Annual Report 1997

State Board of Agriculture

John K. Tomasello, President

- **New Jersey's highest official agricultural body;**
- **responsible for establishing policies within the framework of agricultural laws for the New Jersey Department of Agriculture; and**
- **approves rules and regulations, sets program priorities and approves budget requests of the department.**

The policies set by this Board affect the state's agricultural community and, therefore, state law mandates that the members of the Board must be people who are involved in producing farm crops or livestock products. In carrying out its responsibilities during the year, the Board held special public meetings and participated in other farm and agriculture-related activities to become fully aware of the issues facing agriculture.

John K. Tomasello, an Atlantic County vintner and grape grower, was elected president and Fred Clucas, a Hunterdon County grain grower, was named vice president of the State Board of Agriculture in July 1996. Two new Board members, Bix L. DiMeo and Roger J. Ruske, representing New Jersey's equine and nursery industries, respectively, took their seats on the Board.

All Board members are elected at the annual State Agricultural Convention, nominated by the Governor and confirmed by the New Jersey Senate.

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Office of the Secretary

Arthur R. Brown, Jr., Secretary

- **provides executive leadership to the New Jersey Department of Agriculture's six divisions in the accomplishment of the department's goals and objectives;**
- **oversees policy development and planning;**
- **carries out information and education programs and services as liaison to the executive and legislative branches of state government; and**
- **insures that programs are carried out in compliance with statutory requirements, executive directives and policies established by the State Board of Agriculture.**

During FY97, the Office of the Secretary continued to build on the strong policy framework developed by the FARMS Commission in 1995. The Commission, an interdisciplinary study group, completed an in- depth analysis of the agriculture industry and established an action agenda to keep the industry thriving and profitable in the decades ahead.

The department administered a variety of initiatives with a solid record in support of the industry, including the Jersey Fresh promotion and marketing program, the state Farmland Preservation Program and the farm production efficiency grant program.

In addition, the department implemented new efforts aimed at building a stronger future for the agriculture industry. Among these were projects to review and strengthen the Right to Farm Act, recycle agricultural plastics, monitor food safety and develop future agricultural leaders.

These programs were complemented by the department's educational and informational programs, legislative initiatives and organizational measures designed to improve animal health and plant laboratory services. The department also prepared for the relocation of the Bureau of Child Nutrition Services from the New Jersey Department of Education to NJDA, an organizational adjustment that will consolidate the delivery of federally-sponsored feeding programs for school children, residents of state institutions and New Jersey's neediest citizens.

STRENGTHENING RIGHT-TO-FARM PROTECTION

One of the key components of a bright future for agriculture is the protection afforded the industry under the state's Right to Farm Act. The effort launched by the department last year to review and revise the law was furthered this year when the State Agriculture Development Committee (SADC) developed a right-to-farm case registry and assigned a liaison to work with municipalities, private citizens and farmers to help resolve local conflicts. A broad-based Agricultural Right-to-Farm Task Force was established to review the Right to Farm Act, draft proposed amendments to the Act, and implement a strategy to strengthen the right-to-farm program.

PRESERVING FARMLAND

FY97 was a landmark year for the state Farmland Preservation Program (FPP) under the direction of the SADC. Overall, 53 farms covering 8,184 acres were permanently preserved during FY97, the most acreage and greatest number of farms preserved in a single year in the 14-year history of the program. Both the amount of acreage and the number of farms brought into the program in FY97 exceeded the combined totals of the previous two years and raised program totals to 250 farms on 37,198 acres.

The largest bi-county land preservation project ever undertaken by the SADC focused on the 826-acre Sam Kanach Farm in Readington Township, Hunterdon County, and Branchburg and Hillsborough Townships, Somerset County. SADC purchased the 328-acre main farm in fee simple and sold it back into private ownership at public auction later in the year. The remainder of the property joined existing green belts or recreational preserves, enabling the entire farm to be protected from future development.

The SADC also marked the first donation of development easements on an unrestricted farm this year thanks to the owners of Pennfields Farm in East Amwell, Hunterdon County. The value of the easement donation on the 47-acre horse farm was estimated at $340,000.

In FY97 for the first time the federal government became a partner in New Jersey's farmland preservation efforts with the authorization of a $1 million cost-sharing grant through USDA's Natural Resources Conservation Service (NRCS). The grant was awarded to the Garden State under the Federal Agriculture Improvement and Reform Act of 1996 which included a new farmland protection program that made $14.5 million available nationwide for easement development purchases on valuable and vulnerable farmland. The state FPP used the grant to help with the acquisition of development easements on 13 farms in as many counties.

MARKETING AGRICULTURAL PRODUCTS

From July through December of 1996 and from April through June of 1997, the Jersey Fresh message reached almost 46 million households through cable and network television commercials. To reinforce the television commercials and help consumers identify Jersey Fresh produce at their favorite markets or farm stands, colorful Jersey Fresh point-of-sale materials were distributed to all 500 major retail chain stores and many farm markets in the tri-state area and to major retail chains in New England, a major market for Jersey Fresh products.

These promotional efforts have had a positive effect. A survey taken this year to measure the success of the Jersey Fresh advertising and promotional program revealed that 38 percent of shoppers in the New York-Philadelphia metropolitan region were aware of the Jersey Fresh program. Moreover, better than half of the respondents said they were more likely to buy produce identified as Jersey Fresh.

NJDA's four-part educational series of televised public service programs, "Jersey Fresh Food from the Farm," received an Emmy award for outstanding public affairs series from the Mid-Atlantic Chapter of the National Association of Television Arts and Sciences this year. The 30-minute programs aired frequently during the 1995 and 1996 growing seasons on New Jersey cable stations. The programs incorporated interviews with farm families and focused on the interdependence of the various facets of agriculture, following the agricultural process from start to finish. Featured commodities were blueberries, peaches, corn, tomatoes, apples and cranberries.

RECYCLING AGRICULTURAL PLASTIC

This summer NJDA undertook a four-month nursery and greenhouse plastic recycling pilot project to help the industry find a better, more economical way to dispose of clean plastic film. The nursery and greenhouse industry is the largest segment of agriculture in New Jersey, generating about one million pounds of greenhouse and nursery film annually that must be landfilled.

At the end of the pilot project, almost 45 percent of the greenhouse and nursery plastic film used in

the state had been recycled during the trial period. Although nursery and greenhouse plastics recycling projects have been implemented in California and Florida on a limited basis, New Jersey's effort was broader in scope and the recycling rate exceeded any other four-month film recycling effort in the nation.

TAKING GOVERNMENT TO THE PEOPLE

During a "Cabinet on the Road" visit to Warren County, NJDA coordinated with the New Jersey Department of Education in a distance learning classroom session demonstration held at a dairy farm in Allamuchy. The event underscored the Governor's emphasis on quality education for New Jersey=s children. Using milk production as the topic for this important demonstration, the televised lesson covered several specific portions of the new fourth grade core curriculum, including life science, social studies and communication.

INVESTIGATING NEW AUCTION METHODS

Major auction markets in Belgium, Germany and Holland were scrutinized to learn what works well for farmers in other parts of the world. Included were the REO vegetable market in Belgium as well as vegetable market and research facilities and a cooperative freezer operation, the United Fruit and Vegetable Market and the Pfalzmarkt in Germany. In Holland stops included the Dutch commodity board for horticulture; Greenery International, a huge cooperative fruit, vegetable and flower auction; and the VBA Flower Auction, the largest flower market in the world. Throughout the tour participants met with government agricultural officials, producers, buyers, cooperative members and directors to discuss domestic and export marketing strategies and techniques as well as consumer trends and challenges faced by producers.

MAINTAINING FOOD SAFETY

Although America's food supply is the safest in the world, public concern about food safety is rising. As a result, President Clinton announced this year that he would request that Congress appropriate $43 million to fund a nationwide early warning system for food-borne illness, to enhance seafood safety inspections, and to expand food safety research, risk assessment, training and education.

In another effort aimed at stemming the incidence of food-borne illness, the United States Food and Drug Administration (FDA) determined that an animal on the farm can be considered food-ready for processing, and therefore subject to FDA regulation. Since many of the organisms that cause food-borne illness in humans can be part of the normal flora of the gastrointestinal tract of food-producing animals without any adverse effects to the animal, the FDA also announced its intention to develop a program to regulate food safety from the farm to the plate.

Through the state's Food Safety Task Force, of which NJDA was a founding member, NJDA will continue to monitor proposed resolutions to food safety problems and work with other federal and state agencies as well as producer groups to increase food safety while avoiding unnecessary costs and regulations affecting farmers. The task force includes representatives from the New Jersey Department of Health and Senior Services, the New Jersey Department of Environmental Protection and the New Jersey Food Council, an organization of food processors and distributors.

DEVELOPING LEADERS FOR AGRICULTURE=S FUTURE

The first group of 23 representatives from the many facets of the Garden State's agriculture industry who took part in the New Jersey Agricultural Leadership Development Program completed the two-year program this year. A joint venture between the NJDA, the New Jersey Agricultural Society, New Jersey Farm Bureau and Rutgers University/Cook College, the program's goal is to help those involved in the agriculture industry become better community leaders and industry spokespersons. During the program, the group studied marketing, resource management, social issues and agricultural economics along with leadership skills such as public speaking and communication, parliamentary

procedure and group process. The group also spent two weeks in Mexico studying socio-cultural issues, the country's governmental process and agricultural practices, politics and international trade issues. Participants for the second two-year program have been selected and will begin their training in the fall of 1997.

FIGHTING HUNGER

As food programs across the country feel the effects of federal program reductions, NJDA cooperated with the New Jersey Agricultural Society, the Rutgers Cooperative Extension Service, the USDA and the Bonner Foundation to launch the tremendously successful "New Jersey Farmers Against Hunger" effort, a food rescue and recovery program through which edible, nutritious fresh fruits and vegetables were collected from local farms and distributed to needy families in a four-county area.

During its first year, the program developed a solid track record in the fight against hunger. Throughout the growing season, hundreds of community volunteers moved through fields and orchards, picking up good quality produce that had some small cosmetic flaw, was too large or too small to be sold through usual retail or wholesale channels or was too ripe to withstand the shipping process.

The collected produce was taken to Atlantic, Burlington, Camden and Mercer County churches, shelters and hunger relief organizations which, in turn, distributed the produce to needy families or individuals or used it to enrich the menus of food pantries and soup kitchens. By the end of the harvest season, 19 farms had participated in the Farmers Against Hunger effort, and including produce donated by Wakefern/ShopRite and RLB Food Distributors, over 405,000 pounds of food was distributed throughout central and southern New Jersey.

SEEING AGRICULTURE AT WORK

This year's two-day farm tour for legislators took more than 55 legislators and staff representatives to Warren County to witness firsthand the county's diverse agriculture. Included on the tour were a Christmas tree operation in Belvidere; a vegetable, grain and greenhouse operation that offers pick-your-own products and a farm market in the midst of suburban development; a 400-head Holstein farm in Allamuchy; a herb farm recognized as one of the premier herb farms in the nation; a sod farm in Great Meadows which has used farm production efficiency grants from the department to improve its operation; and the Pequest Trout Hatchery where fish are raised for stocking public fishing waters. The tour was sponsored by the NJDA in cooperation with the New Jersey Agricultural Society, the Warren County Board of Agriculture and the Warren County Board of Freeholders.

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HUMAN RESOURCES

The Human Resources Unit maintained programs essential to the attainment of the department's personnel objectives. These included classification, salary program and benefit administration, awards programs, employee relations and contract administration, performance assessment reviews, personnel policy and procedures development and training coordination.

As of June 30, 1997, the department employed 332 people including 210 full-time employees and 122 seasonal employees. Staffing levels remained relatively constant during the year.

Special attention was given to salary account monitoring, department organizational structure and staffing analysis. In addition, Human Resources policies and procedures relating to time and leave issues were updated to reflect changes in state and federal regulations. Recruitment methods were also revised and improved and now include use of the Internet.

Human Resources staff worked on the transfer of the Child Nutrition Program from the New Jersey Department of Education (NJDOE) to the Department of Agriculture, a relocation which should take place in early FY98. The administrative process included coordination with the Office of Management and Budget, the New Jersey Department of Personnel, the Office of Employee Relations and employee unions as well as in-house employee orientation and records maintenance.

The transfer of the Bureau of Child Nutrition (BCN) from NJDOE to NJDA will add 34 employees to the department and increase the department's budget by $7.1 million in state appropriations and more than $180 million in federal funds. BCN's integration into the department will broaden NJDA's responsibilities for school and institutional feeding programs and will significantly improve service to its food distribution constituencies.

FISCAL SERVICES

The department's FY97 adjusted budget for direct state services was $8,320,000 with grant-in-aid funding of $4,394,000. Available federal funds for the same period amounted to $1,645,000. Remaining dedicated or miscellaneous funding of $9,781,000 provided total

fiscal resources of $24,140,000, a reduction of $2,474,000 from FY96. No capital funding was provided for the year.

DEPARTMENT FUNDING

	Amount Appropriated	
Source of Funds	FY1997	FY1996
General State Funds		
Direct State Service	$8,320,000	$8,960,000
Grants-In-Aid	4,394,000	6,214,000
Capital Construction	0	0
Dedicated Funds		
Commodity Distribution	1,511,000	1,486,000
Commodity/Equine Promotion	7,438,000	7,583,000
Miscellaneous	832,000	991,000
Federal Funds	1,645,000	1,380,000
TOTAL	$24,140,000	$26,614,000

This year the Office of the State Auditor completed an audit of the department covering the period July 1, 1995 through January 31, 1997. The audit found that the department's financial transactions were sound and reasonable, in accordance with all applicable statutes and regulations and recorded properly in the accounting system. Procedures were instituted to correct some minor internal control weaknesses identified by the audit.

MANAGEMENT SERVICES

The Bureau of Management Services supports the department's delivery of effective, efficient services to various client groups including the agriculture industry. The bureau's responsibilities range from development of departmental policies and procedures, information processing and forms design, to records management, major facilities projects, and organization and systems analysis.

Implementation of new information processing technology continues to be an important focus for the bureau which is responsible for the vendor contacts, purchasing and installation of all information processing hardware and software, training in major software products, evaluation of new products and maintenance of the information processing inventory.

The development of a department-wide client database continued through FY97. Once operational, the client database will hold all basic information related to the people, businesses and organizations the department works with. The database will eliminate redundant client information and serve as the definitive source for all such information. It will also serve as the core for future programmatic applications.

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Animal Health

Ernest Zirkle, DVM, Director

- **implements programs to prevent the introduction and spread of disease to livestock and humans;**
- **conducts epidemiological investigations of animal diseases and drug residues;**
- **maintains an information base which can be used by veterinarians and other animal health professionals; and**
- **operates a range of programs designed to insure the health of New Jersey's livestock.**

MONITORING EQUINE INFECTIOUS ANEMIA

Equine infectious anemia (EIA) is a viral disease that debilitates the immune system of horses, usually causing the animal to lose weight, develop anemia and grow progressively weaker. For some horses, the infection is fatal, while others become carriers of the disease. There is no vaccine for disease prevention nor is there a cure. The illness can be passed to other horses by transfer of blood cells through some species of biting insects, as well as contaminated needles.

Also known as swamp fever, EIA was commonly found throughout the United States before the advent of the diagnostic Coggins test in 1970. This test enables veterinarians to diagnose the disease and has saved the horse industry millions of dollars.

Through the Coggins test the department's animal health laboratory diagnosed three cases of EIA this year, all in horses that had been brought into New Jersey from other states. One case, involving a race horse that had been in direct contact with horses racing at Philadelphia Park, resulted in a quarantine of all horses at the Park for 45 days. Fortunately, none of the horses at the Park, nor the eight New Jersey horses that had been stabled with the infected horse, tested positive for the disease.

The other two cases of EIA were found in pleasure horses from Monmouth and Salem Counties, both of which had recently been brought into New Jersey from other states. After tracing the travels of these two infected horses, the department quarantined three New Jersey horse farms and performed blood tests on more than 70 horses. Fortunately, no additional cases of the disease were discovered.

MANAGING SWINE RESPIRATORY DISEASE

Porcine respiratory and reproductive syndrome (PRRS) first appeared in New Jersey in 1992. This disease of swine may cause reproductive problems such as abortions and small litter sizes on breeding farms as well as respiratory disease in pigs of all ages. This highly contagious disease is not an easy one to manage, since wild birds can carry the disease from one location to another.

This year, the department's animal health laboratory identified PRRS on two feeder pig operations in

the southern part of the state, marking the first incidence of the disease in the last three years and the first time it has been found in the southern counties. In both disease outbreaks, the infected animals had been brought in from other states.

Department veterinarians worked with the USDA and practitioners and scientists at the National Animal Disease Center in Iowa to develop and distribute disease management information to the state's swine farmers.

PROTECTING AVIAN HEALTH

The department hosted a regional meeting of state and federal veterinarians at the end of FY97 following an outbreak of a low pathogenic strain of avian influenza (AI) in Pennsylvania. Spread of the disease there was linked to poor bio-security measures, including possible spread by dealer vehicles and, in one case, downwind proximity to infected flocks. The department restricted the movement of poultry from the Pennsylvania quarantine zone into New Jersey for slaughter or sale at livestock auctions.

The regional meeting focused on developing preventive measures which would curtail the potential for future outbreaks. In coordination with the state of New York, during the peak of seasonal transmission of AI, the department arranged two "down days" with the 35 New Jersey live poultry markets for cleaning, disinfecting, surveillance and restocking.

The department will continue to work with USDA personnel to monitor live poultry markets following disinfection and to test incoming birds for the AI virus. In addition, the department will continue to monitor AI outbreaks in neighboring states and enforce travel restrictions on poultry from out of state as needed to protect New Jersey flocks.

IMPROVING DAIRY HERDS

For the past three years, the department has worked with Rutgers University, the USDA and interested dairy farmers in a cooperative effort to control Johne's disease on dairy farms. Johne's disease, caused by a slow-growing bacteria which invades the intestinal tract, causes diarrhea and a progress debilitation in adult animals. The causative organism can spread almost undetected in a dairy herd, resulting in significant reductions in milk production over time. The department's cooperative disease management program has been recognized by the United States Animal Health Association as one of the best in the nation. This year, an additional seven dairy farmers joined the voluntary program, bringing the total number of program participants to 27.

ESTABLISHING EMERGENCY GUIDELINES

In 1994, the American Veterinary Medical Association launched a nationwide initiative in cooperation with the federal Bureau of Emergency Management to prepare care and evacuation guidelines for domestic and farm animals in the event of a natural disaster. This year, the department, which coordinates veterinary emergency operations for the state in the event of a disaster, took the lead in helping New Jersey's Animal Emergency Preparedness and Response Committee complete the required guidelines. The new guidelines will become part of the state's emergency management procedures which are distributed to county emergency management offices for implementation. In the coming months, resource lists for both county and municipal offices of emergency management will be established.

The Committee also prepared a veterinary service and animal care appendix that was incorporated into the New Jersey Emergency Operations Plan and provides guidelines for evacuation and care of livestock and pets in the event of a disaster.

In addition, the Committee prepared brochures outlining steps owners of farm and domestic animals can take to prepare for, or insure animal safety during, emergency situations. The brochures were

distributed through county emergency management coordinators, veterinarians and a variety of other outlets statewide.

COMPUTERIZING LABORATORY SUPPORT

In FY97 the department's animal health laboratory instituted a new computerized accessioning system for identifying samples submitted to the laboratory for analysis. This sophisticated software program enables the department to sort and collate disease information by such parameters as species, geographic location and practitioner. This kind of information is then available for incorporation into the USDA National Animal Disease Monitoring System, which identifies animal disease trends throughout the country.

CONSOLIDATING LABORATORY SERVICES

Planning continued for the consolidation of the laboratories in Departments of Agriculture, Health and Senior Services (DHSS) and Environmental Protection (DEP) into one facility. The Division of Animal Health's laboratory services are included in this effort but no reduction in the level and quality of services offered to farmers will result from the consolidation.

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Dairy and Commodity Regulation

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- helps retain a healthy economic environment for a viable, competitive dairy industry where consumers are assured of adequate supplies of milk at reasonable prices;
- provides the Jersey Fresh Quality Grading Program and the commodity inspection and grading programs to insure a constant supply of high quality, properly labeled fruits, vegetables, eggs, poultry, fish and seafood products for consumers in New Jersey and elsewhere;
- issues certificates through the inspection and grading programs for Garden State farmers and agribusinesses to sell inspected commodities in national and international markets;
- provides services to New Jersey farmers, consumers and the food industry related to the production, storage, packing, marketing and sale of high quality agricultural products; and
- works to protect against unfair, illegal and improper trade practices.

THE DAIRY INDUSTRY

New Jersey's dairy industry is an important segment of its agricultural economy, supplying almost one-fifth of the fluid milk and dairy products used by the state's eight million consumers. During the year, New Jersey consumers purchased over 1.8 billion pounds of fluid milk and milk products worth an estimated $1 billion. Of this amount, 68 million pounds of milk worth nearly $21 million was used by the state's public schools.

The industry includes dairy farmers, animal breeders, dairy cooperatives, milk handlers, processors, distributors and retail stores, all of which are served by the department. The state's 213 commercial and seven institutional dairy farms produced just over 289 million pounds of milk valued at $43 million. New Jersey dairy farmers also produced heifers, cull cows, calves, grain, hay and other agricultural items, including breeding supplies such as calf embryos and semen.

Maintaining the Viability of Dairy Farms in the Garden State

The last decade has been an era of extreme economic distress for the dairy industry, nationwide and in New Jersey. Steadily rising production costs, wildly fluctuating minimum prices set for raw milk at the federal level, and increasing pressures from suburbanization have caused the number of dairy farms here in the Garden State to drop by 44 percent since 1987.

The department has initiated a variety of projects aimed at improving both the short- and long-term viability of this important segment of the agriculture industry. Whole herd health and management programs, including Johne's disease and mastitis control; financial management training; nutrient and crop management; and waste management improvements are all part of a comprehensive effort on

behalf of the state's dairy farmers.

This effort is led by the Dairy Task Force, created in FY97 by NJDA, in cooperation with Cook College, New Jersey Farm Bureau and the Garden State Milk Council. Approximately 20 farmers, agricultural agents and industry representatives are part of the task force.

In FY97 the department authorized staff support and a $40,000 agriculture business incentive grant to the New Jersey Farm Bureau for the Dairy Self-Help Program for milk producers. The effort is a continuation of the Garden State Milk Quality Initiative begun in 1995 as a joint effort with Rutgers Cooperative Extension to help dairy farmers improve milk production and quality.

Thirty-five dairy farmers throughout the state participated in the first year of the voluntary program. In FY96, after bulk tank samples were collected and cultured to test for quality on participating farms, those results that suggested a health problem in the herd were followed up with samples from each cow. Average somatic cell counts (SCC), indicators of milk quality and herd productivity, were taken for each herd since high SCC suggests less than optimum milk quality and herd productivity.

By the beginning of FY97, average SCC among herds in the program had dropped significantly. Given the improved milk yield resulting from the lowered SCC and 1996 average milk prices, it was estimated that each participating farmer received an average return of $12,000 through the program this year. Milk quality bonuses given by some cooperatives and processors raised that figure further.

Dairy Licensing, Bonding and Enforcement

In keeping with the mandate to maintain competition among New Jersey milk marketers, the department licensed 9,469 milk dealers, milk processing plants and retail stores. The department collected $363,025 in fees and penalties during FY97. Penalties collected from stores and dealers for a variety of infractions increased by $4,897 over the total for FY96.

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This inspection standard adds a quality assurance note to the overall Jersey Fresh marketing program that is welcomed by wholesale produce buyers and consumers who want high quality products uniformly sized and packed. In addition, the Jersey Fresh Quality Grading Program helps Garden State growers stand out in an increasingly competitive regional and national marketplace.

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THE DAIRY INDUSTRY

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The industry includes dairy farmers, animal breeders, dairy cooperatives, milk handlers, processors, distributors and retail stores, all of which are served by the department. The state's 213 commercial and seven institutional dairy farms produced just over 289 million pounds of milk valued at $43 million. New Jersey dairy farmers also produced heifers, cull cows, calves, grain, hay and other agricultural items, including breeding supplies such as calf embryos and semen.

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The last decade has been an era of extreme economic distress for the dairy industry, nationwide and in New Jersey. Steadily rising production costs, wildly fluctuating minimum prices set for raw milk at the federal level, and increasing pressures from suburbanization have caused the number of dairy farms here in the Garden State to drop by 44 percent since 1987.

The department has initiated a variety of projects aimed at improving both the short- and long-term viability of this important segment of the agriculture industry. Whole herd health and management programs, including Johne's disease and mastitis control; financial management training; nutrient and crop management; and waste management improvements are all part of a comprehensive effort on

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This effort is led by the Dairy Task Force, created in FY97 by NJDA, in cooperation with Cook College, New Jersey Farm Bureau and the Garden State Milk Council. Approximately 20 farmers, agricultural agents and industry representatives are part of the task force.

In FY97 the department authorized staff support and a $40,000 agriculture business incentive grant to the New Jersey Farm Bureau for the Dairy Self-Help Program for milk producers. The effort is a continuation of the Garden State Milk Quality Initiative begun in 1995 as a joint effort with Rutgers Cooperative Extension to help dairy farmers improve milk production and quality.

Thirty-five dairy farmers throughout the state participated in the first year of the voluntary program. In FY96, after bulk tank samples were collected and cultured to test for quality on participating farms, those results that suggested a health problem in the herd were followed up with samples from each cow. Average somatic cell counts (SCC), indicators of milk quality and herd productivity, were taken for each herd since high SCC suggests less than optimum milk quality and herd productivity.

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COMMODITY REGULATION

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This inspection standard adds a quality assurance note to the overall Jersey Fresh marketing program that is welcomed by wholesale produce buyers and consumers who want high quality products uniformly sized and packed. In addition, the Jersey Fresh Quality Grading Program helps Garden State growers stand out in an increasingly competitive regional and national marketplace.

The economic benefits of joining the program were reflected in the record 169 growers who enrolled in the program in FY97. This year more than 79.7 million pounds of product were packed under the Quality Grading Program. The program was further enhanced by a pilot project that made twist ties bearing the Jersey Fresh logo available to licensees at a reduced cost.

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Through the agricultural chemistry program, a total of $71,000 in registration fees and $98,239 in tonnage inspection fees was collected. In addition, penalties totaling $9,745 were assessed for fertilizer content violations, of which $4,644 was refunded to farmers. Remaining penalty dollars were transmitted to the State Treasury.

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The department has initiated a variety of projects aimed at improving both the short- and long-term viability of this important segment of the agriculture industry. Whole herd health and management programs, including Johne's disease and mastitis control; financial management training; nutrient and crop management; and waste management improvements are all part of a comprehensive effort on

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Markets **Dr. Vance Young, Director**

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- **promotes New Jersey's racing and pleasure horse industry; and**
- **coordinates the distribution of federally-donated foods to public feeding sites, schools, hospitals and other institutions. Markets**

MARKETING

Farm Fresh, Jersey Fresh

The visibility of the Jersey Fresh promotional program during the ten- month growing season kept farm-fresh, locally grown products in front of consumers during FY97. Propelled by a $1.16 million budget allocation, Jersey Fresh television, newspaper and trade publication advertisements reached well into the New England and Eastern Canadian markets, increasing product awareness and supporting the marketing of specific Jersey Fresh commodities in the Northeast.

During FY97, the seasonal 30-second Jersey Fresh television commercials, complemented by five 30-second infomercials, aired on major network and cable stations, reaching almost 46 million households during the year. The infomercials featured selection, storage and usage tips for a commodity then in season -- spring greens, peaches, corn, tomatoes and peppers. During the year, similar spots were prepared covering blueberries, greenhouse/nursery and dairy products, herbs and squash. These will join the rotation next year.

To reinforce the television commercials and help consumers identify Jersey Fresh produce at their favorite markets or farm stands, colorful Jersey Fresh point-of-sale materials were distributed to all 500 major retail chain stores and many farm markets in the tri-state area and to major retail chains in New England.

A survey undertaken this year to measure the success of the Jersey Fresh advertising and promotional program revealed that 38 percent of shoppers in the New York-Philadelphia metropolitan region were aware of the Jersey Fresh program. Fifty-four percent of all shoppers surveyed indicated that they were more inclined to purchase Jersey Fresh farm products if they are labeled as such at the point of purchase, further underscoring the importance of working with retailers and produce managers to make sure Jersey Fresh point-of-purchase material is displayed.

Jersey Fresh matching grants totaling $150,000 were distributed to 69 agricultural organizations which used the funds to carve out their own promotional or educational Jersey Fresh niche through food and wine festivals, rural tourism guides and other efforts. As a result, a total of $300,000 worth of welcome publicity was generated by and for the Jersey Fresh program in support of New Jersey agriculture.

Finding new venues for the sale of Garden State agricultural products is another key facet of the Jersey Fresh program which has been particularly successful in recent years.

The department continued its joint participation with the New Jersey Department of Health and Senior Services (DHSS) in the Women, Infants and Children (WIC)/Farmers Market Nutrition Program (FMNP). Under the program for 1997, approximately $157,000 worth of FMNP checks were issued to over 8,000 Head Start children, pregnant or nursing women. Those checks were redeemed for fresh fruit and vegetables at more than 97 authorized roadside markets and 41 farmers markets throughout the state.

Because of the success of the WIC/FMNP program, a similar pilot program targeting senior citizens in Cumberland, Hudson, Mercer and Passaic Counties was implemented at the end of the year. These programs bring additional income to the state's farmers, but, even more importantly, they offer thousands of nutritionally at-risk children, women and senior citizens an excellent opportunity to increase their consumption of fresh fruit and vegetables.

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Among the year's highlights was the extremely successful NJDA- sponsored pavilion for small and mid-sized New Jersey food and agricultural companies at the U.S. Food Export Showcase in Chicago, Illinois. More than 42,000 domestic and international buyers attended the show, resulting in an estimated $916,000 in immediate new sales for the 10 companies that exhibited their products in this pavilion. Overall, as a result of attendance at this show, the New Jersey exhibitors anticipate more than $9 million in new sales over the next two years.

As an active member of the Eastern United States Agricultural and Food Export Council (EUSAFEC), the department helped New Jersey companies obtain more than $500,000 in federal funds for market development activities through the Market Access Program, a matched funds market development reimbursement program. Also through EUSAFEC, the department coordinated the participation of a dozen New Jersey food and agricultural companies at international food expositions such as SIAL '96 in Paris, France and ANUGA '97 in Cologne, Germany.

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March through November. Show dates have already been reserved into 1999, including a Regional Dressage Championship in 1998. Since its inception, the Park has hosted one million visitors and competitors making it one of the area's most important economic generators.

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New Jersey Sire Stakes

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CONTINENTALVICTORY, a sensational three-year-old filly trotter, graduated from the Sire Stakes Program with numerous New Jersey Sire Stakes (NJSS) wins including the $100,000 Championship Final at The Meadowlands. For the 1996 season, she won nine of 12 starts, earning almost $1.2 million. In addition to being named Harness Horse of the Year, she was also honored as three-year-old filly trotter of the year and as overall trotter of the year. **CONTINENTALVICTORY** is a daughter of **VALLEY VICTORY** who stands at stud at Southwind Farm in Pennington.

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thousands of New Jerseyans owning horses and ten of thousands of the state's residents employed in industries that serve the equine community, the equine industry has long been recognized as an important contributor to New Jersey's economy. The study will incorporate data from all facets of the industry, ranging from families who own a horse for recreational use to major Standardbred and Thoroughbred breeding facilities that cater to the state's horse racing industry. The information gathered will provide an accurate picture of the industry on which to base critical policy and program decisions in the coming years.

FOOD DISTRIBUTION PROGRAMS

The department administers the federally-sponsored donated commodity distribution program which allocates donated federal foods to more than 630 eligible school districts, summer feeding programs, institutions and needy citizens each month. NJDA accepted New Jersey's fair share entitlement of these federally-donated foods as well as additional offerings in all program categories.

During FY97, food supplies donated under The Emergency Feeding Assistance Program (TEFAP) increased thanks to federal budget increases. New Jersey's 1997 TEFAP program entitlement was established at $2.96 million, but through innovative program enhancements, that entitlement was increased to $4 million, enabling the state to receive almost seven million pounds of TEFAP food during the year.

This increase of almost four million pounds over FY96 levels was welcomed by the food banks, hot meal sites and pantry feeding sites serving the state's 225,000 neediest citizens. Distribution of over 40 different items, including canned vegetables, peanut butter, rice, pasta, cereal, fruit juice, frozen beef and canned fruits, was arranged by TEFAP through the state's six non-profit emergency feeding agencies.

In addition, the department distributed to other feeding programs over 20 million pounds of United States Department of Agriculture (USDA) foods worth more than $15 million. These frozen, canned and dry commodities were particularly important to the more than 2,200 schools feeding over 475,000 students daily through the school lunch program.

Local school districts also welcomed the time and cost savings they realized through a NJDA program that increased the usefulness of federally-donated foods. Under this program, NJDA contracted with 30 commercial food processors to process approximately six million pounds of bulk foods into easily used, cost-effective, oven-ready products such as hamburgers, sandwich steaks, pizza and a variety of turkey and chicken products.

This year's program introduced a processor selection system, which allowed recipient school districts to select foods to be processed before the start of the school year. This enabled both the processors and the schools to make better use of the donated foods while encouraging competitive pricing, improving delivery time and better insuring product consistency.

The department again participated in a federal food processing program known as State Option Contract funded by fees assessed of local user agencies. This federal initiative allowed school districts participating in the school lunch program to receive 196,200 pounds of user-ready foods, such as chicken nuggets, chicken patties and pork products, valued at over $247,000, directly from federal government contract sources. This program improves quality control and expands product availability to recipient school districts statewide.

In addition, for the second year, NJDA joined with the federal Department of Defense to purchase over 32,000 cases of fresh fruits and vegetables valued in excess of $400,000 for use in New Jersey's school lunch program. Over 80 percent of these fresh foods were purchased from New Jersey farmers.

NJDA receives, warehouses and distributes all of these federally- donated commodities through a

commercial warehouse and trucking system that included two separate warehousing operations and a variety of local carriers to pick-up and deliver these donated foods. All costs associated with the department's administration of the school lunch commodity warehouse and distribution system are paid for entirely by a per-case user fee that has not increased since FY94.

The division also worked closely with the Division of Administration to ease the transition of the Bureau of Child Nutrition Services from the New Jersey Department of Education to NJDA. The bureau operates offers a variety of child nutrition programs to public and private schools, residential and non-residential child care institutions, adult and child day care centers, recreation centers and other agencies. This combination of school lunch and child nutrition programs is the first of its kind in the country and will result in a better program and better service to our clients.

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MARKETING

Farm Fresh, Jersey Fresh

The visibility of the Jersey Fresh promotional program during the ten- month growing season kept farm-fresh, locally grown products in front of consumers during FY97. Propelled by a $1.16 million budget allocation, Jersey Fresh television, newspaper and trade publication advertisements reached well into the New England and Eastern Canadian markets, increasing product awareness and supporting the marketing of specific Jersey Fresh commodities in the Northeast.

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To reinforce the television commercials and help consumers identify Jersey Fresh produce at their favorite markets or farm stands, colorful Jersey Fresh point-of-sale materials were distributed to all 500 major retail chain stores and many farm markets in the tri-state area and to major retail chains in New England.

A survey undertaken this year to measure the success of the Jersey Fresh advertising and promotional program revealed that 38 percent of shoppers in the New York-Philadelphia metropolitan region were aware of the Jersey Fresh program. Fifty-four percent of all shoppers surveyed indicated that they were more inclined to purchase Jersey Fresh farm products if they are labeled as such at the point of purchase, further underscoring the importance of working with retailers and produce managers to make sure Jersey Fresh point-of-purchase material is displayed.

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Among the year's highlights was the extremely successful NJDA- sponsored pavilion for small and mid-sized New Jersey food and agricultural companies at the U.S. Food Export Showcase in Chicago, Illinois. More than 42,000 domestic and international buyers attended the show, resulting in an estimated $916,000 in immediate new sales for the 10 companies that exhibited their products in this pavilion. Overall, as a result of attendance at this show, the New Jersey exhibitors anticipate more than $9 million in new sales over the next two years.

As an active member of the Eastern United States Agricultural and Food Export Council (EUSAFEC), the department helped New Jersey companies obtain more than $500,000 in federal funds for market development activities through the Market Access Program, a matched funds market development reimbursement program. Also through EUSAFEC, the department coordinated the participation of a dozen New Jersey food and agricultural companies at international food expositions such as SIAL '96 in Paris, France and ANUGA '97 in Cologne, Germany.

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March through November. Show dates have already been reserved into 1999, including a Regional Dressage Championship in 1998. Since its inception, the Park has hosted one million visitors and competitors making it one of the area's most important economic generators.

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New Jersey Sire Stakes

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CONTINENTALVICTORY, a sensational three-year-old filly trotter, graduated from the Sire Stakes Program with numerous New Jersey Sire Stakes (NJSS) wins including the $100,000 Championship Final at The Meadowlands. For the 1996 season, she won nine of 12 starts, earning almost $1.2 million. In addition to being named Harness Horse of the Year, she was also honored as three-year-old filly trotter of the year and as overall trotter of the year. **CONTINENTALVICTORY** is a daughter of **VALLEY VICTORY** who stands at stud at Southwind Farm in Pennington.

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thousands of New Jerseyans owning horses and ten of thousands of the state's residents employed in industries that serve the equine community, the equine industry has long been recognized as an important contributor to New Jersey's economy. The study will incorporate data from all facets of the industry, ranging from families who own a horse for recreational use to major Standardbred and Thoroughbred breeding facilities that cater to the state's horse racing industry. The information gathered will provide an accurate picture of the industry on which to base critical policy and program decisions in the coming years.

FOOD DISTRIBUTION PROGRAMS

The department administers the federally-sponsored donated commodity distribution program which allocates donated federal foods to more than 630 eligible school districts, summer feeding programs, institutions and needy citizens each month. NJDA accepted New Jersey's fair share entitlement of these federally-donated foods as well as additional offerings in all program categories.

During FY97, food supplies donated under The Emergency Feeding Assistance Program (TEFAP) increased thanks to federal budget increases. New Jersey's 1997 TEFAP program entitlement was established at $2.96 million, but through innovative program enhancements, that entitlement was increased to $4 million, enabling the state to receive almost seven million pounds of TEFAP food during the year.

This increase of almost four million pounds over FY96 levels was welcomed by the food banks, hot meal sites and pantry feeding sites serving the state's 225,000 neediest citizens. Distribution of over 40 different items, including canned vegetables, peanut butter, rice, pasta, cereal, fruit juice, frozen beef and canned fruits, was arranged by TEFAP through the state's six non-profit emergency feeding agencies.

In addition, the department distributed to other feeding programs over 20 million pounds of United States Department of Agriculture (USDA) foods worth more than $15 million. These frozen, canned and dry commodities were particularly important to the more than 2,200 schools feeding over 475,000 students daily through the school lunch program.

Local school districts also welcomed the time and cost savings they realized through a NJDA program that increased the usefulness of federally-donated foods. Under this program, NJDA contracted with 30 commercial food processors to process approximately six million pounds of bulk foods into easily used, cost-effective, oven-ready products such as hamburgers, sandwich steaks, pizza and a variety of turkey and chicken products.

This year's program introduced a processor selection system, which allowed recipient school districts to select foods to be processed before the start of the school year. This enabled both the processors and the schools to make better use of the donated foods while encouraging competitive pricing, improving delivery time and better insuring product consistency.

The department again participated in a federal food processing program known as State Option Contract funded by fees assessed of local user agencies. This federal initiative allowed school districts participating in the school lunch program to receive 196,200 pounds of user-ready foods, such as chicken nuggets, chicken patties and pork products, valued at over $247,000, directly from federal government contract sources. This program improves quality control and expands product availability to recipient school districts statewide.

In addition, for the second year, NJDA joined with the federal Department of Defense to purchase over 32,000 cases of fresh fruits and vegetables valued in excess of $400,000 for use in New Jersey's school lunch program. Over 80 percent of these fresh foods were purchased from New Jersey farmers.

NJDA receives, warehouses and distributes all of these federally- donated commodities through a

commercial warehouse and trucking system that included two separate warehousing operations and a variety of local carriers to pick-up and deliver these donated foods. All costs associated with the department's administration of the school lunch commodity warehouse and distribution system are paid for entirely by a per-case user fee that has not increased since FY94.

The division also worked closely with the Division of Administration to ease the transition of the Bureau of Child Nutrition Services from the New Jersey Department of Education to NJDA. The bureau operates offers a variety of child nutrition programs to public and private schools, residential and non-residential child care institutions, adult and child day care centers, recreation centers and other agencies. This combination of school lunch and child nutrition programs is the first of its kind in the country and will result in a better program and better service to our clients.

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MARKETING

Farm Fresh, Jersey Fresh

The visibility of the Jersey Fresh promotional program during the ten- month growing season kept farm-fresh, locally grown products in front of consumers during FY97. Propelled by a $1.16 million budget allocation, Jersey Fresh television, newspaper and trade publication advertisements reached well into the New England and Eastern Canadian markets, increasing product awareness and supporting the marketing of specific Jersey Fresh commodities in the Northeast.

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To reinforce the television commercials and help consumers identify Jersey Fresh produce at their favorite markets or farm stands, colorful Jersey Fresh point-of-sale materials were distributed to all 500 major retail chain stores and many farm markets in the tri-state area and to major retail chains in New England.

A survey undertaken this year to measure the success of the Jersey Fresh advertising and promotional program revealed that 38 percent of shoppers in the New York-Philadelphia metropolitan region were aware of the Jersey Fresh program. Fifty-four percent of all shoppers surveyed indicated that they were more inclined to purchase Jersey Fresh farm products if they are labeled as such at the point of purchase, further underscoring the importance of working with retailers and produce managers to make sure Jersey Fresh point-of-purchase material is displayed.

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Among the year's highlights was the extremely successful NJDA- sponsored pavilion for small and mid-sized New Jersey food and agricultural companies at the U.S. Food Export Showcase in Chicago, Illinois. More than 42,000 domestic and international buyers attended the show, resulting in an estimated $916,000 in immediate new sales for the 10 companies that exhibited their products in this pavilion. Overall, as a result of attendance at this show, the New Jersey exhibitors anticipate more than $9 million in new sales over the next two years.

As an active member of the Eastern United States Agricultural and Food Export Council (EUSAFEC), the department helped New Jersey companies obtain more than $500,000 in federal funds for market development activities through the Market Access Program, a matched funds market development reimbursement program. Also through EUSAFEC, the department coordinated the participation of a dozen New Jersey food and agricultural companies at international food expositions such as SIAL '96 in Paris, France and ANUGA '97 in Cologne, Germany.

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March through November. Show dates have already been reserved into 1999, including a Regional Dressage Championship in 1998. Since its inception, the Park has hosted one million visitors and competitors making it one of the area's most important economic generators.

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New Jersey Sire Stakes

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CONTINENTALVICTORY, a sensational three-year-old filly trotter, graduated from the Sire Stakes Program with numerous New Jersey Sire Stakes (NJSS) wins including the $100,000 Championship Final at The Meadowlands. For the 1996 season, she won nine of 12 starts, earning almost $1.2 million. In addition to being named Harness Horse of the Year, she was also honored as three-year-old filly trotter of the year and as overall trotter of the year. **CONTINENTALVICTORY** is a daughter of **VALLEY VICTORY** who stands at stud at Southwind Farm in Pennington.

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thousands of New Jerseyans owning horses and ten of thousands of the state's residents employed in industries that serve the equine community, the equine industry has long been recognized as an important contributor to New Jersey's economy. The study will incorporate data from all facets of the industry, ranging from families who own a horse for recreational use to major Standardbred and Thoroughbred breeding facilities that cater to the state's horse racing industry. The information gathered will provide an accurate picture of the industry on which to base critical policy and program decisions in the coming years.

FOOD DISTRIBUTION PROGRAMS

The department administers the federally-sponsored donated commodity distribution program which allocates donated federal foods to more than 630 eligible school districts, summer feeding programs, institutions and needy citizens each month. NJDA accepted New Jersey's fair share entitlement of these federally-donated foods as well as additional offerings in all program categories.

During FY97, food supplies donated under The Emergency Feeding Assistance Program (TEFAP) increased thanks to federal budget increases. New Jersey's 1997 TEFAP program entitlement was established at $2.96 million, but through innovative program enhancements, that entitlement was increased to $4 million, enabling the state to receive almost seven million pounds of TEFAP food during the year.

This increase of almost four million pounds over FY96 levels was welcomed by the food banks, hot meal sites and pantry feeding sites serving the state's 225,000 neediest citizens. Distribution of over 40 different items, including canned vegetables, peanut butter, rice, pasta, cereal, fruit juice, frozen beef and canned fruits, was arranged by TEFAP through the state's six non-profit emergency feeding agencies.

In addition, the department distributed to other feeding programs over 20 million pounds of United States Department of Agriculture (USDA) foods worth more than $15 million. These frozen, canned and dry commodities were particularly important to the more than 2,200 schools feeding over 475,000 students daily through the school lunch program.

Local school districts also welcomed the time and cost savings they realized through a NJDA program that increased the usefulness of federally-donated foods. Under this program, NJDA contracted with 30 commercial food processors to process approximately six million pounds of bulk foods into easily used, cost-effective, oven-ready products such as hamburgers, sandwich steaks, pizza and a variety of turkey and chicken products.

This year's program introduced a processor selection system, which allowed recipient school districts to select foods to be processed before the start of the school year. This enabled both the processors and the schools to make better use of the donated foods while encouraging competitive pricing, improving delivery time and better insuring product consistency.

The department again participated in a federal food processing program known as State Option Contract funded by fees assessed of local user agencies. This federal initiative allowed school districts participating in the school lunch program to receive 196,200 pounds of user-ready foods, such as chicken nuggets, chicken patties and pork products, valued at over $247,000, directly from federal government contract sources. This program improves quality control and expands product availability to recipient school districts statewide.

In addition, for the second year, NJDA joined with the federal Department of Defense to purchase over 32,000 cases of fresh fruits and vegetables valued in excess of $400,000 for use in New Jersey's school lunch program. Over 80 percent of these fresh foods were purchased from New Jersey farmers.

NJDA receives, warehouses and distributes all of these federally- donated commodities through a

commercial warehouse and trucking system that included two separate warehousing operations and a variety of local carriers to pick-up and deliver these donated foods. All costs associated with the department's administration of the school lunch commodity warehouse and distribution system are paid for entirely by a per-case user fee that has not increased since FY94.

The division also worked closely with the Division of Administration to ease the transition of the Bureau of Child Nutrition Services from the New Jersey Department of Education to NJDA. The bureau operates offers a variety of child nutrition programs to public and private schools, residential and non-residential child care institutions, adult and child day care centers, recreation centers and other agencies. This combination of school lunch and child nutrition programs is the first of its kind in the country and will result in a better program and better service to our clients.

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MARKETING

Farm Fresh, Jersey Fresh

The visibility of the Jersey Fresh promotional program during the ten- month growing season kept farm-fresh, locally grown products in front of consumers during FY97. Propelled by a $1.16 million budget allocation, Jersey Fresh television, newspaper and trade publication advertisements reached well into the New England and Eastern Canadian markets, increasing product awareness and supporting the marketing of specific Jersey Fresh commodities in the Northeast.

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To reinforce the television commercials and help consumers identify Jersey Fresh produce at their favorite markets or farm stands, colorful Jersey Fresh point-of-sale materials were distributed to all 500 major retail chain stores and many farm markets in the tri-state area and to major retail chains in New England.

A survey undertaken this year to measure the success of the Jersey Fresh advertising and promotional program revealed that 38 percent of shoppers in the New York-Philadelphia metropolitan region were aware of the Jersey Fresh program. Fifty-four percent of all shoppers surveyed indicated that they were more inclined to purchase Jersey Fresh farm products if they are labeled as such at the point of purchase, further underscoring the importance of working with retailers and produce managers to make sure Jersey Fresh point-of-purchase material is displayed.

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Among the year's highlights was the extremely successful NJDA- sponsored pavilion for small and mid-sized New Jersey food and agricultural companies at the U.S. Food Export Showcase in Chicago, Illinois. More than 42,000 domestic and international buyers attended the show, resulting in an estimated $916,000 in immediate new sales for the 10 companies that exhibited their products in this pavilion. Overall, as a result of attendance at this show, the New Jersey exhibitors anticipate more than $9 million in new sales over the next two years.

As an active member of the Eastern United States Agricultural and Food Export Council (EUSAFEC), the department helped New Jersey companies obtain more than $500,000 in federal funds for market development activities through the Market Access Program, a matched funds market development reimbursement program. Also through EUSAFEC, the department coordinated the participation of a dozen New Jersey food and agricultural companies at international food expositions such as SIAL '96 in Paris, France and ANUGA '97 in Cologne, Germany.

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The New Jersey Equine Advisory Board, a unit of the New Jersey Department of Agriculture, is composed of 48 members representing 14 different breed organizations plus additional agricultural organizations. This year, the Board offered an extensive youth program of educational clinics and programs, horse care and management seminars, Boy and Girl Scout badge programs, and a variety of equine related activities for children, along with other events designed to enhance the growth of the entire equine industry. The expanded school programs, available to educators statewide, have been very successful and now include presentations on careers in the industry as well as farm safety. The Horse Breeding and Development Program supports the state's ever- growing pleasure horse industry. The New Jersey Bred All Breed Horse Show presented awards valued at $33,500. The Non-Racing Breeder Awards program was valued at $85,000 this year as a result of the strong continued support of the program and the industry.

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March through November. Show dates have already been reserved into 1999, including a Regional Dressage Championship in 1998. Since its inception, the Park has hosted one million visitors and competitors making it one of the area's most important economic generators.

The Horse Park undertook improvements to the outside hunt course in order to allow the facility to accommodate grand prix jumping and carriage dressage. The completion of this project will allow the park to serve all equine disciplines and attract larger multi-day events, such as the six-day Middlesex County Horse Show, to the Park.

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JENNAS BEACH BOY won his second consecutive title as Pacer of the Year in 1996 in addition to capturing the title for Older Pacer of the Year. Other New Jersey sired divisional winners included **MICHELLE's JACKPOT** (two-year-old filly pacer), **MALABAR MAN** (two-year- old colt trotter), **C R KAY SUZIE** (older trotting mare), **HOT LEAD** (three-year-old colt pacer), and **MYSTICAL MADDY** (three-year-old filly pacer). Overall, NJSS performers captured 10 of 15 categories.

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Equine Industry Studies

Through executive order this year, Governor Christine Todd Whitman created a Racing Industry Study Commission to make a comprehensive review of the horse racing industry in New Jersey. The Commission will study existing statutes and regulations, in-state competition for the gambling dollar and legislation in neighboring states that impacts the economic growth and prosperity of New Jersey's horse racing industry. The Commission's members include the Secretary of Agriculture as well as representatives from the Thoroughbred and Standardbred associations, the New Jersey Sports and Exposition Authority, race track permit holders and others.

In addition, this year NJDA initiated a survey of the state's equine industry to measure its size and economic impact. This is the first comprehensive study of the industry in the last decade. With

thousands of New Jerseyans owning horses and ten of thousands of the state's residents employed in industries that serve the equine community, the equine industry has long been recognized as an important contributor to New Jersey's economy. The study will incorporate data from all facets of the industry, ranging from families who own a horse for recreational use to major Standardbred and Thoroughbred breeding facilities that cater to the state's horse racing industry. The information gathered will provide an accurate picture of the industry on which to base critical policy and program decisions in the coming years.

FOOD DISTRIBUTION PROGRAMS

The department administers the federally-sponsored donated commodity distribution program which allocates donated federal foods to more than 630 eligible school districts, summer feeding programs, institutions and needy citizens each month. NJDA accepted New Jersey's fair share entitlement of these federally-donated foods as well as additional offerings in all program categories.

During FY97, food supplies donated under The Emergency Feeding Assistance Program (TEFAP) increased thanks to federal budget increases. New Jersey's 1997 TEFAP program entitlement was established at $2.96 million, but through innovative program enhancements, that entitlement was increased to $4 million, enabling the state to receive almost seven million pounds of TEFAP food during the year.

This increase of almost four million pounds over FY96 levels was welcomed by the food banks, hot meal sites and pantry feeding sites serving the state's 225,000 neediest citizens. Distribution of over 40 different items, including canned vegetables, peanut butter, rice, pasta, cereal, fruit juice, frozen beef and canned fruits, was arranged by TEFAP through the state's six non-profit emergency feeding agencies.

In addition, the department distributed to other feeding programs over 20 million pounds of United States Department of Agriculture (USDA) foods worth more than $15 million. These frozen, canned and dry commodities were particularly important to the more than 2,200 schools feeding over 475,000 students daily through the school lunch program.

Local school districts also welcomed the time and cost savings they realized through a NJDA program that increased the usefulness of federally-donated foods. Under this program, NJDA contracted with 30 commercial food processors to process approximately six million pounds of bulk foods into easily used, cost-effective, oven-ready products such as hamburgers, sandwich steaks, pizza and a variety of turkey and chicken products.

This year's program introduced a processor selection system, which allowed recipient school districts to select foods to be processed before the start of the school year. This enabled both the processors and the schools to make better use of the donated foods while encouraging competitive pricing, improving delivery time and better insuring product consistency.

The department again participated in a federal food processing program known as State Option Contract funded by fees assessed of local user agencies. This federal initiative allowed school districts participating in the school lunch program to receive 196,200 pounds of user-ready foods, such as chicken nuggets, chicken patties and pork products, valued at over $247,000, directly from federal government contract sources. This program improves quality control and expands product availability to recipient school districts statewide.

In addition, for the second year, NJDA joined with the federal Department of Defense to purchase over 32,000 cases of fresh fruits and vegetables valued in excess of $400,000 for use in New Jersey's school lunch program. Over 80 percent of these fresh foods were purchased from New Jersey farmers.

NJDA receives, warehouses and distributes all of these federally- donated commodities through a

commercial warehouse and trucking system that included two separate warehousing operations and a variety of local carriers to pick-up and deliver these donated foods. All costs associated with the department's administration of the school lunch commodity warehouse and distribution system are paid for entirely by a per-case user fee that has not increased since FY94.

The division also worked closely with the Division of Administration to ease the transition of the Bureau of Child Nutrition Services from the New Jersey Department of Education to NJDA. The bureau operates offers a variety of child nutrition programs to public and private schools, residential and non-residential child care institutions, adult and child day care centers, recreation centers and other agencies. This combination of school lunch and child nutrition programs is the first of its kind in the country and will result in a better program and better service to our clients.

Annual Report 1997

Markets **Dr. Vance Young, Director**

- **plays a critical role in the marketing and promotion of New Jersey farm products and the development and expansion of markets both here and abroad;**
- **promotes New Jersey's racing and pleasure horse industry; and**
- **coordinates the distribution of federally-donated foods to public feeding sites, schools, hospitals and other institutions. Markets**

MARKETING

Farm Fresh, Jersey Fresh

The visibility of the Jersey Fresh promotional program during the ten- month growing season kept farm-fresh, locally grown products in front of consumers during FY97. Propelled by a $1.16 million budget allocation, Jersey Fresh television, newspaper and trade publication advertisements reached well into the New England and Eastern Canadian markets, increasing product awareness and supporting the marketing of specific Jersey Fresh commodities in the Northeast.

During FY97, the seasonal 30-second Jersey Fresh television commercials, complemented by five 30-second infomercials, aired on major network and cable stations, reaching almost 46 million households during the year. The infomercials featured selection, storage and usage tips for a commodity then in season -- spring greens, peaches, corn, tomatoes and peppers. During the year, similar spots were prepared covering blueberries, greenhouse/nursery and dairy products, herbs and squash. These will join the rotation next year.

To reinforce the television commercials and help consumers identify Jersey Fresh produce at their favorite markets or farm stands, colorful Jersey Fresh point-of-sale materials were distributed to all 500 major retail chain stores and many farm markets in the tri-state area and to major retail chains in New England.

A survey undertaken this year to measure the success of the Jersey Fresh advertising and promotional program revealed that 38 percent of shoppers in the New York-Philadelphia metropolitan region were aware of the Jersey Fresh program. Fifty-four percent of all shoppers surveyed indicated that they were more inclined to purchase Jersey Fresh farm products if they are labeled as such at the point of purchase, further underscoring the importance of working with retailers and produce managers to make sure Jersey Fresh point-of-purchase material is displayed.

Jersey Fresh matching grants totaling $150,000 were distributed to 69 agricultural organizations which used the funds to carve out their own promotional or educational Jersey Fresh niche through food and wine festivals, rural tourism guides and other efforts. As a result, a total of $300,000 worth of welcome publicity was generated by and for the Jersey Fresh program in support of New Jersey agriculture.

Finding new venues for the sale of Garden State agricultural products is another key facet of the Jersey Fresh program which has been particularly successful in recent years.

The department continued its joint participation with the New Jersey Department of Health and Senior Services (DHSS) in the Women, Infants and Children (WIC)/Farmers Market Nutrition Program (FMNP). Under the program for 1997, approximately $157,000 worth of FMNP checks were issued to over 8,000 Head Start children, pregnant or nursing women. Those checks were redeemed for fresh fruit and vegetables at more than 97 authorized roadside markets and 41 farmers markets throughout the state.

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Annual Report 1997

Plant Industry **Robert J. Balaam, Director**

- **safeguards New Jersey's plant resources from injurious insect and disease pests through its detection, inspection, eradication and control programs;**
- **insures that farmers and others who buy and sell plants and plant products enjoy high quality, pest-free products;**
- **conducts programs that certify plant stock for interstate and international shipments;**
- **protects forested communities from defoliation and tree loss caused by the gypsy moth;**
- **inspects honeybees for harmful bee diseases and pests;**
- **monitors the quality of plant seeds; and**
- **produces and releases beneficial insects to reduce crop damage by insects and weeds and decrease dependence on chemical pesticides and herbicides.**

PEST SURVEYS

Nursery Inspection

All nursery stock sold in New Jersey or exported to other states or countries is required to be free of injurious pests, insuring that ornamental plants purchased by consumers are healthy and do not contain pests that could spread to other plants.

In FY97, the department staff inspected 13,313 acres in 944 nurseries to certify freedom from dangerous insects and plant diseases. These inspections revealed 487 active pest infestations which had to be treated before certification. The most frequently observed pests were bagworm, calico scale, white pine weevil and two-spotted spider mites in addition to white peach/prunicola scale, hemlock woolly adelgid, cooley spruce gall adelgid and rose mosaic virus.

Major emphasis was placed on certifying as plant dealers all landscape firms which provide nursery stock through landscaping services. As a result, 837 establishments, including garden centers, retail outlets and landscape firms, were certified as plant dealers for 1997.

In addition, the department issued 305 state and 76 federal phytosanitary certificates enabling export of plants and plant material to other states or countries.

Vegetable Transplant Inspection

Approximately 10.2 million vegetable transplants shipped into the state for use by New Jersey

farmers in the spring of 1997 were inspected by the department. The predominant crops inspected were pepper, leek, tomato and cabbage plants along with collard, escarole, endive and kale plants. No lots were rejected for disease or insect problems during 1997 and overall plant quality was good.

Blueberry Stem Canker

The department helped USDA Agricultural Research Service personnel from the Blueberry & Cranberry Research Center in Chatsworth to carry out a field survey for stem canker in highbush blueberries. On susceptible varieties, the fungus causes swollen cankers that can enlarge and girdle stems or branches, making them weaker and less productive. Severely cankered branches often die. In previous years the disease has not been a serious problem for New Jersey growers but has caused significant damage elsewhere on the East Coast.

The survey covered 54 blueberry fields owned by 14 growers in three counties. About two-thirds of the fields contained some level of the fungus although some of the fields surveyed had no infected plants while in other fields virtually all were infected. Severity of the disease varied according to variety and cultural practices, but, in general, higher levels of disease appeared to be found in less vigorously pruned plants. As a result of the survey, Rutgers Cooperative Extension alerted growers about proper management practices that will reduce the incidence of the disease.

Blueberry Scorch

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SEED CERTIFICATION AND CONTROL

The seed certification and control program protects farmers, vegetable plant growers, the turf industry and the general public from purchasing contaminated, mislabeled and inferior seed products that result in lower crop production and economic loss. Unfair trade practices and untruthful seed labeling can also result in the introduction of noxious weeds in sod or turf and raise farm production costs.

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In the last several years, the department's eggplant protection program has effectively reduced the need for chemical pesticide applications by as much as 90 percent. Recently, however, a new class of pesticide was approved for use against CPB in tomato and eggplant and others will be available in the near future. The new pesticide controls the beetle quite effectively with just one application and costs growers less than the parasite program. With the advent of additional new chemicals to control CPB more cost- effectively, NJDA eliminated the CPB parasite program at the end of the fiscal year.

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Because gypsy moths continued to be problematic in some parts of the state, NJDA once again partnered with the USDA's Forest Service to offer municipalities the opportunity to participate in the gypsy moth suppression program. Through this annual program, NJDA performed aerial and ground surveys to locate gypsy moth-infested residential areas and prepared an environmental impact statement which enabled participating municipalities to qualify for federal reimbursement of 50 percent of the treatment costs.

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To protect the health of the state's bee population, this year NJDA joined representatives from the Pennsylvania, Delaware and Maryland Departments of Agriculture to form a regional research initiative. Research will be done at Penn State, funded jointly by the participants.

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SEED CERTIFICATION AND CONTROL

The seed certification and control program protects farmers, vegetable plant growers, the turf industry and the general public from purchasing contaminated, mislabeled and inferior seed products that result in lower crop production and economic loss. Unfair trade practices and untruthful seed labeling can also result in the introduction of noxious weeds in sod or turf and raise farm production costs.

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In the last several years, the department's eggplant protection program has effectively reduced the need for chemical pesticide applications by as much as 90 percent. Recently, however, a new class of pesticide was approved for use against CPB in tomato and eggplant and others will be available in the near future. The new pesticide controls the beetle quite effectively with just one application and costs growers less than the parasite program. With the advent of additional new chemicals to control CPB more cost- effectively, NJDA eliminated the CPB parasite program at the end of the fiscal year.

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Because gypsy moths continued to be problematic in some parts of the state, NJDA once again partnered with the USDA's Forest Service to offer municipalities the opportunity to participate in the gypsy moth suppression program. Through this annual program, NJDA performed aerial and ground surveys to locate gypsy moth-infested residential areas and prepared an environmental impact statement which enabled participating municipalities to qualify for federal reimbursement of 50 percent of the treatment costs.

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To protect the health of the state's bee population, this year NJDA joined representatives from the Pennsylvania, Delaware and Maryland Departments of Agriculture to form a regional research initiative. Research will be done at Penn State, funded jointly by the participants.

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SEED CERTIFICATION AND CONTROL

The seed certification and control program protects farmers, vegetable plant growers, the turf industry and the general public from purchasing contaminated, mislabeled and inferior seed products that result in lower crop production and economic loss. Unfair trade practices and untruthful seed labeling can also result in the introduction of noxious weeds in sod or turf and raise farm production costs.

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In the last several years, the department's eggplant protection program has effectively reduced the need for chemical pesticide applications by as much as 90 percent. Recently, however, a new class of pesticide was approved for use against CPB in tomato and eggplant and others will be available in the near future. The new pesticide controls the beetle quite effectively with just one application and costs growers less than the parasite program. With the advent of additional new chemicals to control CPB more cost- effectively, NJDA eliminated the CPB parasite program at the end of the fiscal year.

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Because gypsy moths continued to be problematic in some parts of the state, NJDA once again partnered with the USDA's Forest Service to offer municipalities the opportunity to participate in the gypsy moth suppression program. Through this annual program, NJDA performed aerial and ground surveys to locate gypsy moth-infested residential areas and prepared an environmental impact statement which enabled participating municipalities to qualify for federal reimbursement of 50 percent of the treatment costs.

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To protect the health of the state's bee population, this year NJDA joined representatives from the Pennsylvania, Delaware and Maryland Departments of Agriculture to form a regional research initiative. Research will be done at Penn State, funded jointly by the participants.

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SEED CERTIFICATION AND CONTROL

The seed certification and control program protects farmers, vegetable plant growers, the turf industry and the general public from purchasing contaminated, mislabeled and inferior seed products that result in lower crop production and economic loss. Unfair trade practices and untruthful seed labeling can also result in the introduction of noxious weeds in sod or turf and raise farm production costs.

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In the last several years, the department's eggplant protection program has effectively reduced the need for chemical pesticide applications by as much as 90 percent. Recently, however, a new class of pesticide was approved for use against CPB in tomato and eggplant and others will be available in the near future. The new pesticide controls the beetle quite effectively with just one application and costs growers less than the parasite program. With the advent of additional new chemicals to control CPB more cost- effectively, NJDA eliminated the CPB parasite program at the end of the fiscal year.

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Because gypsy moths continued to be problematic in some parts of the state, NJDA once again partnered with the USDA's Forest Service to offer municipalities the opportunity to participate in the gypsy moth suppression program. Through this annual program, NJDA performed aerial and ground surveys to locate gypsy moth-infested residential areas and prepared an environmental impact statement which enabled participating municipalities to qualify for federal reimbursement of 50 percent of the treatment costs.

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To protect the health of the state's bee population, this year NJDA joined representatives from the Pennsylvania, Delaware and Maryland Departments of Agriculture to form a regional research initiative. Research will be done at Penn State, funded jointly by the participants.

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SEED CERTIFICATION AND CONTROL

The seed certification and control program protects farmers, vegetable plant growers, the turf industry and the general public from purchasing contaminated, mislabeled and inferior seed products that result in lower crop production and economic loss. Unfair trade practices and untruthful seed labeling can also result in the introduction of noxious weeds in sod or turf and raise farm production costs.

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In the last several years, the department's eggplant protection program has effectively reduced the need for chemical pesticide applications by as much as 90 percent. Recently, however, a new class of pesticide was approved for use against CPB in tomato and eggplant and others will be available in the near future. The new pesticide controls the beetle quite effectively with just one application and costs growers less than the parasite program. With the advent of additional new chemicals to control CPB more cost- effectively, NJDA eliminated the CPB parasite program at the end of the fiscal year.

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Because gypsy moths continued to be problematic in some parts of the state, NJDA once again partnered with the USDA's Forest Service to offer municipalities the opportunity to participate in the gypsy moth suppression program. Through this annual program, NJDA performed aerial and ground surveys to locate gypsy moth-infested residential areas and prepared an environmental impact statement which enabled participating municipalities to qualify for federal reimbursement of 50 percent of the treatment costs.

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To protect the health of the state's bee population, this year NJDA joined representatives from the Pennsylvania, Delaware and Maryland Departments of Agriculture to form a regional research initiative. Research will be done at Penn State, funded jointly by the participants.

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SEED CERTIFICATION AND CONTROL

The seed certification and control program protects farmers, vegetable plant growers, the turf industry and the general public from purchasing contaminated, mislabeled and inferior seed products that result in lower crop production and economic loss. Unfair trade practices and untruthful seed labeling can also result in the introduction of noxious weeds in sod or turf and raise farm production costs.

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In the last several years, the department's eggplant protection program has effectively reduced the need for chemical pesticide applications by as much as 90 percent. Recently, however, a new class of pesticide was approved for use against CPB in tomato and eggplant and others will be available in the near future. The new pesticide controls the beetle quite effectively with just one application and costs growers less than the parasite program. With the advent of additional new chemicals to control CPB more cost- effectively, NJDA eliminated the CPB parasite program at the end of the fiscal year.

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Because gypsy moths continued to be problematic in some parts of the state, NJDA once again partnered with the USDA's Forest Service to offer municipalities the opportunity to participate in the gypsy moth suppression program. Through this annual program, NJDA performed aerial and ground surveys to locate gypsy moth-infested residential areas and prepared an environmental impact statement which enabled participating municipalities to qualify for federal reimbursement of 50 percent of the treatment costs.

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To protect the health of the state's bee population, this year NJDA joined representatives from the Pennsylvania, Delaware and Maryland Departments of Agriculture to form a regional research initiative. Research will be done at Penn State, funded jointly by the participants.

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The survey covered 54 blueberry fields owned by 14 growers in three counties. About two-thirds of the fields contained some level of the fungus although some of the fields surveyed had no infected plants while in other fields virtually all were infected. Severity of the disease varied according to variety and cultural practices, but, in general, higher levels of disease appeared to be found in less vigorously pruned plants. As a result of the survey, Rutgers Cooperative Extension alerted growers about proper management practices that will reduce the incidence of the disease.

Blueberry Scorch

This year, blueberry scorch virus was more widespread in Atlantic and Burlington Counties than in past years. Plants severely infected with blueberry scorch virus produce few, if any, berries. The virus is believed to be spread by aphids, but can be spread through propagation from infected plants. The department is working to refine techniques developed at Rutgers University to develop an assay for the disease to include in the department's blueberry inspection program.

CAPS Program

The department continued its participation in the Cooperative Agricultural Pest Survey (CAPS) Program, a cooperative effort with the USDA's Animal and Plant Health Inspection Service Plant Protection and Quarantine (APHIS/PPQ) program, state universities and state departments of agriculture throughout the country. This year's efforts focused on European spruce bark beetle, Asian long-horned beetles, golden nematode, karnal bunt and chrysanthemum white rust.

The European spruce bark beetle, a serious pest of spruce and pine in Europe and Asia, was first found by PPQ officers at the Port of Camden in 1997 in packing materials off-loaded from foreign vessels. The department subsequently monitored 13 survey traps surrounding the Camden port area and seven surrounding the Newark port area for this and other foreign bark beetles. No additional foreign bark beetles were found during the survey.

After APHIS/PPQ inspections detected Asian long-horned beetles (ALB), a foreign wood-boring pest, in two areas in New York, the department sent inspection personnel to New York City to help the New York Department of Agriculture and Markets and the USDA with an ALB survey in Brooklyn. The beetle attacks healthy trees, favoring Norway, sugar, silver, and red maples as well as horse chestnut, poplar, willow, elm, mulberry and black locust. Because it is not a native plant pest, there are no known predators or treatments in the United States. Removal of infected trees before the adult beetles emerge is currently the only effective treatment.

In cooperation with APHIS/PPQ and the New Jersey Department of Environmental Protection's Bureau of Forestry, NJDA surveyed 330 neighborhoods and wooded areas in the northern half of the state with no ALB detected. The department will continue to monitor the area as a precaution.

Surveys for golden nematode, a potato pest, and karnal bunt, a wheat fungus that renders harvested wheat unusable, were negative for the second year in a row. Early identification of chrysanthemum

white rust in a Bergen County greenhouse enabled the grower to eradicate the disease in his stock this year and a follow-up survey will be accomplished next fall. Data gathered in these surveys are used to support export certification of international shipments of USA-grown wheat, potatoes and nursery stock.

Blueberry Maggot

NJDA continued to work closely with the Canadian Food Inspection Agency (CFIA) and APHIS/PPQ to develop a new certification program to facilitate the shipment of fresh blueberries into and throughout Canada while reducing the risk of spreading blueberry maggot north of the border. Blueberry maggot is a quarantine pest which limits or prevents shipment of fresh blueberries to many parts of Canada, other countries and states. The current certification program expires next year.

As part of the effort, NJDA hosted a tour of New Jersey's blueberry industry for representatives of CFIA and APHIS/PPQ export certification to enable officials to discuss proposed changes with growers and shippers who will be affected. In addition, specialists from Rutgers Cooperative Extension and Rutgers Agricultural Experiment Station discussed current and future integrated pest management initiatives for blueberry maggot control.

SEED CERTIFICATION AND CONTROL

The seed certification and control program protects farmers, vegetable plant growers, the turf industry and the general public from purchasing contaminated, mislabeled and inferior seed products that result in lower crop production and economic loss. Unfair trade practices and untruthful seed labeling can also result in the introduction of noxious weeds in sod or turf and raise farm production costs.

Routine inspections of certain lots of cover crop rye seed offered for sale at several stores revealed the presence of prohibited and restricted noxious weed seeds. Further inspections at 27 retail seed outlets resulted in random sampling of more than 226,000 pounds of rye seed of which 76,750 pounds were found to contain similar prohibited and restricted weed seeds. As the inspections took place, growers were continuously alerted to contaminated lot numbers via the department's faxback system and internet site. The contaminated seed was immediately removed from sale and ultimately the company was cited for 29 violations and assessed an administrative penalty.

Throughout the fiscal year, a total of 1,067 samples of seed were tested in the department's seed laboratory with 769 of those samples taken to determine seed quality and germination standards as established by the New Jersey Seed Law. Violations in the required labeling and the quality standards, especially seed unfit for planting and seed contaminated with noxious weed seed, were found in about five percent of these samples, primarily involving vegetable and flower packet seed, rye seed and turfgrass seed.

An additional 326 samples of field crop, vegetable and turfgrass seed were submitted by farmers, golf course managers and wholesalers. Laboratory samples representing 895,925 pounds of agricultural seed showed that about nine percent contained prohibited and restricted noxious weed seed or was below standard in germination. This seed was removed from the New Jersey marketplace and appropriate administrative penalties were assessed.

The 176 lots of vegetable seed sold to New Jersey vegetable growers was inspected and sampled for quality control and found to be of generally good quality although vigor testing of several different kinds of vegetables suggested that less than perfect growing conditions could result in lower germination than might otherwise be expected. This was valuable information for growers who had to decide which lots of seed would perform well if planted early.

New Jersey golf courses purchase large quantities of turfgrass seed each year through direct sales. Last year 65 samples of turfgrass seed representing 121,325 pounds, were NJDA-inspected and

sampled for quality control with only 125 pounds rejected because of expired test dates and below-standard germination. Turf seed samples were also taken from lots of certified turf seed shipped to New Jersey from other states to determine their eligibility for the interagency certified seed program. Under this program, sod growers were able to purchase 45,950 pounds of high quality turf seed, mixed under strict supervision by the department.

Conservation plant material developed by USDA primarily for use in coastal soil stabilization projects continued to play an important role in preventing beach erosion. Plant growers entered 36 acres of conservation plant material in the certification program in FY97.

Seed control rules and regulations were amended and re-adopted at the beginning of the fiscal year and included new rules for labeling of treated seed, noxious weed seeds and seed in hermetically sealed containers.

BIOLOGICAL PEST CONTROL

Under the division's biological control program, exotic and native beneficial insects are raised for field release to control pests of forests, vegetables, fruits, ornamental shrubs, field and forage crops. Beneficial insects reduce the need for pesticides and herbicides, thereby minimizing pest resistance to these important chemicals and reducing chemical residue in the environment. The reduction of pesticide applications also allows the native population of beneficial insects to increase, putting more pressure on the pest population.

This year, the division conducted 11 biological control programs, five of which required laboratory rearing of beneficial insects for release into the field. The goal was to reduce specific pest populations below economically significant levels and to establish new beneficial species in the state. The largest programs focused on raising and releasing beneficial wasps that attack the Mexican bean beetle and Colorado potato beetle, pests which feed on soybean and eggplant foliage, and a predator beetle and two parasites which feed on euonymus scale, a pest of many varieties of ornamental euonymus shrubs.

During FY97, approximately 96,000 of the state's 120,000 acres of soybeans were susceptible to the Mexican bean beetle. Small beneficial wasps which cannot overwinter in New Jersey's climate are raised in the laboratory each year and released into soybean fields in the summer where they kill the Mexican bean beetle larvae. The pest population was so significantly reduced by this parasite release program that no pesticide applications were required on any soybean acreage last year, saving growers an estimated $384,000.

New Jersey is the second largest producer of eggplant in the nation. To control Colorado potato beetle (CPB), the department produces and field releases a parasitic wasp which attacks CPB eggs. This year, of the 800 acres of eggplant commercially harvested in the state, 96 acres were included in the department's pest control and crop management program. Normally, growers would apply chemicals seven to 12 times to control CPB which is highly resistant to pesticides.

In the last several years, the department's eggplant protection program has effectively reduced the need for chemical pesticide applications by as much as 90 percent. Recently, however, a new class of pesticide was approved for use against CPB in tomato and eggplant and others will be available in the near future. The new pesticide controls the beetle quite effectively with just one application and costs growers less than the parasite program. With the advent of additional new chemicals to control CPB more cost- effectively, NJDA eliminated the CPB parasite program at the end of the fiscal year.

Another important area of NJDA emphasis in FY97 involved control of euonymus scale, a serious pest of ornamental plants. A ladybug, two parasitic wasps and a tiny predatory beetle are being tested against the pest. The ladybug seems able to overwinter in the wild but doesn't readily colonize small euonymus while the beetle, released in 10 counties this year and established in eight, seems able to colonize on both small and large euonymus plants to reduce scale populations. The parasites were

released in four counties but did not seem to be established by year's end.

Because the predatory beetle is effectively controlling euonymus scale populations on plants in the landscape, NJDA initiated a pilot project in two commercial nurseries in Cumberland County which were field propagating the Euonymus compacta variety of the ornamental shrub. The objective of the pilot project is to determine whether the beetle will feed on another species of scale, reduce the scale population below economic levels, and reduce the need for pesticide control.

Additional beneficial insect programs included the establishment of a fly which feeds on aphids, sap-sucking crop predators; a fly that impedes the seed production of Canada thistle, an invasive weed in fields and pastures; two leaf-eating beetles which feed on purple loosestrife, an established wetlands weed which is displacing native plants; and a parasite of the eggs of the cereal leaf beetle, a grain crop pest.

GYPSY MOTH SUPPRESSION

The gypsy moth is New Jersey's most serious insect pest of shade and forest trees. However, after nearly 30 years and three devastating cycles of gypsy moth defoliation, there are signs now that major biological control factors are dampening the ravages of this pest. NJDA's aerial gypsy moth suppression program using the biological insecticide, Bacillus thuringiensis (Bt), and the natural occurrence and widespread distribution of a fungal disease which attacks gypsy moth larvae are primarily responsible for the pest's decline.

Because gypsy moths continued to be problematic in some parts of the state, NJDA once again partnered with the USDA's Forest Service to offer municipalities the opportunity to participate in the gypsy moth suppression program. Through this annual program, NJDA performed aerial and ground surveys to locate gypsy moth-infested residential areas and prepared an environmental impact statement which enabled participating municipalities to qualify for federal reimbursement of 50 percent of the treatment costs.

In spring of 1997, NJDA supervised aerial treatment with Bt of 4,448 acres in 18 municipalities, a significant decrease from the 21,311 acres treated in 1996, at a cost of less than $12 per acre. The summer aerial survey of gypsy moth defoliation statewide showed a dramatic drop in defoliation levels from 27,990 acres in 1996 to just 1,910 acres in 1997 with heaviest damage occurring in Atlantic, Burlington, Camden, Cumberland, Gloucester, Middlesex and Ocean Counties.

APIARY INSPECTION

During the winter of 1997 New Jersey lost nearly 15 percent of its domestic bees to Varroa and tracheal mites and winter loss, a significantly lower loss level than in 1996 thanks largely to improved beekeeping management practices and a milder winter. Although reports of wild bee colonies are on the rise, the number of wild colonies is still substantially lower than they were before last year's Varroa mite devastation.

To protect the health of the state's bee population, this year NJDA joined representatives from the Pennsylvania, Delaware and Maryland Departments of Agriculture to form a regional research initiative. Research will be done at Penn State, funded jointly by the participants.

The Beekeeping Advisory Board established last year worked closely with NJDA in FY97 to direct the apiary inspection program to those areas of greatest concern to beekeepers and growers of pollination- dependent products. In particular, NJDA worked with growers, beekeepers and the manufacturer of the pesticide Penncap-M to obtain a special use label prohibiting the use of the chemical when flowering weeds or crops were blooming in the treatment area. The new label will help to prevent bee kills during pollination periods.

More than 8,000 colonies entering New Jersey from other states for commercial crop pollination use

were inspected to validate the sanitary certificates issued by the shipping state. No significant parasitic mite infestations were detected among the out-of-state colonies. In addition, approximately 4,700 domestic colonies were inspected for American foulbrood, a serious bee disease, with a much lower incidence of the disease noted than in 1996.

PLANT LABORATORY SERVICES

The department's plant laboratory supported the seed certification and control program by monitoring the quality of seed sold by seed companies directly to farmers and others. Germination tests, as well as analysis for troublesome or noxious weeds, were conducted on the samples submitted to the laboratory and indicated that the general quality of seed sold directly to New Jersey purchasers is of high quality and is accurately labeled.

In addition to germination tests, vigor testing, which can be used to differentiate seed lots from each other on the basis of physiology, was also offered by the department. A seed lot with a good germination percentage might not survive or flourish in less than optimal growing conditions. While germination tests assured growers that seed will perform at the germination percentages specified on the seed labels under ideal conditions, vigor tests enable growers to adjust planting times and storage conditions. Vigor testing is of particular interest to the growers of peppers and sweet corn who want to take advantage of better market prices early in the growing season.

The plant laboratory also supported the apiary inspection program through analysis of bees for Varroa and tracheal mites and testing for American foulbrood, a bacterial disease of bees.

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OFFICE OF GRANTS MANAGEMENT

FY97 was the fourth year of agricultural development grants initiated under the Agriculture Economic Recovery and Development Initiative (AERDI), a program of economic and management training efforts aimed at making New Jersey farms more profitable.

Including the FY97 appropriation of $3.509 million, the farm production efficiency grant and the agricultural business incentive grant programs have pumped more than $19.5 million into New Jersey's agricultural economy. Combined with matching dollars from grantees, the two programs have resulted in the investment of almost $47 million in agriculture's infrastructure since FY93.

This year, 651 farm production efficiency matching grants to eligible farmers amounting to $3.355 million were awarded to eligible farmers. These grants funded more than 800 projects valued at over $9 million. Typical projects included purchases of energy-efficient or technologically-advanced farm machinery; repairs to existing farm buildings and construction of new ones; installation of packing equipment; implementation of soil and water conservation improvements; and measures related to regulatory compliance.

NJDA adopted a different approach to the distribution of agricultural business incentive grants in FY97 in order to maximize the benefit of limited grant funds. NJDA targeted industry-based business development initiatives with a statewide economic impact. A total of $154,000 was awarded to eight organizations. Funded projects included the establishment of an integrated farm management program for dairy farmers, an agri-tourism demonstration project, the establishment of an integrated pest management certification program for blueberry growers, the creation of a wildlife damage control manual for statewide distribution and an oyster management demonstration project. Each of these projects was expected to yield significant results for the industry as a whole or for a major sector of it.

NJDA continued to monitor the economic investment opportunity loan program, co-sponsored with the Casino Reinvestment Development Authority. This $3 million low-interest loan program is available to

farmers located in the nine southern New Jersey counties and has been a source of low cost capital for agricultural development.

Another integral part of the AERDI program was the farm management training developed for the department by Rutgers, the State University. Attended by all farm production efficiency grant recipients, as well as by farmers not involved in the grant program, the courses covered a variety of subjects of importance to the growers, their families and the agriculture industry.

NATURAL RESOURCES CONSERVATION

The State Soil Conservation Committee (SSCC) is responsible for coordinating the conservation and development of soil, water and related natural resources in New Jersey. This is achieved through a partnership which includes the 16 soil conservation districts (SCDs), the USDA Natural Resources Conservation Service (NRCS) and Rutgers Cooperative Extension Service (RCES).

The SSCC establishes statewide policy and provides technical assistance and training, creates technical and administrative standards, coordinates non-point pollution control and agricultural cost-sharing programs, and works to assure accountability of local SCDs. The SSCC also reviews and enforces soil and water management practices on construction, mining and other land disturbance activities associated with development in order to protect water quality and avoid damage from storm water runoff.

Soil Erosion and Sediment Control Act

In keeping with Governor Whitman's Strategy to Advance Regulatory Reform, an effort to streamline and simplify regulatory requirements at the state level, the SSCC initiated a program to review the Standards for Soil Erosion and Sediment Control in New Jersey, the technical rules for certification of erosion control and storm water management plans for development activities. The review was accomplished with assistance from a broad group of stakeholders, including engineering consultants and builders. Several revisions and new standards were developed, including standards for vegetated filter strips and for bio-engineering materials used to stabilize and rebuild eroding stream banks. In addition, 42 new storm water treatment standards, reflecting the current science for erosion control and water quality, were developed to improve the quality of water discharged from a land disturbance site.

The SSCC continued to work with the New Jersey Department of Environmental Protection (NJDEP) to streamline programs relating to erosion controls on land being developed, promote regulatory reform and expedite regulatory permits and approvals for land development projects. During the year more than 3,500 construction and related land development projects which disturbed over 21,500 acres of land were certified by local SCDs for compliance with state standards for soil erosion and sediment control promulgated by the SSCC. Under a cooperative program with the New Jersey Pollution Discharge Elimination System, storm water discharge was authorized for more than 570 construction and mining projects which disturbed more than five acres.

To assure compliance with the requirements of these programs, more than 66,000 site inspections were performed by local district personnel. Municipal approval for occupancy was conditioned upon district certification of permanent soil erosion and sediment controls.

The department performed a detailed evaluation of the 28 municipalities which independently implement state-approved soil erosion control ordinances to insure that appropriate controls were applied to construction projects. Two municipal programs were transferred to local SCDs for implementation.

Conservation Assistance to Agriculture

To comply with requirements of the 1992 amendments to the Coastal Zone Management Act, NJDA

work closely with NJDEP to incorporate non- point source pollution control measures for agricultural and construction-related land disturbances into the proposed state pollution control plan. The key to the NJDA-proposed measures is voluntary use by farmers of SCD-approved conservation. The SSCC and local SCDs would work with landowners to establish conservation plans to maintain water quality under the State Pollution Control Plan, if it is adopted without amendments.

In cooperation with the NRCS, conservation plans were developed for 26,628 acres of farmland. Land treatment practices installed on nearly 8,500 acres prevented the loss of 120,000 tons of productive soil. In addition, conservation tillage techniques were used on almost 46,500 acres of farmland to reduce soil loss from wind and water erosion to lowest practical levels.

During the second phase of a non-point source pollution control project funded by the U.S. Environmental Protection Agency, non-point source pollution control plans were implemented on 28 farms covering more than 7,000 acres of cropland in the Musconetcong Watershed. The projects included integrated crop management and nutrient management plans which cut fertilizer usage by nearly 50 percent on fields and by about 33 percent on tree fruit farms.

Interagency Conservation Agreement

In late fall, Governor Christine Todd Whitman signed a revised and expanded mutual conservation program agreement between the USDA, the State of New Jersey and the 16 local SCDs. The agreement recognizes the role of state government in supporting conservation programs on private lands in New Jersey and formalizes the commitment of the signatories to provide conservation assistance to all landowners in the state. The agreement supersedes a previous bilateral agreement between the USDA and local districts that dated back to the 1940s.

FISH AND SEAFOOD DEVELOPMENT

New Jersey is one of the leading commercial fishing states in the nation, ranking ninth in the value of seafood harvested. Last year, New Jersey fishermen brought in over 177 million pounds of shellfish and finfish valued at almost $96 million while New Jersey fish farms generated sales of just under $5 million. New Jersey's commercial fish and seafood industry accounts for nearly 22,000 direct and indirect jobs in the state's economy.

Fish and Seafood Exports and Domestic Marketing

Efforts to expand the export of New Jersey's seafood harvest focused on the Asian Pacific Economic Community and the People's Republic of China (PRC). This year New Jersey's fishing industry was represented at the Asian International Seafood Show in Hong Kong, an important gateway to the PRC, with promotional materials provided in both Chinese and Japanese.

Other strategies to maintain and expand markets included an updated New Jersey Seafood Wholesalers Directory.

Here at home NJDA was instrumental in the formation of the New Jersey Fish & Seafood Marketing Coalition, a public-private sector group that developed a variety of generic promotional materials and events benefitting the entire industry. With the Coalition, NJDA co- sponsored a radio advertising campaign aimed at shore-goers. The ad offered a toll free number through which consumers could receive a free seafood cookbooklet that generated nearly 4,000 requests. In addition, NJDA and the Coalition produced a brochure listing seafood festivals throughout the state which was available at tourist information centers and retail stores or through the mail. The New Jersey Maritime Heritage Cookbooklet was distributed at seafood events throughout the region.

Aquaculture

With consumer demand for fish and seafood expected to nearly double in the next 30 years and wild harvest already at maximum sustainable yield, raising finfish and shellfish under controlled conditions is the only way to meet future consumer demand. This year's passage of the New Jersey Aquaculture Act will enable NJDA to begin implementation of the New Jersey Aquaculture Development Plan and encourage the state's fledgling aquaculture industry. As the agency responsible for oversight of the aquaculture industry, NJDA will address many critical issues in the years ahead, including water supply and quality, siting, use and control of near-shore land, licensing and regulations, predator control, waste discharge, financing, technology and marketing.

Through a partnership involving NJDA, the Delaware River and Bay Authority, PSE&G, Rutgers University and Cumberland County College, an Aquaculture Technology Transfer Center was established this year with administrative offices in Cape May. The Aquaculture Training and Information Center at Cumberland County College in Vineland will serve as the primary academic site for aquaculture education, extension services, demonstration projects and research. A Multispecies Aquaculture Demonstration Facility to be located in Cape May is in design.

RURAL DEVELOPMENT

Throughout the year, the farm community turned to the department for technical assistance and information about farmland assessment issues, financing to support new or expanded agricultural enterprises, and other farm management challenges. Through its rural development programs, the department provided a host of services aimed at resolving these and other regulatory, taxation and financing problems.

Updating Standards and Regulations

NJDA worked with the New Jersey Department of Community Affairs to improve the Commercial Farm Building Code. Under the amended code, farmers were granted the option of installing electricity in farm buildings and are no longer required to install special emergency exit lighting if the farm structure is not used for temporary assembly. As a result of these and other changes, farmers accomplished $6 million worth of farm building construction while saving an estimated $200,000 in unnecessary construction costs.

The department also began working with the New Jersey Department of Treasury's Division of Taxation to update the Real Property Appraisal Manual as it pertains to farm buildings. During the coming year, the Division of Taxation will solicit information from agricultural contractors and develop revised cost data and a depreciation schedule specifically for farm buildings for use by local tax assessors. Recycling Greenhouse Plastic

In FY97, NJDA undertook a four-month pilot project to benefit the state's nursery and greenhouse industry, the largest segment of agriculture in New Jersey. The industry generates about one million pounds of greenhouse and nursery film annually that cannot be burned or buried but must be landfilled at tipping fees ranging from $55 to $120 per ton. In an effort to find a better way to dispose of clean plastic film, one that would improve the environment, save money for growers and ultimately create new jobs to boost the state's economy, the department worked closely with AT Plastics, Toronto, Canada; the New Jersey Nursery and Landscape Association; the Burlington County Office of Solid Waste; the Cumberland County Improvement Authority; Monmouth County; Rutgers Cooperative Extension; and the New Jersey Department of Environmental Protection.

Recyclable plastic was taken to one of three locations in Burlington, Cumberland or Monmouth Counties. There, at no cost to growers, the plastic was baled and held for pick-up by recycling companies in North America and elsewhere which turn the plastic into products such as nursery containers, trash bags or construction film.

The project was an unqualified success. Final tabulations revealed that 449,380 pounds -- almost 45 percent -- of the greenhouse and nursery plastic film used in the state were recycled during the trial

period. That's the equivalent of over 460 acres or 21 million square feet of plastic. The broad scope of the Garden State's effort made this demonstration project the first of its kind in the nation with a recycling rate that far surpasses any other four-month film recycling effort. Program guidelines are being reviewed and revised in order to increase grower participation in FY98.

Saving Energy on the Farm

As a result of a joint effort between NJDA and the Board of Public Utilities (BPU) to revitalize the state's Business Energy Improvement Program, BPU distributed 76 matching grants worth $813,000. Individual farmers could apply for matching grants of up to $20,000. The grants, which financed energy conservation improvements on farms around the state, came from the Stripper Well Fund, money collected from oil companies for over-charges which must be used to invest in energy conservation measures such as renovations, equipment replacement and energy conservation and demonstration projects.

Supporting the Food Processing Industry

During the year, the department worked closely with representatives of the New Jersey Food Processors Association and the New Jersey Department of Environmental Protection on a variety of issues involving state and federal policies affecting the Garden State's food processing industry. Issues included the use of freon and hexane; investigation of odor complaints involving agribusinesses; water and air pollution; water conservation; industrial water use and concentration levels in industrial water discharges. The department will continue to seek better, more streamlined ways to address these and other challenges facing this important agricultural industry.

STATE FFA ORGANIZATION

The mission of FFA is to develop leadership and encourage personal growth and career success through agricultural education in public high schools. The agricultural education/FFA program has three components that provide a well rounded, practical approach to learning and help schools meet the state's core curriculum content standards. FFA members enrolled in secondary school agricultural courses study topics such as plant and animal sciences, horticulture, agri-marketing and natural resources. Students then apply knowledge and skills learned in the classroom to a supervised agricultural experience at home or at work. FFA, the third component, provides local, state and national opportunities in career and leadership development events. FFA connects the classroom to the workplace by providing incentive awards and scholarships for excellence.

During the year, the department's FFA office coordinated and expanded teacher in-service workshops and provided leadership to agricultural education teachers. In FY97 NJDA also began working on the national initiative to "Reinvent Agricultural Education for the Year 2020" sponsored by the W. K. Kellogg Foundation. The multi-year process empowers state and local educators and agribusiness leaders to create a new vision of the preferred future for instructional programs in agricultural education.

FFA in New Jersey and in our nation continues to grow. This year State FFA officers marked FFA Week in February by chartering two new FFA chapters at Hunterdon County Polytech, one at the Voorhees Campus and the other at the Central Campus. Hunterdon Polytech is the new vocational school district for Hunterdon County and features an agricultural education program at both sites. The State FFA Organization now boasts 1,800 members in 36 chapters in New Jersey as part of the 449,500 members in 7,200 chapters across the nation.

NEW JERSEY AGRICULTURAL STATISTICS

The New Jersey Agricultural Statistics Service (NJASS) provides basic statistical data on agricultural production in New Jersey and across the nation. This information is used to make management decisions and to formulate plans and policies. This service is a joint effort of the state and federal

departments of agriculture.

This year, approximately 160 statistical surveys were conducted to provide the basis for official estimates of crops, livestock, poultry, dairy, commodity prices, labor and related agricultural information. NJASS responded to over 2,700 requests for information from citizens, farmers, government, media, educators, students and others interested in an accurate picture of New Jersey agriculture. NJASS determined that this year the state's 9,400 farms covered 830,000 acres of land and brought in cash receipts totaling $801 million. The average per acre value of New Jersey farmland was $8,172, the highest average value in the nation.

The nursery, greenhouse and sod industry remained the leading commodity group in New Jersey agriculture with cash receipts of $257 million. Cash receipts for vegetables totaled $177 million, followed by equine at $108 million and fruit at $102 million. Field crops brought in nearly $69 million while cash receipts for the state's dairy industry were $45 million and poultry and eggs brought in $31 million.

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FISH AND SEAFOOD DEVELOPMENT

New Jersey is one of the leading commercial fishing states in the nation, ranking ninth in the value of seafood harvested. Last year, New Jersey fishermen brought in over 177 million pounds of shellfish and finfish valued at almost $96 million while New Jersey fish farms generated sales of just under $5 million. New Jersey's commercial fish and seafood industry accounts for nearly 22,000 direct and indirect jobs in the state's economy.

Fish and Seafood Exports and Domestic Marketing

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Aquaculture

With consumer demand for fish and seafood expected to nearly double in the next 30 years and wild harvest already at maximum sustainable yield, raising finfish and shellfish under controlled conditions is the only way to meet future consumer demand. This year's passage of the New Jersey Aquaculture Act will enable NJDA to begin implementation of the New Jersey Aquaculture Development Plan and encourage the state's fledgling aquaculture industry. As the agency responsible for oversight of the aquaculture industry, NJDA will address many critical issues in the years ahead, including water supply and quality, siting, use and control of near-shore land, licensing and regulations, predator control, waste discharge, financing, technology and marketing.

Through a partnership involving NJDA, the Delaware River and Bay Authority, PSE&G, Rutgers University and Cumberland County College, an Aquaculture Technology Transfer Center was established this year with administrative offices in Cape May. The Aquaculture Training and Information Center at Cumberland County College in Vineland will serve as the primary academic site for aquaculture education, extension services, demonstration projects and research. A Multispecies Aquaculture Demonstration Facility to be located in Cape May is in design.

RURAL DEVELOPMENT

Throughout the year, the farm community turned to the department for technical assistance and information about farmland assessment issues, financing to support new or expanded agricultural enterprises, and other farm management challenges. Through its rural development programs, the department provided a host of services aimed at resolving these and other regulatory, taxation and financing problems.

Updating Standards and Regulations

NJDA worked with the New Jersey Department of Community Affairs to improve the Commercial Farm Building Code. Under the amended code, farmers were granted the option of installing electricity in farm buildings and are no longer required to install special emergency exit lighting if the farm structure is not used for temporary assembly. As a result of these and other changes, farmers accomplished $6 million worth of farm building construction while saving an estimated $200,000 in unnecessary construction costs.

The department also began working with the New Jersey Department of Treasury's Division of Taxation to update the Real Property Appraisal Manual as it pertains to farm buildings. During the coming year, the Division of Taxation will solicit information from agricultural contractors and develop revised cost data and a depreciation schedule specifically for farm buildings for use by local tax assessors. Recycling Greenhouse Plastic

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Recyclable plastic was taken to one of three locations in Burlington, Cumberland or Monmouth Counties. There, at no cost to growers, the plastic was baled and held for pick-up by recycling companies in North America and elsewhere which turn the plastic into products such as nursery containers, trash bags or construction film.

The project was an unqualified success. Final tabulations revealed that 449,380 pounds -- almost 45 percent -- of the greenhouse and nursery plastic film used in the state were recycled during the trial

period. That's the equivalent of over 460 acres or 21 million square feet of plastic. The broad scope of the Garden State's effort made this demonstration project the first of its kind in the nation with a recycling rate that far surpasses any other four-month film recycling effort. Program guidelines are being reviewed and revised in order to increase grower participation in FY98.

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As a result of a joint effort between NJDA and the Board of Public Utilities (BPU) to revitalize the state's Business Energy Improvement Program, BPU distributed 76 matching grants worth $813,000. Individual farmers could apply for matching grants of up to $20,000. The grants, which financed energy conservation improvements on farms around the state, came from the Stripper Well Fund, money collected from oil companies for over-charges which must be used to invest in energy conservation measures such as renovations, equipment replacement and energy conservation and demonstration projects.

Supporting the Food Processing Industry

During the year, the department worked closely with representatives of the New Jersey Food Processors Association and the New Jersey Department of Environmental Protection on a variety of issues involving state and federal policies affecting the Garden State's food processing industry. Issues included the use of freon and hexane; investigation of odor complaints involving agribusinesses; water and air pollution; water conservation; industrial water use and concentration levels in industrial water discharges. The department will continue to seek better, more streamlined ways to address these and other challenges facing this important agricultural industry.

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The mission of FFA is to develop leadership and encourage personal growth and career success through agricultural education in public high schools. The agricultural education/FFA program has three components that provide a well rounded, practical approach to learning and help schools meet the state's core curriculum content standards. FFA members enrolled in secondary school agricultural courses study topics such as plant and animal sciences, horticulture, agri-marketing and natural resources. Students then apply knowledge and skills learned in the classroom to a supervised agricultural experience at home or at work. FFA, the third component, provides local, state and national opportunities in career and leadership development events. FFA connects the classroom to the workplace by providing incentive awards and scholarships for excellence.

During the year, the department's FFA office coordinated and expanded teacher in-service workshops and provided leadership to agricultural education teachers. In FY97 NJDA also began working on the national initiative to "Reinvent Agricultural Education for the Year 2020" sponsored by the W. K. Kellogg Foundation. The multi-year process empowers state and local educators and agribusiness leaders to create a new vision of the preferred future for instructional programs in agricultural education.

FFA in New Jersey and in our nation continues to grow. This year State FFA officers marked FFA Week in February by chartering two new FFA chapters at Hunterdon County Polytech, one at the Voorhees Campus and the other at the Central Campus. Hunterdon Polytech is the new vocational school district for Hunterdon County and features an agricultural education program at both sites. The State FFA Organization now boasts 1,800 members in 36 chapters in New Jersey as part of the 449,500 members in 7,200 chapters across the nation.

NEW JERSEY AGRICULTURAL STATISTICS

The New Jersey Agricultural Statistics Service (NJASS) provides basic statistical data on agricultural production in New Jersey and across the nation. This information is used to make management decisions and to formulate plans and policies. This service is a joint effort of the state and federal

departments of agriculture.

This year, approximately 160 statistical surveys were conducted to provide the basis for official estimates of crops, livestock, poultry, dairy, commodity prices, labor and related agricultural information. NJASS responded to over 2,700 requests for information from citizens, farmers, government, media, educators, students and others interested in an accurate picture of New Jersey agriculture. NJASS determined that this year the state's 9,400 farms covered 830,000 acres of land and brought in cash receipts totaling $801 million. The average per acre value of New Jersey farmland was $8,172, the highest average value in the nation.

The nursery, greenhouse and sod industry remained the leading commodity group in New Jersey agriculture with cash receipts of $257 million. Cash receipts for vegetables totaled $177 million, followed by equine at $108 million and fruit at $102 million. Field crops brought in nearly $69 million while cash receipts for the state's dairy industry were $45 million and poultry and eggs brought in $31 million.

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OFFICE OF GRANTS MANAGEMENT

FY97 was the fourth year of agricultural development grants initiated under the Agriculture Economic Recovery and Development Initiative (AERDI), a program of economic and management training efforts aimed at making New Jersey farms more profitable.

Including the FY97 appropriation of $3.509 million, the farm production efficiency grant and the agricultural business incentive grant programs have pumped more than $19.5 million into New Jersey's agricultural economy. Combined with matching dollars from grantees, the two programs have resulted in the investment of almost $47 million in agriculture's infrastructure since FY93.

This year, 651 farm production efficiency matching grants to eligible farmers amounting to $3.355 million were awarded to eligible farmers. These grants funded more than 800 projects valued at over $9 million. Typical projects included purchases of energy-efficient or technologically-advanced farm machinery; repairs to existing farm buildings and construction of new ones; installation of packing equipment; implementation of soil and water conservation improvements; and measures related to regulatory compliance.

NJDA adopted a different approach to the distribution of agricultural business incentive grants in FY97 in order to maximize the benefit of limited grant funds. NJDA targeted industry-based business development initiatives with a statewide economic impact. A total of $154,000 was awarded to eight organizations. Funded projects included the establishment of an integrated farm management program for dairy farmers, an agri-tourism demonstration project, the establishment of an integrated pest management certification program for blueberry growers, the creation of a wildlife damage control manual for statewide distribution and an oyster management demonstration project. Each of these projects was expected to yield significant results for the industry as a whole or for a major sector of it.

NJDA continued to monitor the economic investment opportunity loan program, co-sponsored with the Casino Reinvestment Development Authority. This $3 million low-interest loan program is available to

farmers located in the nine southern New Jersey counties and has been a source of low cost capital for agricultural development.

Another integral part of the AERDI program was the farm management training developed for the department by Rutgers, the State University. Attended by all farm production efficiency grant recipients, as well as by farmers not involved in the grant program, the courses covered a variety of subjects of importance to the growers, their families and the agriculture industry.

NATURAL RESOURCES CONSERVATION

The State Soil Conservation Committee (SSCC) is responsible for coordinating the conservation and development of soil, water and related natural resources in New Jersey. This is achieved through a partnership which includes the 16 soil conservation districts (SCDs), the USDA Natural Resources Conservation Service (NRCS) and Rutgers Cooperative Extension Service (RCES).

The SSCC establishes statewide policy and provides technical assistance and training, creates technical and administrative standards, coordinates non-point pollution control and agricultural cost-sharing programs, and works to assure accountability of local SCDs. The SSCC also reviews and enforces soil and water management practices on construction, mining and other land disturbance activities associated with development in order to protect water quality and avoid damage from storm water runoff.

Soil Erosion and Sediment Control Act

In keeping with Governor Whitman's Strategy to Advance Regulatory Reform, an effort to streamline and simplify regulatory requirements at the state level, the SSCC initiated a program to review the Standards for Soil Erosion and Sediment Control in New Jersey, the technical rules for certification of erosion control and storm water management plans for development activities. The review was accomplished with assistance from a broad group of stakeholders, including engineering consultants and builders. Several revisions and new standards were developed, including standards for vegetated filter strips and for bio-engineering materials used to stabilize and rebuild eroding stream banks. In addition, 42 new storm water treatment standards, reflecting the current science for erosion control and water quality, were developed to improve the quality of water discharged from a land disturbance site.

The SSCC continued to work with the New Jersey Department of Environmental Protection (NJDEP) to streamline programs relating to erosion controls on land being developed, promote regulatory reform and expedite regulatory permits and approvals for land development projects. During the year more than 3,500 construction and related land development projects which disturbed over 21,500 acres of land were certified by local SCDs for compliance with state standards for soil erosion and sediment control promulgated by the SSCC. Under a cooperative program with the New Jersey Pollution Discharge Elimination System, storm water discharge was authorized for more than 570 construction and mining projects which disturbed more than five acres.

To assure compliance with the requirements of these programs, more than 66,000 site inspections were performed by local district personnel. Municipal approval for occupancy was conditioned upon district certification of permanent soil erosion and sediment controls.

The department performed a detailed evaluation of the 28 municipalities which independently implement state-approved soil erosion control ordinances to insure that appropriate controls were applied to construction projects. Two municipal programs were transferred to local SCDs for implementation.

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RURAL DEVELOPMENT

Throughout the year, the farm community turned to the department for technical assistance and information about farmland assessment issues, financing to support new or expanded agricultural enterprises, and other farm management challenges. Through its rural development programs, the department provided a host of services aimed at resolving these and other regulatory, taxation and financing problems.

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NJDA worked with the New Jersey Department of Community Affairs to improve the Commercial Farm Building Code. Under the amended code, farmers were granted the option of installing electricity in farm buildings and are no longer required to install special emergency exit lighting if the farm structure is not used for temporary assembly. As a result of these and other changes, farmers accomplished $6 million worth of farm building construction while saving an estimated $200,000 in unnecessary construction costs.

The department also began working with the New Jersey Department of Treasury's Division of Taxation to update the Real Property Appraisal Manual as it pertains to farm buildings. During the coming year, the Division of Taxation will solicit information from agricultural contractors and develop revised cost data and a depreciation schedule specifically for farm buildings for use by local tax assessors. Recycling Greenhouse Plastic

In FY97, NJDA undertook a four-month pilot project to benefit the state's nursery and greenhouse industry, the largest segment of agriculture in New Jersey. The industry generates about one million pounds of greenhouse and nursery film annually that cannot be burned or buried but must be landfilled at tipping fees ranging from $55 to $120 per ton. In an effort to find a better way to dispose of clean plastic film, one that would improve the environment, save money for growers and ultimately create new jobs to boost the state's economy, the department worked closely with AT Plastics, Toronto, Canada; the New Jersey Nursery and Landscape Association; the Burlington County Office of Solid Waste; the Cumberland County Improvement Authority; Monmouth County; Rutgers Cooperative Extension; and the New Jersey Department of Environmental Protection.

Recyclable plastic was taken to one of three locations in Burlington, Cumberland or Monmouth Counties. There, at no cost to growers, the plastic was baled and held for pick-up by recycling companies in North America and elsewhere which turn the plastic into products such as nursery containers, trash bags or construction film.

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period. That's the equivalent of over 460 acres or 21 million square feet of plastic. The broad scope of the Garden State's effort made this demonstration project the first of its kind in the nation with a recycling rate that far surpasses any other four-month film recycling effort. Program guidelines are being reviewed and revised in order to increase grower participation in FY98.

Saving Energy on the Farm

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Supporting the Food Processing Industry

During the year, the department worked closely with representatives of the New Jersey Food Processors Association and the New Jersey Department of Environmental Protection on a variety of issues involving state and federal policies affecting the Garden State's food processing industry. Issues included the use of freon and hexane; investigation of odor complaints involving agribusinesses; water and air pollution; water conservation; industrial water use and concentration levels in industrial water discharges. The department will continue to seek better, more streamlined ways to address these and other challenges facing this important agricultural industry.

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FFA in New Jersey and in our nation continues to grow. This year State FFA officers marked FFA Week in February by chartering two new FFA chapters at Hunterdon County Polytech, one at the Voorhees Campus and the other at the Central Campus. Hunterdon Polytech is the new vocational school district for Hunterdon County and features an agricultural education program at both sites. The State FFA Organization now boasts 1,800 members in 36 chapters in New Jersey as part of the 449,500 members in 7,200 chapters across the nation.

NEW JERSEY AGRICULTURAL STATISTICS

The New Jersey Agricultural Statistics Service (NJASS) provides basic statistical data on agricultural production in New Jersey and across the nation. This information is used to make management decisions and to formulate plans and policies. This service is a joint effort of the state and federal

departments of agriculture.

This year, approximately 160 statistical surveys were conducted to provide the basis for official estimates of crops, livestock, poultry, dairy, commodity prices, labor and related agricultural information. NJASS responded to over 2,700 requests for information from citizens, farmers, government, media, educators, students and others interested in an accurate picture of New Jersey agriculture. NJASS determined that this year the state's 9,400 farms covered 830,000 acres of land and brought in cash receipts totaling $801 million. The average per acre value of New Jersey farmland was $8,172, the highest average value in the nation.

The nursery, greenhouse and sod industry remained the leading commodity group in New Jersey agriculture with cash receipts of $257 million. Cash receipts for vegetables totaled $177 million, followed by equine at $108 million and fruit at $102 million. Field crops brought in nearly $69 million while cash receipts for the state's dairy industry were $45 million and poultry and eggs brought in $31 million.

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OFFICE OF GRANTS MANAGEMENT

FY97 was the fourth year of agricultural development grants initiated under the Agriculture Economic Recovery and Development Initiative (AERDI), a program of economic and management training efforts aimed at making New Jersey farms more profitable.

Including the FY97 appropriation of $3.509 million, the farm production efficiency grant and the agricultural business incentive grant programs have pumped more than $19.5 million into New Jersey's agricultural economy. Combined with matching dollars from grantees, the two programs have resulted in the investment of almost $47 million in agriculture's infrastructure since FY93.

This year, 651 farm production efficiency matching grants to eligible farmers amounting to $3.355 million were awarded to eligible farmers. These grants funded more than 800 projects valued at over $9 million. Typical projects included purchases of energy-efficient or technologically-advanced farm machinery; repairs to existing farm buildings and construction of new ones; installation of packing equipment; implementation of soil and water conservation improvements; and measures related to regulatory compliance.

NJDA adopted a different approach to the distribution of agricultural business incentive grants in FY97 in order to maximize the benefit of limited grant funds. NJDA targeted industry-based business development initiatives with a statewide economic impact. A total of $154,000 was awarded to eight organizations. Funded projects included the establishment of an integrated farm management program for dairy farmers, an agri-tourism demonstration project, the establishment of an integrated pest management certification program for blueberry growers, the creation of a wildlife damage control manual for statewide distribution and an oyster management demonstration project. Each of these projects was expected to yield significant results for the industry as a whole or for a major sector of it.

NJDA continued to monitor the economic investment opportunity loan program, co-sponsored with the Casino Reinvestment Development Authority. This $3 million low-interest loan program is available to

farmers located in the nine southern New Jersey counties and has been a source of low cost capital for agricultural development.

Another integral part of the AERDI program was the farm management training developed for the department by Rutgers, the State University. Attended by all farm production efficiency grant recipients, as well as by farmers not involved in the grant program, the courses covered a variety of subjects of importance to the growers, their families and the agriculture industry.

NATURAL RESOURCES CONSERVATION

The State Soil Conservation Committee (SSCC) is responsible for coordinating the conservation and development of soil, water and related natural resources in New Jersey. This is achieved through a partnership which includes the 16 soil conservation districts (SCDs), the USDA Natural Resources Conservation Service (NRCS) and Rutgers Cooperative Extension Service (RCES).

The SSCC establishes statewide policy and provides technical assistance and training, creates technical and administrative standards, coordinates non-point pollution control and agricultural cost-sharing programs, and works to assure accountability of local SCDs. The SSCC also reviews and enforces soil and water management practices on construction, mining and other land disturbance activities associated with development in order to protect water quality and avoid damage from storm water runoff.

Soil Erosion and Sediment Control Act

In keeping with Governor Whitman's Strategy to Advance Regulatory Reform, an effort to streamline and simplify regulatory requirements at the state level, the SSCC initiated a program to review the Standards for Soil Erosion and Sediment Control in New Jersey, the technical rules for certification of erosion control and storm water management plans for development activities. The review was accomplished with assistance from a broad group of stakeholders, including engineering consultants and builders. Several revisions and new standards were developed, including standards for vegetated filter strips and for bio-engineering materials used to stabilize and rebuild eroding stream banks. In addition, 42 new storm water treatment standards, reflecting the current science for erosion control and water quality, were developed to improve the quality of water discharged from a land disturbance site.

The SSCC continued to work with the New Jersey Department of Environmental Protection (NJDEP) to streamline programs relating to erosion controls on land being developed, promote regulatory reform and expedite regulatory permits and approvals for land development projects. During the year more than 3,500 construction and related land development projects which disturbed over 21,500 acres of land were certified by local SCDs for compliance with state standards for soil erosion and sediment control promulgated by the SSCC. Under a cooperative program with the New Jersey Pollution Discharge Elimination System, storm water discharge was authorized for more than 570 construction and mining projects which disturbed more than five acres.

To assure compliance with the requirements of these programs, more than 66,000 site inspections were performed by local district personnel. Municipal approval for occupancy was conditioned upon district certification of permanent soil erosion and sediment controls.

The department performed a detailed evaluation of the 28 municipalities which independently implement state-approved soil erosion control ordinances to insure that appropriate controls were applied to construction projects. Two municipal programs were transferred to local SCDs for implementation.

Conservation Assistance to Agriculture

To comply with requirements of the 1992 amendments to the Coastal Zone Management Act, NJDA

work closely with NJDEP to incorporate non- point source pollution control measures for agricultural and construction-related land disturbances into the proposed state pollution control plan. The key to the NJDA-proposed measures is voluntary use by farmers of SCD-approved conservation. The SSCC and local SCDs would work with landowners to establish conservation plans to maintain water quality under the State Pollution Control Plan, if it is adopted without amendments.

In cooperation with the NRCS, conservation plans were developed for 26,628 acres of farmland. Land treatment practices installed on nearly 8,500 acres prevented the loss of 120,000 tons of productive soil. In addition, conservation tillage techniques were used on almost 46,500 acres of farmland to reduce soil loss from wind and water erosion to lowest practical levels.

During the second phase of a non-point source pollution control project funded by the U.S. Environmental Protection Agency, non-point source pollution control plans were implemented on 28 farms covering more than 7,000 acres of cropland in the Musconetcong Watershed. The projects included integrated crop management and nutrient management plans which cut fertilizer usage by nearly 50 percent on fields and by about 33 percent on tree fruit farms.

Interagency Conservation Agreement

In late fall, Governor Christine Todd Whitman signed a revised and expanded mutual conservation program agreement between the USDA, the State of New Jersey and the 16 local SCDs. The agreement recognizes the role of state government in supporting conservation programs on private lands in New Jersey and formalizes the commitment of the signatories to provide conservation assistance to all landowners in the state. The agreement supersedes a previous bilateral agreement between the USDA and local districts that dated back to the 1940s.

FISH AND SEAFOOD DEVELOPMENT

New Jersey is one of the leading commercial fishing states in the nation, ranking ninth in the value of seafood harvested. Last year, New Jersey fishermen brought in over 177 million pounds of shellfish and finfish valued at almost $96 million while New Jersey fish farms generated sales of just under $5 million. New Jersey's commercial fish and seafood industry accounts for nearly 22,000 direct and indirect jobs in the state's economy.

Fish and Seafood Exports and Domestic Marketing

Efforts to expand the export of New Jersey's seafood harvest focused on the Asian Pacific Economic Community and the People's Republic of China (PRC). This year New Jersey's fishing industry was represented at the Asian International Seafood Show in Hong Kong, an important gateway to the PRC, with promotional materials provided in both Chinese and Japanese.

Other strategies to maintain and expand markets included an updated New Jersey Seafood Wholesalers Directory.

Here at home NJDA was instrumental in the formation of the New Jersey Fish & Seafood Marketing Coalition, a public-private sector group that developed a variety of generic promotional materials and events benefitting the entire industry. With the Coalition, NJDA co- sponsored a radio advertising campaign aimed at shore-goers. The ad offered a toll free number through which consumers could receive a free seafood cookbooklet that generated nearly 4,000 requests. In addition, NJDA and the Coalition produced a brochure listing seafood festivals throughout the state which was available at tourist information centers and retail stores or through the mail. The New Jersey Maritime Heritage Cookbooklet was distributed at seafood events throughout the region.

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The nursery, greenhouse and sod industry remained the leading commodity group in New Jersey agriculture with cash receipts of $257 million. Cash receipts for vegetables totaled $177 million, followed by equine at $108 million and fruit at $102 million. Field crops brought in nearly $69 million while cash receipts for the state's dairy industry were $45 million and poultry and eggs brought in $31 million.

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OFFICE OF GRANTS MANAGEMENT

FY97 was the fourth year of agricultural development grants initiated under the Agriculture Economic Recovery and Development Initiative (AERDI), a program of economic and management training efforts aimed at making New Jersey farms more profitable.

Including the FY97 appropriation of $3.509 million, the farm production efficiency grant and the agricultural business incentive grant programs have pumped more than $19.5 million into New Jersey's agricultural economy. Combined with matching dollars from grantees, the two programs have resulted in the investment of almost $47 million in agriculture's infrastructure since FY93.

This year, 651 farm production efficiency matching grants to eligible farmers amounting to $3.355 million were awarded to eligible farmers. These grants funded more than 800 projects valued at over $9 million. Typical projects included purchases of energy-efficient or technologically-advanced farm machinery; repairs to existing farm buildings and construction of new ones; installation of packing equipment; implementation of soil and water conservation improvements; and measures related to regulatory compliance.

NJDA adopted a different approach to the distribution of agricultural business incentive grants in FY97 in order to maximize the benefit of limited grant funds. NJDA targeted industry-based business development initiatives with a statewide economic impact. A total of $154,000 was awarded to eight organizations. Funded projects included the establishment of an integrated farm management program for dairy farmers, an agri-tourism demonstration project, the establishment of an integrated pest management certification program for blueberry growers, the creation of a wildlife damage control manual for statewide distribution and an oyster management demonstration project. Each of these projects was expected to yield significant results for the industry as a whole or for a major sector of it.

NJDA continued to monitor the economic investment opportunity loan program, co-sponsored with the Casino Reinvestment Development Authority. This $3 million low-interest loan program is available to

farmers located in the nine southern New Jersey counties and has been a source of low cost capital for agricultural development.

Another integral part of the AERDI program was the farm management training developed for the department by Rutgers, the State University. Attended by all farm production efficiency grant recipients, as well as by farmers not involved in the grant program, the courses covered a variety of subjects of importance to the growers, their families and the agriculture industry.

NATURAL RESOURCES CONSERVATION

The State Soil Conservation Committee (SSCC) is responsible for coordinating the conservation and development of soil, water and related natural resources in New Jersey. This is achieved through a partnership which includes the 16 soil conservation districts (SCDs), the USDA Natural Resources Conservation Service (NRCS) and Rutgers Cooperative Extension Service (RCES).

The SSCC establishes statewide policy and provides technical assistance and training, creates technical and administrative standards, coordinates non-point pollution control and agricultural cost-sharing programs, and works to assure accountability of local SCDs. The SSCC also reviews and enforces soil and water management practices on construction, mining and other land disturbance activities associated with development in order to protect water quality and avoid damage from storm water runoff.

Soil Erosion and Sediment Control Act

In keeping with Governor Whitman's Strategy to Advance Regulatory Reform, an effort to streamline and simplify regulatory requirements at the state level, the SSCC initiated a program to review the Standards for Soil Erosion and Sediment Control in New Jersey, the technical rules for certification of erosion control and storm water management plans for development activities. The review was accomplished with assistance from a broad group of stakeholders, including engineering consultants and builders. Several revisions and new standards were developed, including standards for vegetated filter strips and for bio-engineering materials used to stabilize and rebuild eroding stream banks. In addition, 42 new storm water treatment standards, reflecting the current science for erosion control and water quality, were developed to improve the quality of water discharged from a land disturbance site.

The SSCC continued to work with the New Jersey Department of Environmental Protection (NJDEP) to streamline programs relating to erosion controls on land being developed, promote regulatory reform and expedite regulatory permits and approvals for land development projects. During the year more than 3,500 construction and related land development projects which disturbed over 21,500 acres of land were certified by local SCDs for compliance with state standards for soil erosion and sediment control promulgated by the SSCC. Under a cooperative program with the New Jersey Pollution Discharge Elimination System, storm water discharge was authorized for more than 570 construction and mining projects which disturbed more than five acres.

To assure compliance with the requirements of these programs, more than 66,000 site inspections were performed by local district personnel. Municipal approval for occupancy was conditioned upon district certification of permanent soil erosion and sediment controls.

The department performed a detailed evaluation of the 28 municipalities which independently implement state-approved soil erosion control ordinances to insure that appropriate controls were applied to construction projects. Two municipal programs were transferred to local SCDs for implementation.

Conservation Assistance to Agriculture

To comply with requirements of the 1992 amendments to the Coastal Zone Management Act, NJDA

work closely with NJDEP to incorporate non- point source pollution control measures for agricultural and construction-related land disturbances into the proposed state pollution control plan. The key to the NJDA-proposed measures is voluntary use by farmers of SCD-approved conservation. The SSCC and local SCDs would work with landowners to establish conservation plans to maintain water quality under the State Pollution Control Plan, if it is adopted without amendments.

In cooperation with the NRCS, conservation plans were developed for 26,628 acres of farmland. Land treatment practices installed on nearly 8,500 acres prevented the loss of 120,000 tons of productive soil. In addition, conservation tillage techniques were used on almost 46,500 acres of farmland to reduce soil loss from wind and water erosion to lowest practical levels.

During the second phase of a non-point source pollution control project funded by the U.S. Environmental Protection Agency, non-point source pollution control plans were implemented on 28 farms covering more than 7,000 acres of cropland in the Musconetcong Watershed. The projects included integrated crop management and nutrient management plans which cut fertilizer usage by nearly 50 percent on fields and by about 33 percent on tree fruit farms.

Interagency Conservation Agreement

In late fall, Governor Christine Todd Whitman signed a revised and expanded mutual conservation program agreement between the USDA, the State of New Jersey and the 16 local SCDs. The agreement recognizes the role of state government in supporting conservation programs on private lands in New Jersey and formalizes the commitment of the signatories to provide conservation assistance to all landowners in the state. The agreement supersedes a previous bilateral agreement between the USDA and local districts that dated back to the 1940s.

FISH AND SEAFOOD DEVELOPMENT

New Jersey is one of the leading commercial fishing states in the nation, ranking ninth in the value of seafood harvested. Last year, New Jersey fishermen brought in over 177 million pounds of shellfish and finfish valued at almost $96 million while New Jersey fish farms generated sales of just under $5 million. New Jersey's commercial fish and seafood industry accounts for nearly 22,000 direct and indirect jobs in the state's economy.

Fish and Seafood Exports and Domestic Marketing

Efforts to expand the export of New Jersey's seafood harvest focused on the Asian Pacific Economic Community and the People's Republic of China (PRC). This year New Jersey's fishing industry was represented at the Asian International Seafood Show in Hong Kong, an important gateway to the PRC, with promotional materials provided in both Chinese and Japanese.

Other strategies to maintain and expand markets included an updated New Jersey Seafood Wholesalers Directory.

Here at home NJDA was instrumental in the formation of the New Jersey Fish & Seafood Marketing Coalition, a public-private sector group that developed a variety of generic promotional materials and events benefitting the entire industry. With the Coalition, NJDA co- sponsored a radio advertising campaign aimed at shore-goers. The ad offered a toll free number through which consumers could receive a free seafood cookbooklet that generated nearly 4,000 requests. In addition, NJDA and the Coalition produced a brochure listing seafood festivals throughout the state which was available at tourist information centers and retail stores or through the mail. The New Jersey Maritime Heritage Cookbooklet was distributed at seafood events throughout the region.

Aquaculture

With consumer demand for fish and seafood expected to nearly double in the next 30 years and wild harvest already at maximum sustainable yield, raising finfish and shellfish under controlled conditions is the only way to meet future consumer demand. This year's passage of the New Jersey Aquaculture Act will enable NJDA to begin implementation of the New Jersey Aquaculture Development Plan and encourage the state's fledgling aquaculture industry. As the agency responsible for oversight of the aquaculture industry, NJDA will address many critical issues in the years ahead, including water supply and quality, siting, use and control of near-shore land, licensing and regulations, predator control, waste discharge, financing, technology and marketing.

Through a partnership involving NJDA, the Delaware River and Bay Authority, PSE&G, Rutgers University and Cumberland County College, an Aquaculture Technology Transfer Center was established this year with administrative offices in Cape May. The Aquaculture Training and Information Center at Cumberland County College in Vineland will serve as the primary academic site for aquaculture education, extension services, demonstration projects and research. A Multispecies Aquaculture Demonstration Facility to be located in Cape May is in design.

RURAL DEVELOPMENT

Throughout the year, the farm community turned to the department for technical assistance and information about farmland assessment issues, financing to support new or expanded agricultural enterprises, and other farm management challenges. Through its rural development programs, the department provided a host of services aimed at resolving these and other regulatory, taxation and financing problems.

Updating Standards and Regulations

NJDA worked with the New Jersey Department of Community Affairs to improve the Commercial Farm Building Code. Under the amended code, farmers were granted the option of installing electricity in farm buildings and are no longer required to install special emergency exit lighting if the farm structure is not used for temporary assembly. As a result of these and other changes, farmers accomplished $6 million worth of farm building construction while saving an estimated $200,000 in unnecessary construction costs.

The department also began working with the New Jersey Department of Treasury's Division of Taxation to update the Real Property Appraisal Manual as it pertains to farm buildings. During the coming year, the Division of Taxation will solicit information from agricultural contractors and develop revised cost data and a depreciation schedule specifically for farm buildings for use by local tax assessors. Recycling Greenhouse Plastic

In FY97, NJDA undertook a four-month pilot project to benefit the state's nursery and greenhouse industry, the largest segment of agriculture in New Jersey. The industry generates about one million pounds of greenhouse and nursery film annually that cannot be burned or buried but must be landfilled at tipping fees ranging from $55 to $120 per ton. In an effort to find a better way to dispose of clean plastic film, one that would improve the environment, save money for growers and ultimately create new jobs to boost the state's economy, the department worked closely with AT Plastics, Toronto, Canada; the New Jersey Nursery and Landscape Association; the Burlington County Office of Solid Waste; the Cumberland County Improvement Authority; Monmouth County; Rutgers Cooperative Extension; and the New Jersey Department of Environmental Protection.

Recyclable plastic was taken to one of three locations in Burlington, Cumberland or Monmouth Counties. There, at no cost to growers, the plastic was baled and held for pick-up by recycling companies in North America and elsewhere which turn the plastic into products such as nursery containers, trash bags or construction film.

The project was an unqualified success. Final tabulations revealed that 449,380 pounds -- almost 45 percent -- of the greenhouse and nursery plastic film used in the state were recycled during the trial

period. That's the equivalent of over 460 acres or 21 million square feet of plastic. The broad scope of the Garden State's effort made this demonstration project the first of its kind in the nation with a recycling rate that far surpasses any other four-month film recycling effort. Program guidelines are being reviewed and revised in order to increase grower participation in FY98.

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This year, approximately 160 statistical surveys were conducted to provide the basis for official estimates of crops, livestock, poultry, dairy, commodity prices, labor and related agricultural information. NJASS responded to over 2,700 requests for information from citizens, farmers, government, media, educators, students and others interested in an accurate picture of New Jersey agriculture. NJASS determined that this year the state's 9,400 farms covered 830,000 acres of land and brought in cash receipts totaling $801 million. The average per acre value of New Jersey farmland was $8,172, the highest average value in the nation.

The nursery, greenhouse and sod industry remained the leading commodity group in New Jersey agriculture with cash receipts of $257 million. Cash receipts for vegetables totaled $177 million, followed by equine at $108 million and fruit at $102 million. Field crops brought in nearly $69 million while cash receipts for the state's dairy industry were $45 million and poultry and eggs brought in $31 million.

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Funding administered by the SADC is used to provide grants for up to 80 percent of the cost of acquisition of development easements on farmland, to acquire fee simple titles to farms which are sold to private ownership with agricultural deed restrictions, and to provide grants to landowners for up to 50 percent of the cost of certain long- range soil and water conservation projects.

All of the farmland preservation programs administered by the SADC are voluntary. Although the specifics of the programs vary, each protects farmland by imposing deed restrictions which prohibit non- agricultural development. The terms of those restrictions can be either permanent or for eight years.

Under the eight-year program, landowners voluntarily place development restrictions on their farmland for a period of eight years. In exchange, participating landowners, while not directly compensated for the temporary restriction, become eligible for cost- sharing grants for soil and water conservation projects. In addition, their farming operations are protected from nuisance complaints under the right-to-farm law, from fuel and water rationing in times of emergency and are less susceptible to eminent domain takings. The eight-year farmland program included over 19,500 acres on 251 farms at the end of FY97.

Landowners who permanently deed-restrict their farms against future non-agricultural development are compensated for the development value of the farmland and enjoy the same benefits that accrue to participants in the eight-year program. Future owners of those permanently preserved farms must comply with all deed restrictions as well.

Through SADC grants to counties for the purchase of development rights, SADC fee simple purchases and donations of easements, 53 farms covering 8,184 acres were permanently preserved during FY97 at a total cost of just over $25 million. This is the most acreage and greatest number of farms preserved in a single year in the 14-year history of the Farmland Preservation Program. Both the amount of acreage and the number of farms brought into the program in FY97 exceeded the combined totals of the previous two years. Acquisitions completed in FY97 raised program totals to 250 farms on 37,198 acres. During FY97, an additional 56 farms covering approximately 7,350 acres in 14 counties were approved for development easement acquisition. When these purchases are

completed, the amount of protected farmland will total more than 53,000 acres on just over 350 farms.

Under the Farmland Preservation Program (FPP), the majority of the development rights are acquired directly by the counties using SADC cost-sharing grants that cover from 60 to 80 percent of the purchase price. In FY97, the SADC provided an average of 68 percent of the purchase cost for development easements for a total of just over $17 million. The remaining funding was contributed by the counties and, in some cases, municipalities.

In certain cases, the SADC may purchase farms directly -- "in fee simple" -- for resale at public auction with permanent deed restrictions. During FY97, the SADC purchased three farms totaling 702 acres in this fashion and auctioned them to new owners. The SADC arranged two additional purchases in fee simple of farms covering almost 400 acres with final closings for purchase and resale slated for FY98.

This year the SADC marked its first donation of development easements on unrestricted farmland. Development easements on the 47-acre horse farm in Hunterdon County were valued at approximately $340,000.

Another easement donation on 588 acres came to Mercer County from the Institute for Advanced Study in Princeton Township. Through the combined efforts of the Institute, the county, the township, the New Jersey Department of Environmental Protection, the Delaware and Raritan Greenway and the SADC, a variety of wetlands, open space, farmland and forested areas will be permanently preserved.

All FPP participants are eligible for cost-sharing grants to offset half of the cost of a wide array of soil and water conservation projects. During FY97, 44 state grants for over $462,000 were approved and another $407,000 was paid to landowners in payment for completion of 55 approved projects. In the last decade, the SADC has invested just over $3.3 million in these conservation efforts while Garden State farmers have invested far more than that in conservation projects to increase productivity and protect finite soil and water resources.

State funding for the year's farmland preservation purchases and soil and water cost-sharing grants came from three sources, the Farmland Preservation Bond Act of 1981, the Open Space Preservation Bond Act of 1989 and the Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992. Each of the three bond issues provided $50 million for farmland preservation efforts.

For the first time, the SADC received a $1 million grant from USDA's Natural Resources Conservation Service to help with the purchase of development easements on 13 properties covering 2,194 acres in 12 counties. This federal government's participation was made possible under the Farmland Protection Program included in the Federal Agriculture Improvement and Reform Act of 1996 which made $14.5 million available nationwide for easement development purchases.

Efforts to strengthen the state's Right to Farm Act were furthered with the establishment of a fully operational right- to-farm program as mandated under the SADC's enabling legislation. In addition, the SADC developed a right-to-farm case registry and assigned a liaison to work with municipalities, private citizens and farmers to help resolve local conflicts. A broad-based Agricultural Right-to-Farm Task Force was established to review the Right to Farm Act, draft proposed amendments to the Act and implement a strategy to execute right to farm initiatives.

In another new initiative, the SADC established the Farm Link program to match potential buyers with potential sellers of farmland. Farmers who want to expand their farms or prospective farmers who want to start farming will be able to take advantage of Farm Link as will farmers who would like to make sure the land stays in production when they retire but have no family members who want to continue to farm.

A database was constructed consisting of potential farmers as well as retiring farmers and relocating

landowners. The information will be continually updated and augmented and made available at no charge to buyers and sellers. Both unrestricted farmland and deed-restricted farmland enrolled in the FPP will be tracked through Farm Link.

Ultimately New Jersey's Farm Link program will become an active member of the National Family Farm/Ranch Transition Network, a national clearinghouse for land-link programs that can also offer the state's Farm Link participants to buyers and sellers across the country.

Another historic first for the SADC and New Jersey's farmland and open space protection efforts occurred in FY97 with the organization of the Board of Directors of the state's Transfer of Development Rights (TDR) Bank and its first grant authorization. The bank will provide financial and other assistance to landowners and to municipalities which enact TDR ordinances. The TDR Bank awarded its first $10,000 planning grant to the Township of Lumberton in Burlington County as partial reimbursement for costs associated with the implementation of its TDR ordinance.

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New Jersey Agriculture
Telephone Numbers

NJ Department of Agriculture
PO Box 330
Trenton, NJ 08625

All phone numbers are in the 609 area code

OFFICE OF THE SECRETARY

State Board of Agriculture	633-7794
Secretary of Agriculture	292-3976
Assistant Secretary of Agriculture	292-5530
Chief of Staff	633-7794
Agricultural Development	292-8897
EEO/AA; Emergency Management	633-2954
Legislation	633-7794
Public Information	292-8896

ADMINISTRATION

Division Director	292-6931
Administrative Services	292-5674
Fiscal Services	292-7738
Human Resources	292-5517
Information Processing Services	292-0956

ANIMAL HEALTH

Division Director	292-3965
Diagnostic Laboratory	984-2293
Livestock Disease Control	292-3965

DAIRY & COMMODITY REGULATION

Division Director	292-5575
Dairy Data & Analysis	984-2511
Dairy Enforcement	292-6382
Dairy Licensing & Bonding	292-5646
Agricultural Chemistry	984-2222
Commodity Inspection & Grading	984-2225
Commodity Licensing & Bonding	292-5577
Fruit & Vegetable Grading	453-3870

MARKETS

Division Director		292-5536
Export Development		292-8853
Fair & Shows		292-5536
Food Distribution	School Lunch	292-5068
	TEFAP	292-0337
Horse Breeding & Development		984-4389
Horse Park of New Jersey		259-0170
Jersey Fresh		292-8853
Market News & Cooperatives		453-3870
Sire Stakes Program		292-8830

PLANT INDUSTRY

Division Director	292-5441
Apiary Inspection	292-5440
Beneficial Insect Laboratory	530-4192
Gypsy Moth Suppression	292-5440
Nursery Inspection	292-5442
Plant Laboratory Services	292-5443
Plant Pest Surveys	292-5440
Seed Certification & Control	292-6075
USDA-APHIS, PPQ Inspection Services	984-3707

RURAL RESOURCES

Division Director	292-5532
FFA	984-3732
Fish & Seafood Development	984-6757
Grants Management	984-2502
Natural Resource Conservation	292-5540
New Jersey Agricultural Statistics	292-6385
Rural Development Services	984-2503

STATE AGRICULTURE DEVELOPMENT COMMITTEE

Executive Director	984-2504
Farm Link	984-2504
Farmland Preservation	984-2504
Right to Farm	984-2504