

DEPARTMENT OF AGRICULTURE

OVERVIEW

The mission of the Department of Agriculture is to promote and provide high-quality, nutritious, abundant, safe and affordable food and other agricultural products, to improve the economic viability of the agriculture industry and foster opportunities for farm profitability, to preserve and protect agricultural and natural resources, and to provide leadership and excellence in services to New Jersey agriculture and the general public.

The Department's goals are to preserve farms; protect and conserve natural and agricultural resources; protect producers and consumers by ensuring safe, high-quality agricultural products and services; support and expand profitable, innovative agricultural and food industry development; provide access to fresh and nutritious foods for children, the needy and other New Jersey citizens; promote agricultural education awareness and involvement; and guarantee the delivery of quality services by a well-trained and motivated workforce.

Fiscal 2005 reflects a reorganization which affects four of the Department's divisions. The purpose of the plan is to improve services to New Jersey farmers and the State's citizens, better organize the Department to adapt to a changing agriculture industry, consolidate the number of operating units for greater responsiveness and operational efficiency, maximize the potential for cross-utilization of staff between programs, and combine the market and promotional activities of the Department into a single unit as defined in Reorganization Plan 003-2002.

The plan accomplishes this by consolidating functions of the Division of Dairy and Commodity Regulation into the newly created Division of Marketing and Development Services, formerly the Division of Markets. This organization will increase the impact of commodity inspections and grading efforts related to New Jersey specific promotion and advertising programs. The Department consolidated all of the child nutrition and food distribution programs from the Bureaus of Commodity Distribution and Child Nutrition Services into the newly established Division of Food and Nutrition Services. These programs extensively utilize federal funds to provide nutrition services to schools and distribute federal surplus food made available by the United States' Department of Agriculture to schools, institutions, summer camps and non-profit organizations.

Budget Highlights

The fiscal 2005 budget for the Department of Agriculture totals \$20.3 million, an increase of \$1.8 million, or 9.9%, from the fiscal 2004 adjusted appropriation of \$18.5 million.

Preservation and Conservation

The Farmland Preservation Program purchases development easements on farms and purchases farmland outright for permanent preservation, helping to ensure a stable land base for agriculture and protecting the quality of life in communities throughout the State. Since its inception, the Garden State Preservation Trust Act has provided a total of \$411 million for farmland preservation, including \$90 million in fiscal 2004. Counting the 20,000 acres which are expected to be preserved in fiscal 2004, a total of 1,200 farms covering 129,500 acres will have been preserved since the program began in 1983. Of the total acreage preserved from the programs inception in 1983 through December 2003, 25 percent has been preserved under the McGreevey administration. To date, New Jersey has preserved approximately 14 percent of its estimated 820,000 acres of available farmland - a higher percentage than any other state. The State's farmland preservation program helps meet the goal for smart growth by keeping communities green, open and productive.

The Garden State Preservation Trust has approved a new financing structure, beginning in fiscal 2003, that will allow the State to minimize interest and debt service costs to taxpayers while maximizing the proceeds generated for the open space program. The plan will provide the Garden State Preservation Trust an additional \$150 million, through the use of current interest and zero coupon bonds, to expedite the preservation of New Jersey's critical open space. The State Agriculture Development Committee has preserved 312 farms since January 2002.

The Soil and Water Conservation Grant program will receive \$1.2 million in fiscal 2005, an increase of \$819,000 over the fiscal 2004 amount of \$361,000. The program is managed through the State Agriculture Development Committee (SADC). Its purpose is to provide grants for landowners for up to 50% of the cost of soil and water conservation projects approved as eligible for funding.

The Conservation Reserve Enhancement Plan (CREP) is a 10 year \$100 million program, \$77 million of which will come from the federal government, and \$23 million from the State through the value of easement, that will pay landowners 90% of the cost to install buffers in order to help farmers reduce impairment from agricultural water runoff sources. This effort will improve water quality along both impaired and unimpaired New Jersey streams.

Another incentive for conservation is the implementation of a capital gains tax waiver for landowners who sell their property to the State's open space program.

The Conservation Cost Share Program helps to improve the quality of New Jersey's waterways and groundwater by providing financial and technical assistance to farmers who implement conservation practices that control non-point source pollution. To maximize program assistance to farmers and provide increased environmental benefits to the State, this funding is combined with the federal Environmental Quality Incentive Program. In fiscal 2005, the Conservation Cost Share Program's funding of \$540,000 will be provided through the Corporate Business Tax (CBT) dedication for Watershed Management, which funds similar non-point source pollution projects in the Department of Environmental Protection.

Continuing Programs

To maximize the impact of the Jersey Fresh marketing campaign, the Department coordinates with the Commerce and Economic Growth Commission's fall advertising for travel and tourism as well as with the New Jersey State Lottery. In addition, funding of \$75,000 is provided in fiscal 2005 for Promotional Marketing Development matching grants to enable agricultural organizations to carve out their own Jersey Fresh niche through such efforts as festivals and farm market promotional events.

The School Breakfast Program reimburses school districts that provide breakfast to students. The program received approximately \$1.6 million in fiscal 2004, and will increase by \$1.3 million to \$2.9 million in FY2005. The program is intended to augment an existing breakfast program by mandating participation by schools in which 20 percent or more of the students enrolled are eligible for a free or reduced price meal under the federal School Lunch Program. Phase I of this mandate takes effect in September 2004 for 318 targeted schools with Pre-K to sixth grade students and Phase II in September 2005 for all other targeted schools with grades seven through twelve. The State Aid appropriations for the School Lunch Program will continue at \$7 million.

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Accomplishments

A total of 20,000 acres of farmland were preserved statewide in 2003, the largest annual amount since the inception of the program. An agricultural smart growth plan was developed to provide the farming community and all levels of government with the necessary guidance, education and tools to guide farmland preservation,

strengthen agriculture and accommodate necessary growth.

Ten new community farmers were established across the State as part of a series of economic-development efforts to provide additional market opportunities for farmers and to increase accessibility to farm-fresh products for consumers.

DEPARTMENT OF AGRICULTURE

SUMMARY OF APPROPRIATIONS BY FUND

(thousands of dollars)

Year Ending June 30, 2003						Year Ending June 30, 2005		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2004 Adjusted Approp.	Requested	Recom- mended
10,665	1,432	-525	11,572	11,157	Direct State Services	9,442	9,123	9,123
1,909	309	-375	1,843	1,731	Grants-In-Aid	436	1,255	1,255
8,642	354	-2	8,994	8,994	State Aid	8,642	9,968	9,968
---	12	5,129	5,141	---	Capital Construction	---	---	---
21,216	2,107	4,227	27,550	21,882	Total General Fund	18,520	20,346	20,346
21,216	2,107	4,227	27,550	21,882	GRAND TOTAL	18,520	20,346	20,346

SUMMARY OF APPROPRIATIONS BY PROGRAM

(thousands of dollars)

Year Ending June 30, 2003						Year Ending June 30, 2005		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2004 Adjusted Approp.	Requested	Recom- mended
					DIRECT STATE SERVICES - GENERAL FUND			
					Agricultural Resources, Planning, and Regulation			
1,358	142	-179	1,321	1,160	Animal Disease Control	1,180	1,180	1,180
2,110	609	-312	2,407	2,249	Plant Pest and Disease Control	1,889	1,889	1,889
788	226	140	1,154	1,094	Agriculture and Natural Resources	1,024	1,024	1,024
338	---	---	338	338	Food and Nutrition Services	338	338	338
3,075	455	-251	3,279	3,245	Marketing and Development Services	2,499	2,309	2,309
1,750	---	-8	1,742	1,740	Farmland Preservation	1,740	1,740	1,740
1,246	---	85	1,331	1,331	Administration and Support Services	772	643	643
10,665	1,432	-525	11,572	11,157	<i>Subtotal</i>	9,442	9,123	9,123
10,665	1,432	-525	11,572	11,157	<i>Subtotal Direct State Services - General Fund</i>	9,442	9,123	9,123
10,665	1,432	-525	11,572	11,157	TOTAL DIRECT STATE SERVICES	9,442	9,123	9,123
					GRANTS-IN-AID - GENERAL FUND			
					Agricultural Resources, Planning, and Regulation			
564	309	-374	499	387	Agriculture and Natural Resources	---	---	---
165	---	-1	164	164	Marketing and Development Services	75	75	75
1,180	---	---	1,180	1,180	Farmland Preservation	361	1,180	1,180
1,909	309	-375	1,843	1,731	<i>Subtotal</i>	436	1,255	1,255
1,909	309	-375	1,843	1,731	<i>Subtotal Grants-In-Aid - General Fund</i>	436	1,255	1,255
1,909	309	-375	1,843	1,731	TOTAL GRANTS-IN-AID	436	1,255	1,255

Year Ending June 30, 2003					Year Ending June 30, 2005		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2004 Adjusted Approp.	Requested	Recom- mended
STATE AID - GENERAL FUND							
Agricultural Resources, Planning, and Regulation							
8,592	354	---	8,946	8,946	8,592	9,918	9,918
50	---	-2	48	48	50	50	50
8,642	354	-2	8,994	8,994	8,642	9,968	9,968
<i>Subtotal</i>					<i>8,642</i>	<i>9,968</i>	<i>9,968</i>
8,642	354	-2	8,994	8,994	8,642	9,968	9,968
<i>Subtotal State Aid - General Fund</i>					<i>8,642</i>	<i>9,968</i>	<i>9,968</i>
8,642	354	-2	8,994	8,994	8,642	9,968	9,968
TOTAL STATE AID					8,642	9,968	9,968
CAPITAL CONSTRUCTION							
Agricultural Resources, Planning, and Regulation							
---	2	---	2	---	---	---	---
---	---	5,139	5,139	---	---	---	---
---	10	-10	---	---	---	---	---
---	12	5,129	5,141	---	---	---	---
<i>Subtotal</i>					<i>---</i>	<i>---</i>	<i>---</i>
---	12	5,129	5,141	---	---	---	---
<i>Subtotal Capital Construction</i>					<i>---</i>	<i>---</i>	<i>---</i>
21,216	2,107	4,227	27,550	21,882	18,520	20,346	20,346
TOTAL APPROPRIATION					18,520	20,346	20,346

40. COMMUNITY DEVELOPMENT AND ENVIRONMENTAL MANAGEMENT

49. AGRICULTURAL RESOURCES, PLANNING, AND REGULATION

OBJECTIVES

1. Permanently preserve and retain the maximum amount of New Jersey farmland in order to maintain a viable agriculture and food industry, and promote smart growth and a high quality of life for New Jersey citizens.
2. To encourage and support stewardship of agricultural and open land and other natural resources to protect and enhance fertile soils, clean water and productive and healthy animal and plant resources.
3. To administer fair and effective regulatory, inspection, grading and other quality assurance programs for food, agricultural products and agricultural inputs.
4. To foster agricultural economic growth, profitability and a positive business climate through technical and financial assistance, market development, and effective product and industry promotion.
5. To implement food and nutrition assistance programs to maximize participation by eligible New Jersey citizens, and strengthen agriculture's relationship with the food industry.
6. To ensure the sustainability of New Jersey's agricultural industry through agricultural education, youth development, training opportunities, and successful communication with the agricultural community, general public and all levels of government.
7. To produce quality in all the Department does through a diverse, effectively managed, highly trained and committed staff supported by efficient use of available technology and resources in a work environment that fosters excellence.

PROGRAM CLASSIFICATIONS

01. **Animal Disease Control.** Resident and imported animals are subject to Department programs of disease detection, control and eradication. These include surveys, periodic inspections, regular and special field and laboratory examinations, quarantines, slaughter of certain animals, disinfection, and related epidemiology. Programs and regulations are adjusted based on changes in the appearance and virulence of disease in and out of State. The Division sets standards and issues licenses to livestock dealers, auctions, and biologic manufacturers and distributors in order to reduce the spread of infection. To prevent the introduction of exotic diseases not known to this country, it participates in the United State Department of Agriculture (USDA)'s National Emergency Animal Disease Eradication Program. One phase involved is the licensing and supervision of the processing of food wastes fed to swine to prevent food borne disease. In addition, the Division takes the lead in working with the State's Domestic Security Taskforce in identifying potential terrorism threats related to the state's agricultural and agribusiness sectors.
The Division of Animal Health also operates an animal health diagnostic laboratory to identify causes of disease.
02. **Plant Pest and Disease Control.** The food crop, forests, and other plant resources of the State are protected against injurious plant insects and diseases by programs of the Department. Surveys and investigations are conducted regularly to delineate and measure insect populations and disease problems. Major infestations are countered with carefully regulated chemical and/or biological control programs. Where beneficial insects or other parasites are

known, the Department, through its beneficial insect rearing laboratory, mass produces and releases them into the agricultural or forest environment for pest control.

In cooperation with the USDA, the Department controls the movement of plant materials. All nurseries producing plant materials are inspected for pests and disease and must be free of both to qualify for certification.

Samples of agricultural and garden seed are randomly selected and tested for variety content, germination, and other labeled guarantees. Products which do not conform to label claims are removed from sale and violators are subject to penalty action and prosecution.

03. **Agriculture and Natural Resources.** This program is designed to maintain, conserve, and enhance New Jersey's rural and agricultural resources and to control erosion, sedimentation, and non-point sources of water pollution and storm water damage. The primary objectives of this program are to improve agricultural productivity and New Jersey's agricultural business climate while maintaining environmental quality.

Soil and water resource management standards and regulations are promulgated and plans for soil erosion and sediment control are certified for land disturbance activities. Technical assistance is provided to landowners and public agencies through the State Soil Conservation Committee and local soil conservation districts. Cost sharing is provided to eligible farmland owners who install conservation systems.

The Division coordinates the implementation of the State's Aquaculture Development Act and coordinates the agricultural education and Future Farmers of America youth programs.

05. **Food and Nutrition Services.** This newly established division, which consolidated the former Bureaus of Commodity Distribution and Child Nutrition Services, was created to more accurately reflect the mission of the organizational unit.

The Child Nutrition program consists of six components in public and non-public schools, residential and non-residential childcare institutions, day care centers, recreation centers, and other agencies that qualify for this aid. Program responsibilities include developing, disseminating, evaluating, and approving all pertinent program documents required for participation; providing technical assistance in the areas of implementation, facilities improvement, and food service methods; on-site monitoring of programs for compliance with State and Federal regulations; and providing financial assistance.

State and Federal reimbursements are paid to school districts for part of the cost of school lunches and federal funds are paid to offset part of the cost of school breakfasts. In addition, non-school programs receive federal foods, especially for disadvantaged children.

The Commodity Distribution program requisitions, receives, handles, stores, and distributes federal surplus food made available by the United States Department of Agriculture for distribution to State, county and municipal institutions, schools, charitable and welfare organizations, and needy individuals. It also processes some of the federally-donated basic food commodities. Inspections are made of all organizations and institutions for compliance.

The Temporary Emergency Food Assistance Program (TEFAP) distributes federally-donated food commodities to

needy citizens through a network of food centers, food banks, and food pantries.

06. **Marketing and Development Services.** This division, formerly the Division of Markets, was renamed as directed by the reorganization plan submitted by the Department to accurately reflect the intent of the organizational unit. The program conducts advertising, market development and promotion activities to create a positive image of New Jersey's agricultural products and to increase consumer awareness and sales.

This "Jersey Fresh" Program, aimed at domestic and foreign consumers, assists New Jersey farmers in expanding their market share. Individual product promotions are also conducted by eight agricultural commodity councils.

Programs for the promotion of the New Jersey horse industry are conducted with funds derived from a small percentage of the pari-mutuel handle at both the thoroughbred and standard bred racetracks. Growth of the horse breeding industry is encouraged through monies awarded in the form of stakes purses and breeders awards. The continued growth and expansion of the Horse Park of New Jersey is supported.

This program also contains the Agricultural Chemistry Program, which determines compliance with the stated contents of animal feeds, fertilizers, and liming materials offered for sale for farm and non-farm use. Random inspections and analyses of raw material commodities and animal feeds are conducted to determine the presence of natural and anthropogenic contaminants and adulterants.

Through on-site inspections at agribusiness plants, consumers are assured a supply of the highest quality fresh fruits and vegetables, fish, shell eggs, and egg and poultry products. Official inspection and grading services are provided to farmers, packers, processors, and wholesale and retail markets under formal agreements with the United States Departments of Agriculture and Commerce.

The Dairy program is responsible for fostering a stable and competitive dairy industry, including the regulation and enforcement of the production, processing, distribution, and sales of fluid dairy products. In addition, this program licenses dealers who purchase milk from New Jersey farmers or who sell fluid dairy products to other dealers and to retail outlets. In order to be licensed, the dealers must post a bond with the Secretary of Agriculture conditioned upon the payment of all amount due and owing to New Jersey farmers.

08. **Farmland Preservation.** The State Agriculture Development Committee (SADC) administers New Jersey's Farmland Preservation Program.

The Farmland Preservation Program compensates farm owners for their development rights if they deed restrict their farms against future development. The terms of these deed restrictions can be permanent or for as short a period as eight years. Future owners of those farms permanently preserved must comply with all deed restrictions.

The SADC also coordinates a variety of programs with participating counties and farmland owners to protect important farmland in sufficient quantity and quality to foster long-term agricultural viability. It is also charged with specific right-to-farm responsibilities relating to agriculture.

99. **Administration and Support Services.** The State Board of Agriculture consists of eight farmers, elected at the annual Agricultural Convention. The Board is empowered to establish those programs, regulations, and policies it deems

essential to accomplish responsibilities assigned to the Department. The Secretary of Agriculture serves as Secretary to the Board and Chief Executive of the Department, and is a member of the Governor's Cabinet. The Secretary is responsible for implementing State laws, regulations, and policies established by the Board of Agriculture.

The Secretary's office provides overall planning, coordina-

tion, and priority guidance for Department programs, policy and plan development, general hearing services, agricultural information services, and executive and legislative liaison. Department-wide general administrative services are provided, including services related to personnel and employee relations, fiscal control, management systems, and other administrative functions.

EVALUATION DATA

	Actual FY 2002	Actual FY 2003	Revised FY 2004	Budget Estimate FY 2005
PROGRAM DATA				
Animal and Plant Disease Control				
Animal Disease Control:				
Regulatory, inspections and field testing	635	645	645	645
General, special, and other laboratory exams	46,000	48,000	48,000	48,000
Plant Disease Control:				
Nurseries and dealers certified free of plant pests	1,825	1,600	1,600	1,600
Nursery acreage certified free of plant pests	16,300	16,500	17,000	17,000
Percent of bee colonies found disease free (%)	99	99	99	99
Percent of seed meeting truth in labeling requirements (%)	95	95	95	95
Pounds of pesticide not applied	1,310,797	1,290,000	1,300,000	1,280,000
Forest and crop acreage stabilized biologically	991,376	995,000	995,000	992,000
Forested acres protected from gypsy moth infestations	25,000	13,000	20,000	5,000
Major exotic insect & plant disease field surveys	10	8	9	9
Agriculture and Natural Resources				
Aquaculture Production (lbs.)	40,000,000	42,000,000	43,000,000	43,000,000
Soil and Water Conservation Programs:				
Land protected from soil erosion and sedimentation during development (acres)	35,100	35,000	36,000	37,000
Farm acreage subject to non-point source pollution control efforts	436,000	430,000	445,000	448,000
Marketing and Development Services				
Percent agricultural inputs meeting label guarantees:				
Fertilizer (%)	75	89	90	90
Lime (%)	90	80	80	80
Feed (%)	90	91	90	90
Milk license financial disputes settled	80	73	75	75
Producers licensed to pack Jersey Fresh logo	240	189	230	230
Agricultural commodities inspected and graded (lbs.)	650,000,000	650,000,000	650,000,000	650,000,000
Impressions from Jersey Fresh advertising	187,000,000	160,000,000	150,000,000	200,000,000
Individual store outlets featuring New Jersey agricultural products	3,250	3,275	3,300	3,300
Racing mares bred	2,300	2,356	2,560	2,500
Food and Nutrition Services				
Temporary emergency food assistance program	12,500,000	12,750,000	12,500,000	13,000,000
School lunch	28,000,000	28,500,000	28,000,000	28,500,000
Farmland Preservation				
Cumulative acres permanently preserved	94,806	110,476	131,000	151,000
Cumulative farms permanently preserved	724	918	1,160	1,410
Eight year program (acres)	30,479	29,805	29,000	28,000
County/Municipal participation (\$)	19,502,618	19,706,190	25,000,000	20,000,000
Total landowner donations (\$)	2,008,250	2,062,382	2,000,000	2,000,000
PERSONNEL DATA				
Affirmative Action Data				
Male Minority	18	20	20	20
Male Minority %	7.0	7.9	7.8	7.7
Female Minority	33	31	32	33
Female Minority %	12.9	12.2	12.4	12.7
Total Minority	51	51	52	53
Total Minority %	19.9	20.1	20.2	20.4

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	Actual FY 2002	Actual FY 2003	Revised FY 2004	Budget Estimate FY 2005
Position Data				
Filled Positions by Funding Source				
State Supported	168	152	153	147
Federal	44	47	51	57
All Other	44	47	52	55
Total Positions	256	246	256	259
Filled Positions by Program Class				
Animal Health	22	22	23	23
Plant Pest and Disease Control	39	35	37	41
Agriculture and Natural Resources	26	24	24	24
Food and Nutrition Services	57	60	61	64
Marketing and Development Services	56	54	54	58
Administration and Support Services	27	27	25	18
Farmland Preservation	29	24	32	31
Total Positions	256	246	256	259

Notes:

Actual payroll counts are reported for fiscal years 2002 and 2003 as of December and revised fiscal year 2004 as of September. The Budget Estimates for fiscal year 2005 reflect the number of positions funded.

(a) Pursuant to Reorganization Plan Number 003-2002, Dairy and Commodity Regulation has been merged with Marketing and Development Services.

(b) Food and Nutrition Services consolidated the Child Nutrition Services formally part of Marketing Development Services and Commodity Distribution.

APPROPRIATIONS DATA
(thousands of dollars)

Year Ending June 30, 2003					Year Ending June 30, 2005			
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Total Expended	Prog. Class.	2004 Adjusted Approp.	Requested	Recommended
<u>DIRECT STATE SERVICES</u>								
Distribution by Fund and Program								
1,358	142	-179	1,321	1,160	01	1,180	1,180	1,180
2,110	609	-312	2,407	2,249	02	1,889	1,889	1,889
788	226	140	1,154	1,094				
					03	1,024	1,024	1,024
338	---	---	338	338	05	338	338	338
3,075	455	-251	3,279	3,245				
					06	2,499	2,309	2,309
1,750	---	-8	1,742	1,740	08	1,740	1,740	1,740
1,246	---	85	1,331	1,331				
					99	772	643	643
10,665	1,432	-525	11,572	11,157		9,442 (a)	9,123	9,123
Distribution by Fund and Object								
Personal Services:								
6,334	22 632 R	-613	6,375	6,350		5,727	5,432	5,432
6,334	654	-613	6,375	6,350		5,727	5,432	5,432
496	14	-18	492	476		189	189	189
312	3 142 R	260	717	570		296	296	296
271	4	-44	231	231		195	195	195
Special Purpose:								
---	100 22 R	-98	24	---	02	---	---	---

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Year Ending June 30, 2003					Year Ending June 30, 2005				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	2004 Adjusted Approp.	Requested	Recom- mended	
<u>DIRECT STATE SERVICES</u>									
---	131 49 ^R	---	180	99	02	---	---	---	---
---	84 142 ^R	---	226	163	03	---	---	---	---
338	---	---	338	338	05	338	338	338	338
1,026	---	-3	1,023	1,022	06	826	826	826	826
---	86 ^R	-86	---	---	06	---	---	---	---
30 62 ^S	---	---	92	62	06	---	---	---	---
100	---	-8	92	91	08	90	90	90	90
1,650	---	---	1,650	1,649	08	1,650	1,650	1,650	1,650
18	---	---	18	17	99	18	18	18	18
28	---	-28	---	---	99	28	28	28	28
---	1	113	114	89		85	61	61	61
<u>GRANTS-IN-AID</u>									
Distribution by Fund and Program									
564	309	-374	499	387	03	---	---	---	---
165	---	-1	164	164	06	75	75	75	75
1,180	---	---	1,180	1,180	08	361	1,180	1,180	1,180
1,909	309	-375	1,843	1,731	Total Grants-in-Aid		436	1,255	1,255
Distribution by Fund and Object									
Grants:									
24	---	---	24	24	03	---	---	---	---
540	309	-374	475	363	03	---	---	---	---
75	---	-1	74	74	06	75	75	75	75
90	---	---	90	90	06	---	---	---	---
1,180	---	---	1,180	1,180	08	361	1,180	1,180	1,180
<u>STATE AID</u>									
Distribution by Fund and Program									
8,592	354	---	8,946	8,946	05	8,592	9,918	9,918	9,918
50	---	-2	48	48	08	50	50	50	50
8,642	354	-2	8,994	8,994	Total State Aid		8,642	9,968	9,968
Distribution by Fund and Object									
State Aid:									
1,588	354	---	1,942	1,942	05	1,588	2,914	2,914	2,914
439	---	---	439	439	05	439	439	439	439

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Year Ending June 30, 2003					Year Ending June 30, 2005				
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	2004 Adjusted Approp.	Requested	Recommended	
STATE AID									
6,565	---	---	6,565	6,565	School Lunch - State Aid Grants	05	6,565	6,565	6,565
50	---	-2	48	48	Payments in Lieu of Taxes	08	50	50	50
CAPITAL CONSTRUCTION									
Distribution by Fund and Program									
---	2	---	2	---	Plant Pest and Disease Control	02	---	---	---
---	---	5,139	5,139	---	Agriculture and Natural Resources	03	---	---	---
---	10	-10	---	---	Farmland Preservation	08	---	---	---
---	12	5,129	5,141	---	Total Capital Construction		---	---	---
Distribution by Fund and Object									
Division of Plant Industry									
---	2	---	2	---	Renovations to Phillip Alampi Beneficial Insect Laboratory	02	---	---	---
State Agriculture Development Commission									
---	---	5,139	5,139	---	Direct Easement	03	---	---	---
---	10	-10	---	---	Open Space - Local Match	08	---	---	---
21,216	2,107	4,227	27,550	21,882	Grand Total State Appropriation		18,520	20,346	20,346
OTHER RELATED APPROPRIATIONS									
Federal Funds									
18					Animal Disease Control	01	18	18	18
91 ^S	16	---	125	62	Plant Pest and Disease Control	02	1,270	1,270	1,270
899	666	---	1,909	993	Agriculture and Natural Resources	03	25	25	25
344 ^S	855	---	855	855	Food and Nutrition Services	05	248,179	248,179	248,179
---					Marketing and Development Services	06	388	388	388
228,019	2,623	---	230,714	175,829	Farmland Preservation	08	6,000	6,000	6,000
72 ^S					Total Federal Funds		255,880	255,880	255,880
229	440	---	764	577	All Other Funds				
95 ^S					Animal Disease Control	01	142	142	142
552	1,192	---	1,744	1,595	Plant Pest and Disease Control	02	327	321	321
---					Agriculture and Natural Resources	03	200	270	270
---	218	---	2,114	1,889	Food and Nutrition Services	05	1,515	1,516	1,516
---	1,896 ^R	---			Marketing and Development Services	06	6,832	6,844	6,844
---	3,539	16	9,934	7,429	Farmland Preservation	08	588	691	691
---	6,379 ^R	---			Administration and Support Services	99	---	---	---
---	1	---	448	448	Total All Other Funds		9,604	9,784	9,784
---	447 ^R	---	60	33	GRAND TOTAL ALL FUNDS		284,004	286,010	286,010
---	60	---							
---	12,642	16	12,658	9,883					
251,535	20,541	4,243	276,319	211,676					

Notes -- Direct State Services - General Fund

(a) The fiscal year 2004 appropriation has been adjusted for the allocation of the salary program in accordance with the provisions of P. L. 2003, c. 122 (Fiscal Year 2004 Appropriations Act).

Language Recommendations -- Direct State Services - General Fund

- Receipts from laboratory test fees are appropriated to support the Animal Health Laboratory program. The unexpended balance as of June 30, 2004 in the Animal Health Laboratory receipt account is appropriated for the same purpose.
- Receipts from the seed laboratory testing and certification programs are appropriated for program costs. The unexpended balance as of June 30, 2004 in the seed laboratory testing and certification receipt account is appropriated for the same purpose.
- Receipts from Nursery Inspection fees are appropriated for Nursery Inspection program costs. The unexpended balance as of June 30, 2004 in the Nursery Inspection program is appropriated for the same purpose.
- Receipts from the sale or studies of beneficial insects are appropriated to support the Beneficial Insect Laboratory. The unexpended balance as of June 30, 2004 in the Sale of Insects account is appropriated for the same purpose.
- Receipts from Stormwater Discharge Permit program fees are appropriated for program costs. The unexpended balance as of June 30, 2004 in the Stormwater Discharge Permit Program account is appropriated for the same purpose.
- Receipts from dairy licenses and inspections are appropriated for program costs.
- Receipts in excess of the amount anticipated from feed, fertilizer, and liming material registrations and inspections are appropriated for program costs.
- Receipts from agriculture chemistry fees not to exceed \$150,000 shall be available to support the organic certification program.
- Receipts from inspection fees derived from fruit, vegetable, fish, red meat, and poultry inspections are appropriated for the cost of conducting fruit, vegetable, fish, and poultry inspections.
- An amount equal to receipts generated at the rate of \$.47 per gallon of wine, vermouth and sparkling wine sold by plenary winery and farm winery licensees issued pursuant to R.S.33:1-10, and certified by the Director of the Division of Taxation, are appropriated to the Department of Agriculture from the alcoholic beverage excise tax for expenses of the Wine Promotion Program.
- Receipts derived from the distribution of commodities, sale of containers, and salvage of commodities, in accordance with applicable federal regulations, are appropriated for Commodity Distribution expenses.
- Notwithstanding any other law to the contrary, an amount not to exceed \$1,650,000 shall be transferred from the Garden State Farmland Preservation Trust Fund to the General Fund and is appropriated to the State Agriculture Development Committee for Open Space Administrative Costs.

Language Recommendations -- Grants-In-Aid - General Fund

- The expenditure of funds for the Conservation Cost Share program shall be based upon an expenditure plan subject to the approval of the Director of the Division of Budget and Accounting.
- Notwithstanding any law to the contrary, \$540,000 shall be transferred from the Department of Environmental Protection's Water Resources Monitoring and Planning - Constitutional Dedication special purpose account to support the Conservation Cost Share program in the Department of Agriculture on or before September 1, 2004. Further additional sums may be transferred pursuant to a Memorandum of Understanding between the Department of Environmental Protection and the Department of Agriculture, from the Department of Environmental Protection's Water Resources Monitoring and Planning -Constitutional Dedication account to support non-point source pollution control programs in the Department of Agriculture, subject to the approval of the Director of the Division of Budget and Accounting. The unexpended balance of this program as of June 30, 2004 is appropriated for the same purpose, subject to the approval of the Director of the Division of Budget and Accounting.
- Notwithstanding the provisions of any other law to the contrary, the State Agriculture Development Committee, in determining eligibility for funding from the amount hereinabove appropriated for Soil and Water Conservation projects, shall give consideration to applications pursuant to the following priority: a. lands from which a development easement has been permanently conveyed pursuant to section 17 of P.L.1983, c.32 (C.4:1C-24), section 5 of P.L.1988, c.4 (C.4:1C-31.1), section 39 of P.L.1999, c.152 (C.13:8C-39), section 40 of P.L.1999, c.152 (C.13:8C-40) or section 1 of P.L.1999, c.180 (C.4:1C-43.1); b. lands certified by the State Agriculture Development Committee to be within a municipally approved program or other farmland preservation program on or before January 1, 2004 pursuant to P.L.1983, c.32; c. lands certified by the State Agriculture Development Committee to be within a municipally approved program or other farmland preservation program subsequent to January 1, 2004 pursuant to P.L.1983, c.32.
- The unexpended balances as of June 30, 2004 in the Promotion/Market Development Account is appropriated for the same purpose.

Language Recommendations -- State Aid - General Fund

- Of the amount appropriated hereinabove from the General Fund for the Department of Agriculture, such sums as the Director of the Division of Budget and Accounting shall determine from the amount listed under School Nutrition in the Department of Agriculture schedule included in the Governor's Budget Message dated February 24, 2004, first shall be charged to the State Lottery Fund.