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PUBLIC HEARING

before

ASSEMBLY ECONOMIC GROWTH, AGRICULTURE AND TOURISM COMMITTEE

ASSEMBLY BILL NOS. 3403, 3404, 3405, 3406, 3407,  
3408, 3996, 453, 2705, and 1751

(Various agricultural related bills)

December 15, 1988  
Room 368  
State House Annex  
Trenton, New Jersey

MEMBERS OF COMMITTEE PRESENT:

Assemblyman Jack Collins, Chairman  
Assemblyman Frank A. LoBiondo, Vice Chairman  
Assemblyman John T. Hendrickson, Jr.  
Assemblyman Anthony S. Marsella  
Assemblyman Edward H. Salmon

ALSO PRESENT:

Amy E. Melick  
Office of Legislative Services  
Aide, Assembly Economic Growth,  
Agriculture and Tourism Committee

New Jersey State Library

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Hearing Recorded and Transcribed by  
Office of Legislative Services  
Public Information Office  
Hearing Unit  
State House Annex  
CN 068  
Trenton, New Jersey 08625



JACK COLLINS  
CHAIRMAN  
FRANK A. LOBIONDO  
VICE-CHAIRMAN  
JOHN T. HENDRICKSON, JR.  
ANTHONY S. MARSELLA  
EDWARD H. SALMON

New Jersey State Legislature  
ASSEMBLY ECONOMIC GROWTH, AGRICULTURE  
AND TOURISM COMMITTEE

STATE HOUSE ANNEX, CN-068  
TRENTON, NEW JERSEY 08625  
TELEPHONE: (609) 984-7381

MEMORANDUM

December 5, 1988

TO: MEMBERS OF THE ASSEMBLY ECONOMIC GROWTH,  
AGRICULTURE AND TOURISM COMMITTEE

FROM: ASSEMBLYMAN JACK COLLINS, CHAIRMAN

SUBJECT: PUBLIC HEARING AND COMMITTEE MEETING -  
THURSDAY, DECEMBER 15, 1988

Address comments and questions to Amy E. Melick, Committee Aide, at (609) 984-7381.

The Assembly Economic Growth, Agriculture and Tourism Committee will hold a hearing on Thursday, December 15, 1988 at 9:30 a.m. in Room 368, of the State House Annex, Trenton, on various agricultural related bills. They include:

Bills concerning Agricultural Experiment Stations;

- A-3403      Appropriates \$1,000,000 to Dept. of Higher Education  
Collins/      for Agricultural Experiment Station at Centerton.  
Stuhltrager
- A-3404      Appropriates \$2,300,000 to Dept. of Higher  
Collins/      Education for Agricultural Experiment Station at  
Stuhltrager      Oswego.
- A-3405      Appropriates \$1,900,000 to Dept. of Higher  
Collins/      Education for Agricultural Experiment Station at  
Hendrickson      Tuckerton.
- A-3406      Appropriates \$2,700,000 to Dept. of Higher  
Collins/      Education for Agricultural Experiment Station at  
LoBiondo      New Brunswick.
- A-3407      Appropriates \$3,000,000 to Dept. of Higher  
Collins/      Education for Agricultural Experiment Station for  
LoBiondo      Snyder Farm.

-over-

A-3408                      Appropriates \$1,100,000 to Dept. of Higher  
Collins/                      Education for Agricultural Experiment Station at  
Farragher                      Cream Ridge.

A-3996                      Appropriates \$2,000,000 to Dept. of Higher Education  
Collins/                      for Agricultural Experiment Station for Bivalve-Cape  
LoBiondo                      Shore Research Center.

**Bills concerning Agricultural Equipment Subject to Taxation:**

A-453                      Exempts certain services provided with respect  
Schinn                      to farm equipment from the State sales tax.

A-2705                      Removes portable grain or forage structures from  
Schinn                      definition of structures in Farmland Assessment Act.

**And a bill concerning Low interest Farm Loans:**

A-1751                      Authorizes all counties to establish low-interest  
Marsella                      farm loan programs and to use general revenues  
therefor.

**The committee will adjourn the hearing and convene a meeting to consider  
the following bills:**

A-2670                      Regulates contractual relationships between  
Cimino                      sales representatives and wholesalers or  
manufacturers

A-3996                      Appropriates \$2,000,000 to Dept. of Higher Education  
Collins/                      for Agricultural Experiment Station for Bivalve-Cape  
LoBiondo                      Shore Research Center.

ACR-114                      Memorializes Governor to influence Port Authority  
Kyrillos/                      of NY & NJ to make infrastructure improvements  
J. Smith                      within areas of port district in Monmouth County.

[FIRST REPRINT]  
ASSEMBLY, No. 3403

STATE OF NEW JERSEY

INTRODUCED JUNE 20, 1988

By Assemblymen COLLINS and STUHLTRAGER

1 A SUPPLEMENT to "An Act making appropriations for the support of the  
State government and the several public purposes for the fiscal year ending  
3 June 30, 1989 and regulating the disbursement thereof," approved <sup>1</sup>June  
30<sup>1</sup>, 1988 (P.L.1988, c.147<sup>1</sup>).

5

BE IT ENACTED by the Senate and General Assembly of the State of New  
7 Jersey:

1. In addition to the sums appropriated under P.L.1988, c.147<sup>1</sup>, there is  
9 appropriated out of the General Fund the following sum for the purpose  
specified:

11

DIRECT STATE SERVICES

13

50 DEPARTMENT OF HIGHER EDUCATION

<sup>1</sup>30 Educational, Cultural and Intellectual Development<sup>1</sup>

15

36 Higher Educational Services

5620 Agricultural Experiment Station

17

12-5620 Sponsored Programs and Research ..... \$1,000,000

19

Special Purpose:

South Jersey Research and Development

21

Center - Centerton ..... (\$1,000,000)

23

2. This act shall take effect immediately <sup>1</sup>[but shall remain inoperative  
until the enactment into law of the annual appropriations act for the fiscal  
year ending June 30, 1989, P.L.1988, c. ]<sup>1</sup>.

25

27

HIGHER EDUCATION

Agriculture

29

Appropriates \$1,000,000 to Dept. of Higher Education for Agricultural  
31 Experiment Station at Centerton.

EXPLANATION--Matter enclosed in bold-faced brackets [thus] in the above bill is  
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

<sup>1</sup> Assembly AEA committee amendments adopted January 23, 1989.

ASSEMBLY ECONOMIC GROWTH, AGRICULTURE  
AND TOURISM COMMITTEE

STATEMENT TO

**ASSEMBLY, No. 3403**

with Assembly committee amendments

**STATE OF NEW JERSEY**

DATED: JANUARY 19, 1989

The Assembly Economic Growth, Agriculture and Tourism Committee favorably reports Assembly Bill No. 3403 with committee amendments.

As amended, this bill appropriates \$1,000,000 to the Department of Higher Education for the Agricultural Experiment Station. The funds would be used for construction and renovation of various facilities at the South Jersey Research and Development Center at Centerton.

The committee adopted amendments technical in nature to include reference to the current fiscal year.

[FIRST REPRINT]  
ASSEMBLY, No. 3404

STATE OF NEW JERSEY

INTRODUCED JUNE 20, 1988

By Assemblymen COLLINS and STUHLTRAGER

1 A **SUPPLEMENT** to "An Act making appropriations for the support of the  
State government and the several public purposes for the fiscal year ending  
3 June 30, 1989 and regulating the disbursement thereof," approved <sup>1</sup>June  
30<sup>1</sup>, 1988 (P.L.1988, c.147<sup>1</sup>).

5

BE IT ENACTED by the Senate and General Assembly of the State of New  
7 Jersey:

1. In addition to the sums appropriated under P.L.1988, c.147<sup>1</sup>, there is  
9 appropriated out of the General Fund the following sum for the purpose  
specified:

11

DIRECT STATE SERVICES

13

50 DEPARTMENT OF HIGHER EDUCATION

130 Educational, Cultural and Intellectual Development<sup>1</sup>

15

36 Higher Educational Services

5620 Agricultural Experiment Station

17

12-5620 Sponsored Programs and Research ..... \$2,300,000

19

Special Purpose:

Blueberry and Cranberry Research

21

Station - Oswego ..... (\$2,300,000)

23

2. This act shall take effect immediately <sup>1</sup>[but shall remain inoperative  
until the enactment into law of the annual appropriations act for the fiscal  
year ending June 30, 1989, P.L.1988, c. ]<sup>1</sup>.

25

27

HIGHER EDUCATION

Agriculture

29

Appropriates \$2,300,000 to Dept. of Higher Education for Agricultural  
31 Experiment Station at Oswego.

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in the above bill is  
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

<sup>1</sup> Assembly AEA committee amendments adopted January 23, 1989.

ASSEMBLY ECONOMIC GROWTH, AGRICULTURE  
AND TOURISM COMMITTEE

STATEMENT TO

**ASSEMBLY, No. 3404**

with Assembly committee amendments

**STATE OF NEW JERSEY**

DATED: JANUARY 19, 1989

The Assembly Economic Growth, Agriculture and Tourism Committee favorably reports Assembly Bill No. 3404 with committee amendments.

As amended, this bill appropriates \$2,300,000 to the Department of Higher Education for the Agricultural Experiment Station. The funds would be used for construction and renovation of various facilities at the Oswego Experiment Station.

The committee adopted amendments technical in nature to include reference to the current fiscal year.

[FIRST REPRINT]  
ASSEMBLY, No. 3405

STATE OF NEW JERSEY

INTRODUCED JUNE 20, 1988

By Assemblymen COLLINS and HENDRICKSON

1 A *SUPPLEMENT* to "An Act making appropriations for the support of the  
State government and the several public purposes for the fiscal year ending  
3 June 30, 1989 and regulating the disbursement thereof," approved <sup>1</sup>June  
30<sup>1</sup>, 1988 (P.L.1988, c.147<sup>1</sup>).

5  
BE IT ENACTED by the Senate and General Assembly of the State of New  
7 Jersey:

9 1. In addition to the sums appropriated under P.L.1988, c.147<sup>1</sup>, there is  
appropriated out of the General Fund the following sum for the purpose specified:

11 DIRECT STATE SERVICES  
50 DEPARTMENT OF HIGHER EDUCATION  
13 130 Educational, Cultural and Intellectual Development<sup>1</sup>  
36 Higher Educational Services  
15 5620 Agricultural Experiment Station  
17 12-5620 Sponsored Programs and Research.....\$1,900,000  
Special Purpose:  
19 Tuckerton Experiment Station.....(\$1,900,000)

21 2. This act shall take effect immediately <sup>1</sup>[but shall remain inoperative until  
the enactment into law of the annual appropriations act for the fiscal year ending  
June 30, 1989, P.L.1988, c. ]<sup>1</sup>.

23  
25 HIGHER EDUCATION  
Agriculture  
27  
Appropriates \$1,900,000 to Dept. of Higher Education for Agricultural Experiment  
29 Station at Tuckerton.

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in the above bill is  
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:  
<sup>1</sup> Assembly AEA committee amendments adopted January 23, 1989.

ASSEMBLY ECONOMIC GROWTH, AGRICULTURE  
AND TOURISM COMMITTEE

STATEMENT TO

**ASSEMBLY, No. 3405**

with Assembly committee amendments

**STATE OF NEW JERSEY**

DATED: JANUARY 19, 1989

The Assembly Economic Growth, Agriculture and Tourism Committee favorably reports Assembly Bill No. 3405 with committee amendments.

As amended, this bill appropriates \$1,900,000 to the Department of Higher Education for the Agricultural Experiment Station. The funds would be used for dredging the boat basins and docks and for the remodeling and expansion of the station and equipment at the Tuckerton Experiment Station.

The committee adopted amendments technical in nature to include reference to the current fiscal year.

ASSEMBLY, No. 3406  
STATE OF NEW JERSEY

INTRODUCED JUNE 20, 1988

By Assemblymen COLLINS and LoBIONDO

1 A SUPPLEMENT to "An Act making appropriations for the support of the  
State government and the several public purposes for the fiscal year ending  
3 June 30, 1989 and regulating the disbursement thereof," approved ,  
1988 (P.L. 1988, c. ).

5  
7 BE IT ENACTED by the Senate and General Assembly of the State of New  
Jersey:

9 1. In addition to the sums appropriated under P.L.1988, c. , there is  
appropriated out of the General Fund the following sum for the purpose  
specified:

11  
13 DIRECT STATE SERVICES  
50 DEPARTMENT OF HIGHER EDUCATION  
36 Higher Educational Services  
15 5620 Agricultural Experiment Station  
17 12-5620 Sponsored Programs and Research.....2,700,000  
Special Purpose:  
19 Agriculture Station - New Brunswick.....(\$2,700,000)

21 2. This act shall take effect immediately but shall remain inoperative until  
the enactment into law of the annual appropriations act for the fiscal year  
23 ending June 30, 1989, P.L. 1988, c

25 STATEMENT

27 This bill appropriates \$2.7 million to the Department of Higher Education  
for the Agricultural Experiment Station. The funds would be used for  
29 construction and renovation of various facilities at the Agricultural  
Experiment Station in New Brunswick.

31  
33 HIGHER EDUCATION  
Agriculture

35 Appropriates \$2,700,000 to Dept. of Higher Education for Agricultural  
Experiment Station - New Brunswick

ASSEMBLY ECONOMIC GROWTH, AGRICULTURE  
AND TOURISM COMMITTEE

STATEMENT TO

ASSEMBLY, No. 3406

STATE OF NEW JERSEY

DATED: DECEMBER 15, 1988

The Assembly Economic Growth, Agriculture and Tourism Committee favorably reports Assembly Bill No. 3406.

This bill would appropriate \$2,700,000 to the Department of Higher Education for the Agricultural Experiment Station. The funds would be used for construction and renovation of various facilities at the Agricultural Experiment Station in New Brunswick.

[FIRST REPRINT]  
ASSEMBLY, No. 3407

STATE OF NEW JERSEY

INTRODUCED JUNE 20, 1988

By Assemblymen COLLINS and LoBIONDO

1 A SUPPLEMENT to "An Act making appropriations for the support of the  
State government and the several public purposes for the fiscal year ending  
3 June 30, 1989 and regulating the disbursement thereof," approved <sup>1</sup>June  
30<sup>1</sup>, 1988 (P.L.1988, c.147<sup>1</sup>).

5  
7 BE IT ENACTED by the Senate and General Assembly of the State of New  
Jersey:

9 1. In addition to the sums appropriated under P.L.1988, c.147<sup>1</sup>, there is  
appropriated out of the General Fund the following sum for the purpose  
specified:

11  
13 DIRECT STATE SERVICES  
50 DEPARTMENT OF HIGHER EDUCATION  
130 Educational, Cultural and Intellectual Development<sup>1</sup>  
15 36 Higher Educational Services  
5620 Agricultural Experiment Station  
17  
12-5620 Sponsored Programs and Research ..... \$3,000,000

19 Special Purpose:  
Snyder Farm ..... (\$3,000,000)

21 2. This act shall take effect immediately <sup>1</sup>[but shall remain inoperative  
until the enactment into law of the annual appropriations act for the fiscal  
23 year ending June 30, 1989, P.L.1988, c. ]<sup>1</sup>.

25  
27 HIGHER EDUCATION  
Agriculture  
29 Appropriates \$3,000,000 to Dept. of Higher Education for Agricultural  
Experiment Station for Snyder Farm.

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in the above bill is  
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.  
Matter enclosed in superscript numerals has been adopted as follows:  
<sup>1</sup> Assembly AEA committee amendments adopted January 23, 1989.

ASSEMBLY ECONOMIC GROWTH, AGRICULTURE  
AND TOURISM COMMITTEE

STATEMENT TO

**ASSEMBLY, No. 3407**

with Assembly committee amendments

**STATE OF NEW JERSEY**

DATED: JANUARY 19, 1989

The Assembly Economic Growth, Agriculture and Tourism Committee favorably reports Assembly Bill No. 3407 with committee amendments.

As amended, this bill appropriates \$3,000,000 to the Department of Higher Education for the Agricultural Experiment Station. The funds would be used for construction and renovation of various facilities and for farm and research equipment for the Snyder Farm property.

The committee adopted amendments technical in nature to include reference to the current fiscal year.

[FIRST REPRINT]  
ASSEMBLY, No. 3408

STATE OF NEW JERSEY

INTRODUCED JUNE 20, 1988

By Assemblyman COLLINS, Assemblywoman FARRAGHER and  
Assemblyman Bennett

1 A *SUPPLEMENT* to "An Act making appropriations for the support of the  
State government and the several public purposes for the fiscal year ending  
3 June 30, 1989 and regulating the disbursement thereof," approved <sup>1</sup>June  
30<sup>1</sup>, 1988 (P.L.1988, c. 147<sup>1</sup>).

5  
7 BE IT ENACTED *by the Senate and General Assembly of the State of New  
Jersey:*

9 1. In addition to the sums appropriated under P.L.1988, c. 147<sup>1</sup>, there is  
appropriated out of the General Fund the following sum for the purpose  
specified:

11 DIRECT STATE SERVICES  
13 50 DEPARTMENT OF HIGHER EDUCATION  
130 Educational, Cultural and Intellectual Development<sup>1</sup>  
15 36 Higher Educational Services  
5620 Agricultural Experiment Station  
17  
12-5620 Sponsored Programs and Research.....\$1,100,000  
19 Special Purpose:  
Cream Ridge.....(\$1,100,000)

21 2. This act shall take effect immediately <sup>1</sup>[but shall remain inoperative  
until the enactment into law of the annual appropriations act for the fiscal  
23 year ending June 30, 1989, P.L.1988, c 147<sup>1</sup>].

25 HIGHER EDUCATION  
27 Agriculture  
29 Appropriates \$1,100,000 to Dept. of Higher Education for Agricultural  
Experiment Station at Cream Ridge.

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in the above bill is  
not enacted and is intended to be omitted in the law.  
Matter underlined thus is new matter.  
Matter enclosed in superscript numerals has been adopted as follows:  
<sup>1</sup> Assembly AEA committee amendments adopted January 23, 1989.

ASSEMBLY ECONOMIC GROWTH, AGRICULTURE  
AND TOURISM COMMITTEE

STATEMENT TO

**ASSEMBLY, No. 3408**

with Assembly committee amendments

**STATE OF NEW JERSEY**

DATED: JANUARY 19, 1989

The Assembly Economic Growth, Agriculture and Tourism Committee favorably reports Assembly Bill No. 3408 with committee amendments.

As amended, this bill appropriates \$1,100,000 to the Department of Higher Education for the Agricultural Experiment Station. The funds would be used for construction and renovation of various facilities at the Cream Ridge Experiment Station.

The committee adopted amendments technical in nature to include reference to the current fiscal year.

ASSEMBLY, No. 3996

STATE OF NEW JERSEY

INTRODUCED NOVEMBER 28, 1988

By Assemblymen COLLINS and LoBIONDO

1 A SUPPLEMENT to "An Act making appropriations for the support of the State  
2 Government and the several public purposes for the fiscal year ending June  
3 30, 1989 and regulating the disbursement thereof," approved June 30, 1988  
(P.L.1988, c.47).

5  
6 BE IT ENACTED by the Senate and General Assembly of the State of New  
7 Jersey:

8 1. In addition to the amounts appropriated under P.L.1988, c.47, there is  
9 appropriated out of the General Fund the following sum for the purpose  
specified:

11.

DIRECT STATE SERVICES  
13 50 DEPARTMENT OF HIGHER EDUCATION  
36 Higher Educational Services  
15 5620 Agricultural Experiment Station

17 13-5620 Extension and Public Service.....\$2,000,000

Special Purpose:

19 Bivalve - Cape Shore  
Research Center.....(\$2,000,000)

21 2. This act shall take effect immediately.

23 STATEMENT

25 This bill appropriates \$2.0 million to the Department of Higher Education for  
the Agricultural Experiment Station. The funds would be used for construction  
27 and renovation of various facilities and for saltwater services and a shellfish  
hatchery/aquaculture facility at the Bivalve/Cape Shore Research Center.

29

HIGHER EDUCATION  
31 Agriculture

33 Appropriates \$2,000,000 to Dept. of Higher Education for Agricultural  
Experiment Station for Bivalve - Cape Shore Research Center.

ASSEMBLY ECONOMIC GROWTH, AGRICULTURE  
AND TOURISM COMMITTEE

STATEMENT TO

ASSEMBLY, No. 3996

STATE OF NEW JERSEY

DATED: DECEMBER 15, 1988

The Assembly Economic Growth, Agriculture and Tourism Committee favorably reports Assembly Bill No. 3996.

This bill would appropriate \$2,000,000 to the Department of Higher Education for the Agricultural Experiment Station. The funds would be used for construction and renovation of various facilities and for saltwater services and a shellfish hatchery/aquaculture facility at the Bivalve/Cape Shore Research Center.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 3996

STATE OF NEW JERSEY

DATED: JANUARY 23, 1989

The Assembly Appropriations Committee reports favorably Assembly Bill No. 3996.

Assembly Bill No. 3996 appropriates \$2,000,000 for the Agricultural Experiment Station of Rutgers, The State University. The funds would be used for construction and renovation of various facilities and for saltwater services and a shellfish hatchery/aquaculture facility at the Bivalve/Cape Shore Research Center.

FISCAL IMPACT

This bill makes a supplemental appropriation of \$2,000,000 from the General Fund to the Department of Higher Education for the Agricultural Experiment Station. These funds are in addition to the \$19.5 million appropriated for the station in the annual appropriations act for fiscal year 1989. Also, \$10 million was allocated for construction at the station from the \$350 million bond issue (P.L.1988, c.78) approved by the voters in November, 1988.

ASSEMBLY, No. 453

STATE OF NEW JERSEY

Introduced Pending Technical Review by Legislative Counsel  
PRE-FILED FOR INTRODUCTION IN THE 1988 SESSION

By Assemblyman SHINN

1 AN ACT concerning exemptions from sales and use taxation and  
amending P.L. 1966, c. 30.

3

BE IT ENACTED by the Senate and General Assembly of the  
5 State of New Jersey:

1. Section 3 of P.L. 1966, c. 30 (C. 54:32B-3) is amended to  
7 read as follows:

3. Imposition of sales tax. On and after July 1, 1966 and  
9 continuing through February 28, 1970, there is hereby imposed  
and there shall be paid a tax of 3%; on and after March 1, 1970  
11 and continuing through January 2, 1983, there is hereby imposed  
and there shall be paid a tax of 5%; and on and after January 3,  
13 1983, there is imposed and there shall be paid a tax of 6%, upon:

(a) The receipts from every retail sale of tangible personal  
15 property, except as otherwise provided in this act.

(b) The receipts from every sale, except for resale, of the  
17 following services:

(1) Producing, fabricating, processing, printing or imprinting  
19 tangible personal property, performed for a person who directly  
or indirectly furnishes the tangible personal property, not  
21 purchased by him for resale, upon which such services are  
performed.

(2) Installing tangible personal property, or maintaining,  
23 servicing, or repairing tangible personal property not held for  
sale in the regular course of business, whether or not the  
25 services are performed directly or by means of coin-operated  
27 equipment or by any other means, and whether or not any  
tangible personal property is transferred in conjunction  
29 therewith, except (i) such services rendered by an individual  
who is engaged directly by a private homeowner or lessee in or

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in the  
above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 about his residence and who is not in a regular trade or business  
2 offering his services to the public (ii) such services rendered  
3 with respect to personal property exempt from taxation  
4 hereunder pursuant to section 13 of P.L. 1980, c. 105 (C.  
5 54:32B-8.1) and to tangible personal property exempt from  
6 taxation hereunder pursuant to section 28 of P.L. 1980, c. 105  
7 (C. 54:32B-8.16) (iii) services rendered with respect to trucks,  
8 tractors, trailers or semitrailers by a person who is not engaged,  
9 directly or indirectly through subsidiaries, parents, affiliates or  
10 otherwise, in a regular trade or business offering such services  
11 to the public (iv) any receipts from laundering, dry cleaning,  
12 tailoring, weaving, pressing, shoe repairing and shoeshining and  
13 (v) services rendered in installing property which, when  
14 installed, will constitute an addition or capital improvement to  
15 real property, property or land.

(3) Storing all tangible personal property not held for sale in  
17 the regular course of business and the rental of safe deposit  
18 boxes or similar space.

(4) Maintaining, servicing or repairing real property, other  
19 than a residential heating system unit serving not more than  
20 three families living independently of each other and doing their  
21 cooking on the premises, whether the services are performed in  
22 or outside of a building, as distinguished from adding to or  
23 improving such real property by a capital improvement, but  
24 excluding services rendered by an individual who is not in a  
25 regular trade or business offering his services to the public, and  
26 excluding interior cleaning and maintenance services, garbage  
27 removal and sewer services performed on a regular contractual  
28 basis for a term not less than 30 days, other than window  
29 cleaning, and rodent and pest control.

(5) Advertising services, except advertising services for use  
31 directly and primarily for publication in newspapers and  
32 magazines.

Wages, salaries and other compensation paid by an employer  
35 to an employee for performing as an employee the services  
36 described in this subsection are not receipts subject to the taxes  
37 imposed under this subsection (b).

1 Services otherwise taxable under paragraph (1) or (2) of this  
2 subsection (b) are not subject to the taxes imposed under this  
3 subsection, where the tangible personal property upon which the  
4 services were performed is delivered to the purchaser outside  
5 this State for use outside this State.

6 (c) Receipts from the sale of food and drink in or by  
7 restaurants, taverns, vending machines or other establishments  
8 in this State, or by caterers, including in the amount of such  
9 receipts any cover, minimum, entertainment or other charge  
10 made to patrons or customers:

11 (1) In all instances where the sale is for consumption on the  
12 premises where sold;

13 (2) In those instances where the vendor or any person whose  
14 services are arranged for by the vendor, after the delivery of  
15 the food or drink by or on behalf of the vendor for consumption  
16 off the premises of the vendor, serves or assists in serving,  
17 cooks, heats or provides other services with respect to the food  
18 or drink, except for meals especially prepared for and delivered  
19 to homebound elderly, age 60 or older, and to disabled persons,  
20 or meals prepared and served at a group-sitting at a location  
21 outside of the home to otherwise homebound elderly persons,  
22 age 60 or older, and otherwise homebound disabled persons, as  
23 all or part of any food service project funded in whole or in part  
24 by government or as part of a private, nonprofit food service  
25 project available to all such elderly or disabled persons residing  
26 within an area of service designated by the private nonprofit  
27 organization; and

28 (3) In those instances where the sale is for consumption off  
29 the premises of the vendor, and consists of a meal, or food  
30 prepared and ready to be eaten, of a kind obtainable in  
31 restaurants as the main course of a meal, including a sandwich,  
32 except where food other than sandwiches is sold in an unheated  
33 state and is of a type commonly sold in the same form and  
34 condition in food stores other than those which are principally  
35 engaged in selling prepared foods;

36 (4) Sales of food and beverages sold through coin-operated  
37 vending machines, at the wholesale price of such sale, which  
shall be defined as 70% of the retail vending machine selling

1 price, except sales of milk, which shall not be taxed. Nothing  
2 herein contained shall affect other sales through coin-operated  
3 vending machines taxable pursuant to subsection (a) above or the  
4 exemption thereto provided by section 21 of P.L. 1980, c. 105  
5 (C. 54:32B-8.9).

6 The tax imposed by this subsection (c) shall not apply to food  
7 or drink which is sold to an airline for consumption while in  
8 flight.

9 (d) The rent for every occupancy of a room or rooms in a hotel  
10 in this State, except that the tax shall not be imposed upon (1) a  
11 permanent resident, or (2) where the rent is not more than at  
12 the rate of \$2.00 per day.

13 (e) (1) Any admission charge, where such admission charge is  
14 in excess of \$0.75 to or for the use of any place of amusement in  
15 the State, including charges for admission, to race tracks,  
16 baseball, football, basketball or exhibitions, dramatic or musical  
17 arts performances, motion picture theatres, except charges for  
18 admission to boxing, [sparring or] wrestling [matches or], kick  
19 boxing or combative sports exhibitions, events, performances or  
20 contests which charges are taxed under any other law of this  
21 State or under [R.S. 5:2-12] section 20 of P.L. 1985, c. 83 (C.  
22 5:2A-20), and, except charges to a patron for admission to, or  
23 use of, facilities for sporting activities in which such patron is  
24 to be a participant, such as bowling alleys and swimming pools.  
25 For any person having the permanent use or possession of a box  
26 or seat or lease or a license, other than a season ticket, for the  
27 use of a box or seat at a place of amusement, the tax shall be  
28 upon the amount for which a similar box or seat is sold for each  
29 performance or exhibition at which the box or seat is used or  
30 reserved by the holder, licensee or lessee, and shall be paid by  
31 the holder, licensee or lessee.

32 (2) The amount paid as charge of a roof garden, cabaret or  
33 other similar place in this State, to the extent that a tax upon  
34 such charges has not been paid pursuant to subsection (c) hereof.

35 2. This act shall take effect on the 30th day after the date of  
36 enactment.

37

1

## STATEMENT

3

This bill exempts certain services provided with respect to farm equipment from the State sales tax. Currently, only the equipment, and parts used in servicing the equipment, are so exempt.

7

9

## TAXATION - SALES

## Agriculture

11

Exempts services provided with respect to farm equipment from the State sales tax.

13

LEGISLATIVE FISCAL ESTIMATE TO

ASSEMBLY, No. 453

STATE OF NEW JERSEY

DATED: February 9, 1989

Assembly Bill No. 453 of 1988 provides a sales and use tax exemption for receipts from installing, maintaining, servicing or repairing tangible personal property which qualifies for the sales tax exemption for personal property used directly in farming.

The Office of Legislative Services estimates that this bill will result in a revenue loss of at least \$150,000 for the repairing of farm equipment. This estimate does not account for certain services to exempt personal property for which separate data are not available. This estimate is based on data from the U.S. Commerce Department's 1982 Census of Service Industries-Geographic Area Series: New Jersey, and the U.S. Department of Agriculture's Agricultural Statistics: 1987.

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67.

ASSEMBLY, No. 2705

STATE OF NEW JERSEY

INTRODUCED MARCH 7, 1988

By Assemblyman SHINN

1 **AN ACT** concerning real property taxes and amending P.L. 1964,  
c. 48.

3

BE IT ENACTED by the Senate and General Assembly of the  
5 State of New Jersey:

1. Section 12 of P.L. 1964, c. 48 (C. 54:4-23.12) is amended to  
7 read as follows:

12. All structures, which are located on land in agricultural or  
9 horticultural use and the farmhouse and the land on which the  
farmhouse is located, together with the additional land used in  
11 connection therewith, shall be valued, assessed and taxed by the  
same standards, methods and procedures as other taxable  
13 structures and other land in the taxing district; provided,  
however, that the term "structures" shall not include temporary  
15 demountable plastic covered framework made up of portable  
parts with no permanent understructures or related apparatus,  
17 commonly known as seed starting plastic greenhouses and shall  
not include portable grain or forage structures, commonly used  
19 for either storage or growing, which may be dismantled and sold  
separately from the farmland and buildings.

21 (cf: P.L. 1979, c. 70, s. 1)

2. This act shall take effect immediately.

23

25

STATEMENT

27 This bill amends the "Farmland Assessment Act of 1964," P.L.  
1964, c. 48 (C. 54:4-23.1 et seq.), to exclude portable grain or  
29 forage structures from the definition of structures.

Under current law structures on land eligible for farmland  
31 assessment are taxed at the same rate as other structures in the  
taxing district. Thus a portable farm structure may be assessed

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in the  
above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 at current market rates. This bill would remove portable grain or  
2 forage structures from the definition of structures so that they  
3 would not be taxed as other structures in the taxing district.

5

TAXATION

7

Agriculture

9 Removes portable grain or forage structures from definition of  
structures in Farmland Assessment Act.

ASSEMBLY, No. 1751

STATE OF NEW JERSEY

PRE-FILED FOR INTRODUCTION IN THE 1988 SESSION

By Assemblyman MARSELLA

1 AN ACT concerning the authorization by counties of  
low-interest farm loan programs, and amending the title and  
3 body of P.L.1987, c.34.

5 BE IT ENACTED *by the Senate and General Assembly of the  
State of New Jersey:*

7 1. The title of P.L.1987, c.34 is amended to read as follows:  
AN ACT authorizing counties [of the third class] to establish a  
9 low-interest farm loan program and to issue bonds or  
appropriate general revenues to fund the program, and  
11 supplementing chapter 23 of Title 40 of the Revised Statutes.  
(cf: P.L.1987, c.34, title)

13 2. Section 2 of P.L.1987, c.34 (C.40:23-12.2) is amended to  
read as follows:

15 2. The governing body of any county [of the third class] may,  
by ordinance or resolution, establish a low-interest loan program  
17 for the purpose of assisting persons in purchasing farmland[,] to  
be kept in continuous use as farmland, in accordance with  
19 criteria developed by a County Agriculture Development Board  
established under section 7 of P.L.1983, c.32 (C.4:1C-14).  
21 (cf: P.L. 1987, c.34, s.2)

23 3. Section 3 of P.L.1987, c.34 (C.40:23-12.3) is amended to  
read as follows:

25 3. For the purpose of funding a farm loan program authorized  
pursuant to section [1] 2 of this act, the county is authorized, by  
bond ordinance, to incur indebtedness, borrow money, and  
27 authorize and issue negotiable obligations in an amount not to  
exceed \$5,000,000.00 in any five-year period, or to appropriate  
29 general revenues of the county, or both. All the provisions of  
the "Local Bond Law" (N.J.S.40A:2-1 et seq.) not in conflict  
31 with this act shall be complied with by the county in adopting its  
bond ordinances.

33 (cf: P.L.1987, c.34, s.3)

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in the  
above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1       4. This act shall take effect immediately.

3

**AGRICULTURE**

5

**Counties**

7

**Authorizes all counties to establish low-interest farm loan programs and to use general revenues therefor.**

ASSEMBLY ECONOMIC GROWTH, AGRICULTURE  
AND TOURISM COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1751

STATE OF NEW JERSEY

DATED: January 19, 1989

The Assembly Economic Growth, Agriculture and Tourism Committee favorably reports Assembly Bill No. 1751.

This bill would amend P.L.1987, c.34 (C.40:23-12.1 et seq.) to authorize all counties to establish low-interest farm loan programs to assist persons in purchasing farmland to be retained in agriculture. Current law authorizes only counties of the third class to establish these programs. The bill would also authorize counties to use general revenues as well as bond revenues to fund the farm loan program.

This bill was pre-filed for introduction in the 1988 session pending technical review. As reported the bill includes changes required by technical review which has been performed.

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\* \* \* \* \*

**ASSEMBLYMAN JACK COLLINS (Chairman):** Good morning. I would like to welcome all of you here to this combination hearing/Committee meeting of the Assembly Economic Growth, Agriculture and Tourism Committee. I am the Chairman of the Committee, Assemblyman Jack Collins, representing District 3. The four Committee members are, from my far left: Assemblyman Ed Salmon, from District 1; Assemblyman Tony Marsella, from District 4; Assemblyman Jack Hendrickson, from District 9; and Assemblyman Frank LoBiondo, from District 1.

What we plan to do today, as I say, is a hearing/Committee meeting. For those of you who might not know what that means, let me explain it briefly: We will be holding a hearing, listening to testimony on 10 bills, most of them tied to Cook College, all of them tied to agriculture. That hearing will take place at the beginning of our joint meeting. At the conclusion of the hearing, depending on time, we will then move immediately into a Committee meeting, during which we will deal with three bills which we will either vote for or against as to their release from this Committee, to move on to the floor of the General Assembly for a vote of all members sometime in the future.

One of the hearing bills will be voted on today. The rest of the hearing bills -- the bills that a number of you are here for -- will be dealt with by this Committee at some later date. That doesn't mean that they are not good bills, or bills that we will not be responsive to, but today we are just going to deal with three Committee bills, and only one of them will be a bill that was dealt with during the hearing.

I know some of you are here for the bills that are going to be dealt with in the Committee meeting. That will not take place for at least an hour. You are more than welcome to stay and hear the outstanding testimony we are going to get on some of the other bills, or you are free, of course, to leave at any time. Everyone is free to leave at any time, except the

Committee members. I look forward to the testimony we are going to receive today.

One other comment: At 11 o'clock today, there will be a press availability meeting for Committee members and members of the audience who testify with expertise. I would be very appreciative if those of you who can stay around until 11 o'clock, who are going to give testimony, particularly on the agricultural bills, would make themselves available to the press, or to me if the press asks me a question that I cannot answer. This press availability meeting will be in Room 418, the next floor up.

One other comment about the process today: If the testimony draws to a conclusion prior to 11 o'clock, we well may have the Committee meeting right then and end everything in this room at 11 o'clock, and then go to the press meeting. If we do not have contracted testimony during the hearing, we well may have to hold the Committee meeting until we go to the press conference and come back -- okay? -- just so everyone understands the schedule we are going to be dealing with.

One other comment: We are here to hear testimony. Many of you are experts. You will have every opportunity to share your expertise with us. We want to hear from you. However, when you are dealing with a large number of speakers, and a large number of bills, and with a somewhat limited amount of time -- because somewhere today we are going to have a general session of the Assembly-- When the Speaker bangs that gavel and wants us to get started, we are going to have to. So, my only comment is, please, as you are sitting there now, just think, "Well, if I was going to speak for 12 minutes, maybe I can do that in four minutes, or whatever." That is all I ask, that you just think about that, because I know there are many enthusiastic testifiers here today.

We would now like to start with the public hearing on a number of bills. I won't name all of the bills at this

time. What I would like to do is, as we have each person come up -- and we have them broken down as to people who want to testify on particular bills -- I will mention the bill at that time.

First we would like to start off with two distinguished people. One will give us an overview of the entire agricultural bill package we are going to deal with, and the other is a man who has probably been involved somewhere in his extensive lifetime in doing something with all of these bills. The first gentleman, who is coming forward now to give us an overview, is the Dean of Cook College, Dr. Stephen J. Kleinschuster -- come on up, Steve -- and the other man, the man with his finger on everything in agriculture in this State, Senator Bill Haines, who would like to make a few comments before he has to leave for a very important meeting, where he is going to solve other problems in this State. Come on up, Senator. We are very happy to have you with us.

This is my chance to say, as is often said at agriculture meetings, Senator Haines is the only full-time -- that is very important, full-time -- farmer in the State Legislature. There are others who play around with agriculture. Some are outstanding players around with agriculture, but he is the only full-timer. Senator, we welcome you, and look forward to a few comments from you.

**S E N A T O R C. W I L L I A M H A I N E S:** I came here to support the Cream Ridge Bill, which is A-3408. That is very important, and I hope the whole bill package is passed.

I think agriculture, at this time, is at a turning point. We saw, this summer -- and I know I am among friends here -- a drought disaster that had a great impact on the nation. New Jersey came through that, I think, better than many other states. It was better because of the diversity of agriculture we have in New Jersey.

I think when we are talking about agriculture to our friends and our other colleagues, we should impress upon them that New Jersey is different than other eastern states. It is different because our climate is influenced by the Gulf Stream. We can produce, in New Jersey, crops that are not available to be produced in states like Pennsylvania -- neighboring states -- because of the fact that although they are close to us, as soon as you get a little ways into Pennsylvania, you get into almost a different climate. We have a very mild climate in New Jersey, and we are producing food for consumption in the Northeast 10 months out of the 12 months of the year. In December, we are still producing apples, spinach, and many other crops, and we start off again in March with leafy vegetables and so forth in the Vineland area.

So here we are producing food 10 months out of the year, which is really-- You know, it's very important. We are more like California and Florida in some respects, than we are like our neighboring states here in the Northeast, certainly Pennsylvania, New York, and some of the other states.

I think another thing that is very important when we are talking to our friends about the situation is, if we in South Jersey have water-- This summer, water was a major factor, in that we didn't have the disaster that the other states had. The Cohansey Aquifer supplies water for most of the agriculture in South Jersey, and the other aquifers in the State, but it is very important that we have this water, because many of our neighbors in the Appalachian area, for instance, have a much more difficult time getting water, and in some cases it is not available. Because we have this water, we can produce in a situation like we had last summer, with the tremendous drought, along with the high temperatures we had.

We had, at our farm at least, some of the best peaches we have ever produced -- size, quality, and so forth -- better than those coming out of South Carolina, where they didn't have

water, or where they had problems with water. They had little peaches that were poor.

So, these are things that are very important in New Jersey. But the main thing, I feel, is that you cannot draw lines, and say, "This shall be agriculture because it is in this area. We will draw a line, and this is going to be condominiums, and this is going to be townhouses, and this is going to be agriculture." That doesn't work. It has to be profitable.

I sat down in one of your constituent's kitchens, Jack, a dairy farmer, who happens to be a neighbor of mine. He said, "Bill, my son is getting a divorce because he works 14 hours a day, and his wife won't put up with that because he doesn't bring home very much income. She brings home most of the income, in spite of the fact that he works seven days a week, 14 hours a day. But he is going to stay with me." And I talked to some of Art Brown's people, and they said, "This dairy farmer did not have the money to inoculate his cows, and his cows were dying." He said, "Bill, I haven't made any money in the dairy business for years." He said, "The only reason I can subsist is the fact that my wife is a schoolteacher, and she brings home enough money to put food on the table."

We've got this situation in agriculture. For a dairy farmer, and for farmers of many other crops we produce in New Jersey, it is not profitable. The only way New Jersey can be profitable is to be up-to-date. Certainly in the nursery business, we are doing well. Certainly in the cranberry business we are doing very well, and many of the other things. But we have other fields that we can go into. I am going into the nectarine business a little bit myself. We had a plant breeder come in from California. This man spent the day at our farm, and he said, "Bill, you can grow a better nectarine in New Jersey than they can in California, because of the higher humidity here. You get better color, better condition. I can

tell you, we can't supply enough nectarines for the trade. They want New Jersey nectarines." But we only have one outstanding variety. We need the work of these folks up here to produce new varieties. We can't do it on our own farms, because no farmer is big enough to do his own research. We have to rely on these folks for the new varieties, for the development that is available for the future; not for next year, but for eight or ten years down the road.

That is the future of agriculture. There is no other alternative to Cook College; there isn't any, because the farmers aren't big enough and there is no private industry that is doing this work. We need the new varieties that have come out of here.

For 30 years, we have cut back on their budget. If you look at their budget and take the inflation out of it, for 30 years we have been cutting back on the budget for Cook College and Extension. It is only the last few years that we have given them the kind of money where they can go out and hire new people and do the job properly here. It's vital. I just think that it is so important. This is one of the most important things we've got in our budget -- to support Cook College and the Agriculture Research Station.

Those folks at the State Planning Commission ain't going to save agriculture, let me tell you.

ASSEMBLYMAN COLLINS: Let's not move into that area right now, Senator.

ASSEMBLYMAN HENDRICKSON: Well said. We could be here until midnight, Senator. We all agree with you.

ASSEMBLYMAN COLLINS: Thank you, Senator. We appreciate your coming in today. We all know of your strong support for agriculture. I hope we will be able to do something in nectarines, because you keep promising me all this fruit from your farm, in my district, and I haven't gotten any. Maybe I will get a nectarine.

SENATOR HAINES: All you've got to do is drive four miles -- just four miles, Jack. Come over.

ASSEMBLYMAN COLLINS: I'm going to be there. Thank you very much, Senator. Are there any questions or comments for the Senator? (no response)

SENATOR HAINES: You know, I look at nectarines and peaches; that's my field. I know that field, but there are so many other things. I was reading in the paper yesterday-- Do you know what the price of venison is on the market today? It's about \$16 or \$17 a pound. We can raise venison in New Jersey. It's not what you think it is. It is not taking a bunch of deer out of the woods and raising them. This is domestic venison. These are things we can do. The heaviest consumed meat in Germany is venison, and it is healthier than chicken. It is the healthiest meat there is. It is just in the category of fish, because it has no fat.

These are things we can do for the future, not only do for agriculture, but do for the Northeast; do for the people in the Northeast Corridor, who need a better, leaner meat. There are so many things out there. In Gloucester County, we have kiwis growing. The only problem is, they don't have any fuzz, and people won't buy fuzzless kiwis. We can have seedless grapes in Elmer.

ASSEMBLYMAN COLLINS: Now we're talking.

SENATOR HAINES: Now we're talking.

ASSEMBLYMAN COLLINS: Okay. Thank you very much, Senator. We appreciate your coming up.

ASSEMBLYMAN HENDRICKSON: Excellent, Senator.

ASSEMBLYMAN LOBIONDO: Thank you, Senator. Very good.

ASSEMBLYMAN COLLINS: Dean Kleinschuster, you were, as you know, to be the first speaker to give an overview. Of course, as I mentioned, the Senator had to go, but I think you will like following him, with all those Cook College plugs he was giving you.

D E A N S T E P H E N J. K L E I N S C H U S T E R: I surely do, Mr. Chairman. I want to start off by thanking you for the opportunity to be here today to present a short testimony.

I would capitalize just a bit on what the good Senator said about Cream Ridge. I can finish that topic up, if I might--

ASSEMBLYMAN COLLINS: All right.

DEAN KLEINSCHUSTER: --just by presenting an example of economic return for investment in New Jersey agriculture. In about the last 12 years, the State, at Cream Ridge, at our Fruit Breeding Station, has invested somewhere in the neighborhood of \$15 million, total, for the land acquisition, buildings, salaries, operating budget, and so forth. Yet, over that 12-year period, that single operation has brought to New Jersey in excess of \$400 million returned to the State, which would not have happened otherwise. The varieties that have been developed and the handling techniques which have been developed at that station have brought that much money into the State, for precious little investment. Those are numbers that turn venture capitalists to excitement -- that sort of a return on investment. I think that is very typical of what agriculture does for New Jersey in general.

With that, I would present my overview then, Mr. Chairman.

ASSEMBLYMAN COLLINS: Go right ahead, Dean.

DEAN KLEINSCHUSTER: Vision 21 is the strategic master plan for academic and scientific excellence developed for Cook College in the New Jersey Ag Station, designed to move these institutions into the first rank of the nation's land grant institutions. To this end, the Committee for the Advancement of Agricultural Research and Technology -- the acronym CAART -- was formed in the fall of 1987, chaired by Malcolm Forbes, Jr., President of Forbes, Incorporated, and Nicholas Marotta,

Chairman of National Starch and Chemical Corporation. Forty-three blue-ribbon citizens, representing food, agriculture, environment, government, media, education, and consumers developed a funding strategy to meet New Jersey's economic, environmental, and agricultural challenge, and I have distributed at your places the result of their findings. This is a tremendous document.

CAART recommended a budget of \$156 million in capital construction to revitalize and rehabilitate the New Jersey Agriculture Experiment Station and Cook College, which is now the third largest agricultural school in the country. We could very easily, incidentally, be the largest agricultural school in the country, in that we reject about six or seven students for every one who applies, simply because of the size, which we cannot handle. Other schools are losing about 7% of their students each year, and we handle as many who apply as we can. It is just a tremendous asset to Rutgers University.

Further, CAART recommended doubling the Experiment Station's operating budget over the next five years, and called upon the New Jersey Commission on Science and Technology to increase operating funds for two of its high-tech centers located at the Station -- the Center for Advanced Food Technology and the Center for Agricultural Molecular Biology. As you know, on November 8, New Jersey voters passed a \$350 million Jobs, Education, and Competitiveness Bond Issue, from which approximately \$39 million will come to the Experiment Station to help fulfill CAART's and the Station's objective. These funds include: \$6 million for statewide field stations, including a Biological Impact Assessment Center for Ag Bio Tech at Centerton; \$27 million to match Federal funds for a planned science complex, which includes the Ag Bio Tech Center previously mentioned; and \$6 million to begin the Center for Marine and Coastal Sciences, to consolidate existing resources now at the Station and elsewhere at Rutgers.

Additionally, the Federal support, through the USDA, of \$37.2 million in capital funds for the planned science complex and the Center for Ag Bio Tech is presently and currently on track. In this regard, we have approved a peer reviewed proposal to the USDA for the \$37.2 million, and also have approval of the U.S. House and Senate for this entire project.

Also, Rutgers Fund for Distinction has now provided capital for a natural resources building, which is currently under construction and due to open in the fall of 1989. And finally, the head house portion of a state-of-the-art greenhouse complex is complete, and glass will be added in the spring of '89.

On the face of all of this positive news, you may wonder why we are here today. The reason is quite simple: We need the State's support to complete the leverage for each of the projects you will kindly entertain today, and as outlined in the CAART document you have. For example, the bond issue supported our aquiculture effort, as recommended by CAART, at the Bivalve Station at the \$550,000 level. Yet, the cost estimates for the facility's construction are approximately \$2.5 million. Thus, the \$2 million recommended in A-3996 will be sufficient to fulfill the project, the goals of which are to revitalize the Nw Jersey shellfish industry, as well as develop aquaculture technology and management programs for new cultural related industries.

Now, Mr. Chairman, I would note, as the good Senator reminded us, I would also be remiss if I did not, at this time, ask your support for the '89-'90 operating budget for the Station. In Fiscal Year 1988, for example, our budget was 18-plus for Research and Extension. Although our budget increase for '89 was \$20.2 million, required salary adjustments took \$1 million, and funds to begin a new research center at Snyder Farm totaled over \$600,000. Thus, our net increase to

increase our programs was approximately a half a million dollars.

We had hoped to begin with 26 new faculty, as recommended by CAART, but were only able to start up three faculty members. So once again, we have not been able to keep pace with the average American Experiment Station, or to fulfill the role we must play if Jersey is to continue to support its \$15 billion food and fiber industry -- renewable industry -- and to continue to impact the quality of life issues that are so vital to us.

So, Mr. Chairman, I would thank you for the opportunity to be with you today, and for bringing such a distinguished group of New Jersey citizenry to testify on behalf of the New Jersey Agricultural Experiment Station. Thank you.

ASSEMBLYMAN COLLINS: Thank you, Dean. We appreciate your coming and giving us some focus on what is happening in agricultural research. Hopefully, we will be able to meet some of the goals of CAART, of Cook College, and, really, of the agriculture community.

Do any of the members have a question or comment to make to the Dean at this time? We are going to have many opportunities, but feel free at any time. Go right ahead, Assemblyman Hendrickson.

ASSEMBLYMAN HENDRICKSON: I know that our good Senator -- former Assemblyman, and now State Senator -- Bill Haines brought up, water. I have a big problem with the diversion of Pinelands groundwater. Is there any possibility of the farm community -- I can't knock you, yourself, but through your direction -- supporting Tocks Island up in the Northeast for a future water supply? All of the past water studies made in the State of New Jersey recommend it, but it became a very touchy environmental problem. I think our needs in South Jersey, particularly our agricultural needs, far exceed any opposition

to Tocks Island. I firmly believe that. I think we need all the support from the farm community that we can possibly get.

DEAN KLEINSCHUSTER: Absolutely. I, of course, agree with that, but I would go beyond that, Assemblyman, by saying that I think really what New Jersey needs is a plan for integrated water management. In my experience -- only four or so years -- I have seen that we tend to put out brush fires with our water management. We really haven't looked at what water is available, what the recharge is on the aquifers, what the draw down is, the wastewater management, the sewer water management, in order to develop a rational scientific basis for the municipalities and all of New Jersey's citizens to draw upon. We do it by putting out brush fires, and that is not the way to manage a renewable natural resource.

ASSEMBLYMAN HENDRICKSON: I totally agree. Every time we have an extensive water feasibility study, we have an awful lot of people in opposition one way or another, and not enough support from all of the communities for those things.

DEAN KLEINSCHUSTER: Assemblyman, two years ago, I put together a group of scientists who compiled a white paper entitled just that: "Integrated Water Management for All of New Jersey." New Jersey is a small enough area that one can actually model the entire State as to those parameters we are interested in -- draw down usage, proper management, and so forth. I will get that paper to you.

ASSEMBLYMAN HENDRICKSON: I would like to have the whole Committee get it--

DEAN KLEINSCHUSTER: Very good.

ASSEMBLYMAN HENDRICKSON: --because I think one of the things that this Committee should direct itself to as part of agriculture is the water supply.

DEAN KLEINSCHUSTER: Exactly. It's key.

ASSEMBLYMAN HENDRICKSON: It's a disaster to divert groundwater out of the Pinelands for the public water supply.

DEAN KLEINSCHUSTER: I agree.

ASSEMBLYMAN COLLINS: Assemblyman LoBiondo?

ASSEMBLYMAN LOBIONDO: Thank you, Mr. Chairman. I would just like to take a brief moment, and not miss the opportunity, to draw the connection between this package of bills and the position we have tried to espouse on farmland preservation. And a viable agricultural community, I think, is one of the strongest assets and strongest things we can be doing for farmland preservation in this State. So I think this ties in very closely with what we have been doing, and I commend you on your efforts.

DEAN KLEINSCHUSTER: Thank you.

ASSEMBLYMAN COLLINS: Thank you, Dean. What I would like to do, since all of the bills we are going to be dealing with, at least in the initial part of this hearing, relate directly to Cook-- If you would be kind enough to stay at the table, when the various other speakers come up, if you have a comment to make, or if they want to turn to you for any information, you will be right here.

DEAN KLEINSCHUSTER: Very good.

ASSEMBLYMAN COLLINS: We have one more person we would like to call who would like to give an overview of what we are trying to do here today, and that is Dr. James Gramlich, Director, Agricultural Research Division, American Cyanamid, Princeton. Welcome, Doctor.

D R. J A M E S A. G R A M L I C H: Thank you very much, Mr. Chairman. I would like to give a very brief overview, to a large extent biased from the standpoint of industry and agriculture, there because of industry, not only in New Jersey, but perhaps around the world. I have been involved in my present position for about five years, but I have been involved in the discovery and development and marketing and production of agricultural products for my entire professional career. So I have seen agriculture move through some really dramatic

changes in efficiency and production and in the kinds of equipment and the kinds of things that are going on.

I actually came to New Jersey about eight years ago, in 1980. One of the things that impresses you most about this State, after having lived in various parts of the mid-south, and particularly Indiana, where it's corn and soybean agriculture, is the extreme diversity of agriculture in New Jersey; not just crop agriculture, but every imaginable kind of thing. I don't have to tell you people this, but it is a very impressive diversity of agriculture and aquaculture and all of the environmental things and concerns that are affected either by, or affect agriculture in a very serious way.

I think the opportunities for significant growth and improvement and efficiency of producing crops and vegetables and meat and fiber products right in this State are unprecedented. I think, in order to do that, there is no doubt in my mind that we must have an outstanding Experiment Station and agricultural research service -- institution. When I first got involved with Cook College a few years ago, I would have to describe the state of the buildings as lacking at best, and appalling at worst, because-- We heard testimony from Senator Haines that on a continual basis, the reduction in support and funding for the agricultural and research community in this State had taken its toll. I think the thing that we need in this State more than any other thing at the present time, is significant improvement in facilities and capital structure, to allow some outstanding people to do some awfully good work.

I have been very much involved with Vision 21. I am impressed with the thrust of that program. I think it takes Cook College and the Experiment Station out of what had been classically just crop production and kinds of agricultural research, and into a very broad base of agricultural and environmental research. I think the Environmental Research Program in New Jersey is the best in the United States, if not,

certainly one of the best in the United States, and again significant facilities are needed.

I think anything that can be done by this Committee to improve, or to fund the facilities needed, which have been fully spelled out by CAART and by the other various committees, would be returned many, many fold -- I have no doubt about that in my mind -- specifically from the agricultural research industry, the people who have to be the unbiased eyes and ears of agriculture to develop products. The only people with credibility to the public, whether the consumers, whether the farmers, whether totally disinterested citizens, in agriculture, have to be the people in the universities and extension services. These people have taken us into this agricultural revolution. This country leads the nation -- leads the world. It is the envy of the world in agriculture.

We are right in the middle of probably the largest technical revolution in biotechnology that biology ever will see, or has seen, and the people who have to lead that and explain it, understand it, get it disseminated, and adopted by the farmers and by the consumers of this country, are the Agriculture Extension Service people in the Experiment Station, led by research at the university.

If I can answer any questions, I would be glad to.

ASSEMBLYMAN COLLINS: Thank you, Doctor. Gentlemen?

ASSEMBLYMAN HENDRICKSON: I have no questions, but that was excellent testimony. It shows the needs.

ASSEMBLYMAN SALMON: I guess maybe just one--

ASSEMBLYMAN COLLINS: Any time, Assemblyman Salmon.

ASSEMBLYMAN SALMON: This is a statement, more than a question. It is interesting. I was looking at the number of people involved in Vision 21. It is really an outstanding group of citizens in our State. My background has been in education -- I am in my twenty-fifth year -- and one thing you realize is, if you are going to have agriculture maintained a

major part of the time, in a major part of the State of New Jersey, you have to look to the researchers being there to move us forward. So, I appreciate the efforts of both of you gentlemen, and the direction you are taking us to, because I think we have to move forward.

DEAN KLEINSCHUSTER: Thank you. I appreciate that very much. You are very kind.

ASSEMBLYMAN COLLINS: Thank you, Assemblymen, for your comments and, Doctor, thank you very much for your testimony.

What we would like to do now, is go down the number of bills that are directly related to the Agriculture Experiment Station. There are people who have indicated they would like to speak on the individual bills. If anyone else would like to make a comment on these bills dealing with the Experiment Station, or the other three bills on the hearing list, who has not indicated that he or she would like to speak, there are forms here to your front left. When you get a moment, if you would just slide up and get one, fill it out, and give it to me, I will be able to recognize you.

Again, as I said, we are just holding a hearing today on these bills, though I was in error when I said that only one of the Experiment Station bills would be voted on in Committee. I mentioned that just A-3996, which is the Bivalve Bill, would be voted on in Committee, but we will also be dealing with A-3406, which deals with the Experiment Station at New Brunswick. We will be voting on that in Committee.

But right now, we are going to start the portion of the hearing on the individual bills directly related to Experiment Stations. The first one we will hear testimony on is Assembly Bill 3403, which deals with the South Jersey Research and Development Center at Centerton. It pretty much deals with vegetables and nursery agriculture. The first person we would like to call on to make a few comments on that bill is Raymond Blew, President, Centerton Nurseries, Centerton.

R A Y M O N D B L E W: Thank you. The first thing you should never do, is follow Dean Kleinschuster or Bill Haines.

Assemblyman Hendrickson, I sit on the State Water Authority, and I have been the squeaky voice in the dark shouting "Tocks Island" at every meeting.

ASSEMBLYMAN HENDRICKSON: Fantastic.

MR. BLEW: So we'll back you; whatever you can do, I'm sure the farm group will back you.

ASSEMBLYMAN HENDRICKSON: We need a wave from South Jersey to protect the groundwater for all our uses.

MR. BLEW: Well, it would also solve some problems for us in the Delaware Bay, who wish to do business also.

ASSEMBLYMAN HENDRICKSON: Absolutely.

MR. BLEW: Frank, do you want to go ahead now, or wait until--

ASSEMBLYMAN LOBIONDO: Yes. A brief, but important interruption.

ASSEMBLYMAN COLLINS: Excuse me. By the way, it might be appropriate to make this comment: For anyone who may see-- For example, Assemblyman Marsella had to leave for an important meeting; not more important than this, but an important meeting, and I just slid out to talk to Assemblyman Kyrillos. Please continue on if any of us leave, because this is all being recorded, and all of the statements made will be put together in a transcript for all of the Assembly members, for their review when they are contemplating what their position will be on these bills.

I'm sorry, Mr. Blew, that I slid away, but I had to make one comment.

MR. BLEW: That's all right.

ASSEMBLYMAN COLLINS: Please, let's just keep flowing along. We'll have it all down in black and white, whatever you say, so be careful. Go right ahead.

MR. BLEW: Fifteen years ago, I headed up several food-producing processing operations. A great deal of that time was spent in Latin America. At that time, those countries were stumbling along with production problems, but the research people showed me what they were working on, indicating their future possibilities. We were so far in advance of their production methods, that many thought they could never catch up or compete with us. We have found out now how wrong they were.

Their research centers gave them a huge step ahead. From Chile now, we are getting apples, pears, grapes, and asparagus; Brazil, oranges, soybeans, tomatoes, and peanuts; Colombia, flowers so good, that they fly them to Holland, put their label on them, and ship them back to the United States. In Ecuador, they have the most beautiful asparagus you've ever seen, four to five stalks per pound. Mexico -- you know what that is -- tomatoes, peppers, lettuce, melons, etc.

At the rate they are increasing and improving their production, within 10 years, they could control our prices, and the quality and quantity of green goods in the United States. Today, agriculture and the citizens of New Jersey stand at a crossroad, with an ongoing discussion as to which way to turn. If we crash, we may create more environmental issues than we presently have. If we turn left, we may produce products of second-grade quality, and therefore lose our market. If we turn right, we may fall behind in production and lose our efficiency, forcing us out of business. But if we turn back, the people will most certainly go hungry or turn to a foreign market.

If we are to take the right direction toward solving our environmental and food problems, it is imperative that we get only the best tested advice. This is the kind of testing and advice we can get from the South Jersey Research and Development Center, if it is fully developed.

The South Jersey Research and Development Center was set up in 1966, but has never been sufficiently funded to fully develop the laboratory or field facilities to meet the needs of the New Jersey vegetable or nursery business. These two industries contribute more than \$356 million in annual revenue. In '88, it looks like we will run about that number.

With the \$1 million appropriation in bill A-3403, the plans call for the establishment of a Biological Risk Assessment Center to test genetically engineered plants and facilities which will meet stringent Federal standards. This will be utilized by the New Jersey Agriculture Experiment Station faculty and students, and by the faculty for the Center for Agriculture and Molecular Biology. Also, an expansion of a commercial scale greenhouse will take place to test experimental crops, as well as a post-harvest storage and green goods preservation methods facility.

Through the Molecular Biology lab and testing at the South Jersey Research and Development Center, we hold in our hands the jobs of the future generation by producing new types of plants for processing. The plants are insect resistant, disease resistant, low in nutrient and water requirements, and cold resistant.

One example of this that we have looked at which is exciting to us-- Let's take one crop. Suppose tomatoes had a cold resistance the same as spinach -- they had the same gene? Visualize processing tomatoes until December 1. That would more than double our season, creating hundreds of jobs, cutting down unemployment, with more efficient plants and more home-grown products, and so on. Multiply this by peppers, melons, squash, and so on.

We have in our hands also, the responsibility and the ability, through the South Jersey Research and Development Center, to reduce and, in some cases, eliminate pesticide requirements on vegetables and ornamental plants. These are

unlimited possibilities, and we are on the edge of the most exciting time of agriculture since the invention of the gasoline powered tractor. I am just totally certain of that.

Because of many reasons, we in New Jersey cannot afford to take the wrong road. As agriculture, we must move forward, and we can with the aid of the South Jersey Research and Development Center, if you gentlemen will move forward A-3403.

ASSEMBLYMAN COLLINS: Thank you, Mr. Blew. Did you say that we have gasoline powered tractors now?

MR. BLEW: No, I said--

ASSEMBLYMAN COLLINS: Golly! We don't have them in Salem County, do we? Aren't we still with horses? Gosh!

DEAN KLEINSCHUSTER: Since the invention of it.

MR. BLEW: I said, "since the invention of it."

ASSEMBLYMAN COLLINS: Oh, okay. I didn't know. They never got to my county, so I don't know.

MR. BLEW: Frank would condemn me for that, because he is a fuel oil and diesel oil man, not gasoline, so--

ASSEMBLYMAN COLLINS: Does anyone have a question or comment for Mr. Blew?

ASSEMBLYMAN SALMON: I just want to say, I have worked a number of years with Ray, and I appreciate his dedication to his field. I think my 11 years on the Freeholder Board, working with the Board of Agriculture, was an education in itself. I got an appreciation of Cumberland County's farmers and the work they do and the dedication they have. Ray, I have been to the Center, and I think you are fortunate that this Committee is made up of five members from South Jersey. I am pretty sure this one is going to move through quickly when it comes up. But, I appreciate the fact that you could be here to testify today.

MR. BLEW: Thank you very much.

ASSEMBLYMAN COLLINS: Assemblyman Hendrickson?

ASSEMBLYMAN HENDRICKSON: Just real quickly, would you give us the statistics you have on the problem of foreign products -- agricultural products -- so that we can highlight the capability of New Jersey, and since we are so close to the major New York markets, tell us what we could do if we had these bills passed and signed by the Governor? I don't think many people know just what the South American countries are producing in direct competition with us.

MR. BLEW: We can gather that together, and have it in--

ASSEMBLYMAN HENDRICKSON: I would like to have that for the Committee. We can use it for our arguments.

MR. BLEW: Yes. How soon would you need that?

ASSEMBLYMAN COLLINS: Well, whenever. Just get it to me, and we will make copies and distribute it to the Committee members, because you made some interesting little comments, and I saw everybody's ears perk up.

ASSEMBLYMAN HENDRICKSON: Yes, absolutely.

ASSEMBLYMAN COLLINS: Thank you, Mr. Blew.

MR. BLEW: Thank you.

ASSEMBLYMAN COLLINS: Also to make a few comments on A-3403, is Dr. David Evans, Vice President for Research, DNA Plant Technology, Cinnaminson. Please come forward, Doctor.

D R. D A V I D E V A N S: Thank you. I am one of the founders of DNA Plant Technology, which is this State's -- certainly this State's largest ag biotech company, because it is also the largest agricultural biotechnology company in the world. We were founded about seven or eight years ago, and our focus, primarily, is on developing new crop varieties by using a host of techniques of genetic modification.

I am here really, as suggested, to speak in favor of the South Jersey Research and Development Center in Centerton. This Center is really the liaison with the farmer for technology integration onto the farm. It is necessary to have

people working with the farmer to ensure that the new varieties are not just dust in the wind; to ensure that they will provide value and benefit to the farmers and give them an appropriate return on investment.

We, in fact, have worked with the R&D Center on looking at -- evaluating some of our new varieties, such as new approved celery varieties, and have found that experience to be quite delightful in terms of the ability to interface both with the farmers directly, as well as getting the high quality of technical competence in ag engineering and agronomy that is available at the Center.

I would like to just spend a few minutes to briefly address four of the areas that will be serviced by this particular appropriation, as the Center looks to expand some of its roles. The first is in the area of risk assessment. One of the things we have realized, is that biotechnology is moving very, very rapidly. Five years ago, the development of plants via the recombinant DNA technology was only a dream, and now there are large numbers of those plants popping out of laboratories across the country on a regular basis.

It is very unfortunate in this country, though, that we don't really have a good series in network of legislation; we don't have a series of capabilities to even assess the risks that might be associated with new plants, new microbes that are generated in the laboratories. I think this is a very, very important role in terms of both protecting the State, and in terms of protecting the farmer, and in terms of protecting the consumer, that this Center can, in fact, serve.

Secondly, much of the appropriations will also go to reduce pesticide usage. Again, I think -- as was mentioned earlier by the Honorable William Haines -- that there really is a grave concern for contamination in our groundwater, and only by developing new and sophisticated techniques of monitoring pesticides, such as rapid pesticide detection kits, as well as

developing new crop varieties that have greatly reduce the need for pesticides, will we be able to accomplish this.

The third area of this work would be lengthening shelf life of a range of different crops. This will be clearly key for New Jersey to compete in the world-wide arena of agriculture. Being able to add value by having lengthened shelf life, and by developing new plant varieties, we can generate our export business and supply consumers with good, high quality fruits and vegetables on a long-term basis.

The final area is to explore and investigate and expand the opportunity for commercial greenhouse growing. It is critical, as we all know, that as land as become more and more valuable in New Jersey, more of it has moved into condominiums and less of it into agriculture. It is very important in this State for us to look at alternatives such as greenhouse growing on a large commercial scale for development, and for the State to take advantage of a number of the new applications that are possible in the skill of biotechnology.

I think clearly these appropriations are necessary to fulfill this role. It is necessary for us to continue to support this work. My suspicion is that this Center will see a continued important growing role, as we try to integrate the advances that are occurring in biotechnology, both in independent biotechnology companies such as ours, as well as the Center for Agricultural Molecular Biology at Rutgers, which will be critical in the long term to ensure the best use of these technologies.

Thank you.

ASSEMBLYMAN COLLINS: Thank you. Assemblyman Hendrickson?

ASSEMBLYMAN HENDRICKSON: I am elated to hear that we have one of the largest--

ASSEMBLYMAN COLLINS: The largest.

ASSEMBLYMAN HENDRICKSON: --the largest in, he said in the world. That is probably the best-kept secret. I think we need more publicity through the State, or through yourselves, that we have that. I think the public is oriented, at least from my perception, more toward cloning humans, and that has turned people off. I think we should be able to turn that around somehow, and say what we are really doing on the agricultural side in biotechnology.

DR. EVANS: Well, I appreciate your comments. We have been the largest independent agricultural biotechnology company for about two weeks. It is as a consequence of our acquisition of another company.

ASSEMBLYMAN COLLINS: You have to do a better PR job. Two weeks, and we didn't know it?

ASSEMBLYMAN HENDRICKSON: The news should have been out the second day. (laughter)

DR. EVANS: It has been as a consequence of our acquisition of another ag biotech company in California. The combined company now has in excess of 50--

ASSEMBLYMAN HENDRICKSON: See, if I hadn't asked that, we wouldn't know about it.

ASSEMBLYMAN COLLINS: Okay. Thank you very much, Doctor. We appreciate your coming in today.

DR. EVANS: Sure. Thank you.

ASSEMBLYMAN COLLINS: The next bill that we have a testifier on is A-3404, which deals with the Research Center at Chatsworth, particularly dealing with blueberries and cranberries. Mr. Joseph Darlington, of Joseph J. White, Inc., is here to give us a few comments. Welcome, Mr. White -- Mr. Darlington.

J O S E P H D A R L I N G T O N: That's all right. Everybody does that. Thank you, Mr. Chairman.

I am very pleased to be here this morning. Senator Haines talked about the diversity of agriculture in New

Jersey. He sort of stole a little bit of my thunder, because I was going to tell you about the fact that we in New Jersey can grow the three original native fruits to the North American Continent -- cranberries, blueberries, and Concord grapes. I am here today to represent cranberries and blueberries. I am Chairman of the Blueberry-Cranberry Research Council, which is a grower organization formed just about four years ago, with basically two purposes in mind: One was to improve the channels of communication between USDA's ARS and New Jersey's Agricultural Experiment Stations in Cook College and the growers themselves.

The other important reason for being, is to try to collect growers' funds. I don't feel comfortable being here today asking you to support research, if I am not already doing my share the best I can. The growers have collected, to date, something in the neighborhood of \$200,000. We are hoping to continue to build that nest egg and use it as a trust fund, from which we can provide fairly hard money for continued research at the Chatsworth Experiment Station.

The \$2.3 million that this bill would provide would be a big step toward what we growers can only dream about in the way of expanding the existing facilities at Chatsworth. The facilities currently only support two or three scientists and their support staff and support people and equipment. I don't know how familiar you are with the concept of a critical mass in research. I'm sure you are very aware of it. Two or three scientists are not a critical mass. You need more like eight or ten. So, the Center at Oswego has suffered from being a small satellite station, some distance from New Brunswick. This appropriation would help to turn that around. It comes at a time when many other things are coming together which will help to turn things around for us.

The appropriation would go to provide additional space, laboratory buildings -- a facility for at least two more

scientists and their support staff, which would be numerous, and their equipment. That would be a big step toward the critical mass we need to see Oswego remain as a viable entity.

If this money were not appropriated, then the \$260,000 that was recently -- extra money that was recently appropriated by Congress, and the \$375,000 recent addition to the budget at ARS, would not be spent wisely. If there aren't facilities, then those scientists that that money will go to support won't have anyplace to work, and there is not much they will be able to do with the money.

Our industries are currently faced with some very serious problems, which have already been touched on here today -- land use restrictions, water shortages and restrictions, pesticide use and restrictions, labor force restrictions and inadequacies. We have a great many problems, and the only way we are going to continue to survive as an industry, in view of the fact that we are considered a minor crop, is if we continue to get research funds. We do not currently get, nor do we want, subsidies. We do want research funds, so that we can continue to remain a viable crop and continue to survive in the future.

Thank you.

ASSEMBLYMAN COLLINS: I appreciate your comments there, that you do not want subsidies; you need additional research. If we can do a better job, then we won't need the subsidies.

MR. DARLINGTON: Certainly; for sure.

ASSEMBLYMAN COLLINS: That hit a good point, in me, at least. Are there any other--

ASSEMBLYMAN HENDRICKSON: I worked with a Tom Darlington for a few years.

MR. DARLINGTON: That was my father.

ASSEMBLYMAN HENDRICKSON: Okay. For everybody's information, Chatsworth is the capital of New Jersey, as far as cranberries and blueberries are concerned.

MR. DARLINGTON: That's right.

ASSEMBLYMAN HENDRICKSON: Are we outproducing Massachusetts -- Cape Cod -- in cranberries, or are we--

MR. DARLINGTON: No, I'm afraid we're nowhere near them.

ASSEMBLYMAN HENDRICKSON: How about in acreage?

MR. DARLINGTON: In acreage, we are way behind them. That is one of the land use restrictions. New Jersey used to have four times the acreage that it now has in cranberries, but we have lost those acres, and will probably never be able to get them back.

ASSEMBLYMAN HENDRICKSON: Could you give us some highlights on that -- perhaps to the Chairman and the Committee -- as to the restrictions and how they have really cut back on our production of cranberries?

MR. DARLINGTON: The restrictions have taken several forms over a number of years. The industry peaked at around 13,000 acres in the '20s, and went into a slow decline for a number of economic and environmental reasons. Around the end of World War II, there was a continued depression in the industry, brought on by a disease that made it very difficult to produce cranberries. At that time there wasn't the research available to solve those problems quickly enough, and a lot of growers went out of business. Their acreage was lost. Now they provide lakefront communities for places like Medford and Country Lakes. The acreage basically stabilized. We had some other catastrophes, like the pesticide scare in '59. So, we are well aware of what all of these problems can do to us.

Now we are faced with the restrictions applied to wetlands. We are not allowed-- No one is allowed to do much in the wetlands under the Clean Water Act. The Army Corps of Engineers-- Everybody knows what a problem it is to do anything in the wetlands, so you can imagine what a problem it is to try to do agriculture in the wetlands under those sorts of restrictions.

So, we need the research in order to increase our productivity on the acres we do have. That is the only way we can continue to expand our productivity, which is the only way we can stay in business.

ASSEMBLYMAN HENDRICKSON: Let me point out, and I know this is a long meeting-- Agriculture, when under cranberry growing, is clean and pristine. Since we have those that, there is more pollution than there ever was before, just because of the usage. There is a lot of pollution out there in those lakes now since they have come out of ag, which was not there when we had it in agriculture.

MR. DARLINGTON: Yes, that's right.

ASSEMBLYMAN COLLINS: Thank you very much, Mr. Darlington. We appreciate your testimony.

MR. DARLINGTON: Thank you, too.

ASSEMBLYMAN COLLINS: When talking about acreage loss, particularly in this case with cranberries, the question I want to ask either you, Dean, or I see the Department of Agriculture back there-- They always throw this number out. But whomever, how much acreage did we lose last year and the year before? There is a number that I know the Secretary always throws out, or some ball park figure. Is there anyone who has the number of how much agricultural acreage we have lost -- let's just say last year? (Ms. Ainsworth starts to answer from audience) Just one second, Ms. Ainsworth. Would you please come forward, so we can get you on the record? And, please identify yourself.

S H A R O N A. A I N S W O R T H: I am Sharon Ainsworth, from the Department of Agriculture. We estimate that we have probably lost, this last year, roughly 30,000 to 40,000 acres of farmland.

ASSEMBLYMAN COLLINS: Okay. Sharon, would that be an average over the last five years -- 30,000 a year?

MS. AINSWORTH: Well, it certainly has varied, although definitely over the last three years it has been closer to the 40,000 figure.

ASSEMBLYMAN COLLINS: Okay. The reason for that is, we have had from the overview, and right on through, concern about this. I really think we have to sell -- if that is the appropriate word -- to society, let alone the Legislature, that as we are losing our farmland, what we have left, we just have to do a better job with, and to do a better job is exactly why we are here today with the Experiment Stations. So, roughly 30,000 to 40,000 last year, and over a three-year period, we would say somewhere in that range is good?

MS. AINSWORTH: Correct.

ASSEMBLYMAN COLLINS: Okay. Thank you very much, Sharon.

ASSEMBLYMAN SALMON: Mr. Chairman, may I ask a question?

ASSEMBLYMAN COLLINS: Surely, Assemblyman Salmon.

ASSEMBLYMAN SALMON: What are the Department's efforts to stem that tide of loss? If you are averaging 40,000 a year for three years, that's 120,000 acres.

MS. AINSWORTH: As you may be aware, we do have a Farmland Preservation Program. At the present time, we are still working with the initial \$50 million bond question that was passed in 1981. However, at this point-- In fact, this morning, Secretary Brown is chairing a meeting of the Farmland Preservation Program, where we are going to be-- The committee will be looking at the allocation of the remaining \$30-some-million -- roughly \$33 million -- left for development easement purchase.

Quite frankly, we are in a real crisis situation there, in terms of needs for additional bond funds. We would hope that in 1989, perhaps we would have another bond ballot question for additional funds for farmland preservation, because the acreages that have submitted for easement purchase have dramatically escalated in the last year.

ASSEMBLYMAN SALMON: Do you think there is a good opportunity for us to start being successful with regard to instead of 40,000 a year in the last three years, that we could move to 30,000 and 20,000 and 10,000 acre losses?

MS. AINSWORTH: We certainly are very optimistic, as long as we can continue to fund the Program. We are certainly at a critical juncture on the retention of farmland.

ASSEMBLYMAN SALMON: So, the key to success is really being able to fund the Program, in your opinion?

MS. AINSWORTH: Yes.

ASSEMBLYMAN SALMON: Thank you.

ASSEMBLYMAN COLLINS: Thank you, Sharon.

The next bill we would like to take testimony on is Assembly Bill 3405, which deals with the Experiment Station at Tuckerton. To give us some comments on that bill is Mr. Robert Egnatovich, a fisherman from North Middletown.

ROBERT EGNATOVICH: You pronounced it right.

ASSEMBLYMAN COLLINS: Well, I just tried to slur my way through it.

MR. EGNATOVICH: Perfect; perfect.

ASSEMBLYMAN COLLINS: Just one other comment: It is a little unfair, as you sit there, but in the hearings that I have been involved with during my three years in the Legislature -- and I'm sure with Assemblyman Salmon, who has been in education for 25 years; I haven't been in quite that long -- we constantly run into the problem of, we start the hearings, the first person talks with enthusiasm, and maybe a little longer than we wanted, and so on, and by the time we get to the end we are contracted and constricted by the time frames. That is starting to happen a little bit. So, if we could just keep that in mind. Remember that at 11 o'clock, we are going to take at least a few-moment break, if anyone is in the press room. We will send someone up to see. Then we will continue on. But if we could just keep that in mind-- Now, you're on, sir.

MR. EGNATOVICH: Thank you. I guess I am here to testify as to the importance of research in regard to my industry, commercial fishing. I think in order to do that, the first thing we have to look at is the state of the industry. I think everybody here has to be familiar with the summer of '88 on the Jersey shore.

We had hypodermic needles; we had floatables; we had bad press. And what we wound up with was an industry that had already been depressed, due to lack of stocks, that became more depressed because what few stocks we had left we couldn't sell. So, we started looking at alternatives to improve the industry, and to help get through these times.

In looking around and making phone calls, I came in contact with the College, and they have helped along the way in a few matters. This summer, they helped to introduce a shark fishery program in the State. Now, it may sound like this is beating around the bush to this, but what I am getting at, is that an industry that existed -- one of our earliest industries -- all by itself, never relying on science, so to speak, has found itself in a situation where we know it is an absolute necessity. And we have turned to these people for answers, because we don't have them.

We have polluted waters, and we have to ask these people what we can do about it. We have areas that naturally produced the stocks we harvest, that either aren't producing or are producing at a very low scale. We don't know what we can do, so we turn to these people.

I had the opportunity to tour the Tuckerton Research Station -- I enjoyed the ride out, by the way -- and I was amazed at what they were doing out there. I learned quite a bit. I think we shed some knowledge out there, also. But as an industry overall, if we don't have the help of these people, if we don't have research such as this to provide the basic tools to improve our industry and our waters, I am really not too sure where we are going.

I had a meeting last week with the land banks -- the people who finance us. They are very concerned about this. Again, they seem to be our only door to a future. Dr. Able (phonetic spelling), right now, is involved in researching summer flounder, a very important stock in our industry. Well, not just for commercial, but also for recreation.

ASSEMBLYMAN HENDRICKSON: Recreation, too.

MR. EGNATOVICH: Right, both. Winter flounder, scup, black sea bass -- all very important, both commercially and for recreation. He is in a rather unique situation down there. It is probably the cleanest inter-coastal body of water in our State. I mean, it is absolutely beautiful. What he has there is an opportunity to observe what is going on in that body of water, and compare it to the Raritan Bay, if you will, a more polluted body of water.

I don't think this station would be replaceable. I can't think of any other place you could do something like that. I was amazed that we even had clean water left in New Jersey. But, they are doing a good job. They are definitely undermanned. They certainly need a lot more equipment, from what I see out there.

Speaking a little bit for my constituents, because we had a meeting down at the docks yesterday to discuss this-- From a group of people who, like I said, never had anything to do with research, we're saying, "Support them. Give them the money to produce the tools to help revitalize our industry." We are one of the biggest industries in this State. It was amazing -- and I think it was-- Was it Cook College that did the--

DEAN KLEINSCHUSTER: Yeah, the economic impact.

MR. EGNATOVICH: And it was amazing, the amount of revenue and the jobs we produce, you know, in this State. But, we are in tough shape, and it is going to be even tougher in the future. We are looking at a summer coming up when we know

that the first twig that washes up on the beach, people are going to scream, "Pollution." We need every single thing we can get. Projects such as this are the answer to our future.

ASSEMBLYMAN COLLINS: Well, thank you very much for your comments. What I found particularly incisive in your comments, was when you went out to the Experiment Station, how your eyes were opened. I think that over the last year or two that I have been involved in dealing with the Experiment Stations, and particularly the real people, the practicing people -- be they fishermen, or farmers, or whomever it might be--

ASSEMBLYMAN HENDRICKSON: Or legislators.

ASSEMBLYMAN COLLINS: When they see what is going on out there, the response has been so positive. I think that is very gratifying, because I think often we run into conflicts between the people who are really doing it, who need to see results immediately -- like you want to catch a few more fish tomorrow-- They forget that there won't be a tomorrow unless we look at the bigger picture. When you made that comment, that your eyes were opened -- and I've seen it happen, as I am sure we will have alluded to later when we talk about the oyster industry, which really has an opportunity to make a move, and all of the other areas of agriculture-- I just sort of put a little smile on my face when I hear a practicing farmer, whatever the agricultural commodity is, say, "Hey, this research, and what's going on in education are really important." I think that was the point that grabbed me.

MR. EGNATOVICH: The other thing that I am glad to see, too, since, well, I guess I am the middle generation in the fisheries-- I have a son following me up in the fisheries. I am just so glad to see the people in my industry who always hid under a box -- I mean, they didn't want anybody bothering them, you know, "Just leave us alone--"

ASSEMBLYMAN COLLINS: Exactly. That's my point.

MR. EGNATOVICH: A few years ago, I became involved in fisheries management in this State, and went back and said, "Hey, fellows, we are just heading down a dead end road here." These people are, in fact, really doing great things. I would just like to see the young people becoming more aware in my industry -- and they are -- of what is being done. They are at the point now where they are starting to turn around. Instead of hiding underneath that basket, they are turning to these people, and saying, "What is the answer to this? What can we do to help this out?" It is just totally becoming a different industry.

ASSEMBLYMAN COLLINS: Dean, did you want to comment?

DEAN KLEINSCHUSTER: Mr. Chairman, I just might add a comment relative to the fine comments here: As you know, the bond issue -- the recent bond issue that passed -- had \$6 million in it for the first phase of a Marine Institute as part of the Experiment Station. I am just preparing the final version -- the final draft -- of a proposal -- a \$13 million proposal -- to go to the Port Authority for the next phase of that building project, to provide New Jersey with a comprehensive and unified theme for its marine and coastal interests. Part of the problem in New Jersey, again, is that the interests are diversified, noncommunicative, fibrillating, if you please, without rhyme or reason. We would hope to center the emotional, educational seat for all of those activities in the land grant tradition, in the agricultural tradition, as a unit within the station, to work with the commodities and all the other users in the old Gifford-Pinchot axiom of the maximum sustained yield for all the users. That is what we do best.

So, if I send you a copy of that, perhaps your Committee could memorialize that proposal to the Port Authority in support.

ASSEMBLYMAN COLLINS: Please send it to us, and we will definitely give it a look.

DEAN KLEINSCHUSTER: Thank you.

ASSEMBLYMAN COLLINS: Assemblyman Hendrickson?

ASSEMBLYMAN HENDRICKSON: Just real quickly, because I know that time is of the essence, I think one of your statements-- The independence of the fishermen in the past has been one of the biggest problems in not getting them together so their problems could be made known to everyone. I think the first step was when Swede Lovgren and others joined the Farm Bureau. That brought them together, and now you picking it up, and Nels, and everybody else-- I believe, together with the farmers, because it is food, and using the Farm Bureau and that mass to help us to help you-- That is the way to go.

I would just like to comment on what you said about going out to Seven Bridges Road. You should have had hazardous duty pay because you went out there. I very well know Seven Bridges; it is in my district. I will just say that we will try to do something to make the travel out there. But it is very difficult, because, as I explained to you before, and I will say publicly, there are people who perhaps don't want everybody down there all the time. We will repair the bridges, and somebody comes behind us and burns them.

MR. EGNATOVICH: That's a shame.

ASSEMBLYMAN HENDRICKSON: We would have to put a man on every bridge for a while.

ASSEMBLYMAN COLLINS: Thank you very much.

MR. EGNATOVICH: Thank you.

ASSEMBLYMAN COLLINS: We are going to have testimony here on one more bill before we take a small break. That bill is the one remaining bill that will not be voted on in Committee today -- A-3407 -- which is the station with regard to Snyder Farm in Pittstown. We are very honored to have to testify, Herman Panacek, President, State Board of Agriculture.

H E R M A N P A N A C E K: On behalf of Hunterdon County and the County Planning Board, of which I am Chairman, and I am honored to be here, Mr. Chairman-- In 1987, the Ag Experiment Station was very fortunate to receive, as a gift, a farm of approximately 375 acres in Hunterdon County. This particular farm exists in one of the prime upland farm areas of the State. In addition, unfortunately, due to some circumstances prior to the College receiving the farm, the farm was not necessarily maintained in the best practices possible. Since the school -- or Rutgers, or Cook College has taken over the farm, there have been some minor appropriations which have been used extremely wisely.

Today, I would like to see your consideration on an appropriation proportionate to my size, of about \$3 million. There has been a lot of cleanup. There has been excellent cooperation with the USDA Soil Conservation Service. Presently, there are no facilities that exist on the farm that would meet the needs of the school. There are no buildings that have the potential of being turned over for research. There is a need for labs; there is a need for buildings. I think the support, on the local basis, has been outstanding. Prior to the school obtaining some equipment and so forth, local farmers supplied equipment to start getting the farm back in shape. I think that is indicative of the support on the local level.

In addition to that support, most of the land is prime ag land, but there are also some minor lands which have bases for environmental studies and applications. I think those things, along with the opportunity for low input ag studies, for sustainable, economically viable ag studies and applications for this research farm, are important. It is a particular area of the State that does not have an overabundance of water. It is an opportunity for research in low water usage in ag, not only for the agricultural situation, but basically for the residents of the entire State.

We have had the unfortunate experience in this decade of having three very dry years. When those dry years appear, with research, and additional research, with what has already been done, that will benefit every resident in the State of New Jersey. I think with those things in mind, the microclimate that exists there deserves fair consideration, and I think the opportunity to have a research farm in the microclimate that exists in that part of the State will be of extreme benefit to all of the residents.

A little bit of history: The Senator, earlier this morning, mentioned peaches and the research in the Cream Ridge area. In the early 1900s, that area was the peach capital of the State of New Jersey. It is an opportunity, because of the transitions that have taken place in that part of the State in agricultural sectors-- There is a lot of history, and there is a lot for us to hang our hats on in that history. I think that, along with being in a core area of farmland preservation, just makes it so that in the long term, it will benefit the residents.

ASSEMBLYMAN COLLINS: Thank you, Mr. Panacek. Any comments?

ASSEMBLYMAN HENDRICKSON: Just a comment: I always thought that was really the potato capital. I never knew it had peaches.

MR. PANACEK: Potatoes were secondary--

ASSEMBLYMAN HENDRICKSON: Oh, okay.

MR. PANACEK: --on that particular farm.

ASSEMBLYMAN HENDRICKSON: In that area?

MR. PANACEK: Yes.

ASSEMBLYMAN COLLINS: Are there any other questions or comments? (no response) Okay. Thank you very much for your testimony.

MR. PANACEK: Thank you.

(RECESS)

**AFTER RECESS:**

ASSEMBLYMAN COLLINS: We will now listen to testimony on Assembly Bill 3406. We are very pleased to have Roderick MacDougall, President, Board of Managers, NJAES, make a few comments. Rod, welcome.

R O D E R I C K M a c D O U G A L L: Thank you, Mr. Chairman. It is indeed a pleasure to come before you. I know the busy schedule you have.

Assembly Bill 3406 is an extremely important bill for the Experiment Station. This bill appropriates \$2.7 million to the New Jersey Agricultural Experiment Station for the construction and renovation of its main facilities in New Brunswick. The 1989 Bond Issue did not contain funds for the field laboratories of the New Jersey Agricultural Extension Service, which are located in New Brunswick. This bill appropriates funds to update facilities supporting research in horticulture and animal science. These antiquated field facilities are over 50 years old -- 50 years old -- and are inadequate to support modern field research in these important areas.

We have to look at Vision 21. Dean Kleinschuster took five of his people -- top people -- and they sealed themselves away for five days, and came up with Vision 21, just the greatest thing that could ever happen in agriculture, because we are looking at the twenty-first century. Believe it or not, many of the other agricultural communities throughout the country are looking at Vision 21.

The strategic master plan calls for the building of a strong research program. The Committee for the Advancement of Agriculture Research and Technology endorsed, as you saw in the booklet, \$156 million in new facilities, a major portion of which were laboratory, offices, etc. in New Brunswick. However, the recent bond issue did not include New Brunswick

field facilities. Field facilities are a vital step in the application of new knowledge discovered in the laboratory to the solution of real world problems faced by farmers. This is where Extension brings it out to the farmers.

The funds will be used to: Upgrade the large animal facility; to equip a new small animal research facility to meet standards required by Federal laws; to replace dilapidated storage buildings; to house machinery; and to build new field laboratories and greenhouses, which will include environmentally safe pesticide storage and handling facilities.

Mr. Chairman, when you look at the people who have graduated from Rutgers University -- and I just listed a few of our distinguished alumni-- There is Elizabeth Sloan, who is Vice President/Editor of "McCalls" magazine. We have Secretary Arthur Brown today; we have Phil Alampi, who graduated, and Les Brown, a world-watcher in Washington, D.C.; Noel Hitters (phonetic spelling) at NASA; and then we have two great guys, William Pickett, who is with the Oakland Raiders, and Don Cherry, who is the Kansas City Chiefs, and I guess you see them on television.

ASSEMBLYMAN COLLINS: South Jersey gentlemen.

MR. MacDOUGALL: They are all pros. Then there is Robert DiMarco (phonetic spelling), who is Vice President of General Foods. Then we have four-star General Frederick. I think that's wonderful -- coming out of Cook College.

ASSEMBLYMAN COLLINS: We also have an outstanding Chairman of the Assembly Economic Growth, Agriculture and Tourism Committee. (laughter) Go right on, Mr. MacDougall.

ASSEMBLYMAN SALMON: I'm sure you are on that list, Jack.

ASSEMBLYMAN COLLINS: Yes, he was going to read that name next.

ASSEMBLYMAN SALMON: He will now.

ASSEMBLYMAN COLLINS: That's law school, but that counts. I contribute to the Alumni Fund, so--

MR. MacDOUGALL: Well, I think that is just wonderful.

ASSEMBLYMAN COLLINS: Does anyone have any questions of Mr. MacDougall?

ASSEMBLYMAN HENDRICKSON: No. I think we all agree with him.

ASSEMBLYMAN SALMON: His was an excellent statement.

MR. MacDOUGALL: I was very happy to hear Assemblyman Hendrickson speak about water. I have been around a long time in this State, and I have seen what has happened. It's very, very vital. Tocks Island is necessary.

ASSEMBLYMAN HENDRICKSON: Absolutely; no question.

MR. MacDOUGALL: Every person in the Assembly should get his or her brain working toward it, believe me.

ASSEMBLYMAN HENDRICKSON: Thank you. We will try to help them to do that.

ASSEMBLYMAN COLLINS: Thank you very much, Mr. MacDougall.

We also have, to give comments on A-3406, William Franke, Vice President, Research and Development, Thomas J. Lipton, Inc. Thank you, Mr. Franke, for staying around for so long. As you can see, we have a busy schedule, and we still have more to do, but we are more than happy to hear your comments.

W I L L I A M F R A N K E: Thank you, Mr. Chairman and Committee members. I was asked by Dean Kleinschuster to come and just give you a brief overview of the processed food industry in New Jersey, and specifically the R&D effort in New Jersey.

There are a number of well-known large food companies in New Jersey. Among them are: General Foods, which has a research laboratory in Cranbury; Nabisco in East Hanover; Campbell Soup in Camden; CPC in Englewood Cliffs and Union, New

Jersey; Lipton in Englewood Cliffs; and M&M/Mars in Hackettstown. The annual R&D budgets of these companies alone are conservatively estimated at \$100 million, and they employ over 2000 scientists and engineers. Total sales of those companies are at least \$30 billion. So that gives you an order of magnitude of the type of industry we are talking about, just in New Jersey. Other large food processors in New Jersey include: Johanna Farms; Tuscan Dairies; Farmland Dairies; and Ocean Spray.

In addition to these large food processors, there are many companies which are suppliers to the above companies. One of the world's largest flavor companies is International Flavors and Fragrances, and they have a large research and manufacturing facility in Dayton, New Jersey. There is a company called Trugoco (phonetic spelling), which is a German-based flavor company located out in Totowa. There is Harman Rymer in Springfield, Firminish in Plainsboro, National Chemical and Starch in Bridgewater, Food Machinery Corporation in Princeton, and Johnson & Johnson is even in the food business.

These large companies also deal with a number of smaller food companies in New Jersey. For instance, Lipton has a production agreement with a frozen food company in Vineland, and also a confectionary manufacturer in New Brunswick. I am not privy to information about who else has, maybe, agreements, but I am sure there are a lot of other small food processors who support the big companies.

The importance of funding the Agricultural Experiment Station is that it is vital to the processed food industry in the State. We rely on Cook College to conduct leading edge research, and also to supply employees, scientists, and engineers from the University. I, myself, have my degrees from Rutgers' Cook College.

ASSEMBLYMAN COLLINS: Well, you were on the list, too. He just didn't get to your name either. (laughter)

MR. FRANKE: Oh, okay. Sorry. I want to echo Dr. Gramlich's statement about the physical facilities, and the absolute need to upgrade them, so that we are one of the foremost universities in the country. I have traveled to places such as North Carolina and Purdue, and their food science departments are well-equipped. We are certainly at that level, or even ahead of them, but we must continue to do that.

Just some last comments about the small and large animal facilities in New Brunswick: They are certainly important to do the nutritional and toxicological research that the large food companies depend upon.

So I think any money that you decide to spend in New Brunswick on the Agricultural Experiment Station will be well spent.

ASSEMBLYMAN HENDRICKSON: Thank you. If I may, when you spoke of North Carolina, that Experiment Station-- Does the tobacco industry have any financial interest in that from the private sector, like they have been doing down there to help their own farmers in the transition from tobacco to, perhaps, other crops?

MR. FRANKE: Possibly. I know when I visited the peanut industry, they certainly supported the food science department. They do a lot of peanut research. Throughout the U.S., you will find that the various food science departments are supported by the local industries to a great extent. That is where they have their expertise.

ASSEMBLYMAN HENDRICKSON: Thank you.

ASSEMBLYMAN COLLINS: Thank you very much, Mr. Franke. We appreciate your testimony.

We have one more bill in the Agriculture Experiment Station package, and we will vote on this bill today when we go

into Committee. The last bill is A-3996, which is the Rutgers Shellfish Research Laboratory, Bivalve. It will give an allocation to them. We have one testifier, Mr. Hal Bickings, Assistant Director, State of New Jersey Fisheries Development Commission.

As Mr. Bickings is coming forward, we also have a number of people from the research laboratory that I have dealt with on numerous occasions who are here today. They will not be testifying, but just a quick comment to them and the other staff members. You are doing an outstanding job down there, hopefully revitalizing the oyster industry.

Mr. Bickings, on A-3996.

H A R O L D E. B I C K I N G S, JR.: Thank you, Mr. Chairman. I am presenting two letters today in support of Assembly Bill 3996. The first, from the New Jersey Aquaculture Association, an Association comprised of over 50 members representing science, industry, and government. The second letter is from the Morris River Oyster Culture Foundation, which is using aquaculture techniques in producing, on a commercial scale, disease-resistant oysters supplied by Rutgers Research Laboratory in Bivalve and Cape May and the Cape Shore Lab.

As the Assistant Director of the New Jersey Fisheries Development Commission, Administrator of the Morris River Oyster Culture Foundation, and Secretary of the New Jersey Aquaculture Association, I have seen and experienced firsthand the progress of world aquaculture. States such as Virginia, Maryland, South Carolina, Mississippi, and Washington, to name just a few, have realized the potential positive impact of aquaculture on their states' economy.

The proposed facility and the upgrading of research capabilities would enable New Jersey scientists and industries the tools and information which are necessary to advance in understanding aquatic life. New Jersey's many bays, rivers,

and lakes could once again provide large quantities of fish and shellfish -- clams and oysters -- if we could understand the impact upon them from our environment and how we can improve their quality, or order their destructive forces on these national treasures.

This bill, and ensuing facility, will go a long way toward returning New Jersey to its once proud place as one of the major seafood producing states in this country.

Thank you.

ASSEMBLYMAN COLLINS: Thank you, Mr. Bickings.

I just have a comment to make on A-3996. This comment is not just tied to the fact that I am the sponsor of that particular bill. Recently, I was at the Research Center at Bivalve and, not to overinflate my reaction, but I am sincere when I say that in the three years that I have been involved here, and have seen various demonstrations of achievement, that day when I saw the difference between those oysters that were developed there, which are MSX resistant, and those that were the traditional oyster-- When you look at two trays that started out with the same number, and the tray that was not developed through the Research Center and Dr. Haskins and others down there, and you look down and out and the entire tray are oysters that were made, after one year, the size of a half dollar, and maybe in that tray were 20 oysters, and the tray right next to it, put in at the same time, MSX resistant oysters, at least triple the size, and maybe 400 of them compared to the number in the other tray-- It was just graphic.

If this MSX resistant oyster can really continue to be developed, we can put hatcheries in there, where we can prove that over two and three years these oysters can be developed. And I cannot see any way that the oyster industry cannot come back; that private industry cannot move in. I make this testimony because I want it all in the transcript. It is just really-- I am as optimistic over this particular aspect of the

areas I have been involved in as any in the three years I have been in the Legislature. I want to publicly commend the Research Center and all of those involved with it.

Are there any other questions or comments with regard to Mr. Bickings?

ASSEMBLYMAN SALMON: I would like to make one comment.

ASSEMBLYMAN COLLINS: Assemblyman Salmon?

ASSEMBLYMAN SALMON: First of all, I appreciate your testimony, Hal.

MR. BICKINGS: Thank you.

ASSEMBLYMAN SALMON: I almost feel as if I have lived with this project. Maybe to give you a little history on it -- and I really appreciate the fact that you and Frank are sponsoring this bill, Assemblyman Collins-- I was elected to the Board of Freeholders in '76 in Cumberland County, and Director Fischer, at that time, gave me the responsibility for economic development. In '77, we organized, with Bob Morgan's help, an Economic Development Advisory Board that designated projects, and this was the first project designated -- the building of this facility. We followed that project through. I have been in and out of there at least a dozen times. I know the work of Dr. Howell, and he is outstanding. He does just a super job, a real professional from day one.

I agree with you, Jack. This, of course, would be a tremendous asset, not only to South Jersey, but to all of us. I know how much Frank is convinced of the necessity of rebuilding our oyster industry. If we can find the cure, and then get them planted, and then start producing, it would make a big difference. People don't realize 40 years ago, what Port Norris used to look like. It was like millionaire's row, with the kind of industry that was down there. If it could ever be generated, it is certainly a direction that we in this State should be going. I certainly would appreciate being a co-sponsor of the bill.

ASSEMBLYMAN COLLINS: Well, we would be happy to have you on that, Assemblyman. You know, your comments are right on target. This is really something that is exciting. That is not to slight the other bills in the package, but this is one where I can see it turn around immediately.

Are there any other comments?

ASSEMBLYMAN HENDRICKSON: Just that I totally agree with my colleague, Assemblyman Salmon, on the need for the shell fisheries, both oysters and clams. I just have to plug A-1947, which takes Natural Resources and transfers it to DOA. I think we ought to be taking a hard look at that, because I think our shellfish industry, if it had been in Agriculture, would have had more attention. I am not trying to malign anything about DEP. They are just so big. But we will talk about that at another time.

ASSEMBLYMAN COLLINS: Thank you, Assemblyman. Thank you, Mr. Bickings.

MR. BICKINGS: Thank you, Mr. Chairman.

ASSEMBLYMAN COLLINS: Those are all the people who have been given to me who wanted to testify on this package of bills. I would like to thank all who testified, and thank the Dean for his expertise. We will be dealing with these bills which aren't in Committee today in the very near future. I thank all who testified on those seven bills.

We still have three more bills that are part of this hearing process. Two of them, Assemblyman Shinn is the sponsor of: A-453, which exempts certain services provided with respect to farm equipment from the State sales tax, and A-2705, which removes portable grain or forage structures from definition of structures in the Farmland Assessment Act. I don't have anyone who has indicated that he or she would like to speak on this, but Assemblyman Hendrickson has some pertinent comments.

ASSEMBLYMAN HENDRICKSON: Very quickly, Mr. Chairman, what we have been talking about here all along is trying to help the farmer economically. Simply said, these two bills are in the right direction to make farming a viable industry in the State of New Jersey. I would ask as expeditiously as possible, if not at this one, then at the next meeting, that these bills be released. I just can't express how great the need out there is.

ASSEMBLYMAN COLLINS: Thank you very much, Assemblyman. We have, from the Department of Agriculture, some commentators. Would you please identify yourselves?

MS. AINSWORTH: I am Sharon Ainsworth, Department of Agriculture. I have with me John Van Zandt, who is the Director of our Division of Rural Resources. We have taken a look at these pieces of legislation, and John is here to make just a few quick brief comments on our interest in changes in certain types of assessments regarding farmland structures.

ASSEMBLYMAN COLLINS: Okay, thank you. Mr. Van Zandt?

J O H N P. V A N Z A N D T: We have been looking at this kind of legislation for quite a while. The one thing we would like to talk about at some point, and perhaps as an amendment, is to change the wording of the bill by Assemblyman Shinn to include the same wording that was in the Dumont bill previously before the Assembly. I won't go into the details of that, but we will plan to work with the Assemblyman.

ASSEMBLYMAN COLLINS: I'm sure he will be receptive to that. When we deal with these bills in Committee, he will have the opportunity to make any amendments, or you may suggest whatever. But we will give you that opportunity.

MR. VAN ZANDT: We like the bill as it is. We think we have a couple of words that will help it.

ASSEMBLYMAN COLLINS: Well, we will surely look into them at the time of the Committee meeting on them. Thank you very much.

We also have one other bill that is listed for this hearing. It is a bill sponsored by the outstanding Assemblyman from Gloucester County with regard to support for agriculture -- my colleague, Tony Marsella. The bill is A-1751. It authorizes all counties to establish low-interest farm loan programs and to use general revenues therefor. I have no one who has indicated a desire to testify on this bill. The Department will. But first, we would like to turn to the sponsor of the bill, Assemblyman Marsella.

ASSEMBLYMAN MARSELLA: Thank you very much, Mr. Chairman. This is a very, very important bill also. It looks like agricultural day here with the Agriculture Committee. It is a fine day for agriculture across New Jersey.

This bill is an important bill because, being a former farmer-- I grew up on a farm, was raised on a farm; I did the plowing and the spraying and the harvesting and the packing of the goods. Farmers have a hard time borrowing dollars. Basically, what this bill does is provide for all counties across the State to provide low-interest loans to farmers. Banks, as we all know, want to know how much collateral you have when you go to borrow money. If this program is tailored properly-- I would assume the Extension Service would administer loan programs like this. They know more about the business of farming than banks do. This is an important bill because it will set up loan programs across the State, where farmers can go and borrow money at low interest. Terms will be set, I guess, by the counties, or by the piece of legislation. It is just an important bill.

I would just like to make a note, though -- and, Sharon, I'm glad that you are here -- that New Jersey has lost 40,000 acres of land, and over the course of the last three years, they have lost over 120,000 acres of land to, whatever, probably development. A bill like mine would probably help to stop some of that, because what happens is, the farmer gets

strapped, he can't borrow the money, and the next thing you know he is selling out.

Some of the younger generation who want to keep on trying to farm need resources. Is the Department doing anything to try to stop the raiding of our farmlands across the State? I know this is a tough question for you.

MS. AINSWORTH: The primary thing we have done, Assemblyman, is to work on the Farmland Preservation Program; that is through the Development Easement Purchase Program. As I mentioned earlier, we are in a real crisis there, or will be very shortly, in terms of funding. The need for additional bond funding for that Program--

ASSEMBLYMAN MARSELLA: May I stop you there? The only reason I asked that question, is because I would like you to come over the next time the Natural Resources Committee meets. We have a bill in there to appropriate \$150 million -- a bond bill tied into the Green Acres Bill. I was talking to Maureen Ogden about doing that. I would appreciate your support in that venture, because the State is now looking at doing a \$500 million Green Acres farmland preservation type of bond issue across the State.

MS. AINSWORTH: I certainly would be happy to participate in that. Thank you.

ASSEMBLYMAN COLLINS: Are there any other questions or comments from the other Committee members with regard to Assemblyman Marsella's bill? (no response) Is there anyone else who wishes to comment on any of the 10 bills that were listed for today's hearing? (no response)

Okay, thank you very much.

MR. VAN ZANDT: Thank you.

ASSEMBLYMAN COLLINS: That will conclude this hearing of the Assembly Economic Growth, Agriculture and Tourism Committee. Thank you all for being in attendance, and thank you all who testified on these 10 bills.

(HEARING CONCLUDED)

**APPENDIX**