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PUBLIC HEARING

before

ASSEMBLY ECONOMIC DEVELOPMENT AND AGRICULTURE COMMITTEE

ASSEMBLY BILL 1277

(Commercial Fishing Land Assessment Act
Provides for tax assessment of waterfront lands
designated as commercial fishing lands)

ASSEMBLY CONCURRENT RESOLUTION 61

(Proposes an amendment to the Constitution to
provide that certain waterfront land be assessed
as waterfront or commercial fishing property)

February 26, 1987
Toms River Court House
Toms River, NJ

New Jersey State Library

MEMBERS OF COMMITTEE PRESENT:

Assemblyman Joseph Azzolina, Chairman
Assemblyman John T. Hendrickson Jr.
Assemblyman George Hudak

ALSO PRESENT:

Gregory L. Williams
Office of Legislative Services
Aide, Assembly Economic Development and Agriculture Committee

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



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JACK COLLINS
Vice-Chairman
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New Jersey State Legislature
ASSEMBLY ECONOMIC DEVELOPMENT
AND AGRICULTURE COMMITTEE
STATE HOUSE ANNEX, CN-068
TRENTON, NEW JERSEY 08625
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NOTICE OF PUBLIC HEARING

February 11, 1987

The Assembly Economic Development and Agriculture Committee will hold a public hearing on Thursday, February 26, 1987 at 7:00 p.m. in Court Room #2 at the Toms River Courthouse, corner of Washington Street and Hooper Avenue, Toms River on the following bills:

A-1277 The "Commercial Fishing Land Assessment Act,"
Hendrickson provides for tax assessment of waterfront lands designated as "commercial fishing lands."

ACR-61 Proposes an amendment to the Constitution to
Hendrickson provide that certain waterfront land be assessed as waterfront or commercial fishing property.

The hearing will focus on:

1. The effect that the indicated legislation may have on the property tax rates to which the fishing industry and dock owners are subjected;
2. The long term development pressures which the fishing industry will face over the next decade and possible strategies which the State may use to preserve waterfront property for fishing industry uses, such as a program to purchase easements.

Anyone wishing to testify should contact Gregory L. Williams, Committee Aide, at (609) 984-0445.

DIRECTIONS

From North: take the Garden State Parkway south to exit 82. Take route 37 east until the second stop light and turn right on Hooper Avenue. Take Hooper Avenue south for several blocks (less than a mile) to the corner of Washington Street.

From South: take the Garden State Parkway north to exit 82 and follow the directions above.

ASSEMBLY, No. 1277

Introduced Pending Technical Review by Legislative Counsel
PRE-FILED FOR INTRODUCTION IN THE 1986 SESSION
By Assemblyman HENDRICKSON

ASSEMBLY, No. 128

STATE OF NEW JERSEY

PRE-FILED FOR INTRODUCTION IN THE 1984 SESSION

By Assemblymen HENDRICKSON, KAVANAUGH, CHINNICI,
ROD and PANKOK

AN ACT concerning the assessment for tax purposes of waterfront lands designated as "commercial fishing lands" and supplementing chapter 4 of Title 54 of the Revised Statutes.

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

1 1. This act shall be known and may be cited as the "Commercial
2 Fishing Land Assessment Act."

1 2. a. For general property tax purposes, the value of waterfront
2 land, not in excess of 500 feet in depth from the high water mark,
3 which has been declared, by order of the assessor of the taxing
4 district, to be commercial fishing lands and actually is used for these
5 purposes, on application of the owner and approval thereof as
6 hereinafter provided, shall be that value which the land has for use
7 directly as docks, landings, piers or wharves by commercial fisher-
8 men in processing marine or aquatic organisms to be used for food
9 or for industrial purposes or in loading, unloading or docking of
10 commercial fishing vessels.

11 b. For purposes of this act:

12 "Commercial fisherman" or "commercial fishermen" means a
13 person or persons engaged in the act of gathering or processing of
14 marine or aquatic organisms for use as food or for use for in-
15 dustrial purposes, the sale of which constitutes a major source of
16 income to the respective fisherman:

17 "Crustaceans" means one of a class of arthropods having crust-
18 like shells, and generally aquatic, including but not limited to
19 lobsters, crabs, shrimp, barnacles and sow-bugs;

20 "Finfish" means a true fish, not shellfish;

21 "Major source of income" means at least 50% of income derived
22 from all sources whatsoever and commonly referred to as "gross
23 income" for Federal Income Tax purposes;

24 "Marine or aquatic organisms to be used for food or for industrial
25 purposes" means finfish, and shellfish including crustaceans com-
26 monly gathered or processed by commercial fishermen, for sale to
27 the general public or to government agencies as seafood or for
28 sale to private businesses or to government agencies for industrial
29 use, which sale constitutes a major source of income to the respec-
30 tive commercial fisherman.

31 "Shellfish" means any aquatic animal having a shell, as a mollusk;
32 including but not limited to clams, oysters, mussels, scallops.

1 3. a. The assessor in valuing waterfront land which has been so
2 declared as commercial fishing land, and as to which the owner
3 thereof has made timely application for valuation, assessment and
4 taxation hereunder for the tax year in issue, shall consider only
5 those indicia of value which the land has in view of its use directly
6 for at least six months of each year for the purposes specified in
7 section 2 of this act. In addition to the use of his personal knowl-
8 edge, judgment and experience as to the value of waterfront land in
9 commercial fishing use, he shall, in arriving at the value of the land,
10 consider the range of values established by the State Commercial
11 Fishing Land Evaluation Advisory Committee.

12 b. There is created a State Commercial Fishing Land Evaluation
13 Advisory Committee, the members of which shall be the Director of
14 the Division of Taxation, the Dean of Cook College, Rutgers Uni-
15 versity, and the Secretary of Agriculture. The committee shall
16 meet from time to time on the call of the Secretary of Agriculture
17 and annually determine and publish a range of values for each of
18 the several classifications of land in commercial fishing use in the
19 various areas of the State. The primary objective of the committee
20 shall be the determination of the ranges in fair value of the land
21 based upon its capabilities when devoted to commercial fishing use
22 for at least six months of each year for the purposes specified in
23 section 2 of this act. In making these annual determinations of
24 value, the committee shall consider available evidence of commer-
25 cial fishing capability derived from recognized marine or aquatic
26 experts, and such other evidence of value of land devoted at least
27 six months of the year directly to commercial fishing uses as it may
28 in its judgment deem pertinent. On or before October 1 of each
29 year, the committee shall make these ranges of fair value available
30 to the assessing authority in each of the taxing districts in which
31 land in commercial fishing use is located.

1 4. When commercial fishing land being valued, assessed and
2 taxed under the provisions of this act ceases to qualify as such,
3 it shall be subject to additional taxes, hereinafter referred to as
4 rollback taxes, in an amount equal to the difference, if any, between
5 the taxes paid or payable on the basis of the valuation and the
6 assessment authorized hereunder and the taxes that would have
7 been paid or payable had the land been valued, assessed and taxed
8 as other land in the taxing district, in the current tax year, the
9 year of change in use, and in such of the two tax years immediately
10 preceding, in which the land was valued, assessed and taxed as
11 herein provided.

12 If in the tax year in which a change in status of the land occurs,
13 the land was not valued, assessed and taxed under this act, then
14 such land shall be subject to rollback taxes for such of the two tax
15 years, immediately preceding, in which the land was valued,
16 assessed and taxed hereunder.

17 In determining the amounts of the rollback taxes chargeable
18 on land which has undergone a change in status, the assessor shall
19 for each of the rollback tax years involved, ascertain:

20 a. The full and fair value of the land under the valuation
21 standard applicable to other land in the taxing district;

22 b. The amount of the land assessment for the particular tax
23 year by multiplying the full and fair value by the county per-
24 centage level, as determined by the county board of taxation in
25 accordance with section 3 of P. L. 1960, c. 51 (C. 54:4-2.27);

26 c. The amount of the additional assessment on the land for the
27 particular tax year by deducting the amount of the actual assess-
28 ment on the land for that year from the amount of the land assess-
29 ment determined under b. hereof; and

30 d. The amount of the rollback tax for that tax year by multiplying
31 the amount of the additional assessment determined under c. hereof
32 by the general property tax rate of the taxing district applicable
33 for that tax year.

1 5. The assessment, collection, apportionment and payment over
2 of the rollback taxes imposed by section 4 of this act of the attach-
3 ment of the lien for such taxes, and the right of a taxing district,
4 owner or other interested party to review any judgment of the
5 county board of taxation affecting the rollback taxes, are governed
6 by the procedures provided for the assessment and taxation of
7 omitted property under P. L. 1947, c. 413 (C. 54:4-63.12 et seq.) or
8 under P. L. 1968, c. 184 (C. 54:4-63.31 et seq.), as appropriate.
9 These procedures shall apply to each tax year for which rollback
10 taxes may be imposed, notwithstanding the limitation prescribed in

11 section 1 of P. L. 1947, c. 413 (C. 54:4-63.12) or section 1 of P. L.
12 1968, c. 184 (C. 54:4-63.31) act respecting the periods for which
13 omitted property assessments may be imposed.

1 6. No land assessed and taxed pursuant to the "Farmland
2 Assessment Act of 1964," P. L. 1964, c. 48 (C. 54:4-23.1 et seq.),
3 is eligible for assessment for taxation pursuant to this act.

1 7. The Director of the Division of Taxation shall, pursuant to the
2 "Administrative Procedure Act." P. L. 1968, c. 410 (C. 52:14B-1 et
3 seq.), issue regulations to implement the provisions of this act.

1 8. This act shall take effect upon the approval by the people of
2 an amendment to the Constitution now pending before the Legisla-
3 ture as Assembly Concurrent Resolution No. 6 of 1984 or an
4 amendment of like effect.

STATEMENT

The purpose of this bill is to protect and preserve the limited waterfront property in our State, and to provide for a more equitable method of the assessment for property tax purposes of waterfront land used for commercial fishing purposes. The commercial fishing industry in New Jersey has for many years been in decline. The bill will give the commercial fishing industry the necessary help to become economically whole.

The State of New Jersey recognizes the economic contribution of the commercial fishing industry; however, because of the rapid decline of docking facilities there is a great need for tax incentives to maintain these facilities to ensure the continuation and growth of the commercial fishing industry as well as the related support industries.

ASSEMBLY CONCURRENT RESOLUTION No. 61

Introduced Pending Technical Review by Legislative Counsel
PRE-FILED FOR INTRODUCTION IN THE 1986 SESSION
By Assemblyman HENDRICKSON

ASSEMBLY CONCURRENT RESOLUTION No. 6

STATE OF NEW JERSEY

PRE-FILED FOR INTRODUCTION IN THE 1984 SESSION

By Assemblymen HENDRICKSON, KAVANAUGH, CHINNICI and
ROD

A CONCURRENT RESOLUTION to amend Article VIII, Section I, paragraph 1, of the Constitution of the State of New Jersey.

1 BE IT RESOLVED *by the Senate of the State of New Jersey (the*
2 *General Assembly concurring)*:

1 1. The following proposed amendment to the Constitution of the
2 State of New Jersey is hereby agreed to:

PROPOSED AMENDMENT

3 Amend Article VIII, Section I, paragraph 1, to read as follows:

4 1. (a) Property shall be assessed for taxation under general
5 laws and by uniform rules. All real property assessed and taxed
6 locally or by the State for allotment and payment to taxing dis-
7 tricts shall be assessed according to the same standard of value,
8 except as otherwise permitted herein, and such real property shall
9 be taxed at the general tax rate of the taxing district in which the
10 property is situated, for the use of such taxing district.

11 (b) The Legislature shall enact laws to provide that the value
12 of land, not less than 5 acres in area, which is determined by the
13 assessing officer of the taxing jurisdiction to be actively devoted to
14 agricultural or horticultural use and to have been so devoted for
15 at least the two successive years immediately preceding the tax year
16 in issue, shall, for local tax purposes, on application of the owner,
17 be that value which such land has for agricultural or horticultural
18 use.

19 Any such laws shall provide that when land which has been
20 valued in this manner for local tax purposes is applied to a use

Matter printed in italics thus is new matter.

21 other than for agriculture or horticulture it shall be subject to
22 additional taxes in an amount equal to the difference, if any,
23 between the taxes paid or payable on the basis of the valuation and
24 the assessment authorized hereunder and the taxes that would
25 have been paid or payable had the land been valued and assessed
26 as otherwise provided in this Constitution, in the current year
27 and in such of the tax years immediately preceding, not in excess of
28 two such years in which the land was valued as herein authorized.

29 Such laws shall also provide for the equalization of assessments
30 of land valued in accordance with the provisions hereof and for
31 the assessment and collection of any additional taxes levied there-
32 upon and shall include such other provisions as shall be necessary
33 to carry out the provisions of this amendment.

34 *(c) The Legislature shall enact laws to provide that the value of*
35 *waterfront land, not in excess of 500 feet in depth from the high*
36 *water mark, which is determined by the assessing officer of the*
37 *taxing jurisdiction to be actively devoted for at least 6 months of*
38 *each year to use directly as docks, landings, piers or wharves by*
39 *commercial fishermen as defined by law in processing marine or*
40 *aquatic organisms to be used for food or for industrial purposes or*
41 *in loading, unloading or docking of commercial fishing vessels shall*
42 *for local tax purposes, on application of the owner, be that value*
43 *which the waterfront land has for such use.*

44 *Laws so enacted shall provide that when waterfront land which*
45 *has been valued in this manner for local tax purposes is applied to*
46 *a use other than a use directly as docks, landings, piers or wharves*
47 *by commercial fishermen as aforesaid, it shall be subject to addi-*
48 *tional taxes in an amount equal to the difference, if any, between*
49 *the taxes paid or payable on the basis of the valuation and the*
50 *assessment authorized hereunder and the taxes that would have*
51 *been paid or payable had the waterfront land been valued and*
52 *assessed as otherwise provided in this Constitution, in the current*
53 *year and in such of the tax years immediately preceding, not in*
54 *excess of two such years in which the land was valued as herein au-*
55 *thorized.*

56 *These laws shall provide for the equalization of assessments of*
57 *waterfront land valued in accordance with the provisions hereof*
58 *and for the assessment and collection of any additional taxes levied*
59 *thereupon and shall include such other provisions as shall be nec-*
60 *essary to carry out the provisions of this amendment.*

1 2. When this proposed amendment to the Constitution is finally
2 agreed to, pursuant to Article IX, paragraph 1 of the Constitution,
3 it shall be submitted to the people at the next general election

4 occurring more than three months after the final agreement and
 5 shall be published at least once in at least one newspaper of each
 6 county designated by the President of the Senate and the Speaker
 7 of the General Assembly and the Secretary of State not less than
 8 three months prior to the general election.

1 3. This proposed amendment to the Constitution shall be sub-
 2 mitted to the people at the election in the following manner and
 3 form:

4 There shall be printed on each official ballot to be used at the
 5 general election, the following:

6 a. In every municipality in which voting machines are not used,
 7 a legend which shall immediately precede the question, as follows:

8 If you favor the proposition printed below make a cross (×),
 9 plus (+), or check (√) in the square opposite the word "Yes."
 10 If you are opposed thereto make a cross (×), plus (+), or check
 11 (√) in the square opposite the word "No."

12 b. In every municipality the following question:

	Yes.	<p style="text-align: center;">WATERFRONT LAND-COMMERCIAL FISHING REAL PROPERTY ASSESSMENT</p> <p>Shall the amendment of Article VIII, Section I, paragraph 1, of the Constitution, agreed to by the Legislature, which permits waterfront land devoted for at least six months of each year to use directly as docks, landings, piers or wharves by commercial fishermen in processing marine or aquatic organisms to be used for food or for industrial purposes or in loading, unloading, or docking of commercial fishing vessels to be valued for local tax purposes according to the value the waterfront land has for such use, and which provides for payment of additional taxes if the waterfront land is thereafter applied to use not in conformity therewith, be adopted?</p>
	No.	<p style="text-align: center;">INTERPRETATIVE STATEMENT</p> <p>This constitutional amendment would provide a tax incentive to maintain waterfront property used as docking facilities for the State's commercial fishing industry.</p>

STATEMENT

This is a companion bill to Assembly Bill No. 128 of 1984. This proposed amendment was recommended by the New Jersey Farm Bureau as being essential to encourage the retention of

commercial fishing as an industry in the State. Because of high and ever increasing tax rates of commercial waterfront property there is an economic hardship on New Jersey's commercial fishermen and waterfront facilities are being sold to other commercial interests—leaving fewer facilities for loading and unloading of fishing boats, and selling of fish.

The State of New Jersey recognizes the economic contribution of the commercial fishing industry; however, because of the rapid decline of docking facilities there is a great need for tax incentives to maintain these facilities to ensure the continuation and growth of the commercial fishing industry as well as related support industries.

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ASSEMBLYMAN JOSEPH AZZOLINA (Chairman): My name is Joe Azzolina. I'm Chairman of the Economic Development and Agriculture Committee. Alongside to my right is Assemblyman Hendrickson, from District 9, and we're working on his bills tonight. On my left is Assemblyman Hudak, former Mayor of Linden. Good guy -- he traveled the longest to get here, actually, so I want to thank you very much, Assemblyman. Next, to my left is Mr. Williams -- Greg Williams. He's from legislative staff, and Deb Smarth is on my Committee staff. Jeff Climpson -- he's from the Office of Legislative Services also. Do we have anybody in the audience we ought to recognize tonight before I get started?

ASSEMBLYMAN HENDRICKSON: Yes, I think we have some people out there who've worked very hard with this -- George Grant, who's out there from Sea Grant, Gef Flimlin, from Sea Grant, the agricultural agent here in Ocean County.

ASSEMBLYMAN AZZOLINA: Sea Grant people-- I understand the Fisheries Commission--

ASSEMBLYMAN HENDRICKSON: And we're privileged to have Shelley Lubnick, the agriculture agent for Ocean County, I believe. If you'd like to come up, maybe?

ASSEMBLYMAN AZZOLINA: Is there any room?

ASSEMBLYMAN HENDRICKSON: Thanks for coming, Shel.

ASSEMBLYMAN AZZOLINA: I want you all to know this should be an interesting meeting here because while I was trying to look for the men's room I bumped into Serpentelli's chambers over here. He's the one who's made a lot of history around with Mount Laurel II. Right on his door it says Mount Laurel II, so now we're working on that bill too. (Laughter)

ASSEMBLYMAN HENDRICKSON: If I may, just one more. A very good friend of mine has come out here tonight, and a former commercial fisherman that's no longer there -- Swede Lofgren. I'd like to say that meeting with him some years ago is really where the idea of this bill comes from with the problems he was having as a commercial fisherman. Swede, thanks.

ASSEMBLYMAN AZZOLINA: Okay, before we start, I'd just like to make an opening statement. If you can't hear, just raise your hand.

There are eight significant commercial fishing ports along New Jersey's Atlantic Ocean and one such port along its Delaware Bay shoreline. The fishing industry contributes a great deal to the economy of our State, generating approximately \$1 billion and creating about 19,000 jobs. The industry has come this far due to the hard work of the fishermen and their families who have supported this industry from generation to generation. What really impressed me is the number of young people involved in the fishing industry, too.

It is important for us to preserve our greatest of natural resources. We must continue to make this industry flourish by providing incentives to all those who contribute to its growth. Our State must expand its role and further bolster the development of processing plants to open up new markets for seafood promotion. State government, municipalities and the private sector must work together to ensure that the industry not only continues but that it thrives. If we don't begin to assess and initiate policy initiatives now, changing economic forces and development pressures which are becoming ever more apparent could eventually force the fishing fleet and warehouses out.

A recent survey completed at the behest of this Committee, under the auspices of the Rutgers University Department of Human Ecology and the State Fisheries Development Commission, documents that one of the most important problems facing docks over the next ten years is development pressures. Tonight, this Committee hopes to address these problems, not only by discussing the short-term solutions, but also by reviewing the potential long-term solutions to make sure that the fishing industry in our State is here to stay.

Would you like to make any remarks before we get into the bill?

ASSEMBLYMAN HENDRICKSON: Yes, I certainly would, Mr. Chairman.

ASSEMBLYMAN AZZOLINA: I forgot to introduce myself. I'm Joe Azzolina. I'm the Chairman. I don't think I did that.

ASSEMBLYMAN HENDRICKSON: First of all, Chairman Azzolina-- Our Chairman is -- Azzolina, I got it -- from Monmouth County. I appreciate very much you and George Hudak, the Assemblyman from the Linden area, and also the Mayor -- by the way, he's Mayor of my hometown, because that's where I originally came from -- for having your Committee hold a hearing on this bill. I'll read a statement.

I thank you all for being here tonight to express your interest in the Commercial Fishing Land Assessment Act and related methods of preserving commercial fishing dock space in New Jersey. Our efforts up to this point have included several meetings with the Department of Agriculture, the Farm Bureau, Cook College, the Sea Grant Extension Service, and fishermen and dock owners from up and down the coast. We have established through one-on-one discussion and an extensive survey, that there is great pressure on dock owners from property taxes and development pressure. This problem left untouched will, in short order, create a crisis for our State's commercial fishing industry.

Twenty-three years ago our State made a commitment to preserving farmland and the farming industry with the Farmland Assessment Act in 1964. I believe it is time to extend the same commitment to commercial dock space and the fishing industry through the Commercial Fishing Land Assessment Act. This legislation will require local property tax assessors to assess the value of the land upon which a commercial fishing dock is located as that value which the land has for use as a commercial fishing dock only. Surrounding land uses and their

assessed values would have no effect on the value assigned to the facility. This will result in significantly lower property tax payments for commercial fishing property owners.

In addition the bills contain a rollback provision similar to Farmland Assessment. If use of the property is changed or sold for use as anything but a commercial fishing dock, the property owner will pay rollback taxes. This is the difference between the tax paid for the previous two years and the tax that would have been paid for those years had the land been valued and assessed as other land is in the taxing district.

In a development easement purchase program, a commercial fishing dock owner could voluntarily agree to sell to the State the "right to develop" commercial fishing dock property for any purpose other than its existing use as a commercial fishing dock. Under a transfer development rights program, waterfront lands useful for commercial fishing docks would be zoned so that they could not be used for any other purpose. The lost development rights for these properties could be sold to owners of other property that could absorb new development within the same municipality.

Under a restrictive agreement program, a dock owner could voluntarily agree with the State to keep waterfront land for use as a commercial fishing dock for a certain time period -- ten years, for example -- in exchange for receiving certain benefits such as low interest loans from the State that would help in the operation of their docks.

I hope to proceed with legislation accomplishing one or more of these programs after considering the opinions expressed at this hearing. Thank you very much.

ASSEMBLYMAN AZZOLINA: Thank you. Before we start I'd like to recognize, "Junior" Carlson, former freeholder of Monmouth County, and also a great fisherman and owner of -- former owner, I guess -- of Carlson Fisheries. Thank you for coming.

Where we're going to proceed is we'll go into what the bill basically does. Then we'll let witnesses come up here and say whatever they want to say.

MR. WILLIAMS (Committee Aide): Okay, we have here a package of two bills -- A-1277 and Assembly Concurrent Resolution 61. The first bill requires that the local assessor, upon application of an owner, base the assessment of certain lands used for commercial fishing purposes at the value that it would have used for commercial fishing purposes. Eligible for commercial fishing under the bill would be any waterfront land which is within 500 feet of the high water mark, and is used for at least 6 months per year as docking, loading, and unloading facilities by persons who derive at least half of their income from gathering and processing fish or shellfish for food or industrial purposes.

The assessor is required to assess the land as commercial fishing land based on his own expertise and on consideration of the ranges of fair values for such land established by a State commercial fishing land evaluation advisory committee. That committee, which is created by the bill, would be composed of the Director of the Division of Taxation, the Dean of Cook College of Rutgers University, and the Secretary of Agriculture.

The bill provides that when land under commercial fishing assessment is removed from commercial fishing use, it is then subject to rollback taxes equivalent to the difference between the commercial fishing assessment, and the assessment the land would otherwise have during a period of time up to three years, in which the land was assessed as commercial fishing land. The bill specifies procedures for determining the amount of the rollback tax and its enforcement.

The bill parallels the present Farmland Assessment Act of 1964, which provides similar special assessments for farmland. That Act differs from this bill in two ways, aside

from the fact that it's dealing with different types of land. One is that in the Farmland Assessment Act there is a requirement that there is at least two years of use as farmland immediately prior to the application being made. There isn't such a requirement on this Act. The other one is that Act sets -- that Act sets a minimum size of five acres in farm use, where there isn't a minimum size limitation here. There are some technical amendments that could be made to the bill, but I think the intent is clear.

The Assembly Concurrent Resolution 61 would put before the voters of this State a valid measure to amend the State Constitution to permit essentially what's in the other Act, without reiterating all that all over again. That's essentially it.

ASSEMBLYMAN AZZOLINA: Okay. How many are here from Ocean County in the audience? How many from Atlantic County? How about Monmouth County? If anybody wants to speak, there's a form down here. Fill it out -- that you want to speak. Put your name and-- Just fill out the form and then you'll be brought up to speak. The forms are right up here. Where's--

ASSEMBLYMAN HENDRICKSON: Mike, see if anybody wants some of these. We'll pass them out here.

ASSEMBLYMAN AZZOLINA: Before we start, I have a letter here addressed to me from Art Brown, Secretary of Agriculture that he asked me to read tonight.

"Dear Mr. Assemblyman: Reference A-1277 and ACR-61-- I am unable to be at your Committee hearing on Assembly Bills 1277 and ACR-61 this evening, but I would appreciate your reading this letter into the record.

"I commend the efforts of Assemblyman Hendrickson to retain the fishing industry base in New Jersey. For over a year, the Assemblyman has worked with my staff and numerous others to develop ideas and information on methods to assist this valuable industry. Although the State Board of

Agriculture has not yet taken a position on either of these bills, I would like to provide you with some general comments.

The basic concept of A-1277 and ACR-61 is very similar to that of the Farmland Assessment Act of 1964. During the 1950s and early 1960s the combination of suburban development pressure and property tax inequities in the form of rapidly escalating assessment against farmland's comparatively limited ability to generate income, led to a massive loss of agricultural land. To counteract this loss, the public supported a constitutional amendment which set up differential taxation of farmland. The granting of this tax relief has been absolutely critical to the survival of agriculture in New Jersey.

"After enactment of the Farmland Assessment statute, the loss of farmland was cut in half for the next ten years and has contributed to a slower rate of loss in recent years. This is not to say that the Act has been solely responsible for that trend, nor that we have solved the problem. This is only one of the tools important to the retention of agriculture in our densely populated State.

"Based on experience with the Farmland Assessment Act, I would suggest that you thoroughly assess what the potential benefits will be to the fishing industry. Passage of this proposal will take considerable energy and public education so consideration should be given to whether this is the best approach to retain our fishing industry.

"I look forward to learning what your findings are regarding the industry's determination if tax relief on land holdings will make a significant difference for their continued viability. I will relay your findings to the State Board of Agriculture as soon as they are available.

"I appreciate the opportunity to comment on Assemblyman Hendrickson's proposal. I am confident that the efforts of he and your Committee will provide the direction needed to assist the State's fishing industry. Sincerely,
Arthur Brown."

The first speaker this evening is George Grant, New Jersey Fisheries Development Commission. George?

G E O R G E G R A N T: Is this mike working at all?

ASSEMBLYMAN AZZOLINA: Only for recording. You'll have to speak loud.

MR. GRANT: I've never been accused of doing anything else. I'd like to make some brief remarks, and I guess I would like to divide them into two. One, I would like to give the members of the Committee and the members of the audience some background information regarding what we've been able to determine is the status of the situation with respect to docks and dock retention. Two, I'd like to -- I guess -- go on record with some opinions reflecting myself, and I think the Commission in terms of what some of the possible solutions are.

We're talking here in New Jersey about a major industry. One of the characteristics of that industry and Chairman Azzolina made some comments about the fact that we're talking -- not even considering the recreational industry -- something well over \$500 million a year, and close to 20,000 jobs. The problem is that most of those--

ASSEMBLYMAN AZZOLINA: Assemblyman Doyle, would you like to come up here?

ASSEMBLYMAN J O H N P A U L D O Y L E: (Speaks from audience) I've got a third meeting tonight. I'll only be here a few more minutes, Mr. Chairman.

MR. GRANT: It's a fairly geographically spread-out industry, which means that a lot of the ports that are major in terms of fishing sometimes the residents don't even recognize that they are part of a major fishing port. Briefly, the two ports of Cape May and Wildwood alone account for about 50% of the State's fisheries. Point Pleasant, Belford, and Barnegat account for another 25% approximately. So we don't have any one concentration, except probably for Cape May, where the

people really recognize that they have a fishing industry which is a major ingredient in their community's economic base, and fight very hard to retain it.

We're certainly losing dock space. Anyone who is familiar with the coast and gone up and down the coast over the last 10 years has seen what's happening at Belmar, and Shark River, Point Pleasant, where they've lost some docks, and especially at Barnegat Light, which is one of the State's major ocean-going fisheries where because of the land boom and the land values on Long Beach Island, that area is really under great pressure. Even as we heard at a meeting we had at the Farm Bureau a couple of weeks ago, even on the land side over in Barnegat, the tax bills have gone sky high and are forcing people to consider whether they can afford to keep their land available as fishing docks.

It becomes a complex problem because not only do we need the docking space we have, and a number of ports -- I don't know if there's anybody here to speak from Point Pleasant tonight, for example -- are already undergoing some severe pressure. You lose one more dock, and there maybe goes the fishing port. It's not as if you can move them around. The problem with residential, and condominium, and other waterfront residential use, you could put it almost anywhere. I would venture to say that if you prevented a couple of docks being taken over through any of the various measures that Assemblyman Hendrickson talked about, by residential development, the net population, the net housing stock, the net tax revenues, the net economic impact on the State would probably be immeasurable in terms of how small it was.

In other words, if somebody wants to buy on the waterfront at Point Pleasant, if that's not available, the likelihood that he's going to move out-of-state is probably pretty small. There's another set of options available to him even in waterfront housing. Whereas once you lose a fishing

dock, that's irreplaceable, especially if you have to go back with the land values we're now looking at.

The dock itself is usually not a high profit item. Once you lose them, nobody is going to go buy them back in, tearing down housing and other things to create fishing docks. We have a finite supply. We're working very hard at trying to get more seafood processing into the State, based on stable and growing, and diversified landings, and what we're going to do is not only lose the activity at those ports, but drive the fishermen away to land their products in other states, Maryland, New York, Delaware -- you name it -- if we don't have fishing dock space for them in New Jersey.

The other aspect is if we're going to succeed as a State that makes major economic development use out of its fisheries, we're going to need to be encouraging heavier investment in larger, bigger, and longer sea vessels and sea processing vessels for certain species. That kind of investment is not going to take place unless the fishermen and the investors have some assurance that they're going to have dock space, not just this year, not just next year, but 10 and 20 years from now. That's all part of the problem that we have.

I think Chairman Azzolina mentioned the survey which was done based on some of the initial discussions that we had here. Let me just very briefly share with you a few of the findings, and then I'll wrap up my remarks. One of the things we did find is that 90% of the docks, and 93% of the back land-- The people we sent out on the field classified them as either modern and clean, or needing only minor repair. Basically the docks are in reasonably good condition and reasonably kept up.

We interviewed 30 different dock owners, and fully one third of them said a neighboring lot had been sold, or was for sale in the very recent past. Twenty six percent already

report that residential development has taken place adjacent to their docks. Seventy-three percent report residential or commercial development, or major land use change near their docks. Out of those, the major land use change again was condominiums, townhouses, or apartments -- 60% -- and single family homes -- 20%. We found that 70% do plan to make some improvements, but they are concerned about adjacent land use. We ask them about what they felt about the economic status about New Jersey commercial fishing dock industry, and it was pretty well split. Twenty-seven percent said "excellent," or "good," 37% said "average," and 37% said "poor" (sic).

We asked them about the most important problems currently facing the docks. The number one problem listed was insurance availability and premiums, second was property tax rates, and third was ocean pollution. We then asked them to estimate what they thought the most important problems facing the docks would be in the next 10 years. Here we got a tie between development pressure and ocean pollution, and in third place was insurance availability and premiums. Most of the dock owners felt that current, nearby development is significant, and about half felt that the impact on the current operations is significant, and an equal number felt the impact on the future operations would be significant. When asked about the nature of those impacts, two-thirds of those saying there was an impact said it was an increase in property taxes. We've heard some cases in Barnegat, for example, of taxes tripling, quadrupling, and going up by factors of even more than that over the last three years because of the high increase in land values along the waterfront.

The second item mentioned was the decrease in affordable available dock space, and third was the impact of that residential development on pollution. So we're talking here not only about the fact that the physical dock space itself is being taken up, but the dock owners and the nearby

waters, especially when you're talking about shellfish lands, are also being impacted by this development because of pollution problems, but that wasn't the major thrust of what we're addressing ourselves to here.

Two-thirds of the owners said they had been contacted about selling their dock in the last three years. Half did not seriously consider it, the rest did. The most frequently cited reason for not selling when approached was that it was a family business and they wanted to stay with it. The fact that most of the dock owners had owned their docks for quite a length of time meant that pretty much they were under no direct financial pressure. They did not have big mortgages on the docks. Even though they weren't making as much money as they might from selling off the docks, they generally felt that they could carry the burdens of cost, and would like to see it retained as a family business. That's not to say that they weren't under property tax and other pressures, but they were not as susceptible, I think, to selling out to a developer if it was a long-term family business as the guy who bought it as an investment three years ago and was looking to make a quick return on his investment.

Seventy-three percent of those we talked to and explained the development easement program expressed some interest in it. Half thought other dock owners might also be interested, and 40% expressed interest in selling the stated development easement. We got a fairly good division of opinion on some people feeling the government should provide direct support, and others saying they did not think of these programs as anything they'd be interested in because they didn't want to get involved in government bureaucracies. But they did point out some of the things that Assemblyman Hendrickson was talking about -- financial assistance such as low-interest loans, capital construction funds, tax deductions, and subsidies as possible ways of going.

We have a detailed report of the survey findings. It's about two inches thick, and obviously is something to wade through, but anybody on the Committee or in the audience who is interested in either specific elements, or wanting to see the whole report, we did make copies available through the Committee files. We're now in the process of disaggregating that data, and analyzing it by geographic region to see what differences, if any, there are among the various segments of the State, by county, and by cluster of fishing ports within that.

I guess I come tonight to speak in favor of the legislation, but also to indicate as the letter from Secretary Brown did, that this is not an easy path we're embarking on. What I think I would urge the Committee to do is go forward full speed on the legislation that we're talking about now, but at the same time and in parallel, look at all other potential avenues for relief too. This is not a problem that is going to go away. It's going to get worse and worse, and the longer we delay doing something about it, the worse a quandary we're going to be in. I think we're already pretty much, in certain communities, close to crisis, and I think it's going to get worse.

There is nothing that says that there's got to be a one-pronged solution to the problem. If we can push the amendments through and get some tax relief and tax abatement, that's certainly part of the answer. If we can set up a transfer of development rights program -- if we can set up agreements with low-cost loans tied to them or other kinds of benefits, certainly one does not preclude the other. It's a complicated problem with a lot of different causes, and I think coming up with a lot of different solutions is an answer too.

I worked with transfer of development rights programs in New York City, and one of the things I see is where they

work, they really only work where there's a lot of demand, and an awful lot of high value. I mean we negotiated some contracts in New York, where you were selling air rights above buildings. You find a church or something else that was three or four stories high, and by zoning it could go up to 12, 25, or 40 stories. Those air rights were worth a bundle when you sold them to some other developer, to allow him to exceed his zoning requirements. When there's a very strong market and very strong market pressures, things like TDRs will work.

I don't know whether the development easement purchase program just for the fishing industry will have enough of a wide base of support just as I hope that the legislation we're talking about tonight will have a wide base of support. I know the Department of Agriculture was very concerned when they drafted the original legislation, to keep a tight rein on things, so that things like golf course owner-operators and others didn't become beneficiaries, that it was strictly kept for productive agriculture. I suspect that there are some people in the agricultural community who may be concerned that we don't open up that same bag of worms again.

But I think it can be done. I think it's going to be a big selling job. I would urge the Committee and the fisheries interest in the State to support this legislation, and at the same time to be creative in looking for all other possible avenues. Let's hit this thing not with one sharp sword, but with a broadside barrage, because it's a major problem. It's not something that we can put off for two to five years, and then hope to rescue the problem after the fact.

ASSEMBLYMAN AZZOLINA: George, are you talking about tough to sell to other legislators?

MR. GRANT: To other legislators, to the public for referendum-- I think agriculture probably has a wider perception among the citizens of the State.

ASSEMBLYMAN AZZOLINA: I've got the perfect answer. People are eating more fish every day. It's becoming very popular in supermarkets. Before, they had very little. Today, they go for big spreads. Fish is very expensive, but people still want to buy it. When you have local fish it's cheaper. So the people are going to benefit by having more fish caught locally than buying it from Maine, or the South, or whatever. That's got to be a big selling point.

MR. GRANT: I don't think you're faced with opposition as much as you're faced with selling and advertising, and making people aware of the importance and the consequences. I don't think you're going to find people opposed to this in principle because they don't think the fishing industry is worth anything, or anything else. But I think you have a tremendous educational campaign to get public adoption of amendments that we're talking about.

ASSEMBLYMAN AZZOLINA: Let me ask you this, George. You've outlined the problems, but could you give also more insight as to what the Commission recommends? Are you speaking -- when you're speaking -- for the Commission or yourself? What does the Commission recommend to ease long-term development pressure? Do they go along with this?

MR. GRANT: I don't think we've formally taken a vote on it, but certainly in the discussions that we have had, and me keeping them informed of the status of the legislation and the positions that I've taken -- and Secretary Brown is one of the members of the Commission -- I certainly think we all recognize, or the Commissioners all recognize, the severity of the problem and the importance. I think they would agree with my statement that we can't afford at this point to leave any stone unturned, and look at a broad, multi-pronged approach to try to solve the problem. If we can work out the program, and again there's legislation pending on setting up a revolving loan fund for fisheries--

There's legislation involved in shifting some fisheries operations around, among departments. I think in all those areas we have to consider what we can do to save fishing docks.

When I testified on the revolving loan fund for the fisheries, for example, I testified that I thought that we ought to give some benefits and some priorities to fishermen who are looking to take out loans for safety measures to help to make their boats more seaworthy, and to have lifesaving equipment. In the same vein, we broadened the bill to make sure we can take care of shore-side operations as well as just harvesting operations, so that priorities to this loan fund might well be granted, either in terms of both preferential treatment and even reduced interest rates, to people who did sign agreements such as you talked about, not to sell over the next ten years.

I think it's one of issues I think everybody agrees we should do something about, but there's a danger in too much agreement and not sharp argument, that everybody is going to hope somebody else comes up with an answer and a solution. I think that's what worries me most: It's that we all agree it's a good thing to do, and only a few people are moving ahead trying to do it. I congratulate you on your efforts, and I'm glad to be part of them.

ASSEMBLYMAN AZZOLINA: Are there any questions for George?

ASSEMBLYMAN HENDRICKSON: Just very quickly, a few-- There are a few things I want to point out. Ocean County does have low-interest loans for our fishermen. They've had them for a few years. The classic example of air rights is the Pennsylvania Station in Manhattan. When we speak of TDRs -- the transfer of the development rights from a commercial property -- the biggest problem that I foresee out there in trying to do that, is you diminish the value of the land, you diminish the value of the commercial fishermen's equity and his

borrowing power. That's very, very important to any businessman no matter how wealthy.

Three, the municipalities in New Jersey to this point, and John Paul -- I'm sorry that he had to leave -- knows the problems that Ocean County had with TDRs when I was Mayor I'd say maybe 10 years ago, maybe a little longer. There was a heavy effort in New Jersey to establish transfer development rights. It was not popular in the municipalities. The municipalities in the great majority in New Jersey are smaller municipalities. They didn't want the high density on one side, and vacant on the other side of their development rights. To try to transfer that development right from open space to high density, just didn't seem right to them.

That's our big problem. How we can sell that, I don't know. I would prefer myself, personally, and hopefully to take the initiative with privileged land assessment. I would hope for explanation reasons only, I refer to the Farmland Assessment Act. I'd like to refer to this, and constantly say the Commercial Fishing Land Assessment Act, so that the farmers and the Farm Bureau-- Pete Furey is here from the Farm Bureau tonight, and of course I introduced Shelly before-- I don't want any anxieties out there, with our farmers feeling, "Well, you may open that Farmland Assessment Act, and something might happen to that." I would like to have us go, and try to go-- I have been trying to get to the farmers saying, "This has absolutely nothing to do with you. All our direction is to preserve the commercial fishing industry."

I don't want to take up a lot of time, because a lot of people want to talk here, but I did introduce this in the '84-'85 session, so it's almost three-and-a-half years old now. Here, with the graciousness of the Chairman, we've come this far. And with everybody that's met over the past year-and-a-half, hopefully, we'll get this out of Committee and to the floor.

ASSEMBLYMAN AZZOLINA: Okay, any other questions?

MR. GRANT: Thank you for the opportunity to talk.

ASSEMBLYMAN HENDRICKSON: Thank you, George.

ASSEMBLYMAN AZZOLINA: Okay, Harry Biekings -- Harold.

H A R O L D B I E K I N G S, JR.: Thank you Mr. Chairman. My name is Harold Biekings and I'm work with George Grant as a Project Support Specialist with the New Jersey Fisheries Development Commission. Up until last year, I was an oysterman in the Delaware Bay. My family had been in the oyster business for over 100 years, so the situation that is happening down there happened to my family, and drove us right out of the oyster business.

In Port Norris, what we have there is mainly an oyster industry. Mr. Chairman, you alluded to the fact of one port, but there is also another port in there which is known as Fortescue. Fortescue is an area which is mainly concerned with crabbing and fishing. One of the biggest problems in Fortescue is not so much development that is going on there, but the marinas that are moving in. We have been contacted on several occasions about the fact that marinas are pushing the commercial fishermen right out of there, because party boat fishermen and sport fishermen were able to pay a lot higher prices than commercial fishermen could. So they are being moved out in that area.

As far as the Port Norris area is concerned in the Delaware Bay, the biggest problem right now is product. They don't have any product down there. This is the one thing that in my travels down there, and talking to different people -- Their main concern is to get more product into the area, and the actual taxes on the property are not that great right now. But one thing they're not thinking of, is within the next few years Route 55 in that area is going to be completed. That is going to bring places like Cherry Hill and Camden, a lot closer to the Delaware Bay, to Port Norris, to the Fortescue area.

ASSEMBLYMAN AZZOLINA: How long is that road going to be? I saw it when we were out there last time, I think.

MR. BIEKINGS: It will start, I believe, in Camden, and go all the way to, within -- I believe it's about 10 miles from Port Norris. So it's going to be--

ASSEMBLYMAN AZZOLINA: About a 40-mile run, or a 10-mile run?

MR. BIEKINGS: At least a 40-mile run. So what is going to happen down there then is this is going to bring these areas, these metropolitan areas a lot closer, time-wise, for people who are working up in the Cherry Hill area, and they will be more apt to want to live in this area.

The Port Norris area has basically three or four main families in there that own most of the commercial fishing docks down here. What has happened-- Years ago, there used to be 400 and 500 boats that would tie up into the Morris River. Now there is approximately 30 or 40. So each one of these families that own these wharves have a lot more wharf space than what they actually need. So this is a prime place for a developer to come in and be able to purchase property at a lot less rate than what they're doing. So any assistance that they may receive, such as what your bill calls for here would be greatly appreciated by them, especially the oystermen who are suffering terribly, as you well know, on this Committee.

ASSEMBLYMAN AZZOLINA: Okay. Any questions that anybody would like to ask?

ASSEMBLYMAN HENDRICKSON: Harold, don't we have a scientific station down there that's been funded by the State in the Fortescue area for oysters? Isn't there a Rutgers research lab?

MR. BIEKINGS: The Rutgers research lab is located in Bivalve, which is Port Norris, which is on the Morris River. The original thought was to put it in Fortescue, but the oystermen said the main place of action here in the Delaware

Bay is in the Morris River. So they demanded it, and it was put there in the Morris River.

ASSEMBLYMAN HENDRICKSON: And is it still well funded? Is it funded well enough?

MR. BIEKINGS: Over the past year, with the tech center and certain other bills and programs that have been put through, it has received more funding. The new director, Dr. Lutz -- he sits on our Commission -- is a real -- I guess the best word is a "go-getter." He's very enthusiastic, and he brings a leadership down to the Bivalve area that they haven't had for years. They are starting to make progress. Plus the bill that originated in this Committee, the Stuhltrager-Collins bill for \$1.2 million, if it is signed by the Governor will be a great assistance to this Bivalve lab, as well as some of the practical programs that were instituted last year with the \$500,000 Economic Development Grant from Community Affairs. So things are starting to happen in that area, and I must commend this Committee as being the catalyst that has created things for the oyster industry as well as the rest of the fishing industry. The people in that area are very appreciative to you for the things that you have done, and I'm sure will continue to do.

ASSEMBLYMAN HENDRICKSON: Is there any thought at the Bivalve lab of perhaps turning, or having that part of a hatchery -- or would that need additional legislation in order to do that, or can they do that themselves -- for oysters?

MR. BIEKINGS: All right. The Bivalve lab over the past 20-some years has developed a strain of oysters that is MSX-resistant, MSX being the disease that has practically destroyed the oyster industry in New Jersey over the past 30 years. Just two months ago, a nonprofit organization known as the Morris River Oyster Culture Foundation, which is made up of three directors who are oystermen in the Port Norris area, to start a hatchery--

Now, what we are doing now -- and we are involved in this with them -- is seeking funding for this hatchery, hopefully to begin a hatchery in the Morris River, to begin it this April, using this disease-resistant oyster, and put that out as a demonstration to the oysterman that this disease-resistant oyster will live and will survive where oysters that are native to the Delaware Bay die during this time.

So this is a program that we have started, and as far as hatcheries are concerned, there seems to be a great deal of interest in hatcheries by the fishermen throughout the State, the clammers and the oystermen, as displayed by the meeting in Atlantic County that Gef Flimlin organized there just several weeks ago. If I may say, it was well attended to the extent that they had to turn some people away. So the fishermen are very much interested in hatcheries, and this might be the way of the future in the oyster, as well as the clam industry in the State.

ASSEMBLYMAN AZZOLINA: All right, anything else?
(negative response) If not, thank you very much.

MR. BIEKINGS: Thank you.

ASSEMBLYMAN AZZOLINA: All right. Peter Furey, New Jersey Farm Bureau.

P E T E R F U R E Y: Thank you, Mr. Chairman.

ASSEMBLYMAN AZZOLINA: How far did you come?

MR. FUREY: I came from Trenton a little bit after, I think, some of you might have.

ASSEMBLYMAN AZZOLINA: By the way, I forgot to ask, anybody here from Cape May? (No response) Okay, I guess not.

MR. FUREY: Actually, I started out in Cherry Hill talking to nurserymen, and then went over to Clementon for--

ASSEMBLYMAN AZZOLINA: Nurses?

MR. FUREY: Nurserymen. Then to Cherry Hill -- oh, to Clementon for fruitgrowers. It's been an interesting day.

I'll get right to the point. My name is Peter Furey. I'm the administrator of New Jersey Farm Bureau. Mr. Hendrickson alluded to his work with Swede Luvgren, who at the time was Chairman of our Commercial Fisheries Committee, and we have a long-standing policy of favoring the concept of the differential taxation for the dock front. We would like to see the Committee move the bill for the obvious reasons that these dock fronts are the essential underpinning to the industry. It's necessary for the commercial fishermen to have places to tie up. I do have one question about the bill. Maybe Greg could answer this. I'm not really familiar with the details. The concept of the waterfront or the dock front differential tax assessment-- Are we going in the direction of the waterfront that would be in front of packing facilities, versus the waterfront where you have the tie up space, or will this capture both? If the latter is true, what would be the income requirements?

MR. WILLIAMS: There are no income requirements to start with. Actually, there's a question I have about the wording, which I didn't go into in detail. That is the wording for "industrial purposes." I think what it's supposed to be modifying is that the seafood is caught -- that the sea parts are caught for either food or industrial purposes. Therefore, all you're left with is the loading, unloading and docking of the vessels.

MR. FUREY: Okay, you have "docking" in there?

MR. WILLIAMS: So it's "the loading, unloading, and docking of the vessels" is the way it is defined.

MR. FUREY: So it's an activity qualification. So if you're docking, or if you're loading or unloading-- But there won't be any income requirements--

MR. WILLIAMS: They have to be vessels of people that at least 50% of their income is from that activity.

MR. FUREY: Fifty percent of their income related to commercial fishing?

MR. WILLIAMS: Yes. It's an unspecified number of people at the dock that have to have 50%.

MR. FUREY: Okay, we would like to see the expansive interpretation of that. Not that unintentionally we're making it difficult in fishing to take advantage-- That's an important clarification. Mr. Hendrickson brought up the point about the anxiety of farmers about opening up the Farm Act. As I understand it, this will stand alone. We're perfectly willing to take care of Farmland Assessment, and we would wish that the fishermen take advantage of this in a similar fashion to how the farmers benefited, so we would say, "Go right ahead and pass this for the benefit of the industry and the commercial fishermen."

A final comment that I would make is that it would seem to me that the taxes on the waterfront for someone in commercial fishing greatly exceed the cost of services in the municipality. So that there is no problem in terms of defending the equity of what would be done here in tying the assessments to the commercial fishing activity. That was true in selling the Farmland Assessment, and will be used. I agree with the Chairman that I think the public will support this, and we would like to see it move. I conclude my comments that way.

ASSEMBLYMAN AZZOLINA: Thank you very much. Any other questions? If not, Louis Puskas, Viking Village Commercial--

L O U I S P U S K A S: I'm part owner of Viking Village Commercial Dock. I'm sort of in favor of what's going on, but you'd have to look at my side of the story. We started back in 1970, when my partner, John Larson and I bought Viking Village. At that particular time, there wasn't much of a fishery. We've developed this fishery for the big tile fishing industry. Now we're swordfishing and tuna fishing. Our dock alone at Barnegat Light produced about 3 million pounds of fish a year, probably worth about \$9 or \$10 million.

At the particular time we bought it, the business supported the dock. We could pay for the dock. Now as we're growing older, if we decide to sell this dock, there's not one fisherman that I know of in that town that can buy that place, or even a group of them, and afford to pay for the property for what it's worth today. So in a sense, even on a tax savings -- like we probably pay maybe \$15,000 to \$18,000 a year taxes, property taxes -- if somebody comes around and offers us \$5 million or \$6 million for that property, we'd probably sell. That little savings would be nice to us as long as we're running it, but I don't think that would be a deterrent to stop us from selling the waterfront. I mean, it's a pretty good-sized dock.

We also have a sport fishing dock there, around Parker's Inn, and how do you define a head boat? They catch fish for a living. Where would all the sport fishermen go if those docks were sold for condominiums? I mean, would each of them have to buy their own dock someplace to keep a boat? I would assume (the purpose of) this bill is probably to make access to a natural resource that we have in the ocean. I mean, the same as you want to fish the Delaware River, the State has a State Park where you can go launch your boat. So what would happen in the future if there weren't any sport docks? I don't know how far you're going to go on this.

Also, one other point I'd like to bring up is that all my fishing is done outside the -- in Federal waters. The State of New Jersey is promoting, is spending all this morning to preserve commercial docks, and all our fishing is done outside of three miles. Maybe, possibly you can get some support from the Federal government in this bill, you know. It's going to take-- You really have a serious problem, especially where our property is worth so much money.

ASSEMBLYMAN AZZOLINA: What do you suggest?

MR. PUSKAS: Well I suggest-- I wouldn't want to tie my heirs into a situation where they could never sell the property because I don't know what the future of the fishery is. I know one thing. There's no possible way our fishermen could ever buy our dock when I decide to retire, and support that dock and pay for it. There's no possible way, unless he inherited a lot of money. I mean, when we bought it, everything was in relation to proportion. I heard somebody mention previously that property rates are really going up in our area, particularly.

I'd like to see it. In my lifetime, I don't think that we ever will sell that dock. I mean, you're talking long range right now. I have sons who are fishermen. My partner has four or five sons who are fishermen. We have a lot of independent fishermen there. The one point I'd like to bring out that aggravates me is I know the State of New Jersey has done two documentaries on commercial fishing on our dock -- one of them on our dock, the recent one hasn't been published yet. And you're having this meeting right now. I've been trying to get a permit to fix a broken bulkhead that a 100-foot boat ran through, and I haven't got it yet. It takes three months to get an application approved.

ASSEMBLYMAN AZZOLINA: He's a buddy of DEP. He'll take care of it. (Laughter)

MR. PUSKAS: An application approved to get 32 feet of bulkhead-- I got a smashed plank in there and the whole borough street ran into my harbor, and I haven't got a permit yet. That kind of stuff aggravates it. I can't understand why, if I have a problem with existing dock, I already paid \$3000 to get a blueprint made up, why I have to submit another blueprint for \$3000 to fix a little tiny plank? So I recommend, next time I call up there -- next time I call up there to have somebody come down and look at this plank, to say go ahead and fix it before the whole harbor falls in.

ASSEMBLYMAN AZZOLINA: Assemblyman Hendrickson -- I just saw him nod to his aide. I think they're going to get on that.

MR. PUSKAS: Well anyway, you do have a tough problem. I'm sort of in favor of preserving the docks. Thank you very much.

ASSEMBLYMAN AZZOLINA: You know, you're right. The problem is that land is going to be worth a lot of money.

MR. PUSKAS: It's worth a lot of money.

ASSEMBLYMAN AZZOLINA: And what you're going to save in here is going to be peanuts. For you, it's okay while you keep it. But if want to sell it, you're going to grab the money and run because nobody can afford it.

MR. PUSKAS: Right. I don't even think about it. And I don't want to get involved.

ASSEMBLYMAN AZZOLINA: That's a problem we're going to have. That's why we need other legislation. It's to buy development rights, or whatever, to keep it forever.

MR. PUSKAS: Right. I don't want to get involved and say, "Well, my dock is worth \$2 million; give me \$2 million." I don't want it.

ASSEMBLYMAN HENDRICKSON: I understand.

ASSEMBLYMAN AZZOLINA: He doesn't even want it. He doesn't even want the development rights. That's the other problem.

MR. PUSKAS: But the thing I would suggest is give me \$50,000 a year to operate, like on a percentage of how many fish you pack out. And the other thing that is going to happen-- If you take in-- Say I pay \$15,000 or \$20,000 a year taxes in town, and you're going to cut them to \$4000. They're going to be not too happy. I can't get nothing done from the borough now. They wouldn't even build me a street. So I don't think everybody likes commercial fishermen. The Federal government does. There's plenty of jobs. You guys would say,

"Well, we've got to develop the commercial fisheries in the State of New Jersey." That's good. I like that, because I'm a commercial fisherman.

ASSEMBLYMAN AZZOLINA: See, unfortunately everybody likes to eat fish, but they don't understand where they come from. If the facilities aren't there anymore, there's no place to get any fish.

MR. PUSKAS: I think every pound of fish we produce in this country is one pound we don't have to import. Every little bit will help our national deficit, you know.

ASSEMBLYMAN HENDRICKSON: That's some of the balance of trade, right?

MR. PUSKAS: Sure, I think so. We're starting to export fish to Japan.

ASSEMBLYMAN AZZOLINA: Assemblyman Hendrickson would like to say something.

ASSEMBLYMAN HENDRICKSON: The thing that I enjoy that you said was that you don't want to tie your heirs into the estate, and doing with the estate. That's the TDR. That's what the TDR-- The transfer of development right is exactly what that would do. The value would be so diminished that all you would be turning over to them is waterfront property as an intended use for commercial fishing. Whether the future use would still be that, it will still be up to that owner. But it would lay -- perhaps at some time -- fallow because nothing else could be done with it if somebody wasn't interested in getting in that boat in all weather and catching fish. The TDR is a problem.

MR. PUSKAS: We have a pretty good dock, and I don't see any reason in the next 20 years that we'll ever see that dock. I won't even be here then, but there's a lot of young fishermen. We won't kick them out.

ASSEMBLYMAN HENDRICKSON: Whenever the good Lord calls. You may be here 30 years.

MR. PUSKAS: Well you never know what'll happen. It is a situation. The property is worth so much money you have to take a long look at it. So I think that by reducing taxes, the town is going to get mad at you. I mean, so therefore, why can't you get some help from the Federal Government? Our fishing is done in Federal waters.

ASSEMBLYMAN AZZOLINA: I don't see any towns here objecting.

ASSEMBLYMAN HENDRICKSON: The towns we've talked to, with the exception of Henry, okay, have not said that it's a problem. Because of the fall off, all the money that's spread around. How many people are actually, other than you and your boat, are making a couple dollars out of that? You're selling the fish local, it's a--

MR. PUSKAS: Well it's not just me and my boats. There's a lot of boats in the area. I understand.

ASSEMBLYMAN HENDRICKSON: That's what I'm saying. So there's an overflow of dollars. There's a distribution of those dollars that you're making, not just for yourself. It's within that municipality, other than just the real property taxes. Now if they put up all condominiums, the social obligation on that may not, will not, or in the most times not likely to return economically to the town to support those social obligations.

MR. PUSKAS: Right. One other question I'd like to ask. How about the boatyards? We have boatyards across Forked River that service our boats. I mean, if you don't have a boatyard, you get hauled out. How are you going to keep fishing? So why can't they come under some kind of tax reduction also? They might sell their property for condominiums also, and then you won't have no place to get hauled out.

ASSEMBLYMAN HENDRICKSON: The reason we're having the public hearing is the input from the grass roots, from you

fellows. Basically, we have an idea. Basically, I've discussed with other commercial fishermen some of the problems, and initiated the bill. The next step is to go out and get the grass roots, get the guys that are out there. You're the guy that's out there. You know more about it than any of us sitting up here -- what the problems are and what the needs are. That's why we're here, to listen and to amend.

MR. PUSKAS: One of the big problems is getting a permit for the bulkheads.

ASSEMBLYMAN HENDRICKSON: Well, that's DEP. You've got to come to my office and my aides will give you--

MR. PUSKAS: Well, I think you're all under the same department. I think so.

ASSEMBLYMAN HENDRICKSON: No we're not. No, no, this will not be.

MR. PUSKAS: Well, have something to do with it, you know. Like we sell them out.

ASSEMBLYMAN HENDRICKSON: This is Bureau of Taxation. This will go to the Bureau of Taxation.

MR. PUSKAS: Thank you very much.

ASSEMBLYMAN HENDRICKSON: Thank you for your comments. Next is Gef--

G E F F L I M L I N: Gef Flimlin.

ASSEMBLYMAN AZZOLINA: Flimlin. Do you want to talk or-- DEP is not here? (negative response) Why?

MR. FLIMLIN: They are kind of here. Thank you Mr. Chairman. I would say that DEP is here but they don't know it. I've been thinking about this proposal for a while. We in the Extension Service are supposed to be non-biased in our dealing with the industry. It's sometimes very hard to do. Sometimes we're able to find facts that are brought out in different places, and put them before those who are interested in hearing them.

So this afternoon -- as a matter of fact, at 6:30 on

the way down here -- I stopped at my office and looked in my files for things that have discussed this problem of either access or dock space, or development in dock space for commercial fishing over the past 12 years. In every one of these reports, starting in 1975 with an inventory of New Jersey coastal area by DEP; in the Cape May County commercial fishing industry, economic and marketing considerations by Dr. Al Meredith from the New Jersey Agriculture Experiment Station; from the New Jersey Economic Development Authority's Paper, "Review of Commercial Fishing in New Jersey and EDA's Financial Role in it's Development" in October of 1979; in the "Governor's Conference on the Future of the Jersey Shore," also in 1979; in the "New Jersey Commercial Fishing Industry Report" done by the Marine Fisheries Administration in 1982; in the "Ocean County Seafood Industrial Park Feasibility Study," done in 1982 for the Ocean County Board of Chosen Freeholders by a private consultant; and finally, in "A Proposal for the Development of the New Jersey Fisheries Industry," a working paper done by the economist for Marine Fisheries Administration and the Office of Planning in the State Department of New Jersey.

Each one either states or implies the need for preservation of commercial dock and development for commercial dock space in the State of New Jersey, to assure the continuation of the economic feasibility and growth of this industry in every single one of the coastal counties that we have. In my position as an extension agent, I have heard from more than one person in areas where development has occurred, where dock space has been lost. A great case in point is on Sharp River Island, where several people were displaced, for the need for some type of program similar to -- and to each one was always said -- similar to a Farmland Assessment Act. So I would make these things available for this Committee if they so desire to see them, and I thank you for your time.

ASSEMBLYMAN AZZOLINA: Thank you very much. Any questions?

ASSEMBLYMAN HENDRICKSON: Thank you very much. That's very interesting that you have those. I appreciate it.

ASSEMBLYMAN AZZOLINA: Where are you based at?

MR. FLIMLIN: Toms River.

ASSEMBLYMAN AZZOLINA: Okay, next is Pat Lauer. Did I pronounce it right?

P A T L A U E R: Yes, you did it right.

ASSEMBLYMAN AZZOLINA: They always screw my name up.

MS. LAUER: I'm Pat Lauer with Captain Brownie's Seafood and Clam House. We're located in Barnegat, New Jersey. We're in favor of you gentlemen or the State doing something to try and help us clammers and fishermen stay clammers and fishermen. Just one little note that hit home, six years ago my property was worth \$29,000. They just reassessed the property at \$190,000. I only have about 150 feet of waterfront property which harbors my clammers. I have the clamhouse plus the clammers that work for me. Now the problem is that the waterfront property has become so valuable to developers.

ASSEMBLYMAN AZZOLINA: In three years it will be double.

MS. LAUER: It's terrible. Now we did lose a clamhouse next door to us, Double Creek Fishery, which was owned by Dick Hook. They came in and offered him "X" amount of dollars for the property and he sold out. So there you have 10 boat slips that have been lost to developers, plus what is going to become to those clammers? Are they going to get jobs pounding nails someplace, which is going to last 3 or 4 months. You know, the clamming industry needs help, whether it's rolling back our taxes-- When I first had the property it was like \$800 a year in taxes. Now I'm paying \$6000 a year in taxes.

Also, a big problem that the State has right now is insuring our fishing boats. I have a lobster boat up in the

Belmar area. We have several clamming boats, and you just can't get these things insured nowadays. Two years ago, when I bought the lobster boat, if you had a survey on the boat, you could get the boat insured. Now, even with a survey they will not insure these boats. So I hope they do something soon to try and help us clammers and fishermen.

My lobster boat is harbored up in Sharp River. A gentleman earlier touched on that. Those boat slips have gone from \$500 a slip to \$1200 a slip. This year he wants \$2000 a slip. The problem is he's forcing the commercial fishermen out and all he wants are pleasure boats. So I hope they can do something soon to try to keep us fishermen, fishermen. We've been fishermen all our lives. My family has been clammers all their lives. We'd like to stay clammers and fishermen.

ASSEMBLYMAN AZZOLINA: We're going to expedite this as quickly as possible. We may have one more hearing; we may not. We'll discuss it later in the next couple of days. Anybody here have any questions?

ASSEMBLYMAN HENDRICKSON: No, just that I've talked with you before, and believe me, we're really trying to do everything we can to relieve that situation, but the legislative process takes time.

MS. LAUER: Well, thank you for that time, and I hope we can help the seafood clammers, fishermen, lobstermen.

ASSEMBLYMAN AZZOLINA: The whole works. Thank you very much. Okay, George, I'd like to ask you one question here about the insurance availability problems. Is it on a personal property, or is it on liability?

MR. GRANT: (Speaks from audience) The concern of the dockowners is, I think both. You didn't distinguish it in your question; maybe you should have. In the survey, but in the document that concerns both about structure and content, and then the personal liability insurance-- The liability issue seems to be the more volatile one in the industry right now.

We are, by the way, making progress. I've talked to (indiscernible) this afternoon, and he's going over to Scotland next week, and we think we have a British firm that will give us all the reinsurance we need for the fishing boats. The Mutual Insurance Company base--

ASSEMBLYMAN AZZOLINA: At a high price.

MR. GRANT: It hasn't done much. No, it's last year's premiums.

ASSEMBLYMAN HENDRICKSON: George, that's a tragedy to me, that we have to go outside this great country to find an insurer for vessels or American citizens. Whatever can be done, I don't know. But I think the public themselves, the jobs, the balance of payment, that doesn't belong here. I have to say one thing. And just one other thing. The lady that just testified, when she said survey, I believe she means the marine survey on the boat for seaworthiness in order to know the exposure rate, as that vessel goes out to sea. It's not the survey that everybody-- I'll put it in another sense. It's a marine survey on the vessels.

ASSEMBLYMAN AZZOLINA: Yes?

MR. WILLIAMS: If each person who speaks will come up to the microphones so it's on the record.

ASSEMBLYMAN AZZOLINA: Okay. Anybody else wants to talk tonight? You mean it's going to be an early meeting? Oh, yes sir. I'd like to remind each of you that those attending to fill out the short questionnaire that was filled out when you first came in. Make sure you fill it out if you can, please. Yes sir, your name, rank and-- (Laughter) Your name, where you're from, and who you represent.

E I R I K K I R K E B E R G: My name is Eirik Kirkeberg. I've got a fishing dock in Wildwood.

ASSEMBLYMAN AZZOLINA: Where?

MR. KIRKEBERG: Wildwood. I had the dock for about 35 years. We've been doing good.

ASSEMBLYMAN HENDRICKSON: Cape May County?

MR. KIRKEBERG: Pardon?

ASSEMBLYMAN HENDRICKSON: Cape May?

MR. KIRKEBERG: Wildwood. A few years ago, the condos started moving in. In fact, I had the clamhouse down there too, shucking clams down there. Then we got complaints about everything, the boats coming in late, and making noise, and in the morning they make noise, and the trucks going back and forth. You can't blame them, and then the condos start paying big money for it, and they don't want that stuff.

ASSEMBLYMAN AZZOLINA: Yeah, but the fishermen were there first. They moved in on the fishermen. I do blame them. They knew what they were getting into.

MR. KIRKEBERG: They say it concerned the fishing dock. So we get all these complaints, and after a while it wasn't fit to work any more. They went to City Hall for every little thing. Now the condos are taking over 25% of the docks, and they would take over the whole docks down there. They're paying \$2000 to \$3000 a foot for the waterfront, and the fishing dock can't exist. So, it's the same problem as everybody else.

ASSEMBLYMAN HENDRICKSON: You support this legislation then?

MR. KIRKEBERG: Yes, certainly. Sure. What possibly we can do is send over a bill, and pressure from the whole fishing industry.

ASSEMBLYMAN AZZOLINA: Thank you very much.

MR. KIRKEBERG: Thank you.

ASSEMBLYMAN AZZOLINA: Anybody else? Yes, sir, come on up.

LAWRENCE E. PECANS: I haven't finished it yet.

ASSEMBLYMAN AZZOLINA: Give your name, who you represent, and where you live.

MR. PECANS: My name is Larry Pecans. I represent Atlantic Marine Diesel from Atlantic City. I just want to say

that I agree with what Louis said -- Louis Puskas said -- about the support industries for the fishing business. We're a marine repair shop. We don't haul for any fish; we don't have any fishing boats. But we do a lot of business with the commercial fishermen.

ASSEMBLYMAN AZZOLINA: Are you right near the water though?

MR. PECANS: We're right on the water.

ASSEMBLYMAN AZZOLINA: Okay, all right. Because I don't think this should really apply to anybody too far from the water.

MR. PECANS: No, but we are on the water, and we do service the fishing industry. We service the pleasure craft, but it's about 50/50 - 60/40 -- something like that. But we feel we have some importance to the commercial fishery in the Atlantic City area. So we feel docks such as ours, fuel docks, people that service the industry should also be considered as part of this bill.

ASSEMBLYMAN AZZOLINA: Would you be kind enough to give us your name, telephone number and address so staff can get ahold of you and get your views, and perhaps put an amendment on it.

MR. PECANS: Okay, I'll turn this in before I leave. Thank you.

ASSEMBLYMAN AZZOLINA: Thank you very much, anybody else? Yes sir, come on up. Please give us your name, who you're with, and where you're from.

L E S L I E K A M M E R M A N: My name is Kammerman, I represent Kammerman Atlantic City Marina. I just want to back up what Larry Pecans just said about support industries. We have a gas dock in Atlantic City. Our taxes have gone up slightly, they're about 20 times what they were before.

ASSEMBLYMAN AZZOLINA: What do you pay now?

MR. KAMMERMAN: We pay right now about nine times what we paid before gambling. With a city of 38,000 people, with \$7 billion worth of new revenues-- I don't know why but we do--

ASSEMBLYMAN AZZOLINA: Your taxes are supposed to go down though.

MR. KAMMERMAN: Pardon me?

ASSEMBLYMAN AZZOLINA: Your taxes are supposed to go down. At least, that's what they told me. (Laughter)

MR. KAMMERMAN: That is a joke. For every dollar I paid before gambling, I now pay about \$7 to \$12 -- I forget what.

ASSEMBLYMAN HENDRICKSON: The Legislature was asked to give them more money.

ASSEMBLYMAN HUDAK: Sir, if I may ask, could you use some numbers? For instance, what were your taxes?

MR. KAMMERMAN: It was about where if I paid \$1000 on a piece of land prior to gambling, I now pay \$6000 to \$7000. Larry mentioned-- Somebody mentioned about the insurance. Our liability insurance is now probably 12 times what it was before gambling.

ASSEMBLYMAN AZZOLINA: I'm in the same boat as you are. I'm in the supermarket business, and mine are 10 times also, and I have no gambling. So gambling doesn't have anything to do with it.

MR. KAMMERMAN: I feel sorry for the gentleman who has been waiting three months for his bulkhead over there. I was trying to replace a bulkhead. I waited 17 months to replace a bulkhead that had been installed--

ASSEMBLYMAN AZZOLINA: Assemblyman Hendrickson, I think you've got a job on your hands to straighten out DEP. (Laughter)

ASSEMBLYMAN HENDRICKSON: Let's get this one thing straight here, right? I'm the guy who's got the legislation in to take shell fisheries out of DEP. So I'm not a real favorite.

ASSEMBLYMAN AZZOLINA: Well, we ought to take on DEP next.

ASSEMBLYMAN HENDRICKSON: We want to put shellfisheries-- We want to put the fisheries in the Department of Ag.

MR. KAMMERMAN: Well I've have dealt with about 12 departments in DEP. You know, there's a lot of departments there, and you need a new survey because maybe in your old survey, maybe you changed the direction of north, or something. Anyway-- That's the truth. I'm not kidding.

Anyway, I just came here to say the support industries for the fishing industry such as shipyards, fuel docks, engine repairs such as Atlantic Marine Diesel has, should be considered in this legislation. If we go-- The 500 feet of waterfront I own is right across from Trump Castle. Now it has become the center of the earth. It's the same thing with a lot of these places. We've been offered a lot of money for it, but it's a family business. I have four children. They said, "Dad, don't sell it," so I'm not going to sell it. But what my children will do is another thing.

But if any of those shipyards go, and a support industries such as ours go, then the fishing industry goes. If you can't get your diesel repaired, or you can't get fuel--

ASSEMBLYMAN HENDRICKSON: I have just one question.

ASSEMBLYMAN AZZOLINA: Go ahead.

ASSEMBLYMAN HENDRICKSON: Are you finished?

MR. KAMMERMAN: Yes.

ASSEMBLYMAN HENDRICKSON: I'm interested when the family says, "for my children." I again bring up transfer of development rights because it has been brought up as perhaps an avenue. We want to try and make it plain that on the sale of a development right, the value of the land is diminished. So the inheritance and then the equity, the borrowing power, everything, leaves again. I'm being redundant. It goes with

that property. I don't know how interested you might be because it wasn't really on the survey to explain TDRs in order to preserve land.

MR. KAMMERMAN: Of course, that would be an individual case. I don't know.

ASSEMBLYMAN HENDRICKSON: That's correct.

MR. KAMMERMAN: I don't know just how that would work. My children say they will never sell it. I just remember one figure the gentleman asked me there. One piece of land, while I was trying to replace this bulkhead that had been knocked out, went from \$6000 to \$8800. The reason that was is that a guy across the street, from Indonesia, bought a house you could have bought before gambling for \$10,000 or \$12,000, he paid \$247,000 for it. Some of the properties the city couldn't sell for \$800 a lot are now \$100,000.

ASSEMBLYMAN AZZOLINA: They should have taken it out on those who are there with other businesses.

MR. KAMMERMAN: Well, what we did is we appealed our taxes, but it did us no good at all. We appealed it, but they said we are waterfront.

ASSEMBLYMAN AZZOLINA: That makes sense why he needs it. They're industry. They're part of the industry.

MR. KAMMERMAN: There's Trump across the way; there's Harrah's there. The speculators are buying up all our waterfront. By the way, the second largest industry in Atlantic City is the fishing industry. You know, the first one is the hotel industry. We have an enormous fishing fleet there, and it's our second largest industry. I happen to know that on the docks where a few boats tied up is now for sale for \$1.5 million, and that's a broken-down dock-- So we really need help. You're doing a great job, and I wish you success.

ASSEMBLYMAN AZZOLINA: The support industries-- I just want to make sure I covered the waterfront here. We're talking maintenance building, rebuilding of vessels. Are there other support industries that the docks--

MR. KAMMERMAN: Fuel, shipyards are essential, and of course, engine repairs are essential.

ASSEMBLYMAN AZZOLINA: You say fuel shipyards--

MR. KAMMERMAN: Fuel and shipyards.

MR. WILLIAMS: And shipyards are all involved in maintenance building or rebuilding.

MR. KAMMERMAN: Yes sir.

MR. WILLIAMS: And engine repair would be-- We'll say repair to-- I want to make sure the list is covering--

MR. KAMMERMAN: Yes, because that's absolutely essential. Because the fishermen-- As you know, I've been in the fishing industry my entire life, and if they can't get their engines repaired, or their boats repaired, they're just going to go someplace else where they can.

ASSEMBLYMAN AZZOLINA: Okay, thanks a lot.

MR. KAMMERMAN: Thank you.

ASSEMBLYMAN AZZOLINA: Anybody else? Junior, do you think you have any comments?

A X E L B. C A R L S O N: No, I'm an observer here Joe.

ASSEMBLYMAN AZZOLINA: Okay, very good. It's the quietest I've ever seen you. Okay, anybody else before we-- Any statements anybody up here would like to make? Assemblyman Hudak, George, do you have any statement you'd like to make for the record? (negative response) Assemblyman Hendrickson, do you have any comments?

ASSEMBLYMAN HENDRICKSON: No, just again I thank you, Chairman Azzolina, and Assemblyman Hudak for coming to Ocean County for this hearing, and allowing our people, the grass roots people, to testify. I would have liked to have seen more people testify, but I'm very happy with what we have.

ASSEMBLYMAN AZZOLINA: I'm happy also. Sometimes you have long public hearings that may last hours and hours, and you get nothing out of it. This was a short public hearing, a

little over an hour, but a lot of meat came out of it, and we covered a cross section of the industry and the problems. What happens is there's a few that speak for all. Good thing we have the few, because most people never speak. They'll just suffer and go on. So I want to thank you on behalf of the Committee. It's a pleasure to be here, and we'll get home at a decent hour tonight.

ASSEMBLYMAN HENDRICKSON: The surveys are here for those that didn't get them, that George Grant talked about.

UNIDENTIFIED SPEAKER FROM AUDIENCE: Will you be holding any additional hearings in the southern part of the State?

ASSEMBLYMAN HENDRICKSON: This is south.

UNIDENTIFIED SPEAKER FROM AUDIENCE: (Parts of this statement are indiscernible because of the speaker's distance from the microphone) --there was a DEP meeting for certain (indiscernible) in Cape May and many of the people could not come here tonight.

ASSEMBLYMAN AZZOLINA: I think we got the message on South Jersey pretty well. We may have one more further north. I'm not sure yet. Okay, thanks a lot.

ASSEMBLYMAN HENDRICKSON: Just one-- As the sponsor of the legislation, of course I'd like to see it moved, but if the fishermen want it, I'm sure Joe would do it. But the longer we delay it-- You're talking a long time to in order to get it on the ballots -- a constitutional amendment -- in order to give you the assessment.

ASSEMBLYMAN AZZOLINA: My aim is to get this up before the full Committee the first session we get back in May. People can come to Trenton to testify even then, but they won't have as much time then as we have tonight. But we will consider the bill then -- at the first Economic Development Committee meeting we have, and Agriculture Committee meeting we have in May, because we've got to move it so we get it over to

the Senate, since this has to go on the ballot. We've got to get the Senate to move it.

UNIDENTIFIED SPEAKER FROM AUDIENCE: May I ask a question? What's the time frame in regard to getting something on the ballot for referendum?

ASSEMBLYMAN AZZOLINA: What is it, 90 days?

ASSEMBLYMAN HENDRICKSON: By my understanding, we have to get it through the houses by August.

ASSEMBLYMAN AZZOLINA: That's why I want to move this bill the first meeting we have in May, and see if the Senate will move it before we adjourn, which is probably some time by the end of June.

ASSEMBLYMAN HENDRICKSON: Shelley, how do you feel as part of the farmers and agriculture as far as the-- How do you feel as part of agriculture that we will be putting on the ballot the Commercial Fishing Land Assessment Act.

S H E L L E Y L U B N I C K: I don't think there will be any problem as far as agriculture is concerned.

ASSEMBLYMAN HENDRICKSON: That's fine. I'd like to hear that. That's good. That's why we're going in that direction.

ASSEMBLYMAN AZZOLINA: Pat?

MS. LAUER: We generally have an idea--

ASSEMBLYMAN AZZOLINA: Come on up to the-- We'll just say Pat Lauer again.

MS. LAUER: I might be out of line but--

ASSEMBLYMAN AZZOLINA: That's okay, you're never out of line.

MS. LAUER: --an idea. Being the State wants to try to help the commercial fishermen, one of the chances-- Like, if you have a thing now where if you own a piece of property and you're living in that house, you get a homestead rebate thing. What if a clammer-- Okay, my lobster boat cost me now \$2000 to just harbor that boat in the water. What can you do

about it being a commercially licensed lobster boat -- I pay \$1000 and the State pay \$1000 just to keep that commercial fishing boat fishing? Like split the dock fees with the commercial-- You know, showing you the proof that it is a commercial fishing boat, that the State would pay half of what that dock slip is. That's just an idea.

ASSEMBLYMAN AZZOLINA: This year it would be tough.

ASSEMBLYMAN HENDRICKSON: You have to understand that the homestead rebate is directly coming back because of the income tax. Say you pay your income tax on one side, and they hand you back about \$160 on the other side, and it's very powerful. But how we could generate the dollars to give you that money is the problem. Basically, trying to generate rebate dollars-- Where would the money come from to do it? Right now we're being forced into a lot of things. Perhaps we're not being forced, but we're being asked to vote for additional taxes now, and none of us feel the electorate should be taxed any more. We have to--

In order to give a rebate, we would have to do something to form a fund to get the rebate from. I wouldn't go anywhere trying to get it out of general revenue. Okay? Not that it isn't a good idea, it's trying to find the dollars out of general revenue to get it.

MS. LAUER: Okay.

ASSEMBLYMAN HENDRICKSON: It would be easy for me to say we're going to do that, as a politician.

MS. LAUER: It's an idea.

ASSEMBLYMAN HENDRICKSON: It's good. It's good.

ASSEMBLYMAN AZZOLINA: Okay, thank you very much for being here. It was a pleasure being here today.

(HEARING CONCLUDED)