urges the SADC to develop consistent standards that would protect the ability of future farmers to adapt and change their operations to remain viable. Furthermore, Farm Bureau urges the SADC to recognize that site specific conservation plans must use science based “effective impervious cover” as a measure in their calculations rather than, “total impervious cover.”

Soil Disturbance on Preserved Farmland

The SADC is currently working with soil conservation professionals to address the issue of the amount and type of soil disturbance allowable under the deed of easement in the farmland preservation program. Farm Bureau shall monitor the SADC’s work on this issue and ensure that there is a balance reached that will allow agricultural operations on preserved farmland to remain viable under any new policies that may restrict the amount and type of soil disturbance while protecting the preserved agricultural land so that it may remain available to a variety of future agricultural activities.

AG ENTERPRISE DISTRICTS

The Agricultural Enterprise District is a tool for preservation of farmland and protection and enhancement of farm viability developed through a joint effort of the Cumberland County Board of Agriculture and Agricultural Development Board with wide application in other parts of the state. Modeled after the very productive Urban Enterprise Zones in Cumberland County, the program would be designed and managed at the county level to meet the needs of farmers in that county. Incentives would be jointly developed between farmer groups; counties and municipalities would encourage farmers to restrict voluntarily their ability to develop their land for a period of 8 or 20 years.

The concept was endorsed by the State Board of Agriculture and most of the CADB's as an idea worthy of further investigation and consideration. No more work has been done up to now but the concept is discussed when towns and farmers wrestle with maintaining land values and rural character simultaneously.

New Jersey Farm Bureau should work toward development of a statewide Agricultural Enterprise District concept and have it implemented through the State Agricultural Development Committee. Care should be taken in considering proposed incentives so that benefits in this program do not interfere with other agricultural policies being sought for farmers statewide regardless of their interest in farmland preservation. The benefits of Agricultural Enterprise Districts can be one more set of tools to use in enhancing agricultural viability, strengthening Right to Farm, and offsetting losses which State Plan local implementation may bring to farm landowners.

BAYSHORE REGION - TRI-COUNTY PARTNERSHIP COMMITTEE

There is a movement underway to protect an area in South Jersey called the Bayshore Region. The counties having land mass in the Bayshore region are Cape May, Cumberland, Gloucester, and Salem. These areas consist of estuaries, salt marshes, forested wetlands, woodlands, streams and a large amount of contiguous and productive cropland in the Delaware Bay watershed. Preliminary mapping has been done to highlight the current land use in this region. With the current and increasing development pressure in this region, the New Jersey Conservation Foundation (NJCF), along with other environmental groups, has made this area a priority for preservation of its natural resources. The NJCF received a grant for land acquisition in these areas, as well as for other programs and projects in the region.

The NJCF's plan to develop an Agriculture Enterprise District was not supported by the counties in the proposed region and thus ended further discussion on this issue. It is important that NJCF monitor any future activities of environmental groups that attempt to impose their interests by developing regional plans or targeting areas for protection with Pinelands or Highlands-type regulations.

NJALT (NEW JERSEY AGRICULTURAL LAND TRUST)

NJALT is now established and formally incorporated in the state of New Jersey as a non-profit corporation with 501(c)(3) designation with the IRS. The purpose of the Trust is to preserve agricultural land through easement and fee-simple purchases. The Farm Bureau Board of Directors provided the seed money and staff assistance to set up NJALT, and appointed six trustees to oversee it as a separate entity. Farm Bureau has always had an interest in seeing farmland preserved for future generations with deed restrictions that allow for continued agricultural viability. NJALT will be able to utilize public open space acquisition dollars as well as funds from charitable foundations and other sources to meet its goals.

New Jersey Farm Bureau shall continue to provide support to NJALT. County Boards of Agriculture are encouraged to seek out representatives from NJALT to help promote awareness of it with local farmers and farm owners.

RIGHT TO FARM

Next to the Farmland Assessment Act, the Right to Farm Act is the most important state policy to encourage and maintain agriculture in New Jersey. The amendments of 1998 strengthened the Act considerably, and subsequent legal judgments have upheld the power afforded to the County Agriculture Development Boards (CADBs) to adjudicate conflicts involving farm operations. The SADC and New Jersey Farm Bureau continue to encourage each CADB to write letters to the prosecutors of each municipality explaining the legal decisions supporting the CADB's role in Right to Farm conflict resolution. The New Jersey Farm Bureau should act to request a concrete determination from the Attorney General that could be sent to any local judge that ignores the statutory requirement that right to farm conflicts must be taken to the CADBs first.

Even with the updates to the Right to Farm Act many farmers are caught in the cross hairs of nuisance complaints. Those complaints cost the farmer and all municipal property taxpayer's time and money. New Jersey Farm Bureau should seek amendments to the Right to Farm Act that would clarify the role of the CADB in determining a farmer's compliance and protection under the Act. It should be further amended to require a posting of bond by those who file a complaint.

This authority for CADBs creates a great opportunity for the agricultural community, but also a great responsibility. More than ever, the CADBs need knowledgeable commercial farmers to lend their time and expertise. Volunteers could be drawn from a number of sources including former State Board of Agriculture members, New Jersey Agriculture Leadership Development Program alumni, county boards of agriculture members, etc. A Bill (A1469/S1255) to establish alternate voting members to serve on the CADB expanding the need for more farmer and public member participation has been passed by the general assembly and is now waiting for support in the senate. If passed, this bill would further the need for knowledgeable volunteers to serve on CADB's. Farm Bureau must strongly encourage participation on these boards and give the appropriate recognition to those who choose to serve.

Insuring an ample supply of volunteers for the CADBs is a critical first step in making the right to farm program work effectively. Training those volunteers in conflict resolution, hearing procedures and other aspects of the process to make sure they are qualified to carry out their duties is the second step. New Jersey Farm Bureau calls upon the legislature to allocate funding to the SADC for continued and expanded CADB training and educational activities.

Right to Farm experience in other states shows that regular notice to all landowners that agriculture is a publicly endorsed land use helps a great deal in educating newcomers to the rights of farmers. A model ordinance about notice or a clause added to the local Right to Farm ordinance could encourage more towns to head off conflicts before they become so confrontational. The SADC has a model Right to Farm ordinance that municipalities may use. While the SADC cannot require the model ordinance be used, NJFB urges the SADC to promote and strongly encourage its use by local municipalities to help create more uniform right to farm protection on the local level.

The SADC adopted an AMP for equine operations and is working on ones for farm markets, greenhouses and agritourism. NJFB urges the SADC together with the State Board of Agriculture to make completion of these and other AMPs, including one for on-farm ag-related businesses, a high priority to help reduce and/or resolve Right to Farm conflicts. The fruit and vegetable production AMPs should be amended to reference New Jersey Agricultural Experiment Station production guides, so they may be updated annually as they are published. Housing for agricultural labor is essential to many farming operations and the construction of labor facilities must be protected under the Right to Farm. New Jersey Farm Bureau urges the SADC to add, through regulation if needed, agricultural labor housing to its list of protected practices, and an accompanying AMP should be developed. Currently the legislature is considering a bill that would protect solar, wind and biomass energy on farms, if passed We ask that the SADC work with the BPU to develop AMP's for the implementation of the legislation and encourage renewable energy production on farms.

Another common area of Right to Farm complaints is with municipal oversight of the construction of farm buildings. Recent court decisions have recognized that CADB's and the SADC have primary jurisdiction over Right to Farm matters. Farmers may apply to CADB's for approval to construct farm buildings (other than farm markets). Currently CADB's are handling these requests on a site-specific basis. Although the process will need to remain site-specific, New Jersey Farm Bureau calls upon the SADC to develop guidelines to assist CADB's in overseeing the construction of farm buildings. New Jersey Farm Bureau also recommends that the New Jersey Department of Agriculture booklet "Fact Sheet for Commercial Farm Buildings" be updated to reflect the Right to Farm's role in farm building construction.

As Right to Farm conflicts continue to arise, CADBs report concern about inconsistency in how the conflict resolution process is used. They report inconsistency in the decisions made from one part of the state to another and that no information is shared between the CADBs about them. Farm Bureau should seek to bring together the CADB's and the SADC to review and surface any problems.

In order to better protect New Jersey farmers, NJFB urges the SADC to respond with a quick and strong response to local municipalities whenever Right to Farm complaints are brought to the SADC's attention. In addition, because the conflict resolution process can take an extended period of time, NJFB believes that CADB decisions should stand without prejudice toward or action against the farm operator, while an appeal to the state level is pending.

Farm Bureau shall be active in distributing information about the Right to Farm to individual farmers. Direct mail and fax broadcast to members listing this issue as a "topic of interest" on their membership application will help inform them and also generate their feedback. New Jersey Farm Bureau should publish regular updates on proposed AMP's, prominent cases that are pending and new innovations in the scope of this program. The county boards of agriculture should be updated on a regular basis.

Farm Bureau should also provide technical assistance to its members involved in Right to Farm conflicts, especially while local municipalities are still unfamiliar with the statute and its requirements.

PINELANDS

It is critical that New Jersey Farm Bureau continues an ongoing dialogue with the Pinelands Commission Chairman and the current commission members, stressing the need to treat farmland owners in the Pinelands with respect and in a way that protects their equity.

Recently the Pinelands Commission is considering a plan to create 2000 new PDC rights (500 Pinelands Development Credits, 4 rights = 1 credit) and allocate them to the Forest Areas. Caution should be exercised so as not to diminish the value of the existing PDCs by diluting the sending area supply with a wholesale addition of newly created PDCs from these Forest Areas.

Development credits from the existing pool of PDCs should be more fully utilized while finding a way to provide compensation to Forest Area landowners.

There have been four special rounds within the preservation program since the implementation of the Pinelands formula in an attempt to compensate landowners through these special rounds. It is important that Farm Bureau continues its support for funding of farms in the Pinelands. Farm Bureau should ensure that the SADC evaluates Pinelands appraisals in a manner that is similar to preservation applications outside the Pinelands region. With the increase in PDC values farmers will be appraised on the formula and the PDC value to determine the best value for the landowner. New Jersey Farm Bureau may need to evaluate the base price for the formula to reflect the current values of PDC's.

As PDC values increased, more farmers elected to retire their credits. There are special cost share and other programs for farms that are enrolled in the preservation program and for farms that retire TDR credits. These benefits are currently not available for farms preserved through

the retirement of PDC's. Farm Bureau should seek to work with those program administrators to amend statutes or rules to include farms preserved through the PDC program.

The Pinelands Commission is in the process of amending the CMP to adjust the allocation of PDC demand in the growth areas. The initial thought is to adopt a sliding scale decreasing the number of PDCs needed as density increases. The claim is that this concept will encourage growth therefore encouraging PDC demand. Farm Bureau should oppose any CMP amendments that would diminish the demand for PDCs, work with Pinelands Commission members when necessary to help stimulate private-sector interest in Pinelands Development Credits (PDC's) and closely review potential CMP amendments that suggest such benefits.

There was a recent decision by the Pinelands Development Credit Bank Board that allowed for the donation of PDCs for a low-income senior housing development project. The project would require 8.75 credits and between the town and the builder 5 credits would be purchased leaving a need for 3.75 credits. The PDC Bank Board was petitioned for the donation of the remaining credits due to the claims the project would not be feasible with the full purchase of credits needed. The board donated 3.75 credits to help complete the project. The PDC Bank Board based its approval on the fact that the board believed the decision would not significantly impair the private market values and that it was a low-income project. NJFB feels that this decision to donate 3.75 PDCs was not only rushed to accommodate the time-sensitive construction process, but it raises questionable precedents for the future. NJFB should oppose any future donation requests made to the PDC Bank Board regardless of the projected use.

The Pinelands Agricultural Advisory Committee has been reestablished to provide input on current and proposed Pinelands policies that could impact agriculture and forestry as well as PDC values in the Pinelands. The Pinelands Commission's Ag Advisory Committee must be supported by the commission and engaged in the discussion whenever agricultural policies are being considered, developed or amended, that could impact agriculture. Policies of particular concern include forestry rules, PDC program changes and renewable energy rules.

Farm Bureau shall monitor the distribution of funds under the Garden State Preservation Trust Act to insure that it reflects the geographic diversity of the state to the maximum extent practicable and feasible.

Funds allocated for Pinelands purchases shall only be used for farms within the Pinelands region, while there are active applications pending

With the ever-changing dynamics of agriculture, it is important that the Pinelands Commission support the Right to Farm within the Pinelands. Agriculture is an indigenous industry to be protected by the Comprehensive Management Plan, and New Jersey Farm Bureau shall insure that the Pinelands Commission is aware of that protected status. Due to the diversity of crops and labor intensive crops grown in the Pinelands it is important that growers have the ability to expand all aspects of their business such as labor camps, packing facilities and supporting structures without onerous restrictions eg: having to purchase a PDC credit or surrendering the same. It is important that the Pinelands Commission understands and supports the continuation and growth of agriculture within the Pinelands boundaries.

Farm Bureau will also encourage the inclusion of farmland within the Forest Area into the appropriate designation under the Pinelands Plan that will entitle them to allocation of Pinelands Development Credits and the accompanying share of open space trust fund grants. The New

Jersey Pinelands Commission has proposed the reclassification of Pinelands Management Areas and wetland boundaries based on new environmental mapping. Major changes include taking thousands of acres from rural development areas and rezoning them as forest area. New Jersey Farm Bureau should oppose any amendment to the Pinelands Management Areas that would further erode property values and hinder agricultural activity.

A recent issue facing landowners in the Pinelands is the possible identification of Threatened and Endangered Species habitat on their property, which could require a comprehensive survey to be done on the whole property before any development is conducted. These studies can be very expensive, and have been required on the whole property even if only a portion is going to be utilized. The alternative offered to this major study is to place a conservation easement on the remainder of the property rendering it useless for the future.

New Jersey Farm Bureau shall oppose the unnecessary use of Threatened and Endangered Species surveys as a way to force landowners into restrictive comprehensive conservation easements. Farm Bureau shall investigate the list of animals on the Threatened and Endangered Species list, to see if any species should be removed from the list.

Recently the State Ethics Commission ruled that some Pinelands Commission members recuse themselves from all discussions concerning landowner and agricultural issues because of a perception of conflict of interest. The Pinelands Protection Act requires these interests to be represented and that agriculture be promoted and enhanced.

Farm Bureau should work to see that S.2822 and A3950 that permit members of the Pinelands Commission to participate in discussion and vote on revisions to the comprehensive management plan becomes law.

HIGHLANDS

Regional Master Plan and Plan Conformance:

With adoption of the Highlands Regional Master Plan (RMP) in July 2008, seven northern New Jersey counties are now dealing with the process of conforming to this regional plan. The counties and 88 Highlands region municipalities are now determining how to go through the conformance process. The municipalities with land mapped in the Preservation Area of the Highlands must conform to the RMP by December 8, 2009 while those with area in the Planning areas have the option of conforming to either the Highlands RMP or the State Development and Redevelopment Plan for that part of their community.

That decision is affected by 2 land use aspects that affect all Highlands communities regardless of which Area they are mapped. First, in order to expand the existing or build new wastewater management facilities required for any significant development, the Highlands Council (HLC) voted to require the same formula to calculate septic densities across the entire Highlands area, resulting in 1/25A density in nonforested areas, 1/88A density in forested land even in the Planning Area.)

Second, Farm Bureau feels that the intent of the Highlands Act to make plan conformance for Planning Area towns be voluntary has been further violated by the Highlands Council's recent Memorandum of Understanding with COAH. Farm Bureau sees this as a "blackmail" tool to entice Planning Area towns to conform by promoting lower affordable housing obligations. Many towns are struggling to meet their current COAH obligations and find meeting the future mandates of COAH to be daunting. Therefore, even municipalities totally in the Planning Area

appear to be inclined to conform to the Highlands Plan and its heavy environmental restrictions if it will reduce their COAH obligation. Farm Bureau is disappointed at the injection of this “COAH carrot” into the conformance process because it seems to have produced a rush to conform even from communities who could leave their current planning and zoning in place.

Almost all the Preservation Area municipalities and many in the Planning Area are now working with the HLC staff to fulfill the Plan Conformance requirements, some of which must be done and submitted to the Council by Dec. 8 2009. Up until now they had a chance to correct the Highlands mapping and were given an analysis of future development build-out based on Regional Master Plan (RMP) protection of natural resources. They must complete an Environmental Resource Assessment applying the RMP mapping and use models of a Highlands Master Plan and Land Use development ordinance to refashion their current planning and zoning documents. Beyond these Basic Plan Conformance elements, many more including an Agricultural Retention and Farmland Preservation Master Plan Element will be items on an Action Agenda for completion later. There must be a public hearing held before a town’s Petition for Plan Conformance can be submitted to the HLC by Dec. 8.

Both these model documents show municipalities how to conform to the aspects of the RMP that both support and may restrict agricultural activities. Municipalities have some latitude in mapping the Agricultural Resource Areas, delineating the Conservation Zone where the preferred land use is continued agricultural activity, and even in defining the scope or limits of agricultural land use relative to the Right to Farm Act. Farmer residents of Highlands towns engaged in Plan Conformance must inform themselves of this process and make sure their voices are heard to take advantage of the aspects of the RMP that support the agricultural industry.

These model documents have been available less than six weeks, are very extensive, often larger than the basic documents they propose to amend. They require much more time for review by municipalities and their constituents, including farmers. Farm Bureau will seek support for a postponement in the December 8 date for conformance with the RMP, and that the compliance requirements be reviewed within the scope of Governor-elect Christie’s proposed Executive Order #1 for a 90 day freeze on pending regulations.

As it is apparent to all that the Highlands Act, to a great extent, was and remains an unfunded mandate, we urge Governor Christie and the Legislature to revisit and remediate this situation.

All Farm Bureau members owning land in the Highlands should contact officials in their town to check on their town’s status in this process. The mayor, planning board secretary, or township clerk should be able to update their residents on RMP conformance activities. Or members can find some information about their town’s progress online at:

http://www.highlands.state.nj.us/njhighlands/planconformance/index_municipal.html.

Farm Bureau will continue to work cooperatively with the Highlands Council members and staff throughout the plan conformance process, injecting a voice for Highlands farmers and landowners. But the farmland owner residents of each town can have a greater impact on their decision-makers and the HLC than either the Farm Bureau or the NJ Department of Agriculture who may be able to help some later in the process.

Farm Bureau shall work to educate farmer members in the Highlands region about the risks and benefits of their towns conforming to the RMP. For Preservation Area farmers, Farm Bureau shall work to ensure that Municipal Plan Conformance does not negatively impact agricultural viability. For Planning Area farmers, Farm Bureau shall work to provide the proper tools to oppose or support the conformance process depending upon the impact conformance will have on agricultural viability.

There are two specific policy areas that will affect farmers and landowners the most: the mapping of farms in the Agricultural Resource Area (ARA) and the Conservation Zone for maximum support of the industry, and the Highlands Development Credit (TDR) program to supposedly provide compensation for lost land value. Municipalities are asked to designate in their new Land Use Ordinance the Agriculture Resource Area to include the majority of Highlands active farmland. Since all the policies to support the agricultural industry apply to the ARA and Conservation Zone, even in the Preservation Area, farmland owners must make sure their farm is mapped in that area. Farm Bureau shall work to ensure that the farmers inside and out of this Agriculture Resource Area are treated fairly or to make sure all farmland landowners who want to be in the ARA are included.

The Highlands Development Credit (TDR) program

The Transfer of Development Rights (TDR) program element of the RMP and the activities of the newly formed Highlands TDR Bank Board will also need to be closely monitored in order to maintain the goal of compensating landowners fairly. Farm Bureau shall work to ensure: the fair designation of sending areas based upon the lost development potential due to the Highlands Act; an equitable and transparent method for allocating credits; a viable market to receive credits; a conservation restriction that only restricts the use that has been transferred (i.e. if development rights are transferred – only non-agricultural development rights should be restricted, . If the Council wishes to restrict the use of the land to protect natural resources, it should be the landowner's choice and they should be paid for the transfer of those uses).

Concentrated efforts by NJ Farm Bureau, the NJ Department of Agriculture, and some members of the Highlands Bank Board have succeeded in persuading the HLC to adopt deed restriction documents for agricultural land that attempt to meet that criterion described above. Only nonfarm development opportunities are prohibited. Farmland owners who agree to forego use of their residential exceptions to build 1 single family house will receive extra Highland Development Credits (HDCs). But agricultural or horticultural use and development can proceed as the favored land use.

NJ Farm Bureau shall continue to work with the HLC and the HDC Bank Board to express lingering questions and concerns about the whole complex TDR process. It will continue to press the HLC to create a market for the credits in addition to the Bank itself.

Highlands Council Priorities:

New Jersey Farm Bureau shall request that the Highlands Council address the property rights and equity loss impact upon those thousands of citizens restricted by the constraints imposed upon land use in the Preservation Area. Farm Bureau shall further request that the Council, in coordination with the State Legislature, develop and implement appropriate programs to restore lost equity and the equal protection rights guaranteed by the constitution to all citizens and property owners in the United States of America, including those in the Highlands Preservation Area.

Furthermore, Farm Bureau shall urge the Highlands Council to conduct a study to determine the extent of the personal, financial and related losses suffered by the over eleven thousand Preservation Area property owners and to develop recommendations and programs to correct these extreme inequities.

New Jersey Farm Bureau shall send copies of this resolution to members of the Highlands Council, the Governor of the State of New Jersey, all members of the New Jersey Legislature, the head of each department of State government, each Board of chosen Freeholders of Highlands Counties, and to the governing bodies of each municipality in the Highlands region.

Agriculture Exemptions:

The legislative sponsors of the New Jersey Highlands Water Protection and Planning Act, intended “exempting” agriculture from the strictest regulatory oversight for commercial farm operations. This is shown in the language that excludes agricultural activities from “major Highlands development” and in the language that sets forth the process for agricultural development through the New Jersey Department of Agriculture. The New Jersey Department of Environmental Protection and some local municipalities are continuing to require Highlands Applicability Determinations (HAD’s) for routine farming activities and for implementing Woodland Management Plans. Some municipalities will not consider variances, planning or permits until such a determination is made. Highlands Applicability Determinations come with a \$100 fee and also may require expensive technical assistance. This undue requirement is also putting substantial demands on the USDA-NRCS, New Jersey Department of Agriculture, Rutgers Cooperative Extension and the local soil conservation districts for their technical assistance. Furthermore, valuable state assets such as NJDEP staff time to review HAD’s in situations where there is a clear exemption from the Highlands Act, are being wasted during a time of dire fiscal straits in New Jersey.

Farm Bureau shall partner with the NJDA and urge the Highlands Council, the DEP and the NJDA to formulate and distribute an official statement listing the rights of farm owners within the Highlands Region. This statement should specify the steps that farmers need to take in order to further develop their agricultural operations, facilities and uses without undue restriction, delay and misinformation. The statement should come from the Secretary of Agriculture, the Commissioner of the DEP and the Chairman of the Highlands Council. It should be comprehensive enough for Highlands municipalities to understand that Highlands farmers do not need a HAD from the NJDEP to partake in agricultural and horticultural activities as exempted by the Highlands Act.

In addition, the New Jersey Farm Bureau shall seek a current statement from the Legislative sponsors of the Highlands Water Protection and Planning Act, to clarify their stated intentions when “exempting” agriculture from the strictest regulatory oversight for commercial farm operations. This would serve to inform the policy makers and planners in the Highlands that agriculture is truly “exempt” and help make farming in the area remain viable.

NJDEP/NJDA Rules – Highlands:

Farm Bureau filed a challenge to the DEP Highlands Water Protection and Planning Act Rules for the Preservation Area in the Appellate Division of the Superior Court of New Jersey shortly after they were adopted. The issues raised on the appeal include; the interim rules are beyond the scope of the authority delegated to the NJDEP by the Legislature under the Highlands Act; the interim rules are arbitrary, capricious and unreasonable; the rules lack a rational scientific or technical basis; and the interim rules undermine the Legislature’s explicit findings and purposes

with regard to the enhancement of farmland preservation and the preservation of New Jersey's agricultural industry.

The Appellate Division of the New Jersey Superior Court heard Farm Bureau's appeal in the spring and came down with a decision on July 22, 2008. The decision called for a special evidentiary hearing regarding the validity of the septic density standards enforced in the DEP rule for the Highlands Preservation Area. The special evidentiary hearing demonstrated the extent to which recommendations on setting septic densities based on more rational, science-based criteria were rejected by DEP in order to achieve the largest lot sizes possible. Farm Bureau continues seek progress on the appeal and will keep the membership informed.

The Department of Agriculture rules for Agricultural and Horticultural development in the Highlands are now in place. Farm Bureau shall continue to remind the Highlands Council members and staff and the DEP that all regulation of agricultural development is under the auspices of the New Jersey Department of Agriculture.

Funding Source:

New Jersey Farm Bureau withheld support of the Highlands bill and of the RMP mainly because they lacked an adequate funding source to provide the promised "fair compensation" and to pay for expected land acquisitions. New Jersey Farm Bureau continues to work with the Legislature on establishing new legislation that would generate funds to pay for expected land purchases by the state in the Highlands region, and for compensating landowners for their loss of equity when they make a private sale of their property. There are currently several potential proposals for renewing the state's commitment to funding open space and farmland preservation. Any proposal for legislation to renew funding must include special funding for Highlands properties as well as special funding for the Highlands TDR Bank. Any new funding for open space and farmland preservation programs must follow the provisions set forth in the Highlands Act that require appraisals to be done under current as well as pre-Highlands Act conditions (Jan. 1, 2004) with the higher of the two values used as the basis for compensation.

While Highlands landowners, especially those in the Preservation Area, lost most of the value of their land, those State residents outside of the Highlands region who benefit from the Act have been allowed to continue to use the water and related natural resources being protected for them without any such constraint or cost. The HLC and other agencies state publicly their support for some form of water charge to make users of Highlands water pay the cost of providing the "fair compensation" to Highlands landowners promised by the Legislature. They should take action to make this happen.

Highlands Agricultural Advisory Committee (HAAC):

In 2006, Farm Bureau sought to reorganize its outreach effort by forming the Highlands Agricultural Advisory Committee to maximize communication and transfer of information between impacted agricultural landowners, Farm Bureau staff and the Highlands Council. Membership of the HAAC should be determined by Farm Bureau in coordination with the county boards of agriculture in the Highlands Region and should consist of up to two farmer landowner members from each county board of agriculture. At least one member from each county shall own land within the Highlands Preservation Area, where possible.

The HAAC shall meet on a regular basis, be supported by Farm Bureau staff and shall assure communication between county boards of agriculture, affected landowners, the Highlands Council and other Highlands regulatory agencies.

During the next year, NJ Farm Bureau shall:

- Work to educate farmer members in the Highlands region about the risks and benefits of their towns conforming to the RMP and arm them with questions to ask their town decision-makers and talking points to use in public hearings on Plan Conformance.
- Work with the Legislature on establishing new legislation that would generate funds to pay for expected land purchases by the state in the Highlands region, and for compensating landowners for their loss of equity when they make a private sale of their property. This must include reinstatement of the dual appraisal process that provides for land valuation previous to passage of the Highlands Act in January, 2004. Plan conformance should not be mandatory until legislation is passed that permanently extends the dual appraisal process.
- Monitor the activities of the Highlands Credit Bank and urge more progress in development of viable TDR programs, including the establishment of mandatory receiving areas that would provide a real market for Highlands Development Credits.
- As part of the process to determine the impact of the Highlands Act on landowners, track, or cause to be tracked land sales and farmland preservation appraisals in the region on a continuing basis, and make such information available to the Highlands Council, CADBs, SADC, county boards of agriculture and the general public. Farm Bureau should also track the trends of Highlands' reviews, approvals, waivers and denials to ensure they do not conflict with or erode existing Right to Farm protections.
- Monitor the application of ARA mapping and the municipal "consideration of Right to Farm Act provisions" in the new master plans and land use ordinances developed as part of Plan Conformance.
- Challenge the Legislature and Governor Christie to assemble the total economic impact due to the Highlands Act and RMP to educate themselves as to the total cost of the Highlands Act and its impact on NJ's regional economy.
- Work with the NJDA and urge the Highlands Council, the DEP to assist the NJDA in formulating and distributing an official statement defining actions Highlands farmers may take without the cost and stress of preparing and filing a fully detailed expensive Highlands Development application.
- Work to have the HLC appoint a Highlands Agricultural Advisory Committee like the one in the Pinelands to include regional farmers, members of the CADBs of affected counties, and others knowledgeable about the region's agriculture to advise the Council on agricultural issues and resolve any questions about agricultural operations.
- Continue to inform its Highlands region members about current, relevant issues through the weekly, "This Week in Farm Bureau," the quarterly, "Farm Bureau Update," and the Farm Bureau Highlands Advisory Committee.

- Urge the Governor to assure that membership of the Highlands Council include stakeholders who own land in the Preservation Area.

PROPERTY RIGHTS

Farm Bureau shall seek the enactment of state legislation to protect all property owners from the adverse effects of excessive land use regulations. This legislation should resemble the property rights protection legislation in the state of Florida known as the Bert Harris Act or Measure #37 of Oregon. Those laws both recognize that while some laws, regulations and ordinances may not amount to a constitutional taking, they can still cause an inordinate burden on property owners, and such burden should be compensated for.

Farm Bureau shall assist any evaluation of a "takings violation" by conducting research and gathering economic information pertaining to the "beneficial use" of farmland. Recent court decisions in New Jersey seem to imply that stripping property rights down to "beneficial uses" is permissible under the Constitution without understanding the economics and marginal profitability of many farming enterprises.

It is further resolved that the aforementioned state legislation include a provision that all affected landowners be notified regarding the imposition of any new or proposed state land use regulation. This is already done by municipal government for zoning changes. Farm Bureau shall seek the enforcement of this notification requirement and the removal of the exemption for master plan re-examinations. Notification should be made to individual landowners.

EMINENT DOMAIN

Eminent domain gives governments the power to "take" private property for "public use" or "public purposes" while providing "just compensation" to the landowner. States have statutes and rules that set up a process to be followed that is supposed to be fair for all parties: the landowner, the government entity, and the general public that theoretically receives the ultimate benefit of the action.

New Jersey has its Eminent Domain Act of 1971 and the Local Redevelopment and Housing Act that set up a prescribed set of conditions for using the condemnation power and a legal process that must be followed.

In many cases, the first a landowner knows that his/her property is being considered for eminent domain as part of some development project is when he or she receives a certified letter from the municipality stating that they are sending an appraiser to inspect the property. This actually comes after a long chain of planning board discussions and actions about which landowners receive no special notice. If able to participate in these planning discussions, however, landowners and other residents could present their reasons against the eminent domain taking, perhaps causing the governmental body to withdraw the proposal.

In recent times there have been several court decisions approving the use of eminent domain to take farmland for various purposes such as open space, recreational facilities, or building schools. Most notably, the Mt. Laurel vs. Mipro decision by the Appellate Court said it was proper for a town to use eminent domain to preserve open space expressly to stop a development project.

The New Jersey Agricultural Development and Retention Act recognizes the possibility of using eminent domain to take farmland by setting up a process within the Act (NJSA 2:4C- 19)

through which CADBs can “determine the effect of the use of this power upon the preservation and enhancement of agriculture in the Agricultural Development Area, the municipally approved program, and upon overall State agricultural preservation and development policies.” Governments contemplating using eminent domain to acquire farmland in an Agricultural Development Area are required to notify the CADBs, or in counties with no CADB, the SADC. These boards review the reasons offered and can hold a public hearing before deciding whether or not there will be adverse effects on the Agricultural Development Area. In using this process, there have been instances when a CADB or the SADC determined that there would be no effects harmful enough for them to oppose the action.

In the upcoming year Farm Bureau shall:

- Oppose the use of eminent domain to take farmland out of agriculture for open space acquisition or merely to obtain increased tax revenue for an agricultural property.
- Assemble the necessary information about eminent domain in New Jersey to have on hand for reference at the Farmhouse.
- Prepare an “information kit” for farmland owners that would outline the process of eminent domain and show how and where a landowner can be most effective in preventing this or working to put it to their advantage, and how they can protect their right to a fair settlement.
- Be prepared to help farmland owners caught in eminent domain plans involving redevelopment or preserving open space with information, referral to eminent domain legal specialists, and points to use against eminent domain if necessary.
- Prepare a position paper on eminent domain relative to farmland, “taking” for non-farm purposes as well as for agriculture that could be sent to the SADC, the State Planning Commission, the Office of Smart Growth, the Highlands Council, the Pinelands Commission, and any other regional planning agency as well as municipalities that appear to be considering use of this tool.
- Work with the Legislature to amend the New Jersey eminent domain statutes to strengthen measures to protect active farmland from indiscriminate and ill-advised use of this powerful tool.
- Oppose the use of eminent domain without some guarantee to the public and the landowner that the “public purpose” or “use” will actually come into being, preventing the land from being diverted to some other purpose.

STATE DEVELOPMENT AND REDEVELOPMENT PLAN (SDRP)

The State Development and Redevelopment Plan (SDRP), last amended in March 2001, is awaiting only the Infrastructure Needs and Impact Assessment reports from Rutgers before proceeding toward adoption of its third version. In the past five years its regulatory power has been revealed as Planning Area mapping and use of other Plan policies have become the basis for the decision-making of DEP, COAH, the BPU, and NJDOT.

Farm Bureau and the New Jersey Department of Agriculture have been active participants in the Plan development and amendment process. As a result, SDRP3 has stronger language to support agricultural viability than the first two versions. Besides 23 policies to support agricultural viability statewide, the Equity Policy, and many references to planning and zoning tools that would retain value in the land, SDRP3 presents a vision of a positive future for the agricultural industry in the Garden State. Implementing the existing and new policies to move towards this vision will depend upon leadership from the new Governor and his Administration.

Some areas of concern remain:

1. There has been almost no use by municipal, county, or professional planners of the Agricultural Smart Growth Plan and the many State Plan policies, blueprints on how to support New Jersey agriculture. These, along with Policy #1, the Equity Policy retain their wording carefully negotiated for State Plan 2 into this third version.
2. There is a difference of opinion among the SPC members, the state agencies who sit on the SPC, and the county and municipal planners who put great effort into planning their future during Cross Acceptance. The DEP, seconded by some on the Commission, wants the State Plan map to make use of its GIS technology to incorporate its new environmental data whenever it is available. The others support the statutory process: one map comes out of the Cross Acceptance process and stays in effect until the next reassessment of the Plan.
3. Two new Special Resource Areas will be described and designated in the next State Plan: the Delaware Bayshore and the Sourlands Mountain area. This is the first step toward encouragement of some form of regional planning activity even if it doesn't result like the Highlands in a complete takeover of municipal planning, zoning, and other regulation.
4. There has been no resolution to the questions about using a new definition added to the State Plan glossary: Areas for Agricultural Industry Growth. This means those areas designed to preserve agriculture or its support industries that should be reflected in municipal master and county farmland preservation plans in order to streamline the process of obtaining any required state agency permits. It is not clear what the definition of these areas will mean for an individual farm, for a municipality or county, or for a prospective regional Agricultural Enterprise District.
5. The Plan Endorsement process through which a town or county arrives at conformance with the Plan is mandated for coastal towns desiring centers and for any TDR program. Despite many hours of meetings and work by several counties and many towns, only 10 have made it to official Plan Endorsement that makes it possible for them to receive extra technical and financial assistance from state agencies. Many critics see this as good reason to re-examine the Plan and the Plan Endorsement process. They are proposing ways to give the SPC more authority over statewide planning and to streamline both Cross Acceptance and Plan Endorsement

When towns petition for Plan Endorsement by the State Planning Commission, their future land use regulation is discussed by DEP, DCA, DOT and Agriculture. Having the NJDA at the table has ensured use of the Agricultural Smart Growth Plan and protected farmers from having all equity opportunities removed by the municipality. This is the only forum in which the agencies have to negotiate future actions and policies with the municipal or county bodies as equals.

The Plan Endorsement process is often where the pressure to downzone farmland arises, as centers for more compact growth are delineated and their Environs protected from sprawl. For a list of towns engaged in Plan Endorsement and where they stand in the process see the Office of Smart Growth website at <http://www.nj.gov/dca/divisions/osg/plan/pe.html>.

Farm Bureau should:

1. Carefully review the SDRP3 document when released for public comment, summarize it for Farm Bureau members, and continue to comment upon the aspects favorable to agricultural viability and those that hinder it. This information will be available in the State Plan section on the Land Use website.
2. Oppose the delineation of more Special Resource Areas in the Plan unless a majority of the towns that might be encompassed demonstrate their approval before they are mapped.
3. Be ready to review and comment upon legislative efforts to make changes in the State Planning Act and regulations to lend support to those that further strengthen its support of the agricultural industry.
4. Find opportunities to educate municipal officials and professional planners about the benefits of planning FOR agriculture and the industry's viability instead of seeming to thwart farm enterprises that seek to become more profitable.
5. To help farmland owners foresee planning and regulatory actions affecting their property, provide, upon request by Farm Bureau members, maps of their properties showing the Planning Areas and any areas of environmental regulation being used for State Planning purposes.
6. Encourage Farm Bureau members to watch for any Plan Endorsement activities in their town and use the related opportunities to call attention to the policies in the Plan that support agricultural viability. Establishment of a Plan Endorsement Advisory Committee is the required first step and an opportunity for farmers to be full participants in a process that will affect their land use and land values.
7. Support the NJDA Smart Growth Plan for Agriculture with its tools and protection for farmers in land use issues and work to ensure that there are adequate staff and resources within NJDA, Rutgers Cooperative Extension, the New Jersey Agriculture Experiment Station and the SADC to achieve the Agriculture Smart Growth Plan's goals.
8. Support the NJDA in assembling the resources and staff to implement the State Plan favorably for agriculture including review of all Plan Endorsement and center designations from the first stages of their development, to ensure that the State Plan Statewide Policies for Agriculture are implemented by state agencies and municipalities. NJFB commends the NJDA staff for their ongoing efforts in representing the needs of the agriculture industry in the state planning process.
9. Educate Farm Bureau members about the benefits of agricultural development alternatives, like the one developed by James Miller for East Amwell that includes innovative conservation planning and the use of onsite wastewater treatment facilities. This accepts new development while protecting farm equity unlike any other form of development.
10. Ensure that all members understand and use the Equity Policy of the State Plan to forestall efforts by towns to downzone farmland by referring them to the New Jersey Appellate Court decision in Bailes vs. East Brunswick.

LAND USE REGULATION

Agricultural and forested lands are the largest areas of remaining open space in the state, providing food and fiber products to New Jersey's economy. In order to insure landowners have the freedom and flexibility to use, acquire, and preserve the land, New Jersey Farm Bureau has been active in promoting the need for balanced land use regulation. This balance includes protecting farmland and open spaces, environmental integrity, agricultural economic viability, and landowner equity.

New Jersey municipalities have the power under the Municipal Land Use Law (MLUL) to plan and regulate the type and extent of land uses on private property in the name of public health, safety, and welfare. Many municipalities are using their zoning power for much more including: farmland and open space preservation, preservation of rural character, and water quality improvement, and limiting population and growth.

Many municipalities are also amending their local zoning codes in ways that would severely restrict land uses in areas defined to be stream corridors and greenbelt corridors. This has become more prevalent as towns develop their required Stormwater Management Plans. In many cases these changes extend beyond currently regulated flood plain and wetlands area of freshwater streams into adjoining upland property. While the purpose of protecting water supply sources and environmental habitat is laudable, this concept is a dangerous infringement on property rights without compensation and should be seen as a potential regulatory taking.

This is of more concern now that many rivers, lakes, and streams including their small tributaries are designated as C-1 waters – to be protected from any further degradation. It appears that even farming activities may have their options reduced if they might take place within the 300 foot buffer of the C-1 area.

Farm Bureau should oppose these proposals and must encourage further scientific study and analysis of current regulations to see if such additional controls are warranted. If necessary, alternate methods of achieving these objectives ought to be examined instead of threatening the legitimate property interests of landowners.

Research into municipal planning practices shows that, even in areas where farmland preservation has been strongly supported for decades, municipalities do not use their planning, zoning, and other regulatory powers to support a vision of strong, profitable agricultural businesses. Municipal documents talk about supporting agriculture, preserving farmland, and fostering agricultural viability, but other sections of the master plan and township regulations often contradict these goals. There are model ordinances available on the NJDA website and at Farm Bureau that support the agricultural industry instead of hampering its viability. These can be used by municipalities to amend or create more effective and supportive regulation. Or they can use the 23 Policies for Agriculture in the State Plan as a blueprint for how they can support an increase in agricultural viability.

There continues to be a perception at all levels of government that farmland is a temporary land use, even when it is supposedly preserved for agriculture forever. This is pervasive among government officials and many in the general public as well as professional and lay planners.

All NJ farmland owners should watch for changes in their municipality's planning and zoning in response to mandated Wastewater Management Plans being developed at both the county and municipal levels. Since a municipality's or a site's capacity for handling wastewater is still being

measured by its capacity to dilute nitrogen by means of outdated technology such as septics, this will probably result in much larger lot sizes and reduced development density, a major change in the development potential of farmland. Municipal acceptance of clustering and onsite community wastewater systems are the landowner's only hope for development density that might approach what was in place before these plans go into effect.

Landowners in the Highlands should be alert to municipal or county planning in response to the Highlands Regional Master Plan (RMP) with a deadline of Dec. 9 2009 for Preservation Area master plan elements and required parts of the "supplemental" land use ordinance. Highlands towns with land in both the Preservation Area and Planning Area must decide whether to put the entire town into conformance with the Highlands Regional Master Plan. They have two routes to use in planning their future land use: the Plan Endorsement process under the State Plan or the Plan Conformance process under the RMP. Highlands farmland owners must put their municipality on notice that they are expected to use the RMP to promote agriculture and provide a supportive business environment for the industry. There may not be opportunities to participate in the process or for public notice and comment until these key documents are ready for adoption by the Planning Board and governing body.

New Jersey Farm Bureau should:

- Disseminate information to the general public about the negative impacts of downzoning on an ongoing basis.
- Encourage the farm community to seek positions on local land use boards, environmental commissions and other municipal and regional decision-making bodies in order to have input on land use and zoning issues that impact agriculture.
- Encourage all members to be ready to investigate or participate in municipal planning and zoning activities that may impact land values or the ability to conduct farming practices. The key points are during the master plan re-examination, master plan amendments, township committee passage of land use or police power ordinances such as those required by municipal stormwater management plans, and any municipal planning activities moving toward State Plan Endorsement or Highlands Plan Conformance.
- Encourage all members to participate in or monitor the actions of any municipal Agricultural Advisory Committee or to work to have the municipality create one to advise both the township committee and the planning board about land use planning and other regulation that effects agriculture. Find funding for the Agricultural Advisory Committee to review their master plans and ordinances to assess whether existing documents do support the agricultural industry.
- Reach out, with the NJDA, to professional planners, educating them about how they can improve farm viability and about the dynamic nature of New Jersey agriculture.
- Make a special effort to help Highlands farmland owners ensure that they receive the benefits outlined in the RMP to the maximum extent possible as their communities go through the Plan Conformance process.

MISUSES OF IMPERVIOUS COVER ORDINANCES

New Jersey municipalities are given the power to regulate the percentage of a lot or development area that may be occupied by structures in their zoning actions by the Municipal Land Use Law (MLUL). Typically, they set limits on the percentage of lot coverage for buildings

and for other impervious land covers such as paved roads, concrete pads, or other surfaces through which storm water cannot percolate into the ground water.

Attention from municipalities to limiting impervious cover even on farms intensified as they developed Stormwater Management Plans now required by the DEP. It is widely believed, but not scientifically supported, that once an area has above 10% impervious cover, stream water quality and groundwater flows begin to degrade. NJDEP has set the most limited definition of “impervious cover” in the nation: material that does not allow the passage of water, including gravel they believe will always become compacted. And permeable paving, they maintain, will never receive the maintenance required to keep it permeable.

New Jersey agriculture and even preserved farms become subject to limits on impervious cover for reasons other than stormwater control or aquifer recharge. These tend to restrict land coverage on farms at levels far below that needed for the future viability of farming. Municipalities are acting to limit coverage because of the fears of residential neighbors about water quality and reduction of residential land values. This has led to accusations against greenhouse agriculture as being a form of industry undeserving of any consideration as agriculture. Mandated low impervious cover percentages also could limit the type of farming to “horses and hay” or open fields without any of the often necessary farm buildings.

Research by water resource specialists at the NJ Agricultural Experiment Station shows that not all stormwater runoff causes degradation of water quality in streams, ponds, and other water bodies. If the devices that collect stormwater are disconnected (don't collect stormwater through pipes for ultimate discharge in a water body) and are allowed to discharge over land areas where the water can be absorbed by vegetation or made to recharge groundwater, a strict impervious cover limit is unnecessary. Furthermore, if this stormwater solution is denied, water quality could be reduced and recharge made impossible. Farms are likely sites for such disconnected stormwater management and therefore should not be arbitrarily limited in the amount of impervious cover.

New Jersey Farm Bureau should work on this issue to meet both the needs of New Jersey agriculture and the legitimate concerns of municipalities. Municipal officials must be made to understand that there is a distinct difference between connected and disconnected stormwater devices with added water quality advantages in the latter. In proposing lot coverage ordinances affecting farmland they must consider the following strategies:

- Identify and encourage the maximum use of the whole farm to manage the stormwater created by roofs, roads, and other impervious surfaces while putting no strict limit on impervious cover.
- create trade-offs between site impervious cover and the many water recharge opportunities on farms.
- encourage farmers to develop a conservation plan and obtain site planning assistance from the USDA-NRCS to deal with water quality and quantity
- create ordinances that allow for the development of site-specific rules that take into account the needs of each unique location – not the imposition of an arbitrary percentage of allowable cover.
- mitigate any objectionable visual aspects of farm buildings or structures through careful sighting and landscape buffering.
- consider the Right to Farm and AMP process as they apply to the construction of agricultural structures.

- use the trigger process mandated in the Highlands Act: triggers for increasing impervious cover on farms that sends landowners to the NRCS for conservation plans that will include stormwater management.

The SADC is currently evaluating rules to impose impervious cover limits on preserved farms because of conditions attached to federal farmland preservation monies and the passage of state legislation.

Municipalities must recognize that farms needing increased impervious cover to develop farm buildings such as greenhouses, livestock barns, equine arenas or indoor aquaculture facilities can also be a significant source of groundwater recharge. Stormwater management and recharge can both be achieved on farms through this process.

Farm Bureau shall:

- Continue to review and comment on the SADC recommendations on how to deal with impervious cover limitations so that today's landowners do not tie the hands of future farmland owners.
- Ensure that municipalities and the SADC uses the two Highlands triggers (3% and 9% additional impervious cover) for decisions about impervious cover on preserved farms instead of the NRCS 2% limit total for federal farmland preservation monies.
- Ensure that the SADC and municipalities use the Highlands definition of "agricultural impervious cover" that better accommodates real farm conditions. Farm Bureau should strongly oppose use of the DEP definition that considers even gravel an impermeable surface.
- Educate municipal officials, regulators, and landowners about the findings of the Rutgers research that provide a more reasonable way to quantify and manage impervious cover on farms: defining stormwater as connected to water bodies and disconnected so that land and vegetation can absorb and/or improve the quality of stormwater.
- Prevent imposition of any absolute cap, using instead trigger percentages that enable the farmer to engage in a site-specific method to set limits in conjunction with the appropriate conservation plan and management practices.
- Support policies that have less restrictive impervious cover limits for agricultural buildings, allowing for a higher percent coverage than other uses while recognizing a farm's potential for groundwater recharge when stormwater is managed by appropriate design.

RAILS TO TRAILS INITIATIVES

Counties and municipalities have developed greenway plans that cover many hundreds of acres along streams or adjacent to other public open space. In some instances, the purchase of development easements on a farm is contingent upon the landowner granting a conservation easement along any stream that is part of the county or municipal greenway system. This can happen without the extra compensation such a taking should warrant. It can create problems for the farmer in maintenance of drainage system outlets, trespass and vandalism, increased liability, unauthorized motorized vehicle access, setbacks from pesticide spraying, and even the farmer's access to his/her own fields.

Open space and recreation enthusiasts are advocating the conversion of abandoned railroad lines to active recreation trails. They envision horseback riding, hiking, bicycling and nature

walks as a new use. Unfortunately, these plans have not considered the potential interference with adjoining farm operations.

Farm Bureau shall work to ensure that sufficient safeguards for agricultural uses can be demonstrated to the New Jersey Farm Bureau directors on a case-by-case basis for any projects that are proposed.

HISTORIC PRESERVATION

The National Park Service, together with groups interested in Historic Preservation of buildings and landscapes, is intensifying its identification of these sites. In New Jersey, regulation of buildings, structures, landscapes and scenic corridors can develop at the local level through the master plan and ordinance development process. Nomination and listing as “historic” can be at the national and county level. Anything over 50 years old can be deemed “historic.” Anyone can nominate a property without the participation of the owner. New Jersey Farm Bureau supports a change in regulation that would require notification of a landowner prior to nomination of their property for historic status. Landowners should also be made aware if their property is being considered for inclusion in an historic district.

The new focus on historic landscapes and scenic corridors is a concern for agriculture, not only because property values may be affected, but also because farm modernization or change to new crops or technology may be more difficult or impossible.

In 2006 the President signed legislation designating the Crossroads of the American Revolution National Heritage Area in New Jersey. This area includes 213 cities and towns and 14 counties, stretching from Fort Lee in Bergen County to Red Bank Battlefield in Gloucester. One of the major themes is the effect of the Revolution on ordinary people – i. e. farmers. Yet the steering committee was formed without any representatives from the farm community and no contact with the New Jersey Agricultural Society or the Agriculture Museum.

In the coming year, New Jersey Farm Bureau shall:

- Become familiar with New Jersey historic preservation interests and agencies and the goals of their programs, especially the Crossroads of the American Revolution Association and the steering committee for this project.
- Encourage the NJDA, the SADC, the New Jersey Agricultural Society and the Agriculture Museum among other farm groups to follow the progress of this program and actively participate in any designation actions.
- Investigate the takings implications of designation of historic landscapes, “viewsheds,” and scenic corridors.
- Be watchful for adverse actions on the local and municipal level, and be prepared to educate town officials and the public regarding the cultural interpretation of agriculture and the historic role agriculture has and continues to fulfill in New Jersey’s landscape.
- Specifically, potential negative impacts must be identified as such and targeted for corrective educational input.
- Determine whether the Right to Farm Act requirement for an agricultural impact statement applies to these state-supported actions.
- Assert and reinforce the fact that agriculture in practice and agricultural chattel are the present day evidence and artifacts that can aid in the interpretation of agriculture as a cultural resource to the general public.

MUNICIPAL DOWNZONING

The tool of choice to accomplish many municipal land use goals continues to be downzoning to create very large lots – 7, 10, 12, even 15 acres, in the name of Smart Growth and sprawl and growth management. There is more and more evidence that this practice only makes large-lot sprawl the development form of choice. Rural character and environmental benefits as well as savings in the cost of municipal services (apart from school costs) are lost instead of encouraged. Even State Planning Commission review of municipal master plans for plan consistency (with NJDA at the table) discourages such zoning practices in rural areas.

Many proponents of downzoning use the protection of water quality and quantity as rationale for their actions, often without scientific justification. Use of various models of ground water pollution such as the controversial nitrate dilution model can result in whatever lot size is desired if different numbers are entered into the model equation. This has enabled DEP and the Highlands Council to determine development densities in the Highlands as 1 unit per 25 acres in farmland and 1 unit per 88 acres in forested land. Farm Bureau challenged DEP in court on their lack of scientific basis for these arbitrary numbers and was successful in having the judge require more information from the DEP before making a decision. New Jersey Farm Bureau and all its members must be vocal advocates for the use of sound science in all land use planning decisions.

Is downzoning by a municipality a “taking”? The New Jersey court system has been sending a mixed message about the legality of these zoning actions. In the case of East Amwell, 10-acre zoning was upheld while the same Appellate Court judges agreed with a group of farmers in East Brunswick that downzoning their properties for environmental as well as agricultural reasons was not warranted, supporting a return to the existing zoning. Farm Bureau must continue to assist its members in opposing these actions. As part of this effort, Farm Bureau should undertake a public information campaign regarding the protection of land values, equity and property rights. Educating the public about land use issues must be a priority for the agricultural industry. The agricultural community must work to make the general public understand the negative impacts downzoning have on both land values and the viability of the industry they seek to preserve.

Under a new mandated process for planning for wastewater treatment, counties and towns must calculate the total density of septic systems according to extremely restrictive standards set by DEP. As these plans are finished, landowners will note that municipalities must create large-lot zoning to conform.

Downzoning actions can start when the municipality is engaged in trying to achieve Plan Endorsement from the State Planning Commission or Plan Conformance with the Highlands RMP. The months of discussion about better planning for the community are required to include multiple opportunities for public involvement and comment in which Farm Bureau members must participate. The NJDA is one of the State agencies on the team working with rural towns on Plan Endorsement. Its Smart Growth Plan for Agriculture includes many other planning alternatives as more equitable forms of planning and zoning. In fact, the State Plan itself does not recommend large lot zoning but includes a similar list of more equitable land use options.

Another signal to landowners that they must be alert to potential downzoning is the town’s entrance into the master plan re-examination process. Since the master plan must be the basis for zoning changes, establishing a firm legal foundation for the zoning change would start with amendments to the current master plan document.

There may be times and places, however, where carefully designed growth management including larger lots and agricultural development clustering to protect land equity are a better way to enhance the viability of agriculture than smaller lots and a hands-off approach to development. Every study of what's needed for agricultural viability nationwide has contained strategies for directing inevitable growth into smaller, more marginal land areas so the best land can be protected for farming.

The New Jersey Farm Bureau will:

- Challenge the continued use of the nitrate dilution model whenever and wherever possible since it can be manipulated to produce whatever zoning is wanted.
- Continue to advocate strongly for towns to use clustering or “conservation zoning” techniques to prevent very large lot zoning that eats up large tracts of the best farmland and destroys the community’s rural character.
- Disseminate information to the general public about the negative impacts of downzoning on an ongoing basis, including the results of the Clarion/Samuels Downzoning Study.
- Call upon all CADBs and the SADC to question severely or deny PIG (Planning Incentive Grant) applications that are submitted by municipalities that utilize downzoning without reasonable equity protection strategies, who fail to support the Right to Farm Act, or retard agricultural viability in other ways.
- Encourages the SADC to require an equity protection statement in any county or municipal agricultural preservation/retention master plan, as well as measures that demonstrate strong support for agriculture as a business.

MANDATED CONSERVATION EASEMENT DEED RESTRICTIONS

WHEREAS, the Grantee is authorized by N.J.S.A. 13:1D-9 to formulate comprehensive policies for the conservation of natural resources, to promote environmental protection, and prevent pollution of the environment of the State, and is authorized by N.J.S.A. 13:8B-3 to acquire and enforce conservation restrictions;

- The Pinelands Commission tries to attach further land use restrictions on landowners there, even trying to negate land use options on farmland enabled by the Pinelands Act of the 1970s.
- Landowners in the process of selling their development rights for farmland preservation report requirements from county or local government and even some nonprofits of further deed restrictions protecting natural resources or limiting farm options that are not appraised and compensated in the easement purchase transaction.
- The Highlands Development Credit (TDR) program, like other TDR programs in NJ, requires landowners who want certified credits to sell must put a deed restriction on the entire property. Farm Bureau and the NJ Department of Agriculture have spent many hours working with the Highlands Council and the Highlands TDR Bank Board on drafting the language of these documents to ensure that restrictions would be limited to rights that are compensated
- In its implementation of their Highlands rules, NJDEP, continues to require other more comprehensive conservation easements as landowners come to it for exemptions and other approvals or even documentation that they are an exempt farm.

Through these easements the public gains control of the use of thousands of privately owned and maintained acres at no cost. Each conservation easement specifies what is to be protected and often what methods are to be used. No changes can be made in perpetuity without permission of the owner of the easement and amendment of the deed. A governmental entity or a nonprofit owner of the easement may the right to inspect the property at any time and monitor to ensure that the deed requirements are being met. The benefit goes to the public and the cost is fully borne by the landowner without compensation. Even an eminent domain taking is more equitable than this practice.

To support its criticism of the Highlands proposed policy for the TDR easements, Farm Bureau conducted a survey of TDR programs around the U.S. to determine what kind of deeds they were requiring their sending area landowners to sign as they petitioned for credits. Thirty-three programs sent information and 19 sample deeds were reviewed.

Eleven required preservation for agricultural purposes only, 2 protected natural resource lands only. Six preserved part of the properties for agricultural purposes and part for environmental protection. All required fair market appraisals and payment for all the restrictions. In one case the landowner was paid full fair market value for the environmentally deed-restricted land but only development value for the agricultural land.

While some New Jersey landowners are beginning to make their cases in the courts about the inequity or even illegality of these policies, most landowners, it is feared, do not consider carefully what rights and actions they are signing away when faced with these 11th hour required deed restrictions. These restrictions govern farming and other uses of the property forever, no matter who may own the land. Two recent decisions should support landowners in refusing to agree to these extortions. In *Milgram v. Ginaldi*, the court agreed that a government cannot just require a landowner to preserve natural resources but must acquire them and pay fair market value. In another, *The New Jersey Shore Builders Association v. Township of Jackson*, the Appellate Division agreed that even the Municipal Land Use Law does not permit municipalities to condition site plan or subdivision approval on the reservation or common open space or recreational facilities. More challenges can be expected from around the state that could further strengthen Farm Bureau's case against use of this confiscatory policy.

In the coming year, Farm Bureau should:

1. Survey members for their experiences with this type of exaction and collect examples of conservation easement deeds imposed without compensation.
2. Ask DEP, the SADC, nonprofit land conservation organizations for statistics on how much privately owned land is protected forever by these deed restrictions.
3. Seek legal opinion about how much legal support these easements could have and how to challenge the practice.
4. Use this information to develop guidance for Farm Bureau landowners about these conservation restrictions – their nature, their long-term effects, steps a landowner can take to avoid or change them. This could take the form of a section on the Farm Bureau webpage, a guidance paper, and/or a future Update article.

5. Build an argument for legislation to outlaw this inequitable practice and find legislative support for a bill to deny state, county, local government agencies or nonprofits the ability to require conservation easements without compensation.
6. Report the findings of these activities to the Board of Directors in order to develop more action in the future.

TRANSFER OF DEVELOPMENT RIGHTS (TDR)

The planning concept Transfer of Development Rights (TDR) continues to be an option for municipalities who want to manage growth yet provide equity for their landowners. Three TDR programs have been developed in New Jersey in the past, two of which are still in the process of buying credits for development, the Pinelands Development Credit program and the Chesterfield Township Burlington County TDR Plan.

In March of 2004 the Governor signed the first state wide TDR legislation. New Jersey Farm Bureau worked extensively with the bill sponsors, administration staff, and other constituent groups to make sure that any TDR legislation would be built upon the successes learned in the Burlington County TDR programs. The final statute has safeguards built in to protect landowner equity when establishing a TDR program on a municipal or regional level. A successful TDR program is one where all parties buy in and there are actual transfers made that result in the appropriate development.

In 2006, statewide TDR planning was encouraged with matching grants of as much as \$85,000 from the New Jersey Department of Community Affairs and the State TDR Bank to communities to do the planning. Ten pilot TDR projects, around the state and additional ones in the Highlands region, were given start up grants. But only Woolwich Township, Gloucester County, has succeeded in developing a TDR Program that met all the requirements of the TDR Act. It became operative in October, 2008.

In their TDR Program, two separate Receiving Areas supposedly provide enough development potential to buy credits from all the Sending Area landowners who own more than 4000 acres of farmland. The plans were approved by the municipality, the Gloucester County Planning Board and CADB, and the State Planning Commission as required by the state TDR Act. However as of November, 2009, two important components remain unresolved: DEP approval of infrastructure (water supply and wastewater management) and DOT approval of the plan's Receiving Area along Rt 322. Changes in the rules of both agencies and in the role of Gloucester County have added further hurdles to putting these two pieces in place. The Woolwich TDR plan has become a living example of how the best intentions, expenditure of countless hours and dollars, and downzoning of the whole community can appear to fail. As if the program didn't have hurdles enough, the recent downturn in the housing and other development market has apparently removed the developer interest that was moving the plan along in the past.

The landowners of the 4000A of the Sending Area are in the very situation the statewide TDR Act tried to prevent: downzoned property supposedly compensated by TDR credits and no apparent market for them in sight. They will be watching closely as the 3-year anniversary (October 2011) arrives, the point at which the whole plan must be revisited if no credits have been transferred.

The Highlands Development Credit program, outlined in the adopted Highlands Regional Master Plan, received \$10 million as a start-up fund in 2008. The TDR Bank Board has begun operating with the Highlands farm community and the SADC represented on the first Board of Directors.

Farm Bureau and the NJ Department of Agriculture have been actively participating in the development of the Bank's Operating Procedures and the deed restriction documents required to receive Highlands Credit Certifications. There are still concerns about these key documents and questions about how and whether the program will actually make up for the Highlands landowners' lost land values. For starters, the Highlands TDR Program may be hindered by the fact that although the Highlands Act required the Council to map areas that had the infrastructure to become Receiving Areas, no municipality is required to create one. This is in sharp contrast to the Pinelands PDC Program where growth areas were designated and mapped from the beginning. A number of Highlands communities have received grants to assess the feasibility of developing a TDR program, but none have reported any progress so far.

Frustration among planners has now prompted two potential efforts to make some changes to the Statewide TDR Act:

- A bill now being discussed would make it possible to transfer credits all around New Jersey with special benefits for buying credits in either the Pinelands or Highlands. Will these changes encourage municipalities to use this growth management tool? What effect will this have on the existing TDR programs?
- Farm Bureau has been included in a special TDR planning Task Force to analyze why the program has been so difficult to achieve. Efforts to streamline the process may be proposed that would weaken measures in the TDR Act supposed to protect the Sending Area landowners from bearing the total burden of the community's growth management strategy.

Because of these potential actions to change the TDR Act and the fact that professional planners still see TDR as one of the best tools to allow some growth while creating some compensation for landowners, Farm Bureau members must ensure that if such a tool is being considered in their town, the following principles apply: It is important that they be established again to make Farm Bureau's past actions and support for TDR clear to those who might want changes made.

- TDR must be a growth strategy as much as a preservation strategy. There must be a demonstrated balance between the land values in the protected sending area and the development opportunities in the receiving area.
- There must be participation in the planning process by all parties affected, especially landowners from the potential sending area. If there is no buy-in by all parties, there will be no transfers.
- Ideally, transfers should be within a municipality, or between adjacent municipalities or counties. There must be a concrete connection between the land values to be preserved in the sending areas and the amount of development required in receiving areas.
- The statute requires review by the CADB and the County Planning Board of any TDR program that involves farmland, one of the most important safeguards for landowners. Furthermore, the TDR program must be part of a Plan Endorsement petition before the State Planning Commission.

- The legislation provides for both voluntary and mandatory programs. Whether mandatory or voluntary, a municipality must demonstrate its willingness to amend its water supply and wastewater plans to provide adequate infrastructure for the receiving areas if it is not already available.
- All levels of government must cooperate in developing and permitting the TDR Program, especially in providing for the critical infrastructure that the TDR Act requires up front, before lines are drawn around the Sending Area and land is severely downzoned. This appeared to be so in the case of Woolwich but time has shown otherwise. Municipalities that want to create a TDR program must receive priority attention from state agencies (especially the DEP), the State Planning Commission the Office of Smart Growth, and COAH as well as the State TDR Bank grants to do the planning. They should have priority, once the program is designed and approved, for infrastructure bond grants and other supportive programs.
- The deed restriction associated with any and all TDR programs must address only the sale of the development right and not include other onerous restrictions that impinge on the property owners' privacy, farm management and other use, and enjoyment of the now undevelopable land.
- TDR programs must be used only to compensate for the loss/sale of development rights and not be used for other ancillary purposes. While resource protection and other environmental goals may be laudable, these should be compensated from a separate funding source. TDR programs must not be diluted by other environmental purposes and must be directed solely at compensating for lost or sold development rights.

In the coming year, Farm Bureau shall:

- Analyze any TDR legislation proposed by the Legislature and oppose any measures that might have negative effects on existing TDR programs or discourage the development of new ones.
- Participate in the NJ Future TDR Task Force making sure the members understand the importance of measures put into the TDR statute and rules to protect the equity of Sending Area landowners.
- Assist landowners in Woolwich in preparing to challenge the continuance of the whole program in the 3rd year review after October 2011. Assist Woolwich landowners by giving strong encouragement to the NJDEP, NJDOT, and COAH to grant the necessary approvals, and complete the necessary plans and projects that still remain as obstacles to actual sale of credits in that community.
- Monitor the development and progress of the Highlands TDR program, especially the actions of the Highlands TDR Bank and encourage all steps to develop Receiving Areas to make a market for credits.
- Monitor any further TDR pilot projects and any other TDR projects in agricultural communities to insist that the steps to protect landowners be taken.
- Serve as a conduit for bringing landowners, municipal and government officials together to discuss the merits of TDR in a community and to be ready to assist the Office of Smart Growth and the Highlands Council in overseeing the TDR pilot programs in the state. This has taken the form of NJ Farm Bureau petitioning the Office of Smart Growth for a public hearing when a "complete" TDR Plan comes before them for Plan Endorsement.
- Make sure that the land values (as reflected in the number of credits) for each property in the sending area are calculated fairly and equitably. Farm Bureau should ensure that

municipalities understand that the intent of the TDR statute was not an invitation to downzone first, then try to make TDR work.

THE LANDSCAPE PROJECT

The Landscape Project is now the most powerful land use mapping tool with the potential to make vast acreages of New Jersey land difficult if not impossible to use. This is true despite the fact that neither the rules nor the associated GIS mapping has been reviewed by the public and adopted formally by the DEP. The public is only beginning to realize that the Big Red Map so strongly rejected a few years ago is being implemented town by town when they are required to regulate to ensure that there is “no net loss of wildlife habitat.”

“Threatened and endangered species habitat” mapping is being used to reduce development potential on farmlands and could make it difficult to build necessary farm structures that might enhance farm viability. The DEP’s computer-based maps delineating the habitat and potential habitat of threatened and endangered plants and animals are available to anyone online at <http://www.state.nj.us/dep/fgw/ensp/landscape/index.htm>. On only some of the mapped habitat have the species actually been sighted. In other cases, there is only the supposed potential for an area to be used for nesting or foraging.

The DEP and environmental organizations have succeeded in having this mapping become the basis for identifying “critical environmental sites” in the State Plan, and municipal ordinances to protect habitat. It has very heavy weight in the Highlands Land Use Capability Map as well as in the many policies of the Highlands Regional Master Plan.

Many NJ farmers are affected because several species of grassland birds are considered the most threatened in NJ, if not actually on the Endangered Species list. In the new mapping for SDRP3, mapping for grassland bird habitat has become the basis for changing farms in the State Development and Redevelopment Plan from Planning Area 4 (rural) to 4B (rural and environmentally sensitive) or PA5 (environmentally sensitive) where farm practices have little protection. Grassland bird habitat can also be used to map farmland as “Critical Environmental sites” or as part of “Special Resource Areas” similar to the Highlands.

Farmers needing DEP review or permits to undertake agricultural development in wetlands, for example, also undergo review for threatened and endangered species. In that process, DEP often does its own survey, thus adding to the mapping at every opportunity. The Pinelands Commission is also using the Landscape Project mapping to enforce its own regulations to protect species as farmers there try to change their operations or build houses or farm buildings.

What is this “habitat”? Supposedly the plant or animal has been sighted on the areas mapped. For each animal there is a disputed scientific model that calculates the amount of habitat it requires, usually more than the subject property under review.

Grassland birds are one of the highest priority species for the Landscape Project. These include species that make their homes on hayfields, cropland, airport edges -anywhere there are large tracts of grass plants. Bog turtles, barred owls, and timber rattlesnakes are other species of concern being found; it is alleged, on New Jersey farm properties.

Research on grassland birds, for example, shows that each species has its own special requirements for nesting ground, breeding, and feeding. One species needs short grass, another much taller. Yet even the USDA-FSA CRP requirements contain one set of restrictions

– delayed hay mowing - that may favor only a few of those species, not all. One size may not fit all.

There are many reasons why this mapping raises scientific as well as equity questions. The provisions and details of the mapping process were only reviewed and approved by a consensus among persons chosen by the nongame staff rather than through a truly scientific methodology and proof. The experience of farmland owners with the way these maps multiply the restrictions of all other DEP regulations has shown that the maps are often incorrect. Changing them is the task of the landowner through an expensive habitat analysis acceptable to the DEP. Even if consultants use a more traditional scientific method in these assessments, the DEP's consensus will overrule their findings.

Court decisions have forced the US Fish and Wildlife Service to perform an economic impact assessment before declaring an area as habitat. New Jersey Fish and Wildlife should have to do the same before greenlining thousands of undeveloped acres in New Jersey. NJFB must work to require that there be science based physical evidence in addition to habitat potential before any regulatory action may be taken regarding restricting land use by NJ DEP and other land use regulatory bodies. Farm Bureau must make sure that thorough and meaningful economic and agricultural Impact Assessment statements are required.

On the federal level, there was movement to amend the part of the Endangered Species Act that gives the New Jersey DEP authority and funding to implement their Landscape Project. Reforms were proposed, supported by the American Farm Bureau Federation, and by many in the previous Congress, that would give more reasonable options to landowners and turn attention toward stopping extinctions and measures to bring back other species, rather than lawsuits. All but one member of the New Jersey Congressional delegation however opposed these changes regardless of political party.

Federal payments to NJ farmland owners to create habitat for listed species or to “restore” wetlands, forests, or grasslands with native grass species are encouraging them to take many acres out of agricultural production. This land is then lost for farmers renting the land who depend upon those acres to be viable. The USDA-NRCS and the NJ Audubon Society have received grants to enable them to help farmers increase wildlife habitat. They state that they introduce farmers to the many ways they can be profitable while developing and maintaining new wildlife habitat.

The 2008 Farm Bill and the apparent interest of the Obama administration in wildlife combine to make this concern even more critical in 2010. The federal Wildlife Habitat Improvement Program (WHIP) can now only be used for private landowners, not the towns and counties encouraged to enroll many acres in the past. New Jersey will receive substantial funding for WHIP and for the first time EQIP funding could also go for WHIP projects.

New Jersey is not the Middle West where loss of a few hundred acres to wildlife habitat would not make a big difference in the amount of acreage devoted to production agriculture. The pattern of landownership in New Jersey also differs in that there are many more farms owned by nonfarmers to whom yet another government payment may appeal. Are municipal assessors giving these landowners a tax deduction based upon the income they receive through WHIP as they are supposed to do for programs like CRP? Would this raise yet another question in the public's mind about the fairness of the Farmland Assessment program if all that can be seen from the road is what appears to be old-field vegetation that comes in when farming ends?

In the coming year, Farm Bureau shall:

- Ask the USDA NRCS and FSA for statistics on a regular basis to report to the membership the number of farms and acreage going into all federal programs so as to track WHIP, the Wetlands Reserve, the Grassland Reserve, and the new forest management program, especially if EQIP funds are being used.
- Ensure that when nonfarm landowners are encouraged by any agency or organization to take land out of production that is being rented to a production farmer, there is adequate notification to that farmer and protection of any standing crops. There must be time to search for acreage to replace what's to be lost and recovery of the potential value of crops or structures installed at his expense by the tenant farmer. This should be formalized into a Memorandum of Agreement so it will be understood by all participants.
- Continue to raise questions about the lack of scientific basis for the Landscape Project mapping, the lack of public review through the formal rule making process, and guard against further restrictions on the ability to farm profitably.
- Work with the NJDA to encourage a concerted effort to create or discover ways the populations of species of concern can be protected and increased by means of agricultural practices instead of prohibiting farming. This should include a study of the Hold Harmless provisions that protect landowners in many states from future regulation if they agree to increase habitat for a listed species.
- Bring together wildlife specialists from the US Fish & Wildlife Service, Rutgers University, the farmer representatives on the Fish and Game Council, the NJDA, the SADC, and the USDA Farm Service Agency and NRCS to review the maps, the criteria for the mapping, the requirements for each of the species of concern, and all state policy set thus far to accommodate their needs. New policies that better protect the practice of agriculture and farmland equity should be developed and recommended to the Fish and Game Council.
- Make every member of the New Jersey Congressional delegation aware of the effects of the regulations that the New Jersey DEP has set up to fulfill the federal mandates. They must be educated to understand why there should be changes and should be urged to support the changes supported by AFBF before them. This must include a landowner Hold Harmless provision that protects them from further prohibitions if they do too good a job increasing the numbers of threatened, endangered, or even rare species.
- Advocate for a change to the Landscape Project procedures to require a detailed, specific economic impact assessment for all properties affected by this regulation. A thorough analysis of the real Agricultural Impact must be required as well.
- Encourage the New Jersey Department of Agriculture to participate fully with the DEP in the development and implementation of reasonable landscape project regulations that enable viable agriculture instead of prohibiting it.
- Consider engaging environmental groups in public forums to debate these issues.

FOOD SAFETY

Food safety concerns remain an important issue to agricultural producers as more attention was given by the media to issues like salmonella poisoning and e coli bacteria. A northeast state like New Jersey with a strong emphasis on fresh market produce and direct marketing to the general public of locally produced food cannot afford to be complacent on this issue. A rapid response to media inquiries by both NJDA and Farm Bureau must occur whenever a food safety issue arises.

The Produce Safety Task Force was formed at the end of 2006 after outbreaks of E. coli in California spinach impacted New Jersey growers. The Task Force's charge is to assist growers of fruits and vegetables in the state enact new food-safety protocols. The emphasis is on making small, family farms effective on food safety issues and ensures safe produce in the market for the consumer. New Jersey Farm Bureau shall actively participate as a member of this council, representing the interests of its members.

In addition to the Food Safety Task Force, The New Jersey Department of Agriculture, along with the United States Department of Agriculture, offers a voluntary farm auditing program that verifies that produce has been harvested, packed and shipped in a safe and sanitary manner. New Jersey Farm Bureau encourages growers to participate in this voluntary program if they have concerns about food safety precautions on their farms.

The New Jersey Farm Bureau should promote recognition and acceptance of uniform standards for third party audits. Some food retailers have demanded audits be done by specific companies and have decided not to accept certified audits performed by other entities.

A government mandated food safety policy program has come closer to reality over the course of the summer. The U.S. House of Representatives passed the landmark Food Safety Enhancement Act (H.R. 2749) July 30, 2009. The Senate has yet to take up action on the bill, but a vote but is expected to do so this fall or winter. This bill, as written, empowers the FDA and USDA to decide the future of on-farm regulations. Surprisingly, traceback was not mandated in the bill but there is the thought that it could be included in the Senate bill. With the anticipation of assuming this authority, the FDA has proposed guidelines for crops labeled as high risk. The FDA developed guidelines that are open for comments until January 4, 2010 which recommend handling and packing practices for the high risk crops; tomatoes, melons and leafy greens. The FDA has expressed its intentions that these guidelines could become regulations when it receives the authority. NJFB will work with the NJDA Produce Safety Task Force as this process moves forward to make sure these regulation do not become unreasonable or over burdensome for NJ growers.

There is also another food safety initiative being proposed to the USDA called the National Leafy Green Marketing Agreement (NLGMA). This is an industry driven protocol to mirror the California leafy green program. The current status of the proposal is to evaluate the support for such a program and to set up committees that would develop the food safety matrix for the agreement. This was a proposal that was developed by the leafy green industry with the hope of fending off government mandated food safety programs. NJFB should evaluate this proposal and try to maintain a viable balance between providing food safety goals and preventing excessive standards for New Jersey's growers.

New Jersey Farm Bureau shall seek to educate the various entities (ie: chain stores) requiring food safety regulations to see that all initiatives (package labeling, etc.) be uniform in standards required. Where possible, costs of third party audits should be totally or partially reimbursed to growers.

New Jersey Farm Bureau will continue to represent agriculture as an industry advisor to the Office of Counter Terrorism. Farm Bureau will also work with our partners at Cook College the New Jersey Agriculture Experiment Station, the Food Policy Institute, the New Jersey Food Council as well as lead staff at the New Jersey Department of Agriculture on issues related to

food safety, biosecurity and general animal health. NJFB must also work to keep our members informed of policy and practice changes as they relate to food and food security issues.

BIO-ENGINEERED FOODS

American agricultural technology has provided the leadership in the adoption of these processes into the food production system. Farmers are significant stakeholders in that system.

Bio-engineered foods are now under assault from criticism directed at the consumer health effects, environmental impacts and ethics of using this technology. Opposition is strongest in Europe and is now expanding to both developed and developing countries around the world. Critics have seized upon the public relations tool of stigmatizing the food supply among consumers through the news media, which in turn has caused some major food processors and food retailers to run scared. Farmers face the risk of market disruption and interruption of trade opportunities and those disruptions are increasing as countries try to use GMO bans as a trade barrier tool.

Several California counties have passed regulations banning the planting and use of GMO crops there. It is important that sound science be used in establishing such regulations and that they be done as part of a national policy and not on a state or regional level.

Farmers are vulnerable to economic harm if the debate over bio-engineered products is won by those who have hidden agendas. Europeans seeking advantage in blocking food imports and anti-technology alarmists will overwhelm the political, regulatory and consumer markets with scare tactics unless their commentaries are confronted. At the same time, farmer interests are better served if they remain distinct from corporate entities that own the technology. It is still unclear whether the benefits of bio-engineering in agriculture accrue to farmers if the fundamental relationship between the producer and the input companies results in more economic concentration. Not only might farmers lose freedom of choice among suppliers and buyers, but their role over time might evolve into being more of a manager and less as an independent business owner.

New Jersey Farm Bureau shall become proactive in the debate over bio-engineered foods. Grain producers for example are faced with a dramatic loss of market potentially without the intervention of credible voices in the debate. Emphasis needs to be placed on the safety of these modified foods and their importance in the world's economy and future food supply. Scientific research and findings supports the safety of these foods. Farmers need to ensure however, that they not relinquish their place in the food production system even as they assuage consumer apprehension over the commercial use of this technology.

New Jersey Farm Bureau shall also support a greater effort of educating the public regarding the sound science of bio-engineered foods.

New Jersey Farm Bureau opposes legislation mandating the labeling of foods made with bioengineered products. The practice of labeling foods as "bio-engineered" or "made with bioengineered products" will serve no public service, and without public education could potentially frighten consumers away from safe, high quality products.

WILDLIFE MANAGEMENT

Wildlife damage to agricultural crops remains a chronic concern for New Jersey farmers and a top priority for New Jersey Farm Bureau.

General Wildlife Issues

- New Jersey Farm Bureau should continue its efforts in educating both the public and the legislature about the increasing problems that wildlife creates for agriculture. Farmers should be sought out, whenever possible, to present testimony before the legislature on wildlife issues as they relate to agriculture.
- All open space land bought with public funds should be required to have and implement a wildlife management plan to maintain populations at or below levels approved by New Jersey Division of Wildlife biologists, or be fenced. Wildlife populations, if excessive should be reduced within a specified time period or effective hunting mandated.
- Lease-holders of public-owned land should be able to determine the wildlife management strategy for the property they lease.
- Any wildlife reintroduction proposal by the Fish and Game Council or the Division of Fish & Wildlife should include an Agricultural Impact Statement as required by the Right to Farm Act.
- Site-specific depredation permits should be issued for any animals causing crop damage that are not specifically covered by other Fish and Game management programs.
- New Jersey Farm Bureau maintains its strong opposition to any plan to shift the control of the Fish & Game Council to non-hunting or non-farming interests or to the DEP. New Jersey Farm Bureau supports the continued autonomy of the Fish and Game Council.
- Farm Bureau also supports the relocation of the Division of Fish & Wildlife, and any associated funding, from the Department of Environmental Protection to the New Jersey Department of Agriculture.
- The contribution of all wildlife, especially waterfowl, to water pollution should be documented for New Jersey waters using DNA testing and other science and technology, including GIS mapping of all impacted sites.
- New Jersey Farm Bureau supports the development of a single farmer depredation permit for multiple species, including but not limited to deer, bear, and feral pigs.

Deer – Farm Bureau supports the following:

- Because the key to managing a wildlife population is reducing the number of females in the herd, Farm Bureau supports the reinstatement of the Earn-A-Buck program that was eliminated in the recent Game Code amendments.
- The permanent marking of does at check stations for “doe first” seasons to prevent does from being re-checked.
- The use of rifles during daylight hours for site-specific cases where it is deemed appropriate.
- Sunday hunting.
- Bow hunting during the summer months.
- Full implementation of the Community-based Deer Management Program which is consistent with the science-based research and management options of NJAES, School of Environmental and Biological Sciences (SEBS), Rutgers University.
- Reducing the paperwork associated with renewing deer and bear depredation permits. Depredation permits need to be available to farmers in a known wildlife damage area during crop planning and preparation, and should be valid for the entire growth cycle of that farm’s cropping program. Permits shall be renewed annually on or before the anniversary date of the prior permit used.
- Promoting the use of bow hunting for depredation permits.

- In order to make the depredation permit program more effective, and to shift the burden of wildlife control off of the farmer/landowner, Farm Bureau supports the development of a new, state-funded program that allows for hunters on depredation permits to be compensated for their services, through the adoption of site specific wildlife management plans. Recognizing that funding for a compensation program is unlikely in the current fiscal climate, NJFB supports a policy change that would allow hunters and/or their agents to sell the venison from the deer they cull as an acceptable alternative to compensation.
- Farm Bureau supports a legislative change to decrease the minimum distance required from a residential dwelling for bow hunting.
- Some deer-checking stations have become out-dated and are not cost-effective. Farm Bureau supports a change to allow for some self-check-in of deer to make the process more efficient.

Fencing – Farm Bureau supports the following:

- Special priority should be granted to those applicants with land adjacent to publicly owned or other non-hunted land.
- Research and funding for other types of fencing that may be less expensive or labor intensive to install.
- While fencing is important, it is not always practical for producers of larger acreage crops. Farm Bureau must ardently support other forms of wildlife controls in addition to fencing.

Black Bears

Farm Bureau supports the implementation of a black bear hunting season. Reports of black bear damage to crops, livestock and beehives will only continue to increase if the population is not managed. Depredation permits are helpful, but not fool-proof, and the damage from black bears is often not detected until harvest time, too late for a depredation permit to be of any use.

New Jersey Farm Bureau opposes any plan that calls for the relocation of black bears. This wildlife resource must be managed, not simply moved to another location in the state.

Other Species

- There should be an increase in the number of available turkey permits.
- There should be a black vulture control program.
- The use of the “Rodentator” should be permitted for the control of ground hogs.

Federal Wildlife Issues

- New Jersey Farm Bureau supports an increase in the federal funding for the USDA APHIS Wildlife Services federal program and budget, and will oppose the annual attempts of environmental groups to cut and divert their funding.
- Specific attention needs to be given to expanded control of resident Canada goose populations, including increasing the number of animals allowed to be taken on a depredation permit.

WATER QUALITY REGULATION/WATERSHED PLANNING ISSUES

Stream buffers

There are two major DEP rules involving stream buffers, the Stormwater Management rules, adopted in February 2004, and the Flood Hazard Area Control Act rules, adopted in November

2007. The Stormwater Management rules establish 300-foot Special Water Resource Protection Areas (SWRPA) stream buffers on C1 waters and their immediate tributaries in cases where major development is proposed. Additionally, the Stormwater Management rules set forth requirements for groundwater recharge, stormwater runoff quantity control, and stormwater runoff quality control for proposed developments. The Flood Hazard Area Control Act rules establish a 150-foot buffer and a 50-foot buffer along all regulated waters and regulate a larger set of activities than those regulated by the Stormwater Management rule alone. Together, these two rules limit activities that can occur in the riparian zones of New Jersey waters. Farm Bureau commented on both rules and remains concerned over the impacts of these rules on land based equity and future agriculture development. Farm Bureau, individual farmers, county boards, commodity groups, and public agencies representing agriculture should:

- Encourage the State Soil Conservation Committee to develop guidelines for stormwater implementation for agriculture to be used state wide by the Soil Conservation Districts.
- Develop and distribute fact sheets for farmers and the public about what agriculture has done to reduce non-point source pollution and stormwater runoff reduction.
- Educate the public and government agencies on the recharge value of farmland.
- Encourage the SADC to adopt water quality and stormwater AMP's to protect farmers from ill-informed municipal or watershed group actions.
- Encourage the agriculture community to take advantage of cost-share funding to address stormwater and non-point source runoff from farms where needed.

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Non-point Source Pollution and Stormwater Management

The EPA is requiring all states to show progress in controlling pollution from agricultural operations. States are required to develop specific pollutant loading limits for nutrients, pathogens, sediment, mercury, and metals, temperature, pH, dissolved oxygen, and pesticides (Total Maximum Daily Loads - TMDL's) on all stream segments or water bodies in order to meet New Jersey's Surface Water Quality Standards (SWQS).

Farm Bureau should:

- Work to coordinate federal and state programs dealing with non-point source pollution and stormwater runoff.
- Assist the NJDA and Rutgers School of Environmental and Biological Sciences in collecting all available data on agriculture and non-point source pollution and stormwater runoff including measures already in place. New Jersey Farm Bureau's web page can be used by all federal and state agencies, as well as farmers and watershed planning groups, to obtain consistent and current information about the agricultural community's non-point source activities and accomplishments.
- Investigate how other states are managing to produce nutrient management and natural resource conservation plans rapidly with a high level of participation from the farm community. These programs should be used as models for a more timely and effective implementation of the Memorandum of Agreement in New Jersey.
- Work to ensure more funds for practice implementation and comprehensive viability programs that can show farm operators the financial rewards of each change made to reduce non-point source pollution and stormwater runoff.
- Seek partnerships for funding sources to help implement non-point pollution AMP's on farms.
- Assist in the development of statewide manure processing plan and the establishment of processing/composting centers like the one currently operating in Sussex County.

- Assist in the development of AMP's to support these non-point source pollution and stormwater runoff management practices.
- Help farm operators monitor watershed group and municipalities carefully to see that they do not violate the Right to Farm Act or the Water Quality Memorandum of Agreement in their actions to clean up farms.
- Work to document the non-agricultural use of fertilizers, pesticides and herbicides in New Jersey so as to provide scientifically-based information as a point of comparison to agricultural use.

Support the exemption of commercial agriculture from pending legislation that would establish more stringent nutrient management rules for lawn fertilizer application. Additionally, Farm Bureau should work to ensure that Rutgers Cooperative Extension plays an active role in drafting the recommended nutrient management practices for lawn fertilizer application that the pending legislation calls for.

The agricultural industry is often cited for runoff pollution without any consideration for the suburban/homeowner lawn fertilizer sources. Farm Bureau will work with RCE to ensure that the BMPs help address the issue and allow agriculture to work on its own issues with appropriate soil/water conservation practices.

- Farm Bureau shall seek to educate the public that farmers in New Jersey are not major contributors to non-point source pollution and stormwater runoff.
- As towns seek to adopt stream corridor protection ordinances that impact growth potential and landowner use of property Farm Bureau should be ready to assist landowners, towns and municipalities with language to exempt farming practices and encourage good land management in critical areas.

The New Jersey Department of Environmental Protection Stormwater Management rules (N.J.A.C. 7:8), adopted on February 2, 2004, establish minimum design and performance standards for development by managing water quality, quantity, and groundwater recharge impacts from stormwater runoff. These rules have created more stringent stormwater management standards for land developments in the state, including agricultural construction projects. Therefore, agricultural construction projects are subjected to the same rules and standards as commercial and other land developers. There are concerns in regard to the application of this rule requirement for farm construction projects, where the consideration of permits-by-rule for agricultural construction is currently absent.

Therefore, Farm Bureau strongly encourages the New Jersey Department of Agriculture to work with the New Jersey Department of Environmental Protection in coordinating the establishment of standards and permitting for farm construction projects. Depending on the conditions of the rule, a permit-by-rule provision in the Stormwater Management rule could allow for a specific regulated activity to be undertaken without written approval from the NJDEP. Additionally, Farm Bureau will support the use of a Farm Conservation Plan in addressing the management of stormwater runoff for water quality, quantity, and groundwater recharge.

Category One Waters (C-1)

The NJ DEP designated an additional 686 river miles as Category One or C-1, the category entitled to the highest level of protection under New Jersey's Surface Water Quality Standards. C-1 waters are protected against any measurable change in water quality. Development restrictions apply to areas located within the 300-foot riparian zone of a C-1 water body under

the state's Stormwater Management rule. A C-1 designation carries with it greater restrictions to surrounding land owners as well as other growth restrictions. Therefore the New Jersey Farm Bureau and our partners should:

- work to ensure that any new classification is based on science.
- organize local farm groups to combat unjustified nominations.
- recommend appropriate criteria based on science and good data for such classification.

Animal Feeding Operations/Concentrated Animal Feeding Operations (AFO/CAFO)

The NJ DEP establishes permitting requirements and effluent limitations for concentrated animal feeding operations (CAFO) in NJ through the New Jersey Pollutant Discharge Elimination Systems rule (NJPDDES). In October 2009, EPA Commissioner Lisa Jackson announced that the EPA would step up its enforcements under the Clean Water Act, for example, strengthening enforcement of CAFOs. Other state farm bureaus have already reported increased presence by EPA on farms, and stricter enforcement. While NJ's CAFO rules are the strictest in the nation, and though there are few CAFO's in NJ, Farm Bureau will continue to monitor both state and national rules and actions that impact all animal feeding operations.

In March 2009, the NJDA adopted the Criteria and Standards for Animal Waste Management (a.k.a. AFO rule) in the New Jersey Register. The rule requires controlled livestock access to state waters, proper application and storage of animal wastes, and controlling odors, vectors, and fomites associated with animal waste through the use of Best Management Practices (BMPs). The rule requires the development of animal waste management plans for livestock owners based on animal unit and animal density thresholds. Assistance in meeting the rule requirements has and will continue to be provided by Rutgers University, Soil Conservation Districts, NRCS, and the NJDA. New Jersey Farm Bureau staff will continue to work with our membership and the NJDA to ensure that this rule is understood and that assistance is available for plan development and implementation to all New Jersey livestock owners.

Total Maximum Daily Loads (TMDLs)

The DEP has committed to establishing TMDLs in accordance with timeframes that USEPA describes as "expeditious." The DEP continues their accelerated implementation of more than 100 TMDLs on lakes and streams throughout the state. Many of these streams are listed as "impaired" by phosphorus and fecal coliforms. These impairments are often linked to agricultural practices. Farm Bureau avidly opposes placing the blame for these impairments on farmers without sound scientific proof. Farm Bureau will continue to monitor the TMDL process so that agriculture does not bear an unfair burden in correcting impairments in state waters.

DRBC Floodplain Management

The Delaware River Basin Commission, at the suggestion of its Flood Advisory Committee (FAC), formed a Floodplain Regulations Evaluation Subcommittee (FRES) in November 2008. This group was asked to examine the floodplain regulations already in place in Delaware, New Jersey, New York and Pennsylvania and to provide comprehensive land-use recommendations to the basin commission. On May 19, 2009, the FRES delivered a recommendations report to the FAC of the DRBC. The report reviews and evaluates existing floodplain regulations throughout the Delaware River Basin and presents recommendations for "more effective" floodplain management to the FAC. The FAC took ownership of the report, provided additional language to it, but made no major change in the FRES recommendations. Farm Bureau has concerns with the recommendations, and has officially commented on the lack of socio-economic impact assessment in the recommendations, the proposed changes to a regulatory

floodway and floodplain definition, and stream riparian corridors and vegetation disturbance, among others. While New Jersey already has stringent state floodplain regulations in place, we will remain watchful of any future plans for implementation of recommendations for floodplain management in the basin as it may significantly impact farmland within the Delaware River Basin.

WATER SUPPLY

Farmers are again advised to be very careful in keeping up with their DEP Bureau of Water Allocation certification renewals. Growers allowing certifications to lapse could lose their water rights. With serious competition for access to New Jersey's water supply, the agricultural industry may not regain the approvals for an increase in irrigation water use, once considered routine for agricultural diversions in some areas of the state. This is especially important as the newly proposed water quality rules contain a new initiative to carefully scrutinize any new water diversion exceeding 100,000 gallons per day. Farm Bureau strongly urges compliance with the current water allocation program. The permit process should be streamlined to make it as efficient as possible.

The NJFB filed a lawsuit against NJ DEP challenging the water allocation rules that were implemented in 2007 on the basis the regulations were excessive, arbitrary and unreasonable. The hope was that after DEP failed to acknowledge our concerns with the rule, the lawsuit would give NJFB the ability to negotiate for more palatable regulations. NJFB recently received the court decision that ruled the DEP has exceeded its authority on certain aspects of the regulation. The court determined that the DEP could not hold a farmer liable for mitigation from unexpected impact on neighboring water users or environmental areas. The regulations gave the authority to require a wetlands impact study for a water allocation and the court determined that this was beyond the authority of the NJ Water Supply Act. The most interesting of the court's decision was that the court recognized the Rutgers Cooperative Extension Agents' authority in the water allocation decision making process. NJFB believes the success of the lawsuit will provide an avenue for NJDEP and NJFB to review the current regulation and hopefully come to an understanding that would satisfy all parties involved.

The NJFB had strong objections to the new DEP water allocation rule that required the applicant to file an additional application with Delaware River Basin Commission. NJFB opposed this requirement through its lawsuit and a legislative hearing. The NJDA has been able to eliminate the requirement for the DRBC application by brokering an agreement between the NJ DEP and the DRBC to forgo the application process with the DRBC. Currently a verbal agreement is in place but NJFB should continue to monitor the process until a written MOU is finalized between the two agencies.

The NJ Water Supply Authority has also been found to charge excessive fees for any new or additional water usage for farms that are located in basins under their purview. New Jersey Farm Bureau opposes any fees and duplicative paperwork that would be imposed outside of the NJDEP purview. The NJFB should work with the NJDA to ensure consolidation of the additional applications from water authorities with the DEP applications and eliminate the fees being imposed.

There have been municipalities in the state that have created ordinances regarding water supply. The municipalities have set standards requiring water withdrawal applicants to adhere to these municipal mandated guidelines. New Jersey Farm Bureau believes this is outside the jurisdiction of the municipality and a duplicative process for a farmer to endure and opposes any

such action by a municipality and encourage the NJDEP to cease and desist any such actions by a municipality.

Competition for water in New Jersey is increasing each year. There are numerous studies underway in South Jersey evaluating the impact of additional water usage and how the quantity and quality of these water sources would be affected. These studies have been the basis for DEP to delay new or additional use request in these particular areas until these studies are complete. Continued development and a broadened industry base utilize a great deal of water from our current resources. Farmers in New Jersey cannot survive without an adequate water supply. Obtaining approval for water use on all farms is without doubt a major issue for the success of production and profitability. Farm Bureau should support the approval for agricultural water use by New Jersey DEP as the highest priority to ensure farm viability on all farmland. New Jersey Farm Bureau recognizes the need to implement water conservation practices to secure this vital resource.

New Jersey Farm Bureau shall ensure that agricultural water supply needs are represented in the revision of the State Water Supply Plan. The importance of this has been highlighted with the completion of the Upper Maurice River Basin study, which has been labeled a “depleted area”. This determination has initially prompted DEP to deny or limit any new or increased allocations in this basin located in parts of Cumberland, Gloucester and Salem Counties.

Some progress has been made by Farm Bureau and others in having nursery water use during drought emergencies standardized with other agricultural exemptions in those circumstances. The State Assembly passed a resolution urging the Governor and DEP to treat nurseries and garden centers the same as agricultural food crops when imposing mandatory water use restrictions. New Jersey Farm Bureau also supplied a letter to the DEP water supply administrator encouraging a rule change to permanently fix this problem.

New Jersey Farm Bureau shall continue its work with the DEP on the permanent rules regarding emergency water use to ensure that these restrictions are not used in the event of another drought. It is not appropriate that a single segment of industry in this state should be restricted in the use of water. The nursery industry deserves the same access to water resources as all the other industries in the state. The nursery-landscape-garden center industry is committed to implement voluntary water conservation measures during drought periods and comply with mandatory restrictions that are in effect for all branches of commerce. Once permanent drought rules are established, they should be widely publicized, so the general public, as well as the agricultural industry will know what water uses are and are not permitted.

USDA-FARM SERVICES AGENCY

Federal financial support for farming in New Jersey comes largely in the form of financial assistance for producers through the Farm Services Agency (FSA). Large amounts of money, in the form of federal disaster assistance, and other federal assistance programs, coming into New Jersey re-emphasize the need for additional staffing in the regional FSA offices. New Jersey Farm Bureau supports an increase in the USDA-FSA budget to accomplish this staff expansion.

To expand communication and coordination between New Jersey producers and the FSA state office, Farm Bureau will offer its assistance in organizing increased information about agency programs. This should include the involvement of county boards of agriculture and affected commodity groups.

New Jersey Farm Bureau should play a facilitator's role in the examination and review of current FSA programs in New Jersey to ensure that local growers' interests are kept equal to those in other states. Support of the state's congressional delegation should be solicited if needed.

When any part of the state is declared a disaster area, farmers should be allowed to use the county-posted corn and soybean yield for their loan deficiency payments (LDP). For other crops more realistic yields also need to be used in the event of a disaster. The county average yield is the baseline used when there is no other production history. Because county average yield is based on National Agricultural Statistics Service it can produce yield figures that may not accurately reflect actual county averages. This could be an issue when there is not a past average production history that has been established by the grower. New Jersey Farm Bureau should work with the FSA advisory committee to ensure that yields for all crops more closely reflect actual New Jersey yields.

Farm Loan Program

The \$300,000 loan limit is unrealistically low for farm ownership loans when New Jersey land prices are considered. Such a cap is also impractical and seriously limiting for complex and diversified operators.

Farm Bureau supports:

- A change in policy that would make equine operations eligible for the loan program.
- Funding for the Farm Loan Program, the Interest Assistance Guaranteed Loan Program, and the Youth Loan Program.
- A change in federal statute that would allow disaster loans to be distributed in times of economic disaster as well as weather-related disasters.
- A change to allow the use of the direct Farm Ownership funds for refinancing debt. FSA is currently not allowed to refinance an existing real estate purchase.
- That in especially urban states like New Jersey, the need to relax the performance requirement for new (not yet preferred) lenders to participate in the loan guarantee program allowing banks with strong commercial portfolios to enter this program.

Crop Insurance

In 2000 Congress enacted legislation to make crop insurance more affordable and useful for producers of all commodities. The Agricultural Risk Protection Act of 2000 made across-the-board cuts in farmer-paid premiums. It also provides producers struck with multiple years of natural disasters maximum flexibility in maintaining their insurable yields. The legislation also provides substantial funding for research into new insurance options.

New Jersey farmers want to see crop insurance sold on a yield basis as well as price per unit of production. This type of coverage, called Crop Revenue Coverage (CRC), is available in other states. NJFB supports extending similar coverage to New Jersey producers. Procedures for coverage, inspection and pay-out should vary by commodity. Growers should provide input during the development of these commodity-specific guidelines, especially since redemption terms are not uniform among commodities. State payments as a supplement to crop insurance premiums ought to be investigated.

Another key issue facing New Jersey farmers is acreage which is not eligible for prevented planting coverage when the first crop is not recognized ie: rye harvested for straw as the first

crop to be followed by soybeans. It is requested that rye and other small grains harvested solely as straw and green feed (before grain maturity) be classified as a recognized first crop for prevented planting purposes.

Farm Bureau believes that there ought to be an option created for farmers to self-insure for disaster assistance. According to this concept, federal banking law should be amended to allow a farmer or pool of farmers to set aside their own money in a tax-exempt, liquid status for ready use in the event of an USDA declared natural disaster. These funds should be segregated into separate interest-bearing accounts that may also be put into other financial investments (mutual funds, etc.) but still instantly liquid. Taxes would be paid on the amount of the original deposit at the point of withdrawal. The assistance of AFBF with this proposal is also requested.

New Jersey Farm Bureau should work with RMA to develop a program for failed plantings in vegetable and flower crops. The NAP program does not work for New Jersey growers with multiple plantings when one or two plantings fail.

New Jersey Farm Bureau supports changing the current requirement that all crops in an operation must be insured in order to receive any payment. Farmers should have the option to insure just those crops they would want to recover in the event of a disaster.

New Jersey State Conservation Enhancement Reserve Program (CREP)

The Conservation Enhancement Reserve Program (CREP) was designed to help farmers voluntarily reduce potential impairment from agricultural water runoff sources in an effort to improve water quality along New Jersey streams. New Jersey Farm Bureau signed on as a supporter of this voluntary program since its inception in February 2004. Since then, FSA in New Jersey has placed over five million dollars of USDA conservation funding towards CREP practice installation and maintenance across our state. These installations include tree buffers, waterways, and grass filters.

It is important to note that this voluntary and beneficial program could be severely hampered by other regulatory agencies. If NJDEP or other agency creates regulations that mandate easements or buffers, this would eliminate the federal government's ability to pay incentives, because FSA is not permitted, by rule, to pay incentives on land that is already under a mandatory easement.

LABOR SUPPLY AND MANAGEMENT

Critical issues of economic viability of farms affect hired labor availability and affordability. It is a factor for farms in all commodity groups, not just those using large numbers of seasonal workers in the field and packinghouse.

Growers who employ workers on their farm are concerned about the availability of reliable workers who are accustomed to farm work. Shortages appear in some short-season commodities like blueberries and many farms report having an insufficient number of workers relative to the total number desired. Many believe that the strong overall economy has diverted workers to others areas of the country and other sectors of the economy.

In addition, this emerging shortage is aggravated by the uncertainties of the legal status of some of the workers. The appearance of valid-looking documents is sufficient to commence employment, but over the long term there is a concern for whether many of these workers will return due to the increase in border security resulting from recent terrorist activities.

Farm Bureau will continue its efforts in assisting growers with accessing a reliable work force. Specifically, it should:

- Seek coalitions with other state Farm Bureau interested organizations and labor-intensive businesses.
- Continue to work with local, state and federal officials.
- Assist the process of legalization wherever it is appropriate by pursuing agriculture work visas for foreign and making it easier to obtain alien registration cards.
- Encourage American Farm Bureau to work with the U.S. and Mexican governments to develop a more streamlined process for the work visa program.
- Continue to pursue a streamlined work visa program separate from H2a.

The availability of a legal workforce remains a critical, unresolved issue because there is currently no proposed immigration bill. However, should any future bill be proposed, NJ Farm Bureau would encourage the following two policies be included in a bill:

- Adjustment of status or workers ability to remain in the country on a guest worker program
- H2A reform that streamlines the process and mandates a wage lesser then the current Adverse Wage Rate.

New Jersey Farm Bureau should encourage the American Farm Bureau to work closely with the AgJobs Coalition and be more flexible regarding the importance placed on changes to the H2A program's adverse effect wage rate. Emphasis by AFBF should be placed on the common goals with the AgJobs Coalition that reflects the needs of growers utilizing the largest number of seasonal agricultural workers in the nation.

The Homeland Security Agency had proposed regulations for addressing Social Security mismatch letters, but due to constant scrutiny it has decided to rescind the rule. New Jersey Farm Bureau should oppose any form of State or Federal enforcement, including any requirement to utilize E-Verify, without the implementation of an adjustment of status provision and H2A reform.

Reform of the Migrant and Seasonal Agricultural Worker Protection Act (MSPA) is needed for provisions related to housing, transportation, wages and benefits, and recruitment of migrant and seasonal farm workers. 1) The Joint Responsibility mandate must be clarified. The farmer should not be considered a joint employer unless he/she performs a certain number of employer-like functions, such as supervision of work, preparation of payroll, and payment of employment taxes. 2) A 10-day grace period should be given to farmers to correct MSPA related paperwork errors before a fine is levied. 3) To avoid conflicts and duplicative enforcement actions, federal housing standards should be applied only in the absence of applicable state or local standards. 4) Return the responsibility for regulation of farm worker transportation insurance to the states. 5) Impose a statute of limitation on MSPA enforcement actions and lawsuits brought under the MSPA private right of action.

Farm Bureau opposes an increase in the minimum wage unless there are off-setting employer benefits equal to the cost impacts of affected employers.

A Report analyzing the impact of the increase of the minimum wage to the agriculture industry in New Jersey has been completed. The report has determined an estimated \$14 million impact on agricultural employers in the state. Of the \$14 million, approximately \$10 million impacts 320

farms out of the 2,300 farms utilizing labor in the state. NJFB shall use this data to seek a form of financial relief from the Legislature to offset the adverse effect of the increase in minimum wage.

Possible ergonomics regulation remains a concern for agriculture. Regulation of work motions that are repetitive and sustained would be incredibly onerous for agriculture. Farm Bureau shall oppose a future ergonomic regulation without the results of a proposed study from the National Science Foundation. Even with those results, ergonomics regulations must contain an exception for agriculture. Farm Bureau supports a NSF study and an exception for agriculture.

Farm employers need to be aware of a current emphasis on rules pertaining the Fair Labor Standards Act, Migrant Seasonal Worker Protection Act and Child Labor laws. New Jersey Farm Bureau can assist with providing information in each of these areas.

In order to address the need for skilled “middle management” employees, New Jersey Farm Bureau should work with county colleges and Rutgers to develop 2-year degrees in targeted agricultural areas.

FARMLAND ASSESSMENT

Farmland Assessment taxation, passed in 1964, is probably the most important reason that the loss of farmland in New Jersey slowed dramatically from 1970 to date. Approximately 1.2 million acres receive that assessment now, of which more than 500,000 acres is cropland.

Higher taxes and perceived tax abuses continue to be high priority issues with the public. The need to educate them about Farmland Assessment and its positive effects is greater than ever. This past election cycle saw news stories appear on farmland and woodlot assessment and once again the voter’s attention was turned to this topic.

New Jersey Farm Bureau was active through the year in meeting with legislators on Farmland Assessment issues.

Farm Bureau should continue to:

- Support the development of a training program where municipal and county assessors are educated about Farmland Assessment. Such training should be mandatory for all assessors working for a municipality or county that has land assessed as farmland.
- Send out a periodic update to all members on the latest court decisions or other issues about Farmland Assessment. One such decision maintained that local tax assessors must use F.E.A.C. established values, as opposed to market value of the crop, or other personal methodology, when determining an assessment for a farm property. Tax bills will be delivered soon and farm operators must appeal by April 1 if they believe the assessment is incorrect.
- Farm Bureau should work with the legislature to prevent any changes to the program that would negatively impact the land dedicated to agriculture or increase taxes already paid by farmers. Any legislative proposals should be carefully reviewed by Farm Bureau staff and other members of the agricultural community.
- Oppose the misapplication of remote imaging technology for the purpose of punitive assessments.

Another current issue is legislation supported by the New Jersey Forestry Association. This would amend the Farmland Assessment Act to allow forest stewardship activities to fulfill the farmland assessment criteria, even without tree harvest. Farm Bureau should monitor the movement of this legislation to insure that the principle of differential property tax assessment for land dedicated to “agricultural or horticultural production” is maintained. Farm Bureau supports the use of forest stewardship plans by forest landowners, for those who have currently qualified for Farmland Assessment, and also supports the concept of forest owners using government payments to implement those plans as qualified income for Farmland Assessment purposes.

While New Jersey Farm Bureau supports the development and use of renewable energy, the organization does not support broadening of the definition of agricultural production to include the “harvesting of the sun or wind” for power generation.

Farm Building Taxation

The Farm Building Appraisal Manual, a subset of the Real Property Appraisal Manual for New Jersey Assessors addresses economic obsolescence, functional obsolescence, and depreciation, the key concerns in farm building appraisal. Also, a section on permanent greenhouse structures, formerly found in the commercial building chapter of the appraisal manual, has been moved to the farm building section of the manual.

The use of this manual by assessors began in the 2000 tax year. Any farmer filing an appeal due to a farm building over-assessment should have a copy of the Real Property Appraisal Manual for use in the appeal. This is available for purchase from the Division of Taxation.

Even with the existence of the Farm Building Appraisal Manual, instances of over-taxation are still being reported. Although copies of the manual are available to the public, it is a complex document, designed to be used and interpreted by assessors, not necessarily the general public. New Jersey Farm Bureau shall contract with a tax assessor or other knowledgeable professional to develop a “primer” to explain the rules of farm building taxation. This document should then be made available to all Farm Bureau members in time for the next Farmland Assessment applications.

SALES TAX ISSUES

The farmer exemption provisions of the sales tax statute are explained in an informational guide developed and recently updated by the New Jersey Department of Agriculture entitled, “Farming and New Jersey Sales and Use Tax.” Farm Bureau will make this document available to its members upon request.

The provisions of the sales tax statute that apply to landscaping services are explained in an informational guide developed by the New Jersey Department of Agriculture entitled, “Landscaping Services and New Jersey Sales Tax.” Farm Bureau will make this document available to its members upon request.

HISTORIC PESTICIDES

The discovery of some chemicals (arsenic, lead, dieldrin, DDT) in soil, in excess of industrial clean-up standards, prompted the creation of the Historic Pesticide Task Force by the DEP Commissioner. The task force studied the issue and recommended that any farm or former farm suspected of using certain “pesticides of concern” have the soil tested prior to any residential

development of the property. A protocol for how the sampling should be conducted was also included.

The task force recommended several remedial strategies for reducing human exposure to pesticide residues in soil. The most notable (and financially practical) of these options is the onsite blending of soil to bring down residues to acceptable levels. Most of the pesticides of concern are found in the upper 6 – 8 inches of soil, so blending this with the soil underneath can lower concentrations to levels below the State's residential cleanup standards. This remedial option, blending, is a departure from DEP's normal remediation procedures, and it is recommended only for historic pesticide cleanup.

Results of some blending experiments undertaken by Farm Bureau were inconclusive. However, New Jersey Farm Bureau continues to monitor this issue and the potential for new equipment that will allow for soil blending to the appropriate levels.

In 2007, the DEP proposed some changes to the historic pesticide regulations. Farm Bureau raised concerns with several components of the original proposal. Following the public comment period, the DEP adopted stricter standards for some chemical residues but did not adopt some of the other, more onerous parts of the proposal. In addition, in response to comments from the agricultural community, the DEP reaffirmed that soil blending is a permissible remediation method for farms.

Lending institutions including the Farm Credit System are concerned about the current liability for clean-up of toxic contamination of property sites. Presently, any new owners of property could become liable for expensive clean-up costs if toxic contamination is discovered. The EPA may put a lien on the property for the cost of the clean-up in the event contamination is found. It may also try to collect from anyone in the chain of title or ownership who took title after the contamination was discovered. While New Jersey farmers enjoy state level immunity on ISRA, they should be cognizant of the federal role and support restrictions on the assignment of these costs.

Test results should be decreased by the weight percentage of any stone in a given sample. For instance: 1 cubic foot of soil may contain 30% stones. Therefore a sample of arsenic measuring 28, or 8 over the limit of 20, would be reduced to 19.6, thus not needing remediation.

Gluconitic soils are known to have naturally-occurring arsenic levels exceeding DEP remediation standards. These soil locations are known and mapped, yet individuals seeking subdivision and project approvals are required to hire environmental consultants to justify these background levels. Farm Bureau shall seek an amendment to the regulations, to remove this duplicative burden on property owners.

INTEGRATED PEST MANAGEMENT (IPM) FUNDING

Rutgers Cooperative Research and Extension (RCE) has delivered Integrated Pest Management (IPM) trapping and scouting services and educational programs to farmers statewide for over 35 years.

The IPM programs have helped farmers to improve pest management for crops in many ways. Precisely timed pesticide applications are made when economic thresholds are reached rather than spraying on a regular schedule; improving control of the target pest and saving farmers unnecessary spray applications, time, and money. Control recommendations through the RCE

IPM program have allowed farmers to choose more environmentally friendly control measures, such as mating disruption tactics, insecticides that are pest specific and that do not harm beneficial insects, trap crops, and other sound options for pest control. Additionally, IPM programs have assisted with reduction of pest resistance to certain pesticides, minimize pesticide use, minimize production cost, prevent wrongful use of pesticides, protect New Jersey food supply from foreign insects and disease, protect farm workers and children from pesticide exposure, improve environmental quality, reduce non-point source pollution, maintain export markets for New Jersey produce, and improve food quality through farmers being educated on alternatives to traditional pesticide use, as well as the proper use of low risk pesticides and fertilizers. This highly integrated program uses information gathered throughout the state once a week, or for some crops twice weekly, during the growing season, as well as from neighboring states. It brings the latest insect and disease forecasts and recommendations to growers who wish to participate in the RCE IPM programs and to all growers through the RCE Plant and Pest Advisory weekly newsletters and RCE website. Therefore, the information generated by this program benefits all New Jersey Farmers the general public and the total environment in our state. Farmers need the most up to date information and technologies to produce high yielding, high quality crops and IPM is an excellent tool to accomplish this goal.

Budget cuts to the New Jersey Agricultural Experiment Station (NJAES) have jeopardized the future of the RCE IPM programs and services to farmers. New Jersey Farm Bureau recognizes the tremendous benefits IPM brings to agricultural production and the environment. New Jersey Farm Bureau supports the continuation of this program with its current delivery and needed staff to accomplish this and expansion of RCE administered IPM programs to the farmers of New Jersey. New Jersey Farm Bureau shall work cooperatively with RCE, agricultural producers and the state legislature to develop a permanent funding source for this valuable program.

New Jersey Farm Bureau recommends that RCE include IPM functions in more county extension positions which are jointly funded by local, county and Rutgers state funds. This recognizes that historically, extension work is strongest when the funding partnership is used to support programs delivered at the county level.

The scope of the IPM program is such that it requires knowledge, resources and time that make farmers unable to adopt these practices on their own. Putting the total responsibility of this highly technical program on our already overburdened county extension offices is unrealistic to expect the program to function effectively as in the past.

New Jersey Farm Bureau recommends that IPM be reauthorized as an annual line item of \$500,000 in funding to NJAES/RCE.

New Jersey Farm Bureau shall continue to develop a public relations campaign to garner public support for continuing this program, with news releases that include talking points on all the merits and benefits of the IPM program that helps keep the state's environment safer.

TRUCKING/MOTOR VEHICLE REGULATIONS

The motor vehicle laws and regulations affecting agricultural vehicles are numerous and complex. In an effort to keep the farm community up to date on these laws, New Jersey Farm Bureau continues to update and distribute its handbook on motor vehicle regulations for farmers to any Farm Bureau member or law enforcement entity upon request.

The implementation of a new, more stringent motor vehicle inspection system is of concern to farmers because many “farm use” and “farmer” licensed vehicles manufactured prior to 1989 will likely fail inspection. These older trucks and vans make up a large portion of farmers’ work vehicles. It will cost \$600 per vehicle to get these vehicles passed inspection temporarily. New Jersey Farm Bureau should pursue the possibility of having these “farm use” and “farmer” trucks exempt from this provision.

Farm Bureau supports:

- A regulatory change to expand the mileage limits for “farm use” vehicles.
- A legislative change that would allow farmers to use their farmer trucks for private snow plowing contracts.
- A regulatory change to allow the personalization of “farmer” plates.

The Federal regulations phasing out higher sulfur content diesel fuel went into effect in 2007. While farmers are still permitted to use “low-sulfur” diesel in their off-road vehicles, the availability of that fuel has become a problem. In most areas of the state, farmers report that fuel dealers are offering only the higher sulfur diesel, allowed to be used as heating fuel only, and the new “ultra-low sulfur” fuel. The cost of ultra-low sulfur fuel is significantly higher than that of the “low sulfur.” New Jersey Farm Bureau shall seek out dealers of the less expensive “low sulfur” fuel and make farm bureau members aware of those dealers.

Federal Motor Carrier Safety Administration (FMCSA) rules grant states the discretionary authority to exempt individuals who operate a farm vehicle, as outlined in the rule, from CDL licensing. The FMCSA rule states that the waiver is limited to the driver’s home state unless there is a reciprocity agreement with adjoining states. New Jersey exempts farmers operating farm vehicles from the CDL. Most states have a similar exemption for their farmers, but very few reciprocity agreements exist between the states. New Jersey has been successful in signing reciprocity agreements with Pennsylvania and Delaware confirming that both states acknowledge the CDL exemption for Farmers. While the NJ Department of Agriculture has asked New Jersey Motor Vehicle Services to request the necessary reciprocity agreements from the other states within 150 miles of our state’s lines (CT, NY, RI, VT, NH, MD VA and WV), no other reciprocity agreements have yet been signed. New Jersey Farm Bureau urges the NJDA to continue working with the Motor Vehicle Service to expedite the adoption of these reciprocity agreements.

New Jersey Farm Bureau should seek passage of bills A-3545/S.2751 to remove the standard driving restriction from the agriculture driving license. The current statute for the agriculture driving license requires the licensee to follow the same restrictions as a standard permit holder. The restriction requires an agricultural licensed driver to drive with a licensed driver that is at least 21 years of age in the vehicle. This rule renders the license worthless for the agricultural industry and was never the intention of the law.

New Jersey supports a change in regulation to allow holders of international driver’s licenses to operate vehicles with a gross vehicle weight up to 25,999 pounds, as opposed to the current limit of 7,700 pounds.

BRIDGE CHANGES AND ROAD WIDENING

Farmers in New Jersey typically farm many parcels of land, and need to move large pieces of farm equipment on public roadways to get from one field to another. When bridges are

upgraded or re-designed they are often made impassable for some farm equipment. When this occurs, farmers have to re-route, often miles out of their way.

Farm Bureau encourages county and state entities, when contemplating a bridge re-design, to contact the farm community through the New Jersey Department of Agriculture or the appropriate county board of agriculture. The agricultural community should be asked for their input on size, width and weight accommodations.

Current research into municipal ordinances shows that many communities have imposed weight limits on their roads in addition to the bridges. This is apparently done with the help of NJDOT and full agreement of residential landowners along those routes. Strict enforcement of these limits would severely hamper moving agricultural product to market, increasing the time and expense of farmer efforts to market their output.

The farm community must meet with the NJDOT to discuss this concern and initiate efforts to help communities become aware of this need and better plan agricultural routes. There is precedent for this in a recent Delaware Valley Regional Planning Commission DVRPC transportation study for the Burlington Route 206 Farm Belt where agricultural routes were mapped by the farm community itself.

With increased traffic, the transportation infrastructure is continuing to be upgraded and expanded. New Jersey Farm Bureau recognizes the need for these improvements, but requests that the impacts of those changes, such as water runoff onto adjacent farmland, be addressed at the planning stages by the entity doing the project.

NEW JERSEY AGRICULTURAL EXPERIMENT STATION

The New Jersey agricultural community is faced with a multitude of challenges that threaten its viability and sustainability. These include increased land-use regulation, rising production costs, right-to-farm issues, water quality concerns, wildlife damage, and rising taxes. Unexploited market opportunities and limited access to innovations that would enhance prosperity, stewardship potential and compatibility with other land uses also severely impact sustainability and viability. Given the impacts and public benefits of the agricultural and food system complex, not only in rural areas but also in the state's urban and suburban communities as well, these constraints impinge upon assuring food security, nutrition and health, water quality and supply, environmental sustainability, economic development and quality of life in the Garden State.

As the most densely populated state in the nation, New Jersey faces environmental pressures that far exceed other states. Thus, the environment has become a key quality of life issue for New Jersey citizens. New Jersey has taken the lead in embracing innovative, pro-active and participatory approaches to meeting the needs of its stakeholders. This requires new policies and technologies that are effective in maintaining the delicate balance between environmental quality and economic growth. The New Jersey Agricultural Experiment Station (NJAES) provides the expertise and information needed to develop effective policies that can strike this balance.

The NJAES (which includes Rutgers Cooperative Extension - RCE) and the Rutgers School of Environmental and Biological Sciences (SEBS) carry forward the land-grant mission of research, outreach and teaching at Rutgers, the State University of New Jersey. New Jersey's land grant system is active at every level of development and implementation of innovative solutions to issues facing agriculture, the food industry and the greater state-wide community.

Research and extension faculty develop new technologies, services, and activities that contribute directly to quality of life in New Jersey by enhancing the long-term performance of agriculture and the food system, the nutrition and health of our residents, programs in youth development, the viability of communities, and the sustainability of the environment, while providing vital short-term assistance as well. Thus, the New Jersey Farm Bureau urges the State Legislature in the upcoming budget to provide adequate funding (as determined by the Board of Managers) to the NJAES base budget in support of its mission to address the diversity of pressing needs in the State of New Jersey.

This past year Rutgers Cooperative Extension faculty and staff have worked hard to secure over \$13 million in extramural grants, contracts, and gifts in the last fiscal year. This kind of funding helps deliver programs to constituents without the need for fees for regular long standing extension outreach by agents.

RCE is also committed to providing individuals, families and communities with the knowledge and skills to make informed choices about healthful diets, to reduce risk of chronic disease and food borne illness and to efficiently manage food resources that support their physiological health and economic and social well-being. The RCE Nutrition Education Program (FCHS) is in a key position to teach individuals and communities how to live and eat sustainably. Therefore the New Jersey Farm Bureau encourages the New Jersey legislature to also dedicate \$500,000 to the NJAES/RCE to support its programs related to food, health and nutrition.

RUTGERS BOARD OF MANAGERS

The Board of Managers serves as a two-way communications link for conveying information between the Rutgers New Jersey Agricultural Experiment Station (NJAES) and the agricultural community through the County Boards of Agriculture. Representatives from each County Board of Agriculture ensure grassroots input from the agricultural community to the NJAES. The board also serves as advocate for the experiment station, and provides advice to the executive dean and director of the experiment station on issues that concern the programs of the experiment station. The Board of Managers consists of a representative from each county board of agriculture; the president of the university, the director of NJAES, and the secretary of agriculture as ex officio members; and a six-member statewide advisory committee.

The New Jersey Farm Bureau supports the Board of Managers in this advisory role and urges the County Board of Agriculture representatives to fully partake in the responsibilities of the Board of Managers, and maintain the benefits for production agriculture from this longstanding relationship. New Jersey Farm Bureau urges the NJAES Executive Dean and his staff to aggressively engage the Rutgers Board of Managers to more fully utilize the potential of the Board of Managers to provide meaningful substantive input in its advisory role.

RUTGERS FOOD INNOVATION CENTER

The Rutgers Food Innovation Center is an economic development outreach program of the New Jersey Agricultural Experiment Station. It provides a direct link for business development and technology expertise from the vast resources of the University and its network of strategic partners to clients located throughout the state. The Center provides solutions to a variety of constituents including: farmers and cooperatives desiring to create new businesses based on value-added agricultural products and/or developing new markets for their existing commodities; startup food companies evaluating differentiated new concepts in high-growth sectors, and coping with challenges such as technology transfer, financing, regulations, market development, and infrastructure requirements; established food companies seeking to access and

commercialize new technologies, upgrade quality assurance capabilities, enter new markets, and expand and improve their operations; and retail and foodservice establishments seeking to improve their operations and purchase locally grown New Jersey products.

Since its inception in 2001, the Center has assisted over 1000 businesses located in every county of New Jersey, created over 350 jobs in new and existing companies and assisted in securing over \$ 1 million in third party funding for clients. The Center also provided training to over 135 unemployed and employed people in 2009.

The Food Innovation Center has completed construction of a 23,000 square foot food business incubator facility, and opened its doors in October 2008. This facility houses state-of-the-art, shared-use food processing space, product development and analytical support laboratories, distance learning and teleconferencing capabilities, thus enabling the Center to provide a higher level of service to business throughout the state. The state of New Jersey provided \$1.8 million in FY 06 towards the construction of the facility.

With the completion of its permanent facility, the Food Innovation Center will need to invest in significant start-up costs such as additional personnel and equipment. A consistent source of funding for its first few years of operation will be critical in getting the center equipped to maximize the economic impact it can have for New Jersey. In previous budget years, the legislature dedicated \$300,000 to the Food Innovation Center. The New Jersey Farm Bureau urges the State Legislature in its upcoming budget to provide \$500,000 in permanent funding as a line item in the New Jersey Agricultural Experiment Station budget for the continued operations of the Rutgers Food Innovation Center. In order to maintain the support of the farm community for the Food Innovation Center, there should be a regular reporting to the agricultural community of the center's accomplishments and benefits.

THE RUTGERS ECOCOMPLEX

The growing importance of environmental stewardship and sustainability, along with the increased complexities of environmental regulations, mean that businesses must increasingly adopt state-of-the-art environmental practices to be successful. Many industries are now looking to their land grant institution to explore operating practices that can enhance the quality of the environment. Competitive advantages now accrue to the firms and communities that take an aggressive, pro-active environmental stewardship and energy efficiency position. The result is a significant new demand for environmental and alternative energy technologies that can be capitalized upon, as part of an economic development strategy for the state of New Jersey.

The Rutgers EcoComplex has identified key research and outreach programs that are critical to meeting the environmental and energy challenges facing New Jersey including: renewable energy and biofuel development, landfill and solid waste management, watershed management and controlled environment agriculture. Educating the public today, in order to deal with tomorrow's issues, are components of the EcoComplex outreach strategy.

The EcoComplex is actively engaged in "Green Business" development and provides advice and assistance to entrepreneurs in the areas of business plan development, technology evaluation and commercialization. The facility also provides access to laboratories, research personnel, and office space. Since 2003, the EcoComplex has assisted over 50 businesses and communities, created over 125 new jobs, assisted in securing over \$ 19.7 million in third party funding for clients and graduated 6 successful companies. Total revenue generated by tenant companies to date is \$29,000,000. The center is also initiating a new green jobs training

program in Fall 2009. These efforts will help the state fulfill its renewable electric energy goals of 20% by 2020 as well as spur economic growth in the alternative energy sector.

The State Legislature provided funding in support of construction of the EcoComplex building and operational support on a year-by-year basis. In order for the Rutgers EcoComplex to achieve its full potential and ensure the enhancement and sustainability of New Jersey's environment, the New Jersey Farm Bureau urges the State Legislature to support the EcoComplex in the amount of \$300,000 in permanent funding as a line item in the New Jersey Agricultural Experiment Station upcoming budget.

RUTGERS MULTISPECIES AQUACULTURE DEMONSTRATION FACILITY (MADF)

The development and production of dual disease-resistant oysters at Rutgers Haskin Shellfish Research Laboratory was an essential component in the establishment of an economically viable aquaculture industry in New Jersey. These trademarked oysters have been used in Delaware Bay commercial aquaculture since 1996. Between 1996 and 2003, there was a 100 fold increase (from less than 100,000 in 1996 to over 10 million in 2003) in production of Rutgers disease resistant oyster seed at the Haskin Cape Shore Research hatchery. Commercial aquaculture businesses have thrived as a result, purchasing all of the disease resistant oyster seed that the research hatchery could produce. With the completion of the pilot-scale oyster hatchery at the Multi-species Aquaculture Demonstration Facility (MADF) in 2008, the NJAES stands ready to produce all the disease resistant seed necessary to supply an expanding oyster aquaculture industry in New Jersey and contribute to the economic development of its coastal communities.

The Multispecies Aquaculture Demonstration Facility (MADF) started operations in May 2008 and houses significant aquaculture research and demonstration programs. It will assist in industry development by providing demonstration project capabilities, pilot-scale testing with industrial partners, and application through commercial-scale deployment of new technologies and products. The MADF will develop workforce training programs to educate those looking to find employment in this industry sector or to start their own businesses. The MADF also pursues solutions to broader problems in disease diagnostics and control; genetic stock maintenance; predation control; environmental quality; breeding, nutrition and systems management. The MADF is in its start-up phase of operation and in order to achieve its potential, the New Jersey Farm Bureau urges the State Legislature to support the MADF in the amount of \$350,000 as a line item in the upcoming New Jersey Agricultural Experiment Station budget.

FARMING ON PUBLIC LANDS

State-Owned Land

The NJDA is currently working in conjunction with the DEP to develop a plan that could bring additional state-owned ground into farming. NJDA has proposed to use the Soil Conservation Districts to develop farm plans for these parcels, to insure that the land is being used in both an agronomic and environmentally sound way. New Jersey Farm Bureau commends the NJDA for its leadership role and hard work in this endeavor to help facilitate the farming of state-owned ground.

Experience gained from the situation at Six Mile Run indicates that Farm Bureau should seek state legislation to require all state-owned land that is farmed or can potentially be farmed, be deed-restricted for agriculture until it is needed for the purpose for which it was acquired, and not allow any non-farming operation to take place on that state land. This legislation should seek the transfer of all state land being farmed to the management and/or supervision of the NJDA.

More recently, farmers have reported concerns about farming land that has been purchased by the Green Acres Program. These productive farmlands, once purchased by Green Acres, are placed under increasingly heavy restrictions or gradually taken out of production entirely. Most of the land in question is managed by the DEP's Division of Fish and Wildlife. Division officials maintain that the restrictions are imposed to ensure that the land is being managed for its stated purpose, the development and maintenance of wildlife habitat. Farmers fear that more and more productive, fertile farmland will be lost if this practice continues. This past spring and summer the Division of Fish and Wildlife began a new lease and bidding process for the lands it manages, those leases become effective on March 1st of 2010. For the most part the education and bidding process went off with few problems. New Jersey Farm Bureau will continue to work and monitor the implementation of this new program. The biggest change in this new program from the special use permits is the stabilization of agreements with farmers receiving 5 year leases with the option to renew for another five years.

In the fall of 2002 then DEP Commissioner Bradley Campbell and the Secretary of Agriculture agreed to work together on land preservation with Green Acres focusing on urban areas and park land, while directing agricultural lands to the SADC for preservation. This arrangement needs to be continued and endorsed by the current administration in light of the limited funding for preservation.

For future purchases of active farmland, New Jersey Farm Bureau should seek to have the Farmland Preservation Program be given the opportunity to purchase the land or easements first, before Green Acres offers the land to management elsewhere.

Farm Bureau urges any government agency that receives any federal farm program funds to insure the maximum amount of funds available go to all qualifying New Jersey farmers. Long term leases of farmland are critical for the future viability of New Jersey agriculture. Many farmers prefer to lease because the land is too costly to buy. New and beginning farmers need land to work and a long enough lease to make investments in plant materials (such as grapevines) or certain farming methods (such as organic or low-input farming), cost effective.

Farm Bureau shall:

- Not only work to have more state government land farmed, but also include any other public-owned lands.
- Insist that all land set aside through TDR or cluster development should be farmed or leased long term to someone who will actively farm it.
- Develop a sample ordinance for farming on set aside lands to be available for municipalities.
- Work with the appropriate State agencies to make them aware of the importance of agriculture and to urge them to make state-owned lands that are farmable available to local farmers without excessive regulation or interference with crop decisions.
- Insist on renewable leases to cover at least 5 years and longer when feasible. Very long term, inheritable or transferable leases should be used in New Jersey as they are in other states where appropriate.

ANIMAL CARE

The State Veterinarian, housed within the NJDA, has drafted minimum standards for the care of farm animals, as required by state law. These were developed with the input of veterinarians

and other livestock experts. In addition to the required public comment period, a public hearing was also held.

The standards became effective upon publication in the New Jersey Register on June 7, 2004. Based upon public comments the Department received from the initial publication of the rule, amendments to the rule were also proposed at that time. New Jersey Farm Bureau worked with our livestock members to make them aware of the proposed changes and to encourage comments on them.

The adopted rule is the first of its kind in the nation to comprehensively address standards for livestock care as it relates it to animal cruelty. Several animal rights organizations have sued the Department of Agriculture over the standards. The appellate court ruling left the authority of the Department to draft rules unchanged and upheld the Departments expertise on the matter. The groups appeal to the NJ Supreme Court was accepted. The Appeal was heard and in July the Court upheld the authority and the expertise of the Department to promulgate the standards further stating "Regardless of one's personal view of the overall regulatory scheme or of domestic livestock in general, the regulations as a whole are consistent with the meaning of the term "humane." The Court did remand back to the department to key definitions that need to be better defined that of routine husbandry practices and the definition of knowledgeable individual. Five years have passed since the rules were first adopted and the Department of agriculture has received an extension to allow for more time to readopt the rules and incorporate the opinion of the NJ Supreme Court into the readoption. New Jersey Farm Bureau shall make our members and livestock groups aware of and encourage participation in the public comment period when the rules are re-proposed

New Jersey Farm Bureau should also work with the state's livestock organizations to promote awareness of the standards and the built in biosecurity standards to our members and those authorities responsible for animal abuse investigations.

In the last few elections, ballot questions have passed in Florida, Arizona, and California banning farming practices used by production agriculture. It is very important for New Jersey agriculture to have a strong and working humane standard for livestock producers that is based upon science and able to separate agricultural management practices from true animal abuse.

New Jersey Farm Bureau also supports a change in state legislation that would shift the enforcement authority for the care of domesticated livestock from the SPCA, to the State Veterinarian, using the minimum standards as a guideline.

Currently the federal government through the USDA is working on a National Animal Identification System (NAIS). The program includes a Premise Identification (PI) component. All domestic species inclusive of all breeds, types and species of camelids (llamas and alpacas), cattle, bison, cervids (domestic deer and elk), equine, goats, sheep, swine and poultry will be included in the NAIS and PI development. NAIS and PI will be voluntary as the system is developed and phased-in over time, but will become mandatory for all domestic species in the future. The electronic NAIS implementing RFID (Radio Frequency Identification) button tags, hang tags, surgically implanted chips and other technologies shall be developed to implement the NAIS program. Additionally, New Jersey Farm Bureau also supports the USDA Scrapie Irradication Program for sheep and goats and supports the USDA plan to phase in the NAIS tagging system to replace the current "scrapies" tag program in order to avoid duplication and undue expenses to those producers.

New Jersey Farm Bureau supports the goals and implementation of the USDA's NAIS and PI initiatives' as a national goal to have the capability to identify all animals, premises and all the movements of said animals in order to achieve a "48" hour trace back and forward for disease control. Control and rapid identification of naturally occurring domestic and foreign diseases and diseases introduced via bio-terrorism are the goal of the USDA, APHIS, NJDAH and related concerns.

The New Jersey Farm Bureau supports the USDA concepts (Program Aid No. 1797 and 1800) and does not want the NAIS or PI programs to become a burden on any domestic animal producers. Farm Bureau also supports the avoidance of multiple identification programs, processes, or requirements. Farm Bureau will oppose the imposition of fees to producers for implementation of this program.

New Jersey Farm Bureau continues to oppose any legislation seeking to regulate or ban the raising of livestock, including the "veal bill." Farm Bureau believes these farm activities should be regulated using the NJDA's animal care standards.

Farm Bureau will seek protection from unauthorized entry of farms by persons seeking farm management practice documentation without first gaining permission from the farm operator. This recommendation should be forwarded to the NJDA-Division of Animal Health, which has responsibility for the regulations pertaining to the care/treatment of farm animals and the enforcement thereof.

COUNTY BOARDS OF AGRICULTURE

Farm Bureau will continue to promote farmer participation in the county boards of agriculture. There should be some recruitment of new people to add fresh input to the boards, especially where a few individuals have done most of the work for many years. Farm Bureau will continue its project of increasing its farmer membership throughout the organization. This project of farmer member recruitment and retention will necessitate participation on the local level with members from each county board involved.

New Jersey Farm Bureau must continue its effort to provide each county board of agriculture with up-to-date information regarding their legal requirements for tax purposes.

FUTURE SEED SUPPLY

Profit margins for farm businesses are minimal at best despite a high level of productivity. Prices for delivered commodities often suffer from chronic surplus and brokerage/distribution systems that keep a farmer's share of the consumer dollar at flat, static levels. Farmers are thus vulnerable to inflationary rises in costs of production and need to combat situations that might leverage them financially.

One possible example of this may come in the future with patented, bioengineered products that become exclusive to large corporations. The fear is that along with some exceptional gains in productivity may come virtual monopolies and control in the source of crop input items like seed, feed and fertilizer.

Farm Bureau fully supports research and development by agribusiness to reach higher achievements in a modern agriculture. The pricing of these input products to farmers, however, is also important and should not unfairly affect their business position.

COUNTRY OF ORIGIN LABELING (COOL)

There is a growing movement in the U.S. produce industry in support of requiring labeling of fresh fruits and vegetables at the point of retail sale, so that consumers would know the foreign country of origin. New Jersey Farm Bureau has similar concerns for all commodities.

The 2002 and 2008 Farm Bills amended the Agricultural Marketing Act of 1946, requiring retailers to notify customers of the country of origin for beef, lamb, pork, chicken, goat, wild and farm raised fish and shellfish, perishable agricultural commodities, peanuts, pecans, ginseng and macadamia nuts.

On January 15, 2009, the U.S. Department of Agriculture issued the final rule for mandatory country of origin labeling required by the 2002 and 2008 farm bills. The rule became effective on March 16, 2009, 60 days after the date of publication.

Commodities covered under COOL must be labeled at retail to indicate its country of origin. The NJDA marketing Division has inspected all qualified retailers in the state revealing a high compliance rate.

The original intent of a COOL program was to bring a marketing advantage to US growers and to aid in consumer awareness of where product is grown or raised. New Jersey Farm Bureau will continue to work with state and federal partners on establishing a sound COOL program and other, similar labeling initiatives that will benefit producers as well as consumers with minimal impacts to either.

ABANDONED ORCHARDS AND NEGLECTED PUBLIC OPEN SPACES

Weather problems, depressed market conditions and/or other problems have caused the termination of some fruit farm operations in recent years. Fruit orchards, and other open spaces, when neglected or abandoned, can become a significant problem as a source of disease and pests to neighboring farms. In South Carolina where similar fruit farming exists, legislation was enacted to combat this problem. This involves an inspection, citation and enforcement provision at the expense of the landowners to eliminate the condition.

New Jersey Farm Bureau will call upon all public open space program administrators to take account of neglected/abandoned orchards in the review and consideration of land acquisition projects. Care should be taken to avoid having these sites become breeding grounds that harbor pests and diseases.

Additionally, all publicly-owned open space and farmland must be required to be maintained in such a way as to prevent it from harboring insects, noxious weeds and wildlife species that become a nuisance to neighboring properties.

DAIRY

NJFB believes there is an inherent value in having a locally-produced supply of all food and agricultural products. Dairy farms, in particular, not only provide a local and fresh source of milk and other dairy products, but also provide large tracts of tax-paying, privately maintained open space. In order to keep these important farm properties open, and actively devoted to the dairy industry, NJFB must work with the dairy community, the Department of Agriculture and Rutgers Cooperative Extension to find innovative ways to assist dairy producers.

Farm Bureau, through its Dairy Committee, shall:

- Encourage dairy operators to take advantage of programs available to them for testing herds for Johne's. There are programs available through the Division of Animal Health and Extension to help diagnose and control this disease.
- Urge the NJDA, RCE and the state legislature to find a new source of funding for the Garden State Re-Engineering Initiative which includes a milk quality program.
- Work with NRCS and the State Conservationist to insure that all dairy producers are aware of the conservation programs and assistance available to them.
- Work with state legislators to develop and enact legislation that allows for the sale of raw milk in New Jersey.
- Work with the State Department of Health and interested consumer groups to develop regulations and standards to allow the sale of all raw milk and raw milk products within the State of New Jersey.
- Urge the USDA - Farm Services Agency to distribute federal support payments totaling \$290 million to dairy farmers nation-wide by December 15, 2009, to enable them to pay their current year's bills.

The organizations involved with the Ag Water Quality Steering Committee must work together to find affordable systems for livestock farms to prevent and/or correct non-point source pollution problems. Farm Bureau should continue to support dairy farms by ensuring that adequate financial and technical assistance is available for farm improvements.

New Jersey Farm Bureau supports federal legislation to raise tariffs on milk protein concentrate (MPC) to levels high enough that imported protein will not displace domestic use of non fat dry milk in U.S. food manufacturing.

New Jersey Farm Bureau respects the need to avoid deficit income (safety net) for dairy producers. Increasing energy and fertilizer costs, coupled with volatile milk prices will only increase the need for a mechanism to stabilize prices at a fair level. New Jersey Farm Bureau therefore supports the continuation of the Milk Income Loss Contract (MILC) program.

When milk processors request signed affidavits for not using such products as rBST and betalactiums farmers should be reimbursed for the loss in production.

In 2005 the New Jersey Department of Agriculture announced the formation of the Garden State Dairy Alliance. The Alliance has two goals:

1. To offer New Jersey dairy farmers and supporting industries the comprehensive resources and assistance from the New Jersey Department of Agriculture, the New Jersey Agricultural Experiment Station and Rutgers Cooperative Extension.
2. To provide a program of technical assistance to the dairy producers in managing production, marketing, financial, environmental, legal and human risks associated with operating a dairy enterprise.

New Jersey Farm Bureau supports the development and ongoing activities of the Garden State Dairy Alliance. Farm Bureau shall promote the Alliance and the benefits it offers to dairy producers through its weekly newsletter or direct mail if necessary.

INVASIVE SPECIES

The NJDA has organized a New Jersey response to a growing national movement to protect agricultural producers from the biological harm of invasive pests. These are insects, diseases and weeds that have found new pathways into agricultural and horticultural crops. The increase in global trade is a major contributor to the problem as non-native species are transported by ship or airplane into the American market. The nursery industry is particularly at risk from invasive species. New Jersey Farm Bureau supports the Agricultural Invasive Species Council and the development of a management plan to curtail this problem. This process will identify species of concerns and methods for control using current and potentially new legislative authority. Farmers are encouraged to monitor and participate in this issue and cooperate with its findings and recommendations. While the task force is working on recommendations, New Jersey Farm Bureau should encourage the Department of Agriculture and the State DEP to enforce the laws that are in place to control invasive species that are found growing in the state.

Additionally, NJFB supports a legislative change that would require municipalities, counties and the State to mow road banks and any property under their ownership or management earlier in the spring to prevent invasive weeds from growing to height that allows seeds to spread to nearby farm fields when mowed. Current laws addressing thistle alone are not sufficient to protect farms from other invasive species.

BIOSECURITY

New Jersey Farm Bureau shall request the USDA increase biosecurity measures at all points of entry into the United States and the State of New Jersey, to guard against outbreaks of diseases such as foot and mouth, and avian influenza as well as possible threats of bioterrorism.

Under the leadership of the New Jersey Department of Agriculture in consultation with leaders in the different sectors of New Jersey agriculture, industry guidelines and procedures outlining the response and action taken by the agricultural industry when a change in alert code or an event happens were developed. The sectors that fall under the leadership of the Department of Agriculture include; livestock industries, livestock auctions and slaughterhouses, pet stores and shelters, zoo and animal exhibitions, veterinarian hospitals, plant industries, crops including the wholesaling of fruits and vegetables, and feed and fertilizer. Individual operations should use their sector related plan as a guide for developing their own action plan in the event of an emergency.

In the past year The New Jersey Food Council, the Department of Agriculture and Farm Bureau have participated in joint exercises to test the emergency preparedness of the states food and agriculture industry. Lessons learned from those exercises have been beneficial in improving the state's emergency response system as it relates to agriculture and food. Those lessons proved valuable in the speedy response by the Department and the food industry during the spinach e-coli outbreak.

The need for all emergency planning was also highlighted last spring when fires in the pinelands region forced several livestock operations to be evacuated. Issues with emergency responders over access, movement of animals and other communication problems made it difficult for some of the operators.

This year the emergence of the H1N1 virus better known as swine flu again put a target on animal agriculture and the fear in the public of potential crossover of human and animal diseases. The outbreak has caused a drop in the consumption of pork products until the consumer better understood there is no connection between consuming pork and the disease.

Because the H1N1 flu is occurring along with the regular flu health experts predict a higher increase in flu related illnesses and are recommending people stay home and avoid contact with others if they are sick. This could have huge impacts on work force availability both on and off farms. Farm Bureau encourages its members to continue to look at their own operations and plan in advance for and be prepared to respond to any emergency.

MARKETING - JERSEY FRESH

Marketing is consistently listed as a major concern of New Jersey farmers. 2008 marked the 25th anniversary of the Jersey Fresh program. The New Jersey Department of Agriculture's Jersey Fresh promotion program has been a uniquely successful and nationally recognized effort to maintain the public's awareness of the quality of New Jersey's agricultural products. As the program is expanded with other branding names such as Jersey Grown, Jersey Bred and Jersey Seafood, it is important that proper funding be in place to further the state's marketing support.

For FY2009, the advertising budget was trimmed to \$400,000 of which \$200,000 went directly to the contracted advertising agency for media and material purchases. This amount is just barely more than the amount of \$350,000 allocated in 1984 when the program was first conceived. At that time, Jersey Fresh concentrated solely on the advertising of fruits and vegetables.

New Jersey Farm Bureau urges the Governor and State Legislature to restore not less than \$1.5 million to the Jersey Fresh promotion program so it can maintain and increase the successful promotion of the Garden State's agricultural and horticultural products. In 2008 S218/A553 was approved and signed into law permitting the sale of Jersey Fresh products along New Jersey's toll roads this will be another outlet for farmers to sell direct to the consumer New Jersey grown products.

To further improve direct sales to consumers, the Farm Bureau shall work with the trustees of the New Jersey Council of Farmers and Communities and the New Jersey Department of Agriculture to see that the role that the Council serves continues to expand farmer based community marketing opportunities in New Jersey.

STATE PURCHASE OF NEW JERSEY-GROWN PRODUCTS

State government institutions purchase millions of dollars worth of fresh produce each year for prison inmates, school children and the residents of special needs facilities. Despite the ready availability of high quality farm commodities and value-added products from New Jersey farms at competitive prices, there is presently no state policy or mandate for these institutions to purchase in-state product.

Since 2002 the NJDA and the Department of Corrections have been continuing a program that allows for the Corrections Department to buy New Jersey produce directly from local growers.

To further increase the purchase of New Jersey grown products, New Jersey Farm Bureau recognizes the passage of legislation in 2004 that reduces purchasing barriers and enables the sale of New Jersey product to state institutions during times of excessive supply. Since the joint

New Jersey Department of Agriculture and New Jersey Department of Corrections New Jersey grown purchasing initiative was introduced more than a \$1 million of New Jersey fruits and vegetables have been purchased by the state through that program. This is a great opportunity for farmers to move over supply of product and the state to receive quality product at a beneficial price. NJFB should support outreach and education efforts by the NJDA on the program.

In the past year federal USDA food programs have been expanded to encourage the use of locally grown foods in schools. The Division of Food and Nutrition in the Department of Agriculture has been leading the way in working with farmers and schools to expand the market for New Jersey products. We support the inclusion of New Jersey value-added, farm based products to these efforts.

In past budgets, the governor has increased annual appropriations for the purchase of nutrient dense food by Emergency Feeding Operations. To date, less than \$200,000 worth of fresh produce has been purchased directly from New Jersey farmers cooperatives. We applaud the intent of the program and its goals, but respectfully request that at least \$1 million of these funds be specifically used for the direct purchase of Jersey Fresh produce in each future growing season as long as the fresh purchase program is funded. In addition, NJFB should include New Jersey farm produced, value-added products in all discussions and actions taken where appropriate.

AGRICULTURAL EQUIPMENT LEMON LAW (AELL)

Commercial farming is a competitive business that requires large investments for land, buildings and equipment. The purchase of new equipment in some instances for farmers represents a significant outlay of money and becomes a critical element in the production operations. It is important that the farmer's interests' during this type of major transaction is protected from careless or indifferent attitudes by farm equipment manufacturers in the event that a newly-purchased item proves defective.

Farm Bureau shall seek state legislation to protect purchasers of new equipment. Farm equipment manufacturers and their dealers should ensure that their equipment operates, performs, and functions in conformance with advertised standards. Manufacturers must be prepared to immediately repair, modify, or replace any defect in design, engineering, or manufacturing at no cost to the farmer; or in the alternative, refund the purchase price to the farmers if bought new or the amount the equipment was sold for as used.

Farm Bureau is concerned that the reduction of farm equipment dealers in the state also reduces the options available to farmers in selecting equipment, thus making them vulnerable to unilateral decisions by the manufacturers and dealers in these instances. This proposed legislation ought to be reasonable for both buyers and sellers and seek a clearly established understanding for everyone involved in these expensive transactions.

UTILITY LINE MAINTENANCE

Utility lines located on farmland can create a serious nuisance for farmer options if they are not properly maintained. Large stanchions supporting overhead wires, if left unattended, can become a breeding area for noxious weeds, insects and diseases to the plant material on the surrounding farm acreage. Some utility companies have been reluctant to routinely clean these areas and in effect leave that work to local farmers at their expense. NJFB supports a legislative change requiring the proper maintenance of these areas, including the control of vegetation.

Utility companies should maintain the height of utility lines that cross public roads in a way that prevents them from being caught or damaged by vehicles. New Jersey Farm Bureau will monitor this situation and advocate proper maintenance wherever it is appropriate. Similarly, gas and petroleum pipeline rights of way should also be maintained.

In the spring of 2008, the Board of Public Utilities (BPU) proposed a new rule regarding the control of vegetation under power lines. This imposition of a strict height limit would cause serious problems for many producers with these lines over their farms. The New Jersey Department of Agriculture successfully negotiated with the BPU to allow for the continuation of agricultural activities under these lines.

AUTO INSURANCE

Automobile insurance remains a high cost item for farmers and non-farmers alike in New Jersey. The present system cannot ever be expected to cause a decrease in premiums for a variety of reasons, one of which is the large amount of claims borne by all the insured for the uninsured. Those costs are passed along to the balance of the driving public without any attempt to reduce the number of uninsured drivers.

We believe that driving privileges ought to require proof of insurance as a condition of obtaining a drivers license in the state. Liability insurance should be purchased prior to state issued operator's licenses. Drivers should be insured - not cars - except for collision insurance which should remain on the vehicle.

NJFB supports the enactment of legislation to allow for farms to purchase fleet insurance policies for their vehicles. New Jersey Farm Bureau shall work with Farm Family Insurance to help facilitate the development of such an insurance product.

PENALTY ACTION NOTICES

Farm input suppliers like seed, feed and fertilizer manufacturers and dealers who market products in New Jersey are regulated by the state Department of Agriculture. This regulation has been in place for many years and is responsible to monitor the efficacy of those bulk products sold to farmers. It ensures that the products are true to labeled specifications so that farmers are protected from defects and sloppy quality.

Penalty action notices are released by the NJDA to the State Board of Agriculture. Any firm found in violation is included on these monthly notices. Farm Bureau shall call for and assist the wider dissemination of this information to farmers throughout the state. Since current penalties are weak and ineffective, it is thought that this type of publicity may caution and perhaps deter these suppliers from marketing any off-grade materials in the state.

NEW JERSEY MUSEUM OF AGRICULTURE

The New Jersey Museum of Agriculture is New Jersey's only organization showcasing and communicating the unique role of the Garden State in the growth and development of agriculture and the impact of its contribution over time. The New Jersey Museum of Agriculture accomplishes this through research, preservation and development of its collections, and their interpretation through exhibits and other educational programs of the evolution of agriculture and its relationship to food and fiber, science and technology, the environment and everyday life.

New Jersey Farm Bureau continues to believe that education of students in the relationship of agriculture to food, fiber, science, technology and the environment is very beneficial to the long-term goals of New Jersey farmers. Therefore, New Jersey Farm Bureau strongly supports the museum's movement toward shifting its focus, to include both the "food" and "agriculture" industries together.

New Jersey Farm Bureau urges all segments of New Jersey agriculture county boards, commodity groups, Granges, the farm supply industry, the milk industry, the New Jersey Legislature and all individuals - to support the New Jersey Museum of Agriculture with membership and financial contributions.

BIOSOLIDS

For some farmers the land application of biosolid products has proven to be beneficial, at least in the short term, because they are less expensive than other commercial fertilizer products. However, serious concerns about the quality of these products, and the potential liability associated with their use still remain. Farmers and other landowners should also note that the land application of these products is currently not permitted on land in the Farmland Preservation or Green Acres program.

Rutgers has developed guidelines for the application of sewage sludge and sewage sludge-derived products on agricultural lands. However, Rutgers should reassess the use of biosolids within the Pinelands and Highlands in regard to the quality of the sludge material being applied and develop AMP guidelines consistent with water quality regulations that are already in place in the Pines. Further, the state should be held responsible to monitor the groundwater in these areas surrounding the application sites where municipal or county utility authorities have hauled their sludge and make the results of these tests quickly available. These guidelines are based on agronomic practices, and do not address the liability or public perception issues.

Rutgers has also developed fact sheets with information for farmers who are considering using biosolid products. New Jersey Farm Bureau will provide these to any Farm Bureau members upon request.

Because the liability question remains unaddressed, New Jersey Farm Bureau strongly urges caution if sludge or sludge-derived products should be placed on agricultural land until 1) an AMP is developed and adopted and 2) the DEP and the sludge product producer provide ongoing liability protection through state law for the use of this material if applied according to the AMP. The SADC has proposed an AMP (based on the Rutgers guidelines) for the application of Exceptional Quality (EQ) biosolids on farmland. If adopted, those farmers who apply biosolids in conformance with the AMP will be eligible for Right to Farm protection. The new rule would also allow for the application of EQ biosolids on land enrolled in the Farmland Preservation Program.

New Jersey Farm Bureau continues to urge caution in the usage of these materials, even with an adopted AMP, because their distributors do not guarantee the quality of the material, and the negative public perception sometimes associated with these products.

To further ensure the proper use of these products, research on sludge and other by-product soil amendments should be conducted at Rutgers for New Jersey-based conditions.

USE OF FOOD BY-PRODUCTS

Waste material recycling, if done properly, can be a significant way to conserve natural resources and energy. Composted material used as an input for soil nutrients and replenishment is also a potential way to merge waste disposal with farm production practices. Both recycling and the use of compost materials are generally seen as beneficial to society and usually having a positive environmental impact.

An Agricultural Management Practice (AMP) for the land application of food processing byproducts was adopted by the SADC in 1999. Farmers land-applying these products should follow the guidelines provided in the AMP in order to receive full protection under the Right to Farm law. Farm Bureau should make farmers aware that this AMP is available for their use.

BEEF PROMOTION

New Jersey Farm Bureau continues to support the mandatory beef check-off program and related activities of the National Cattlemen's Beef Association and the New Jersey Beef Council for the promotion of beef and beef-related products, consumer education and beef research activities.

BUFFALO PRODUCTION AND INSPECTION

Buffalo are not currently considered a meat animal by the USDA. Because of this, the inspection process for buffalo meat products is much more costly than for other meats. NJFB supports a USDA regulation change to include buffalo on their list of meat animals.

TAXATION ISSUES

Local Property Taxes

Because education in the State of New Jersey is funded mainly through the local property tax, the financial burden of education is unfairly placed primarily on property owners. This has become a growing financial hardship for farmland owners.

This method of school funding has also created a social climate that is hostile toward any new growth or development. Many municipalities are making land use and planning decisions based not on what is best for the environment or the community as a whole, but rather, as a means to slow or even stop development, in an effort to hold down school taxes. Many of these land use decisions, like downzoning, drastically diminish a farmland owner's equity.

To help protect the property rights and financial well being of farmland owners, New Jersey Farm Bureau strongly supports a change in the method by which New Jersey schools are funded. We urge the Governor and Legislature to immediately address this issue.

An area of concern has grown with State institutions, particularly colleges, that have expanded and bought residential units for staff to use as a residence as part of their employment compensation. The concern is that these increasing tax exempt residential buildings are consuming services as any other residence in the community but not contributing to the tax base. The NJFB supports the reexamination of tax exempt status based on "exclusive use" be revised to allow municipalities to assess taxes fairly to all residents in the community.

Farm Bureau should explore the impacts of rising property taxes on farms and seek recommendations to lessen the tax burden on farmers.

State Taxes

The New Jersey Estate Tax imposes taxation on estates valued over \$675,000. With New Jersey's high land values most estates containing farmland would be subject to this tax. Therefore, New Jersey Farm Bureau supports a complete elimination of the New Jersey Inheritance and Estate taxes. However, recognizing the political challenges of achieving a complete elimination, the NJFB president should develop a working group to develop guidelines for farm bureau staff to use while negotiating for improvements in this tax law. The working group should present its guidelines within 90 days of its formation.

New Jersey Farm Bureau supports a one-time exemption from capital gains to the New Jersey gross income tax for the sale or condemnation of a farm.

Federal Taxes

New Jersey Farm Bureau supports the permanent elimination of the federal estate tax and the federal capital gains tax.

New Jersey Farm Bureau supports the enactment of Farm and Ranch Risk Management Accounts (FARRM Accounts) to allow for producers to contribute up to 20% of their income into a five-year tax-deferred account.

Currently, farmers who donate food through "gleaning" programs are not eligible for the tax deduction. New Jersey Farm Bureau shall support a modification to the current federal tax deduction for food donations, so that farmers donating their products could qualify.

General Tax Issues

There is a need to enact legislation in the state to synchronize the deadline dates for the filing of state and federal tax returns by New Jersey farmers. This creates unnecessary complications and expense for those preparing those returns.

New Jersey Farm Bureau shall create and disseminate a series of fact sheets for its members' farmland assets.

PRODUCT DISPARAGEMENT

Growers of fruits and vegetables in recent years have suffered a loss of sales in the marketplace from unsubstantiated attacks challenging the safety of these food products. The issue of residues from agricultural chemicals in particular, like the ALAR scare on apples, is frequently a target of these misguided campaigns. The absence of scientific fact and the deliberate appeal to fear in an unsuspecting consuming public are used to disparage the safety and quality of fresh farm products. The fact that these products are marketed on a generic basis rather than through a brand name contributes to the problem.

Producers of generic products have no specific protection against libel and cannot recover damages from those who engage in produce disparagement.

Several states have adopted legislation to give growers some legal protection from this problem. The New Jersey Farm Bureau directors should evaluate this situation and seek appropriate remedial action to protect its produce industry and any commodity group having the same problem.

FARM CREDIT

Agriculture in New Jersey, like elsewhere in the nation, needs a reliable source of operating credit and long term financing to support itself. New Jersey Farm Bureau recognizes the importance of maintaining a strong farm credit system to help meet the credit needs of farmers, agricultural cooperatives and rural communities. NJFB also recognizes that agriculture is changing and, correspondingly, its needs for financial services and capital, new investment, and infrastructure are changing. Because of this changing climate, agriculture and rural communities need greater, more dependable access to competitive, flexible, financial resources in order to compete in a changing global economy.

The customer-owned Farm Credit System has a mission to serve the financial needs of agriculture by providing capital, expert advice and competitive financial services and product. New Jersey Farm Bureau will support regulatory and legislative changes that would provide agricultural producers, commercial fishermen, farm- and fishing- related and other rural businesses, rural homeowners, and others in rural America with broader access to financing by the cooperative Farm Credit System.

COMMERCIAL FISHING

Farm Bureau shall strongly oppose any legislation that attempts to ban legitimate, historical fisheries in state waters. It shall be an active player in any coalition of recognized commercial fishing groups formed to oppose such a ban. Farm Bureau will seek and support legislation creating a Right to Fish bill. Such legislation will guarantee equal access to our marine fishery resources for all user groups (commercial, recreational, and charter).

Farm Bureau shall seek aquaculture funding that reflects the realities of aquaculture in commercial fisheries, and serves as a bridge between the state's agricultural, scientific and commercial fishing communities. The common ground between commercial and aquaculture industries should be identified and strengthened to create a strong union to promote seafood through the Jersey Seafood program.

Farm Bureau will discuss with NJDA the possibility of the seafood industry being granted a seat on the State Board of Agriculture.

NJDEP Fish Consumption Advisories:

The NJDEP regularly releases fish consumption advisories, sometimes more stringent than federal EPA guidelines. These more stringent standards can have a devastating affect on New Jersey's party and charter fishing business, and can also have a severe negative impact on the sale of commercially caught bluefish. The recent risk/benefit studies conducted by Harvard University and the National Academy of Sciences Institute of Medicine both concur that the benefits of increased seafood consumption outweigh any potential risks, especially in the commercial chain. New Jersey Farm Bureau strongly urges the NJDEP to use the PCB standard that is being utilized by the EPA.

Government Aid to Commercial Fishing Industry:

New Jersey Farm Bureau shall seek legislation ensuring that government money (i.e., subsidies, low-interest loans, guarantees, etc.) given to aid the commercial fishing industry shall be used for that purpose only. In the event said loans, etc., are not used for that purpose, said money must be repaid immediately. This should be patterned after the existing county level Ocean County revolving loan fund; and should not in any way be available for fishing enterprises owned and operated by large, conglomerate corporations.

Ocean Dumping:

The New Jersey Farm Bureau strongly supports the phase-out of all ocean-dumping of wastes. Commercial fishermen have long suffered from current dumping practices.

Commercial Fishermen Classification

New Jersey Farm Bureau shall actively seek and support the following legislative change: person or persons and corporations shall be for legal purposes, considered in the same category as a farmer throughout the state of New Jersey if he is engaged in "the act of gathering or processing of marine or aquatic organisms for the use of food or industrial purposes, the sale of which is his/its source of income."

Support of Commercial Fisheries:

- Farm Bureau shall move as vigorously and as quickly as possible to support the shellfish and commercial fishing industry in every way within their means recognizing this industry is a vital segment of New Jersey's agriculture. Farm Bureau shall seek and actively support the following:
- Depuration and relay of all shellfisheries (hard clams, soft clams, oysters and mussels) from all condemned and special restricted waters in the state of New Jersey.
- A special prosecutor from the New Jersey Attorney General's office to assist commercial fishermen in prosecution of cases concerning theft of gear and shellfish from leased ground, and farmers for cases of theft of crops and damage to farms. This special prosecutor should be a deputy attorney general assigned to commercial fishing matters, who should be directed to meet with commercial fishermen on occasion during the year.
- The proposed Coastal Commission provided commercial fishing interests are represented by at least one seat on the commission. Property tax abatement on dock space at the waterfront should be a major priority for the commission.
- Due to the high and ever increasing tax rates of commercial waterfront property, commercial docks, landings, and fish processing facilities are being forced to sell to other commercial interests thereby creating an economic hardship on New Jersey's commercial fishermen in that there are fewer facilities to unload, sell, and process their catch. New Jersey Farm Bureau should develop appropriate measures to enhance commercial fishing dock space, with sufficient capital funding in a manner that reflects each port's needs. New Jersey Farm Bureau shall work with shore area legislators to accomplish this.
- Encourage all marine extension research to be directly related to the needs of the industry. It shall also formally review the various advisory councils affecting commercial fishing for relevancy to the needs of the industry.
- The commercial fishing interests have long felt that their industry needs to be part of the state Department of Agriculture. Commercial fishing is a harvesting of sea resources and a form of food production. It needs to be promoted and protected in the same way as traditional farm commodities. New Jersey Farm Bureau shall initiate and support an effort to transfer the shellfish and marine finfish offices of the DEP into the Department of Agriculture.
- Farm Bureau shall work to ensure that import certification from NJDEP for out-of-state suppliers that are stocking fish in private and public New Jersey waters is harmonized with NJDA regulation covering the import of finfish for the purposes of aquaculture.
- The need for advocacy of commercial fishing also exists at the national level. The American Farm Bureau is respectfully requested to change the name of the Aquaculture

Committee to include Commercial Fisheries. Although New Jersey Farm Bureau has had commercial fisherman members serve on this committee in the past, the emphasis has been on controlled-environment fishing and not commercial fishing of the seas and bayshore waters.

- The striped bass is a migratory fish that provides a source of income to the fishing communities of the East Coast and delicious table fare to millions. The Atlantic State Marine Fisheries Council is declaring the striped bass a recovered fishery as of 1995, after years of restrictive conservation measures. The historic commercial fishery for striped bass was legislated out of existence a few years ago with passage of a bill that gave bass "game fish only" status and banned the sale of this fish in New Jersey, thus removing it from restaurant menus. With striped bass stocks now fully recovered, neighboring states are allowing commercial harvest of striped bass. Farm Bureau shall seek and support legislation that will repeal the ban on the sale of striped bass and remove its "game fish only" status.
- New Jersey Farm Bureau shall seek to repeal current bans on the sales of fish labeled "game fish only," and any effort that would attempt to classify any commercially caught fish as "game fish only." Examples of this labeling include largemouth bass and smallmouth bass. Fish and Game regulation in New Jersey prohibit their import and culture for the purposes of foodfish. The roots of this are in the 80's and 90's, when aquaculture was a nascent food sector, from recreational angling groups such as B.A.S.S. out of the fear that aquaculture would genetically perturb the species and somehow take the fight out of the fish. Many states have no such restriction and are large producers of largemouth bass for food markets, and are still major sportfish destinations. Foodfish culture of Largemouth Bass has not harmed these natural populations. With large ethnic markets in the region, New Jersey farmers cannot realize the opportunity of culturing this profitable species, without this change in regulation.
- Recent legislation has increased the power and importance of the Atlantic States Marine Fisheries Council. As presently constituted, members of the council consist of three members from each state. Two are state officials and one is "at large." The present set-up allows one industry to be dominated by another, commercial or recreational depending upon a member's (commissioner) philosophy. The public should be represented by the two separate commissioners (one commercial and one recreational) so both interests are represented fairly. Public hearings should also be held on any proposed regulations by A.S.M.F.C. Farm Bureau We shall seek and support congressional legislation to achieve these changes.

AQUACULTURE DEVELOPMENT

Aquaculture offers the opportunity for a new farm crop and expanded marketing in New Jersey agriculture. It offers New Jersey farmers the chance to diversify into a potentially profitable onfarm enterprise as a supplement to their current farming operations. Those promoting aquaculture envision farmers using ponds, cages in existing private impoundments, or tanks in greenhouse structures, or innovative structures for shellfish production, for producing species that are highly marketable to local consumers and the export market.

Rutgers University:

Rutgers University has a significant research program underway and has plans to assist commercial development as well, building on the existing experience of east coast farmers with these new crops.

A Multispecies Aquaculture Demonstration Facility of Rutgers University has been funded by grants from the Federal government, the State of New Jersey, Rutgers University and Public Service Electric and Gas, and is to be completed within the next 6 to 9 months. However, there are no available funds to cover this facility's operating costs. Farm Bureau shall strongly support development of a plan for State support of basic operations including salaries and supplies required for conducting aquaculture demonstrations and research that will benefit the aquatic farmers of New Jersey.

Aquaculture Development Zones:

Four Aquaculture Development Zones have been established in the Delaware Bay, which will enable the use of structure in shellfish aquaculture. The necessary state and Federal permits have been obtained by NJDEP. Regulation covering the use and allocation of leases in these ADZs needs to be developed by NJDEP, along with statutory changes to Title 50 to allow leasing in ADZ-4 (Cape Shore). In the interim, ADZs will be handled as research areas for an indefinite time period. While this is a good first step, this is not the scenario that is needed to foster long term investment in innovative methods for shellfish aquaculture. New Jersey Farm Bureau shall work with NJDA in its efforts to get the NJDEP to provide ADZs in addition to the General Permit for shellfish aquaculture so that there is greater flexibility for farmers to develop shellfish aquaculture in other private lease areas that work. Farm Bureau shall seek to have a regulatory fast track given to holders of riparian grants who want to develop shellfish aquaculture in these areas. Owners of riparian grants are paying taxes on these submerged lands and many were written to specifically authorize the culture and harvest of shellfish.

New Jersey Department of Agriculture:

New Jersey Farm Bureau supports the development of the aquaculture industry in New Jersey and endorses the central role of the NJDA in bringing about a streamlined protocol for the establishment of these production practices and businesses.

The Aquaculture Development Act was passed to help facilitate investment and start-up enterprises in aquaculture. This is critically important for small business operations that lack the capital, expertise and time to deal with an onerous regulatory structure. This responsibility is assigned to the Department of Agriculture and specifically to the Department's Fish and Seafood Development Program (FSDP). The FSDP currently provides support to the aquaculture industry through technology transfer projects, marketing assistance and technical assistance with required state permit processes. In 2004 the department published final rules for an aquatic farmer license and the permit applications are available from the department. To date 182 Aquatic Farmer Licenses have been issued.

An Agricultural Management Plan for aquaculture has been adopted by the SADC and is supported by a set of Aquaculture Management Practices and an Aquatic Organism Health Management Plan. These plans were developed to protect the environment, wild stocks and the growing New Jersey Aquaculture industry. Right to Farm protection is currently conferred as per this adoption.

Federal Legislation:

Legislation on Open Ocean Aquaculture Policy has been introduced in the United States Senate. This Legislation has tremendous potential to establish the guidelines under which the 3 to 200 nautical mile limit can be utilized to foster environmentally sustainable and economically feasible aquaculture. The United States trade deficit for seafood products in 2004 was \$7.8

billion. Among all food items, seafood is the largest contributor to the U.S. trade deficit. Farm Bureau shall support the proposed legislation.

EDUCATION POLICIES

All farmers and landowners in the state should be concerned with the enormous investment of public tax dollars invested by the state in its educational system. The financing of elementary and high school education is largely based on the property tax placing constant upward pressure on property taxes.

Farm Bureau believes that the original purpose of providing tenure to teachers has long since passed, yet the system remains to the detriment of cost-effective, high quality education. New Jersey Farm Bureau supports the elimination of tenure privileges to faculty members in all educational institutions in the state.

New Jersey Farm Bureau shall seek legislation and the support of the state Department of education for a proposal making "Ag in the Classroom" a required part of the curriculum in the first through sixth grades.

Ag in the Lunchroom

School children in New Jersey and throughout the country are the recipients of much information about nutrition and the food supply. Some of this information contains a bias toward a variety of alternative perspectives that vary with traditional practices of food production and agriculture. Without being closed to new innovations, farmers should be careful not to allow their interests to be set aside by aggressive campaigning of competing advocacy groups.

Farm Bureau should work with the NJDA, Ag Society, Soil Conservation Districts and Rutgers Cooperative Extension to survey what is being taught about the food supply to elementary school children. It should serve as a facilitator in distributing videos to help make these students more aware of the realities of food production. This should include illustrations of how food consumed in the lunchroom connects with the food production process. Also, an "Ag in the Lunchroom" promotional program should be developed to offset any anti-agriculture message.

FFA/Agricultural Education

Agricultural education prepares people for careers and professional leadership in production, processing, marketing, and distribution of agricultural products, and for related careers in plant and animal technology (including aquatic life), economics, education, mechanics and engineering, natural resources and environmental technology, politics, sociology, and international relations and trade.

Agricultural Education's components are: classroom and laboratory instruction by a certified teacher of agriculture; work-based learning through supervised agricultural experience programs; and personal and professional career development activities of the FFA.

Of the critical issues facing the nation, few are more compelling than ensuring a stable, safe and affordable food supply, improving the academic performance of public schools and providing leadership for local community development. The National Council for Agricultural Education is contributing substantially in these areas through its major national initiative "10 x 15: The Long-Range Goal for Agricultural Education." The national goal states:

By 2015 there will be in operation 10,000 quality agricultural education programs serving students through an integrated model of classroom/laboratory instruction, experiential learning, and leadership and personal skill development. Further, all students will be members of the FFA and have a supervised agricultural experience that supports classroom and laboratory instruction.

New Jersey Farm Bureau is concerned about successfully meeting growing domestic and global demands for food and fiber; and seeks to identify the future managers, producers, leaders and workers who will ensure the future security and productivity of agriculture. We recognize that local communities expect higher academic achievement among their students, especially in math and science, and increases in accountability, standards, rigor and relevance throughout the education systems.

To achieve these goals, New Jersey Farm Bureau endorses the long range goal for agricultural education and urges its members to provide active support for its projects and activities on local, state and national levels that will help create new programs in communities not yet served by agricultural education and FFA and ensure the quality and high performance of current programs providing personal, academic and career education in agriculture.

Steps must be taken to insure that all residents of New Jersey have a better understanding of "What is agriculture" and a better appreciation of the contributions that a strong agriculture makes to the quality of life for all residents.

The New Jersey Farm Bureau supports the development of a coalition of New Jersey agricultural organizations which would have as a primary focus the support of agricultural education, thus increasing the number of quality instructional programs and therefore increasing the number of qualified graduates to pursue agriculture, food and natural resources careers as defined by the career cluster model. The coalition would function as "Team Ag Ed" and would support programs, projects, and initiatives which will improve the image of agriculture state-wide, inform the public about the benefits of a strong agricultural community, and encourage young people to consider the rewards of pursuing a career in an agricultural occupation.

FARM BUREAU POLITICAL POSITION

Farm Bureau represents all the farmers and rural interests in New Jersey and represents their public policy interests. Farm Bureau should encourage individual farmers or groups of farmers to evaluate positions of candidates for elective office that affect their interests and to publicly express their endorsements therefore.

COOPERATIVE ACTION AMONG FARM GROUPS

Agriculture in the northeast and especially New Jersey in recent years has been marked by increased competition, intrusion by government regulations and declining profitability for many operators. In these times of increased economic competition, farmers should look to innovate with cooperation more than ever before. New Jersey Farm Bureau should be active in developing and/or facilitating collective action among its members where it proves to be feasible.

ENGLISH - OFFICIAL LANGUAGE

State legislation is pending that would designate English as the official language of the state. We also support the same for adoption by the Congress of the United States. While we appreciate the ethnic diversity that makes this country great, our government has limited

resources and must not be forced to make unnecessary expenditures for the printing of various documents in multiple languages. We should provide public education and training to help those in need to learn English, but at the same time establish the language as the official basis for governmental and business transactions. An important aspect of English as the official language of the United States is that it establishes a common, unifying theme in the world's most widely diverse and constantly changing culture.

LITIGATION POOL

New Jersey farmers are sometimes the recipients of unfair and arbitrary enforcement actions arising from either government enforcement agencies or litigation. These normally occur in instances of labor management, environmental issues, land use or farm management practices. Agriculture is a profession dependent on the use of natural resources and a substantial amount of labor, and is therefore, vulnerable to such legal action on many fronts. An individual farmer is in an unfair position to defend him or herself from "test cases" brought by advocacy groups or government agencies.

Settling these cases because of financial limitations despite one's feelings of guilt or innocence is undesirable both to the individual farmer and the farm community as a whole. There may be other farmers in the state who have encountered similar problems and should have their information pooled with other farmers' experiences. The Farm Bureau directors will develop a working policy and protocol to educate and assist farmers on legal problems arising from environmental, labor and right to farm disputes. Such a protocol should include swift and strong support from Farm Bureau in any cases that could set a precedent for farmers statewide.

ENERGY USE ON FARMS

While an agricultural purpose exemption exists for new and extended service hook-ups, it is narrow in its definition. Because of this definition, the New Jersey Board of Public Utilities is not automatically exempting farms from the fees if they are located in non-growth areas. NJFB shall work with the BPU to expand and clarify the agricultural exemption so that it includes all on-farm activities that meet the standards of the Right to Farm Act. NJFB also supports the exemption of housing built on the farm for family members or agricultural workers.

The farm exemption for demand meters needs to be clarified so that all farms, new or existing, are exempt from the need to install a demand meter. Further, NJFB urges the BPU to create a program that provides farmers an incentive to switch to three-phase electric service.

The BPU has a new program available called the "New Jersey Smart Start Buildings." The purpose is to provide financial incentives and technical assistance to help those starting a commercial or industrial project from the ground up, renovating existing space, or upgrading equipment to more energy efficient standards. The goals of this program are laudable; however, incentives for new construction are available only for projects in areas designated for growth in the New Jersey State Development and Redevelopment Plan (PA 1 and 2). This requirement would render the majority of New Jersey's farms ineligible for this program. New Jersey Farm Bureau supports a change in the eligibility criteria for the Smart Start program, to ensure that it is open to any business seeking to improve their energy efficiency. Farm Bureau should request a meeting with the BPU to discuss this issue as well as how the program can be better promoted to the farm community.

The BPU and federal government also offer grants and loans for energy audits. New Jersey Farm Bureau should support these incentives and encourage farmers to take advantage of these opportunities to improve on-farm energy efficiency.

RENEWABLE ENERGY

Ethanol

New Jersey Farm Bureau in consultation with the New Jersey Grain and Forage Producers Association should continue to promote the use of ethanol in motor fuel. It should also continue to seek ways to create marketing opportunities for New Jersey grain growers in the development of these oxygenated fuels.

New Jersey Farm Bureau remains strongly in support of this project as Garden State Ethanol seeks permanent funding sources. Because of New Jersey Farm Bureau's significant investment in this project, it is imperative that Farm Bureau update its membership regularly about any new developments or progress made in this project that is made available by GSE. The rapid expansion of the ethanol industry nationwide has been one of several factors that prompted the sharp rise in corn prices, achieving part of the objective for a local ethanol production business.

The directors of New Jersey Farm Bureau and Garden State Ethanol remain dedicated to finding optimum arrangement to establish ethanol production businesses, particularly in light of the newly-established markets, advancements in technology (cellulose, algae) and federal financial incentives. New Jersey Farm Bureau will continue its support and facilitation of the ethanol project.

Should the project come to fruition, it will provide a highly-desired new corn market for farmers in the region. This would be a first step toward the implementation of an even larger biofuels policy for the state that could help sustain the economics of field crop agriculture in the future.

Biodiesel

Federal Incentives and new clean air requirements are improving the prospects for biodiesel. Soybean and other oilseed crop producers may find an opportunity here soon. NJFB should continue to monitor the feasibility of biodiesel and soybean crush opportunities to help create additional marketing outlets for local soybeans.

Biomass Crops

New technology and market conditions for electric power generation to serve New Jersey's energy needs may soon create an opportunity for farm-grown energy crops. Farm Bureau should seek revisions to New Jersey Board of Public Utilities rules that will enable biomass sources to be co-fired with other fuels as a class one renewable energy source.

Biomass energy crops like switchgrass and miscanthus have been made a research priority at NJAES so New Jersey farmers may eventually find economic rewards from this and similar plant material. NJAES has established the Sustainable Energy Working Group to further this ambitious research agenda. The working group includes representatives from the New Jersey Farm Bureau, NJDA, DEP and USDA, among others. New Jersey Farm Bureau fully supports the research efforts of this working group and will continue to do so going forward.

Solar and Wind Energy

New Jersey Farm Bureau supports a change in New Jersey Board of Public Utilities regulations to allow and encourage farmers to generate and sell solar energy in excess of their own use for additional income, to enhance the viability of the farm operation. With the passage of net metering law in January 2008 the BPU is authorized to allow for private systems to generate up to 2 mega watts of electric, this could translate to 7-10 acres of solar panels on a farm. Farm Bureau should work with the BPU to make sure rules are drafted to allow for the increased sale of energy by farmers back to the grid.

Farm Bureau shall support on-farm alternate energy sources and review all municipal regulations that might interfere with their use, and seek recommended agricultural practices for Right to Farm protections of those alternate energy uses as they relate to a working farm. Though Farm Bureau supports utilizing the natural resources of sun and wind on farms, New Jersey Farm Bureau opposes the concept of defining energy production as an agricultural commodity, to prevent abuses of the Right to Farm and Farmland Assessment Acts.

NJDEP has proposed rule changes that threaten to severely limit renewable energy projects in the CAFRA areas. Farm Bureau opposes these overly-burdensome regulations as they are currently written because they threaten to impede wind energy development in the coastal areas of the state. Instead, the state should take advantage of the resources in this area by encouraging well-designed, sensible renewable energy projects.

Other Renewable Energy Sources

New Jersey Farm Bureau supports and encourages the development and use of all renewable energy source, including solar, wind, biodiesel, biomass, and geothermal. Farm Bureau believes that these technologies are inherently beneficial to the state and should be supported where applicable. Farm Bureau shall seek the enactment of legislative and/or regulatory initiatives that provide incentives for the use of renewable energy sources. Farm Bureau also supports the increased use of renewable energy by all state government agencies.

As such, Farm Bureau supports pending legislation in the Senate that expands the rules pertaining to solar, wind and biomass installations on preserved and non-preserved farms. As written, the bill would afford preserved farm-owners the option of building renewable energy systems to provide for their average annual energy use plus an additional 10% OR 1% of their total land area. This total would not include roof-mounted solar equipment and would only apply to ground-mounted installations. The bill would also expand Right to Farm protections to cover renewable energy installations that meet the aforementioned criteria.

The legislation also applies to non-preserved farms, capping renewable energy installation system on these farms at 2MW. The bill provides that for every 5 acres of land, 1 acre may be devoted to renewable energy system on a non-preserved farm. Total system size would be capped at 10 acres. If a renewable energy system that meets these criteria is installed on a non-preserved farm, the legislation would guarantee that farmland assessment is maintained.

The equipment used to generate and utilize these alternative energies (eg: solar panels, wind) should not be taxed as real property, in October '08 the governor signed legislation exempting those alternative energy systems from real property tax.

New Jersey Farm Bureau is concerned about new legislation requiring that anyone working on an installation that receives financial assistance from the Board of Public Utilities be paid prevailing wages. Where public grants and other public funds are used in part to fund

construction or/and development of alternative energy projects on farms that farms be exempted from being required to hire the work done at prevailing wage. This legislation threatens to negatively impact the renewable energy industry by dramatically increasing installation costs. Farm Bureau should oppose this policy since it impacts renewable energy installation prices such that these installations become unaffordable for farmers.

AMERICAN FARM BUREAU

New Jersey Farm Bureau encourages American Farm Bureau to again increase its dues to maintain a budget that will meet the needs of this national organization. The American Farm Bureau Federation should consider publishing a national publication. Currently, only a small fraction of the membership receives the AFBF News. We recommend that the publication be an extension of our agricultural and free enterprise philosophies.

TRESPASS/VANDALISM

Farming in the suburban/rural fringe areas of New Jersey continues to experience regular nuisance events from trespassing and vandalism. This pressure on agricultural operations is a preventable source of increased costs of production and is an unnecessary hassle for those farmers. The increased interest in the "Rails to Trails" program as well as the development of other new walking and horseback riding trails nearby or through active farmland is likely to increase the incidents of trespassing, littering, and vandalism, making this issue of even greater importance. These problems can otherwise negate some of the advantage for being in direct proximity to large retail market opportunities.

Because those who recklessly drive onto farm fields are not aware of on-site conditions, they sometimes get stuck in wet soil or simply abandon the vehicle on the farmland property. In such an event, the vehicle ought to be kept on the premises by the local police until the landowner has been notified, has the opportunity to assess any damage to the property and also has determined who is responsible for reimbursement of the damage. New Jersey Farm Bureau shall seek whatever rule change is appropriate to have this procedure adopted throughout the state. We urge that balloonists and all terrain vehicles be included in the same laws as motor vehicles concerning trespass.

New Jersey Farm Bureau shall seek out support for legislation to strengthen the trespass law in New Jersey and provide for increased penalties in instances of farm vandalism. Farm Bureau shall seek stringent enforcement of these laws. New Jersey Farm Bureau also supports a legislative change to allow tenant farmers to file trespass complaints if his crop is put at risk.

New Jersey Farm Bureau supports more public education, and education of police and public officials in the form of brochures, billboard campaigns and/or booklets, regarding the consequences of trespassing and the theft and/or damage to crops. This would help promote a greater awareness in the public about the value of these crops to farmers and hence their importance in preserving a local source of food and scenic beauty.

Farm Bureau supports the concept of mandatory beverage container deposit legislation. Bottles and cans discarded along the roadside of farms is a costly nuisance to farmers. While the litter tax and clean-up program are in place, it is at best a partial remedy. Farm Bureau shall support the renewed efforts of conservationists to have this legislation passed.

COMMERCIAL BEE INDUSTRY

The commercial production of bees and their use in the pollination of crops is a vital component of New Jersey agriculture. This aspect of farming is not well known to nonfarmers. Beekeeping needs to be supported and maintained in New Jersey. Some New Jersey municipalities, mistaking honeybees for yellow jackets, have passed local ordinances banning the keeping of bees. These municipal officials need to be educated about honeybees and their importance to the agriculture industry. New Jersey Farm Bureau applauds the New Jersey Department of Agriculture's outreach and education efforts toward local officials on this important topic.

The importance of the bee industry to New Jersey was highlighted 2007 when many of the state's bee colonies suffered from colony collapse disorder. This undiagnosed problem resulted in a loss of over 55% of the state's honeybee population.

To insure a safe and plentiful supply of bees for New Jersey farmers Farm Bureau should oppose legislation that unnecessarily restricts the movement of commercial beehives into and around the state. This recommendation does not affect any of the existing powers in the NJDA Division of Plant Industry, which are sometimes used to stop the movement of bees in response to disease and insect problems. To ensure the health of the bee population in New Jersey, funding for the Bee Inspection Program within the NJDA Division of Plant Industry should be increased to allow for the hiring of more full-time inspectors.

A large segment of New Jersey's beekeepers are hobby beekeepers. Initial investments in bees and materials and the need to keep up on changing regulations and treatments for mites as well as damage from bears is becoming burdensome to the growth of the industry.

New Jersey Farm Bureau supports the continuation of the Department of Agriculture's beekeeper education program that trains and establishes new beekeepers in the state. This is an important program and should be continued but with a focus on training people in commercial farming as a priority for participation in the program.

It is important that New Jersey Farm Bureau work with the Beekeepers Association and to assist them in finding ways to help the industry grow.

PROBLEM SOLVING SERVICES

One of the core services provided by Farm Bureau for its members is informal constituent assistance when help is needed. Many farmers call or write letters to the Farmhouse with questions, requests for information or ideas about how to handle problem situations. Some of these questions involve compliance status with government regulations. Others are in regard to miscellaneous aspects of farm operations and management. Farm Bureau shall respond to these farmer calls within 24 hours. This interaction is an excellent way to surface information about the need to create, modify or eliminate current regulations through formal contact with government agencies or the legislature.

There is a benefit to coordinating this effort with similar work being done by the Department of Agriculture and Rutgers Cooperative Extension. Information fact sheets and other "how to" and "do's and don'ts" guidelines can be stored and retrieved on the Farm Bureau communication tools. Farm Bureau shall, during the upcoming year, attempt to strengthen these services through such coordination and documentation of this base of knowledge and experience for the membership.

Members are cautioned that the key to gaining flexibility in the interpretation of rule compliance judgment calls is good faith efforts at using recommended management practices. Farm organization influence is diminished by the few who skirt recommended practices and create undesirable impressions with the public about agriculture.

EQUINE INDUSTRY

Equine owners and operators annually contribute more than \$647 million to the state's economy. Also, the New Jersey equine industry provides recreational, environmental and ecological benefits to all of the state's citizens.

The Rutgers Equine Science Center released an updated equine economic impact study in 2007. The study outlines the 1.1 billion dollar total economic impact of the equine industry to the state (\$502 million contributed by racetracks) and the 42,500 equine animals that are housed in the state on 7,200 operations and 176,000 acres.

As the equine industry shifts toward recreational uses, the growth in equine facilities for riding, training, and boarding continues to expand. In some communities the establishment of equestrian centers has been met with community resistance. With the adoption of the equine AMP there should be less conflict with farmers building and operating those facilities.

Another area where recreational equestrians find conflict is in finding facilities and places to ride. The New Jersey Horse Park is fast becoming a premier riding and show place but there are limited open space trail riding locations in the state. As more lands are acquired for recreational purposes, Farm Bureau shall support the establishment of equestrian trails, especially in rural areas.

Beyond the recreational equine industry, the New Jersey horse racing industry must be kept strong with competitive purses at the state's racetracks. The industry is facing tremendous challenges from competition in neighboring states, and New Jersey's horsemen and women are facing a crisis. Without adequate income from purses, breeders cannot continue to breed and train their horses in New Jersey.

Continued development of ancillary programs would also enhance the already considerable public interest in the industry. This would also boost the industry's efforts to compete nationally with other states' programs.

Legislation has been approved and signed by the Governor that will enhance breeder programs and enable horsemen for the first time to have a say in State Racing Commission decision-making. New Jersey Farm Bureau supports these bills. Expanding racing days for New Jersey-bred horses and increasing purses to be competitive with other states is a must. Farm Bureau also supports the implementation of mechanisms like off-track wagering (OTW), Video Lottery Terminals (VLTs) and phone betting that also will improve the market incentives for the racing industry.

Farm Bureau supports the formation of the "Horse Racing Industry Task Force." The purpose is to analyze and discuss the current state and the future of the horse racing industry in New Jersey and to issue, within 90 days of its first meeting, a report with recommendations on policy solutions that would enhance the competitiveness of the industry as it faces increasing competition from gaming in Pennsylvania, New York, and Delaware. During the summer the Governor created a "Blue Ribbon Panel" to do the same thing as the task force and report to

him ways to address the concerns of the horse racing and casino gaming industries. Farm Bureau encourages the incoming Governor to continue these meetings, and to include Farm Bureau, Rutgers Equine Science Center and NJDA representatives in these discussions.

An emerging issue in the equine industry is the care, use and the disposition of unwanted horses. Pending federal legislation would ban the transportation of horses to slaughter for human consumption. Faced with the pending ban, the three facilities that processed and inspected horsemeat in the US have closed. This limits export to Canada or Mexico as the options for meat slaughter. If the federal ban is approved, there could be huge impacts on New Jersey's equine industry. Farm Bureau should work with New Jersey's equine partners and landowners in the development of programs and policies to address the unwanted horse issue.

The Rutgers Equine Science Center is to be applauded for and supported in its continued efforts to ensure the well-being of the equine athlete and the sustainability of the New Jersey horse industry.

New Jersey Farm Bureau shall support the continued development of the horse industry in the Garden State.

SUPPORT FOR EQUINE BREEDING PROGRAMS

New Jersey Farm Bureau supports legislation such as A2098 and A2099 that make line item appropriation from the State Treasury Discretionary Funds to be awarded to the New Jersey Department of Agriculture to promote the New Jersey Sires Stakes, New Jersey Thoroughbred and Standardbred breeding programs.

WIC AND SFMN PROGRAMS

Since 1994, The Women, Infant and Children (WIC) Farmers Market Program, has provided Jersey Fresh fruits and vegetables to a segment of New Jersey's nutritionally at risk population who wouldn't normally purchase farm fresh produce. In 2002 a pilot program was started to address the fresh food needs of our senior citizens and to that end the Senior Farmer's Market Nutrition Program (SFMNP) was started with great success for New Jersey's direct farm marketers. Both programs have been successful at putting federal food program dollars in farmer's hands.

Though the SFMNP has had a high return rate for vouchers issued, the WIC FMNP has not had as successful a rate of return. To improve consumption of fresh fruits and vegetables the federal government has proposed rules that would permit vouchers to be redeemed at supermarkets and expanded the program to include frozen and processed fruits and vegetables. New Jersey Farm Bureau supports exploring the development of greater access for WIC and SFMNP participants including making electronic reading devices available to local area growers for food stamps. As one means of increasing participation, NJFB supports a change in regulation that would allow for the distribution of WIC checks at the farmers markets. This year, New Jersey and New York are the only states to use the new Cash Value Vouchers, CVVs. The program got underway this October and New Jersey Farmers are able to accept them.

Currently, farmers are still not allowed to accept CVVs for their own frozen or processed produce. This provides an unfair advantage to supermarket retailers in a program that was designed to be mutually beneficial to local farmers and high risk consumers. The changes in this program would definitely be detrimental to farmers markets should these CVVs be used throughout our growing season, as well as detrimental to the at risk consumers, as they may be

likely to purchase canned or processed foods instead of fresh. Furthermore, honey is currently considered a processed food. This assumption is not correct. Therefore, honey as well as other local value-added products should be included in the CVV program.

New Jersey Farm Bureau does not agree with and strongly opposes the expanded use of the coupons to supermarkets especially during New Jersey's local growing season, as the benefit of putting federal dollars into the hands of local farmers would be lost.

WINE INDUSTRY SUPPORT

New Jersey Farm Bureau supports the fast-growing wine grape and wine production industry within New Jersey agriculture. It is a dynamic business with a strong potential for future growth among those entrepreneurs who have invested in these enterprises.

Several bills have been introduced in the current legislative session that would address some of the regulatory problems facing the industry from out of state shipping and limited retail opportunities.

Farm Bureau will support the state wine industry and encourage the governor and Legislature to insulate these growers and wine producers from the state's response to the advent of direct shipping of out-of-state wines.

COUNCIL ON AFFORDABLE HOUSING (COAH)

COAH was established following the Mount Laurel decision to ensure that every community in the state addresses the need for affordable housing be it low or moderate income housing. COAH creates the rules and standards by which municipalities plan for and build affordable housing. Currently in place is what are referred to as the third round rules.

On January 25, 2007, the New Jersey Appellate Court issued a decision on an appeal filed by the New Jersey builders and affordable housing advocates regarding COAH's third round rules. The Court affirmed many aspects of the rules, invalidated other parts, and remanded certain issues to COAH for rulemaking, to be completed within six months.

The court focused on three aspects of the council's rules, calculation of need, allocation of need and compliance mechanisms. As parts of the third round rule have been implemented we have begun to see impacts to farmers such as COAH fees for the construction of barns and storage structures on farms. Those structures are supposed to be exempt under the rules. In part as a result of the court decision the legislature passed a law in June setting the mandatory fee for COAH obligations at a fixed rate 2.5% of assessed value. The legislation created confusion over farm structures and the fees. The NJDA working with DCA resolved the conflict and DCA issued written instructions to municipalities to not charge the fees on agriculture structures on farms.

NJFB should continue to work on finding ways to have Ag labor housing count towards a town's COAH obligation, remove assessments for agriculture related structures, and provide for exemptions from fees for construction of farm family homes.

CONSERVATION PLANNING FOR AGRICULTURE AND THE ENVIRONMENT

The New Jersey Department of Agriculture (NJDA) through the State Board of Agriculture is charged with the responsibility of strengthening and supporting the continued viability of the 733,450 acres of agricultural land and providing for natural resource conservation on those lands through a variety of conservation programs and partnerships.

The marketing and promotion programs of the NJDA have been very successful, gaining national acclaim for their 'Jersey Fresh' campaigns. The public/media awareness of New Jersey's agricultural products is very high, and the Department should be commended for its efforts in this area.

The NJDA relies upon sound science, expertise and knowledge from New Jersey universities, state and federal partner agencies, advisory groups, and professionals from around the state and nation to help develop sound, time tested and realistic conservation policies and best management practices to protect our state's natural and renewable resources to support New Jersey's agriculture infrastructure valued at more than \$8.6 billion with products valued at nearly \$1 billion annually.

During the past several years there has been a dramatic increase in regulation by rules and ordinances that adversely impact agriculture. This has caused great concern and frustration in the agricultural community, and may be contributing to a faster conversion of land out of agricultural uses.

While the NJDA has often offered constructive and reasonable comments to the NJ DEP during its rule-making process to protect agriculture against the adoption of unnecessary regulations while still ensuring protection of the environment, these comments are too often disregarded.

Because of this flood of environmental regulations, farmers are concerned that the DEP advocates for the retention of open spaces, but not necessarily for the continued viability of agriculture as an industry. Agricultural producers are left to worry that the DEP does not respect the input of agriculture as an industry – neither the Department of Agriculture's input nor the input from industry representatives and commodity groups.

In light of these serious concerns, New Jersey Farm Bureau urges the New Jersey Secretary of Agriculture to take an even bolder and more public approach to advocating on behalf of the industry of agriculture with the Governor, his cabinet and with members of the New Jersey Legislature.

In addition, New Jersey Farm Bureau calls upon the New Jersey Department of Environmental Protection to adopt an overall policy direction that would allow for a permit-by-rule procedure for agricultural operations, whereby the natural resource concerns that are being addressed in specific regulations are addressed through the development and implementation of a Farm Conservation Plan. New Jersey Farm Bureau urges the Legislature and regulatory agencies to recognize a separate and distinct review protocol for commercial agriculture. Additionally, conservation practices designed and implemented for agriculture shall be in accordance with science-based, USDA-NRCS Field Office Technical Guide (FOTG).

New Jersey Farm Bureau shall urge the Governor and Legislature to ensure that a permit-by-rule approach is implemented to protect environmentally responsible farm operations from overly burdensome regulations that currently threaten the continued viability of these farms, and New Jersey's efforts to retain farmland and a thriving agricultural industry.

RELIEF FROM EXCESSIVE ENVIRONMENTAL REGULATIONS

Ever since 1972 and the passage of the federal Clean Water Act the Legislature has repeatedly assigned to the New Jersey Department of Environmental Protection ever increasing power and

authority to regulate a broad range of activities related to the use of our land, water, plant, animal, and other natural resources, often without precise detailed and quantifiable standards.

We recognize this has resulted in improvements to the environment where action was needed to correct problems and prevent their reoccurrence. However, after thirty-seven years of a single agency having environmental regulatory authority with little oversight, there are indications of what appear to be spontaneous generation of rules and requirements and assumptions about the need for additional environmental constraints that exceed legislative intent or even public need.

Examples include extreme buffers from streams that far exceed the long-held and respected recommendations of agencies that have provided practical and site specific science-based land use guidance such as those provided by the Natural Resources Conservation Service. In addition, the promulgation of ever escalating air and water quality standards is causing many citizens, including those involved in agricultural production, to wonder if these resources will ever be clean enough, as determined by the State regulatory agencies.

In the promulgation of many new environmental regulations the DEP has often utilized questionable assumptions and broad generalizations to support rule-making. When DEP rules are challenged during public comment opportunities, the typical response to comments is “the Department respectfully disagrees.” To many concerned persons, it appears that there is a lack of concern for reasonability and the practical approach to resolution of environmental concerns. The rule-making intent seems to make the rules as extreme as possible, as though engaging in a negotiations process but never conceding to any requests for more reasonability.

We all can agree that environmental protection is important. Through good conservation and management practices agriculture can improve the environment. The public recognizes this, and the DEP should also recognize this in their development of rules and regulations. However, environmental protection regulations must also be tempered with consideration for the impacts they have on our economy and society and their ability to absorb the ever increasing restrictions on our natural resources.

Recently we have been barraged by studies that show people and businesses are leaving New Jersey at an increasing rate. Perhaps one of the major reasons they are leaving is because of over-regulation. Before we become a state where progress is no longer possible it is essential that we have stronger oversight of our regulatory agencies.

Therefore, the delegates of the 2009 New Jersey Farm Bureau Convention request the Legislature and the Governor to review the current system of legislative and regulatory oversight and take action to constrain excessive regulation to assure that the opportunities for economic progress and personal success remain viable in New Jersey while concurrently supporting reasonable regulations needed to protect our environment.

In support of Governor-elect Christie’s proposed Executive Order #1 to freeze all new state regulations for 90 days we request that copies of this resolution be sent to the Governor, members of the Legislature, heads of State agencies, including the Secretary of Agriculture, and to appropriate leaders of other institutions and agencies involved in legislative and regulatory functions throughout New Jersey to demonstrate our continuing support for reasonable and common sense environmental management.

ASPHALT MILLINGS

Farmers extensively use reclaimed asphalt pavement (RAP) or asphalt millings to improve farm lanes and prevent mud tracking on public roadways from farm equipment. The asphalt millings make farm road improvements affordable for farmers; where purchasing new natural aggregate or using millings as a sub-base to a superficial natural aggregate layer is expensive and creates unnecessary hardship for farmers.

Farm Bureau opposes restrictions on the use of asphalt millings on farm roads. With society's emphasis on increasing sustainable development, the re-use of reclaimed asphalt helps to decrease landfill waste, decrease dependence on mined natural aggregate, and it decreases use of bitumen which is an organic compound of potential environmental concern. In addition to its greener foot print, the use of asphalt millings on farm roads helps cut unnecessary costs on farms.

Current international scientific research on the environmental leaching potential of the organic compounds from bitumen is scant. However, the research that has been performed shows that there is an extremely small risk of these compounds leaching from bitumen into the environment. Given this scientific evidence, and the societal benefits of using asphalt millings on farm roads, the Farm Bureau will support initiatives that protect farmers' rights to use the asphalt millings so long as it is scientifically proven not to pose a public or environmental hazard.

NEW JERSEY DEPARTMENT OF AGRICULTURE BUDGET

Farm Bureau supports restoration of full funding to the NJ Department of Agriculture. Farm Bureau strongly opposes any cutting of the Agriculture department budget.

As the national and state economies worsen, further cuts are being requested of state agencies. This additional reduction to the current year's budget will undoubtedly have a negative impact on the key functions and programs of the department. Some impacts have already been felt through the loss of employees to early retirement, reduced support to the Jersey Fresh program, loss of cost share money for conservation on farms, shortages in staffing for veterinarian services, inspectors for plant industry and marketing and development staff.

New Jersey's agricultural industry is growing and expanding each year. In order for this growth to continue, the industry requires certain basic services and programs from the Department of Agriculture. New Jersey Farm Bureau recognizes the difficult financial situation of the state; however, the Department of Agriculture should not be forced to make further cuts if they mean cutting vital services. New Jersey Farm Bureau calls upon the Governor and the legislature to work with the State Board of Agriculture and the Secretary of Agriculture to ensure there is the necessary funding for critical department functions, successful programs and services to the agricultural community and the citizens of the state, and to ensure that no cuts are made in the upcoming budget.

LOCAL GOVERNMENT AGRICULTURAL LEADERSHIP

To assure recognition of the concerns and needs of the agricultural industry at county and municipal levels, Farm Bureau urges county boards of agriculture to develop and maintain information programs to keep local elected leaders informed. While such programs are important and often successful, an even more effective approach is for local agricultural leaders to secure local elective office. Farm Bureau strongly urges farm leaders to seek such elective office.

RURAL DEVELOPMENT

New Jersey's rural areas are blessed with abundant natural resources, scenic values and economic opportunity that unfortunately receive an unsatisfactory level of attention by state government. While individual units of local government do well to represent themselves, there is a lack of an overall coordinated rural economic development policy in the state. Such a policy in many instances could work in a complementary fashion with local agriculture in these areas, to help realize greater levels of job creation, investment and social services for the residents in these areas of New Jersey.

Furthermore, the federal USDA is now embroiled in a debate over what constitutes the official definition of "rural areas," which holds the key to opening the way for increasing levels of rural development financial assistance provided by the agency. Northeastern states like New Jersey are at risk of being disenfranchised in the outcome of this debate if the criteria unfairly eliminates significantly parts of rural New Jersey from qualifying for USDA assistance.

USDA Rural Development makes loans and grants to develop essential rural community facilities in areas of up to 20,000 in population. Direct loans may be made to applicants unable to obtain commercial credit. Entities eligible to apply for Rural Development assistance include public entities (municipalities, counties etc) federally recognized Indian tribes and non-profit organizations.

The types of projects financed include:

- Health Care, such as hospitals, clinics, nursing homes, ambulatory care centers etc.
- Public Safety, such as police and fire stations, jails, fire and rescue vehicles, and communications centers
- Public Services, such as adult and child care centers, courthouses, airports, schools, fairgrounds, etc.

The need to emphasize rural development issues such as emergency services, high-speed Internet access, improved healthcare services, enhanced education and improved infrastructure is growing in importance to New Jersey's farm families and communities. Many issues dealing with rural development are high on the national agenda currently as they are related to the economic recovery plans adopted by Congress and the Obama Administration.

New Jersey Farm Bureau also supports the important work of USDA Rural Development to improve the quality of life and increase economic opportunity in rural America. We encourage the long-term funding of the grant, loan and loan guarantee programs administered by USDA Rural Development.

New Jersey Farm Bureau supports:

1. Legislation encouraging rural economic development, particularly to foster agriculture and value-added opportunities;
2. Rural Economic and Community Development programs and urge that these continue to be administered through USDA;
3. Additional USDA Rural Development funding, targeting a greater portion of funds towards stimulating commerce in rural areas and increased technical and marketing assistance to provide value added opportunities for agricultural producers;
4. Establishment of and funding for a state rural development council.